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# PAYMENTS TO OR FOR THE STATES, THE NORTHERN TERRITORY AND LOCAL GOVERNMENT AUTHORITIES 1986-87

PRESENTED BY  
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FOR THE INFORMATION OF  
HONOURABLE MEMBERS ON THE OCCASION  
OF THE BUDGET 1986-87

1986-87 BUDGET PAPER No. 7

## **1986-87 BUDGET PAPERS**

### **Budget Speech**

- No. 1 Budget Statements 1986-87**  
Contains detailed information on the Budget figuring and measures, as well as explanatory material on the broader economic context.
- No. 2 Appropriation Bill (No. 1) 1986-87**  
Appropriates sums out of the Consolidated Revenue Fund for the ordinary annual services of Government.
- No. 3 Appropriation Bill (No. 2) 1986-87**  
Appropriates sums out of the Consolidated Revenue Fund for new policies, capital works and services, plant and equipment and payments to the States and the Northern Territory.
- No. 4 Appropriation (Parliamentary Departments) Bill 1986-87**  
Appropriates sums out of the Consolidated Revenue Fund for Parliamentary Departments.
- No. 5 Estimates of Expenditure and Revenue of the Commonwealth Public Account 1986-87**  
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- No. 6 Portfolio Program Estimates 1986-87**  
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- No. 7 Payments to or for the States, the Northern Territory and Local Government Authorities 1986-87**  
Provides information on funds for the States, the Northern Territory and local government including Commonwealth assistance, Loan Council borrowings and borrowings by semi-government and local authorities under the Loan Council arrangements.
- No. 8 Government Securities on Issue at 30 June 1986**  
Provides data on the structure and movement of securities of the Commonwealth, the States and the Northern Territory.
- No. 9 Australia's Overseas Development Assistance Program 1986-87**  
Sets out details of Australia's overseas aid programs.
- No. 10 National Income and Expenditure 1985-86**  
Gives estimates of gross domestic product, gross national expenditure and national income for the previous five years.
- No. 11 Income Tax Statistics**  
Contains a summary of certain income tax data for the income years 1983-84 and 1984-85.

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Notes: Any discrepancies in tables between totals and sums of components are due to rounding  
n.a.—not yet available.  
.—nil to less than \$500.

## CHAPTER I—INTRODUCTION

The Commonwealth has made payments to the States since Federation. Prior to World War II these payments had a relatively small impact on the overall finances of the States. They were confined for the most part to special grants designed to assist the financially weaker States and to certain specific purpose grants, including assistance for roads and for debt charges.

During and after World War II, however, there was a marked increase in the amount and scope of assistance to the States. This reflected not only the introduction and continuation of uniform income tax, but also an increase in the range and variety of the activities of both Commonwealth and State governments and greater participation by the national government in matters which were previously considered to be the sole responsibility of the States.

Each year since 1960-61, a Paper on Commonwealth payments to the States has been included among the Budget documents. From 1974-75, the Paper has also encompassed Commonwealth payments to local government authorities and, from 1978-79, it has included payments to the Northern Territory of Australia (which became a self-governing Territory on 1 July 1978 with expenditure responsibilities and revenue raising powers broadly approximating those of a State).

This Paper focuses on direct payments to the States and the Northern Territory from the Commonwealth Budget, including State Governments' Loan Council borrowing programs, which are undertaken by the Commonwealth on behalf of the States, and general purpose capital assistance to the Northern Territory. In addition, as borrowings by State and local government authorities directly from financial markets are under Loan Council supervision, and because of their importance for State and local government finances and the overall financing of public sector activity, information is also included on these borrowings.

The payment and borrowing arrangements to apply in 1986-87 receive the most comprehensive treatment, although the five years 1982-83 to 1986-87 are covered in the tables where applicable. Information on earlier years may be found in earlier issues of the Paper. In particular, the 1975-76 issue of 'Payments to or for the States and Local Government Authorities' included a consistent series of aggregate figures back to 1956-57. The 1981-82 issue contained an historical appendix (Appendix II) showing general revenue payments since 1950-51 and special grants since 1910-11.

### Structure of the Paper

Chapter II provides a brief overview of trends in the State and local government sector's outlays, receipts, borrowings and indebtedness and in the magnitude and structure of Commonwealth payments to the sector. It also provides an overview of the outcome of the 13 June 1986 Premiers' Conference and Loan Council meeting. Subsequent chapters deal with the various Commonwealth payments and Loan Council borrowings in more detail.

The arrangements under which the Commonwealth makes payments to the States and the Northern Territory for general recurrent purposes ('general revenue funds') are described in Chapter III. These funds comprise the largest element in Commonwealth payments to the States and the Northern Territory and are provided as general subventions which these governments are free to use for any purpose.

Chapter IV provides information on the general purpose capital funds paid by the Commonwealth to the States and the Northern Territory under Loan Council arrangements. It also includes an explanation of changes in recent years to the arrangements for borrowings by State and Northern Territory semi-government and local authorities and, in particular, the Global Approach to such borrowings. Further statistical material on these general purpose capital funds is presented in Appendix II.

Specific purpose payments to the States and the Northern Territory (that is, funds 'tied' to a particular category of outlays), which finance a wide variety of expenditures for both recurrent and capital purposes, are described in Chapter V. Further statistical details relating to these payments are presented in Appendix III.

Chapter VI describes Commonwealth assistance to local government authorities, both direct and by way of payments through the States and the Northern Territory. The major item of assistance is the provision to local government authorities of general revenue assistance. These funds are paid to the States and the Northern Territory on the condition that they be passed on to local government authorities and they are therefore usually treated in this Paper as *specific purpose payments*. In the hands of the recipient local government authorities, however, such funds are properly regarded as untied general revenue assistance and are so treated in the discussion and tables in Chapter VI. Following the Report of the National Inquiry into Local Government Finance of 25 October 1986, certain changes were made by the Commonwealth in the arrangements for paying general revenue assistance to local government in 1986-87 and subsequent years. These new arrangements are outlined in Chapter VI.

### **Treatment of the Northern Territory in the Paper**

As mentioned above, the Northern Territory became a self-governing Territory on 1 July 1978 under the *Northern Territory (Self-Government) Act 1978*. Under this and associated legislation and regulations, the Territory has expenditure responsibilities and revenue raising powers broadly approximating those of a State, although the Territory is not a State under the Constitution. (The main matters over which the Ministers of the Northern Territory have executive authority were listed on pages 81 and 82 of the 1980-81 issue of this Paper.)

The basic framework for financial arrangements which was agreed between the Commonwealth and the Northern Territory in 1978 is set out in the *Memorandum of Understanding in Respect of Financial Arrangements Between the Commonwealth and a Self-governing Northern Territory*. The financial arrangements between the Commonwealth and the Northern Territory are modelled on the arrangements that apply between the Commonwealth and the States. Each year since 1979-80 the Commonwealth has provided the Northern Territory with grants for general revenue purposes, a grant by way of general revenue assistance to local government and specific purpose payments, under arrangements similar to those with the States. The Commonwealth has also provided general purpose capital funds to the Territory, comprising grant and loan components, on the same terms and conditions as apply to the general purpose capital funds paid to the States under Loan Council arrangements. In addition, the Territory's authorities borrow under arrangements analogous to the Loan Council arrangements for State semi-government and local authorities, government-owned companies and trusts.

Decisions taken at the Premiers' Conference held on 30 May 1985 brought the financial relationship between the Commonwealth and the Territory closer to that applying between the Commonwealth and the States. Since 1978-79, this Paper has presented a separate chapter providing details of the financial arrangements between the Commonwealth and the Territory and the borrowing arrangements for the Territory's authorities. In view of the development in these arrangements in recent years, that chapter has been discontinued and information relating to the Territory has either been absorbed into, or presented alongside, discussion of payments to the States and local government in the other chapters.

### **Relationship with Other Budget Papers and Terminology**

When examining the impact on the Commonwealth Budget and State and local government sector finances of payments to the States, the Northern Territory and local government authorities, the relevant aggregates are those relating to payments on a *net* basis—that is, after repayments of Commonwealth Government loans or sinking fund contributions by the States and the Northern Territory in respect of borrowings by the Commonwealth on their account. This is the approach adopted in other Budget Papers and also embodied in the national accounting aggregate 'grants and net advances to the States, the Northern Territory and local government authorities'.

Where repayments occur, however, they tend to lag behind the initial advances and, in many cases, are made in respect of programs which have already terminated. Moreover, repayments can be met from general purpose funds available to the States and the Northern Territory and their *direct* influence on the magnitude of the programs to which they nominally relate is not always clear. Reflecting this, and for ease and clarity of presentation and to provide a complete picture of the resources being directed to particular programs, the approach adopted in this Paper in presenting the detail of programs is to record payments on a *gross* basis. Tables showing repayments are, however, included in Appendix V to enable net figures to be derived where appropriate. To facilitate comparison with other Budget Papers, some tables, in particular the summary tables in Chapters I and II and in Appendix I, include *totals* on a net basis.

In the Statements in Budget Paper No 1, Commonwealth budget outlays are classified according to *function*—that is, outlays having like purposes or objectives are brought together under the one functional heading. Total payments and net advances by the Commonwealth to or for other levels of government which are covered in this Paper are shown in Table 1, classified on a functional basis.

**Table 1—Commonwealth Net Payments to the State and Local Government Sector by Function (a), 1982-83 to 1986-87**

	1982-83	1983-84	1984-85	1985-86		1986-87 (estimated)	
	Amount	Amount	Amount	Amount	Increase	Amount	Increase
	\$'000	\$'000	\$'000	\$'000	%	\$'000	%
Defence . . . . .	9 160	6 281	7 400	5 756	-22.2	3 698	-35.8
Education . . . . .	3 100 676	3 366 127	3 697 244	3 989 521	7.9	4 127 612	3.5
Health(b) . . . . .	254 434	435 250	965 129	1 115 785	15.6	1 145 013	2.6
Social Security and Welfare . . . . .	98 567	115 623	178 252	221 866	4.5	302 881	36.5
Housing and Community Amenities(c) . . . . .	498 710	752 252	956 776	1 054 758	10.2	1 204 010	14.2
Culture and Recreation . . . . .	8 874	15 375	32 472	45 384	9.8	61 249	34.9
Economic Services—							
Transport and Communication . . . . .	995 460	1 240 939	1 299 830	1 269 954	-2.3	1 258 500	-0.9
Industry Assistance and Development . . . . .	212 889	84 368	114 447	99 374	-13.2	184 703	85.9
Labour and Employment . . . . .	166 130	408 418	380 897	280 125	-26.5	212 955	-24.0
Other Economic Services . . . . .	80 981	77 039	111 779	65 547	-41.4	66 407	1.3
Total Economic Services . . . . .	1 455 460	1 810 764	1 906 953	1 715 001	-10.1	1 722 565	0.4
General Public Services . . . . .	34 090	35 424	39 579	45 255	14.3	65 088	43.8
Outlays Not Allocated to Function—							
General Revenue Funds(b) . . . . .	8 800 143	9 890 395	10 483 355	11 352 173	8.3	12 483 870	10.0
State Governments' Loan Council Programs(c) . . . . .	1 003 274	1 009 137	917 440	920 163	0.3	465 912	-49.4
Assistance Related to State Debts . . . . .	58 900	60 739	62 269	49 943	-19.8	51 567	3.3
Payments to Northern Territory . . . . .	570 739	645 873	687 300	700 698	1.9	716 518	2.3
Assistance for Local Government(d) . . . . .	426 519	461 535	488 864	538 532	10.2	585 613	8.7
Natural Disaster Relief . . . . .	131 800	122 487	-15 258	-7 999	47.6	-9 550	-19.4
Special Assistance to South West Tasmania . . . . .		62 906	33 871	33 571	-0.9	34 437	2.6
Total Not Allocated to Function . . . . .	10 991 375	12 253 071	12 657 841	13 587 080	7.3	14 328 367	5.5
Grand Total (net basis) . . . . .	16 451 346	18 790 166	20 441 647	21 780 404	6.5	22 960 484	5.4

(a) Includes payments to the Northern Territory. Net of repayments of Commonwealth advances and sinking fund contributions on State Governments' Loan Council programs and analogous programs for the Northern Territory.

(b) Identified health grants are classified under 'General Revenue Funds'.

(c) Amounts nominated by States from their Loan Council borrowing programs under the Commonwealth-State Housing Agreement and analogous amounts nominated by the Northern Territory have been classified to 'Housing and Community Amenities'.

(d) Comprising grants to the States for on-passing to local government authorities as general purpose assistance.

A distinction is often made in this Paper between payments and advances provided for *general* purposes ('untied' funds) and those provided for *specific* purposes ('tied' funds). In Table 1, all general purpose funds are classified under the 'Not Allocated to Function' heading except general purpose capital funds nominated by the States and the Northern Territory as being for the purpose of public housing. (Details of these nominating arrangements for public housing, which were first introduced in 1982-83, are provided in Chapters IV and V.) Some limited forms of specific purpose payments (*see* Chapter V) are also classified under the 'Not Allocated to Function' heading. In the following chapters, however, most specific purpose payments are grouped under functional headings.

## CHAPTER II—RECENT TRENDS IN STATE AND LOCAL GOVERNMENT SECTOR FINANCES

This chapter provides a broad overview of recent trends in the outlays, receipts and financing transactions of the State and local government sector. The discussion is based on data prepared by the Australian Bureau of Statistics (ABS) in the form published by the Statistician in 'Government Financial Estimates Australia 1985-86' (ABS Catalogue No 5501.0). However, certain adjustments have been made by the ABS to the data so that they are consistent with the estimates presented in Budget Paper No 10 'National Income and Expenditure 1985-86'. An outline of trends in the State and local government sector's indebtedness and in the major forms of Commonwealth payments to the State and local government sector is also provided following the discussion of the broader aggregates.

The chapter concludes with a summary of the major decisions taken at the 13 June 1986 Premiers' Conference and Loan Council meeting and estimates of funds which will be available to the State and local government sector in 1986-87 from Commonwealth grants and advances and borrowings by semi-government and local authorities. Further details on the decisions of the 13 June Premiers' Conference and Loan Council meeting and more detailed estimates of Commonwealth payments and authority borrowings for 1986-87 are provided in subsequent chapters.

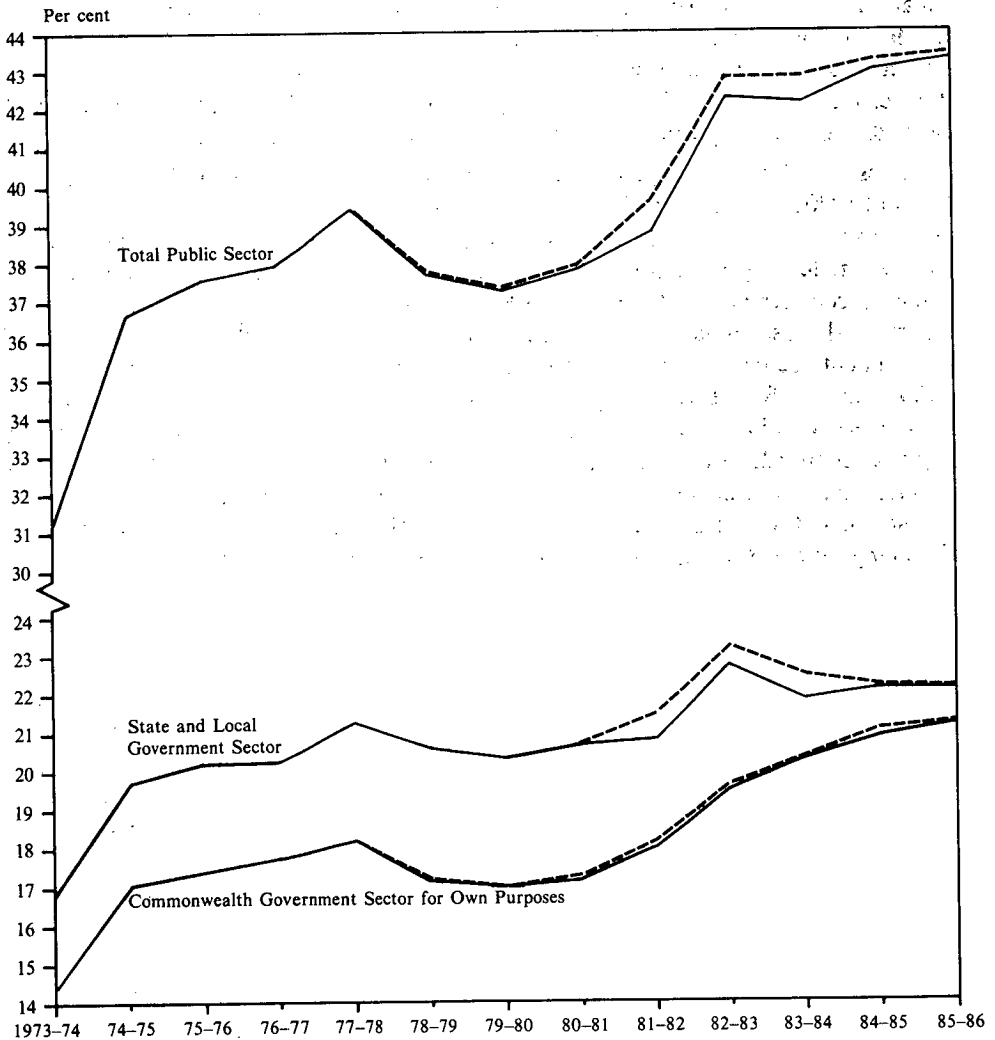
### Trends in State and Local Government Sector Outlays

Chart 1 compares outlays of the State and local government sector as a percentage of gross domestic product (GDP) for the years 1973-74 to 1985-86 with outlays of the Commonwealth government sector for its own purposes<sup>(1)</sup> and total public sector outlays for the same period. As can be seen, State and local government sector outlays have represented a higher proportion of GDP than Commonwealth own purpose outlays throughout the period. The solid lines in Chart 1 understate the level of outlays because the figures published by the ABS do not record the considerable use which Commonwealth and State authorities have made of sale and leaseback arrangements since 1981-82 as a means of funding fixed capital expenditures. The Statistician records the capital expenditures (and borrowings) associated with these transactions in the private sector, although it is the public sector which has, in effect, undertaken the capital expenditures (and new borrowings). Accordingly, to fully reflect the public sector's claims on resources, the broken lines in Chart 1 show estimates of capital expenditures including those associated with sale and leaseback arrangements.

<sup>(1)</sup> Commonwealth government sector (budget and non-budget) outlays for own purposes exclude any outlays which represent direct transfers to the State and local government sector, ie grants and advances, or outlays which are made on behalf of the State and local government sector. The latter includes interest paid by the Commonwealth to the private sector in respect of debt incurred on behalf of the States under Loan Council arrangements and on behalf of the Northern Territory. Similarly, the amount of interest paid by the States and the Northern Territory to the Commonwealth on advances from the Commonwealth is treated as a State outlay (the interest received by the Commonwealth from the States is offset against the increased debt servicing costs to the Commonwealth in making the advances). By netting out these transfers and correctly allocating payments made by the Commonwealth on an 'agency' basis for the States, it is possible to assess each sector's net demand on real and financial resources and to ensure that the total of each of the Commonwealth and State and local government sector's outlays is equal to the outlays of the public sector as a whole.

In very broad terms, the trend in each sector's outlays for its own purposes as a proportion of GDP was similar until 1982-83—a sharp increase in 1974-75 followed by a relatively flat picture until 1981-82 and a substantial increase in 1982-83. In 1983-84, however, State and local government sector outlays declined relative to GDP, whereas Commonwealth own purpose outlays continued to increase. Since then, State and local government sector outlays have been broadly unchanged as a proportion of GDP and remain at a high level in historical terms. Commonwealth own purpose outlays peaked relative to GDP in 1985-86 but are expected to fall in 1986-87.

**Chart 1: Outlays of Public Sector as a Percentage of GDP (a)**



(a) Prior to 1978-79 the Northern Territory is included in the Commonwealth government sector. From 1978-79, Northern Territory outlays are included in the State and local government sector. Broken lines indicate estimates of expenditure adjusted for the effects of sale and leaseback transactions. Includes the budget and non-budget sectors.

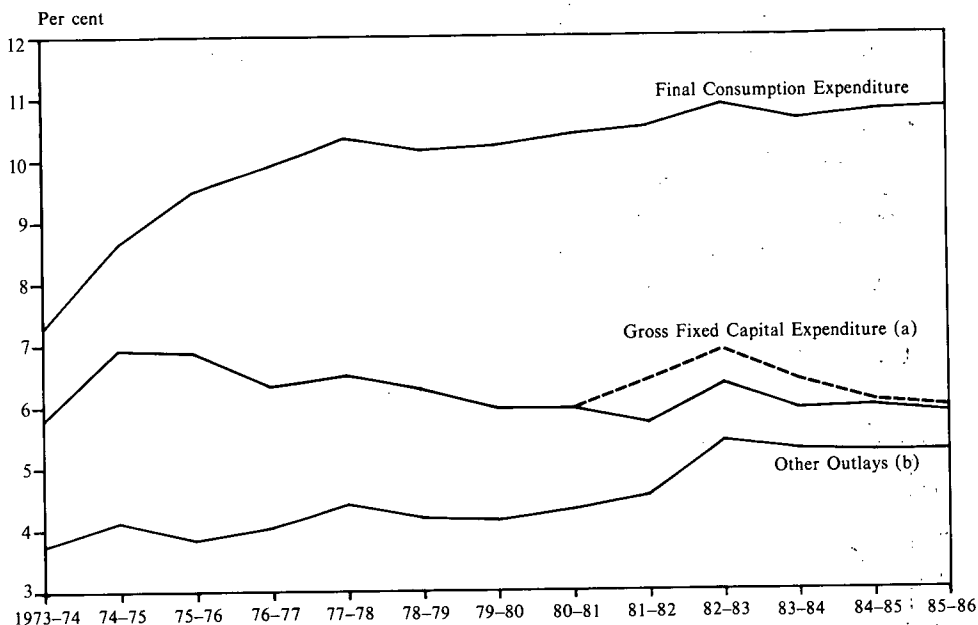


The sharp lift in public sector outlays as a proportion of GDP in 1982-83 partly reflected cyclical and other special factors (eg outlays in respect of drought and other natural disasters), but also policy decisions by the Commonwealth and State Governments in response to the low level of economic activity at that time and, in the case of the State and local government sector, decisions to expand electricity generating capacity associated with infrastructure development. The continued increase in the Commonwealth's outlays for its own purposes up to 1985-86 reflected strong growth in non-discretionary items such as public debt interest and personal benefit payments.

Chart 2 shows final consumption expenditure, gross fixed capital expenditure, and other outlays of the State and local government sector as a percentage of GDP. Final consumption expenditure grew very strongly relative to GDP from 1973-74 to 1977-78 but more slowly thereafter. The increase in 1982-83 largely reflected cyclical factors, although various special factors including drought and natural disaster relief payments also contributed. In 1984-85 and 1985-86, final consumption expenditure as a proportion of GDP remained near the 1982-83 peak.

Gross fixed capital expenditure as a percentage of GDP increased strongly in the mid-1970s and again in the early 1980s, offsetting the decline in the intervening years. In more recent years, the sector's capital works program has declined relative to GDP, reflecting the completion of major projects to increase electricity generating capacity commenced in the early 1980s. However, as shown by the broken line in Chart 2, the use of sale and leaseback arrangements enabled the State and local government sector to increase capital expenditure at a faster rate during the early 1980s than ABS statistics suggest. As a result of the Loan Council's decision of June 1984 to bring all forms of borrowings by semi-government authorities within a global limit (described in Chapter IV of this Paper), along with changes in the taxation treatment of certain sale and leaseback arrangements affecting public sector investments, there has been a dramatic reduction in the resort to this type of financing by the State and local government sector in more recent years.

**Chart 2: Outlays of the State and Local Government Sector as a Percentage of GDP**



- (a) Broken lines indicate estimates of expenditure adjusted for the effects of sale and leaseback transactions.  
 (b) Other outlays include subsidies paid, interest etc, paid, personal benefit payments and other current grants, increases in stocks, expenditure on land and intangible assets, capital transfer payments and net advances to other sectors.

### **Trends in Receipts and Financing Transactions of the State and Local Government Sector**

As noted above, the State and local government sector has maintained outlays at high levels relative to GDP in recent years following the sharp increase during the first half of the 1970s and the further rise in the early 1980s (*see* Chart 1 above). The major categories of funds used by the State and local government sector to finance these outlays are shown, relative to GDP, in Chart 3. Chart 4 shows the percentage contribution made by each of the various sources of funds available to the sector to the funding of the total outlays of the sector over the period 1973-74 to 1985-86.

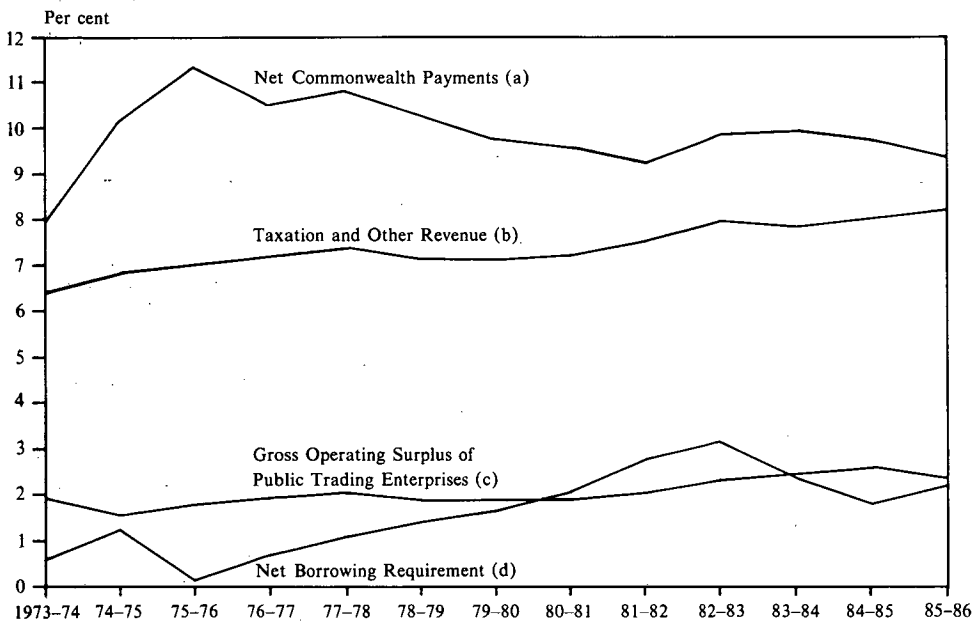
The main points to note from these charts are:

- over the second half of the 1970s total net Commonwealth payments to the State and local government sector declined as a proportion of GDP from the peak in the mid-1970s. After increasing slightly relative to GDP in 1982-83 and 1983-84, net payments have again tapered off somewhat, but remain well in excess of the levels reached prior to the very rapid growth in 1974-75 and 1975-76. Reflecting these developments, Commonwealth assistance since the mid-1970s has financed a declining proportion of the State and local government sector's outlays;
- relative to GDP, taxation and other revenues of the State and local government sector have increased fairly steadily over the period. Despite reductions in a range of State taxes and charges in 1984-85 and 1985-86, taxation and

other revenues continued to increase as a proportion of GDP, reflecting the favourable effects of economic growth on the States' receipts. The gross operating surplus of the sector's public trading enterprises remained steady until the early 1980s when it began to edge up steadily; growth has, however, tapered off in 1985-86, reflecting, in part, restraint in authorities' charges; and

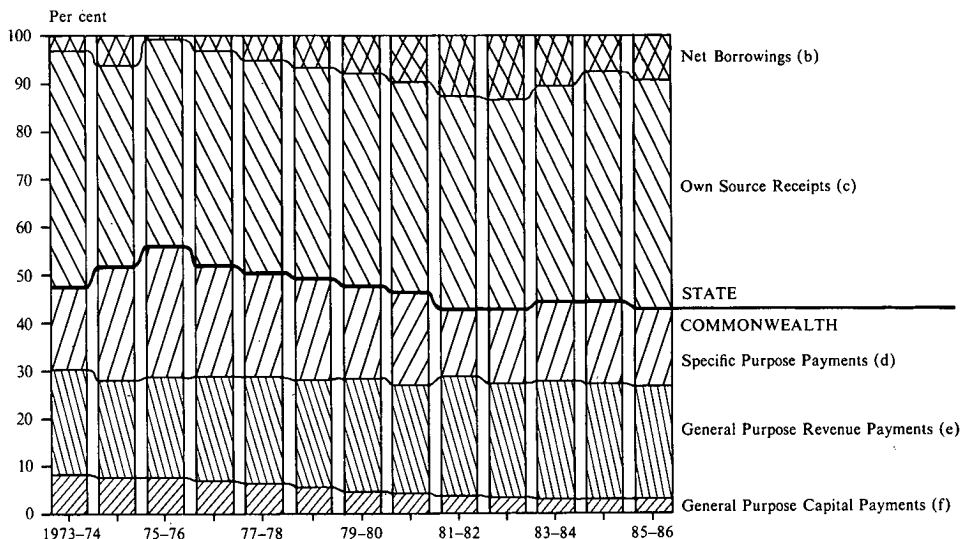
- the State and local government sector has largely financed its increased expenditures since 1975-76 by higher levels of net borrowings, which have increased sharply since 1975-76 both as a proportion of GDP and as a proportion of the sector's total outlays. While net borrowings moderated following the 1982-83 peak, such borrowings are estimated to have increased by almost ½ per cent of GDP in 1985-86.

**Chart 3: Receipts and Financing Transactions of the State and Local Government Sector as a Percentage of GDP**



- (a) Includes Commonwealth grants and advances, less repayments by the States and the Northern Territory of loans from, or arranged by, the Commonwealth.
- (b) Includes receipts from State taxes, fees and fines, interest, rent, royalties and dividends.
- (c) Includes increases in provisions for depreciation, long service leave, superannuation, etc.
- (d) Represents the direct borrowing requirement of the State and local government sector ie, it excludes net advances from the Commonwealth. Adjusted for the effects of sale and leaseback transactions. Net of increase in financial assets.

**Chart 4: Funds Available to the State and Local Government Sector from All Sources as a Percentage of Total Outlays (a)**



- (a) The Northern Territory is included in the Commonwealth government sector prior to 1978-79.  
 (b) See footnote (d) to Chart 3.  
 (c) Includes receipts from State taxes, fees and fines, interest, rent, royalties and dividends and gross operating surplus of public trading enterprises (ie, including increases in provisions for depreciation, long service leave, superannuation etc)  
 (d) Includes grants and net advances to the States and the Northern Territory for specific recurrent and capital purposes.  
 (e) Includes financial assistance grants (tax sharing grants between 1976-77 and 1984-85 and formula grants prior to 1976-77), identified health grants (from 1981-82), general revenue assistance to the Northern Territory, grants to the Northern Territory in lieu of uranium royalties and furlough entitlements, and other special revenue assistance grants.  
 (f) Represents the State Governments' Loan Council borrowing program and general purpose capital assistance to the Northern Territory.

Table 2 shows estimates of the State and local government sector's annual deficit and borrowing requirement since the early 1960s and the growth in the sector's holdings of financial assets over the period<sup>(2)</sup>. The major points are:

- relative to GDP, the sector has been running relatively high annual deficits since the beginning of the 1980's, primarily reflecting its increased levels of expenditure from that time;

<sup>(2)</sup> Statement No 6 of Budget Paper No 1 provides information on the Public Sector Borrowing Requirement (PSBR) and its main components. The gross PSBR is composed of the Commonwealth budget deficit plus total new money borrowings from all sources by Commonwealth and State semi-government and local authorities reported to, or approved by, Loan Council under the Global Approach. Net borrowings represent the public sector's financing requirement resulting from the deficit between outlays and receipts as published by the ABS (adjusted for the effects of sale and leaseback transactions with the private sector). The gross PSBR includes borrowings which are used to accumulate financial assets, while the net PSBR does not. While that is the principal factor behind differences between the two measures, differences may also reflect some definitional differences, errors and omissions in the source data, and changes in deposits held in trust funds on behalf of private bodies and government financial institutions.

Table 2—State and Local Government Sector Borrowing Requirement 1961-62 to 1985-86 (a)

	Total Deficit (b) (1) = (2) + (5)		Net Advances from the Commonwealth (2)		Conventional Loan Council Borrowing Programs for Authorities (c)		Borrowings by Authorities outside Loan Council Programs (d) (4) = (5) - (3)		Total Net Direct Borrowings (5)		Total Gross Direct Borrowings (e)		Differences (f) (7) = (6) - (5)		Increase in holdings of Financial Assets (g) (8)
	\$m	% of GDP	\$m	% of GDP	% of Total Deficit	\$m	\$m	\$m	% of GDP	% of Total Deficit	\$m	% of GDP	\$m	\$m	\$m
1961-62.	546	3.6	437	2.9	80.0	263	-154	109	0.7	20.0					39
1962-63.	540	3.3	457	2.8	84.6	276	-193	83	0.5	15.4					107
1963-64.	622	3.4	491	2.7	78.9	297	-166	131	0.7	21.1					44
1964-65.	732	3.6	524	2.6	71.6	305	-97	208	1.0	28.4					85
1965-66.	836	4.0	557	2.6	66.6	312	-33	279	1.3	33.4					-65
1966-67.	780	3.4	585	2.5	75.0	341	-146	195	0.8	25.0					23
1967-68.	784	3.2	639	2.6	81.5	421	-276	145	0.6	18.5					84
1968-69.	853	3.0	640	2.3	75.0	460	-247	213	0.8	25.0					75
1969-70.	975	3.1	680	2.2	69.7	471	-176	295	1.0	30.3					16
1970-71.	885	2.6	523	1.5	59.1	497	-135	362	1.1	40.9					74
1971-72.	1 000	2.6	590	1.5	59.0	547	-137	410	1.1	41.0					110
1972-73.	869	2.0	668	1.5	76.9	643	-442	201	0.5	23.1					235
1973-74.	1 058	2.0	749	1.4	70.8	718	-409	309	0.6	29.2					255
1974-75.	1 996	3.2	1 225	1.9	61.4	866	-95	771	1.2	38.6					21
1975-76.	1 470	2.0	1 372	1.8	93.3	1 055	-957	98	0.1	6.7					817
1976-77.	1 875	2.2	1 278	1.5	68.2	1 279	-682	597	0.7	31.8					599
1977-78.	2 275	2.5	1 261	1.4	55.4	1 581	-567	1 014	1.1	44.6					185
1978-79.	2 600	2.5	1 127	1.1	43.3	1 865	-392	1 473	1.4	56.7					313
1979-80.	2 850	2.4	896	0.8	31.4	2 195	-241	1 954	1.6	68.6					222
1980-81.	3 708	2.7	938	0.7	25.3	2 439	332	2 771	2.0	74.7					31
1981-82.	5 055	3.3	866	0.6	17.1	2 628	1 562	4 190	2.7	82.9					469
1982-83.	6 251	3.7	1 058	0.6	16.9	1 567	3 623	5 193	3.1	83.1	6 165	3.7	972		761
1983-84.	5 373	2.8	997	0.5	18.6	1 784	2 592	4 376	2.3	81.4	6 603	3.5	2 227		1 550
1984-85.	4 541	2.2	799	0.4	17.6	na	na	3 742	1.8	82.4	7 067	3.4	3 325		1 148(p)
1985-86 (p)	5 855	2.5	783	0.3	13.4	na	na	5 072	2.2	86.6	7 043	3.0	1 971		na

(a) Includes borrowings by Northern Territory authorities from 1978-79.

(b) Financing transactions (ie total outlays less total receipts) less increases in provisions as defined in the ABS government financial estimates. The measure of the deficit shown in this table includes Treasury estimates of sale and leaseback transactions.

(c) Includes conventional borrowings by all authorities subject to Loan Council arrangements. Excludes borrowings by electricity authorities in 1982-83 and 1983-84.

(d) Includes borrowings by electricity authorities in 1982-83 and 1983-84 and non-conventional forms of financing such as sale and leaseback transactions, overseas trade credits, domestic deferred payments, security deposits and other front end capital contributions, identified changes in short term borrowings (overdrafts, promissory notes, bills of exchange) and net changes in cash balances.

(e) Total conventional and non-conventional borrowings, as defined under Loan Council's Global Approach, by the State and local government sector. Estimates of the sector's gross borrowings prior to 1982-83 are not available.

(f) The differences between net and gross borrowings largely reflect the sector's accumulation of financial assets, as well as differences in the timing and coverage of the two sets of figures and possible errors in their derivation.

(g) Direct estimates of the increase in the sector's holdings of cash and short term financial assets and long term investments. These increases are net of provisions for depreciation, superannuation etc, other than provisions for public sector superannuation in Queensland. The estimate for 1984-85 does not include increases in holdings of financial assets by State central borrowing authorities in New South Wales, Victoria and South Australia.

(p) Preliminary.

- the increase in annual deficits from the early 1980s was financed entirely by net direct borrowings by the sector rather than by net advances from the Commonwealth. In fact, the latter have declined both in money terms and relative to GDP. However, as outlined in Chapter IV, the increase in the concessional elements of the State Governments' Loan Council borrowing programs have involved a very large interest subsidy to the States;
- most of the increase in the sector's net direct borrowings in the early 1980s came from borrowings *outside* the approved Loan Council borrowing programs for semi-government and local authorities (through non-conventional borrowings, such as trade credits and leasing arrangements, and through increased borrowings by electricity authorities which were released from Loan Council controls for a trial period commencing in 1982-83). Between 1980-81 and 1983-84, borrowings outside Loan Council programs increased from around 10 per cent to around 60 per cent of total net borrowings. It was against this background that Loan Council agreed at its 21 June 1984 meeting to bring all State semi-government and local authorities' borrowings within agreed programs under the Global Approach; and
- gross borrowings have been higher than net borrowings, resulting in an increase in the sector's holdings of financial assets. Direct estimates of changes in the sector's holdings of financial assets (*see* final column of Table 2), which are available for the period to 1984-85, show a substantial build-up in such financial assets. The differences between net and gross borrowings (*see* column (7) of Table 2) suggest this trend continued in 1985-86.

### **State and Local Government Sector Indebtedness**

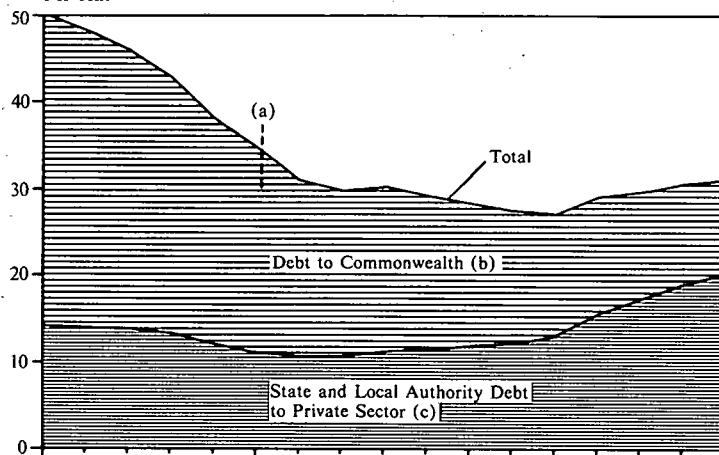
The various changes described above in the level and sources of borrowed funds by the State and local government sector are reflected in the changing pattern of the sector's gross indebtedness. Chart 5 provides indications of the public sector's gross indebtedness as a proportion of GDP. The estimates for State and local authority debt are derived by adjusting debt figures as at 30 June 1986 by data on borrowings for preceding years and therefore can only be taken as an indication of broad trends. The main features are:

- the indebtedness of the State and local government sector as a proportion of GDP declined over the 1970s, reflecting the significant reduction in the level of Commonwealth advances to the States that occurred over this period for specific purpose capital programs and in respect of the State Governments' Loan Council borrowing program. It also reflected the takeover by the Commonwealth of \$1000 million of State debt from 30 June 1975;
- since the early 1980s, however, the State and local government sector's indebtedness, as a proportion of GDP, has increased (despite the continued fall in the indebtedness of that sector to the Commonwealth) due to the increased borrowings by State and local authorities; and
- the indebtedness of the Commonwealth government sector and the public sector as a whole has also risen over the 1980s.

**Chart 5: Components of Public Sector Gross Indebtedness as a Percentage of GDP**

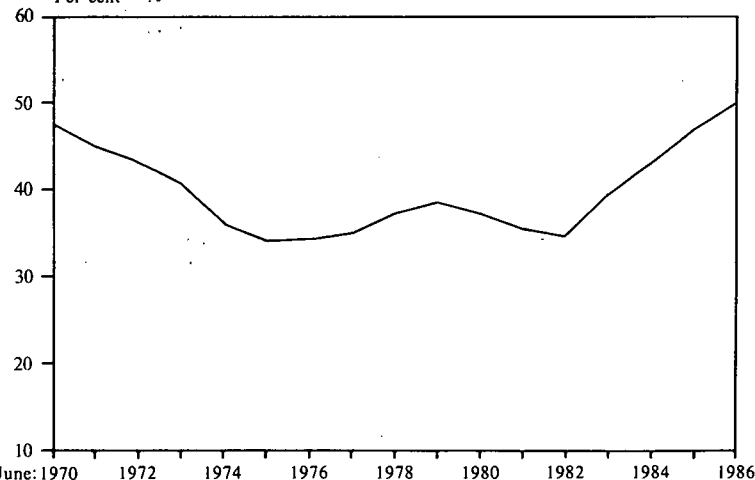
Panel A: Debt of State and Local Government Sector to Other Sectors

Per cent



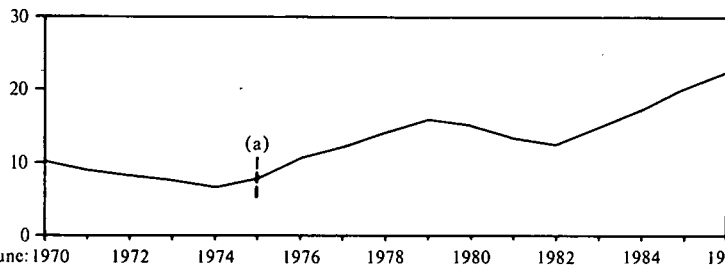
Panel C: Debt of Public Sector to Other Sectors (e)

Per cent



Panel B: Debt of Commonwealth Sector to Other Sectors (d)

Per cent



- (a) In 1975-76, \$1000 million of State debt to the Commonwealth (equivalent to 1.3 per cent of then GDP) was transferred to the Commonwealth.
- (b) Includes Commonwealth securities issued on behalf of State Governments and the Northern Territory and net Commonwealth advances to the State and local government sector. Data is net of estimated holdings by the State and local government sector of Commonwealth debt issued on behalf of that sector.
- (c) Based on estimated conventional and non-conventional debt of State and local authorities and Northern Territory authorities at 30 June 1986 (see Appendix II) and for earlier years by subtracting from that estimate Loan Council data on new money borrowings (including non-conventional borrowings) by authorities for the years 1982-83 to 1985-86 and before 1982-83 national accounts data on net sales of securities by authorities.
- (d) Includes estimated debt of Commonwealth authorities but excludes estimated Commonwealth sector's holdings of its own debt and Commonwealth securities issued on behalf of the States and Northern Territory.
- (e) Excludes the public sector's estimated holdings of all Commonwealth securities and the indebtedness of the State and local government sector to the Commonwealth. Accordingly, the data shown in Panels A and B do not add to the data shown in Panel C.

## **Trends in Commonwealth Payments to the States, the Northern Territory and Local Government Authorities**

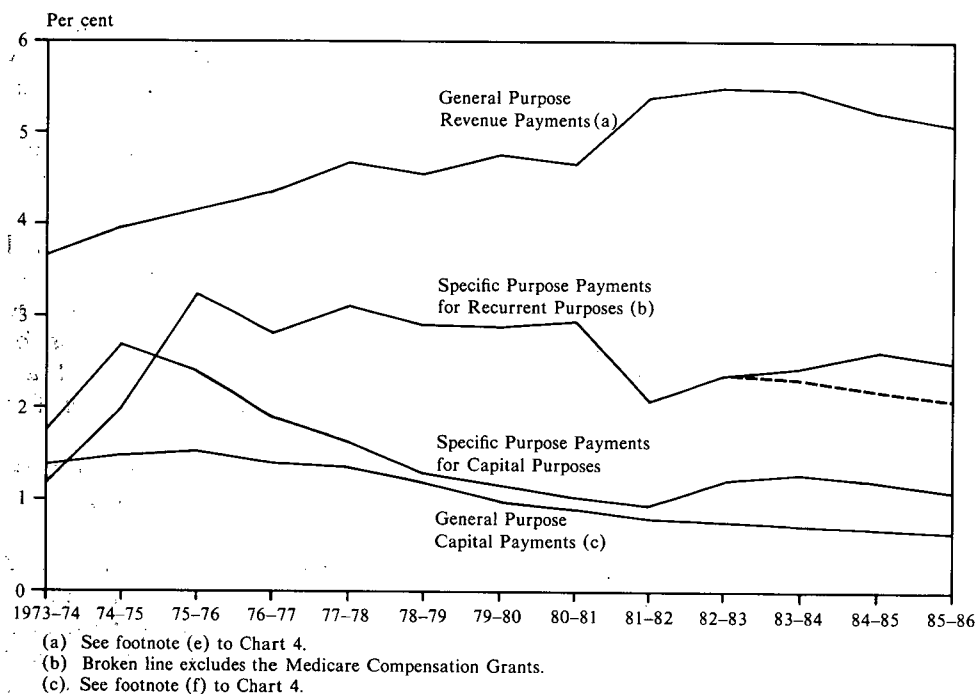
Commonwealth payments to the States, the Northern Territory and local government authorities can be classified as being provided for either general or specific purposes. Each of those categories of payments can be further subdivided according to whether the payments are being made for recurrent or capital purposes.

Chart 6 illustrates the magnitude of these four categories of Commonwealth payments relative to GDP, and broad trends in them for the years 1973-74 to 1985-86. The main points include:

- the fairly consistent increase in general revenue funds relative to GDP until 1983-84, followed by a moderate decline in each of the last two years;
- the variability in specific purpose payments for recurrent purposes over the period reflecting the differing emphasis placed on the provision of funds for specific purposes by different Governments and the effect of the Medicare Compensation Grants which commenced in February 1984. The broken line shows the trend in these grants excluding the effect of Medicare;
- the offsetting movements in 1981-82 in the general and specific purpose recurrent payments, reflecting changed arrangements for health funding (*see* Chapters II and IV of the 1981-82 issue of this Paper for details);
- the increase in specific purpose payments for capital purposes in 1982-83 and 1983-84, following a steady decline since 1974-75, reflecting the introduction and/or expansion of a number of major programs including, in particular, assistance under the Australian Bicentennial Road Development program and the Commonwealth-State Housing Agreement. These payments have subsequently declined relative to GDP to around the level of the early 1980s; and
- the steady decline, in relative terms, in general purpose capital funds provided to the State Governments as borrowing programs approved for them by Loan Council (however *see* also Table 2, which shows more than offsetting growth in other forms of borrowings by the State and local government sector, and Chapter IV).



**Chart 6: Net Commonwealth Payments to the States, the Northern Territory and Local Government Authorities as a Percentage of GDP.**



### **Outcome of 13 June 1986 Premiers' Conference and Loan Council Meeting**

Decisions taken at the Premiers' Conference and Loan Council meeting held on 13 June 1986 are estimated to result in the combined total of Commonwealth net payments to and authority borrowings by the State and local government sector in 1986-87 being about 1.8 per cent higher than in 1985-86—a fall of just under 5 per cent in real terms (derived using the estimated increase in the non-farm product deflator). The principal decisions for 1986-87 included:

- confirmation of the arrangements agreed at the 30 May 1985 Premiers' Conference (*see* Chapter III for details), which provided for an increase of 2 per cent in real terms (based on the movement in the All Groups Consumer Price Index in the year to the March quarter 1987 over the preceding year) for the major general revenue grants;
- a reduction in general purpose capital payments from the Commonwealth to the States and the Northern Territory of \$400 million or 23 per cent from the 1985-86 level of \$1736 million. This represents the largest single reduction in this program since the Second World War; and
- a cut of about 10 per cent in the global limit on State and Northern Territory authorities' borrowings from the 1985-86 level.

Table 3 shows details of total Commonwealth payments to the States, the Northern Territory and direct to local government, by major purpose, and State and Northern Territory authorities' borrowings for the years 1982-83 to 1986-87. For 1986-87, the table shows:

- an estimated increase of 5.4 per cent (a decline of 1.4 per cent in real terms) in total net payments to the States and the Northern Territory compared with a rise of 6.5 per cent (−0.6 per cent real) in 1985-86;
- an estimated increase of 10.1 per cent (3.0 per cent real) in total general revenue grants (which include special revenue assistance grants as well as financial assistance grants and identified health grants), compared with a rise of 8.6 per cent in 1985-86 (1.4 per cent real);
- an estimated increase of 4.1 per cent (−2.6 per cent real) in specific purpose payments (both recurrent and capital), compared with an increase of 4.2 per cent (−2.7 per cent real) in 1985-86;
- a reduction of 23.0 per cent (−28.0 per cent real) in general purpose capital funds, compared with no change (−6.5 per cent real) in 1985-86; and
- a reduction in the global limit on State and Northern Territory authorities' borrowings which implies that the State and local government sector's gross borrowings will fall to around 24 per cent of GDP, compared with around 3 per cent in 1985-86.

Table 4 compares levels of Commonwealth assistance to the States and the Northern Territory with Commonwealth outlays for its own purposes for the years from 1982-83 to 1986-87 (estimated). As has been the case in recent years, the estimated increase in Commonwealth assistance in 1986-87 is less than the increase in Commonwealth outlays for its own purposes. However, the 'gap' between the growth in Commonwealth own purpose outlays and Commonwealth assistance narrowed in 1985-86 and is estimated to narrow considerably in 1986-87.

**Table 3—Funds Available to the State and Local Government Sector from Commonwealth Payments and Borrowings by State and Northern Territory Authorities, 1982-83 to 1986-87 (estimate)**

	1982-83		1983-84		1984-85		1985-86			1986-87 (estimate)		
	Amount	Increase	Amount	Increase	Amount	Increase	Amount	Increase		Amount	Increase	
	\$m	Nominal %	\$m	Nominal %	\$m	Nominal %	\$m	Nominal %	Real(a) %	\$m	Nominal %	Real(a) %
Commonwealth Payments (b)—												
Recurrent Purposes—												
General Revenue Funds . . . . .	9 222	11.8	10 362	12.4	10 979	6.0	11 920	8.6	1.4	13 126	10.1	3.0
Specific Purpose Payments . . . . .	3 942	24.3	4 633	17.5	5 498	18.7	5 820	5.9	-1.1	6 073	4.4	-2.3
Total Payments for Recurrent Purposes	13 164	15.3	14 995	13.9	16 477	9.9	17 740	7.7	0.6	19 199	8.2	1.2
Capital Purposes—												
General Purpose Capital Funds (c) . . .	1 494	5.0	1 598	7.0	1 702	6.5	1 736	2.0(d)	-4.8(d)	1 336	-23.0	-28.0
Specific Purpose Payments . . . . .	2 119	36.6	2 577	21.6	2 653	2.9	2 674	0.8	-5.9	2 771	3.6	-3.1
Total Payments for Capital Purposes	3 613	21.5	4 175	15.6	4 355	4.3	4 410	1.3	-5.4	4 107	-6.9	-12.9
Less Repayments and Sinking Fund Contributions (e) . . . . .	325	-1.4	380	16.9	390	2.5	369	-5.3	-11.6	345	-6.5	-12.5
Total Capital Funds (net) . . . . .	3 287	24.4	3 795	15.4	3 965	4.5	4 041	1.9	-4.9	3 762	-6.9	-12.9
Total Commonwealth Payments (net)	16 451	17.0	18 790	14.2	20 442	8.8	21 780	6.5	-0.6	22 960	5.4	-1.4
Global Borrowings (f) . . . . .	6 165	n.a.	6 603	7.1	7 067	7.0	7 043	-0.3	-6.9	6 368	-9.6	-15.4
Total Commonwealth Payments and Global Borrowings . . . . .	22 616	n.a.	25 393	12.3	27 509	8.3	28 823	4.8	-2.2	29 328	1.8	-4.8

(a) Real changes have been derived using the estimated increase in the non-farm product deflator.

(b) Commonwealth payments to the States, the Northern Territory and local government.

(c) Comprising the State Governments' Loan Council borrowing programs and analogous payments to the Northern Territory.

(d) The increase was due entirely to an addition of \$34 million to the Northern Territory's general purpose capital funds which was offset by an equivalent reduction in the Territory's base amount of general revenue grants used for calculating its 1985-86 grant. But for this adjustment total general purpose capital funds remained at the same nominal level as in 1984-85.

(e) Repayments of Commonwealth advances and sinking fund contributions on State Governments' Loan Council borrowing programs and analogous programs for the Northern Territory. Includes the liability attached to the transfer of certain assets to the Northern Territory.

(f) Includes borrowings by State and Northern Territory authorities as defined under the Loan Council's Global Approach; see Chapter IV for further details.

**Table 4—Commonwealth Budget Outlays—Outlays for Own Purposes and Assistance to the State and Local Government Sector, 1982–83 to 1986–87 (estimate)**

	1982–83		1983–84		1984–85		1985–86		1986–87 (estimate)	
	Amount	Increase	Amount	Increase	Amount	Increase	Amount	Increase	Amount	Increase
	\$m	%	\$m	%	\$	%	\$	%	\$	%
<b>OUTLAYS FOR OWN PURPOSES—</b>										
Net Expenditure on goods and services—										
Defence . . . . .	4 647	15.9	5 246	12.9	5 884	12.2	6 616	12.4	7 361	11.3
Other current expenditure . . . . .	3 921	10.8	4 718	20.3	5 318	12.7	6 018	13.2	6 649	10.5
Capital expenditure . . . . .	340	66.1	275	—19.0	377	37.3	409	8.5	491	20.0
Total . . . . .	8907	14.9	10 239	15.0	11 579	13.1	13 043	12.6	14 501	11.2
Transfer payments and net advances—										
Personal benefit payments . . . . .	15 588	21.9	18 399	18.0	20 677	12.4	22 373	8.2	24 149	7.9
Interest . . . . .	3 378	17.2	4 334	28.3	5 664	30.7	7 088	25.1	7 547	6.5
To Non-Budget Sector . . . . .	1 482	15.1	1 590	7.3	1 886	18.6	2 249	19.2	2 443	8.6
Transfers overseas . . . . .	697	9.3	749	7.4	834	11.3	832	—0.2	792	—4.8
Net advances other than to States . . . . .	293	135.8	119	—59.6	100	—15.8	5	—95.1	—77	na
Other . . . . .	2 002	20.1	2 220	10.9	2 534	14.2	2 548	0.5	2 448	—4.1
Total . . . . .	23 440	20.9	27 410	16.9	31 696	15.6	35 094	10.7	37 302	6.3
Less Interest on Debt Allocated to States (b). . . . .	1 938	11.2	2 083	7.5	2 227	6.9	2 330	4.6	2 431	4.3
<b>TOTAL COMMONWEALTH OUTLAYS FOR OWN PURPOSES . . . . .</b>	<b>30 409</b>	<b>19.7</b>	<b>35 566</b>	<b>17.0</b>	<b>41 047</b>	<b>15.4</b>	<b>45 806</b>	<b>11.6</b>	<b>49 372</b>	<b>7.8</b>
<b>ASSISTANCE TO STATE—LOCAL SECTOR—</b>										
To or for the States . . . . .	15 657	14.0	17 876	14.2	19 454	8.8	20 747	6.6	21 876	5.4
To or for the Northern Territory . . . . .	750	159.4	861	14.8	914	6.1	937	2.6	968	3.3
Direct to local government authorities . . . . .	38	44.4	45	18.0	70	58.0	97	37.3	117	21.3
<b>TOTAL ASSISTANCE TO STATE AND LOCAL GOVERNMENT SECTOR . . . . .</b>	<b>16 445(a)</b>	<b>17.1</b>	<b>18 782(a)</b>	<b>14.2</b>	<b>20 438(a)</b>	<b>8.8</b>	<b>21 780</b>	<b>6.6</b>	<b>22 961</b>	<b>5.4</b>
Plus Interest on Debt Allocated to States (b). . . . .	1 938	11.2	2 083	7.5	2 227	6.9	2 330	4.6	2 431	4.3
<b>TOTAL OUTLAYS . . . . .</b>	<b>48 792</b>	<b>18.5</b>	<b>56 431</b>	<b>15.7</b>	<b>63 712</b>	<b>12.9</b>	<b>69 917</b>	<b>9.7</b>	<b>74 764</b>	<b>6.9</b>

(a) Differs from the totals shown in Table 3 because of minor differences in the classification of certain outlays.

(b) Includes interest on specific purpose advances to the States and the Northern Territory.

### CHAPTER III—GENERAL REVENUE ASSISTANCE

General revenue grants have been paid by the Commonwealth to the States in one form or another since Federation and to the Northern Territory since 1979-80. The purpose of these grants is to assist the States and the Northern Territory, by way of subventions to their budgets, in the financing of their recurrent outlays for the provision of such services as education, health, law and order etc. The States and the Northern Territory are free to determine the allocation of these grants in accordance with their own budgetary priorities. While the grants represent the major component of Commonwealth assistance to the State and local government sector, they are, as indicated in Chapter II, only one of a number of sources of funds available to the State and local government sector.

The arrangements for determining the level and distribution of these grants among the States and the level of grants to the Northern Territory in the triennium 1985-86 to 1987-88 were agreed at the Premiers' Conference held on 30 May 1985. The principal forms of general revenue assistance to be paid to the States are:

- financial assistance grants, which are escalated in accordance with movements in prices and a real growth factor and distributed among the States in accordance with the per capita relativities recommended by the Commonwealth Grants Commission following its 'Report on Tax Sharing Relativities 1985' (hereinafter referred to as the Commission's 1985 Report). Financial assistance grants replaced the tax sharing grants provided between 1976-77 and 1984-85;
- identified health grants, which are escalated and distributed in a similar fashion to financial assistance grants; and
- special revenue assistance to South Australia and Tasmania in the first two years of the triennium to smooth the adjustment for these two States to the Grants Commission's recommended per capita relativities.

The Commonwealth is providing the Northern Territory with general revenue assistance in the form of:

- general revenue grants, which are equivalent to the financial assistance grants and identified health grants provided to the States and which are escalated on broadly the same basis as the State grants;
- grants in lieu of uranium royalties; and
- payments in respect of furlough entitlements.

A detailed history of successive arrangements governing general revenue assistance to the States since Federation was provided in Chapter II of the 1981-82 and 1982-83 issues of this Paper and in Appendix II of the 1981-82 issue. A detailed explanation of the tax sharing and identified health grants arrangements that applied between 1982-83 and 1984-85 was provided in the issues of this Paper for those years. Details of the arrangements for general revenue assistance to the Northern Territory from 1979-80 to 1985-86 may also be found in previous issues of this Paper. The remainder of this chapter outlines the current arrangements for payment of general revenue grants to the States and the Northern Territory. Further background information on these arrangements is provided in the 1985-86 issue of this Paper.

## GENERAL REVENUE GRANTS TO THE STATES

### Financial Assistance Grants

The arrangements adopted at the 1985 Premiers' Conference provided for financial assistance grants to be escalated each year to yield a specified and pre-determined real rate of growth. Under the previous tax sharing arrangements the assistance provided to the States varied with the Commonwealth's net tax collections in the preceding year and each State was also eligible, under various guarantee arrangements, to have its grant supplemented to achieve a specified result in real terms. The current arrangements are designed to provide financial assistance to the States on a more certain basis compared with the previous tax sharing arrangements under which grants had the potential to fluctuate widely from year to year.

#### *Amount of Financial Assistance Grants*

In 1985-86, the amount of financial assistance grants payable was determined by increasing total tax sharing grants paid in 1984-85 (\$9058.4 million), by the increase in the All Groups Consumer Price Index for the six State capital cities in the year ending in the March quarter of 1986 over the preceding year (7.98 per cent). Thus, financial assistance grants in 1985-86 were held at the same real level as in 1984-85. Under the present arrangements, financial assistance grants are to increase by 2 per cent in real terms (as determined by movements in the Consumer Price Index) in both 1986-87 and 1987-88. These arrangements are given legislative authority in the *State Grants (General Revenue) Act 1985*.

#### *Distribution of Financial Assistance Grants*

The arrangements adopted in 1985 also provided for financial assistance grants to be distributed among the States in each year of the triennium in accordance with the per capita relativities recommended by the Commonwealth Grants Commission following its 1985 Report. Details of the findings of the Commission in that Report, and their implications for the distribution of financial assistance grants, were set out in the 1985-86 issue of this Paper.

Since 1979, the Grants Commission has conducted three inquiries into the relative per capita distribution of tax sharing grants (and, subsequently, financial assistance grants) among the six States that would be required to enable each State, provided it makes a comparable revenue effort, to provide services to its residents at a standard not appreciably different from the standards of the other States. This is known as the principle of fiscal equalisation. The Commission determines the States' per capita relativities on the basis, inter alia, of its assessment of differences in the revenue raising capacities of the States and differences in the cost of providing government services of a comparable standard. As this implies that the Commission's relativities assessments should not be affected by the States' actual expenditures or revenue raising policies, the States are thus able to decide the appropriate mix of services and taxation according to their own assessment of priorities without that affecting their shares of the grants. Fiscal equalisation does not therefore imply a State-by-State uniformity in the range or level of taxation nor in the level and quality of government services; rather, it provides scope for differences. Similarly, the Commission's relativities assessments should not be affected by differences among the States in the efficiency of provision of government services.

A broad outline of the major elements of the Grants Commission's principles and methodology for assessing the States' per capita relativities was provided in the 1985-86 issue of this Paper. The Commission's 'State Tax Sharing Entitlements 1981' and 'State Tax Sharing and Health Grants 1982' Reports provide a more detailed account.

Table 5 provides details of the calculation of financial assistance grants paid to each State in 1985-86, together with the calculations required to estimate the level and distribution of financial assistance grants to be paid to each State in 1986-87.

### **Identified Health Grants**

Identified health grants have been paid to the States since 1981-82 (with the exception of South Australia and Tasmania which did not join the identified health grants arrangements until 1 February 1984). They replaced grants payable to the States under previous hospital cost sharing agreements (which had been determined by reference to increases in hospital costs), and payments for community health and school dental programs. Prior to 1985-86, identified health grants moved in line with the increase in total Commonwealth tax collections in the previous year.

Under the arrangements agreed at the 1985 Premiers' Conference for the triennium 1985-86 to 1987-88, it was decided to continue to provide identified health grants as separate general purpose grants, but with the expectation that they will be absorbed into the financial assistance grants after 1987-88. It was also decided to determine the annual level of these grants on the same basis as for the financial assistance grants.

The 1985 Premiers' Conference also agreed that, for the triennium 1985-86 to 1987-88, these grants would be distributed on the basis of the per capita relativities implicit in their distribution in 1984-85; under previous arrangements, the identified health grant for each State was simply increased in accordance with the increase in total Commonwealth tax collections in the preceding year. The current arrangements provide, therefore, that the States with the fastest population growth—and, by extension, those most likely to experience the fastest growth in demand for their health services—will receive an increasing share of the grants.

Table 5 shows the identified health grants paid to each State in 1985-86, and the estimated grants payable in 1986-87.

**Table 5—Financial Assistance Grants and Identified Health Grants 1985-86 and 1986-87 (estimate)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total
<b>FINANCIAL ASSISTANCE GRANTS</b>							
<b>1985-86</b>							
(1) Population at 31.12.85 ('000s) (a) . . . . .	5 504.9	4 141.2	2 567.2	1 421.6	1 367.5	444.2	15 446.4
(2) Per capita relativities (b) . . . . .	1.008	1.000	1.416	1.455	1.397	1.605	
(3) Product of Rows (1) and (2) . . . . .	5 548.9	4 141.2	3 635.1	2 068.4	1 910.4	712.9	18 016.8
(4) Percentage Distribution of Row (3) among States (per cent) . . . . .	30.8	23.0	20.2	11.5	10.6	4.0	100.0
(5) Amount of Grants (\$m) (c) . . . . .	3 012.6	2 248.3	1 973.6	1 123.0	1 037.2	387.0	9 781.7
<b>1986-87 (estimate)</b>							
(1) Population at 31.12.86 ('000s) (a) . . . . .	5 573.1	4 185.7	2 613.7	1 450.8	1 379.7	448.9	15 651.9
(2) Per capita relativities (b) . . . . .	1.008	1.000	1.416	1.455	1.397	1.605	
(3) Product of Rows (1) and (2) . . . . .	5 617.7	4 185.7	3 701.0	2 110.9	1 927.4	720.5	18 263.2
(4) Percentage Distribution of Row (3) among States (per cent) . . . . .	30.8	22.9	20.3	11.6	10.6	3.9	100.0
(5) Amount of Grants (\$m) (c) . . . . .	3 322.2	2 475.3	2 188.7	1 248.3	1 139.8	426.1	10 800.5
<b>IDENTIFIED HEALTH GRANTS</b>							
<b>1985-86</b>							
(1) Population at 31.12.85 ('000s) (a) . . . . .	5 504.9	4 141.2	2 567.2	1 421.6	1 367.5	444.2	15 446.4
(2) Per capita relativities (b) . . . . .	1.1415	1.0000	0.4935	1.3842	1.5988	1.5970	
(3) Product of Rows (1) and (2) . . . . .	6 283.7	4 141.2	1 266.9	1 967.8	2 186.4	709.3	16 555.3
(4) Percentage Distribution of Row (3) among States (per cent) . . . . .	38.0	25.0	7.7	11.9	13.2	4.3	100.0
(5) Amount of Grants (\$m) (d) . . . . .	563.0	371.0	113.5	176.3	195.9	63.6	1 483.3
<b>1986-87 (estimate)</b>							
(1) Population at 31.12.86 ('000s) (a) . . . . .	5 573.1	4 185.7	2 613.7	1 450.8	1 379.7	448.9	15 651.9
(2) Per capita relativities (b) . . . . .	1.1415	1.0000	0.4935	1.3842	1.5988	1.5970	
(3) Product of Rows (1) and (2) . . . . .	6 361.6	4 185.7	1 289.9	2 008.9	2 205.9	716.9	16 768.2
(4) Percentage Distribution of Row (3) among States (per cent) . . . . .	37.9	25.0	7.7	12.0	13.2	4.3	100.0
(5) Amount of Grants (\$m) (d) . . . . .	621.3	408.8	126.0	196.1	215.5	70.0	1 637.8

(a) Estimates of population for 31 December 1985 were determined by the Statistician in accordance with the *States Grants (General Revenue) Act 1985*. The estimates of population for 31 December 1986 are subject to revision.

(b) Per capita relativities adopted at the 1985 Premiers' Conference to apply in the triennium which commenced in 1985-86.

(c) The total pool of financial assistance grants was determined in 1985-86 by escalating the amount of tax sharing grants paid to the States in 1984-85 (\$9058.4 million) by the increase in the All Groups Consumer Price Index for the six State capitals in the year ending in the March quarter 1986 over the previous year (7.98 percent). For 1986-87 the estimated pool of financial assistance grants has been calculated by escalating the grants paid in 1985-86 by 2 percent in real terms (as determined by movements in the Consumer Price Index on the same basis as for 1985-86). On the basis of the Budget estimates that would produce an increase in these grants in 1986-87 of 10.4 percent.

(d) The pool of identified health grants was determined in 1985-86 by escalating the amount paid in 1984-85 (\$1400.8 million) in the same fashion as financial assistance grants. The estimate for 1986-87 has also been calculated in the same fashion as financial assistance grants.



### Special Revenue Assistance Grants

At the 1985 Premiers' Conference, the Commonwealth agreed that in addition to financial assistance grants and identified health grants, it would provide special revenue assistance grants to South Australia and Tasmania in 1985-86 and 1986-87. (Queensland also received \$10 million special revenue assistance in 1985-86 in respect of the Grants Commission's assessment that Queensland's financial relativity had been disturbed by the introduction of Medicare.) This decision was designed to smooth the adjustment process for South Australia and Tasmania arising from the cessation of the relative advantage which they enjoyed, for a number of years prior to 1985-86, in the level of their total basic general revenue grants as a result of hospital cost sharing agreements concluded with the Commonwealth in 1975.

From 1985-86, this advantage was offset by a lower share of financial assistance grants but the 'smoothing' special revenue assistance provided to South Australia and Tasmania in 1985-86 was equal to two-thirds of the health grants advantage each would have received in 1985-86 if the previous arrangements had continued. It was also agreed that the two States would receive further special revenue assistance in 1986-87 of an amount equal to one half of the special revenue assistance provided in 1985-86, thereby progressively phasing out the advantage.<sup>(3)</sup>

This special revenue assistance, provided under the *States Grants (General Revenue) Act 1985*, amounted to \$34.2 million for South Australia and \$11.9 million for Tasmania in 1985-86, with the amounts to be provided in 1986-87 being \$17.1 million and \$6.0 million, respectively.

At the 13 June 1986 Premiers' Conference the Commonwealth agreed to provide *further* special revenue assistance to Tasmania in 1986-87 of \$13 million. This follows a grant for similar purposes to Tasmania in 1985-86 of \$31.1 million. These grants have been provided in recognition of the fact that Tasmania is facing a larger adjustment than any other State in the level of its financial assistance grants flowing from the implementation of the new per capita relativities agreed at the 1985 Premiers' Conference. The special budgetary assistance grant in 1985-86 was intended to ensure that Tasmania's total general revenue grant did not decline by more than 4 per cent in real terms in that year. The grant for 1986-87 is being provided on the basis that Tasmania will adjust during 1986-87 to the relativities adopted in 1985. In total, Tasmania is to receive special revenue assistance of \$19 million in 1986-87 following total special revenue assistance of \$43 million in 1985-86.

Following its decision to terminate the Isolated Patients' Travel and Accommodation Assistance Scheme with effect from 1 January 1987, the Commonwealth has also decided to provide special revenue assistance grants to the States and the Northern Territory totalling \$10.8 million in 1986-87 in recognition of the additional costs that this rationalisation of Commonwealth functions may impose on them.

(3) In 1975 the Commonwealth entered hospital cost sharing agreements with South Australia and Tasmania of 10 years duration, whereas the agreements with the other States were of 5 years duration. When identified health grants arrangements replaced the hospital cost sharing agreements in 1981-82 these two States exercised their right to remain on cost sharing arrangements. They did so because it placed them in an advantageous position relative to the other States, as their hospital cost sharing grants were not subject to the deductions that were made to the other States' health grants in 1981-82 and 1982-83. (These deductions reflected the increased revenue raising capacity assessed to be available to the States as a result of the then new health insurance arrangements and associated revised rates for hospital charges.) South Australia and Tasmania subsequently agreed to join the identified health grants arrangements when Medicare was introduced (1 February 1984) but on the basis that they would retain the relative advantage to which they were entitled under the hospital cost sharing arrangements, and which were not due to expire until the end of 1984-85. The relativities that were recommended by the Grants Commission following its 1985 Report, and which were adopted at the 1985 Premiers' Conference for the purpose of distributing financial assistance grants among the States in the triennium commencing in 1985-86, offset these States' relative advantage in the distribution of the health grants.

## GENERAL REVENUE ASSISTANCE TO THE NORTHERN TERRITORY

### General Revenue Grants

It was decided at the 1985 Premiers' Conference that the Northern Territory would, for the years 1985-86 to 1987-88, continue to receive general revenue grants under arrangements separate from those applying to the States. The Commonwealth did, however, indicate at that Conference that it expects the Territory will be included, from 1988-89 onwards, in the same arrangements as are then applied to the States.

Reflecting the changes in the arrangements for providing general revenue grants to the States in the triennium commencing in 1985-86, new arrangements for providing general revenue grants to the Territory were also agreed at the 1985 Premiers' Conference. These arrangements, which brought the determination of the Territory's general revenue grants onto a basis more comparable with those for the States, were detailed in the 1985-86 issue of this Paper<sup>(4)</sup>. Under those arrangements the Territory received in 1985-86 a general revenue grant of \$561.3 million.

In 1986-87, the Territory will receive a general revenue grant determined by escalating an adjusted base figure of \$558.9 million for 1985-86, in line with the 2 per cent real increase in the States' financial assistance grants and the Territory's relative rate of population growth for the year ending on 31 December 1986. The adjusted base figure for 1985-86 represents the actual general revenue grant to the Territory in 1985-86, reduced by an amount of \$2.45 million which has been transferred to the Territory's grant for general purpose funding for local government (see Chapter VI of this Paper for details).

Under these arrangements the Territory is expected to receive a general revenue grant of \$629.5 million in 1986-87.

### Grant in Lieu of Uranium Royalties

Under the *Atomic Energy Act 1953*, ownership of uranium and other prescribed substances in the Northern Territory is vested in the Crown in right of the Commonwealth. The Memorandum of Understanding provides for the Commonwealth to pay a grant to the Northern Territory each year, equal in amount to and in lieu of uranium royalties at the rate of 1.25 per cent, in respect of the mining of uranium in the Northern Territory.

It is estimated that \$4.3 million will be payable in 1986-87, compared with \$4.4 million in 1985-86.

### Payments in Respect of Furlough Entitlements

Under the Memorandum of Understanding, the Commonwealth has made payments to the Territory in lieu of the accrued furlough entitlements of officers who transferred from the Commonwealth Public Service to the Northern Territory Public Service. A lump sum payment estimated to be \$6.8 million is to be made to the Territory in 1986-87 to fully discharge this liability.

<sup>(4)</sup> See page 94 of the 1985-86 issue of this Paper. It should be noted that the figure for debt charges assistance to the Northern Territory in 1984-85, (which was one of the items used to adjust the Territory's tax sharing grants paid in 1984-85 for the purpose of determining a base amount from which the Territory's 1985-86 general revenue grant was calculated) was revised with the agreement of the Northern Territory Government from \$59.1 million to \$57.5 million.

## SPECIAL GRANTS

Special grants have been paid to the States on the recommendation of the Commonwealth Grants Commission since 1934-35. Under the *Commonwealth Grants Commission Act 1973* the Commission is required, inter alia, to inquire into and report upon any application made by a State or the Northern Territory for financial assistance for the purpose of making it possible for the State (or the Northern Territory), by reasonable effort, to function at a standard not appreciably below the standards of the other States.

However, since 1982-83, the Commission's general reviews of State relativities have fulfilled the function formerly performed by the special grant process of facilitating fiscal equalisation among the States. Accordingly, the States agreed not to seek special grants in respect of the years 1982-83 to 1984-85, and at the 1985 Premiers' Conference extended that agreement in respect of the years 1985-86 to 1987-88.

The Northern Territory has applied for special grants on the recommendation of the Grants Commission for all years 1979-80 to 1984-85 inclusive. At the 1985 Premiers' Conference it was agreed that, in the context of the special arrangements applying in respect of the payment of general revenue grants to the Territory in the triennium 1985-86 to 1987-88, the Territory could continue to apply to the Commission for special grants.

In its Report on the Northern Territory's application for a special grant in respect of 1982-83 (the Commission's 'Fifth Report 1985 on Special Assistance for the Northern Territory'), the Commission found that the Territory had, on fiscal equalisation principles, been overfunded by \$12.6 million in respect of that year. This assessment was made without taking account of the additional assistance grant of \$15 million paid to the Territory in 1982-83. While this was in accordance with the Memorandum of Understanding, it effectively meant that, on fiscal equalisation principles, the Territory had been overfunded by \$27.6 million in respect of 1982-83.

As the \$12.6 million negative assessed special grant was smaller than the \$5 million additional assistance grant due to the Territory in 1984-85, the Grants Commission recommended that, in accordance with the Memorandum of Understanding, the Territory was entitled to the larger additional assistance grant.

The arrangements whereby the Territory was to receive the larger amount of either an additional assistance grant or an assessed special grant in the first six years of self-government, and where the Commission's assessments of special grant applications excluded additional assistance grants paid in the year being assessed, were intended to assist the Territory in its early years of self-government. As the following table shows, these arrangements proved to be very generous to the Territory:

**Table 6—Special and Additional Assistance Grants for the Northern Territory**  
(\$ million)

Year	Additional Assistance Grant	Special Grant		Total Grants Paid	Difference (a)
		Assessed Amount	Amount Recommended		
1979-80 . . . . .	20.0	n.a.	n.a.	20.0	6.7
1980-81 . . . . .	20.0	n.a.	n.a.	20.0	8.2
1981-82 . . . . .	20.0	+13.3 (re 1979-80)	—	20.0	3.1
1982-83 . . . . .	15.0	+11.8 (re 1980-81)	—	15.0	27.6
1983-84 . . . . .	10.0	+16.9 (re 1981-82)	16.9	16.9	n.a.
1984-85 . . . . .	5.0	-12.6 (re 1982-83)	—	-7.6	n.a.
	90.0			84.3	45.6

(a) Difference between the total grant paid in the year and special grant assessed in respect of that year. That is, the degree of overfunding provided to the Northern Territory in these years in terms of the principle of fiscal equalisation.

Against this background, the Commonwealth agreed at the 1985 Premiers' Conference to the payment of the \$5 million additional assistance grant, but decided that it would also be appropriate to recoup in 1984-85 the negative special grant for 1982-83 assessed by the Commission.

Following this action, the Northern Territory withdrew its applications for special grants in respect of 1983-84 and 1984-85. The Commonwealth, however, decided that it would be appropriate for the Grants Commission to make an assessment of whether the level of Commonwealth financial assistance provided to the Territory in these two years was appropriate on fiscal equalisation grounds. The Commonwealth's intention is that the Commission should make an assessment of the Northern Territory's finances in those years on the same basis as it would have done if the Northern Territory had not withdrawn its applications for special grants in respect of those years.

Accordingly, on 20 January 1986 the Acting Special Minister of State forwarded the following terms of reference to the Chairman of the Grants Commission:

'1. Pursuant to section 16A of the *Commonwealth Grants Commission Act 1973*, I hereby refer to the Commission for inquiry and report, as soon as possible, on whether the amount of Commonwealth financial assistance made to the Northern Territory in 1983-84 and 1984-85 (other than the \$5 million additional assistance grant) exceeded the amount of financial assistance that would have enabled the Territory to provide, in each year respectively, government services at standards not appreciably different from the standards of government services provided in the States without imposing taxes and charges at levels appreciably different from the levels of taxes and charges imposed in the States.

2. The Commonwealth would prefer the Commission to provide separate reports in respect of each of the years for which assessments are required.'

The Commission is expected to report on these terms of reference in 1986-87.

#### SUMMARY OF GENERAL REVENUE GRANTS TO THE STATES AND THE NORTHERN TERRITORY

Table 7 shows payments of general revenue grants to the States and the Northern Territory from 1982-83 to 1985-86 and estimates for 1986-87. Total general revenue grants to the States and the Northern Territory in 1986-87 are estimated to increase by 10.1 per cent compared with an increase of 8.6 per cent in 1985-86.

**Table 7—General Revenue Assistance to the States and the Northern Territory 1982-83 to 1986-87 (estimate) (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>FINANCIAL ASSISTANCE AND GENERAL REVENUE GRANTS (a) (b)</b>									
1982-83	2 361 766	1 743 372	1 527 398	913 086	864 097	362 778	7 772 498	378 922	8 151 420
1983-84	2 576 810	1 926 238	1 684 834	999 277	953 830	397 042	8 538 032	424 655	8 962 687
1984-85	2 693 115	2 019 927	1 885 612	1 042 348	1 000 280	417 147	9 058 429	471 292	9 529 721
1985-86	3 012 615	2 248 332	1 973 578	1 122 961	1 037 171	387 036	9 781 693	561 317	10 343 010
1986-87 (estimate)	3 322 168	2 475 328	2 188 714	1 248 331	1 139 833	426 083	10 800 457	629 499	11 429 956
<b>IDENTIFIED HEALTH GRANTS (b)</b>									
1982-83	469 005	300 549	92 970	140 083	9 467	5 221	1 017 295	23 522	1 040 817
1983-84	489 116	323 248	99 992	150 663	78 609	27 236	1 168 864	25 299	1 194 163
1984-85	521 442	344 218	104 684	161 985	182 326	58 970	1 373 626	27 200	1 400 826
1985-86	563 000	371 037	113 515	176 307	195 890	63 553	1 483 302	..	1 483 302
1986-87 (estimate)	621 349	408 827	125 990	196 148	215 453	70 021	1 637 788	..	1 637 788
<b>SPECIAL REVENUE ASSISTANCE</b>									
1982-83	..	19 500	..	..	10 500	..	30 000	..	30 000
1983-84	47 100	62 800	31 000	18 200	17 200	7 200	183 500	..	183 500
1984-85	..	31 000	..	20 300	..	..	51 300	..	51 300
1985-86	..	..	10 000	..	34 200	42 978	87 177	..	87 177
1986-87 (estimate) (c)	2 063	435	3 193	2 528	17 996(d)	19 410(e)	45 625	1 235	46 860
<b>SPECIAL GRANTS</b>									
1982-83	..	..	-19 650	..	..	..	-19 650	..	-19 650
1983-84	..	..	..	..	..	..	..	16 900	16 900
1984-85	..	..	..	..	..	..	..	-12 600	-12 600
<b>ADDITIONAL ASSISTANCE GRANTS</b>									
1982-83	..	..	..	..	..	..	..	15 000	15 000
1983-84	..	..	..	..	..	..	..	..	..
1984-85	..	..	..	..	..	..	..	5 000	5 000
<b>GRANTS IN LIEU OF URANIUM ROYALTIES</b>									
1982-83	..	..	..	..	..	..	..	3 728	3 728
1983-84	..	..	..	..	..	..	..	4 405	4 405
1984-85	..	..	..	..	..	..	..	4 116	4 116
1985-86	..	..	..	..	..	..	..	4 449	4 449
1986-87 (estimate)	..	..	..	..	..	..	..	4 306	4 306
<b>PAYMENTS IN RESPECT OF FURLOUGH ENTITLEMENTS</b>									
1982-83	..	..	..	..	..	..	..	495	495
1983-84	..	..	..	..	..	..	..	485	485
1984-85	..	..	..	..	..	..	..	500	500
1985-86	..	..	..	..	..	..	..	2 000	2 000
1986-87 (estimate)	..	..	..	..	..	..	..	6 788	6 788
<b>TOTAL GENERAL REVENUE FUNDS</b>									
1982-83	2 830 771	2 063 421	1 600 718	1 053 169	884 064	367 999	8 800 143	421 667	9 221 810
1983-84	3 113 026	2 312 287	1 815 825	1 168 140	1 049 639	431 479	9 890 395	471 744	10 362 139
1984-85	3 214 557	2 395 145	1 990 296	1 224 633	1 182 606	476 117	10 483 355	495 508	10 978 862
1985-86	3 575 615	2 619 369	2 097 093	1 299 268	1 267 262	493 567	11 352 173	567 765	11 919 938
1986-87 (estimate)	3 945 580	2 884 590	2 317 897	1 447 007	1 373 282	515 514	12 483 870	641 828	13 125 698

(a) Financial assistance grants are made to the States and general revenue grants to the Northern Territory. For the years prior to 1985-86, these grants were known as tax sharing grants.

(b) Identified health grants to the Northern Territory were absorbed into the Territory's general revenue grant in 1985-86.

(c) Special revenue assistance is to be provided to all States and the Northern Territory in 1986-87 following the Commonwealth's decision to terminate the Isolated Patients' Travel and Accommodation Scheme from 1 January 1987.

(d) Includes \$17.1 million which represents one-third of the health grant advantage South Australia would have received in 1985-86.

(e) Includes \$6 million which represents one-third of the health grant advantage Tasmania would have received in 1985-86, and \$13 million for further special revenue assistance, on the basis that Tasmania adjusts its finances to the financial relativities adopted at the 30 June 1985 Premiers' Conference.

## FUTURE REVIEW OF RELATIVITIES

It was agreed at the 1985 Premiers' Conference that the Grants Commission should undertake a review of the distribution of general revenue grants to apply from 1988-89, to be presented for consideration no later than 31 March 1988.

On 20 March 1986 the Special Minister of State wrote to the Chairman of the Grants Commission conveying the terms of reference and supplementary comments, which were determined by the Commonwealth after consultation with the States and the Northern Territory Governments, for the Commission's review of relativities as follows:

'1. Pursuant to sections 16 and 16A of the *Commonwealth Grants Commission Act 1973*, I hereby refer to the Commission for inquiry and report, by 31 March 1988 at the latest, on the question of the per capita relativities for distributing basic general revenue grants which the Commission would regard as appropriate to apply after 1987-88 to:

- (a) the distribution of basic general revenue grants among the States only; and
- (b) the distribution of basic general revenue grants among the States and the Northern Territory.

2. The Commission's assessment should:

- (a) be based on the application of the principle that the respective basic general revenue grants to which the States are entitled should enable each State to provide, without having to impose taxes and charges at levels appreciably different from the levels imposed by the other States, government services at standards not appreciably different from the standards provided by the other States; and
- (b) take account of:
  - (i) differences in the capacities of the States to raise revenues; and
  - (ii) differences in the amounts required to be spent by the States in providing government services of a comparable standard.

The word State(s) in this paragraph is to be taken as also covering the Northern Territory.

3. The term 'basic general revenue grants' in these terms of reference is to be taken to mean the combined total of:

- (a) in respect of the States, financial assistance grants (tax sharing grants in 1984-85) and identified health grants paid in a year, as well as special revenue assistance grants to Queensland (in 1985-86) and South Australia and Tasmania (in 1985-86 and 1986-87) as identified in paragraph 6(a) and (b) below;
- (b) in respect of the Northern Territory, tax sharing grants (\$471.3 million) less an amount of \$34 million (for road maintenance costs and public works supervision costs) plus identified health grants in 1984-85, general revenue grants in 1985-86 and 1986-87 and special grants and additional assistance grants paid to the Northern Territory in the review period or, in the case of negative special grants, paid by the Northern Territory in the review period.

4. The Commission's assessment of relative fiscal needs should be based on the years 1984-85 to 1986-87 inclusive, but the Commission should report on developments in relative fiscal positions over a longer period and, to the extent practicable, should indicate what allowance (if any) might be made to State factors assessed for the period 1984-85 to 1986-87 if account were to be taken of trends over a longer period or, with respect to the 1984-85 to 1986-87 period, factors judged to be of a temporary nature.

5. For the purpose of reporting on relativities for distributing basic general revenue grants to apply after 1987-88, the Commission should consider areas of revenue and government services broadly similar to those covered in its 'Report on Tax Sharing Relativities 1985'. The Commission should also inquire into and report on:

- (a) the areas it considers should appropriately be the subject of equalisation; and
- (b) the appropriateness of the methodology which it has adopted in the past in assessing States' relative fiscal needs in providing services in the nature of business undertakings.

6. The Commission should exclude from its assessments payments of financial assistance that were received during the review period by Tasmania from the Commonwealth as a consequence of cessation of the Gordon-below-Franklin dam. The Commonwealth will advise the Commission as to the actual amounts of these grants. In terms of its existing methodology, the Commission should also exclude the following payments from its assessment of the amount of 'other Commonwealth revenue payments' available to meet States' needs:

- (a) payments of special revenue assistance in 1985-86 and 1986-87 that are received by South Australia and Tasmania from the Commonwealth to assist those States to adjust to their lower shares of financial assistance grants consequent upon the introduction of new per capita relativities in 1985-86. The Commonwealth will advise the Commission as to the actual amounts of these grants; and
- (b) the payment of \$10 million received by Queensland in 1985-86 which was made in accordance with the recommendation in paragraph 7.30 of the Commonwealth Grants Commission's 'Report on Tax Sharing Relativities 1985' that Queensland's financial relativity vis-a-vis the other States was disturbed due to the introduction of Medicare.'

Reflecting the agreement reached at the Premiers' Conference held on 30 May 1985 that the identified health grants presently payable as a separate grant to the States are to be absorbed into the financial assistance grants after 1987-88, the Commission should proceed on the basis that the basic general revenue grants arrangements to apply after 1987-88 will relate to a combined pool of the present financial assistance grants and identified health grants to the States and the basic general revenue grants to the Northern Territory.

In the definition of 'basic general revenue grants' in paragraph 3 of these terms of reference the Commission should interpret the term 'negative special grants' as covering the amount of \$12.6 million recovered by the Commonwealth from the Northern Territory in 1984-85 following the Commission's 'Fifth Report 1985 on Special Assistance for the Northern Territory' and any future amounts which may be recovered from the Territory in the review period following the Grants Commission's reports on the terms of reference forwarded by the Special Minister of State on 20 January 1986.

The Commission's assessments in respect of the Northern Territory should be made using the same principles and, unless it can point to good reasons to the contrary, the same methods of assessment as are applied in respect of the States. The Commission should, however, report on any claims by the Territory that special fiscal needs exist in the Territory which are not apparent in the States or which

differ from those of the States, including the extent to which such special fiscal needs (if any) might impair the application of the principle of fiscal equalisation if the Territory were included in the States' grants pool after 1987-88.

In requesting the Commission in paragraph 5(a) of the terms of reference to inquire into and report on the areas it considers should appropriately be the subject of equalisation, the Commission should give detailed consideration to the implications of changes in State financial management practices in recent years for its analysis of State relativities (discussed in paragraphs 2.14 to 2.22 of its 'Report on Tax Sharing Relativities 1985').

The Commission should note that it was agreed at the Premiers' Conference held on 30 May 1985 that the operation of the Medicare Agreements will be extended to 30 June 1988 but that the arrangements are to be reviewed during 1987-88, for report by end-March 1988. If it were decided to implement changes to the Medicare arrangements after 1987-88, there could be implications for the appropriate distribution of basic general revenue grants, possibly necessitating a supplementary reference to the Commission. Against this background the Commission is requested to prepare sets of relativities under the respective assumptions that, from 1988-89, the Medicare compensation grants:

- (a) continue as specific purpose payments; and
- (b) are absorbed into the financial assistance grants and identified health grants pool.

In responding to these terms of reference the Commission should also report on whether, in its view, application of the principle of fiscal equalisation has any significant consequences for the efficient allocation of resources across Australia.

It is recognised that, in asking the Commission to include 1986-87 in its assessment, the availability of data will be more comprehensive for the earlier years of the assessment period. It is noted in this regard that the States and the Acting Australian Statistician have been asked to do all that they can to assist the Commission with data for its inquiry.

The Commission should assist interested parties to the extent possible by again undertaking supplementary calculations to show the effects on the Commission's assessments of using different methodologies in those cases where one or more of the parties request alternative approaches to be adopted.



## **CHAPTER IV—GENERAL PURPOSE CAPITAL ASSISTANCE AND BORROWINGS BY THE STATE AND LOCAL GOVERNMENT SECTOR**

General purpose capital assistance to the States is paid from the Commonwealth Budget under the State Governments' Loan Council borrowing programs. In recent years these borrowing programs have included a substantial grant component as well as a component provided for public housing at concessional interest rates. In addition, State authorities, government-owned companies and trusts borrow funds directly from capital markets in accordance with annual global limits agreed by Loan Council. This chapter provides information on general purpose capital assistance to the State and local government sector, and on borrowings by State (and Commonwealth) authorities under the Global Approach, which was adopted by Loan Council in June 1984. Chapter II includes a discussion of the indebtedness of the State and local government sector.

The Financial Agreement of 1927 provides the basis of the Commonwealth's role in regard to the supply of general purpose capital assistance to the State and local government sector. Under that Agreement, State Governments have only limited borrowing powers but provision is made for the Commonwealth to undertake borrowings on behalf of those Governments. The amount of such borrowings is determined each year by Loan Council, which was established under the Financial Agreement to co-ordinate borrowings for the Commonwealth and State Governments and consists of representatives of the Commonwealth and each State.

The Financial Agreement also provides that the annual borrowing program of the Commonwealth (except defence borrowings and borrowings for temporary purposes) is subject to approval by the Loan Council.

The Northern Territory is not subject to the Financial Agreement. However, under established arrangements with the Territory, the Commonwealth provides a borrowing program for the Territory in line with the State Governments' Loan Council borrowing programs. In 1985-86, the Commonwealth and the Northern Territory agreed to new arrangements concerning the Territory Government's borrowing program. The new arrangements formally require the Territory to reimburse the Commonwealth for interest on Commonwealth debt allocated to the Territory under its program (debt charges assistance, which was paid to the Territory prior to 1985-86, was absorbed into the Territory's general revenue grant in 1985-86); and provide for similar arrangements to those applying to the States with regard to sinking fund payments and reimbursement of loan management and flotation expenses (further details are provided in Chapter V).

Borrowings by State (and Commonwealth) authorities are also not subject to the Financial Agreement. However, various arrangements agreed to by Commonwealth and State Governments over the years since 1936 have provided for Loan Council approval of annual borrowing programs for semi-government and local authorities (for further details see later sections of this Chapter).

Relevant statistical material for the period from 1982-83 is presented in Appendix II: statistical information for preceding years is available in earlier issues of this Paper. (An historical series covering the period 1951-52 to 1975-76 is included in Appendix III of the 1975-76 issue of this Paper.)

## GENERAL PURPOSE CAPITAL ASSISTANCE TO THE STATE AND NORTHERN TERRITORY GOVERNMENTS

### Trends in General Purpose Capital Assistance

In the 1950s and 1960s the State Governments' Loan Council borrowing programs provided the main source of funds for financing capital expenditure by the State and local government sector. Since the early 1970s, however, the importance of these borrowing programs as a source of capital funds has diminished. The main reasons for this have been:

- the increased importance of direct borrowings by the State and local government sector:
  - State and local authorities have increased their borrowings, both within and outside approved Loan Council programs, particularly borrowings associated with 'infrastructure' development in the late 1970s and early 1980s and those undertaken by electricity authorities in 1982-83 and 1983-84 following the decision by Loan Council that, for a trial period, domestic borrowings by such authorities should no longer be subject to a borrowing ceiling; and
  - in recent years State Governments have also borrowed from their own authorities, including from central borrowing agencies which have been established to co-ordinate State authority borrowings and which are subject to global limits. (Such borrowings by State Governments may be undertaken without Loan Council approval provided no securities are issued; the Financial Agreement provides that, if any securities are issued, they must be Commonwealth securities.);
- the increasing provision by the Commonwealth of portions of these programs on concessional terms and conditions, which has limited the scope for increasing the overall size of the programs. These concessional elements of the programs include:
  - the provision, from 1970-71, of a portion of the program as an interest free capital grant. This has significantly increased the cost to the Commonwealth of financing the program; and
  - the agreement by the Commonwealth, in 1982-83 and subsequent years, to allow States to nominate part or all of the loan portion of the program for public housing and to provide that part on concessional terms and conditions (an interest rate of 4½ per cent and repayable over 53 years). These funds are additional to the specific purpose assistance provided under the Commonwealth State Housing Agreement, but are subject to the matching requirements of that Agreement being met. Again, this has significantly added to the cost of financing the program;
- the relatively rapid growth of specific purpose capital payments in the early 1970s, including the transfer to specific purpose payments in 1973-74 of assistance for public housing and financial responsibility for tertiary education, which were both previously provided as part of the State Governments' Loan Council programs; and
- increasing pressures on the Commonwealth budget, including from the relatively strong growth in general purpose revenue payments.

The declining importance of total net advances from the Commonwealth (which includes the loan portion of the State Governments' Loan Council programs) in financing the deficit of the State and local government sector was shown earlier in Table 2 of Chapter II.

As a result of the above changes, the State Governments' borrowing programs approved by Loan Council have increasingly become a vehicle for providing funds on concessional terms to the States rather than a means by which the Commonwealth, under the Financial Agreement, centralises government loan raisings by borrowing on behalf of State Governments and on-lends the funds at market interest rates for spending by the States, at their discretion, on capital works. As noted in Chapter II, the main source of such funds for the State and local government sector is now borrowings by semi-government and local authorities.

### Amount of General Purpose Capital Assistance in 1986-87

In respect of 1986-87, Loan Council agreed at its 13 June 1986 meeting to State Governments' borrowing programs that are 23 per cent lower than in 1985-86 and, in accordance with the agreed arrangements for determining the Northern Territory's program, a program for the Territory that is also 23 per cent lower. These programs—\$1204 million and \$132 million respectively—represent a combined reduction of \$400 million in the general purpose capital funds available to the States and the Northern Territory from the Commonwealth budget. Table 8 shows the distribution among the States (which is on the basis of historical shares) and the Northern Territory of the government borrowing programs in 1985-86 and 1986-87.

**Table 8: General Purpose Capital Assistance, 1985-86 and 1986-87**

	1985-86			1986-87			Percentage of Total
	Borrowings	Capital Grants	Total	Borrowings	Capital Grants	Total	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
New South Wales . . . . .	325 344	180 371	505 715	250 379	138 809	389 188	29.13
Victoria . . . . .	252 861	140 186	393 047	194 597	107 884	302 481	22.64
Queensland . . . . .	133 456	73 986	207 422	102 704	56 939	159 643	11.95
Western Australia . . . . .	93 132	51 632	144 764	71 672	39 735	111 407	8.34
South Australia . . . . .	131 166	72 718	203 884	100 943	55 962	156 905	11.74
Tasmania . . . . .	70 541	39 107	109 648	54 286	30 097	84 383	6.32
Total States . . . . .	1 006 500	558 000	1 564 500	774 581	429 426	1 204 007	90.12
Northern Territory . . . . .	110 301	61 151	171 452	84 885	47 060	131 945	9.88
Total. . . . .	1 116 801	619 151	1 735 952	859 466	476 486	1 335 952	100.00

### Concessional Elements of General Purpose Capital Assistance in 1986-87

Loan Council also agreed that 35.7 per cent of the State Governments' Loan Council programs in 1986-87 would be provided as a capital grant, the same proportion as in 1985-86. Similar arrangements apply to the Northern Territory Government borrowing program, with the result that \$476.5 million is to be provided as capital grants out of the total programs of \$1336.0 million. From 1975-76 to 1984-85 one third of the programs were in grant form.

Loan Council further agreed that, subject to meeting the matching requirements of the Commonwealth State Housing Agreement, the States and the Northern Territory would be able to nominate up to 60 per cent of the loan portion of their 1986-87 programs for public housing, except for Western Australia and South Australia which (as in 1985-86) may nominate all of the loan portions of their programs for public housing in 1986-87. For 1985-86, the States (other than South Australia and Western Australia) and the Northern Territory were limited to nominating up to 30 per cent of the loan portion of their Government borrowing programs for housing. These arrangements will allow the States and the Northern Territory to nominate up to \$584.7 million for housing in 1986-87, compared with nominations of \$459.4 million in 1985-86 (see Appendix II for the distribution of aggregate nominated amounts and Chapter V for further details of the arrangements as they affect total Commonwealth assistance for public housing purposes).

In 1986-87, out of programs of \$1336.0 million for the States and Northern Territory, up to \$1061.2 million is to be provided on concessional terms through the capital grant and the housing nominations, virtually the same as in 1985-86. This represents 79 per cent of general purpose capital assistance to the States and the Northern Territory, compared with 62 per cent in 1985-86, 33 per cent in the second half of the 1970s and 29 per cent in 1970-71 when the capital grant was first introduced. The payments of the capital grant and housing nominations are shown in Table 9. The concessional elements of the 1986-87 program alone will yield an annual interest saving to the States and the Northern Territory of around \$110 million in a full year. This will take the interest saving to the States and the Territory—and the consequent cost to the Commonwealth—arising from the cumulative provision of concessional funds since 1970-71 to an annual rate of about \$1000 million.

**Table 9: States and Northern Territory: Concessional Elements of General Purpose Capital Assistance and Commonwealth Assistance for State and Northern Territory Debt**

	Capital Grant	Housing Nominations	Commonwealth Sinking Fund Contributions (a)	Total Payments
	\$'000	\$'000	\$'000	\$'000
1970-71 . . . .	200 000		24 550	224 550
1971-72 . . . .	219 100		26 323	245 423
1972-73 . . . .	248 539		27 979	276 518
1973-74 . . . .	278 307		29 509	307 816
1974-75 . . . .	345 878		30 805	376 683
1975-76 . . . .	430 333		30 200	460 533
1976-77 . . . .	452 000		31 635	483 635
1977-78 . . . .	477 930		33 747	511 677
1978-79 . . . .	477 936		35 959	513 895
1979-80 . . . .	450 803		38 148	488 951
1980-81 . . . .	474 034		40 138	514 172
1981-82 . . . .	474 034		42 271	516 305
1982-83 . . . .	497 876	145 898	44 435	688 209
1983-84 . . . .	532 688	227 114	46 344	806 146
1984-85 . . . .	567 317	405 764	48 190	1 021 271
1985-86 . . . .	619 151	459 445	49 943	1 128 539
1986-87 . . . .	476 486	584 726	51 567	1 112 779
Total . . . .	7 222 412(b)	1 822 947	631 743(c)	9 677 102(b) (c)

(a) Includes notional Commonwealth sinking fund payments for the period from 1980-81 to 1984-85 in respect of debt allocated to the Northern Territory as these were used to determine the amount of Commonwealth debt on issue to the Northern Territory; see Chapter V for the arrangements applying from 1985-86.

(b) Excludes \$1000 million of State debt transferred to the Commonwealth in 1975-76.

(c) Cumulative sinking fund contributions for the period 1970-71 to 1986-87 only shown. Between 1927-28 and 1969-70, sinking fund contributions of \$321.6 million were made resulting in total sinking fund contributions of \$953.4 million in the period to 1986-87.

The Commonwealth also contributes to the cost of debt issued on behalf of the States and Northern Territory in other ways. Under the Financial Agreement the Commonwealth makes sinking fund contributions in respect of State debt. Similar arrangements now apply to debt issued on behalf of the Northern Territory Government. (These sinking fund contributions are shown in Table 9 and are discussed further in Chapter V.) Also, by an amendment to the Financial Agreement of 5 February 1976, the Commonwealth took over \$1000 million of State debt from 30 June 1975. The combined effect of this debt transfer and of the cumulative sinking fund contributions by the Commonwealth on behalf of the States and the Territory of \$953 million from 1927-28 to 1986-87 will result in interest savings to the States and the Territory at an annual rate of about \$225 million in addition to those referred to in the previous paragraph. Interest savings also arise for the States and the Northern Territory because the Commonwealth acts as a central borrower, using Commonwealth guaranteed debt instruments, on behalf of the States and Territory.

### **Financing of General Purpose Capital Assistance**

Those portions of the State Governments' Loan Council borrowing programs and Northern Territory Government borrowing program that are provided as loans at market rates of interest (ie the total programs less the capital grant and amounts nominated for housing) are financed from the proceeds of the issue of Treasury Bonds and Australian Savings Bonds, which are then allocated to the States and Northern Territory and represent State and Northern Territory Government debt. The proceeds of these Commonwealth securities are also applied to the conversion or redemption of maturing State and Northern Territory debt that cannot be financed out of the National Debt Sinking Fund and Northern Territory Debt Sinking Fund respectively and the associated securities, in turn, also become debt of the State and Territory governments.

If the proceeds of borrowings are insufficient to finance the borrowing programs, the Commonwealth contributes amounts from its own resources by subscribing to special loans. (Special loans are raised on terms and conditions similar to those attaching to Treasury Bonds sold by tender to the public.) Such loans have generally not been required in recent years, reflecting greater success by the Commonwealth in funding the deficit by long term debt issues and the reduced amount of the Government program which has been provided at market rates of interest.

Details of the financing of the State Governments' Loan Council programs and Northern Territory Government borrowing program since 1981-82 are given in Appendix II.

In line with previous practice, the Commonwealth undertook at the 13 June 1986 Loan Council meeting to 'underwrite' the total approved State Government program of \$1204 million. On the basis of the States' agreement to the level of governmental borrowings proposed by the Commonwealth for its own purposes and for State Governments, to the global limits proposed on Commonwealth and State authority borrowings and to compliance with the various other requirements of the Global Approach (details of which appear later in the chapter), the Commonwealth agreed to 'underwrite' the 1986-87 State Government borrowing program of \$1204 million and:

- to provide \$429 million of the program as a capital grant;

- to provide up to certain proportions of the remainder of the program on concessional terms for public housing;
- to arrange, to the maximum extent possible, for the redemption of maturing State debt that cannot be met from State Sinking Funds; and
- to make pro-rata weekly advances of the program.

Under arrangements beginning in 1929, the Loan Council has given authority for the issue by the Commonwealth of Treasury Bills to the Reserve Bank (and prior to its establishment the Commonwealth Bank). These issues were for the Commonwealth's own short term funding needs or to enable States to finance lags in the receipt of State revenues. Over time, the interest rates at which these bills have been issued have fallen well below market rates. However, over the past decade, there has been virtually no resort to lag-in-revenue bills for the States. In addition, during 1985-86 the Commonwealth moved to put its relationship with the Reserve Bank on a more commercial footing and decided to cease borrowing from the Reserve Bank at below market rates of interest by the issue of Treasury Bills and instead, for temporary purpose borrowings, to rely on overdraft borrowings from the Bank at market rates. Against this background, the 13 June 1986 meeting of Loan Council did not provide authority for the issue of Treasury Bills to the Reserve Bank.

#### **Terms and Conditions of Borrowings by the Commonwealth Government**

As discussed in previous issues of this Paper, there has been in recent years a progressive de-regulation of Loan Council's controls over the terms and conditions of borrowings by the Commonwealth and by State (and Commonwealth) authorities. The Chairman of Loan Council now has a delegation to determine the terms and conditions of the issue by the Commonwealth of Treasury Bonds, indexed Treasury Bonds, Treasury Notes, Australian Savings Bonds, Income Equalisation Deposits and overseas borrowings. The Chairman has also been given authorisation to determine the terms and conditions of the issue of Treasury Bonds which, since November 1985, have been offered following each tender under a tap facility that allows the sale of an amount up to 10 per cent of that raised in the tender, with a maximum amount of \$100 000 for each investor.

#### **LOAN COUNCIL ARRANGEMENTS APPLYING TO AUTHORITY BORROWINGS**

The Gentlemen's Agreement provided the framework for Loan Council oversight of borrowings by Commonwealth and State authorities from 1936 to 1984. By the early 1980s, however, the Loan Council had begun to exercise increasingly less influence under the Gentlemen's Agreement over the totality of authority borrowings. This reflected extensive use of non-conventional financing techniques, such as financial leasing and similar forms of borrowing, which were outside the scope of the Agreement. The decision in June 1982 to exclude domestic borrowings by electricity authorities from Loan Council control for a trial period of three years further reduced Loan Council influence on authority borrowings.

These developments culminated in the Gentlemen's Agreement being suspended at the 21 June 1984 Loan Council meeting, and the Global Approach being adopted on a trial basis for 1984-85. The objective of the Global Approach was to broaden the scope of Loan Council oversight of authority borrowings by bringing within

voluntarily agreed limits all forms of borrowings by Commonwealth and State semi-government and local authorities, government-owned companies and trusts. It also sought to publish, for the first time, timely information on total gross borrowings by Commonwealth and State authorities.

State semi-government and local authorities generally borrow at somewhat higher interest rates than the Commonwealth Government. Indicative rates for smaller semi-government and local authorities for recent years are given in Appendix II; this and other data point to some increase over the past year or so in the margin at which authorities borrow over Commonwealth Bond yields.

### **The Global Approach**

At the 1985 Loan Council meeting, it was decided that the Gentlemen's Agreement would be terminated formally and that the Global Approach would form the ongoing framework for Loan Council oversight of authority borrowings. The main elements of the arrangements for authority borrowings under the Global Approach, including modifications made at the 13 June 1986 meeting of Loan Council, are as follows:

- the Commonwealth and each State Government agree to voluntarily limit the level of new money borrowings each year from all sources by their semi-government and local authorities, government-owned companies and trusts to global limits agreed by Loan Council. As occurred under the Gentlemen's Agreement, each State and the Commonwealth is free to determine the distribution of the global total among its individual authorities;
- the forms of new money borrowings to be within the agreed limits include 'conventional' domestic and overseas loan raisings, deferred payment arrangements, overseas trade credits, financial leases (including leveraged leasing and similar arrangements), sale and leaseback arrangements, the net change in temporary purpose borrowings over the financial year and any other form of raising new capital funds. New money borrowings exclude operating leases; temporary purpose borrowings within the financial year; and borrowings by government-owned financial institutions and statutory marketing authorities, except when on-lent to bodies covered by global limits;
- as agreed at the 13 June 1986 Loan Council meeting, borrowings by institutions exempt from global limits which are on-lent to governments are also included in global limits except where such borrowings are associated with temporary or unexpected fluctuations in outlays and receipts. It was also agreed that the implicit borrowings associated with the Commonwealth's instalment purchase program be included in the Commonwealth's global limits. It is the practice of the States to include their instalment purchase programs within global limits; and
- bodies subject to global limits are able to refinance debt (including non-conventional debt) outside new money borrowing limits, provided there is no net addition to the total level of outstanding debt.

### **Overseas Borrowings**

Arrangements for overseas borrowings under the Global Approach are as follows:

- new money overseas borrowings by State authorities, including non-conventional financing techniques (such as trade credits, financial leases and the net

change in temporary purpose overseas borrowings over the financial year) are subject to an aggregate overseas ceiling. The distribution of the overseas ceiling is determined by agreement among the States;

- as agreed at the 13 June 1986 meeting, new money overseas borrowings (including the net change in temporary purpose borrowings) are not to exceed for more than a two month period during the financial year each State's new money overseas borrowing ceiling for that year, with an upper limit at all times during the year of 150 per cent of each State's ceiling. (In 1985-86 no restriction applied to within-year temporary purpose overseas borrowings.);
- in addition to all private overseas capital markets, State authorities are allowed to borrow in a range of overseas public issue markets. At the 13 June 1986 meeting the permitted public issue markets were extended to include:
  - the Deutschemark;
  - Euro-yen; and
  - Dutch Guilder markets;
- previously approved public issue markets are:
  - the domestic \$US market;
  - the Eurodollar market;
  - the Swiss Franc market;
  - the Euro-sterling market;
  - the European Currency Unit (ECU) market;
  - the Euro-\$A market; and
  - the Yen and non-Yen Tokyo market (the latter having been approved by Loan Council during the course of 1985-86);
- conversion or refinancing of both maturing conventional and non-conventional overseas debt is permitted outside the overseas borrowing ceiling; and
- following the delegation to individual Loan Council members at the 30 June-1 July 1983 meeting of the determination of terms and conditions of domestic borrowings, approval of the terms and conditions of overseas borrowings by authorities was delegated to the individual members of Loan Council at the 21 June 1984 meeting, except that specific Loan Council approval of terms and conditions of individual overseas borrowings is still required in the Sterling private placement market (essentially with a view to differentiating such borrowings from public issues by the Commonwealth in the relatively small Sterling market). However, individual approaches to public markets continue to require prior Loan Council approval, and are subject to the Commonwealth Government having a prior right of access and to orderly queuing arrangements.

Borrowings by statutory marketing authorities are, as noted, outside global limits. However, the following limits apply to the amounts which statutory marketing authorities may borrow overseas:

- up to the level of their expected foreign currency denominated sales for advance payments to growers (provided that does not exceed their current season's net borrowing requirement);
- up to 50 per cent of their borrowing requirement to finance buffer stocks held in Australia; and



• any of their borrowing requirements to finance buffer stocks held or being shipped abroad.

These borrowings may be undertaken in a range of overseas markets, including the US commercial paper and Euro Note markets, as well as via bank and institutional loans.

#### **Global Borrowing Limits for 1986-87**

At its 13 June 1986 meeting, Loan Council agreed to an aggregate new money borrowing limit for State authorities of \$6293 million, which is \$684.9 million or about 10 per cent less than borrowings in 1985-86. The agreed amount includes net special temporary additions of \$233.9 million. A global borrowing limit for the Northern Territory of \$75 million was also agreed for 1986-87, compared with borrowings of \$65 million in 1985-86. These borrowings will complete the bulk of the Territory's special financing requirements associated with the construction of the Channel Island Power Station near Darwin. Details of the borrowing programs for each of the States and the Northern Territory are provided in Table 10, while Appendix II provides details of the agreed conversion/refinancing programs.

As for 1985-86, an aggregate overseas borrowing ceiling for State authorities equal to 22 per cent of aggregate new money borrowings was set by Loan Council at its 13 June 1986 meeting. This results in a new money ceiling of \$1374 million for 1986-87, compared with overseas borrowings of \$1516 million in 1985-86. The distribution of the overseas ceiling among the States, which was agreed by the States, is shown in Table 11.

For 1986-87, Loan Council approved a new money borrowing program for Commonwealth authorities of \$1415.3 million, an increase of \$227.5 million or 19 per cent over borrowings in 1985-86. This increase is more than accounted for by an increase of \$345.4 million in borrowings to finance major re-equipment programs by Australian Airlines (formerly TAA) and Qantas in 1986-87. Excluding the increased borrowings by the airlines, the borrowing program for authorities is about 10 per cent less than in 1985-86.

**Table 10 — 'Global' New Money Borrowings by State and Northern Territory Semi-Government and Local Authorities (a), 1984-85 to 1986-87**

	1984-85					1985-86					1986-87				
	Borrowings Against Basic Program	Special Temp- orary Additions				Borrowings Against Basic Program	Special Temp- orary Additions				Basic Program	Special Temp- orary Additions			
	Total	Increase	Percentage of Total			Total	Increase	Percentage of Total			Total	Increase	Percentage of Total		
	\$m	\$m	\$m	%	%	\$m	\$m	\$m	%	%	\$m	\$m	\$m	%	%
New South Wales . . . . .	1940.6	..	1940.6	2.5	27.5	2059.1	..	2059.1	6.1	29.2	1845.0	..	1845.0	-10.4	29.0
Victoria . . . . .	1667.8	317.0	1984.8	25.6	28.1	1858.6	150.0	2008.6	1.2	28.5	1649.0	210.0	1859.0	-7.4	29.2
Queensland(b) . . . . .	1552.0	..	1552.0	-6.1	22.0	1538.9	..	1538.9	-0.8	21.9	1397.0	-10.0	1387.0	-9.9	21.8
Western Australia . . . . .	818.1	..	818.1	2.4	11.6	664.4	76.9	741.3	-9.4	10.5	601.1	33.9	635.0	-14.3	10.0
South Australia . . . . .	419.7	73.3	493.0	2.5	7.0	400.0	..	400.0	-18.9	5.7	360.0	-10.0	350.0	-12.5	5.5
Tasmania . . . . .	229.0	..	229.0	27.1	3.2	230.0	..	230.0	0.4	3.3	207.0	10.0	217.0	-5.7	3.4
Total States . . . . .	6627.1	390.3	7017.5	6.5	99.3	6751.0	226.9	6977.9	-0.6	99.1	6059.1	233.9	6293.0	-9.8	98.8
Northern Territory . . . . .	50.0	..	50.0	200.8	0.7	50.0	15.0	65.0	30.0	0.9	75.0	..	75.0	15.4	1.2
Total . . . . .	6677.1	390.3	7067.5	7.0	100.0	6801.0	241.9	7042.9	-0.3	100.0	6134.1	233.9	6368.0	-9.6	100.0

(a) Includes borrowings in all forms by all semi-government and local authorities, government-owned companies and trusts.

(b) Figures for 1984-85 are Commonwealth Treasury estimates.

**Table 11—New Money Overseas Borrowings by State Semi-Government Authorities, 1978-79 to 1986-87 (a)**  
(\$ million)

	New South Wales	Victoria (b)	Queens- land (b)	Western Australia	South Australia	Tasmania	Total States (b)
<b>Conventional Borrowings</b>							
1978-79 . . . . .	79.0	45.0	..	..	..	19.0	143.0
1979-80 . . . . .	103.0	100.0	84.0	15.3	..	20.0	322.3
1980-81 . . . . .	32.0	87.0	70.0	30.2	..	12.9	232.1
1981-82 . . . . .	151.5	120.5	135.0	71.7	20.0	42.5	541.2
1982-83 . . . . .	150.0	120.0	171.0	78.7	21.6	..	541.3
1983-84 . . . . .	190.4	209.5	150.0	173.6	40.0	..	763.5
1984-85 (c) . . . . .	356.2	619.5	275.0	149.0	146.0	40.0	1 585.7
1985-86 . . . . .	358.8	492.4	315.0	155.0	95.0	43.4	1 459.6
<b>Non-Conventional Borrowings (d)</b>							
1978-79 . . . . .	3.8	43.0	46.5	4.0	..	..	97.3
1979-80 . . . . .	36.2	70.1	124.3	4.8	..	..	235.4
1980-81 . . . . .	80.0	2.8	..	2.5	..	..	85.3
1981-82 . . . . .	442.5	105.6	160.7	13.1	26.2	2.9	751.0
1982-83 . . . . .	611.9	30.0	3.8	159.5	106.8	0.1	912.1
1983-84 . . . . .	347.0	70.7	..	33.6	43.6	6.5	501.4
1984-85 . . . . .	337.2	11.9	13.0	9.1	..	3.4	374.6
1985-86 . . . . .	47.3	7.7	..	..	..	1.9	56.9
<b>Total</b>							
1978-79 . . . . .	82.8	88.0	46.5	4.0	..	19.0	240.3
1979-80 . . . . .	139.2	170.1	208.3	20.1	..	20.0	557.7
1980-81 . . . . .	112.0	89.8	70.0	32.7	..	12.9	317.4
1981-82 . . . . .	594.0	226.1	295.7	84.8	46.2	45.4	1 292.2
1982-83 . . . . .	761.9	150.0	174.8	238.2	128.4	0.1	1 453.4
1983-84 . . . . .	537.4	280.2	150.0	207.2	83.6	6.5	1 264.9
1984-85 . . . . .	693.4	631.4	288.0	158.1	146.0	43.4	1 960.3
1985-86 . . . . .	406.0	500.0	315.0	155.0	95.0	45.3	1 516.3
1986-87 (e) . . . . .	406.0	349.0	315.0	172.0	86.0	46.0	1 374.0

(a) Includes new money borrowings by all semi-government and local authorities, government-owned companies and trusts.

(b) Figures shown for non-conventional borrowings include trade credits only for Queensland for all years shown and trade credits only for Victoria for the years 1978-79 to 1981-82.

(c) Special additions of \$390 million were approved during the year, further to the 1984-85 overseas (conventional) borrowing ceiling of \$1200 million.

(d) Includes overseas trade credits, overseas financial leases and similar transactions.

(e) A ceiling of 22 per cent of the global limits (\$1374 million) on overseas conventional and non-conventional borrowings was agreed at the 13 June 1986 meeting of Loan Council. The allocation of that amount has been determined by the States.

## **CHAPTER V—SPECIFIC PURPOSE PAYMENTS TO THE STATES AND THE NORTHERN TERRITORY**

The Commonwealth provides financial assistance for a wide range of specific types of expenditure by the States and the Northern Territory. Specific purpose payments to the States are those payments for which the Commonwealth imposes conditions under Section 96 of the Constitution on the provision of assistance, including conditions on the use made of assistance by the States, the undertaking of particular activities or expenditures by the States or, in the case of loans, interest and repayment obligations. Similar specific purpose payments are also made to the Northern Territory. This chapter outlines specific purpose payments recently made, presently being made or proposed to be made, to the States and the Northern Territory.

The various payments in this chapter are grouped under the functional headings used in the Statements in Budget Paper No. 1—the only exceptions being that payments included in the 'Not Allocated to Function' category (namely, assistance related to State and Northern Territory debts, assistance for local government, natural disaster relief and assistance for South West Tasmania) are shown under specific headings in appropriate places in the chapter and that various payments for Aboriginal advancement, support for steel regions, payments under the Commonwealth State Housing Agreement and payments under the Federal Water Resources Assistance Program are grouped together (in the functional statements these are distributed over a number of functions).

It should be noted that, in some cases, the distribution of assistance among the States and the Northern Territory under particular programs is dependent on application or agreement by the States and the Territory to participate in programs or the approval of particular projects. In those cases, a notional or provisional estimate of the distribution is included. This does not, however, by itself constitute a commitment by the Commonwealth to a particular level of funding or an indication that a State or the Territory has agreed to participate in the program.

Aggregate specific purpose payments to each State and the Northern Territory since 1982-83, classified as to whether they were for recurrent or capital purposes, are shown in Table 90 in Appendix 1 of this Paper. Specific purpose payments for 1986-87 classified by function are presented in the following table:

**Table 12—Commonwealth Specific Purpose Payments to the States and Northern Territory by Function, 1982–83 to 1986–87**  
(net basis)

	1982–83	1983–84	1984–85	1985–86		1986–87 (estimated)	
	Amount	Amount	Amount	Amount	Increase	Amount	Increase
	\$'000	\$'000	\$'000	\$'000	%	\$'000	%
Defence . . . . .	9 180	6 301	7 420	5 756	–22.4	3 698	–35.8
Education . . . . .	3 100 676	3 366 127	3 697 244	3 989 521	7.9	4 127 612	3.5
Health . . . . .	250 761	432 134	961 409	1 095 921	14.0	1 139 013	3.9
Social Security and Welfare . . . . .	72 481	83 430	128 288	151 443	18.0	208 567	37.7
Housing and Community Amenities . . . . .	352 812	524 391	548 193	594 193	8.4	623 559	4.9
Culture and Recreation . . . . .	8 874	15 375	32 472	45 084	38.8	60 949	35.2
Economic Services—							
Transport and Communication . . . . .	981 140	1 224 519	1 284 337	1 255 345	–2.3	1 243 435	–.9
Industry Assistance and Development . . . . .	212 889	84 368	114 447	99 374	–13.2	184 703	85.9
Labour and Employment . . . . .	166 130	408 418	380 188	279 105	–26.6	212 371	–23.9
Other Economic Services . . . . .	80 981	77 039	111 779	65 547	–41.4	66 407	1.3
Total Economic Services . . . . .	1 441 140	1 794 344	1 890 752	1 699 372	–10.1	1 706 916	0.4
General Public Services . . . . .	34 090	35 424	39 579	45 255	14.3	65 088	43.8
Outlays Not Allocated to Function—							
Assistance Related to State Debts . . . . .	58 900	60 739	62 269	49 943	–19.8	51 567	3.3
Payments to Northern Territory . . . . .	31 140	48 772	59 114	53 532	10.2	585 613	8.7
Assistance for Local Government (a) . . . . .	426 519	461 535	488 864	538 532	10.2	585 613	8.7
Natural Disaster Relief . . . . .	131 800	122 487	–15 258	–7 999	47.6	–9 550	–19.4
Special Assistance for South West Tasmania . . . . .	..	62 906	33 871	33 571	–0.9	34 437	2.6
Total Not Allocated to Function . . . . .	648 360	756 438	628 861	614 047	–2.4	662 067	7.8
Grand Total (net basis) . . . . .	5 918 374	7 013 964	7 934 218	8 240 592	3.9	8 597 469	4.3

(a) Comprising grants to the States and Northern Territory to be passed on to local government authorities as general purpose assistance.

## ASSISTANCE RELATED TO STATE DEBTS

### Payments Under the Financial Agreement

#### *Sinking Fund Contributions*

The Financial Agreement of 1927 established arrangements for the payment of contributions to the National Debt Sinking Fund, by both the Commonwealth 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 the 1974-75 issue of this Paper.

Amendments to the Financial Agreement which were ratified by the Parliaments of the Commonwealth and the States over the course of 1975-76 (the relevant Commonwealth legislation being the *Financial Agreement Act 1976*), and which had retrospective effect to 30 June 1975, provided for sinking fund arrangements in respect of State debt which may be briefly summarised as follows:

- specified contributions were made by the States (\$121.5 million) and by the Commonwealth (\$30.2 million) in 1975-76;
- for the next nine years (ten in the case of New South Wales) the contributions equalled the amounts contributed in 1975-76 adjusted by a percentage of the difference between each State's net public debt at 30 June 1975 and the net public debt at 30 June immediately preceding the year of contribution. The percentage was 1.20 for State contributions and 0.28 for Commonwealth contributions; and
- from and including 1985-86 (1986-87 in the case of New South Wales) the contribution by each State would equal 0.85 per cent of its net public debt at the preceding 30 June and the Commonwealth's contribution would be 0.28 per cent.

The Financial Agreement amendments of 1975-76 also gave effect to the transfer of \$1000 million of State debt to the Commonwealth from 30 June 1975. (See page 34 of the 1975-76 issue of this Paper.)

Further details of sinking fund arrangements may be found in the annual reports of the National Debt Commission.

In respect of the Northern Territory, the Memorandum of Understanding provided that, for the early years of self-government, the Commonwealth would provide the Northern Territory with assistance to fully offset its debt servicing obligations on debt allocated to finance general purpose capital assistance to the Territory, at least until the growth rate in debt charges stabilised. At the May 1985 Premiers' Conference/Loan Council meeting it was decided that the Territory's debt charges had stabilised to a sufficient extent to absorb the Commonwealth's assistance in respect of debt charges into general revenue payments to the Territory and for the Territory to accept formal responsibility for servicing the debt allocated to it.

Arising from that decision, an amount of \$57.5 million, representing a revised estimate of debt charges assistance in 1984-85, was absorbed in 1985-86 into the base for determining the Territory's general revenue grant for that and subsequent years. The Commonwealth and Northern Territory Governments also reached

agreement in the course of 1985-86 on the amount of Commonwealth debt outstanding on behalf of the Territory at 30 June, 1985 which became the responsibility of the Northern Territory, and on the new financial arrangements to apply with effect from 1 July, 1985 in respect of debt allocated to the Northern Territory under its borrowing program. The new arrangements are consistent with those applying to the States under the Financial Agreement and require the Territory from 1985-86 to reimburse the Commonwealth for the whole of interest charges on debt allocated to the Territory and to reimburse the Commonwealth for loan management and loan flotation expenses on the same basis as the States.

The new arrangements also require the Commonwealth and the Territory to make sinking fund contributions in 1985-86 and each subsequent financial year equal to 0.28 per cent and 0.85 per cent, respectively, of the net public debt outstanding on the Territory's behalf at 30 June of the preceding financial year. These sinking fund payments are paid into a Northern Territory Debt Sinking Fund which was established in 1985-86 as part the Commonwealth Public Account. The Commonwealth will also pay interest on balances in the Northern Territory Debt Sinking Fund, on a similar basis as occurs in respect of National Debt Sinking Fund balances held at the Reserve Bank.

The following table shows the Commonwealth's sinking fund contributions in respect of the States' and Territory's debts from 1982-83, including estimated contributions to be made in 1986-87:

**Table 13—Sinking Fund Payments, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1982-83 . . . . .	14 392	11 078	5 773	4 092	5 516	2 958	(a)	43 809
1983-84 . . . . .	15 010	11 398	6 013	4 264	5 722	3 082	(a)	45 490
1984-85 . . . . .	15 680	11 844	6 277	4 453	5 651	3 194	(a)	47 099
1985-86 . . . . .	16 258	12 278	6 653	4 474	5 573	3 361	1 345	49 943
1986-87 (estimate) . . . . .	16 660	12 660	6 860	4 610	5 740	3 470	1 567	51 567

(a) Prior to the establishment of the Northern Territory Debt Sinking fund in 1985-86 Sinking fund contributions by the Commonwealth were notional only and included in debt charges assistance to the Territory.

## DEFENCE

### Housing for Members of the Australian Defence Force

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 construction of dwellings for serving members of the Defence Force. (For further details *see* page 35 of the 1975-76 issue of this Paper.)

Present arrangements were agreed between the Commonwealth and the States in 1972 and renewed for six years in 1978. These arrangements are continuing on an informal basis pending the finalisation of a further agreement.

Funds for housing for members of the Australian Defence Force in the States are provided under the arrangements by way of loans at market rates of interest repayable over 53 years. Funds are provided for both the construction of new dwellings and improvements.

The following table shows loans provided to the States since 1982-83 and estimates for 1986-87:

**Table 14—Advances for Houses for Members of the Australian Defence Force, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Total
1982-83	4 610	467	2 440	746	..	19	8 282
1983-84	2 597	..	2 559	134	9	..	5 299
1984-85	4 685	1 226	48	..	..	..	5 959
1985-86	3 891	279	27	61	..	..	4 258
1986-87 (estimate)	1 405	415	29	78	10	..	1 937

### Assistance to Emergency Services

The Natural Disasters Organisation, which was formally established in 1974, is responsible for co-ordinating physical assistance provided by the Commonwealth (including that provided by the Defence Force) with the efforts made by State and Northern Territory emergency services and local and voluntary organisations, to cope with major natural disasters and for civil defence.

The Organisation also has the function of supervising the provision of special forms of assistance to State and Northern Territory emergency services, for the purpose of strengthening those services. The following forms of assistance are provided by the Commonwealth:

- grants to meet the cost of salaries of an agreed number of State Emergency Services' personnel at Division or District headquarters;
- grants are made on a dollar for dollar basis for the clearing of firebreaks and providing depots for emergency service units at the local level;
- the Commonwealth meets the costs of State and Northern Territory Government personnel travelling to attend courses at the Australian Counter Disaster College, Mount Macedon;
- capital equipment is provided to the State organisations. Equipment valued at \$1.2 million was provided in 1985-86 and it is estimated that a further \$1.2 million will be provided in 1986-87; and
- other forms of assistance are provided from time to time.

The first three of these forms of assistance are classified as recurrent grants to the States and Northern Territory for purposes of this and other Budget Papers.



The provision of capital equipment is classified as a Commonwealth own purpose outlay. The following table shows grants made for these purposes since 1982-83 and estimated grants in 1986-87:

**Table 15—Recurrent Grants for Emergency Services, 1982-83 to 1986-87**  
(\$ thousands)

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>PERSONNEL COSTS</b>								
1982-83 . . . . .	540	383	478	170	71	108	20	1 769
1983-84 . . . . .	504	358	487	197	68	120	24	1 758
1984-85 . . . . .	601	375	503	278	139	143	118	2 156
1985-86 . . . . .	607	412	473	349	282	157	139	2 420
1986-87 (estimate) . . . . .	656	383	515	384	315	174	170	2 597
<b>PROTECTION AND OTHER WORKS</b>								
1982-83 . . . . .	32	30	27	24	25	34		172
1983-84 . . . . .	89	73	100	53	10	14		340
1984-85 . . . . .	115	137	96	68	28	20		464
1985-86 . . . . .	73	73	82	52		10	10	300
1986-87 (estimate) . . . . .	80	110	110	75	45	34		454
<b>TOTAL</b>								
1982-83 . . . . .	572	413	505	194	96	141	20	1 941
1983-84 . . . . .	593	431	587	251	78	134	24	2 098
1984-85 . . . . .	716	512	600	345	166	163	118	2 620
1985-86 . . . . .	680	485	555	401	282	167	149	2 720
1986-87 (estimate) . . . . .	736	493	625	459	360	208	170	3 051

## EDUCATION

Grants to the States for education began with assistance for the recurrent expenditures of universities in 1951-52. The magnitude and area of Commonwealth assistance has been progressively extended with the assumption by the Commonwealth of financial responsibility for universities and colleges of advanced education from 1974 (with corresponding offsets in general purpose assistance to the States) and the provision, also from 1974, of substantially increased assistance for schools and colleges of Technical and Further Education (TAFE). More recently, in 1984, the Commonwealth decided to provide substantial increases in recurrent funding for government schools as well as for the non-government sector. As a result of these developments, payments to the States for education have grown rapidly—for example, from \$259.4 million in 1972-73 to an estimated \$4113 million in 1986-87.

The Commonwealth's tertiary education and schools programs have a calendar year rather than a financial year basis and funding for the tertiary education programs is determined triennially. Funding decisions on tertiary education and schools programs are announced in constant prices with supplementary grants being paid retrospectively for cost increases for most programs—through the program year for salary and wage increases, and to the commencement of the program year for other elements. In accordance with these arrangements, separate bulk allowances of \$93.6 million and \$45.3 million, have been included in the Budget for estimated cost supplementation of the payments to the States for tertiary education and schools respectively, in 1986-87.

## Tertiary Education

The Commonwealth Tertiary Education Commission promotes the balanced and co-ordinated development of tertiary education throughout Australia. Programs of assistance to the States and the Northern Territory for tertiary education are administered by the Commission and are authorised under the *States Grants (Tertiary Education Assistance) Act 1984*.

### Higher Education

The Commonwealth assumed financial responsibility for higher education (universities and colleges of advanced education (CAEs)) in 1974. Commonwealth funding aims to ensure that higher education meets the economic and social needs of the nation and that opportunities are provided for equitable participation. For the 1985-87 triennium, the Commonwealth is providing grants for capital, equipment and recurrent purposes. Total Commonwealth assistance in 1987 for universities and colleges of advanced education is estimated at around \$2290 million (estimated December 1985 prices).

This figure reflects the Commonwealth's decision to introduce in 1987 an administration charge of \$250 to be paid by all students enrolling in higher education courses. The charge aims to defray, in part, the administrative overheads of institutions and will be collected by institutions themselves, with Commonwealth higher education grants being reduced by 90 per cent of estimated collections. As a result, institutions will effectively retain 10 per cent of the benefit of the charge for their own purposes and it is estimated its introduction will mean that the total funds at their disposal, including charge collections and Commonwealth grants, will have increased by about \$10 million. In addition, the Commonwealth will provide funds for an additional intake of 3000 students in 1987. Students in receipt of Commonwealth education allowances will be compensated for introduction of the charge by a special supplement to their payments and there will be some exemptions from the charge. Further details are provided in Budget Statement No. 3.

The following tables show grants to the States and the Northern Territory for universities and CAEs since 1982-83 and estimated grants for 1986-87:

**Table 16—Grants for Universities, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Total
RECURRENT							
1982-83 . . . . .	359 432	238 788	128 673	73 385	85 603	32 310	918 191
1983-84 . . . . .	368 063	256 957	138 705	79 172	91 428	35 020	969 344
1984-85 . . . . .	398 558	274 555	149 006	85 199	96 873	37 240	1 041 430
1985-86 . . . . .	438 264	302 729	164 896	93 936	107 273	40 476	1 147 573
1986-87 (estimate) (a) . .	431 047	299 546	163 236	93 228	105 649	39 706	1 132 411
CAPITAL							
1982-83 . . . . .	21 544	13 097	7 966	3 515	4 555	1 404	52 091
1983-84 . . . . .	26 068	14 557	12 782	5 812	5 795	1 672	66 686
1984-85 . . . . .	25 908	20 692	10 573	5 440	5 597	2 055	70 264
1985-86 . . . . .	32 176	21 054	9 869	6 662	5 962	3 415	79 140
1986-87 (estimate) (a) . .	36 813	20 738	12 029	10 282	7 240	4 227	91 330
TOTAL							
1982-83 . . . . .	380 986	251 885	136 639	76 900	90 158	33 714	970 282
1983-84 . . . . .	394 131	271 514	151 487	84 984	97 223	36 692	1 036 030
1984-85 . . . . .	424 466	295 247	159 578	90 639	102 470	39 295	1 111 694
1985-86 . . . . .	470 440	323 783	174 765	100 598	113 235	43 891	1 226 713
1986-87 (estimate) (a) . .	467 860	320 284	175 265	103 510	112 889	43 933	1 223 741

(a) The estimates for 1986-87 do not include amounts to be paid on account of cost supplementation; see introductory paragraphs to the 'Education' section.

**Table 17—Grants for Colleges of Advanced Education, 1982–83 to 1986–87**  
(\$ thousands)

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
RECURRENT								
1982–83 . . . . .	145 905	215 675	92 035	72 626	62 231	9 459	4 428	602 359
1983–84 . . . . .	174 046	234 310	100 021	78 064	66 590	10 367	5 039	668 437
1984–85 . . . . .	180 481	257 331	107 942	85 273	72 763	11 125	6 074	720 989
1985–86 . . . . .	202 336	284 566	124 822	95 118	80 346	12 254	7 676	807 117
1986–87 (estimate) (a)	200 523	276 888	122 804	93 025	78 655	12 131	8 160	792 186
CAPITAL								
1982–83 . . . . .	14 783	12 605	4 727	3 584	3 530	405	..	39 634
1983–84 . . . . .	18 023	15 675	4 589	3 494	3 949	441	..	46 171
1984–85 . . . . .	15 754	21 068	6 439	3 618	4 001	454	76	51 410
1985–86 . . . . .	18 762	24 384	10 729	5 353	4 408	630	151	64 416
1986–87 (estimate) (a)	21 152	30 253	14 288	6 064	5 779	734	180	78 450
TOTAL								
1982–83 . . . . .	160 688	228 280	96 762	76 210	65 761	9 864	4 428	641 993
1983–84 . . . . .	192 069	249 985	104 610	81 558	70 539	10 808	5 039	714 608
1984–85 . . . . .	196 235	278 399	114 381	88 891	76 764	11 579	6 150	772 399
1985–86 . . . . .	221 098	308 949	135 551	100 470	84 754	12 884	7 827	871 534
1986–87 (estimate) (a)	221 676	307 141	137 092	99 089	84 434	12 865	8 340	870 637

(a) The estimates for 1986–87 do not include amounts to be paid on account of 'cost supplementation'; see introductory paragraphs to the 'Education' section.

### *Technical and Further Education*

Assistance to the States and the Northern Territory for technical and further education, first provided in 1964–65, has been directed towards enhancing the quality and extending the availability of technical and further education, and as compensation for not levying fees. The Commonwealth and the States and Northern Territory share the responsibility for the funding of TAFE, with the Commonwealth share being around a fifth of recurrent funding and around two-thirds of capital funding.

The program of financial assistance in 1987 to the States and the Northern Territory, excluding the technical and further education component of the Participation and Equity Program, amounts to around \$290 million (December 1985 prices).

The following table shows grants to the States for technical and further education since 1982–83 and estimated grants for 1986–87; the amounts exclude grants for the Participation and Equity Program which are included in Table 20.

**Table 18—Grants for Technical and Further Education, 1982–83 to 1986–87**  
(\$ thousands)

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>RECURRENT</b>								
1982–83 . . . . .	38 522	26 595	10 722	10 617	9 349	3 200	1 010	100 015
1983–84 . . . . .	45 489	32 569	12 119	11 805	10 509	3 552	1 312	117 355
1984–85 . . . . .	48 240	35 514	14 161	12 804	11 481	3 878	1 430	127 509
1985–86 . . . . .	51 529	33 778	16 423	13 474	12 809	4 784	1 898	134 693
1986–87 (estimate) (a)	53 446	37 302	19 121	14 278	13 563	4 430	1 760	143 900
<b>CAPITAL</b>								
1982–83 . . . . .	49 753	33 849	12 642	12 136	12 671	3 490	3 452	127 993
1983–84 . . . . .	41 062	29 945	18 784	8 065	13 986	2 777	3 609	118 228
1984–85 . . . . .	50 739	49 700	23 732	15 725	16 106	2 334	4 507	162 843
1985–86 . . . . .	44 332	40 800	28 589	16 138	8 921	737	7 525	147 043
1986–87 (estimate) (a)	52 045	46 379	24 177	13 722	11 260	2 332	3 558	153 473
<b>TOTAL</b>								
1982–83 . . . . .	88 274	60 444	23 364	22 753	22 020	6 690	4 462	228 008
1983–84 . . . . .	86 551	62 514	30 904	19 870	24 494	6 329	4 921	235 583
1984–85 . . . . .	98 979	85 214	37 893	28 530	27 587	6 212	5 938	290 352
1985–86 . . . . .	95 861	74 578	45 011	29 613	21 729	5 521	9 423	281 736
1986–87 (estimate) (a)	105 491	83 680	43 298	28 001	24 824	6 762	5 318	297 373

(a) The estimates for 1986–87, do not include amounts to be paid on account of cost supplementation; see introductory paragraphs to the 'Education' section.

### Schools

The Commonwealth has been providing assistance for schools in the States since 1964–65. By 1975–76 the Commonwealth was providing grants for both government and non-government schools in a number of categories including general recurrent and building (capital) grants and special purpose programs such as library grants, programs for handicapped children, disadvantaged schools, migrants and multicultural programs, and teacher development. Commonwealth funding has continued to grow following the response by the Government in 1984 to recommendations of the Commonwealth Schools Commission on increased general recurrent funding for 1985 to 1988. Notwithstanding this increasing Commonwealth involvement, the bulk of public sector funding for schools, and in particular government schools, continues to be the responsibility of the States and Northern Territory.

Commonwealth schools assistance to the States and the Northern Territory in 1987 will amount to \$1566.5 million (estimated December 1985 prices), compared with \$1590.6 million (estimated December 1985 prices) in 1986, a decrease of 1.5 per cent in real terms.

The 1987 programs for schools reflect decisions taken by the Government to offset increases in general recurrent grants by reducing by more than \$25 million the level of funding for special purpose programs and by \$8 million for Capital Grants programs. As part of this reduction, the Professional Development and Multicultural Education programs have been abolished and the future growth in the Ethnic Schools program has been limited by the introduction of a ceiling on enrolments and the per capita rate of funding. The Government has also decided to make reductions in the English as a Second Language and Capital Grants programs.

General recurrent per capita grants for both government and non-government schools will continue to rise in real terms in 1986-87. In the 1987 calendar year, in accordance with resource agreements which have been negotiated with the States, the Northern Territory and non-government authorities, per capita funding increases over 1986 levels of around 4 per cent in real terms are to support priority areas outlined by the Quality of Education Review Committee, which reported in April 1985. General recurrent grants for government schools in the States and Northern Territory will rise by \$43.1 million in 1986-87 while general recurrent grants to non-government schools are to rise by \$54.5 million.

The following table shows grants to the States and the Northern Territory for schools since 1982-83 and the estimated grants for 1986-87. Further details are available from Appendix III.

**Table 19—Grants for Government and Non-Government Schools, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
RECURRENT								
1982-83 . . . . .	350 014	299 853	150 487	81 852	77 632	24 282	7 699	991 820
1983-84 . . . . .	382 973	330 391	166 839	90 749	83 558	26 290	8 837	1 089 637
1984-85 . . . . .	409 726	349 687	181 590	98 497	88 863	28 722	10 248	1 167 334
1985-86 . . . . .	455 835	380 186	204 456	110 292	99 404	31 875	12 360	1 294 407
1986-87 (estimate) (a) . . . .	473 987	397 118	210 847	113 171	101 854	32 528	12 392	1 341 897
CAPITAL								
1982-83 . . . . .	63 707	49 476	30 104	16 045	16 028	5 172	3 495	184 027
1983-84 . . . . .	63 733	53 229	32 179	18 366	16 706	5 993	3 436	193 643
1984-85 . . . . .	71 152	55 004	35 175	22 061	19 156	6 024	4 229	212 800
1985-86 . . . . .	74 245	54 404	43 736	22 156	17 552	6 065	4 601	222 758
1986-87 (estimate) (a) . . . .	67 030	54 780	31 291	22 728	16 676	5 130	5 902	203 537
TOTAL								
1982-83 . . . . .	413 721	349 330	180 591	97 897	93 660	29 454	11 194	1 175 846
1983-84 . . . . .	446 707	383 620	199 019	109 115	100 264	32 283	12 273	1 283 280
1984-85 . . . . .	480 878	404 691	216 765	120 558	108 019	34 745	14 477	1 380 133
1985-86 . . . . .	530 080	434 590	248 192	132 448	116 955	37 940	16 961	1 517 165
1986-87 (estimate) (a) . . . .	541 016	451 898	242 138	135 899	118 530	37 658	18 295	1 545 433

(a) The estimates for 1986-87 do not include amounts to be paid on account of cost supplementation; see introductory paragraphs to the 'Education' section.

### Participation and Equity

The Participation and Equity Program, which commenced in January 1984, has the objectives of both increasing participation in education and introducing greater equity in overall educational provision for young people. The program, which was originally due to expire in 1986, has been extended to 1987 following the Government's decision that the assistance formerly planned to be provided for 1986 is to be spread over the two calendar years. In 1986-87, \$25 million will be provided under this program for schools and \$18.7 million for technical and further education.

The following table shows grants to the States and the Northern Territory under the program since 1983-84 and estimated grants for 1986-87:

**Table 20—Recurrent Grants for the Participation and Equity Program, 1983-84 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1983-84 . . . . .	7 972	7 771	5 297	2 152	3 041	753	361	27 346
1984-85 . . . . .	31 825	23 006	13 626	8 140	8 196	3 226	855	88 875
1985-86 . . . . .	22 070	15 560	10 966	6 260	6 131	2 194	582	63 763
1986-87 (estimate) (a) . . . . .	15 189	11 302	7 248	4 094	4 005	1 403	464	43 704

(a) The estimates for 1986-87 do not include amounts to be paid on account of cost supplementation; see introductory paragraphs to the 'Education' section.

### Video Facilities

Under this program the Commonwealth is providing the States and the Northern Territory with capital grants during the 1985-87 triennium to make educational video facilities available on loan to children in isolated areas. It is estimated that a total of \$1.3 million will be provided in 1986-87. A provisional estimate of payments to each State and the Northern Territory is included in Appendix V.

## HEALTH

The Commonwealth has been providing assistance to the States for health services and facilities since 1949-50. The level of assistance rose rapidly during the 1970s with the introduction of arrangements for the sharing of net costs of operating recognised hospitals, and the beginning of the community health program and the school dental scheme.

Under financial arrangements that commenced on 1 July 1981, New South Wales, Victoria, Queensland, Western Australia and the Northern Territory received, under the *States (Tax Sharing and Health Grants) Act 1981*, general purpose financial assistance identified for health purposes in lieu of specific purpose assistance previously provided by the Commonwealth to those States for public hospital operating costs, the community health program and the school dental scheme. Under these arrangements, South Australia and Tasmania received general purpose assistance payments in respect of the community health program and school dental scheme only. However, as part of the arrangements for the introduction of Medicare, from 1 February 1984 specific purpose payments to South Australia and Tasmania for health purposes under the hospital cost-sharing agreements were replaced by general purpose identified health grants. For the triennium 1985-86 to 1987-88, the identified health grant arrangements are continued under the *States Grants (General Revenue) Act 1985*. It is intended that these payments will be absorbed into the financial assistance grants after 1987-88. For further details of these arrangements, see Chapter III.

### Medicare Compensation

As part of its Medicare program, the Commonwealth makes Medicare Compensation Grants to the States and the Northern Territory designed to ensure that no government is financially disadvantaged by the introduction of Medicare into its

public hospital system. These grants are designed to compensate each State and the Northern Territory for revenue losses associated with both the abolition of accommodation charges for public patients in public hospitals and of charges for public hospital in-patient and out-patient care and the reduction in accommodation fees for private patients in public hospitals, and other additional costs associated with the introduction of Medicare.

Medicare Compensation Grants are provided on the basis that the States and the Northern Territory will provide public hospital in-patient treatment in shared wards, and out-patient treatment, without charge to persons defined as eligible by the *Health Insurance Act 1973* unless the patient elects to be treated as a private patient.

From 1 February 1984 to 30 June 1985 the compensation provided was based on a formula comparing actual hospital utilisation during the period with utilisation in 1982-83. Payments from 1 July 1985 take the form of block grants based on the 1984-85 grants indexed to take account of wage and price increases. At the 1985 Premiers' Conference it was agreed that the arrangements would continue until 30 June 1988, when they will be reconsidered in the context of the review of the general revenue assistance arrangements that will take place at that time.

The Medicare Compensation Grants also include a component designed to restore the Commonwealth's real terms contribution to community health funding to the 1975-76 level (\$20 million in 1986-87), capital assistance for diagnostic and other high technology equipment expected to result in reduced Medicare benefits payments in future years (\$4.5 million in 1986-87) and a special payment to New South Wales of \$25 million in 1986-87 in relation to the increased hourly rates of payment to Visiting Medical Officers in New South Wales public hospitals.

Total payments to the States and Northern Territory under these arrangements in 1985-86 were \$996.3 million, with an estimated \$1 026.4 million to be provided in 1986-87. The following table shows payments to the States and Northern Territory for Medicare since 1983-84 and estimated payments in 1986-87:

**Table 21—Recurrent Grants for Medicare, 1983-84 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1983-84 . . . . .	104 096	80 045	29 075	27 277	21 227	10 675	2 372	274 767
1984-85 . . . . .	351 903	249 187	75 573	85 195	118 353	32 685	11 578	924 474
1985-86 . . . . .	420 755	256 040	72 083	89 086	111 891	33 251	13 163	996 269
1986-87 (estimate) . . . . .	418 568	269 122	79 195	93 568	118 050	35 362	12 521	1 026 386

### Capital Grants for Teaching Hospitals

As part of the negotiated package for settlement of the New South Wales doctors' dispute the Government agreed to provide capital grants of \$150 million over the three years commencing in 1985-86 to the States and territories for the purchase of capital equipment in teaching hospitals, including the Repatriation General Hospitals which provide teaching facilities. The 1986-87 allocation of \$50.5 million includes \$47.5 million for the States and Northern Territory.

The following table shows payments to the States and Northern Territory under this program in 1985-86 and estimated payments in 1986-87:

**Table 22—Capital Grants for Teaching Hospitals, 1985-86 to 1986-87**  
(\$ thousands)

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1985-86	16 811	12 652	7 713	4 258	4 206	1 400	500	47 540
1986-87 (estimate)	16 811	12 652	7 713	4 258	4 206	1 400	500	47 540

### Transfer of Nurse Education

In 1984 the Commonwealth announced that financial assistance would be available to States and territories transferring nurse education from hospital-based facilities to Colleges of Advanced Education (CAEs) over the period 1985 to 1993. Assistance would be available for the transfer of up to 4750 nurse educational places in the 1985-87 triennium.

Subject to the agreement of the States and territories, an indexed subsidy is payable at a rate of \$1500 per annum (December 1983 prices) per student nurse commencing at a CAE towards the additional recurrent costs incurred by States and territories through the transfer. The States and territories will be required to provide appropriate capital facilities for CAEs.

CAE nursing students are eligible for payment under the Tertiary Education Assistance Scheme on the same basis as other students. Where the number of trainee nurses commencing training at CAEs exceeds the program agreed with the Commonwealth, the subsidy is rebated by the additional costs incurred by the Commonwealth under the Tertiary Education Assistance Scheme. This can result in some States (eg New South Wales) not being eligible to receive the subsidy in the initial years of the transfer program.

The proposed arrangements also provide for the transfer of nurse education currently taking place in repatriation hospitals.

No expenditure was incurred under these arrangements in 1985-86. For 1986-87, \$7.4 million has been provided to meet the States' and Northern Territory's estimated requirements. The following table shows estimated payments but as allocation to the States is not yet determined, no commitment to the provision of the amount indicated is implied.

**Table 23—Recurrent Grants for Nurse Education, 1986-87 (\$ thousands)**

	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1986-87 (estimate)	3 967	620	1 870	769	62	121	7 409

### Acquired Immune Deficiency Syndrome

Since 1984-85, the Commonwealth has supported a number of initiatives to combat the spread of Acquired Immune Deficiency Syndrome (AIDS). These include a national education campaign, medical research, support for blood screening to be provided by the Red Cross Blood Transfusion Service, the development and production of blood screening kits by the Commonwealth Serum Laboratories and



contributions to programs operated by the States and territories. Funding for the latter programs is provided on a dollar for dollar matching basis. Payments to the States in 1986-87 are estimated to be \$5.9 million compared to \$5.6 million in 1985-86.

The following table shows grants to the States since 1984-85 and estimated grants for 1986-87:

**Table 24—Recurrent Grants for Combating Acquired Immune Deficiency Syndrome, 1984-85 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1984-85 . . . . .	1 529	876	441	343	408	100	..	3 697
1985-86 . . . . .	2 397	1 493	497	564	550	86	..	5 586
1986-87 (estimate) . .	2 504	1 587	488	616	445	99	142	5 881

### **Launceston General Hospital**

Under an agreement with the Tasmanian Government, the Commonwealth has met 50 per cent of the approved costs of Stage 1 of the redevelopment of the Launceston General Hospital. Capital grants to Tasmania for this purpose from 1976-77 to 1985-86 totalled \$22 million. In addition, the Commonwealth is to fund 50 per cent of the approved cost of construction of Stage II of the hospital and a centralised laundry facility at an indicative total cost to the Commonwealth of \$21.3 million. Capital grants of \$258 000 are to be provided in 1986-87 towards the construction of the laundry and \$4 million towards the Stage II development.

### **Launceston Pathology Laboratory**

Under an agreement with the Tasmanian Government, the Commonwealth has transferred the Launceston pathology laboratory to State control. The transfer, which enables the amalgamation of the laboratory and Launceston General Hospital, is intended to promote efficiency and achieve economies and is consistent with the findings of the Ross Committee of Inquiry into laboratories which recommended that control of such facilities be progressively transferred to the States. Commonwealth recurrent grants for the operation of the laboratory of \$700 000 were provided in 1985-86 with \$1.3 million to be allocated for 1986-87.

### **National Drug Campaigns**

Funds have been provided to support State and national projects of drug education since 1970-71. This assistance has been accorded the Northern Territory since 1980-81. The Commonwealth is continuing to sponsor, in conjunction with the States and Northern Territory, the National Drug Education Program. An amount of \$2 million was made available for this purpose in 1985-86, and an amount of \$2.1 million is to be provided in 1986-87.

In addition, the Commonwealth is undertaking with the States and territories a joint \$100 million National Campaign Against Drug Abuse. The campaign is intended to educate youth about the dangers of drug abuse and provide rehabilitation services to persons with drug related problems.

In 1986-87, the Commonwealth will be providing \$12.6 million on a cost sharing basis with the States and Northern Territory to fund over 120 projects approved by the Ministerial Council on Drug Strategy in Sydney in May 1986.

Cost shared projects to be undertaken include: community based drug abuse prevention projects; school-based drug education training and resource programs; training and support for workers in the drug field; counselling referral and support services; and a wide range of treatment and rehabilitation programs — both for the community as a whole and for particular client groups.

Grants paid to the States and Northern Territory since 1982-83 and estimated payments for 1986-87 are shown in the following table:

**Table 25—Recurrent Grants for Drug Campaigns, 1982-83 to 1986-87**  
(\$ thousands)

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1982-83 . . . . .	471	360	270	198	191	115	75	1 681
1983-84 . . . . .	502	378	291	211	207	132	72	1 793
1984-85 . . . . .	547	397	306	232	218	110	73	1 882
1985-86 . . . . .	4 724	3 472	2 254	1 297	1 372	506	203	13 828
1986-87 (estimate) . . . . .	5 045	3 804	2 420	1 386	1 346	515	211	14 728

### Blood Transfusion Service

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. This assistance has also been provided to the Northern Territory since 1981-82.

The annual operating costs of the services in the States and Northern Territory are met by the States/Northern Territory (60 per cent), the Society (the lower of 5 per cent of operating costs or 10 per cent of the previous year's income from donations) and the Commonwealth (the balance). Approved capital costs are shared equally by the Commonwealth and the States and Northern Territory.

Grants paid since 1982-83 and estimates for 1986-87 are shown in the following table:

**Table 26—Grants for Blood Transfusion Services, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>RECURRENT</b>								
1982-83 . . . . .	2 929	3 442	1 352	981	1 190	181	114	10 189
1983-84 . . . . .	2 992	3 749	1 373	1 153	1 292	271	144	10 974
1984-85 . . . . .	3 228	3 608	1 599	1 274	1 387	226	137	11 459
1985-86 . . . . .	3 719	4 854	1 927	1 524	1 657	319	160	14 159
1986-87 (estimate) . . . . .	4 017	5 300	2 103	1 646	1 555	341	183	15 144
<b>CAPITAL</b>								
1982-83 . . . . .	147	240	50	97	170	1	5	710
1983-84 . . . . .	110	105	205	115	47	71	3	656
1984-85 . . . . .	336	..	1 371	83	43	5	297	2 134
1985-86 . . . . .	276	300	213	341	107	64	28	1 329
1986-87 (estimate) . . . . .	402	853	106	375	244	126	5	2 110
<b>TOTAL</b>								
1982-83 . . . . .	3 076	3 682	1 402	1 078	1 360	182	119	10 899
1983-84 . . . . .	3 102	3 854	1 578	1 268	1 339	342	147	11 630
1984-85 . . . . .	3 564	3 608	2 970	1 357	1 430	232	433	13 593
1985-86 . . . . .	3 995	5 154	2 140	1 865	1 764	382	187	15 488
1986-87 (estimate) . . . . .	4 418	6 153	2 209	2 021	1 799	466	187	17 253

## Diseases Control

The Commonwealth has provided since 1974 assistance to the States on a dollar for dollar basis to control Australian Encephalitis. This assistance has been provided to the Northern Territory since 1979-80. In 1983-84 the program was expanded into the National Diseases Control Program to control other mosquito-borne diseases such as dengue fever and Ross River virus infection. An amount of \$535 000 has been provided for this program in 1986-87

Recurrent grants paid to the States and Northern Territory under these arrangements since 1982-83 and estimates for 1986-87 are set out in Appendix V.

## SOCIAL SECURITY AND WELFARE

### Home and Community Care

Under the *Home and Community Care Act 1985* the Commonwealth, in conjunction with the States and the Northern Territory, aims to develop a comprehensive range of basic maintenance and support services to enable frail aged and disabled people to remain in the community rather than be placed in possibly inappropriate and unnecessary institutional care. HACC subsumes services previously provided under the *Delivered Meals Subsidy Act 1970*, *States Grants (Paramedical Services) Act 1969*, *State Grants (Home Care) Act 1969* and the *Home Nursing Subsidy Act 1957*.

The Act provides for the Commonwealth and the States and Northern Territory to maintain an indexed base level of expenditure reflecting the 1984-85 level of outlays under the subsumed Acts. The Act provides for \$3:\$1 matching by the States of an additional \$25 million provided by the Commonwealth in 1985-86 and \$2:\$1 matching in 1986-87 of up to a further \$30 million. Uncommitted funds from 1985-86 and 1986-87 can be carried into the following financial year on the same matching basis that applied in the year the funds were allocated.

The Budget provision for HACC in 1986-87 is \$131.9 million. Of this amount payments to the States and the Northern Territory in 1986-87 are estimated at \$81.9 million, compared to \$57.8 million in 1985-86.

The following table shows payments in 1985-86 under this program and estimated payments in 1986-87. Payments under the subsumed Acts are shown in Appendix V under the titles Home Care Services, Paramedical Services and Senior Citizens Centres.

**Table 27—Grants for the Home and Community Care Program, 1985-86 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
RECURRENT								
1985-86 . . . . .	21 587	15 054	5 165	3 621	4 315	1 729	311	51 782
1986-87 (estimate) . . . . .	24 814	22 244	9 323	8 296	6 607	2 129	19	73 432
CAPITAL								
1985-86 . . . . .	1 185	3 052	979	397	357	5	9	5 984
1986-87 (estimate) . . . . .	2 858	2 562	1 074	955	761	245	34	8 489
TOTAL								
1985-86 . . . . .	22 772	18 106	6 144	4 018	4 672	1 734	320	57 766
1986-87 (estimate) . . . . .	27 671	24 806	10 397	9 251	7 368	2 374	54	81 921

## Geriatric Assessment Services

The Commonwealth is providing recurrent grants for geriatric assessment services totalling \$6.2 million to enable the State and Northern Territory Governments to fund multi-disciplinary assessment teams to match the needs of frail aged and younger disabled persons to the most appropriate services available. Expenditure on these services has been expanded in 1986-87 in accordance with the Commonwealth's objective of reducing unnecessary institutionalisation of the frail aged.

Amounts paid to the States and the Northern Territory since 1984-85 and estimates for 1986-87 are shown in the following table:

**Table 28—Recurrent Grants for Geriatric Assessment, 1985-86 to 1986-87**  
(\$ thousands)

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1985-86 . . . . .	1 305	1 598	157	90	515	236	57	3 958
1986-87 (estimate) . . . . .	1 654	2 021	511	706	826	359	172	6 249

## Rehabilitation Centres

The Commonwealth is providing recurrent grants totalling \$2.3 million to New South Wales, Tasmania and the Northern Territory in 1986-87 as a contribution to the operating cost of joint rehabilitation centres in Newcastle, Bathurst, Hobart and Darwin. Payments under this program since 1982-83 and estimated payments in 1986-87 are shown in Appendix V.

## Crisis Accommodation

Capital grants to the States and the Northern Territory totalling \$14 million are being provided in 1986-87 within the Commonwealth State Housing Agreement under the Crisis Accommodation Program. The funds may be used for the purchase, construction, renovation or leasing of dwellings to provide short-term emergency accommodation (such as refuges). This compares with payments to the States and Northern Territory in 1985-86 for this program of \$13.2 million. These grants do not have to be matched by the States and the Northern Territory. (Recurrent funding for emergency accommodation is provided under the Supported Accommodation Assistance Program discussed below.)

The following table shows grants to the States and Northern Territory for this program from 1982-83 and estimated payments in 1986-87:

**Table 29—Capital Grants for the Crisis Accommodation Program, 1982-83 to 1986-87** (\$ thousands)

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1982-83 . . . . .	1 326	1 000	600	332	334	108	100	3 800
1983-84 . . . . .	1 323	996	608	335	331	107	100	3 800
1984-85 . . . . .	4 443	3 348	2 054	1 135	1 112	359	150	12 601
1985-86 . . . . .	4 651	3 504	2 160	1 191	1 161	376	157	13 200
1986-87 (estimate) . . . . .	4 933	3 711	2 301	1 274	1 226	398	157	14 000

### Mortgage and Rent Relief

Under this program, which began in 1982-83, the Commonwealth makes available funds for short-term assistance to low income home buyers experiencing extreme difficulty in meeting their mortgage repayments and to low income private renters experiencing similar difficulty in meeting rent payments or in gaining access to private rental accommodation. Funds are provided to the States and Northern Territory on a dollar for dollar matching basis. In 1984 this program was incorporated as a sub-program under the Commonwealth State Housing Agreement. Grants to the States and Northern Territory in 1986-87 are estimated to total \$24.1 million compared with \$22.7 million in 1985-86.

The following table shows payments to the States and Northern Territory since 1982-83 and estimated payments in 1986-87:

**Table 30—Recurrent Grants for the Mortgage and Rent Relief Scheme, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1982-83 . . . . .	7 030	5 300	..	1 740	1 760	163	20	16 013
1983-84 . . . . .	6 980	5 250	1 600	1 770	1 750	555	170	18 075
1984-85 . . . . .	7 658	5 771	3 469	1 956	1 918	618	196	21 586
1985-86 . . . . .	8 020	6 043	3 724	2 055	2 002	648	208	22 700
1986-87 (estimate) . .	8 508	6 400	3 968	2 197	2 114	686	227	24 100

### Supported Accommodation Assistance

Under the *Supported Accommodation Assistance Act 1985* the Commonwealth, in conjunction with the States and the Northern Territory, provides a range of supported accommodation and related support services for permanently homeless people or people and their dependants made temporarily homeless as a result of crisis. The program, which is due to operate until 30 June 1989, incorporates the former Women's Emergency Services Program, Homeless Persons' Assistance Program, Youth Services Scheme and elements of the Children's Services Program.

Expenditures on this program in 1986-87 are estimated at \$47.4 million of which \$45.5 million is paid to the States and Northern Territory. The States and Northern Territory match Commonwealth expenditure on a dollar for dollar basis above an agreed unmatched base level of Commonwealth expenditure relating to services previously funded by the Commonwealth under the *Homeless Persons' Assistance Act 1974*.

The following table shows payments to the States and the Northern Territory under the scheme since 1984-85 and estimated payments in 1986-87:

**Table 31—Recurrent Grants for the Supported Accommodation Assistance Program, 1984-85 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1984-85 . . . . .	6 287	2 786	2 608	2 212	2 022	1 110	576	17 601
1985-86 . . . . .	10 723	4 972	4 795	4 402	4 085	2 006	1 047	32 030
1986-87 (estimate) . .	14 096	7 272	6 408	7 375	6 330	2 661	1 347	45 849

## Children's Services

Commonwealth financial support for services for children commenced in 1972-73 under the *Child Care Act 1972*. Under that Act, payments are made directly to non-profit organisations and local government bodies. Payments to the States commenced in 1973-74 under a broader scheme of assistance introduced in that year and have continued since then, as have the direct forms of payment. In later years payments have also been made to the Northern Territory.

The program provides capital and recurrent assistance for child care projects including centre based and family day care, and vacation and after school hours care.

The Government has decided that \$194.7 million will be provided in 1986-87 for children's services. This includes \$38.8 million for expansion of this program to provide an additional 20,000 new child care places by the end of 1987-88. Some 9,000 places will be established in conjunction with the States and Northern Territory with the Commonwealth providing a capital contribution to the cost of establishing these centres. It is estimated that, of the total allocation, approximately \$25 million will take the form of payments to the States and Northern Territory.

The following table shows payments to the States and Northern Territory since 1982-83 and estimates for 1986-87:

**Table 32—Grants for Children's Services, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
RECURRENT								
1982-83 . . . . .	4 171	5 472	1 234	1 308	3 295	533	341	16 354
1983-84 . . . . .	4 032	4 044	1 378	1 377	3 510	499	336	15 176
1984-85 . . . . .	1 902	2 990	692	699	5 564	170	101	12 118
1985-86 . . . . .	1 556	1 903	500	614	7 216	137	142	12 068
1986-87 (estimate)	1 714	2 118	528	660	7 923	132	135	13 210
CAPITAL								
1982-83 . . . . .	1 076	..	..	..	..	..	..	1 076
1983-84 . . . . .	2 000	..	..	443	40	..	..	2 483
1984-85 . . . . .	3 634	2 225	1 900	1 563	1 270	..	172	10 764
1985-86 . . . . .	..	..	574	828	..	..	..	1 402
1986-87 (estimate)	..	4 035	2 712	1 766	2 188	693	403	11 797
TOTAL								
1982-83 . . . . .	5 247	5 472	1 234	1 308	3 295	533	341	17 430
1983-84 . . . . .	6 032	4 044	1 378	1 820	3 550	499	336	17 659
1984-85 . . . . .	5 536	5 215	2 592	2 262	6 834	170	273	22 882
1985-86 . . . . .	1 556	1 903	1 075	1 442	7 216	137	142	13 470
1986-87 (estimate)	1 714	6 153	3 240	2 426	10 111	825	538	25 007

## Family Support Services

The Family Support Services Scheme was established as a three year pilot project in January 1978 and was subsequently extended. The Scheme has been fully funded by the Commonwealth with the purpose of supporting families experiencing difficulty in coping with their parenting responsibilities.

The Commonwealth has now decided to place the Scheme on a continuing basis. In principle agreement has been reached with the States and territories for a new Family Support Program. The base level of funding for the new Program will be

the 1985-86 level of funding under the Scheme plus funding for related family services previously provided separately by the Commonwealth, States and territories. This base level of funding will continue to be provided by the Commonwealth, the States and territories in accordance with their existing shares. However, indexation of the base and expansion of the program will be cost-shared between the Commonwealth and the States and territories on a dollar for dollar basis.

The Commonwealth intends to introduce the new Program from 1 January 1987, subject to State and Northern Territory agreement, which includes meeting the matching requirements. Payments for family support services in 1986-87 are estimated at \$6.2 million compared to \$3.6 million in 1985-86.

The following table shows payments to the States and Northern Territory under the Family Support Services Scheme between 1982-83 and 1985-86, and estimated expenditure on family support services for 1986-87:

**Table 33—Recurrent Grants for Family Support Services, 1984-85 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1984-85 . . . . .	569	903	306	341	504	146	138	2 907
1985-86 . . . . .	773	993	336	622	559	125	168	3 576
1986-87 (estimate) .	1 497	1 966	672	943	625	189	179	6 071

### **Translating and Interpreting Service**

Since 1979-80, the Commonwealth has provided the States and Northern Territory with assistance towards the provision of additional State-operated translating and interpreting services in areas of prime State responsibility. The program, originally initiated as a result of the Galbally Report, has been further extended to 30 June 1987. In 1986-87 the Commonwealth will provide \$1.2 million under this program (\$749 000 in 1985-86). Payments to the States and the Northern Territory since 1982-83 and estimated payments in 1986-87 are shown in Appendix V.

### **Supervision and Welfare Support for Refugee Minors**

A recurrent grant of \$421 000 is to be provided to the States and the Northern Territory in 1986-87 for a program of supervision and welfare support for refugee minors without parents in Australia. This program which provides social workers to supervise the children's welfare is cost-shared with the States and the Northern Territory on dollar for dollar basis. Expenditure under this program in 1985-86 was \$236 221. Payments to each State and the Northern Territory are shown in Appendix V.

## ABORIGINAL ADVANCEMENT

Since 1968-69, the Commonwealth has provided special assistance to the States for Aboriginal advancement purposes through programs administered by the Department of Aboriginal Affairs. This assistance has also been provided to the Northern Territory since 1979-80. The assistance currently embraces the fields of health (including environmental health), education, training, employment, social support, community management and services, and culture and recreation and is provided to supplement expenditure incurred by the States and the Northern Territory in respect of their Aboriginal citizens in priority areas.

It is estimated that some \$39.4 million will be provided to the States and Northern Territory in 1986-87 (\$38.7 million in 1985-86) for Aboriginal advancement purposes, comprising:

- \$13.7 million for assistance to State and Northern Territory health departments and authorities to stimulate, support and co-ordinate health programs for Aboriginals;
- \$9.6 million for assistance to State education departments and authorities for the implementation and support of special Aboriginal education programs;
- \$3.4 million for programs designed to provide employment and vocational training for Aboriginals;
- \$1.9 million to assist State departments and authorities in the provision of social and community welfare services for Aboriginals;
- \$10.8 million to assist State and Northern Territory departments and authorities in the provision and maintenance of essential services and basic community amenities such as water, sewerage, and power generation and reticulation services in Aboriginal communities; and
- \$32 000 for recreational programs.

This expenditure is in addition to direct Commonwealth expenditure on Aboriginal advancement programs through the Department of Aboriginal Affairs of some \$267.2 million in 1986-87 (\$229.2 million in 1985-86).

The above estimates include a payment of \$4.2 million to Western Australia under a special program, the Western Australian Aboriginal Land and Communities Program, involving matching Commonwealth and State funds to a total of \$100 million over five years commencing in 1986-87. The program is intended to assist with the acquisition of land and upgrading and provision of basic services within lands held by Aboriginal groups. Funds will also be disbursed through the Aboriginal Development Commission (\$2 million in 1986-87) and the Department of Aboriginal Affairs direct grants program (\$3.8 million in 1986-87).

In March 1985, the Australian Aboriginal Affairs Council agreed to a joint review of Commonwealth/State-Northern Territory funding arrangements in Aboriginal affairs. This review is proceeding.

Special housing assistance for Aborigines is provided under the public housing arrangements discussed below.

The following table shows payments made to the States and the Northern Territory since 1982-83 and estimated payments in 1986-87. Details of these payments by function are in Appendix III.



**Table 34—Payments for Aboriginal Advancement, 1982-83 to 1986-87**  
(\$ thousands)

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>RECURRENT</b>								
1982-83 . . . . .	4 337	1 618	5 565	11 723	5 662	112	450	29 468
1983-84 . . . . .	4 061	1 864	5 966	12 329	5 877	168	287	30 553
1984-85 . . . . .	4 505	1 700	5 632	12 999	5 999	179	308	31 321
1985-86 . . . . .	4 068	1 882	5 575	13 454	5 937	179	294	31 388
1986-87 (estimate)	3 405	2 030	5 768	12 613	6 397	193	64	30 470
<b>CAPITAL</b>								
1982-83 . . . . .	92	..	1 696	533	2 466	..	1 682	6 469
1983-84 . . . . .	503	..	1 410	3 413	894	..	1 159	7 380
1984-85 . . . . .	2 021	80	989	3 866	822	..	1 472	9 249
1985-86 . . . . .	100	..	1 048	4 002	83	..	2 047	7 280
1986-87 (estimate)	..	..	165	7 877	484	..	382	8 908
<b>TOTAL</b>								
1982-83 . . . . .	4 429	1 618	7 261	12 256	8 129	112	2 132	35 937
1983-84 . . . . .	4 564	1 864	7 376	15 742	6 771	168	1 446	37 932
1984-85 . . . . .	6 526	1 780	6 621	16 864	6 821	179	1 780	40 570
1985-86 . . . . .	4 168	1 882	6 623	17 456	6 020	179	2 341	38 668
1986-87 (estimate)	3 405	2 030	5 933	20 489	6 881	193	447	39 378

## HOUSING AND COMMUNITY AMENITIES NEC

### Public Housing

Under successive arrangements between the Commonwealth and the States since 1945-46, financial assistance has been made available to the States and, since 1979-80, the Northern Territory, for the provision of housing, including assistance for home ownership, for families with low or moderate incomes.

For many years, housing funds have been closely aligned with the State Governments' Loan Council programs. For two years, 1971-72 and 1972-73, they were integrated within these programs (although additional specific recurrent grants of \$2.75 million in each of those years, payable for 30 years, were provided in lieu of former interest subsidies). From 1973-74, when appropriate 'offsets' were made to State Governments' Loan Council programs, financial assistance for public housing has been provided by way of specific purpose payments. These payments have been made subject to the provisions of successive Commonwealth State Housing Agreements (CSHAs), the most recent of which was negotiated in 1984, which have included requirements for the States to match, on a dollar for dollar basis, certain Commonwealth assistance.

The 1984 CSHA, like previous Agreements, places particular importance on the provision of assistance to those most in need. The States have flexibility in determining the uses to which housing funds can be put and the extent of assistance to individuals. The 1984 Agreement provides for:

- guaranteed minimum Commonwealth funding of at least \$1550 million in aggregate over the first three years of the Agreement (1984-85 to 1986-87);
- broadened eligibility criteria to ensure that single people, particularly young single people, can qualify for assistance;
- rents for public housing tenants based on the cost of providing the accommodation, with rent rebates for those unable to afford this amount;

- rental purchase schemes to facilitate home ownership for those who cannot save a deposit;
- low start loans for home purchase assistance with repayments based on income; and
- separately identified funds for assistance to specific groups and for specific purposes.

In 1986-87, the Commonwealth will provide a total of \$693.7 million as grants to the States and the Northern Territory for public housing under the CSHA compared to \$654.4 million in 1985-86. This includes funds for the Mortgage and Rent Relief Scheme and the Crisis Accommodation Program which are classified to the Social Security and Welfare function.

The following table shows the functional breakdown of payments to the States and Northern Territory under the CSHA in 1986-87:

**Table 35—Details of Payments to be made under the Commonwealth State Housing Agreement, 1986-87 (Estimate) (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
Pensioner Housing . . . . .	14 282	8 509	7 096	3 095	2 640	855	523	37 000
Aboriginal Housing . . . . .	12 345	3 417	14 109	10 047	5 595	696	11 791	58 000
Local Government and Community Housing . . . . .	3 883	2 921	1 811	1 003	965	313	104	11 000
Other Housing Assistance . . . . .	182 340	140 377	73 328	49 239	61 004	24 701	18 611	549 600
Mortgage and Rent Relief (a) . . . . .	8 508	6 400	3 968	2 197	2 114	686	227	24 100
Crisis Accommodation (a) . . . . .	4 933	3 711	2 301	1 274	1 226	398	157	14 000
<b>TOTAL . . . . .</b>	<b>226 291</b>	<b>165 335</b>	<b>102 613</b>	<b>66 855</b>	<b>73 544</b>	<b>27 649</b>	<b>31 413</b>	<b>693 700</b>

(a) In this and other Budget Papers, payments under these programs are classified to the "Social Security and Welfare" function; see above.

### *Pensioner Housing*

Since 1969-70, the Commonwealth has provided grants to the States to assist with the provision of self-contained accommodation at reasonable rentals for certain categories of pensioners who have little or no means of support apart from their pensions. Since 1978-79 these grants have been provided under the CSHA. Eligible persons include those in receipt of an age or invalid pension, a widow's pension, a supporting parent's benefit, a special benefit, a sheltered employment allowance, a rehabilitation allowance in certain circumstances and some classes of service pension. Grants totalling \$37 million have been allocated to the States and the Northern Territory for this purpose in 1986-87, an increase of \$0.4 million over funding in 1985-86. These grants do not have to be matched by the States and the Northern Territory. In practice the States and Northern Territory also allocate much of the other untied assistance provided under the CSHA to providing housing for pensioners and beneficiaries.

### *Aboriginal Housing*

Grants to the States and the Northern Territory totalling \$58 million in 1986-87 are to be provided under the CSHA for Aborigines in need of rental housing assistance; \$3.7 million more than allocated in 1985-86. These grants do not have to be matched by the States and the Northern Territory.

### *Local Government and Community Housing*

In 1986-87, \$11 million will be provided under the CSHA as grants to the States and the Northern Territory for the Local Government and Community Housing Program, an increase of \$1 million over 1985-86 funding. These grants will enable the States and the Northern Territory to assist local government, community and welfare organisations to purchase, construct, lease or upgrade dwellings for low cost rental housing. These dwellings may also be wholly or jointly owned by State Housing Authorities but managed by local government, community or welfare organisations. These grants do not have to be matched by the States and the Northern Territory.

### *Other Housing Assistance—Grants*

In 1986-87, \$549.6 million is to be provided to the States and the Northern Territory under the CSHA as grant assistance for public housing not tied to specific housing programs, an increase of \$32 million over 1985-86 funding. Under the 1984 Agreement, these grants are provided on a dollar for dollar matching basis and the States and Northern Territory are free to allocate the grants between home purchase assistance programs and rental housing programs as they wish.

### *Other Housing Assistance—Loans*

Under the CSHA assistance may be provided by way of loans, repayable in equal annual instalments over 53 years at a concessional fixed rate of interest of 4.5 per cent. However, since 1984-85 all assistance to the States and the Northern Territory under the CSHA has been provided in the form of grants, and this arrangement is to continue in 1986-87.

The following table shows recurrent and capital payments made to the States and Northern Territory for housing from 1982-83 and estimated payments in 1986-87 (further details are given in Appendix III):

**Table 36—Payments for Housing, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>RECURRENT</b>								
1982-83 . . . . .	1 848	1 347	423	627	941	314	..	5 500
1983-84 . . . . .	1 848	1 347	423	627	941	314	..	5 500
1984-85 . . . . .	1 848	1 347	423	627	941	314	..	5 500
1985-86 . . . . .	1 848	1 347	423	627	941	314	..	5 500
1986-87 (estimate) .	1 848	1 347	423	627	941	314	..	5 500
<b>CAPITAL</b>								
1982-83 . . . . .	104 097	75 049	40 714	33 414	42 016	17 379	20 242	332 911
1983-84 . . . . .	157 390	115 653	62 181	49 778	62 308	24 011	28 679	500 000
1984-85 . . . . .	188 657	138 850	76 538	57 691	70 121	26 713	30 430	589 000
1985-86 . . . . .	199 956	146 300	85 891	60 228	69 933	26 587	29 605	618 500
1986-87 (estimate) .	212 850	155 224	96 344	63 384	70 204	26 565	31 029	655 600
<b>TOTAL</b>								
1982-83 . . . . .	105 945	76 396	41 137	34 041	42 957	17 693	20 242	338 411
1983-84 . . . . .	159 238	117 000	62 604	50 405	63 249	24 325	28 679	505 500
1984-85 . . . . .	190 505	140 197	76 961	58 318	71 062	27 027	30 430	594 500
1985-86 . . . . .	201 804	147 647	86 314	60 855	70 874	26 901	29 605	624 000
1986-87 (estimate) .	214 698	156 571	96 767	64 011	71 145	26 879	31 029	661 100

### *Nominating Arrangements for Public Housing*

Since 1982-83, the assistance for public housing provided by the Commonwealth through specific purpose payments has been supplemented by the 'nominating arrangements' for public housing. Under these arrangements, States are able to nominate amounts from the loan portion of their Loan Council borrowing programs, and the Northern Territory from its related Government borrowing program, as loans for public housing, provided that they have first met the matching requirements of the CSHA. These nominated amounts are made available on the same concessional terms and conditions as apply to loans which may be made under the CSHA.

Since 1985-86, limits have been imposed on the amounts States and the Territory may nominate. South Australia and Western Australia, which had previously nominated the whole of the loan portion of their programs, have been allowed to continue to do so. The other States and the Northern Territory were allowed to nominate 30 per cent of their programs in 1985-86 and can nominate up to 60 per cent in 1986-87. On this basis, the States and the Northern Territory may nominate up to a total of \$584.7 million in 1986-87. Most States and the Territory have indicated that they intend to nominate the full amount available. (Further details of these arrangements are included in Chapter IV above.)

The cumulative effect of these nominating arrangements since 1982-83 represents a cost to the Commonwealth, and benefit to the States and Northern Territory, in terms of reduced interest costs and sinking fund contributions estimated at \$68 million in 1985-86 and \$113 million in 1986-87. They thus represent a very considerable element of the total assistance provided by the Commonwealth for public housing purposes.

The following table sets out the amounts of loans for public housing made to the States and the Northern Territory from 1982-83 to 1985-86 and the amounts they are permitted to nominate in 1986-87, together with details of repayments of past loans. It thus indicates the cumulative debt outstanding under the arrangements, which at 30 June 1986 stood at \$1810 million.

**Table 37—Nominated Amounts for Public Housing—Loans and Repayments, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>LOANS</b>								
1982-83 . . . . .	20 000	75 000	8 618	7 200	25 000	10 080	..	145 898
1983-84 . . . . .	20 000	44 488	10 000	7 000	127 626	18 000	..	227 114
1984-85 . . . . .	80 000	45 082	30 000	96 509	135 923	18 250	..	405 764
1985-86 . . . . .	65 000	75 858	40 037	93 132	131 166	21 162	33 090	459 445
1986-87 (estimate)	150 227	116 758	61 622	71 672	100 943	32 573	50 931	584 726
<b>REPAYMENTS</b>								
1982-83 . . . . .	..	..	..	..	..	..	..	..
1983-84 . . . . .	-97	-363	-42	-35	-121	-49	..	-705
1984-85 . . . . .	-198	-594	-92	-70	-743	-138	..	-1 835
1985-86 . . . . .	-593	-839	-241	-540	-1 434	-232	..	-3 879
1986-87 (estimate)	-935	-1 245	-445	-1 015	-2 130	-345	-160	-6 275
<b>NET NEW LOANS</b>								
1982-83 . . . . .	20 000	75 000	8 618	7 200	25 000	10 080	..	145 898
1983-84 . . . . .	19 903	44 125	9 958	6 965	127 505	17 951	..	226 409
1984-85 . . . . .	79 802	44 488	29 908	96 439	135 180	18 112	..	403 929
1985-86 . . . . .	64 407	75 019	39 796	92 592	129 732	20 930	33 090	455 566
1986-87 (estimate)	149 292	115 513	61 177	70 657	98 813	32 228	50 771	578 451

### **International Year of Shelter for the Homeless**

This item provides for recurrent grants of \$160 000 to the States and the Northern Territory for activities and projects associated with the International Year of Shelter for the Homeless in 1987. Estimated payments to each State and the Northern Territory are shown in Appendix V.

### **Urban and Regional Development nec and the Environment**

Payments to the States and Northern Territory for this purpose have related to a number of programs, including assistance for development of Aboriginal communities. Payments for most of the urban and regional development programs and for certain programs falling within other functional headings have been or are being made under the *Urban and Regional Development (Financial Assistance) Act 1974*. As a result of the repayment by the States of loans made in earlier years, primarily for land acquisition and development in urban areas, net repayments were made to the Commonwealth under this Act in 1985-86 of \$5.4 million and estimated net repayments of \$7.7 million are expected in 1986-87. Total gross payments for urban and regional development and the environment in 1986-87 are expected to be \$19.9 million with total net payments amounting to \$11.9 million.

#### *Growth Centres*

Negotiations are presently proceeding with New South Wales in respect of the repayments of debts relating to the Bathurst-Orange and Macarthur growth centres. A repayment of \$1.5 million is expected in 1986-87.

Repayments of \$77 000 in respect of loans previously provided to New South Wales and Victoria for municipal works at Albury-Wodonga and \$25 000 in respect of loans provided to New South Wales for municipal works at Bathurst-Orange are scheduled for 1986-87.

Payments to the States for growth centres and related projects since 1982-83, including capitalised interest, are given in Appendix V.

#### *Urban Rehabilitation*

Payments in this category in 1986-87 relate to the transfer of ownership of the Glebe Estate to the New South Wales Government on 11 February 1985. The transfer, under the Land Exchange Agreement, included an undertaking by the Commonwealth to provide capital grants of \$4 million to New South Wales in 1985-86 and \$3 million in 1986-87 to assist with the rehabilitation of the Estate.

In previous years the Commonwealth has also provided funding under this item for the acquisition of property, and planning and site development in the Woolloomooloo Basin in Sydney and for the acquisition of the Emerald Hill Estate in Melbourne.

Repayments of advances in the period 1982-83 to 1986-87 are shown in Appendix IV while the other payments discussed above are shown in Appendix V.

#### *Environmental Restoration*

In 1986-87, the Commonwealth is to provide recurrent grants of \$430 000 to the Northern Territory in relation to the rehabilitation of the former uranium mining

site at Rum Jungle. This is expected to be the final year of these rehabilitation works, which will be followed by a program of environmental monitoring. Payments under this program since 1982-83 are shown in Appendix V.

### *Urban Flood Mitigation*

The description previously given of outlays under this heading is presented under 'Federal Water Resources Assistance Program' later in this chapter.

### *Captains Flat-Pollution Abatement Works*

A final payment of \$182 000 in 1986-87 is to be paid to New South Wales under the *Captains Flat (Abatement of Pollution) Agreement Act 1975* to rectify deficiencies in the original works program for the abatement of mine waste pollution in the Molonglo River. Of this payment, 80 per cent is to be provided as a grant and 20 per cent as a loan. Details of loans and grants under this program since 1982-83 are given in Appendix V.

## CULTURE AND RECREATION

The Commonwealth provides grants to the States and Northern Territory for a variety of cultural, recreational, sporting and conservation-related activities. An estimated \$60.9 million will be made available in 1986-87 for these activities.

### **Nature Conservation**

Under the *States Grants (Nature Conservation) Act 1974*, agreements were concluded between the Commonwealth and the States for the acquisition of specific areas of land for nature conservation. The remaining capital grant of \$12 000 (to Victoria) is expected to be made in 1986-87. Grants made to the States for nature conservation purposes since 1982-83 are given in Appendix V.

### **National Estate**

Under this program the Commonwealth provides assistance to the States and Northern Territory to support activities related to the conservation, protection and enhancement of land and buildings of historical, environmental or scientific interest. Grants are made in accordance with agreements concluded under the *Urban and Regional Development (Financial Assistance) Act 1974*.

The following table shows grants paid to the States and Northern Territory since 1982-83 and the estimated grants for 1986-87:

**Table 38—Capital Grants for Expenditure on the National Estate, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1982-83 . . . . .	330	330	330	330	330	330	165	2 145
1983-84 . . . . .	417	417	417	417	417	417	200	2 700
1984-85 . . . . .	438	438	438	438	438	438	210	2 835
1985-86 . . . . .	458	458	458	458	458	458	220	2 970
1986-87 (estimate) .	490	490	490	490	490	490	235	3 175

### National Sports Facilities

Under this program, introduced in 1984-85, assistance is provided to the States, territories, local government and national sports bodies for the development of sport facilities to a level required for international competition. Commonwealth assistance is provided for projects approved by the Minister for Sport, Recreation and Tourism, and is made available on the basis of negotiated agreements with the sponsoring States or agencies. Payments to the States and Northern Territory under the program are made on a matching basis. In 1986-87, payments are estimated to be \$7 million, the same as in 1985-86.

Payments to each State and the Northern Territory since 1982-83, including indicative allocations for 1986-87, are shown in the following table:

**Table 39—Capital Grants for National Standard Sporting Facilities, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1982-83 . . . . .	2 034	539	524	424	355	198	835	4 909
1983-84 . . . . .	4 871	258	14	20	875	1 297	665	8 000
1984-85 . . . . .	5 194	3 136	..	313	2 191	..	..	10 834
1985-86 . . . . .	4 699	..	..	1 945	356	..	..	7 000
1986-87 (estimate) . . . . .	235	935	1 750	1 366	1 224	995	475	6 980

### Australian Bicentenary

As part of its commitment to the Bicentenary celebrations the Commonwealth is undertaking a program of expenditure, that commenced in 1984-85, which at average 1986-87 prices amounts to \$200 million. This is a reduction on the previous allocation and has been necessitated by current economic circumstances. However, overall funding provided under the Commonwealth/State Bicentennial Commemorative Program (\$66 million) has not been reduced.

Under this Program, the States and the Northern Territory can nominate projects with lasting benefits to the Australian community. In accordance with agreed guidelines the States and the Northern Territory are required to at least match the funds that are provided by the Commonwealth. It is estimated that an amount of \$24.7 million will be paid to the States and Northern Territory in 1986-87.

Payments to each State and the Northern Territory since 1984-85 and estimated payments in 1986-87 are shown in the following table:

**Table 40—Capital Grants for the Bicentennial Commemorative Program, 1984-85 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1984-85 . . . . .	3 915	500	736	..	..	..	..	5 151
1985-86 . . . . .	1 986	5 025	3 306	1 417	1 081	200	27	13 042
1986-87 (estimate) . . . . .	7 300	6 400	4 200	2 800	2 000	1 000	1 000	24 700

### **Australian National Maritime Museum**

The establishment of a National Maritime Museum as part of the New South Wales Darling Harbour Redevelopment Program was announced by the Commonwealth in November 1985. The Commonwealth will provide New South Wales with capital grants of up to \$30 million for the construction of the museum: \$2 million was expended in 1985-86 for this purpose, and \$18 million is to be provided in 1986-87. It is expected that the Museum will be opened early in 1988 and will be operated as a Commonwealth institution. Operational arrangements are, however, to be examined in a broad based review of the Commonwealth's involvement in museums and related facilities.

### **South-West Tasmania World Heritage Area**

The Commonwealth agreed that recurrent grants of \$4 million will be made available to Tasmania over 1985-86 and 1986-87 for the management and development of the South-West Tasmania World Heritage Area.

\$2 million was provided in 1985-86; a further \$2 million will be provided in 1986-87. These funds will be used for the employment of staff and the provision of related administrative and operational expenses. Some short term capital works will also be undertaken.

### **Defence of the America's Cup**

The Commonwealth has undertaken to provide up to \$30 million in the period to 1986-87 for projects associated with the defence of the America's Cup in 1987. Of this amount, \$27.5 million is to be paid to Western Australia. In 1986-87, an amount of \$6.25 million has been provided as a final payment to Western Australia compared to a payment of \$16.8 million in 1985-86.

The assistance to Western Australia is for the provision of infrastructure, facilities and services required during the defence of the America's Cup and has been provided as both recurrent and capital grants. Under the program, assistance will be directed towards projects which will maximise the benefits arising from the America's Cup defence to the Australian community, particularly the people of Western Australia, and minimise any detrimental effects the conduct of the defence will place on the City of Fremantle and neighbouring local government areas as well as providing facilities of continuing value after the defence is completed.

## **ECONOMIC SERVICES—TRANSPORT**

Payments to the States and the Northern Territory included under this functional heading are in respect of assistance for aerodromes and land transport.

### **Aerodrome Local Ownership Plan**

The Aerodrome Local Ownership Plan was established in 1958 to facilitate the transfer of Commonwealth-owned aerodromes servicing local needs to local ownership, with the objectives of encouraging the rational development of Australian aerodromes and their more efficient and cost-effective administration. Under the Plan, the Commonwealth provides recurrent and capital grants towards the cost of upgrading aerodromes at the time of transfer to local ownership and towards the ongoing development and maintenance of locally owned aerodromes. Most aerodromes transferred under the Plan are owned by local authorities, but some are



owned by State semi-government authorities operating in local areas or by non-government organisations.

Payments for those aerodromes which are operated by State semi-government authorities are classified as payments to the States. An amount of \$1.2 million has been provided for payments to the States under this program in 1986-87. Details of payments made direct to local authorities can be found in Chapter VI. Details of payments to the States since 1982-83 and estimates for 1986-87 are given in Appendix V.

### **Land Transport**

The Commonwealth has been providing assistance to the States for expenditure on land transport since 1923-24. Details of this assistance in past years may be obtained from earlier issues of this Paper and, in particular, from the 1975-76 issue which provides details of Commonwealth assistance from 1923-24.

The Australian Land Transport Program and the Australian Bicentennial Road Development Program provide the major share of Commonwealth assistance to the States and the Northern Territory for land transport. The Budget figures provide for expenditure of \$1245 million in the States and Northern Territory under these programs in 1986-87 and for some build up in total Trust Fund balances. This is the same expenditure as occurred in the States and the Northern Territory in 1985-86. The amount for 1986-87 has been nominally distributed on a basis consistent with the overall allocations announced by the Minister for Transport for 1986-87.

In 1986-87, some \$564 million (45 per cent of total assistance provided to the States and Northern Territory under the two programs) will be provided to the States and the Northern Territory for the development of the national highway system, reflecting the high priority the Commonwealth attaches to developing this system and its undertaking to fully fund all works on national roads.

In 1986-87, \$422.3 million (34 per cent of total assistance under these two programs) will be provided for arterial roads and \$458.7 million (21 per cent) for local roads. A portion of this local road allocation is retained in each State and the Northern Territory for expenditure on local roads by their road authorities; the remainder is distributed to local government.

#### *Australian Land Transport Program*

The *Australian Land Transport (Financial Assistance) Act 1985* commenced on 1 July 1985 and provides for a five-year program to replace the *Roads Grants Act 1981*, which expired on 30 June 1985. In 1986-87, \$805.4 million will be provided under the program to the States and the Northern Territory for expenditure on roads. A further \$5 million (which is not distributed amongst the States and the Northern Territory) will be made available for land transport research and road safety activities by the Commonwealth. The program provides scope for reallocating funding to railway improvement projects.

The program is funded by payments into the Australian Land Transport Trust Fund of a share of the excise on motor spirit and diesel fuel. This share is indexed to the CPI in accordance with the arrangements for the indexation of general excise rates. However, in response to the difficult economic circumstances, the Commonwealth has reduced the amount of excise allocated to the program by 0.235 cents

per litre from 1 July 1986. Taking account of this adjustment, the current effective rate of excise allocated to the Fund is 3.754 cents per litre.

The distribution of funds for arterial and local roads is being reviewed by the Independent Inquiry into the Distribution of Federal Road Grants; from 1987-88, 10 per cent of the funds for these categories of road may be reallocated among the States and Northern Territory and between the different road categories to give effect to any new distribution.

The following table shows the distribution of road grants to the States and the Northern Territory by category of road under the *Australian Land Transport (Financial Assistance) Act 1985* in 1985-86 and 1986-87:

**Table 41—Capital Grants by Road Category under the Australian Land Transport Program, 1985-86 and 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
NATIONAL ROADS								
1985-86 . . . . .	131 000	64 978	75 800	41 954	32 642	13 057	17 841	377 272
1986-87 (estimate)	134 800	63 200	75 100	43 900	35 600	13 800	17 500	383 900
URBAN ARTERIAL ROADS								
1985-86 . . . . .	39 200	35 746	15 160	16 685	7 100	3 382	1 437	118 709
1986-87 (estimate)	38 500	37 000	15 300	14 000	6 100	3 900	1 400	116 200
RURAL ARTERIAL ROADS								
1985-86 . . . . .	24 500	18 076	32 240	14 100	10 850	4 378	722	104 866
1986-87 (estimate)	24 100	18 300	32 400	11 900	9 400	4 000	700	100 800
LOCAL ROADS								
1985-86 . . . . .	58 600	40 900	39 800	29 600	15 600	10 400	9 400	204 300
1986-87 (estimate)	57 600	41 900	40 100	29 400	15 900	10 200	9 400	204 500
TOTAL								
1985-86 . . . . .	253 300	159 700	163 000	102 339	66 192	31 217	29 400	805 147
1986-87 (estimate)	255 000	160 400	162 900	99 200	67 000	31 900	29 000	805 400

The following table shows the distribution of funds to the States and the Northern Territory under the *Roads Grants Act 1981* and the *Australian Land Transport (Financial Assistance) Act 1985* over the period 1982-83 to 1986-87:

**Table 42—Capital Grants under General Roads Acts, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1982-83 . . . . .	229 675	147 671	149 348	89 874	60 327	32 406	24 699	734 000
1983-84 . . . . .	243 444	156 523	158 301	95 262	63 943	34 349	26 178	778 000
1984-85 . . . . .	258 148	165 979	167 865	101 017	67 807	36 424	30 460	827 700
1985-86 . . . . .	253 300	159 700	163 000	102 339	66 192	31 216	29 400	805 147
1986-87 (estimate)	255 000	160 400	162 900	99 200	67 000	31 900	29 000	805 400

### *Australian Bicentennial Road Development*

The Commonwealth introduced the Australian Bicentennial Road Development (ABRD) Program in 1982, with the overall aim of developing sections of the Australian road system to a high standard by the bicentennial year. It is estimated that the program will involve total expenditure of about \$2500 million over the period 1982-1988.

The program is financed by a surcharge on the excise on motor spirit and diesel fuel, which is paid into the Australian Bicentennial Road Development Trust Fund. The level of the surcharge applying from 1 July 1983 until the termination of the program on 31 December 1988 is two cents per litre; an initial surcharge of one cent per litre applied from 18 August 1982 to 30 June 1983. Expenditure under this program is estimated at \$439.6 million in 1986-87 compared with \$440 million in 1985-86.

Under the legislation, the States and the Northern Territory may be required to maintain, in real terms, their road outlays financed from State funding sources at the average level over the five years prior to the introduction of the program.

The program further provides that up to 25 per cent of total funds available for urban arterial roads over the life of the program may be redirected to expenditure on urban public transport capital projects, where it can be demonstrated that such expenditure will reduce traffic or wear and tear on the urban arterial road system. Tasmania intends to apply approximately 18 per cent of available funds to urban public transport projects, while all other States and the Northern Territory have indicated their intention to allocate the maximum percentage of funds to urban public transport projects.

The following table shows the distribution of grants to the States and the Northern Territory by category of road under the program in 1985-86 and 1986-87:

**Table 43—Capital Grants by Road Category under the Australian Bicentennial Road Development Program, 1985-86 and 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>NATIONAL ROADS</b>								
1985-86 . . . . .	66 702	30 034	41 800	23 424	9 184	3 322	7 498	181 964
1986-87 (estimate) . . . . .	66 600	31 500	41 800	19 400	10 500	4 000	6 300	180 100
<b>URBAN ARTERIAL ROADS</b>								
1985-86 . . . . .	42 323	36 193	28 400	16 125	13 238	4 330	1 123	141 732
1986-87 (estimate) . . . . .	38 800	34 600	27 600	17 700	9 700	5 000	1 900	135 300
<b>RURAL ARTERIAL ROADS</b>								
1985-86 . . . . .	19 744	15 837	14 741	8 979	5 319	977	1 447	67 045
1986-87 (estimate) . . . . .	19 500	16 900	14 500	10 000	5 500	3 200	400	70 000
<b>LOCAL ROADS</b>								
1985-86 . . . . .	12 425	12 136	9 659	7 272	3 360	3 328	1 081	49 259
1986-87 (estimate) . . . . .	15 100	10 500	10 800	8 000	4 600	3 000	2 200	54 200
<b>TOTAL</b>								
1985-86 . . . . .	141 194	94 200	94 600	55 800	31 100	11 957	11 150	440 000
1986-87 (estimate) . . . . .	140 000	93 500	94 700	55 100	30 300	15 200	10 800	439 600

The following table shows allocations to the States and the Northern Territory under the program from 1982-83 to 1986-87:

**Table 44—Capital Grants for the Australian Bicentennial Road Development Program, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1982-83 . . . . .	33 700	20 467	30 608	13 693	8 515	3 706	6 240	116 929
1983-84 . . . . .	151 753	72 604	96 200	47 677	29 837	12 517	6 610	417 198
1984-85 . . . . .	134 200	82 487	91 000	52 996	27 603	14 900	13 815	417 000
1985-86 . . . . .	141 194	94 200	94 600	55 800	31 100	11 957	11 150	440 000
1986-87 (estimate) . . . . .	140 000	93 500	94 700	55 100	30 300	15 200	10 800	439 600

### *Interstate Road Transport*

The *Interstate Road Transport Act 1985* and the *Interstate Road Transport Charge Act 1985* provide for the registration of vehicles and licensing of operators engaged in interstate trade and commerce. The registration charge is designed to ensure that owners of vehicles solely engaged in interstate trade and commerce make a reasonable contribution to the repair and maintenance costs of roads.

The charges represent one of a number of initiatives identified by the National Road Freight Industry Inquiry to improve equity, efficiency and safety in the road transport industry. Charges will be collected by State and territory vehicle registration authorities and paid into the Interstate Road Transport Trust Fund, to be distributed to the States and the territories for expenditure on the repair and maintenance of interstate roads. The scheme is expected to be introduced on 1 January 1987, resulting in estimated collections to be passed on to the States and the Northern Territory of \$2.4 million in 1986-87. A notional allocation of these recurrent grants to each State and the Northern Territory is shown in Appendix V.

### *Burbong Bridge—Canberra/Batemans Bay Road*

The old Burbong Bridge, located near the border of the Australian Capital Territory, has been replaced by a new bridge located nearby in New South Wales. The new bridge was constructed by the appropriate authorities in that State but fully funded by the Commonwealth. The bridge was completed in 1985-86 at an estimated total cost of \$2.7 million, including a capital grant of \$340 200 in 1986-87 to cover final accounts.

### *Second Hobart Bridge*

The Commonwealth is providing capital grants for the full cost of planning and constructing the Second Hobart Bridge (the Bowen Bridge) and the necessary approach roads. The estimated total cost of the bridge, opened in early 1984, is \$51.6 million, of which \$51.5 million has already been provided. An amount of \$100 000 is to be made available in 1986-87 to cover incidental costs.

### *Railway Projects*

Under the *Railway Agreement (Western Australia) Act 1961* financial assistance by way of loans has been 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.

The Act imposes a ceiling of \$106.3 million on the project cost, but does not impose a time limit for completion. \$103 million has been advanced by the Commonwealth since 1962-63 and a further \$206 000 is expected to be provided during 1986-87.

#### *Transport Improvement—Western Australia*

A capital grant of \$9.7 million was provided to Western Australia in 1985-86 to assist in railway upgrading projects in the State.

### **ECONOMIC SERVICES—INDUSTRY ASSISTANCE AND DEVELOPMENT**

#### **Rural Adjustment**

Since 1975-76 the Commonwealth has provided assistance to the States for the purposes of a Rural Adjustment Scheme embracing debt reconstruction, farm build-up, farm improvement, carry-on finance, rehabilitation and household support. The Northern Territory has received funding under this Scheme since 1979-80.

Prior to 1 July 1985, Commonwealth assistance for debt reconstruction, farm build-up and farm improvement took the form of low interest long term loans (85 per cent) and grants (15 per cent).

Under revised financial arrangements introduced on 1 July 1985, assistance for debt reconstruction, farm build-up and farm improvement is provided by the Commonwealth as an interest subsidy of 50 per cent for a maximum of seven years on funds raised from commercial sources. Similarly, carry-on finance is provided as a 50 per cent interest subsidy on commercial borrowings for a maximum of seven years, but with the cost shared equally between the Commonwealth and the States and the Northern Territory.

The Commonwealth funds all household support and rehabilitation assistance provided under the Scheme and contributes to the administrative costs incurred by the States and the Northern Territory (annually at the rate of 1 per cent of the balance of outstanding loans).

Outlays under the Scheme in 1986-87 are expected to be \$34.4 million, compared with \$16.8 million in 1985-86. (An amount of \$10 million was included in 1985-86 to fund loan approvals made under the previous financial arrangements but not financed in 1984-85). The substantial increase on 1985-86 expenditure is largely a result of commitments to increase assistance under the Scheme made in the Government's Rural and Economic Policy Statement of April 1986. After allowance is made for the Commonwealth's contribution to administration costs, it is estimated that the increased interest subsidy available will support new commercial loans of about \$220 million in 1986-87.

The following table shows payments to the States and the Northern Territory under the Scheme since 1982-83 and estimated payments in 1986-87:

**Table 45—Payments for Rural Adjustment, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
GRANTS								
1982-83 . . . . .	719	642	484	474	583	71	81	3 054
1983-84 . . . . .	916	1 261	1 091	1 422	1 027	44	184	5 944
1984-85 . . . . .	1 261	1 180	1 739	788	634	77	133	5 811
1985-86 . . . . .	1 358	3 303	2 628	1 373	1 251	138	76	10 127
1986-87 (estimate) . . . . .	8 600	8 500	5 840	5 800	4 300	860	540	34 440
ADVANCES								
1982-83 . . . . .	3 826	3 354	2 340	2 482	1 955	378	462	14 797
1983-84 . . . . .	5 644	5 577	14 487	7 820	3 696	249	989	38 463
1984-85 . . . . .	6 423	4 118	7 747	3 870	2 257	380	649	25 443
1985-86 . . . . .	2 182	..	1 774	1 462	1 156	98	..	6 672
1986-87 (estimate) . . . . .	..	..	..	..	..	..	..	..
TOTAL								
1982-83 . . . . .	4 545	3 996	2 824	2 956	2 538	449	543	17 851
1983-84 . . . . .	6 560	6 838	15 578	9 242	4 723	293	1 173	44 407
1984-85 . . . . .	7 684	5 298	9 486	4 658	2 891	457	781	31 254
1985-86 . . . . .	3 540	3 303	4 402	2 835	2 407	236	76	16 798
1986-87 (estimate) . . . . .	8 600	8 500	5 840	5 800	4 300	860	540	34 440

### Assistance to the Sugar Industry

In response to difficult economic conditions in the sugar industry the Commonwealth will provide recurrent grants of \$22.7 million for assistance to the industry in 1986-87, under arrangements agreed with the New South Wales and Queensland Governments. Of this amount, \$14.7 million will be provided on a \$2 Commonwealth: \$1 State cost-sharing basis to support the No 1 Pool returns for sugar up to a maximum of \$230 per tonne. A further \$8 million will be provided for farm and mill adjustment assistance on the basis of regional adjustment plans. These funds form part of a three year Commonwealth-State program of assistance to the sugar industry commencing in 1986-87 under which the Commonwealth is committed to providing up to \$100 million, consisting of contributions of up to \$54 million for price support and up to \$46 million for industry adjustment assistance. In 1986-87 estimated payments to New South Wales and Queensland are \$0.8 million and \$21.9 million respectively.

### Dried Vine Fruit Adjustment Assistance

The Commonwealth is to provide recurrent grants of \$1.4 million in 1986-87 to the States for structural adjustment assistance to dried vine fruit growers. The assistance, mainly in the form of vine-pull grants, has been agreed to on a \$2 Commonwealth: \$1 State cost-sharing basis. In 1985-86, the Commonwealth allocated \$3.4 million for adjustment assistance to the dried vine fruit industry over the two years to 30 June 1987 on the same cost-sharing basis. However, as a result of improvements in market conditions, demand for the assistance in 1985-86 was low and it has been agreed to transfer \$2 million of these funds to assistance for wine grape growers. In 1985-86, \$19 000 was provided to Victoria under this program. Estimated payments to each State for 1986-87 are shown in Appendix V.

### **Wine Grape Adjustment Assistance**

The Commonwealth will provide recurrent grants of \$5.3 million in 1986-87 for adjustment assistance to the wine grape industry (including the transfer of \$2 million previously allocated to dried vine fruit adjustment assistance but not required for that purpose). Expenditure in 1985-86 was \$1.3 million. The assistance, mainly in the form of vine-pull grants, has been agreed to on a \$2 Commonwealth: \$1 State cost-sharing basis.

### **Plant Genetic Resources**

The Commonwealth will provide capital grants of \$485 000 in 1986-87 (\$348 000 in 1985-86) for the purpose of upgrading storage facilities relating to State plant genetic resource programs. Payments are made on a dollar for dollar cost-sharing basis. In 1986-87, the full amount will be provided to Queensland. Payments to each State in previous years are shown in Appendix V.

### **Soil Conservation**

The Commonwealth will provide recurrent grants of \$4.4 million in 1986-87 (\$3.8 million in 1985-86) to the States and the Northern Territory under the National Soil Conservation Program. The Program, which commenced in 1983-84, provides financial assistance primarily to the States and the Northern Territory for the purposes of soil conservation and related research and extension activities.

The following table shows payments to the States and Northern Territory under this program since 1983-84 and estimated payments in 1986-87:

**Table 46—Recurrent Grants for Soil Conservation, 1983-84 to 1986-87**  
(\$ thousands)

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1983-84 . . . . .	173	128	113	67	64	26	28	600
1984-85 . . . . .	825	499	611	611	396	161	165	3 267
1985-86 . . . . .	973	533	738	703	422	186	230	3 785
1986-87 (estimate) . . . . .	1 170	600	860	800	500	200	270	4 400

### **Eradication of Bovine Brucellosis and Tuberculosis**

Since 1970 the Commonwealth has joined with the States and the Northern Territory in an intensified national campaign for the eradication of bovine brucellosis and tuberculosis. In 1986-87, \$22 million will be paid in recurrent grants to the States and the Northern Territory for operational expenditure on the campaign from the National Cattle Disease Eradication Trust Account, compared with \$24.1 million in 1985-86. The reduction reflects the diminishing requirement for operational activities as eradication proceeds. These funds are provided by the industry through levies on the slaughter and export of livestock. Levy rates were reduced by 25 per cent from 1 July 1986 in recognition of reduced expenditure requirements.

In 1973, the Commonwealth joined with the mainland States in a scheme to compensate owners of livestock slaughtered following positive reaction to bovine tuberculosis tests, and, from July 1976, joined with these States in a bovine brucellosis slaughter compensation scheme. Since 1983-84, the Commonwealth has

met 75 per cent of net slaughter compensation, with the States and the Northern Territory contributing 25 per cent. An estimated \$12 million is to be paid in recurrent grants to the States for compensation in 1986-87.

The Commonwealth has also agreed to provide \$4.2 million in 1986-87 on a dollar for dollar matching basis with the States and the Northern Territory, for expenditure on assistance measures including restocking freight rebates (\$0.9 million), loans for capital improvements (\$1.8 million), and additional holding costs (\$1.5 million).

The following table shows payments that have been made under these schemes since 1982-83 and estimated payments for 1986-87:

**Table 47—Payments for Expenditure on the Eradication of Bovine Brucellosis and Tuberculosis, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
GRANTS								
1982-83 . . . . .	5 728	4 314	10 688	1 433	2 161	52	3 711	28 087
1983-84 . . . . .	6 169	4 504	9 990	1 955	2 624	53	9 955	35 250
1984-85 . . . . .	6 433	4 281	12 752	2 346	2 496	64	13 219	41 591
1985-86 . . . . .	5 106	4 042	14 092	1 892	1 579	55	9 624	36 390
1986-87 (est.) . . . .	3 913	2 556	14 768	2 580	1 586	60	10 902	36 365
ADVANCES								
1982-83 . . . . .	..	..	..	..	..	..	..	..
1983-84 . . . . .	..	..	..	..	..	..	..	..
1984-85 . . . . .	..	..	..	..	..	..	..	..
1985-86 . . . . .	..	..	611	..	220	..	867	1 698
1986-87 (est.) . . . .	..	..	679	102	84	..	949	1 814
TOTAL								
1982-83 . . . . .	5 728	4 314	10 688	1 433	2 161	52	3 711	28 087
1983-84 . . . . .	6 169	4 504	9 990	1 955	2 624	53	9 955	35 250
1984-85 . . . . .	6 433	4 281	12 752	2 346	2 496	64	13 219	41 591
1985-86 . . . . .	5 106	4 042	14 703	1 892	1 799	55	10 491	38 088
1986-87 (est.) . . . .	3 913	2 556	15 447	2 682	1 670	60	11 851	38 179

### Exotic Diseases Eradication

The Commonwealth is to provide \$151 000 in 1986-87, on a dollar for dollar cost-sharing basis with the States and Northern Territory, for feral animal control as part of its exotic diseases preparedness program. In 1985-86, \$120 000 was provided for this purpose. Estimated payments to each State and the Northern Territory are shown in Appendix V.

### Agricultural Research

Commonwealth Special Research Grants have been made to the States since 1960-61 to finance special investigation projects of a new, limited nature, usually on a dollar for dollar matching basis with the States and/or industry. From 1986-87, these recurrent grants to the States will be made from the Australian Special Rural Research Trust Fund. Grants to the States are estimated to be \$513 000 in 1986-87, compared to \$313 000 in 1985-86. In 1986-87, recurrent grants of \$222 000 will also be made available to projects sponsored by the Australian Agricultural Council under a separate program. In 1985-86, \$154 000 was provided for this purpose. Beginning in 1986-87, \$160 000 will also be made available to the States to undertake research into pest and disease disinfection treatments to meet importing countries quarantine requirements. Estimated payments to each State are shown in Appendix V.



### Fertilisers Assistance

In January 1986, the Commonwealth decided to pay recurrent grants to the States to enable the provision of assistance to users of fertilisers subject to dumping duties. An amount of \$28 million is to be provided in 1986-87 to continue payments to importers of fertilisers subject to dumping duties to offset the cost of those dumping duties, to continue equivalent payments to local manufacturers of the same fertilisers and to extend the scheme to agras and double superphosphate fertilisers, which compete with fertilisers subject to dumping duties. Payments in 1985-86, effective from 1 January 1986, amounted to \$17.3 million.

The following table shows payments to the States for this purpose in 1985-86 and estimated payments for 1986-87:

**Table 48—Recurrent Grants for Fertiliser Assistance, 1985-86 to 1986-87**  
(\$ thousands)

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Total
1985-86	1 584	2 973	3 143	6 629	2 972	17 300
1986-87 (estimate)	2 106	5 452	4 178	12 313	3 952	28 000

### Fisheries Management

The Commonwealth is to provide a capital grant of \$1 million to Queensland in 1986-87 for the acquisition of capital equipment required for the management of fisheries in the Torres Strait Protected Zone. In 1985-86, \$1.1 million was provided for this program.

### National Industry Extension Service

The National Industry Extension Service, launched on 1 July 1986, is a joint venture between the Commonwealth and the States and territories to help enterprises improve levels of business efficiency and international competitiveness. The Service is designed to facilitate access to information and advice on these matters from both Government and private sector organisations. It will be implemented by State and Northern Territory Governments using both their own and Commonwealth funds. The Commonwealth is to provide \$6.9 million for this purpose in 1986-87. Estimated payments to each State and the Northern Territory are shown in Appendix V.

### Portland Aluminium Smelter

In 1986-87, the Commonwealth will provide a capital grant of \$1.5 million to Victoria to facilitate Chinese participation (through the China International Trust and Investment Corporation) in the Portland Aluminium Smelter joint venture.

### Assistance to Small Tin Producers

Following the collapse of international tin prices in late 1985 and early 1986, the Commonwealth has offered \$1 million in financial assistance to small tin producers. The assistance is to be by way of an interest rate subsidy and will be made available in 1986-87 through the New South Wales, Queensland, Tasmania and Northern Territory Governments. Estimated payments to each State and the Northern Territory are shown in Appendix V.

### Federal Water Resources Assistance Program

The Commonwealth has for many years provided financial assistance to the States and the Northern Territory for water-related purposes. From 1984-85 this assistance has been provided under the Federal Water Resources Assistance Program (FWRAP) which combines all previous assistance for water management projects and water resource development. Assistance to the States and the Northern Territory, in respect of approved projects, is a major component of Commonwealth expenditure under the FWRAP.

Expenditure under the FWRAP is classified under three functional headings. Of the \$62.3 million provided to the States and the Northern Territory in 1985-86, \$44.3 million was for water resources development and management (which is classified under Industry Assistance and Development), \$12 million for urban water supply (which is classified under Other Economic Services), and \$6 million for urban flood mitigation (which is classified under Housing and Community Amenities). Details of the projects included under each of these functional headings are shown in Table 50 below.

For 1986-87, the Budget provides \$62.6 million for payment to the States and the Northern Territory under the FWRAP, with \$41.9 million allocated to Industry Assistance and Development (including \$29 million for construction of the Burdekin Dam, \$7.7 million for salinity mitigation and drainage works and \$4 million for the Bundaberg Irrigation Works in Queensland), \$15.25 million allocated to Other Economic Services (comprising \$6 million for water treatment facilities in South Australia, \$5.25 million for water treatment facilities in the Hunter River region of New South Wales and \$4 million for the Country Towns Water Supply Improvement Program in all States and the Northern Territory) and \$5.5 million allocated to Housing and Community Amenities for urban flood mitigation.

The following table shows payments to the States and Northern Territory for water related purposes since 1982-83 and estimated payments for 1986-87. More detailed information on these payments is contained in Appendix III.

**Table 49—Payments for Water Related Purposes, 1982-83 to 1986-87**  
(\$ thousands)

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1982-83 . . . . .	5 044	6 457	13 377	6 400	6 392	376	2 040	40 086
1983-84 . . . . .	6 829	5 665	22 447	8 382	10 355	293	1 410	55 381
1984-85 . . . . .	6 740	6 246	28 356	9 738	7 707	237	1 505	60 528
1985-86 . . . . .	10 596	5 402	32 543	3 704	8 101	360	1 553	62 259
1986-87 (estimate) (a) . . . . .	11 863	6 385	33 872	2 045	7 851	322	278	62 616

(a) Estimated allocations to the States/Northern Territory are indicative.

**Table 50—Payments to the States and Northern Territory under the Federal Water Resources Assistance Program in 1985–86 (\$ thousands)**

State	Amount	Purpose
New South Wales . . . . .	(a) 1 250	Water Resources Assessment—assessment of the quality and quantity of Australia's surface and underground water resources.
	(a) 2 277	Murray Valley Salinity Mitigation—a co-ordinated program with New South Wales, Victoria and South Australia for salinity reduction and drainage control.
	(b) 2 656	Urban Flood Plain Management—approved works and studies in coastal and inland urban centres.
	(a) 31	Rural Flood Management—approved works and studies on coastal and inland rivers.
	(c) 3 807	Chichester Water Treatment Plant—construction of water treatment facilities to improve water quality in the Hunter Valley region.
	(c) 575	Urban Water Supply—the Country Towns Water Supply Improvement Program (COWSIP).
Victoria . . . . .	(a) 950	Water Resources Assessment ( <i>see above</i> ).
	(a) 2 344	Murray Valley Salinity Mitigation ( <i>see above</i> ).
	(c) 291	Urban Water Supply—COWSIP ( <i>see above</i> ).
	(b) 1 154	Urban Flood Plain Management ( <i>see above</i> ).
	(a) 123	Rural Flood Plain Management ( <i>see above</i> ).
	(a) 540	State Water Plan.
Queensland . . . . .	(a) 800	Water Resources Assessment ( <i>see above</i> ).
	(b) 1 027	Urban Flood Plain Management ( <i>see above</i> ).
	(a) 4 000	Bundaberg Irrigation Works, including works of conservation, distribution and reticulation of water.
	(a) 300	Rural Flood Plain Management ( <i>see above</i> ).
	(a) 26 000	Burdekin Falls Dam—construction of a dam on the Burdekin River to provide water for irrigation in the Burdekin River Basin.
	(c) 416	Urban Water Supply—COWSIP ( <i>see above</i> ).
Western Australia . . . . .	(a) 1 610	Water Resources Assessment ( <i>see above</i> ).
	(c) 1 044	Urban Water Supply—construction of Harding River Dam (to provide additional water supplies for the West Pilbara region) and COWSIP ( <i>see above</i> ).
	(a) 981	Salinity Control—Collie River catchment and South-West catchments (Denmark, Kent, Warren and Helena Rivers)
	(b) 56	Urban Flood Plain Management Studies
	(a) 13	State Water Plan.
South Australia . . . . .	(a) 600	Water Resources Assessment ( <i>see above</i> ).
	(c) 5 666	Urban Water Supply—Metropolitan Adelaide and Northern Towns Water Filtration Program; and COWSIP ( <i>see above</i> ).
	(a) 835	Murray Valley Salinity Mitigation ( <i>see above</i> ).
	(b) 1 000	Urban Flood Plain Management—flood mitigation works on the River Torrens.
Tasmania . . . . .	(a) 200	Water Resources Assessment ( <i>see above</i> ).
	(b) 51	Urban Flood Plain Management—Launceston Flood Protection Works and the Tamar Valley Silting Study.
	(c) 109	Urban Water Supply—COWSIP ( <i>see above</i> ).
Northern Territory . . . . .	(a) 1 455	Water Resources Assessment ( <i>see above</i> )
	(b) 42	Urban Flood Plain Management
	(c) 46	Urban Water Supply—COWSIP ( <i>see above</i> ).
	(a) 10	Water Plan
Total . . . . .	62 259	

(a) Classified under Industry Assistance and Development

(b) Classified under Housing and Community Amenities

(c) Classified under Other Economic Services

## ECONOMIC SERVICES—LABOUR AND EMPLOYMENT

### Coal Mining Industry—Long Service Leave

In those States where coal miners have been awarded long service leave by industrial tribunals, the State Governments reimburse employers the cost of this leave. The Commonwealth, in turn, reimburses the States for the amounts paid and the administrative costs incurred by them in giving effect to these arrangements.

The funds required for these purposes are obtained from an excise imposed on coal production under the *Coal Excise Act 1949*. The excise is currently 25 cents per tonne of which an amount equivalent to 20 cents per tonne is appropriated to a Trust Fund under the *States Grants (Coal Mining Industry Long Service Leave) Act 1949*. Payments are made to the States from the Trust Fund. The balance of the excise is applied to coal research.

The following table shows payments to the States since 1982-83 and estimated payments in 1986-87:

**Table 51—Recurrent Grants for Coal Mining Industry Long Service Leave, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Queens- land	Western Australia	Tasmania	Total
1982-83 . . . . .	10 939	2 562	640	30	14 171
1983-84 . . . . .	13 956	3 246	1 020	45	18 266
1984-85 . . . . .	15 034	3 109	938	33	19 114
1985-86 . . . . .	13 968	3 092	727	69	17 857
1986-87 (estimate) . . . . .	15 014	3 162	736	87	19 000

### Community Employment Program

An amount of \$201 million has been provided in 1986-87 for direct job creation through the Community Employment Program established under the *Community Employment Act 1983*. Of this amount, \$181 million will be payments to the States and the Northern Territory.

The Community Employment Program provides short term employment for three to twelve months, particularly for women, Aborigines, migrants, the long-term unemployed and disabled persons. The overall program objective is to enhance the employment prospects of those most disadvantaged in the labour market by providing relevant work experience. Funds are provided for expenditure on additional, labour intensive projects of social and economic benefit to the community. The program is administered jointly by the Commonwealth and the States/territories.

Payments to the States and Northern Territory from 1983-84, and estimated payments in 1986-87 are shown in the following table:

**Table 52—Recurrent Grants for Community Employment Program, 1983-84 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1983-84 . . . . .	86 297	64 012	41 268	22 986	21 739	7 508	2 822	246 632
1984-85 . . . . .	125 316	94 428	57 960	32 004	31 392	10 116	3 168	354 384
1985-86 . . . . .	90 750	68 434	42 073	23 203	22 707	7 334	2 323	256 824
1986-87 (estimate) . . . . .	63 800	48 100	29 800	16 500	15 900	5 200	1 700	181 000

## Infrastructure Support for the Steel Regions

The Commonwealth is providing capital grants for a range of infrastructure development projects in the Illawarra, Hunter and Whyalla regions designed to promote employment opportunities in these regions to assist in offsetting the decline in recent years in employment in the steel industry. Outlays for this purpose totalled \$15.6 million in 1985-86 and are estimated to increase to \$38 million in 1986-87.

The functional breakdown of these payments is shown in the following table:

**Table 53—Grants to the States for Infrastructure Support to the Steel Regions, 1985-86 and 1986-87 (\$ thousands)**

	1985-86	1986-87 (estimate)
New South Wales—		
TAFE building projects(a) . . . . .	1 074	3 386
Fishing port facilities at Nelson Bay(b) . . . . .	2 800	1 860
Port Kembla grain terminal(b) . . . . .	3 200	15 500
Water quality improvement(c) . . . . .	3 807	5 250
Tourism projects(b) . . . . .	2 000	2 000
Roads projects(d) . . . . .	1 850	982
Technology Centres . . . . .	..	5 000
Hunter Industrial Development Officer . . . . .	60	64
Total New South Wales . . . . .	14 791	34 042
South Australia—		
Whyalla region projects . . . . .	834	3 915
Total . . . . .	15 625	37 957

(a) Expenditure for these projects is included under Education in the functional classifications in Table 12.

(b) Expenditure for these projects is included in Industry Assistance and Development in the Functional classification in Table 12.

(c) Funds for these purposes will be allocated from the Federal Water Resources Assistance Program. They are included under Water Supply, Electricity and Gas in the functional classification in Table 12.

(d) Expenditure for these projects is included under Transport in the functional classification in Table 12.

## OTHER ECONOMIC SERVICES

### Urban Water Supply

The description previously given of outlays under this heading is presented under 'Federal Water Resources Assistance Program' earlier in the chapter.

### Assistance to Northern Territory Electricity Commission

In accordance with provisions of the Memorandum of Understanding with the Northern Territory, the Commonwealth has provided financial assistance for the operational costs of electricity supply from the time of self government. As a result of the Northern Territory Government's decision to generate electricity from natural gas there will, after a transitional period, be a significant lessening of future costs in the provision of electricity. Reflecting this, in 1985 the Commonwealth reduced its assistance towards meeting the operating costs of the Northern Territory Electricity Commission (NTEC), and agreed to provide recurrent grants of \$40 million per annum from 1985-86 to 1988-89—compared to \$72.9 million in 1984-85—with payments after the first year to be indexed in line with the consumer price index. However, as a result of the subsequent fall in world oil prices and the current economic circumstances the Commonwealth has decided to reduce this assistance. An amount of \$21.8 million is to be provided in 1986-87.

The Commonwealth has also been providing grant assistance representing 40 per cent of the capital cost of the construction of a new power station near Darwin to replace the existing oil-fired plant, and has agreed to provide up to a further \$52 million (1984-85 prices), representing 40 per cent of the estimated remaining cost of the gas-fired plant. A capital grant of \$35 million is to be provided in 1986-87.

Both recurrent and capital grants paid to the Northern Territory for NTEC assistance since 1982-83 and estimated payments for 1986-87 are shown in the following table:

**Table 54—Payments to Northern Territory Electricity Commission, 1982-83 to 1986-87 (\$ thousands)**

	Recurrent	Capital	Total
1982-83	57 813	2 354	60 167
1983-84	63 122	4 471	67 593
1984-85	72 862	8 940	81 802
1985-86	39 568	19 434	59 002
1986-87 (estimate)	21 846	35 123	56 969

## GENERAL PUBLIC SERVICES

### Law, Order and Public Safety

#### *Legal Aid*

In 1986-87, \$63.2 million will be provided by way of grants to the States for legal aid compared with \$43.9 million in 1985-86. Legal aid in Australia is provided through a scheme involving co-operation between the Commonwealth and the States (except for Aboriginal legal aid which is administered by the Department of Aboriginal Affairs). The Commonwealth provides funding for a share of the operating costs of legal aid commissions in each State and for referrals to private practitioners on Commonwealth matters. Of the total amount, \$1.9 million comprises assistance provided through the States for community legal aid centres. The increase in legal aid funding in 1986-87 mainly reflects the additional costs which will be borne by the Commonwealth following the merger of the New South Wales Legal Aid Commission and the Australian Legal Aid Office, New South Wales from 1 January 1987.

The following table shows payments to the States since 1982-83 and estimated payments in 1986-87. The 1986-87 distribution of these grants among the States is notional only and no commitment to the provision of the amount shown for each State is implied.

**Table 55—Recurrent Grants for Legal Aid, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Total
1982-83	137	13 965	8 685	6 501	3 824	..	33 112
1983-84	219	15 337	8 429	6 249	4 697	10	34 940
1984-85	562	15 065	10 096	7 054	5 463	29	38 269
1985-86	434	17 827	11 307	8 004	6 284	49	43 904
1986-87 (estimate)	13 412	20 642	12 651	9 620	6 801	68	63 192

### *Reimbursement of Costs of Operations of the Joint Law Courts Library in New South Wales*

It is estimated that New South Wales will be provided with a recurrent grant of \$511 400 in 1986-87 to meet the Commonwealth's share of the salary and operations costs of the Joint Law Courts Library in Sydney. An amount of \$366 700 was provided in 1985-86 for this purpose.

### *Human Rights—Payments under Co-operative Arrangements*

In 1986-87, recurrent grants of \$1.4 million will be provided to the States of New South Wales, Victoria, Western Australia and South Australia under co-operative arrangements with the Commonwealth for the administration of human rights matters. These arrangements, under which the Commonwealth provides funding to assist State equal employment opportunities organisations in implementing the provisions of Commonwealth legislation relating to sex and racial discrimination, enable all human rights matters to be dealt with through a single office. The increase in funding of 41 per cent in 1986-87 reflects expanding activity in this area and the full year costs of the arrangements with Western Australia. The estimated allocation of funds among the States is given in Appendix V.

## ASSISTANCE FOR LOCAL GOVERNMENT

Since 1974-75 recurrent grants have been made to the States (and the Northern Territory since 1979-80) to be passed on to local government authorities. These grants are to finance on-going expenditures and to equalise fiscal capacities of the local government authorities. New arrangements for the payment of these grants to apply from 1986-87 were decided following the National Inquiry into Local Government Finance which presented its Report in October 1985. Details of these arrangements are given in Chapter VI.

## NATURAL DISASTER RELIEF

The long-standing Commonwealth assistance under natural disaster relief arrangements aims to help the States and the Northern Territory meet the unpredictable and sometimes large costs of providing natural disaster relief and restoration. The arrangements recognise the States' (and Northern Territory's) primary responsibility under the Constitution for the administration, provision and financing of relief measures. Disasters covered by the arrangements—mainly weather related—are bushfires, cyclones, droughts, earthquakes, floods and storms.

Under the present arrangements, effective from 1 July 1985, the Commonwealth reimburses at least 50 per cent of State expenditure on eligible measures for the relief of personal hardship and distress. In respect of other eligible relief and restoration measures, the Commonwealth provides financial assistance when total State expenditure on all those measures in a financial year exceeds its assessed financial capacity, as represented by an annual base amount. After review, the base amounts for 1984-85 had been set at 0.24 per cent of the State annual budget sector receipts two years earlier, with the aim of restoring a more equitable sharing of the cost of natural disaster relief and restoration. Following reclassification and changed definitions in the statistical series, a technical adjustment was made to the

formula, and, for 1985-86 and subsequent years, the base amounts are set at 0.225 per cent of State annual budget sector revenue and grants two years earlier. The base amounts applying in the respective years are as follows:

**Table 56—Base Amounts for Eligibility for Assistance under Natural Disaster Relief Arrangements, 1978-79 to 1986-87 (\$ million)**

	1978-79 to 1983-84	1984-85	1985-86	1986-87
New South Wales . . . . .	10.00	18.49	22.39	24.58
Victoria . . . . .	7.00	14.56	16.87	18.73
Queensland . . . . .	4.00	9.10	10.48	11.60
Western Australia . . . . .	3.00	5.81	6.87	7.85
South Australia . . . . .	3.00	5.36	6.05	7.00
Tasmania . . . . .	1.20	2.13	2.41	2.57
Northern Territory . . . . .	0.25	1.54	1.83	2.05
Total . . . . .	28.45	56.99	66.90	74.38

The formula for financial assistance above the base amounts was also changed as from 1 July 1985. Whereas during the seven years ended 1984-85 assistance was provided on a \$3 Commonwealth to \$1 State (and Northern Territory) basis in respect of expenditure by each State above its base amount, as from 1 July 1985, assistance above the base amount is dollar for dollar up to 75 per cent above the base amount and \$3 Commonwealth to \$1 State thereafter.

Other changes to the arrangements operative from 1 July 1985 include acceptance of (formerly ineligible) minor disasters as now eligible for assistance; the transfer to the States of responsibility for selecting, within agreed guidelines, the specific measures to be eligible for assistance; and the future ineligibility for assistance of financial and trading undertakings of State and local governments (other than railways).

Categories of State relief measures which are eligible for Commonwealth assistance under these arrangements include:

- grants for relief of personal hardship and distress, such as the provision of emergency food, clothing and accommodation;
- concessional loans to farmers or operators of small businesses, whose assets (including fodder) have been significantly damaged and who have no reasonable access to commercial finance but who have reasonable prospects of long term viability;
- concessional loans to needy persons or voluntary non-profit bodies whose assets have been significantly damaged and who have no reasonable access to commercial finance;
- grants for the restoration of essential public assets, owned by eligible public undertakings.

An amount of \$24 million has been provided for Commonwealth assistance towards disaster relief in 1986-87, compared with expenditure of \$26.2 million in 1985-86. The estimate is based on past experience—actual outlays will depend on the level of assistance in respect of past disasters and on the incidence and severity of disasters in 1986-87.



The following table shows payments to the States and Northern Territory from 1982-83, and estimated payments in 1986-87. Reflecting the varying incidence of disasters, the amounts vary considerably from one State to another and from one year to another.

**Table 57—Payments for National Disaster Relief (a), 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>RECURRENT</b>								
1982-83 . . . . .	14 438	13 949	15 808	1 002	2 896	..	2	48 095
1983-84 . . . . .	7 370	4 556	13 742	1 013	1 862	53	..	28 596
1984-85 . . . . .	381	..	1 183	..	44	61	..	1 668
1985-86 . . . . .	..	-316	6 200	70	..	..	..	5 954
1986-87 (est.) (b) .	2 070	850	2 010	210	250	10	..	5 400
<b>CAPITAL GRANTS</b>								
1982-83 . . . . .	..	4 542	3 379	780	..	..	232	8 933
1983-84 . . . . .	7 412	4 908	22 704	1 631	2 543	8	2 167	41 373
1984-85 . . . . .	..	-540	7 747	..	..	71	..	7 278
1985-86 . . . . .	418	..	7 200	270	37	..	..	7 925
1986-87 (est.) (b) .	1 230	590	3 500	490	70	20	100	6 000
<b>CAPITAL LOANS</b>								
1982-83 . . . . .	18 119	21 868	22 597	7 106	19 580	..	..	89 270
1983-84 . . . . .	3 815	7 855	44 157	5 828	6 902	274	..	68 830
1984-85 . . . . .	..	..	2 186	..	..	149	..	2 335
1985-86 . . . . .	..	..	11 537	777	..	4	..	12 318
1986-87 (est.) (b) .	2 755	1 435	3 800	2 650	1 940	20	..	12 600
<b>TOTAL</b>								
1982-83 . . . . .	32 557	40 359	41 784	8 887	22 476	..	234	146 298
1983-84 . . . . .	18 597	17 318	80 603	8 471	11 308	335	2 167	138 799
1984-85 . . . . .	381	-540	11 116	..	44	281	..	11 281
1985-86 . . . . .	418	-316	24 937	1 117	37	4	..	26 197
1986-87 (est.) (b) .	6 055	2 875	9 310	3 350	2 260	50	100	24 000

(a) Excludes the cost of emergency services provided by the Defence Force.

(b) Estimates shown for 1986-87 are indicative only as they make some provision for expected payments in respect of possible new disasters which based on an average of past experiences, could be expected to qualify for Commonwealth assistance.

Appendix III provides more detailed information about Commonwealth payments to the States and the Northern Territory in respect of natural disaster relief. Details of such payments in past years may be obtained from earlier issues of this Paper and, in particular, from Table 158 and 159 of the 1975-76 issue of this Paper.

### ASSISTANCE RELATED TO SOUTH-WEST TASMANIA

Under a Memorandum of Understanding signed on 26 June 1984, the Commonwealth undertook to provide financial assistance to Tasmania to offset the effects on employment and electricity prices of the cessation of Stage Two of the Gordon River Power Development.

Assistance under these arrangements amounted to \$33.6 million in 1985-86. A further \$34.4 million will be provided in 1986-87 comprising \$7.5 million for employment generating projects and \$26.9 million as the fourth (of ten) annual instalments of \$20 million, indexed to January 1984 prices, to subsidise the future cost of electricity supply in the State.

The following table shows recurrent and capital grants provided to Tasmania under this program since 1983-84 and estimated payments in 1986-87:

**Table 58—Assistance Related to South-West Tasmania, 1983-84 to 1986-87 (\$ thousands)**

	Recurrent	Capital	Total
1983-84 . . . . .	20 333	42 573	62 906
1984-85 . . . . .	21 443	12 378	33 821
1985-86 . . . . .	25 290	8 281	33 571
1986-87 (estimate) . . . . .	26 888	7 549	34 437

## BUDGET PAPER NO 7: CHAPTER VI

### CHAPTER VI—PAYMENTS TO OR FOR LOCAL GOVERNMENT AUTHORITIES

Local government authorities in Australia have been established under State and Northern Territory legislation for the purpose of providing certain public services within defined geographical boundaries. The functions of these authorities differ significantly between and within States and the Territory.

Prior to 1973 no Commonwealth assistance was provided specifically for local government in the States. Successive Commonwealth Governments had taken the view that, as local authorities were constituted and functioned under State laws, it was the responsibility of the State Governments to assess and provide for the needs of local government in the light of local government's overall responsibilities and the revenue raising resources available to it. The Commonwealth, for its part, provided general purpose funds to the States to assist in the financing of all the States' expenditure responsibilities, including those in the local government area.

Since 1974-75, the Commonwealth has made payments of general purpose assistance through the States (and since 1979-80 through the Northern Territory) for local government authorities. It also makes some direct payments of specific purpose assistance. Details of both types of payments are provided in this Chapter. In addition, local government authorities, like Commonwealth and other State authorities and the Northern Territory, are able to borrow under the Loan Council arrangements, and this Chapter outlines the arrangements as they affect local authorities.

Local government authorities also receive significant assistance from State and Northern Territory Governments. Part of this assistance consists of funds provided by the Commonwealth to the States and Territory as specific purpose payments and passed on to local authorities to carry out particular programs. The amounts passed on to local authorities under these arrangements are generally at the discretion of the States or Territory. Information on these payments to local government authorities obtained both from Commonwealth sources and from the States and the Northern Territory is included in this Chapter.

For the purposes of this chapter, payments made to Commonwealth statutory authorities that are subsequently passed on to local government authorities have not been recorded. This category includes some payments made by the Australia Council for community arts activities previously recorded as payments direct to local government.

#### GENERAL PURPOSE ASSISTANCE

In 1974-75 and 1975-76, general purpose grants were made for local government authorities on a basis recommended by the Commonwealth Grants Commission. In 1976, arrangements were introduced for the sharing of Commonwealth net personal income tax collections with local government in the States. These arrangements were embodied in the *Local Government (Personal Income Tax Sharing) Act 1976*. Further details on the provisions in that Act are contained in previous issues of this Paper.

For 1985-86 only, these arrangements were amended so that the assistance provided in 1985-86 was determined by escalating the amount paid in 1984-85 by

the increase in the All Groups Consumer Price Index for the six State capital cities in the year to the March quarter 1986 over the preceding year and a 2 per cent growth factor. This resulted in an increase in assistance in 1985-86 of \$49.4 million or 10.2 per cent over 1984-85.

The Northern Territory has, since 1979-80, received assistance to be passed on to local government authorities on the same basis as general purpose payments made for local government in the States.

### *Review of Local Government Finance*

In May 1984, the Government established the National Inquiry into Local Government Finance (chaired by Professor Peter Self) to review the local government tax sharing arrangements with reference to:

- the respective roles of the Commonwealth and the States in regard to local government;
- the purpose and functions of local government revenue sharing; and
- the level and form of funding for local government available from Commonwealth, State and local government sources, and the principles which should determine the level and allocation of the local government revenue sharing funds between and within States.

The Inquiry's Report was presented to the Government on 29 October 1985. Following its consideration of the Report, the Government decided upon new arrangements for the provision of general purpose assistance to local government from 1986-87 onwards.

### *Arrangements from 1986-87*

The principal features of the new arrangements for providing general revenue assistance to local government in the States and the Northern Territory from 1986-87—which are embodied in the *Local Government (Financial Assistance) Act 1986*—are as follows:

- personal income tax sharing grants have been replaced by financial assistance grants for local government authorities;
- the total amount of Commonwealth general purpose financial assistance for local government authorities in 1986-87 will be determined by increasing the 1985-86 level of funding (subject to an adjustment in relation to the Northern Territory—see below) by the larger of: the increase in the All Groups Consumer Price Index for the eight capital cities in the year to the March quarter 1987 over the previous year; or, the percentage change in general purpose payments to the States (the sum of financial assistance grants, identified health grants and general purpose capital assistance) for 1986-87. (The total level of assistance in 1986-87 is expected to be determined by the Consumer Price Index escalation factor as general purpose payments to the States are estimated to decline in real terms in 1986-87 over the amounts paid in 1985-86);
- the level of assistance in 1987-88 is to be determined in similar fashion to that for 1986-87, using 1986-87 payments as the base level of funding;
- for subsequent years the annual level of assistance will be determined by increasing the amount paid in the preceding year by the percentage change in Commonwealth general purpose payments to the States, thereby ensuring

equitable treatment by the Commonwealth in the provision of general revenue assistance to the States and local government;

- the Northern Territory is included with the States under the Act, rather than receiving assistance under separate arrangements as in the past. In order to bring the level of assistance to the Territory to the same per capita funding as the average of the six States in 1985-86, its 1985-86 level of funding has been notionally increased by \$2.45 million for the purposes of calculating the 1986-87 level of assistance. (This is offset by a commensurate notional reduction in the base amount of financial assistance grants paid to the Territory in 1985-86 for the purpose of calculating its 1986-87 general revenue grant—see Chapter III);
- the distribution of total assistance among the States is to be phased from the current arrangements (which are based on recommendations by the Commonwealth Grants Commission made in 1977) to an equal per capita basis by 1989-90. For 1986-87 the distribution which applied in 1985-86 will be varied only by the inclusion of the Northern Territory. In 1987-88 and 1988-89 the distribution is to be adjusted in equal steps to bring it onto an equal per capita basis based on projected population at 30 June 1987. The following Table shows the distribution of the grants in 1985-86 and 1986-87, and the projected distributions in 1987-88 and 1988-89;

**Table 59—General Purpose Financial Assistance for Local Government Authorities—Distribution Among the States and the Northern Territory (per cent)**

	1985-86	1986-87	1987-88	1988-89
New South Wales . . . . .	36.4977	36.1593	35.6609	35.1625
Victoria . . . . .	25.4513	25.2153	25.8433	26.4714
Queensland . . . . .	16.8606	16.7043	16.6526	16.6010
Western Australia . . . . .	9.3897	9.3026	9.2407	9.1788
South Australia . . . . .	8.6010	8.5212	8.6552	8.7890
Tasmania . . . . .	3.1997	3.1700	3.0049	2.8398
Northern Territory . . . . .	(a)	0.9273	0.9424	0.9575
Total . . . . .	100.0000	100.0000	100.0000	100.0000

(a) Prior to 1986-87, general purpose assistance for local government in the Northern Territory was provided under separate arrangements.

- each State and the Northern Territory is required to formulate, by 1 July 1987, and implement by 1 July 1991, principles for the distribution of grants among local government authorities within the State/Territory. These principles are to be submitted to the relevant Commonwealth Minister for approval and are to have regard to the objective of horizontal fiscal equalisation, which is defined in the Act as a distribution that:

‘ensures that each local governing body in the State is able to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in the States, and that takes account of differences in the expenditure required by those local governing bodies in the performance of their functions and in the capacity of those local government bodies to raise revenue;’

- these new arrangements for increased involvement by the Commonwealth in oversight of the distribution of funds within each State are intended to achieve a greater degree of uniformity in distribution methodologies across States.

However, it still leaves State Local Government Grants Commissions with considerable discretion in the detailed assessment of each council's relative need for assistance; and

- the principles also provide that no local authority will receive an amount in any year that is less than the amount that it would be allocated if 30 per cent of the State/Territory's grant were allocated among local authorities on an equal per capita basis.

The new arrangements for financial assistance grants for local government authorities will result in a greater degree of certainty in the provision of Commonwealth assistance for local government than the former tax sharing arrangements.

The following table shows payments of local government personal income tax sharing assistance to the States and the Northern Territory from 1982-83 to 1985-86 and estimated payments of local government financial assistance grants in 1986-87:

**Table 60—Grants to States and the Northern Territory to be Passed On as General Purpose Assistance for Local Government, 1982-83 to 1986-87**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total	Annual Increase
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
1982-83 . . . . .	154 928	108 037	71 571	39 858	36 510	13 582	2 033	426 519	21.0
1983-84 . . . . .	167 647	116 907	77 447	43 130	39 507	14 697	2 199	461 535	8.2
1984-85 . . . . .	177 574	123 829	82 033	45 684	41 847	15 568	2 330	488 864	5.9
1985-86 . . . . .	195 615	136 410	90 367	50 326	46 098	17 149	2 566	538 532	10.2
1986-87 (est.) . . . . .	211 754	147 664	97 823	54 477	49 901	18 564	5 430	585 613	8.7

### *Overview of Sources of Funds for Local Government Authorities*

Table 61 shows total receipts of local government authorities in Australia for the period 1974-75 to 1984-85 (the latest year for which relevant data are available). The major points are:

- over the period, total Commonwealth payments to or for local government increased by 57.9 per cent in real terms (which is equivalent to an increase from 0.4 per cent to 0.5 per cent of GDP);
- at the same time, State grants increased by 19.7 per cent in real terms (virtually unchanged as a proportion of GDP at about 0.1 per cent); and
- local government's own-source funding (mainly rates) increased by 54.4 per cent in real terms (1.4 per cent to 1.7 per cent of GDP) over the period.

**Table 61—Sources of Funds for Local Government Authorities in Australia**

	Commonwealth sources						State sources	Own sources	Total			
	General purpose		Other		Total							
		%		%		%						
	\$m increase	%	\$m increase	%	\$m increase	%						
(a)	(b)	(b)	(b)	(c)	(d)	(d)	(d)	(d)	(d)			
1974-75.	56	—	185	86.9	241	143.4	90	42.9	869	11.4	1 200	27.4
1975-76.	80	42.9	264	42.7	344	42.7	110	22.2	1 187	36.6	1 641	36.8
1976-77.	140	75.0	137	-48.1	277	-19.5	150	36.4	1 407	18.5	1 834	11.8
1977-78.	165	17.9	151	10.2	316	14.1	187	24.7	1 564	11.2	2 067	12.7
1978-79.	179	8.5	157	4.0	336	6.3	212	13.4	1 681	7.5	2 229	7.8
1979-80.	223	24.6	164	4.5	387	15.2	212	0.0	1 841	9.5	2 440	9.5
1980-81.	302	35.4	180	9.8	482	24.5	216	1.9	2 089	13.5	2 787	14.2
1981-82.	353	16.9	204	13.3	557	15.6	212	-1.9	2 434	16.5	3 203	14.9
1982-83.	427	21.0	242	18.6	669	20.1	231	9.0	2 821	15.9	3 722	16.2
1983-84.	462	8.2	439	81.4	901	34.7	264	14.3	3 164	12.2	4 330	16.3
1984-85 (p)	489	5.8	493	12.3	982	9.0	278	5.3	3 484	10.1	4 744	9.6
PROPORTIONS OF GDP (per cent)												
1974-75.	0.1		0.3		0.4		0.1		1.4		1.9	
1975-76.	0.1		0.4		0.5		0.1		1.6		2.2	
1976-77.	0.2		0.2		0.3		0.2		1.7		2.2	
1977-78.	0.2		0.2		0.3		0.2		1.7		2.2	
1978-79.	0.2		0.1		0.3		0.2		1.6		2.1	
1979-80.	0.2		0.1		0.3		0.2		1.5		2.1	
1980-81.	0.2		0.1		0.4		0.2		1.5		2.1	
1981-82.	0.2		0.1		0.4		0.1		1.6		2.1	
1982-83.	0.3		0.1		0.4		0.1		1.7		2.2	
1983-84.	0.2		0.2		0.5		0.1		1.7		2.3	
1984-85(p)	0.2		0.2		0.5		0.1		1.7		2.3	

(a) Tax sharing grants between 1976-77 and 1984-85.

(b) Includes payments for local government in the Northern Territory since 1979-80.

(c) Derived by subtracting Commonwealth payments to local government, as shown in this chapter, from total transfer payments to local government, as shown in ABS publication 5501.0 Government Financial Estimates Australia 1985-86.

(d) This data is consistent with ABS publication 5501.0 1985-86 but has not been updated and hence may not be consistent with the revised data included in Chapter II of this Paper.

(p) - Preliminary

## BORROWING ARRANGEMENTS FOR LOCAL GOVERNMENT AUTHORITIES

*It is emphasised that borrowings referred to in this section are included in the totals of borrowings by State and local authorities shown elsewhere in this Paper.*

As shown in Table 62, local authority borrowings totalled \$763 million in 1985-86 or about 11 per cent of all public authority new money borrowings in Australia.

These borrowings by local government authorities are conducted within the framework of Loan Council's Global Approach to the determination of borrowing programs for Commonwealth and State semi-government and local authorities, government-owned companies and trusts (see Chapter IV for further details).

As the following table shows, the amounts of borrowings by local government authorities vary markedly between States (after adjusting for differences in population). This reflects a number of factors including differences in demand for local government infrastructure arising from differing rates of population growth between States and, more importantly, variations between the States in the functions allocated to local government.

**Table 62—New Money Borrowings by Local Authorities (a), 1984-85 to 1986-87**

	1984-85			1985-86			1986-87		
	Borrowings by all semi-government and local authorities \$'000	Borrowings by Local authorities		Borrowings by all semi-government and local authorities \$'000	Borrowings by Local authorities		Borrowings by all semi-government and local authorities \$'000	Borrowings by local authorities (b)	
		\$'000	Percent of total program		\$'000	Percent of total program		\$'000	Percent of total program
New South Wales	1 940 648	271 000	14.0	2 059 064	287 000	13.9	1 845 000	251 100	13.6
Victoria	1 984 750	127 119	6.4	2 008 560	130 502	6.5	1 859 000	120 000	6.5
Queensland	1 552 000(c)	232 928	15.0	1 538 912	241 640	15.7	1 387 000	224 295	16.2
Western Australia	818 058	43 692	5.3	741 332	41 161	5.6	635 000	50 000	7.9
South Australia	493 000	131 128	26.6	400 000	45 500	11.4	350 000	46 000	13.1
Tasmania	228 988	10 975	4.8	230 000	14 847	6.5	217 000	16 000	7.4
Total States	7 017 444	816 842	11.6	6 977 868	760 650	10.9	6 293 000	707 395	11.2
Northern Territory	49 990	1 573	3.1	65 000	2 574	4.0	75 000	3 075	4.1
Total	7 067 434	818 415	11.6	7 042 868	763 224	10.8	6 368 000	710 470	11.2

(a) New money borrowings include conventional loan raisings and other borrowings by way of domestic deferred payment arrangements, overseas trade credits, financial leases, sale and leaseback and similar arrangements, security deposits and other repayable capital contributions, and net changes in temporary purpose borrowings over the financial year. Figures for local authority borrowings for 1986-87 are preliminary estimates.

(b) Preliminary estimates.

(c) Commonwealth Treasury estimate.

Full details of recent changes in Loan Council arrangements applying to borrowings by local government authorities are set out at pages 101 and 102 of the 1985-86 issue of this Paper.

### COMMONWEALTH PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES

There are no Commonwealth programs of direct payments to local government authorities designed for the specific purpose of providing financial assistance to these authorities.

There are, however, a number of programs under which local government authorities are among bodies that are eligible for, and have received, Commonwealth assistance paid direct to them. The programs concerned are summarised below. (Further details of a number of these programs are provided in Statement No. 3 in Budget Paper No. 1) Wide variations between the States and the Northern Territory in the amounts paid to local authorities under particular programs reflect, among other things, differences in the extent to which the activities concerned are carried out by those authorities rather than by private organisations or by State or Territory Government departments or authorities.

#### *Nursing Homes*

In 1974-75, the Commonwealth Government introduced a scheme under which religious, charitable and other non-profit organisations conducting nursing homes may receive assistance from the Commonwealth Government in meeting approved deficits incurred in running the homes.

Local government authorities operating nursing homes on a non-profit basis are eligible to participate in this scheme and authorities in four States—New South Wales, Victoria, Western Australia and South Australia—are receiving assistance under the scheme. It is estimated that an amount of \$6 million will be provided to meet the operating deficits of these nursing homes in 1986-87.

The following table shows payments made direct to local government authorities from 1982-83 to 1985-86 and estimated payments for 1986-87:



**Table 63—Grants Made Direct to Local Government Authorities for Nursing Homes, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Western Australia	South Australia	Tasmania	Total
1982-83 . . . . .	1 233	..	360	1 138	265	2 995
1983-84 . . . . .	836	..	546	1 037	..	2 420
1984-85 . . . . .	854	70	606	1 481	..	3 012
1985-86 . . . . .	1 178	675	888	2 523	..	5 265
1986-87 (estimate) . . . . .	1 500	800	1 000	2 700	..	6 000

### *Home and Community Care*

Commonwealth Government assistance for Home and Community Care is outlined in Chapter V. Out of a total program of \$131.9 million, \$7.9 million has been notionally allocated as being for direct payments to local government authorities in the States and Territory in 1986-87. Payments for home nursing services and delivered meals services that were previously provided direct to local authorities were fully subsumed into the Home and Community Care Program in 1985-86.

The following table shows payments made direct to local government authorities in 1985-86 and estimated payments for 1986-87:

**Table 64—Grants Made Direct to Local Government Authorities for Home and Community Care, 1985-86 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	Total
1985-86 . . . . .	1 520	2 398	2	284	4 204
1986-87 (estimate) . . . . .	7 926	..	..	..	7 926

### *Aged or Disabled Persons' Homes and Hostels*

Under the *Aged or Disabled Persons' Homes Act 1954*, 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.

Grants on a \$2 for \$1 cost sharing basis up to certain maximum limits may be made to meet the cost of erection, extension or purchase of the accommodation. The maximum subsidies are reviewed periodically, and from Budget Night 1986 have been increased to \$20 200 for a single unit and \$23 450 for a double unit of accommodation.

Capital grants under this Act are paid direct to charitable organisations and local government authorities. In 1985-86, local government authorities received \$3.9 million out of total capital grants of \$42.0 million. For 1986-87 it is estimated that local government authorities will receive \$7.0 million out of total estimated payments under the Act of \$53.5 million.

In 1969, the Act was amended to provide for the payment of personal care subsidies in respect of persons aged 80 years and over resident in hostel accommodation. In 1973, the subsidy was extended to hostel residents aged less than 80 years. From 1 January 1984 the age criteria for the payment of the personal care subsidy were abolished and it was payable in respect of persons assessed as requiring or receiving daily assistance in the performance of daily living tasks. The Government also introduced hostel care and respite care subsidies. The hostel care subsidy

is payable for all assessed residents of eligible hostels. The respite care subsidy is aimed at encouraging the provision of respite care beds in hostels for the use of aged persons normally cared for at home so that families and individuals who usually care for these people can be relieved of their caring role for short periods of time. These subsidies were payable on a weekly basis, but from 18 December 1985 became payable on a daily rate. The daily rates applying from 18 December 1985 were \$1.80 per day for hostel care, \$7.80 per day for personal care and \$7 per day for respite care.

As part of its residential care reform strategy the Government has decided that these subsidies will be subject to automatic annual indexation in November each year to maintain their real value. Effective from November 1986 the new rates will be \$1.95 per day for the hostel care subsidy, \$8.40 for the personal care subsidy and \$7.50 per day for the respite care subsidy. In addition, the Government has decided that there will be a further one-off increase in the personal care subsidy to \$11.00 per day effective from May 1987.

Under the *Aged or Disabled Persons' Hostels Act 1972*, local government authorities along with religious, charitable and other organisations receive assistance for the capital costs associated with the provision of hostel accommodation for the aged.

Subject to certain conditions, the Commonwealth Government meets the capital cost to eligible organisations of building hostel accommodation up to a maximum limit per person. This and other subsidies are reviewed periodically. The maximum building cost limit for projects commenced after 1 July 1985 is \$25 000 per person. The Government also pays an additional grant of up to \$2400 per person for the purchase of land; a further \$250 per person is available for furnishings. Local government authorities first received assistance under the Act in 1975-76.

The following table shows payments made direct to local government authorities under the *Aged or Disabled Persons' Homes Act 1954* from 1982-83 to 1985-86 and estimated payments for 1986-87:

**Table 65—Grants Made Direct to Local Government Authorities under the Aged or Disabled Persons' Homes Act, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>RECURRENT</b>								
1982-83 . . . . .	135	609	..	61	156	..	..	961
1983-84 . . . . .	208	667	10	123	242	..	..	1 251
1984-85 . . . . .	124	939	42	179	503	..	..	1 786
1985-86 . . . . .	272	1 101	103	234	503	..	..	2 213
1986-87 (estimate) .	614	475	410	215	260	43	4	2 021
<b>CAPITAL</b>								
1982-83 . . . . .	788	1 190	548	478	3 389	444	..	6 838
1983-84 . . . . .	1 018	1 061	1 013	859	1 685	424	..	6 060
1984-85 . . . . .	2 157	1 218	383	796	636	18	..	5 207
1985-86 . . . . .	1 417	1 831	49	..	614	..	..	3 911
1986-87 (estimate) .	2 316	1 264	1 271	683	1 174	239	55	7 002
<b>TOTAL</b>								
1982-83 . . . . .	923	1 799	548	539	3 546	444	..	7 799
1983-84 . . . . .	1 226	1 729	1 023	982	1 926	424	..	7 311
1984-85 . . . . .	2 281	2 156	425	975	1 138	18	..	6 993
1985-86 . . . . .	1 688	2 933	152	234	1 117	..	..	6 124
1986-87 (estimate) .	2 930	1 739	1 681	898	1 434	282	59	9 023

The following table shows payments made direct to local government authorities under the *Aged or Disabled Persons' Hostels Act 1972* from 1982-83 to 1985-86 and estimated payments for 1986-87:

**Table 66—Grants Made Direct to Local Government Authorities under the Aged or Disabled Persons' Hostels Act, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	Total
1982-83 . . . . .	..	11	..	209	220
1983-84 . . . . .	8	12	..	200	220
1984-85 . . . . .	..	225	..	..	225
1985-86 . . . . .	..	402	..	..	402
1986-87 (estimate) . . . . .	28	230	8	49	315

### *Handicapped Persons' Assistance*

Under the *Handicapped Persons' Assistance Act 1974*, local government authorities and voluntary non-profit bodies are eligible to receive assistance for the accommodation, employment and training of disabled people. Capital grants are provided on a \$4 for \$1 cost sharing basis; assistance with rent is also on a \$4 for \$1 basis; and, assistance for staffing is generally on a dollar for dollar basis, although higher rates of up to 100 per cent may be paid in the first two years of operation of new services and a maximum subsidy of 80 per cent may be paid for selected 'key staff' employed in the third and subsequent years of the operation of approved services.

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

The following table shows payments made direct to local government authorities from 1982-83 to 1985-86 and estimated payments for 1986-87:

**Table 67—Grants Made Direct to Local Government Authorities for Handicapped Persons, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Western Australia	South Australia	Total
<b>RECURRENT</b>					
1982-83 . . . . .	81	..	11	..	92
1983-84 . . . . .	88	..	26	..	114
1984-85 . . . . .	94	..	..	..	94
1985-86 . . . . .	103	22	..	13	137
1986-87 (estimate) . . . . .	133	63	..	..	196
<b>CAPITAL</b>					
1982-83 . . . . .	..	..	143	..	143
1983-84 . . . . .	6	..	4	..	10
1984-85 . . . . .	..	..	..	..	..
1985-86 . . . . .	3	28	..	..	31
1986-87 (estimate) . . . . .	5	..	..	..	5
<b>TOTAL</b>					
1982-83 . . . . .	81	..	155	..	236
1983-84 . . . . .	95	..	30	..	124
1984-85 . . . . .	94	..	..	..	94
1985-86 . . . . .	106	50	..	13	169
1986-87 (estimate) . . . . .	138	63	..	..	201

### *Children's Services*

Under the Children's Services Program, grants are made direct to local government authorities and community organisations towards the cost of the establishment and operation of a range of care and associated services for children.

The following table shows grants made direct to local government authorities from 1982-83 to 1985-86 and estimated payments for 1986-87:

**Table 68—Grants Made Direct to Local Government Authorities for Children's Services, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
RECURRENT								
1982-83 . . . . .	4 866	5 198	1 129	1 796	428	1 006	423	14 846
1983-84 . . . . .	7 220	7 999	1 562	2 111	502	1 132	501	21 027
1984-85 . . . . .	11 897	13 519	2 864	3 089	784	2 186	461	34 800
1985-86 . . . . .	19 496	20 936	3 728	5 156	1 017	2 537	620	53 492
1986-87 (estimate) . . . . .	25 777	27 076	4 513	6 290	1 367	3 350	1 753	70 127
CAPITAL								
1982-83 . . . . .	317	322	130	131	73	86	20	1 079
1983-84 . . . . .	207	328	366	265	8	79	2	1 254
1984-85 . . . . .	340	328	400	470	1	28	363	1 930
1985-86 . . . . .	331	222	282	424	129	110	45	1 542
1986-87 (estimate) . . . . .	412	235	323	519	135	130	..	1 753
TOTAL								
1982-83 . . . . .	5 183	5 520	1 259	1 927	501	1 092	443	15 925
1983-84 . . . . .	7 427	8 327	1 927	2 376	510	1 211	502	22 281
1984-85 . . . . .	12 237	13 847	3 264	3 559	785	2 214	824	36 730
1985-86 . . . . .	19 827	21 158	4 010	5 580	1 146	2 647	665	55 034
1986-87 (estimate) . . . . .	26 189	27 311	4 835	6 809	1 502	3 480	1 753	71 880

### *Aboriginal Advancement*

Some payments are made direct to local government authorities through the Department of Aboriginal Affairs under the Department's employment programs. \$4.9 million will be provided in 1986-87 for Community Development Employment Projects run by the Mornington Island and Aurukun Shire Councils in Queensland (\$4.5 million in 1985-86). Community Development Employment Projects provide a work based alternative to unemployment benefits for Aboriginals in remote communities. In addition, a total of \$584,000 is expected to be provided to local government authorities in the States and the Northern Territory for labour intensive employment projects providing work experience and training for Aboriginals (\$1.0 million in 1985-86).

The following table shows payments made direct to local government authorities from 1984-85 and estimated payments for 1986-87:

**Table 69—Grants Made Direct to Local Government Authorities for Aboriginal Advancement, 1984-85 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	Northern Territory	Total
1984-85 . . . . .	28	277	4 188	116	..	4 609
1985-86 . . . . .	14	..	4 617	53	805	5 488
1986-87 (estimate) . . . . .	14	..	4 946	..	557	5 517

### *Local Government Development*

The purpose of this program, introduced in 1984-85, is to provide a range of support services to local government designed to improve its efficiency and performance, strengthen local economies and infrastructure, and facilitate the provision of community services. Expenditures under this program from 1984-85 absorb those previously allocated under the Local Government Improvement Program.

The following table shows payments made direct to local government authorities from 1984-85. While a sum of \$2 million has been allocated for 1986-87 it is yet to be finally distributed between the States. The table provides a notional allocation of this sum.

**Table 70—Grants Made Direct to Local Government Authorities for the Local Government Development Program, 1984-85 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1984-85 . . . . .	1 937	1 395	489	380	311	142	..	4 655
1985-86 . . . . .	1 785	1 430	742	407	396	190	50	5 000
1986-87 (estimate) . . . . .	723	504	334	186	170	64	19	2 000

### *Bid for 1992 Olympic Games*

A second, and final, grant of \$300 000 is being provided by the Commonwealth in 1986-87 to the Brisbane City Council towards the cost of the Council's bid to stage the 1992 Olympic Games.

### *Aerodrome Local Ownership Plan*

The Aerodrome Local Ownership Plan was established in 1958 to facilitate the transfer of Commonwealth-owned aerodromes servicing local needs to local ownership, with the objectives of encouraging the rational development of Australian aerodromes and their more efficient and cost-effective administration. Under the plan, the Commonwealth provides grants towards the cost of upgrading aerodromes at the time of transfer to local ownership and towards the development and maintenance of locally owned aerodromes. Most aerodromes transferred under the plan are owned by local government authorities, but some are owned by State semi-government authorities operating in local areas or by non-government organisations.

The following table shows payments made direct to local government authorities from 1982-83 to 1985-86 and estimated payments for 1986-87. Payments to State semi-government authorities under the plan are included in Chapter V of this Paper.

**Table 71—Grants Made Direct to Local Government Authorities for Aerodromes, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
RECURRENT								
1982-83 . . . . .	1 039	397	787	224	49	16	..	2 512
1983-84 . . . . .	1 158	508	884	380	134	6	106	3 176
1984-85 . . . . .	1 345	442	1 582	469	166	9	32	4 045
1985-86 . . . . .	1 363	466	1 088	552	158	27	107	3 760
1986-87 (estimate) .	1 780	620	1 200	811	145	30	104	4 690
CAPITAL								
1982-83 . . . . .	8 121	235	2 010	1 387	34	21	..	11 808
1983-84 . . . . .	3 542	187	2 062	7 156	337	41	..	13 325
1984-85 . . . . .	6 514	522	1 610	1 649	1 153	..	..	11 448
1985-86 . . . . .	7 626	143	1 225	548	1 305	3	..	10 849
1986-87 (estimate) .	6 840	174	1 103	873	280	5	1 100	10 375
TOTAL								
1982-83 . . . . .	9 160	632	2 797	1 611	83	37	..	14 320
1983-84 . . . . .	4 700	695	2 946	7 536	471	47	106	16 501
1984-85 . . . . .	7 859	964	3 192	2 118	1 319	9	32	15 493
1985-86 . . . . .	8 989	608	2 313	1 099	1 463	30	107	14 609
1986-87 (estimate) .	8 620	794	2 303	1 684	425	35	1 204	15 065

### *Subsidy for Migrant Aid*

Grants have been provided since May 1982 to enable the Fairfield City Council in New South Wales to employ a social worker to assist in the settlement of Indo-Chinese refugees in the area. The amounts paid were: \$7 940 in 1981-82; \$30 922 in 1982-83; \$30 393 in 1983-84; \$23 791 in 1984-85; and, \$35 000 in 1985-86. The estimated grant in 1986-87 is \$38 000.

## A SUMMARY OF VARIOUS FORMS OF COMMONWEALTH FINANCIAL ASSISTANCE TO LOCAL GOVERNMENT AUTHORITIES

The following table gives a summary of the various forms of Commonwealth financial assistance provided to local government authorities since 1982-83 together with estimated payments in 1986-87. Amounts include local government general purpose assistance and payments direct to local government authorities.

**Table 72—Summary of Commonwealth Government Payments to or for Local Government Authorities, 1982-83 to 1986-87 (\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<i>States—</i>					
Local Government General Purpose Assistance (a)	424 486	459 335	486 534	535 966	580 183
Direct Payments—Recurrent					
Nursing Homes	2 995	2 420	3 012	5 265	6 000
Home and Community Care				4 204	7 926
Home Nursing	678	696	707	14 598	(b)
Delivered Meals Subsidy	1 848	2 200	1 927		
Aged/Disabled Persons' Homes	961	1 251	1 786	2 213	2 017
Handicapped Persons' Assistance	92	114	94	137	196
Children's Services	14 423	20 526	34 339	52 872	68 373
Homeless Persons' Assistance	18	21	67		
Subsidy for Migrant Aid	31	30	24	35	38
Aboriginal Advancement			3 959	4 683	4 138
Local Government Improvement		1 452			
Local Government Development			4 655	4 950	1 981
Bid for 1992 Olympics				300	300
Aerodrome Local Ownership Plan	2 512	3 070	4 013	3 653	4 586
Total Recurrent	23 588	31 780	54 583	92 911	95 555
Direct Payments—Capital					
Aged/Disabled Persons' Homes	6 838	6 060	5 207	3 911	6 947
Aged/Disabled Persons' Hostels	220	220	225	402	315
Handicapped Persons' Assistance	143	10		31	5
Children's Services	1 059	1 252	1 567	1 497	1 753
Homeless Persons' Assistance	7	3	1		
Aboriginal Advancement			650		822
Aerodrome Local Ownership Plan	11 808	13 325	11 448	10 849	9 275
Total Capital	20 075	20 871	19 097	16 690	19 117
Total Direct Payments	43 663	52 651	73 680	109 602	114 672
<i>Northern Territory—</i>					
Local Government General Purpose Assistance (a)	2 033	2 199	2 330	2 566	5 430
Direct Payments—Recurrent and Capital—					
Delivered Meals Subsidy	3	3	4		
Aged/Disabled Persons' Homes					59
Children's Services	443	502	824	665	1 753
Aboriginal Advancement				805	557
Local Government Development				50	19
Aerodrome Local Ownership Plan		106	32	107	1 204
Total Direct Payments	446	611	860	1 627	3 592

(a) The local government general purpose assistance is paid, in the first instance, to the States/Northern Territory.

(b) From 1986-87 included in Home and Community Care.

## FUNDS MADE AVAILABLE TO LOCAL GOVERNMENT AUTHORITIES FROM COMMONWEALTH PAYMENTS TO THE STATES AND THE NORTHERN TERRITORY

As explained earlier, the general purpose assistance provided by the Commonwealth for local government takes the form of payments to State and Northern Territory Governments to be passed on to individual local authorities. There are also other programs of payments to the States and the Northern Territory under which

portions of the funds made available are passed on by them to their local government authorities. However, it should be noted that the degree of influence exerted by the Commonwealth over particular amounts paid to local authorities varies considerably among the different programs as does the availability of information relating to those amounts. Generally, the States and Territory have considerable discretion as to the amounts passed on to local government authorities.

Each of the programs concerned is summarised, in general terms, in Chapter V of this Paper. The purpose of this section is to outline the way in which local government is involved and to provide details of the amounts passed on by the States and Territory at their own discretion, or at the request of the Commonwealth, to local government authorities. That information has been obtained in part from Commonwealth sources and has in part been provided by the States and Territory. For 1984-85 and 1985-86 all of the information was obtained from the States and Territory. Because of the lag, in some cases, between the payment of funds to States and Territory and their subsequent allocation by them, the amounts of funds paid to them for local government authorities under a particular program in any one year may not necessarily equal the amounts paid to those authorities in that year.

As with the programs of direct payments, differences between the States and Territory in the amounts of payments in this category 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 and Territory 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 and Territory shown elsewhere in this Paper.*

#### *State Emergency Services*

A description of Commonwealth assistance for State Emergency Services is included in Chapter V. This assistance includes grants paid to the States and the Northern Territory, some of which are passed on to local government authorities to provide depots for emergency service units.

The following table shows amounts of assistance passed on by some States for the capital costs of local depots from 1982-83:

**Table 73—State Emergency Services-Grants Passed On to Local Government Authorities, 1982-83 to 1985-86 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Total
1982-83 . . . . .	30	40	27	20	n.a.	..	n.a.
1983-84 . . . . .	89	45	100	50	n.a.	..	n.a.
1984-85 . . . . .	105	71	96	68	20	..	360
1985-86 . . . . .	83	103	91	33	10	10	330

#### *Home and Community Care*

Commonwealth Government assistance for Home and Community Care is outlined in Chapter V and earlier in this Chapter in the section on 'Commonwealth Payments Made Direct to Local Government Authorities'. This program subsumes earlier programs (among others) for Home Care Services and Senior Citizens' Centres, previously provided under the *States Grants (Home Care) Act 1969* (for those details see the 1985-86 issue of this Paper).



In addition to direct grants to local government and non-government organisations for Home and Community Care, grants for this purpose will be made to the States and the Northern Territory, some of which will be passed on by them to their local government authorities.

The following table shows amounts of assistance passed on by the States and Territory in 1985-86:

**Table 74—Home and Community Care Program—Grants Passed On to Local Government Authorities, 1985-86 (\$ thousands)**

	New South Wales	Victoria	Western Australia	South Australia	Tasmania	Northern Territory	Total
1985-86 . . . . .	2 886	13 188	1 359	516	173	10	18 132

#### *Supported Accommodation Assistance*

Commonwealth Government assistance to the States and the Northern Territory for Supported Accommodation is outlined in Chapter V. Some of these funds are passed on by the States to local government authorities.

The following table shows amounts of assistance passed on by the States and Territory in 1985-86:

**Table 75—Supported Accommodation Assistance—Grants Passed On to Local Government Authorities, 1984-85 to 1985-86 (\$ thousands)**

	New South Wales	Queens- land	Western Australia	Total
1984-85 . . . . .	..	127	210	337
1985-86 . . . . .	73	81	469	623

#### *Children's Services*

Commonwealth Government assistance for services for children is outlined in Chapter V and earlier in this Chapter in the section on 'Commonwealth Payments Made Direct to Local Government Authorities'. In addition to direct grants to local government and non-profit organisations for children's services, grants for this purpose are made to the States and the Northern Territory, some of which are passed on by them to their local government authorities.

The following table shows amounts of assistance passed on by the States and Territory from 1982-83 to 1985-86:

**Table 76—Children's Services-Grants Passed On to Local Government Authorities, 1982-83 to 1985-86 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1982-83 . . . . .	352	4 183	..	209	136	18	11	4 909
1983-84 . . . . .	512	4 458	95	115	..	22	..	5 202
1984-85 . . . . .	1 995	6 872	27	175	98	28	10	9 205
1985-86 . . . . .	1 471	1 229	59	269	26	29	25	3 108

### *Family Support Services*

Commonwealth Government assistance for Family Support Services is outlined in Chapter V. Some of these funds are passed on by the States and the Northern Territory to local government authorities.

The following table shows amounts of assistance passed on by the States and Territory from 1984-85:

**Table 77—Family Support Services—Grants Passed On to Local Government Authorities, 1984-85 to 1985-86 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
1984-85 . . . . .	793	175	53	114	68	3	41(a)	1 247
1985-86 . . . . .	831	331	32	50	76	..	48(a)	1 368

(a) Funds passed on the Northern Territory includes funds for Aboriginal Community Councils.

### *Housing*

Local government authorities are among the organisations eligible to receive funding under the Local Government and Community Housing Program, which was introduced in 1984-85 as a sub-program of the Commonwealth State Housing Agreement (CSHA). The funds may be used to purchase, construct, lease or upgrade dwellings for low cost rental housing. The dwellings may be wholly or jointly owned by State or Northern Territory Housing Authorities but are managed by local government authorities.

The following table shows amounts of assistance passed on by some States under the Local Government and Community Housing Program from 1984-85. In addition, the Victorian Government passed on \$354,363 in untied grants for public housing under the Other Housing Assistance Program of the CSHA in 1985-86 (see Chapter V for details of this assistance).

**Table 78—Local Government and Community Housing Program-Grants Passed On to Local Government Authorities, 1984-85 to 1985-86 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Total
1984-85 . . . . .	..	140	1 145	..	..	1 285
1985-86 . . . . .	3 533	627	1 659	190	53	6 062

### *National Estate*

National Estate projects supported from funds provided to the States under the *Urban and Regional Development (Financial Assistance) Act 1974* have included many projects undertaken by local government authorities. Assistance passed on by the States and the Northern Territory to local government authorities in 1985-86 for projects undertaken by them amounted to \$340 000 out of total payments to the States and Territory under this program of \$3.1 million.

The following table shows amounts of assistance passed on by the States and Territory from 1982-83:

**Table 79—National Estate-Grants Passed On to Local Government Authorities, 1982-83 to 1985-86 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1982-83 . . . . .	97	92	36	92	23	73	3	416
1983-84 . . . . .	..	21	67	137	56	45	..	326
1984-85 . . . . .	16	45	8	438	18	27	..	552
1985-86 . . . . .	134	35	27	97	30	17	..	340

#### *America's Cup Defence*

The Commonwealth is funding the provision of infrastructure, facilities and services in Western Australia required during the defence of the America's Cup. Assistance under the program is being directed towards projects which are designed to maximise the benefits to the people of Western Australia arising from the America's Cup defence, and minimise any detrimental effects the conduct of the defence will place on the City of Fremantle and neighbouring local government areas, as well as providing facilities of continuing value after the defence is completed. The projects have been nominated by the Western Australian State Government and local government authorities and assessed by an inter-governmental committee representing the three tiers of government. In 1985-86 \$6.7 million (\$3.2 million in 1984-85) was passed on by the Western Australian State Government to local government authorities under the program.

#### *Roads*

The Commonwealth provides grants to the States and the Northern Territory for expenditure on the construction and maintenance of roads, including roads which are the responsibility of local government authorities. The relevant Commonwealth legislation does not determine any particular amount which the States or Territory must provide to local government. However, amounts, as determined by the State or Territory Governments, are passed on to the local government authorities for expenditure on roads which are the responsibility of those authorities.

As noted elsewhere in this Paper, funds for roads in 1986-87 are provided by the Commonwealth to the States and the Northern Territory under the *Australian Land Transport (Financial Assistance) Act 1985*, which replaced the *Roads Grants Act 1981* from 1 July 1985, and the Australian Bicentennial Road Development Program introduced in 1982-83.

The following table shows amounts of assistance passed on by the States and Territory under these programs from 1982-83. Some funds for roads are also being made available under the Community Employment Program.

**Table 80—Roads Assistance—Grants Passed On to Local Government Authorities, 1982-83 to 1985-86 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1982-83 . . . . .	46 109	58 815(a)	21 635	24 392	9 638	11 148	876	172 613
1983-84 . . . . .	70 998	51 169	25 734	34 239	11 479	12 707	1 833	208 159
1984-85 . . . . .	64 769	55 300	29 909	33 477	15 751	12 203	1 783	213 192
1985-86 . . . . .	73 500	45 630	29 759	39 642	12 031	12 850	1 875	215 287

(a) Amounts for Victoria for 1982-83 include expenditures on State main roads.

### *Flood Mitigation*

Funds are provided to the States and the Northern Territory by the Commonwealth for approved floodplain management works and studies under the Federal Water Resources Assistance Program (FWRAP). Some of these funds are passed on by the States to local government authorities.

The following table shows amounts of assistance passed on by some States from 1982-83:

**Table 81—Flood Mitigation—Grants Passed On to Local Government Authorities, 1982-83 to 1985-86 (\$ thousands)**

	New South Wales	Victoria	Queensland	Tasmania	Total
1982-83 . . . . .	1 428	n.a.	886	..	n.a.
1983-84 . . . . .	2 500	n.a.	1 227	..	n.a.
1984-85 . . . . .	2 223	n.a.	886	..	n.a.
1985-86 . . . . .	2 687	501	1 774	104	5 066

### *Community Employment Program*

A description of this program, which is funded under the *Community Employment Act 1983*, is set out in Chapter V of this Paper.

The following table shows amounts of assistance passed on by the States and the Northern Territory from 1983-84:

**Table 82—Community Employment Program—Grants Passed On to Local Government Authorities, 1983-84 to 1985-86 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
1983-84 . . . . .	38 768	18 730	28 795	13 988	10 533	3 572	141	114 527
1984-85 . . . . .	58 104	43 593	33 639	15 005	13 023	4 221	607	168 192
1985-86 . . . . .	43 410	35 087	19 297	11 908	9 283	3 244	765	122 994

### *Infrastructure Support for the Steel Regions*

The Commonwealth provides assistance for a range of infrastructure development projects in the steel regions (see Chapter V for details). The South Australian Government passed on \$1 556 103 to local government authorities in the Whyalla region for this purpose in 1985-86.

### *South-West Tasmania Special Assistance*

Certain employment generation projects approved under arrangements for financial assistance to Tasmania following the cessation of the Gordon-below-Franklin Dam are for the benefit of local government. Amounts passed on by the State to local authorities for such projects in 1983-84 and 1984-85 were approximately \$80 000 and \$1.8 million respectively. \$1.7 million was passed on in 1985-86.

# APPENDICES

The tables in these Appendices provide a comprehensive record of payments by the Commonwealth to and for the States and the Northern Territory for the period 1982-83 to 1985-86 and estimates of payments in 1986-87. These payments may be classified as being provided as:

- general purpose or specific purpose payments;
- payments for recurrent or capital purposes; and
- grants or advances.

Tables are provided which set out the payments on the basis of each method of classification.

Where appropriate, information is also included on payments made direct to local government authorities to show total Commonwealth payments to the State and local government sector.

Appendix I *Summary Tables* provides tables of total payments to the States and the Northern Territory on each basis of classification and the rates of growth of various classes of payments. Tables are included which set out payments on both a gross and net basis and provide details of payments to each State and the Northern Territory for the years 1984-85, 1985-86 and 1986-87 (estimated).

Appendix II *Tables of General Purpose Capital Funds* provides details of the funds available to the States through the State Governments' Loan Council programs and as capital grants, and the financing of the State Governments' Loan Council programs, as well as details of the related Northern Territory Government borrowing program. It also records borrowings by State semi-government and local government authorities subject to Loan Council arrangements and the Northern Territory.

Appendix III *Tables of Specific Purpose Payments* sets out details of some of the major programs of specific purpose payments to the States described in Chapter V of this Paper.

Appendix IV *Advances, Debt Charges, Net Advances and Net Payments* deals with those payments made by the Commonwealth in the form of advances. It sets out the advances and debt charges on advances applicable to each State and thereby permits a detailed reconciliation between Commonwealth payments on a gross basis as set out in this Paper and Commonwealth payments on a net basis as recorded in the other Budget Papers.

Appendix V *Commonwealth Payments to or for the States and the Northern Territory 1982-83 to 1986-87* provides details for the States and the Northern Territory, the six States, and each State and the Northern Territory individually of Commonwealth payments and Loan Council and the Northern Territory Government borrowings.

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**Table 83—Summary of the Main Aggregate Payments, 1982-83 (\$ thousands)**

	Recurrent Grants	Capital Grants	Advances (gross)	Total payments (gross)	Repay- ments	Total payments (net)
(1) Payments to State and Northern Territory Governments (a)						
Six States—						
General Purpose Payments . . . .	8 800 143	457 667	915 333	10 173 143	-223 828	9 949 315
Specific Purpose Payments . . . .	3 806 161	1 651 198	379 552	5 836 910	-96 236	5 740 675
Total . . . . .	12 606 304	2 108 865	1 294 885	16 010 054	-320 064	15 689 989
Northern Territory—						
General Purpose Payments . . . .	421 667	40 209	80 419	542 295	-2 697	539 598
Specific Purpose Payments . . . .	112 060	60 360	7 762	180 182	-2 483	177 699
Total . . . . .	533 727	100 570	88 181	722 478	-5 180	717 298
States and the N.T. Combined—						
General Purpose Payments . . . .	9 221 810	497 876	995 752	10 715 438	-226 525	10 488 913
Specific Purpose Payments . . . .	3 918 221	1 711 559	387 313	6 017 093	-98 719	5 918 374
Total of States and the N.T. . . . .	13 140 031	2 209 435	1 383 065	16 732 531	-325 244	16 407 287
(2) Payments direct to LGAs . . . .	23 984	20 095	..	44 079	-20	44 059
COMBINED TOTAL . . . . .	13 164 014	2 229 530	1 383 065	16 776 610	-325 264	16 451 346

(a) Includes payments passed on by the States and the Northern Territory to their respective local authorities.

**Table 84—Summary of the Main Aggregate Payments, 1983-84 (\$ thousands)**

	Recurrent Grants	Capital Grants	Advances (gross)	Total payments (gross)	Repay- ments	Total payments (net)
(1) Payments to State and Northern Territory Governments (a)						
Six States—						
General Purpose Payments . . . .	9 890 395	489 667	979 333	11 359 395	-233 454	11 125 941
Specific Purpose Payments . . . .	4 447 863	2 167 070	308 497	6 923 429	-140 428	6 783 001
Total . . . . .	14 338 258	2 656 737	1 287 830	18 282 824	-373 883	17 908 941
Northern Territory—						
General Purpose Payments . . . .	471 744	43 021	86 042	600 807	-3 706	597 101
Specific Purpose Payments . . . .	153 087	72 225	8 284	233 596	-2 714	230 882
Total . . . . .	624 831	115 246	94 326	834 403	-6 420	827 983
States and the N.T. Combined						
General Purpose Payments . . . .	10 362 139	532 688	1 065 375	11 960 202	-237 160	11 723 042
Specific Purpose Payments . . . .	4 600 949	2 239 295	316 780	7 157 025	-143 143	7 013 882
Total . . . . .	14 963 089	2 771 983	1 382 155	19 117 227	-380 303	18 736 924
(2) Payments Direct to LGAs . . . .	32 389	20 872	..	53 262	-20	53 242
COMBINED TOTAL . . . . .	14 995 478	2 792 855	1 382 155	19 170 489	-380 323	18 790 166

(a) Includes payments passed on by the States and Northern Territory to their respective local authorities.

**Table 85—Summary of the Main Aggregate Payments, 1984-85 (\$ thousands)**

	Recurrent Grants	Capital Grants	Advances (gross)	Total payments (gross)	Repay- ments	Total payments (net)
(1) Payments to State and Northern Territory Governments (a)						
Six States—						
General Purpose Payments . . . .	10 483 355	521 500	1 043 000	12 047 855	-243 131	11 804 723
Specific Purpose Payments . . . .	5 251 670	2 482 654	53 471	7 787 794	-138 925	7 648 870
Total . . . . .	15 735 024	3 004 154	1 096 471	19 835 649	-382 056	19 453 593
Northern Territory—						
General Purpose Payments . . . .	495 508	45 817	91 635	632 960	-4 773	628 186
Specific Purpose Payments . . . .	191 190	96 474	649	288 313	-2 965	285 348
Total . . . . .	686 698	142 292	92 283	921 273	-7 738	913 534
States and the N.T. Combined						
General Purpose Payments . . . .	10 978 862	567 317	1 134 635	12 680 814	-247 905	12 432 910
Specific Purpose Payments . . . .	5 442 860	2 579 129	54 119	8 076 107	-141 890	7 934 218
Total of States and the N.T. . . .	16 421 722	3 146 446	1 188 754	20 756 922	-389 794	20 367 127
(2) Payments Direct to LGAs . . . .	55 080	19 460	..	74 540	-20	74 520
COMBINED TOTAL . . . . .	16 476 802	3 165 906	1 188 754	20 831 462	-389 814	20 441 647

(a) Includes payments passed on by the States and Northern Territory to their respective local authorities.

**Table 86—Summary of the Main Aggregate Payments, 1985-86 (\$ thousands)**

	Recurrent Grants	Capital Grants	Advances (Gross)	Total Payments (Gross)	Repayments (a)	Total Payments (Net)
(1) Payments to State and Northern Territory Governments (a)						
Six States—						
General Purpose Payments . . . .	11 352 173	558 000	1 006 500	12 916 673	-221 862	12 694 811
Specific Purpose Payments . . . .	5 626 362	2 514 803	34 824	8 175 989	-138 576	8 037 412
Total . . . . .	16 978 535	3 072 803	1 041 324	21 092 662	-360 438	20 732 224
Northern Territory—						
General Purpose Payments . . . .	567 765	61 151	110 301	739 217	-5 430	733 787
Specific Purpose Payments . . . .	98 828	106 676	867	206 370	-3 192	203 178
Total . . . . .	666 593	167 827	111 168	945 587	-8 622	936 965
States and the N.T. Combined						
General Purpose Payments . . . .	11 919 938	619 151	1 116 801	13 655 890	-227 292	13 428 598
Specific Purpose Payments . . . .	5 725 190	2 621 479	35 690	8 382 359	-141 768	8 240 591
Total of States and the N.T. . . .	17 645 128	3 240 630	1 152 491	22 038 249	-369 060	21 669 189
(2) Payments Direct to LGAs . . . .	94 493	16 723	..	111 216	..	111 216
COMBINED TOTAL . . . . .	17 739 621	3 257 353	1 152 491	22 149 465	-369 060	21 780 405

(a) Includes payments passed on by the States and the Northern Territory to their respective local authorities.



**Table 87—Summary of the Main Aggregate Payments,  
1986–87 (Estimate) (\$ thousands)**

	Recurrent Grants	Capital Grants	Advances (Gross)	Total Payments (Gross)	Repayments (a)	Total Payments (Net)
(1) Payments to State and Northern Territory Governments (a)						
Six States—						
General Purpose Payments . . . . .	12 483 870	429 426	774 581	13 687 877	–210 415	13 477 462
Specific Purpose Payments . . . . .	5 892 813	2 610 058	19 844	8 522 715	–124 379	8 398 337
Total . . . . .	18 376 683	3 039 484	794 425	22 210 592	–334 794	21 875 799
Northern Territory—						
General Purpose Payments . . . . .	641 828	47 060	84 885	773 773	–6 484	767 289
Specific Purpose Payments . . . . .	82 395	119 515	949	202 859	–3 726	199 132
Total . . . . .	724 223	166 575	85 834	976 632	–10 210	966 421
States and the N.T. Combined—						
General Purpose Payments . . . . .	13 125 698	476 486	859 466	14 461 650	–216 899	14 244 751
Specific Purpose Payments . . . . .	5 975 208	2 729 573	20 793	8 725 574	–128 105	8 597 469
Total of States and the N.T. . . . .	19 100 906	3 206 059	880 259	23 187 224	–345 004	22 842 220
(2) Payments Direct to LGAs . . . . .	97 993	20 272	..	118 265	..	118 265
COMBINED TOTAL . . . . .	19 198 899	3 226 331	880 259	23 305 489	–345 004	22 960 485

(a) Includes payments passed on by the States and the Northern Territory to their respective local authorities.

**Table 88—Summary of Payments to each State and to the Northern Territory, 1982-83 to 1986-87 (\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>NEW SOUTH WALES</b>					
Recurrent Grants . . . . .	4 076 541	4 593 509	5 039 201	5 559 138	5 997 411
Capital Grants . . . . .	653 458	866 297	958 446	1 002 946	1 021 034
Advances (gross) . . . . .	399 313	407 052	360 155	337 498	254 575
Capital Payments (gross) . . . . .	1 052 771	1 273 350	1 318 601	1 340 444	1 275 609
Less Repayments . . . . .	100 153	104 849	131 267	120 738	103 737
State Total (net) . . . . .	5 029 159	5 762 010	6 226 534	6 778 844	7 169 282
Payments Direct to LGA's . . . . .	17 607	16 262	26 447	37 263	48 105
Total Payments (net) . . . . .	5 046 766	5 778 272	6 252 981	6 816 107	7 217 387
<b>VICTORIA</b>					
Recurrent Grants . . . . .	3 115 574	3 552 366	3 883 058	4 188 935	4 527 076
Capital Grants . . . . .	492 432	575 785	703 060	712 035	709 671
Advances (gross) . . . . .	315 229	311 173	267 375	253 140	196 447
Capital Payments (gross) . . . . .	807 660	886 957	970 434	965 175	906 118
Less Repayments . . . . .	78 373	80 131	85 976	77 502	77 741
State Total (net) . . . . .	3 844 861	4 359 193	4 767 516	5 076 608	5 355 453
Payments Direct to LGA's . . . . .	9 384	13 024	20 373	35 423	31 441
Total Payments (net) . . . . .	3 854 245	4 372 217	4 787 889	5 112 031	5 386 894
<b>QUEENSLAND</b>					
Recurrent Grants . . . . .	2 149 286	2 481 116	2 736 847	2 902 993	3 176 871
Capital Grants . . . . .	385 098	502 440	524 761	568 287	552 882
Advances (gross) . . . . .	221 388	213 084	156 712	147 405	107 212
Capital Payments (gross) . . . . .	606 486	715 525	681 473	715 692	660 094
Less Repayments (a) . . . . .	46 344	86 971	52 109	51 630	53 052
State Total (net) . . . . .	2 709 428	3 109 669	3 366 211	3 567 055	3 783 913
Payments Direct to LGA's . . . . .	4 604	5 899	11 567	14 779	14 407
Total Payments (net) . . . . .	2 714 032	3 115 568	3 377 778	3 581 833	3 798 321
<b>WESTERN AUSTRALIA</b>					
Recurrent Grants . . . . .	1 382 599	1 577 322	1 728 032	1 838 602	2 022 774
Capital Grants . . . . .	231 169	285 176	331 352	363 248	337 062
Advances (gross) . . . . .	113 944	122 427	100 421	96 176	74 708
Capital Payments (gross) . . . . .	345 113	407 604	431 774	459 424	411 770
Less Repayments . . . . .	35 863	39 032	51 794	44 365	42 703
State Total (net) . . . . .	1 691 849	1 945 893	2 108 011	2 253 661	2 391 842
Payments Direct to LGA's . . . . .	4 933	11 840	7 876	10 939	10 626
Total Payments (net) . . . . .	1 696 782	1 957 733	2 115 887	2 264 600	2 402 468
<b>SOUTH AUSTRALIA</b>					
Recurrent Grants . . . . .	1 371 669	1 532 163	1 694 809	1 805 106	1 938 793
Capital Grants . . . . .	222 094	263 644	319 488	290 169	285 020
Advances (gross) . . . . .	171 807	157 098	138 180	136 462	107 177
Capital Payments (gross) . . . . .	393 902	420 742	457 667	426 631	392 197
Less Repayments . . . . .	42 578	45 114	42 120	48 797	39 833
State Total (net) . . . . .	1 722 992	1 907 791	2 110 356	2 182 941	2 291 156
Payments Direct to LGA's . . . . .	5 267	3 944	5 035	7 828	6 231
Total Payments (net) . . . . .	1 728 260	1 911 736	2 115 391	2 190 769	2 297 388

**Table 88—Summary of Payments to each State and to the Northern Territory  
1982-83 to 1986-87 (\$ thousands)—continued**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>TASMANIA</b>					
Recurrent Grants . . . . .	510 636	601 783	653 078	683 761	713 758
Capital Grants . . . . .	124 614	163 394	167 047	136 118	133 816
Advances (gross) . . . . .	73 203	76 995	73 628	70 643	54 306
Capital Payments (gross) . . . . .	197 817	240 389	240 675	206 761	188 122
Less Repayments . . . . .	16 774	17 807	18 810	17 407	17 727
State Total (net) . . . . .	691 679	824 365	874 944	873 115	884 153
Payments Direct to LGA's . . . . .	1 838	1 682	2 383	3 370	3 861
Total Payments (net) . . . . .	693 517	826 046	877 327	876 485	888 014
<b>SIX STATE TOTAL</b>					
Recurrent Grants . . . . .	12 606 304	14 338 258	15 735 024	16 978 535	18 376 683
Capital Grants . . . . .	2 108 865	2 656 737	3 004 154	3 072 803	3 039 484
Advances (gross) . . . . .	1 294 885	1 287 830	1 096 471	1 041 324	794 425
Capital Payments (gross) . . . . .	3 403 750	3 944 566	4 100 625	4 114 127	3 833 909
Less Repayments (a) . . . . .	320 084	373 903	382 076	360 438	334 794
State Total (net) . . . . .	15 689 969	17 908 921	19 453 573	20 732 224	21 875 799
Payments Direct to LGA's . . . . .	43 633	52 651	73 680	109 602	114 672
Total Payments (net) . . . . .	15 733 602	17 961 572	19 527 253	20 841 825	21 990 471
<b>NORTHERN TERRITORY</b>					
Recurrent Grants . . . . .	533 727	624 831	686 698	666 593	724 223
Capital Grants . . . . .	100 570	115 246	142 292	167 827	166 575
Advances (gross) . . . . .	88 181	94 326	92 283	111 168	85 834
Capital Payments (gross) . . . . .	188 751	209 572	234 575	278 994	252 409
Less Repayments . . . . .	5 180	6 420	7 738	8 622	10 210
N.T. Total (net) . . . . .	717 298	827 983	913 534	936 965	966 421
Payments direct to LGA's . . . . .	446	611	860	1 614	3 592
Total Payments (net) . . . . .	717 744	828 594	914 394	938 579	970 014
<b>TOTAL</b>					
Recurrent Grants . . . . .	13 140 031	14 963 089	16 421 722	17 645 128	19 100 906
Capital Grants . . . . .	2 209 435	2 771 983	3 146 446	3 240 630	3 206 059
Advances (gross) . . . . .	1 383 065	1 382 155	1 188 754	1 152 491	880 259
Capital Payments (gross) . . . . .	3 592 501	4 154 138	4 335 200	4 393 121	4 086 318
Less Repayments (a) . . . . .	325 264	380 323	389 814	369 060	345 004
Total of States and N.T. (net) . . . . .	16 407 267	18 736 904	20 367 107	21 699 189	22 842 220
Payments Direct to LGA's . . . . .	44 079	53 262	74 540	111 216	118 265
Total Payments (net) . . . . .	16 451 346	18 790 166	20 441 647	21 780 405	22 960 485

(a) Repayments of Commonwealth advances made direct to local government authorities (which are not included in repayments tables in Appendix V) were \$20 000 in each of the years 1982-83 to 1985-86 and are estimated to be \$20 000 in 1986-87 are included in these totals.

**Table 89—Summary of Payments to each State and to the Northern Territory, 1982-83 to 1986-87 (\$ per head of population)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>NEW SOUTH WALES</b>					
Recurrent Grants . . . . .	764.32	853.29	925.99	1 009.86	1 076.14
Capital Grants . . . . .	122.52	160.92	176.12	182.19	183.21
Advances (gross) . . . . .	74.87	75.61	66.18	61.31	45.68
Capital Payments (gross) . . . . .	197.39	236.54	242.30	243.50	228.89
Less Repayments . . . . .	18.78	19.48	24.12	21.93	18.61
State Total (net) . . . . .	942.93	1 070.36	1 144.17	1 231.43	1 286.41
Payments Direct to LGA's . . . . .	3.30	3.02	4.86	6.77	8.63
Total Payments (net) . . . . .	946.23	1 073.38	1 149.03	1 238.20	1 295.04
<b>VICTORIA</b>					
Recurrent Grants . . . . .	776.19	875.74	947.15	1 011.53	1 081.56
Capital Grants . . . . .	122.68	141.94	171.49	171.94	169.55
Advances (gross) . . . . .	78.53	76.71	65.22	61.13	46.93
Capital Payments (gross) . . . . .	201.21	218.66	236.71	233.07	216.48
Less Repayments . . . . .	19.53	19.75	20.97	18.71	18.57
State Total (net) . . . . .	957.88	1 074.64	1 162.88	1 225.88	1 279.46
Payments Direct to LGA's . . . . .	2.34	3.21	4.97	8.55	7.51
Total Payments (net) . . . . .	960.22	1 077.85	1 167.85	1 234.44	1 286.98
<b>QUEENSLAND</b>					
Recurrent Grants . . . . .	877.86	996.59	1 083.32	1 130.81	1 215.45
Capital Grants . . . . .	157.29	201.81	207.72	221.37	211.53
Advances (gross) . . . . .	90.42	85.59	62.03	57.42	41.02
Capital Payments (gross) . . . . .	247.71	287.40	269.75	278.79	252.55
Less Repayments (a) . . . . .	18.93	34.93	20.63	20.11	20.30
State Total (net) . . . . .	1 106.64	1 249.06	1 332.44	1 389.49	1 447.71
Payments Direct to LGA's . . . . .	1.88	2.37	4.58	5.76	5.51
Total Payments (net) . . . . .	1 108.52	1 251.43	1 337.02	1 395.25	1 453.22
<b>WESTERN AUSTRALIA</b>					
Recurrent Grants . . . . .	1 023.13	1 147.23	1 239.65	1 293.37	1 394.26
Capital Grants . . . . .	171.07	207.42	237.70	255.53	232.33
Advances (gross) . . . . .	84.32	89.04	72.04	67.66	51.49
Capital Payments (gross) . . . . .	255.38	296.46	309.74	323.18	283.83
Less Repayments . . . . .	26.54	28.39	37.16	31.21	29.43
State Total (net) . . . . .	1 251.97	1 415.30	1 512.24	1 585.34	1 648.66
Payments Direct to LGA's . . . . .	3.65	8.61	5.65	7.69	7.32
Total Payments (net) . . . . .	1 255.62	1 423.91	1 517.89	1 593.04	1 655.98
<b>SOUTH AUSTRALIA</b>					
Recurrent Grants . . . . .	1 027.97	1 136.59	1 247.78	1 320.03	1 405.24
Capital Grants . . . . .	166.44	195.58	235.22	212.19	206.58
Advances (gross) . . . . .	128.76	116.54	101.73	99.79	77.68
Capital Payments (gross) . . . . .	295.20	312.12	336.95	311.99	284.27
Less Repayments . . . . .	31.91	33.47	31.01	35.68	28.87
State Total (net) . . . . .	1 291.26	1 415.24	1 553.72	1 596.34	1 660.64
Payments Direct to LGA's . . . . .	3.95	2.93	3.71	5.72	4.52
Total Payments (net) . . . . .	1 295.20	1 418.17	1 557.43	1 602.06	1 665.15

**Table 89—Summary of Payments to each State and to the Northern Territory, 1982-83 to 1986-87 (\$ per head of population)—continued**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>TASMANIA</b>					
Recurrent Grants . . . . .	1 185.28	1 383.97	1 485.65	1 539.44	1 590.00
Capital Grants . . . . .	289.25	375.77	380.01	306.46	298.09
Advances (gross) . . . . .	169.92	177.07	167.49	159.05	120.97
Capital Payments (gross) . . . . .	459.17	552.84	547.50	465.51	419.07
Less Repayments . . . . .	38.94	40.95	42.79	39.19	39.49
State Total (net) . . . . .	1 605.52	1 895.86	1 990.35	1 965.76	1 969.58
Payments Direct to LGA's . . . . .	4.27	3.87	5.42	7.59	8.60
Total Payments (net) . . . . .	1 609.79	1 899.73	1 995.78	1 973.35	1 978.18
<b>SIX STATE TOTAL</b>					
Recurrent Grants . . . . .	845.36	950.37	1 031.14	1 099.19	1 173.75
Capital Grants . . . . .	141.42	176.09	196.87	198.93	194.19
Advances (gross) . . . . .	86.83	85.36	71.85	67.42	50.76
Capital Payments (gross) . . . . .	228.25	261.45	268.72	266.35	244.95
Less Repayments . . . . .	21.46	24.78	25.04	23.33	21.39
State Total (net) . . . . .	1 052.15	1 187.04	1 274.82	1 342.20	1 397.65
Payments Direct to LGA's . . . . .	2.93	3.49	4.83	7.10	7.33
Total Payments (net) . . . . .	1 055.07	1 190.53	1 279.65	1 349.30	1 404.97
<b>NORTHERN TERRITORY</b>					
Recurrent Grants . . . . .	4 064.97	4 566.94	4 860.82	4 545.81	4 776.85
Capital Grants . . . . .	765.96	842.35	1 007.22	1 144.49	1 098.70
Advances (gross) . . . . .	671.60	689.43	653.23	758.10	566.15
Capital Payments (gross) . . . . .	1 437.56	1 531.78	1 660.45	1 902.59	1 664.85
Less Repayments . . . . .	39.45	46.92	54.78	58.80	67.35
N.T. Total (net) . . . . .	5 463.09	6 051.80	6 466.49	6 389.60	6 374.35
Payments direct to LGA's . . . . .	3.40	4.47	6.09	11.01	23.70
Total Payments (net) . . . . .	5 466.48	6 056.26	6 472.58	6 401.09	6 398.04
<b>TOTAL</b>					
Recurrent Grants . . . . .	873.46	982.87	1 066.27	1 131.60	1 208.65
Capital Grants . . . . .	146.87	182.08	204.30	207.83	202.87
Advances (gross) . . . . .	91.94	90.79	77.19	73.91	55.70
Capital Payments (gross) . . . . .	238.81	272.87	281.49	281.74	258.57
Less Repayments (a) . . . . .	21.62	24.98	25.31	23.67	21.83
Total of States and N.T. (net) . . . . .	1 090.65	1 230.76	1 322.44	1 389.67	1 445.39
Payments Direct to LGA's . . . . .	2.93	3.50	4.84	7.13	7.48
Total Payments (net) . . . . .	1 093.58	1 234.26	1 327.28	1 396.80	1 452.87

**Table 90—Summary of Payments to the States and the Northern Territory, State Government Loan Council Programs and Payments made direct to Local Government Authorities, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>GENERAL REVENUE FUNDS</b>									
1982-83	2 830 771	2 063 421	1 600 718	1 053 169	884 064	367 999	8 800 143	421 667	9 221 810
1983-84	3 113 026	2 312 287	1 815 825	1 168 140	1 049 639	431 479	9 890 395	471 744	10 362 139
1984-85	3 214 557	2 395 145	1 990 296	1 224 633	1 182 606	476 117	10 483 355	495 508	10 978 862
1985-86	3 575 615	2 619 369	2 097 093	1 299 268	1 267 262	493 567	11 352 173	567 765	11 919 938
1986-87 (estimate)	3 945 580	2 884 590	2 317 897	1 447 007	1 373 282	515 514	12 483 870	614 828	13 125 698
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT</b>									
1982-83	1 245 769	1 052 153	548 567	329 430	487 604	142 637	3 806 161	112 060	3 918 221
1983-84	1 480 483	1 240 080	665 291	409 182	482 524	170 304	4 447 863	153 087	4 600 949
1984-85	1 824 644	1 487 912	746 550	503 399	512 203	176 961	5 251 670	191 190	5 442 860
1985-86	1 983 524	1 569 566	805 900	539 334	537 845	190 194	5 626 362	98 828	5 725 190
1986-87 (estimate)	2 051 831	1 642 486	858 974	575 767	565 511	198 244	5 892 813	82 395	5 975 208
<b>TOTAL RECURRENT GRANTS</b>									
1982-83	4 076 541	3 115 574	2 149 286	1 382 599	1 371 669	510 636	12 606 304	533 727	13 140 031
1983-84	4 593 509	3 552 366	2 481 116	1 577 322	1 532 163	601 783	14 338 258	624 831	14 963 089
1984-85	5 039 201	3 883 058	2 736 847	1 728 032	1 694 809	653 078	15 735 024	686 698	16 421 722
1985-86	5 559 138	4 188 935	2 902 993	1 838 602	1 805 106	683 761	16 978 535	666 593	17 645 128
1986-87 (estimate)	5 997 411	4 527 076	3 176 871	2 022 774	1 938 793	713 758	18 376 683	724 223	19 100 906
<b>GENERAL PURPOSE CAPITAL FUNDS</b>									
1982-83	443 814	344 938	182 050	127 043	178 928	96 227	1 373 000	120 628	1 493 628
1983-84	474 845	369 055	194 779	135 927	191 439	102 955	1 469 000	129 063	1 598 063
1984-85	505 715	398 047	207 442	144 764	203 884	109 648	1 564 500	137 452	1 701 952
1985-86	505 715	393 047	207 442	144 764	203 884	109 648	1 564 500	171 452	1 735 952
1986-87 (estimate)	389 188	302 481	159 643	111 407	156 905	84 383	1 204 007	131 945	1 335 952
<b>SPECIFIC PURPOSE PAYMENTS—CAPITAL</b>									
1982-83	608 957	462 722	424 436	218 070	214 974	101 590	2 030 750	68 122	2 098 872
1983-84	798 505	517 902	520 746	271 677	229 303	137 434	2 475 566	80 509	2 556 075
1984-85	812 882	577 387	474 035	287 010	253 783	131 027	2 536 125	97 123	2 633 248
1985-86	834 729	572 128	508 250	314 660	222 747	97 113	2 549 627	107 542	2 657 169
1986-87 (estimate)	886 421	603 637	500 451	300 363	235 292	103 739	2 629 902	120 464	2 750 366
<b>TOTAL CAPITAL PAYMENTS (GROSS)</b>									
1982-83	1 052 771	807 660	606 486	345 113	393 902	197 817	3 403 750	188 751	3 592 501
1983-84	1 273 350	886 957	715 525	407 604	420 742	240 389	3 944 566	209 572	4 154 138
1984-85	1 318 597	970 434	681 477	431 774	457 667	240 675	4 100 625	234 575	4 335 200
1985-86	1 340 444	965 175	715 692	459 424	426 631	206 761	4 114 127	278 994	4 393 121
1986-87 (estimate)	1 275 609	906 118	660 094	411 770	392 197	188 122	3 833 909	252 409	4 086 318
<b>TOTAL GENERAL PURPOSE FUNDS</b>									
1982-83	3 274 585	2 408 359	1 782 768	1 180 212	1 062 992	464 226	10 173 143	542 295	10 715 438
1983-84	3 587 871	2 681 342	2 010 604	1 304 067	1 241 078	534 434	11 359 395	600 807	11 960 202
1984-85	3 720 272	2 788 192	2 197 738	1 369 397	1 386 490	585 765	12 047 855	632 960	12 680 814
1985-86	4 081 330	3 012 416	2 304 535	1 444 032	1 471 146	603 215	12 916 673	739 217	13 655 890
1986-87 (estimate)	4 334 768	3 187 071	2 477 540	1 558 414	1 530 187	599 897	13 687 877	773 773	14 461 650
<b>TOTAL SPECIFIC PURPOSE PAYMENTS</b>									
1982-83	1 854 726	1 514 875	973 004	547 500	702 578	244 227	5 836 910	180 182	6 017 093
1983-84	2 278 988	1 757 982	1 186 036	680 858	711 827	307 738	6 923 429	233 596	7 157 025
1984-85	2 637 526	2 065 300	1 220 586	790 408	765 986	307 988	7 787 794	288 313	8 076 107
1985-86	2 818 252	2 141 694	1 314 150	853 994	760 592	287 307	8 175 989	206 370	8 382 359
1986-87 (estimate)	2 938 251	2 246 123	1 359 425	876 130	800 803	301 983	8 522 715	202 859	8 725 574
<b>TOTAL PAYMENTS TO THE STATES AND TO THE NORTHERN TERRITORY</b>									
1982-83	5 129 312	3 923 234	2 755 772	1 727 712	1 765 571	708 453	16 010 054	722 478	16 732 531
1983-84	5 866 859	4 439 324	3 196 641	1 984 925	1 952 905	842 171	18 282 824	834 403	19 117 227
1984-85	6 357 798	4 853 492	3 418 324	2 159 805	2 152 476	893 753	19 835 649	921 273	20 756 922
1985-86	6 899 582	5 154 110	3 618 685	2 298 026	2 231 737	890 522	21 092 662	945 587	22 038 249
1986-87 (estimate)	7 273 019	5 433 194	3 836 965	2 434 544	2 330 990	901 880	22 210 592	976 632	23 187 224
<b>PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES (GROSS)</b>									
1982-83	17 607	9 384	4 604	4 933	5 267	1 838	43 633	446	44 079
1983-84	16 262	13 024	5 899	11 840	3 944	1 682	52 651	611	53 262
1984-85	26 447	20 373	11 567	7 876	5 035	2 383	73 680	860	74 540
1985-86	37 263	35 423	14 779	10 939	7 828	3 370	109 602	1 614	111 216
1986-87 (estimate)	48 105	31 441	14 407	10 626	6 231	3 861	114 672	3 592	118 265

*Table 90—Summary of Payments to the States and the Northern Territory, State Government Loan Council Programs and Payments made direct to Local Government Authorities, 1982-83 to 1986-87 (\$ thousands)—continued*

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
TOTAL PAYMENTS (GROSS)									
1982-83 . . . . .	5 146 918	3 932 618	2 760 376	1 732 645	1 770 838	710 291	16 053 686	722 923	16 776 610
1983-84 . . . . .	5 883 120	4 452 348	3 202 540	1 996 765	1 956 849	843 853	18 335 475	835 014	19 170 489
1984-85 . . . . .	6 384 249	4 873 865	3 429 887	2 167 681	2 157 511	896 136	19 909 329	922 132	20 831 462
1985-86 . . . . .	6 936 845	5 189 533	3 633 463	2 308 965	2 239 565	893 892	21 202 264	947 201	22 149 465
1986-87 (estimate) . . . . .	7 321 125	5 464 635	3 851 373	2 445 171	2 337 221	905 741	22 325 265	980 224	23 305 489
REPAYMENTS BY STATES, THE NORTHERN TERRITORY AND LOCAL GOVERNMENT AUTHORITIES									
1982-83 . . . . .	100 153	78 373	46 344	35 863	42 578	16 774	320 084	5 180	325 264
1983-84 . . . . .	104 849	80 131	86 971	39 032	45 114	17 807	373 903	6 420	380 323
1984-85 . . . . .	131 267	85 976	52 109	51 794	42 120	18 810	382 076	7 738	389 814
1985-86 . . . . .	120 738	77 502	51 630	44 365	48 797	17 407	360 438	8 622	369 060
1986-87 (estimate) . . . . .	103 737	77 741	53 052	42 703	39 833	17 727	334 794	10 210	345 004
TOTAL PAYMENTS (NET)									
1982-83 . . . . .	5 046 766	3 854 245	2 714 032	1 696 782	1 728 260	693 517	15 733 602	717 744	16 451 346
1983-84 . . . . .	5 778 272	4 372 217	3 115 568	1 957 733	1 911 736	826 046	17 961 572	828 594	18 790 166
1984-85 . . . . .	6 252 981	4 787 889	3 377 778	2 115 887	2 115 391	877 327	19 527 253	914 394	20 441 647
1985-86 . . . . .	6 816 107	5 112 031	3 581 833	2 264 600	2 190 769	876 485	20 841 825	938 579	21 780 405
1986-87 (Estimate) . . . . .	7 217 387	5 386 894	3 798 321	2 402 468	2 297 388	888 014	21 990 471	970 014	22 960 485

**Table 91—Summary of Payments to the States and the Northern Territory, State Government Loan Council Programs and Payments made direct to Local Government Authorities, 1982–83 to 1986–87 (\$ per head of population)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>GENERAL REVENUE FUNDS</b>									
1982–83	530.75	514.07	653.80	779.35	662.54	854.20	590.13	3 211.50	613.00
1983–84	578.28	570.03	729.36	849.62	778.64	992.31	655.56	3 448.02	680.65
1984–85	590.70	584.22	787.82	878.52	870.68	1 083.09	686.99	3 507.47	712.86
1985–86	649.54	632.52	816.89	913.97	926.72	1 111.23	734.94	3 871.86	764.44
1986–87 (estimate)	707.97	689.15	886.82	997.40	995.36	1 148.38	797.59	4 233.39	830.56
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT</b>									
1982–83	233.57	262.13	224.06	243.78	365.42	331.09	255.24	853.47	260.46
1983–84	275.02	305.71	267.23	297.61	357.95	391.66	294.81	1 118.92	302.22
1984–85	335.29	362.93	295.51	361.13	377.10	402.56	344.15	1 353.35	353.41
1985–86	360.32	379.01	313.93	379.40	393.31	428.21	364.25	673.95	367.16
1986–87 (estimate)	368.17	392.40	328.64	396.87	409.88	441.62	376.49	543.46	378.09
<b>TOTAL RECURRENT GRANTS</b>									
1982–83	764.32	776.19	877.86	1 023.13	1 027.97	1 185.28	845.36	4 064.97	873.46
1983–84	853.29	875.74	996.59	1 147.23	1 136.59	1 383.97	950.37	4 566.94	982.87
1984–85	925.99	947.15	1 083.32	1 239.65	1 247.78	1 485.65	1 031.14	4 860.82	1 066.27
1985–86	1 009.86	1 011.53	1 130.81	1 293.37	1 320.03	1 539.44	1 099.19	4 545.81	1 131.60
1986–87 (estimate)	1 076.14	1 081.56	1 215.45	1 394.26	1 405.24	1 590.00	1 174.09	4 776.85	1 208.65
<b>GENERAL PURPOSE CAPITAL FUNDS</b>									
1982–83	83.21	85.94	74.36	94.01	134.09	223.36	92.07	918.73	99.29
1983–84	88.21	90.98	78.24	98.86	142.01	236.77	97.37	943.33	104.97
1984–85	92.93	95.87	82.11	103.85	150.11	249.43	102.52	972.96	110.51
1985–86	91.87	94.91	80.81	101.83	149.10	246.87	101.29	1 169.21	111.33
1986–87 (estimate)	69.83	72.27	61.08	76.79	113.73	187.98	76.92	870.29	84.54
<b>SPECIFIC PURPOSE PAYMENTS—CAPITAL</b>									
1982–83	114.17	115.28	173.36	161.37	161.11	235.81	136.18	518.83	139.52
1983–84	148.33	127.67	209.17	197.60	170.10	316.07	164.09	588.45	167.90
1984–85	149.37	140.84	187.64	205.89	186.84	298.07	166.20	687.49	170.98
1985–86	151.63	138.16	197.98	221.35	162.89	218.64	165.06	733.38	170.41
1986–87 (estimate)	159.05	144.21	191.47	207.04	170.54	231.09	168.02	794.56	174.04
<b>TOTAL CAPITAL PAYMENTS (GROSS)</b>									
1982–83	197.39	201.21	247.71	255.38	295.20	459.17	228.25	1 437.56	238.81
1983–84	236.54	218.66	287.40	296.46	312.12	552.84	261.45	1 531.78	272.87
1984–85	242.30	236.71	269.75	309.74	336.95	547.50	268.72	1 660.45	281.49
1985–86	243.50	233.07	278.79	323.18	311.99	465.51	266.35	1 902.59	281.74
1986–87 (estimate)	228.89	216.48	252.55	283.80	284.27	419.07	244.95	1 664.85	258.57
<b>TOTAL GENERAL PURPOSE FUNDS</b>									
1982–83	613.96	600.00	728.16	873.36	796.64	1 077.56	682.20	4 130.23	712.29
1983–84	666.49	661.01	807.60	948.48	920.66	1 229.08	752.92	4 391.35	785.62
1984–85	683.63	680.09	869.93	982.38	1 020.79	1 332.52	789.51	4 480.43	823.37
1985–86	741.40	727.43	897.69	1 015.81	1 075.82	1 358.10	836.23	5 041.07	875.77
1986–87 (estimate)	777.43	761.32	946.67	1 072.45	1 108.43	1 356.36	874.52	5 103.67	915.09
<b>TOTAL SPECIFIC PURPOSE PAYMENTS</b>									
1982–83	347.75	377.41	397.41	405.15	526.53	566.90	391.42	1 372.30	399.98
1983–84	423.35	433.38	476.39	495.21	528.05	707.73	458.90	1 707.37	470.12
1984–85	484.66	503.76	483.14	567.02	563.95	700.62	510.34	2 040.84	524.38
1985–86	511.96	517.17	511.91	600.74	556.20	646.85	529.31	1 407.33	537.57
1986–87 (estimate)	527.22	536.62	520.11	603.90	580.42	672.71	544.52	1 338.02	552.13
<b>TOTAL PAYMENTS TO THE STATES AND TO THE NORTHERN TERRITORY</b>									
1982–83	961.70	977.41	1 125.57	1 278.51	1 323.17	1 644.46	1 073.61	5 502.54	1 112.27
1983–84	1 089.83	1 094.40	1 283.99	1 443.69	1 448.71	1 936.81	1 211.82	6 098.72	1 255.74
1984–85	1 168.29	1 183.85	1 353.07	1 549.40	1 584.73	2 033.14	1 299.86	6 521.27	1 347.75
1985–86	1 253.36	1 244.60	1 409.60	1 616.55	1 632.02	2 004.95	1 365.54	6 448.40	1 413.34
1986–87 (estimate)	1 305.02	1 298.04	1 468.00	1 678.09	1 689.51	2 009.07	1 419.04	6 441.70	1 467.22
<b>PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES (GROSS)</b>									
1982–83	3.30	2.34	1.88	3.65	3.95	4.27	2.93	3.40	2.93
1983–84	3.02	3.21	2.37	8.61	2.93	3.87	3.49	4.47	3.50
1984–85	4.86	4.97	4.58	5.65	3.71	5.42	4.83	6.09	4.84
1985–86	6.77	8.55	5.76	7.69	5.72	7.59	7.10	11.01	7.13
1986–87 (estimate)	8.63	7.51	5.51	7.32	4.52	8.60	7.33	23.70	7.48



*Table 91—Summary of Payments to the States and the Northern Territory, State Government Loan Council Programs and Payments made direct to Local Government Authorities, 1982–83 to 1986–87 (\$ per head of population)—  
continued*

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
TOTAL PAYMENTS (GROSS)									
1982–83 . . . . .	965.01	979.75	1 127.45	1 282.16	1 327.11	1 648.72	1 076.54	5 505.93	1 115.20
1983–84 . . . . .	1 092.85	1 097.61	1 286.36	1 452.30	1 451.63	1 940.68	1 215.31	6 103.19	1 259.24
1984–85 . . . . .	1 173.15	1 188.82	1 357.65	1 555.05	1 588.44	2 038.56	1 304.68	6 527.35	1 352.59
1985–86 . . . . .	1 260.13	1 253.15	1 415.36	1 624.25	1 637.74	2 012.54	1 372.63	6 459.41	1 420.47
1986–87 (estimate) . . . . .	1 313.66	1 305.55	1 473.52	1 685.42	1 694.03	2 017.67	1 426.36	6 465.39	1 474.70
REPAYMENTS BY STATES, THE NORTHERN TERRITORY AND LOCAL GOVERNMENT AUTHORITIES									
1982–83 . . . . .	18.78	19.53	18.93	26.54	31.91	38.94	21.46	39.45	21.62
1983–84 . . . . .	19.48	19.75	34.93	28.39	33.47	40.95	24.78	46.92	24.98
1984–85 . . . . .	24.12	20.97	20.63	37.16	31.01	42.79	25.04	54.78	25.31
1985–86 . . . . .	21.93	18.71	20.11	31.21	35.68	39.19	23.33	58.80	23.67
1986–87 (estimate) . . . . .	18.61	18.57	20.30	29.43	28.87	39.49	21.39	67.35	21.83
TOTAL PAYMENTS (NET)									
1982–83 . . . . .	946.23	960.22	1 108.52	1 255.62	1 295.20	1 609.79	1 055.07	5 466.48	1 093.58
1983–84 . . . . .	1 073.38	1 077.85	1 251.43	1 423.91	1 418.17	1 899.73	1 190.53	6 056.26	1 234.26
1984–85 . . . . .	1 149.03	1 167.85	1 337.02	1 517.89	1 557.43	1 995.78	1 279.65	6 472.58	1 327.28
1985–86 . . . . .	1 238.20	1 234.44	1 395.25	1 593.04	1 602.06	1 973.35	1 349.30	6 401.61	1 396.80
1986–87 (estimate) . . . . .	1 295.04	1 286.98	1 453.22	1 655.98	1 665.15	1 978.18	1 404.97	6 398.04	1 452.87

**Table 92—Commonwealth Payments to or for the States and Payments to the Northern Territory, and Loan Council Borrowings, 1984-85 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>GENERAL REVENUE FUNDS</b>									
Tax Sharing Grants	2 693 115	2 019 927	1 885 612	1 042 348	1 000 280	417 147	9 058 429	471 292	9 529 721
Special Revenue Assistance	..	31 000	..	20 300	..	..	51 300	..	51 300
Health Grants	521 442	344 218	104 684	161 985	182 326	58 970	1 373 626	27 200	1 400 826
Special Grants	..	..	..	..	..	..	..	-12 600	-12 600
Grant in Lieu of Royalties	..	..	..	..	..	..	..	4 116	4 116
Recreation Leave and Fur- lough Entitlements	..	..	..	..	..	..	..	500	500
Additional Assistance Grants	..	..	..	..	..	..	..	5 000	5 000
Loan Council Borrowings	..	..	..	..	..	..	..	..	..
Total	3 214 557	2 395 145	1 990 296	1 224 633	1 182 606	476 117	10 483 355	495 508	10 978 862
<b>GENERAL PURPOSE CAPITAL FUNDS</b>									
Loan Council Borrowings	..	..	..	..	..	..	..	..	..
- Loan Portion	257 143	216 949	108 295	..	..	54 849	637 236	..	637 236
- Housing Nomination	80 000	45 082	30 000	96 509	135 923	18 250	405 764	..	405 764
General Purpose Loans to the Northern Territory	..	..	..	..	..	..	..	91 635	91 635
Capital Grants	168 572	131 016	69 147	48 255	67 961	36 549	521 500	45 817	567 317
Total	505 715	393 047	207 442	144 764	203 884	109 648	1 564 500	137 452	1 701 952
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES</b>									
Payments under Financial Agreement—	..	..	..	..	..	..	..	..	..
Interest on State Debt	5 835	4 254	2 192	947	1 408	534	15 170	..	15 170
Sinking Fund on State Debt	15 680	11 844	6 277	4 453	5 651	3 194	47 099	..	47 099
Debt Charges Assistance	..	..	..	..	..	..	..	59 115	59 115
Emergency Services	716	512	600	345	166	163	2 502	118	2 620
Universities	398 558	274 555	149 006	85 199	96 873	37 240	1 041 430	..	1 941 430
Colleges of Advanced Education	180 481	257 331	107 942	85 273	72 763	11 125	714 915	6 074	720 989
Technical and Further Education	48 240	35 514	14 161	12 804	11 481	3 878	126 078	1 430	127 509
Schools	409 726	349 687	181 590	98 497	88 863	28 722	1 157 086	10 248	1 167 334
Pre-school Education	7 130	9 015	6 605	4 860	3 730	1 410	32 750	340	33 090
Participation and Equity Program	31 825	23 006	13 626	8 140	8 196	3 226	88 020	855	88 875
Medicare	351 903	249 187	75 573	85 195	118 353	32 685	912 896	11 578	924 474
School Dental Scheme	301	..	..	..	..	460	762	..	762
Drug Education Campaigns	547	397	306	232	218	110	1 809	73	1 882
Blood Transfusion Services	3 228	3 608	1 599	1 274	1 387	226	11 322	137	11 459
National Diseases Control	103	104	153	53	36	..	449	25	475
Funds to Combat AIDS	1 529	876	441	343	408	100	3 697	..	3 697
Home Care Services	15 736	10 213	3 261	2 680	1 785	1 216	34 890	243	35 133
Senior Citizens Centres	723	1 268	145	288	164	..	2 588	..	2 588
Paramedical Services	..	552	..	..	945	20	1 517	..	1 517
Supported Accommodation Assistance	6 287	2 786	2 608	2 212	2 022	1 110	17 025	576	17 601
Women's Emergency Services	670	410	346	214	176	83	1 899	20	1 920
Children's Services	1 902	2 990	692	699	5 564	170	12 017	101	12 118
Family Support Services	569	903	306	341	504	146	2 769	138	2 907
Rehabilitation Centres	326	..	..	..	..	1 517	1 843	45	1 888
Environmental Restoration	..	..	..	..	..	..	..	7 690	7 690
Mortgage and Rent Relief	7 658	5 771	3 469	1 956	1 918	618	21 390	196	21 586
Translating and Interpreting Services	217	317	68	..	164	..	766	..	766
Aboriginal Advancement	4 505	1 700	5 632	12 999	5 999	179	31 013	308	31 321
Assistance for Housing	1 848	1 347	423	627	941	314	5 500	..	5 500
America's Cup Defence	..	..	..	4 223	..	..	4 223	..	4 233
International Youth Year	139	117	88	64	62	45	515	..	515
Aerodrome Local Ownership Plan	35	..	..	..	29	148	212	..	212
NTEC Assistance	..	..	..	..	..	..	..	72 862	72 862
Rural Adjustment Scheme	1 261	1 180	1 739	788	634	77	5 679	133	5 811
Apple and Pear Export Assis- tance	..	2	..	23	..	145	169	..	169

*Table 92—Commonwealth Payments to or for the States and Payments to the Northern Territory, and Loan Council Borrowings, 1984–85 (\$ thousands)—continued*

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
Bovine Brucellosis and Tuberculosis Eradication . . . . .	6 433	4 281	12 752	2 346	2 496	64	28 372	13 219	41 591
Exotic Diseases Eradication . . . . .	72	..	48	..	..	..	120	..	120
Agricultural Research . . . . .	161	90	77	16	19	26	389	..	389
Soil Conservation . . . . .	825	499	611	611	396	161	3 102	165	3 267
Coal Mining Industry—Long Service Leave . . . . .	15 034	..	3 109	938	..	33	19 114	..	19 114
Community Employment Program . . . . .	125 316	94 428	57 960	32 004	31 392	10 116	351 216	3 168	354 384
Regional Economic Studies Centre . . . . .	..	..	..	..	..	40	40	..	40
Legal Aid . . . . .	562	15 065	10 096	7 054	5 463	29	38 269	..	38 269
Human Rights . . . . .	314	274	..	..	249	..	837	..	837
Reimbursement of Costs—Law Library . . . . .	320	..	..	..	..	..	320	..	320
Road Safety Practices . . . . .	37	30	28	25	19	11	150	3	153
Financial Assistance—Local Government . . . . .	177 574	123 829	82 033	45 684	41 847	15 568	486 534	2 330	488 864
Drought—Fodder Subsidy . . . . .	—62	—28	—194	—6	—162	..	—452	..	—452
Natural Disaster Relief . . . . .	381	..	1 183	..	44	61	1 668	..	1 668
Assistance for South West Tasmania . . . . .	..	..	..	..	..	21 991	21 991	..	21 991
Total Specific Purposes—Recurrent . . . . .	1 824 644	1 487 912	746 550	503 399	512 203	176 961	5 251 670	191 190	5 442 860
SPECIFIC PAYMENTS—CAPITAL PURPOSES									
Housing for Servicemen . . . . .	4 685	1 226	48	..	..	..	5 959	..	5 959
Universities . . . . .	25 908	20 692	10 573	5 440	5 597	2 055	70 264	..	70 264
Colleges of Advanced Education . . . . .	15 754	21 068	6 439	3 618	4 001	454	51 334	76	51 410
Technical and Further Education . . . . .	50 739	49 700	23 732	15 725	16 106	2 334	158 336	4 507	162 843
Schools . . . . .	71 152	55 004	35 175	22 061	19 156	6 024	208 571	4 229	212 800
Video Facilities . . . . .	223	12	409	99	93	6	842	212	1 055
Launceston General Hospital . . . . .	..	..	..	..	..	157	157	..	157
Blood Transfusion Services . . . . .	336	..	1 371	83	43	5	1 838	297	2 134
High Security Quarantine Unit . . . . .	..	283	..	..	..	..	283	..	283
Senior Citizens Centres . . . . .	1 954	1 600	293	929	418	28	5 222	..	5 222
Crisis Accommodation Program . . . . .	4 443	3 348	2 054	1 135	1 112	359	12 451	150	12 601
Children's Services . . . . .	3 634	2 225	1 900	1 563	1 270	..	10 592	172	10 764
Aboriginal Advancement . . . . .	2 021	80	989	3 866	822	..	7 777	1 472	9 249
Pensioner Housing Grant . . . . .	13 376	8 421	6 327	2 850	2 622	904	34 500	500	35 000
Housing Assistance for Aborigines . . . . .	12 345	3 417	10 346	10 017	5 595	696	42 416	9 584	52 000
Local Government and Community Housing Grants . . . . .	2 475	1 865	1 145	632	620	200	6 937	63	7 000
Other Housing Assistance . . . . .	160 461	125 147	58 720	44 192	61 284	24 913	474 717	20 283	495 000
Growth Centres . . . . .	9 832	..	..	..	..	..	9 832	..	9 832
Urban Flood Mitigation . . . . .	1 783	1 267	856	100	722	57	4 785	115	4 900
Urban Rehabilitation . . . . .	630	4	..	..	..	..	634	..	634
Captains Flat Project . . . . .	120	..	..	..	..	..	120	..	120
Bicentennial Programs Assistance . . . . .	3 911	500	740	..	..	..	5 151	..	5 151
America's Cup Defence . . . . .	..	..	..	277	..	..	277	..	277
Sesquicentenary Grants . . . . .	..	1 932	..	..	525	..	2 457	..	2 457
National Estate . . . . .	438	438	438	438	438	438	2 625	210	2 835
Port Arthur Conservation Program . . . . .	..	..	..	..	..	600	600	..	600
National Standard Sports Facilities . . . . .	5 194	3 136	..	313	2 191	..	10 834	..	10 834
Aerodrome Local Ownership Plan . . . . .	17	..	..	..	..	1 347	1 364	..	1 364
Roads . . . . .	258 148	165 979	167 865	101 017	67 807	36 424	797 240	30 460	827 700
Australian Bicentennial Roads Development . . . . .	134 200	82 487	91 000	52 996	27 603	14 900	403 185	13 815	417 000
Burbong Bridge Construction . . . . .	1 000	..	..	..	..	..	1 000	..	1 000
Second Hobart Bridge . . . . .	..	..	..	..	..	926	926	..	926
Railway Projects . . . . .	..	..	..	42	..	..	42	..	42
Bass Strait Passenger Service . . . . .	..	..	..	..	..	25 042	25 042	..	25 042
Transport Improvement Grant . . . . .	..	19 000	..	..	..	..	19 000	..	19 000

*Table 92—Commonwealth Payments to or for the States and Payments to the Northern Territory, and Loan Council Borrowings, 1984-85 (\$ thousands)—continued*

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
Urban Water Supply/ Treatment	..	755	..	6 650	5 685	..	13 089	..	13 089
Special Assistance for Water	..	..	..	..	20 250	..	20 250	..	20 250
NTEC Assistance	..	..	..	..	..	..	..	8 940	8 940
Rural Adjustment Scheme	6 423	4 118	7 747	3 870	2 257	380	24 794	649	25 443
Sugar Industry	..	..	8 436	..	..	..	8 436	..	8 436
Support for Steel Regions	16 150	..	..	..	1 198	..	17 348	..	17 348
Plant Genetic Resource Program	177	..	..	109	71	..	357	..	357
Assistance for Grand Prix Racing	..	..	..	..	5 000	..	5 000	..	5 000
Burdekin Dam Construction	..	..	20 000	..	..	..	20 000	..	20 000
Salinity Reduction Control	2 000	2 595	..	1 378	700	..	6 673	..	6 673
Irrigation and Other Water Projects	1 307	1 629	7 500	1 610	600	180	12 826	1 390	14 216
Other Mining Assistance	2 048	..	..	..	..	..	2 048	..	2 048
Western Australia Pastoral Industry Assistance	..	..	..	6 000	..	..	6 000	..	6 000
Natural Disaster Relief	..	-540	9 933	..	..	220	9 613	..	9 613
Assistance for South West Tasmania	..	..	..	..	..	12 378	12 378	..	12 378
Total Specific Purpose Payments—Capital	812 882	577 387	474 387	287 010	253 783	131 027	2 536 125	97 123	2 633 248
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS									
General Purpose	3 720 272	2 788 192	2 197 738	1 369 397	1 386 490	585 765	12 047 855	632 960	12 680 814
Specific Purpose	2 637 526	2 065 300	1 220 586	790 408	765 986	307 988	7 787 794	288 313	8 076 107
Total	6 357 798	4 853 492	3 418 324	2 159 805	2 152 476	893 753	19 835 649	921 273	20 756 922

**Table 93—Commonwealth Payments to or for the States and Loan Council Borrowings and Payments to the Northern Territory, 1985–86 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>GENERAL REVENUE FUNDS</b>									
Financial Assistance Grants	3 012 615	2 248 332	1 973 578	1 122 961	1 037 171	387 036	9 781 693	..	9 781 693
Special Revenue Assistance	..	..	10 000	..	34 200	42 978	87 177	..	87 177
Health Grants	563 000	371 037	113 515	176 307	195 890	63 553	1 483 302	..	1 483 302
General Revenue Grants	..	..	..	..	..	..	..	561 317	561 317
Grant in Lieu of Royalties	..	..	..	..	..	..	..	4 449	4 449
Recreation Leave and Furlough Entitlement Loan	..	..	..	..	..	..	..	..	..
Council Borrowings	..	..	..	..	..	..	..	2 000	2 000
<b>Total</b>	<b>3 575 615</b>	<b>2 619 369</b>	<b>2 097 093</b>	<b>1 299 268</b>	<b>1 267 262</b>	<b>493 567</b>	<b>11 352 173</b>	<b>567 765</b>	<b>11 919 938</b>
<b>GENERAL PURPOSE CAPITAL FUNDS</b>									
Loan Council Borrowings	..	..	..	..	..	..	..	..	..
– Loan Portion	260 344	177 003	93 419	..	..	49 379	580 145	..	580 145
– Housing nomination	65 000	75 858	40 037	93 132	131 166	21 162	426 355	..	426 355
General Purpose Loans to the Northern Territory	..	..	..	..	..	..	..	..	..
– Loan Portion	..	..	..	..	..	..	..	77 211	77 211
– Housing Nomination	..	..	..	..	..	..	..	33 090	33 090
Capital Grants	180 371	140 186	73 986	51 632	72 718	39 107	558 000	61 151	619 151
<b>Total</b>	<b>505 715</b>	<b>393 047</b>	<b>207 442</b>	<b>144 764</b>	<b>203 884</b>	<b>109 648</b>	<b>1 564 500</b>	<b>171 452</b>	<b>1 735 952</b>
<b>PURPOSE PAYMENTS—RECURRENT PURPOSES</b>									
3Payments under Financial Agreement Sinking Fund on State Debt	16 258	12 278	6 653	4 474	5 573	3 361	48 598	1 345	49 943
Emergency Services	680	485	555	401	282	167	2 570	149	2 720
Universities	438 264	302 729	164 896	93 936	107 273	40 476	1 147 573	..	1 147 573
Colleges of Advanced Education	202 336	284 566	124 822	95 118	80 346	12 254	799 441	7 676	807 117
Technical and Further Education	51 529	33 778	16 423	13 474	12 809	4 784	132 796	1 898	134 693
Schools	455 835	380 186	204 456	110 292	99 404	31 875	1 282 048	12 360	1 294 407
Pre-School Education	3 565	4 508	3 303	2 430	1 865	705	16 375	170	16 545
Participation and Equity Program	22 070	15 560	10 966	6 260	6 131	2 194	63 181	582	63 763
Medicare	420 755	256 040	72 083	89 086	111 891	33 251	983 106	13 163	996 269
Drug Education Campaigns	4 724	3 472	2 254	1 297	1 372	506	13 625	203	13 828
Blood Transfusion Services	3 719	4 854	1 927	1 524	1 657	319	14 000	160	14 159
Transfer of Pathology Laboratory	..	..	..	..	..	..	670	..	670
National Diseases Control	103	220	160	79	36	..	598	27	625
Funds to Combat AIDS	2 397	1 493	497	564	550	86	5 586	..	5 586
Home and Community Care	21 587	15 054	5 165	3 621	4 315	1 729	51 471	311	51 782
Geriatric Assessment	1 305	1 598	157	90	515	236	3 901	57	3 958
Supported Accommodation Assistance	10 723	4 972	4 795	4 402	4 085	2 006	30 983	1 047	32 030
Children's Services	1 556	1 903	500	614	7 216	137	11 926	142	12 068
Family Support Services	773	993	336	622	559	125	3 409	168	3 576
International Year of Homeless	32	61	5	9	15	..	122	..	122
Rehabilitation Centres	378	..	..	..	..	1 613	1 991	36	2 026
Environmental Restoration	..	..	..	..	..	..	..	4 444	4 444
Mortgage and Rent Relief	8 020	6 043	3 724	2 055	2 002	648	22 492	208	22 700
Translating and Interpreting Services	182	410	52	..	105	..	749	..	749
Unattached Refugee Children	88	54	20	30	43	..	235	2	236
Aboriginal Advancement	4 068	1 882	5 575	13 454	5 937	179	31 094	294	31 388
Assistance for Housing	1 848	1 347	423	627	941	314	5 500	..	5 500
America's Cup Defence	..	..	..	1 773	..	..	1 773	..	1 773
Aerodrome Local Ownership Plan	10	..	669	7	33	232	951	..	951
NTEC Assistance	..	..	..	..	..	..	..	39 568	39 568
Rural Adjustment Scheme	1 358	3 303	2 628	1 373	1 251	138	10 051	76	10 127
Fertilizer Assistance	1 584	2 973	3 143	6 629	2 972	..	17 300	..	17 300
Sugar Industry	..	..	1 728	..	..	..	1 728	..	1 728
Dried Vine Fruits Assistance	..	19	..	..	..	..	19	..	19
Wine Industry Adjustment	..	..	..	..	1 300	..	1 300	..	1 300
Bovine Brucellosis and Tuberculosis Eradication	5 106	4 042	14 092	1 892	1 579	55	26 766	9 624	36 390
Exotic Diseases Eradication	84	1 132	..	..	..	5	1 221	..	1 221
Agricultural Research	150	154	103	20	29	11	468	..	468
Soil Conservation	973	533	738	703	422	186	3 555	230	3 785
Coal Mining Industry Long Service Leave	13 968	..	3 092	727	..	69	17 857	..	17 857

*Table 93—Commonwealth Payments to or for the States and Loan Council Borrowings and Payments to the Northern Territory, 1985–86 (\$ thousands)—continued*

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
Community Employment Program	90 750	68 434	42 073	23 203	22 707	7 334	254 501	2 323	256 824
Regional Economic Studies Centre	..	..	..	..	..	40	40	..	40
Legal Aid	434	17 827	11 307	8 004	6 284	49	43 904	..	43 904
Human Rights	333	254	..	150	248	..	983	..	983
Reimbursement of Costs—Law Library	367	..	..	..	..	..	367	..	367
Financial Assistance Local Government	195 615	136 410	90 367	50 326	46 098	17 149	535 966	2 566	538 532
Natural Disaster Relief Assistance for South West Tasmania	..	..	6 214	70	..	..	6 284	..	6 284
..	..	..	..	..	..	27 290	27 290	..	27 290
Total Specific Purpose Payments Recurrent	1 983 524	1 569 566	805 900	539 344	537 845	190 194	5 626 362	98 828	5 725 190
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES									
Housing for Servicemen	3 891	279	27	61	..	..	4 258	..	4 258
Universities	32 176	21 054	9 869	6 662	5 962	3 415	79 140	..	79 140
Colleges of Advanced Education	18 762	24 384	10 729	5 353	4 408	630	64 265	151	64 416
Technical and Further Education	44 332	40 800	28 589	16 138	8 921	737	139 518	7 525	147 043
Schools	74 245	54 404	43 736	22 156	17 552	6 065	218 157	4 601	222 758
Video Facilities	206	32	552	149	87	7	1 032	268	1 300
Launceston General Hospital	..	..	..	..	..	766	766	..	766
Teaching Hospitals	16 811	12 652	7 713	4 258	4 206	1 400	47 040	500	47 540
Blood Transfusion Services	276	300	213	341	107	64	1 301	28	1 329
High Security Quarantine Unit	..	30	..	..	..	..	30	..	30
Home and Community Care Crisis Accommodation Program	1 185	3 052	979	397	357	5	5 975	9	5 984
Children's Services	4 651	3 504	2 160	1 191	1 161	376	13 043	157	13 200
Aboriginal Advancement	100	..	574	828	..	..	1 402	..	1 402
Pensioner Housing Grants	13 913	8 646	1 048	4 002	83	..	5 233	2 047	7 280
Housing Assistance for Aborigines	12 771	3 417	6 842	3 101	2 662	913	36 077	523	36 600
Local Government and Community Housing Grants	..	..	12 220	10 017	5 595	696	44 716	9 584	54 300
Other Housing Assistance	3 533	2 662	1 640	905	882	286	9 908	92	10 000
Growth Centres	169 739	131 575	65 189	46 205	60 794	24 692	498 194	19 406	517 600
Urban Flood Mitigation	6 046	..	..	..	..	..	6 046	..	6 046
Urban Rehabilitation	2 656	1 154	1 027	56	1 000	51	5 944	42	5 986
Captains Flat Project	4 000	..	..	..	..	..	4 000	..	4 000
Bicentennial Programs	174	..	..	..	..	..	174	..	174
Assistance	1 986	5 025	3 306	1 417	1 081	200	13 014	28	13 042
America's Cup Defence	..	..	..	14 977	..	..	14 977	..	14 977
National Maritime Museum	2 000	..	..	..	..	..	2 000	..	2 000
Sesquicentenary Grants	..	568	..	..	420	..	988	..	988
National Estate	458	458	458	458	458	458	2 750	220	2 970
Port Arthur Conservation Program	..	..	..	..	..	500	500	..	500
National Standard Sports Facilities	4 699	..	..	1 945	356	..	7 000	..	7 000
Aerodrome Local Ownership Plan	..	..	68	83	..	65	215	..	215
Australian Land Transport Program	253 300	159 700	163 000	102 339	66 192	31 216	775 747	29 400	805 147
Australian Bicentennial Roads Development	141 194	94 200	94 600	55 800	31 100	11 957	428 850	11 150	440 000
Burbong Bridge Construction	100	..	..	..	..	..	100	..	100
Second Hobart Bridge	..	..	..	..	..	3 923	3 923	..	3 923
Transport Improvement Grant	..	..	..	9 700	..	..	9 700	..	9 700
Urban Water Supply/ Treatment	575	291	416	1 044	5 666	109	8 100	46	8 146
NTEC Assistance	..	..	..	..	..	..	..	19 434	19 434
Rural Adjustment Scheme	2 182	..	1 774	1 462	1 156	98	6 672	..	6 672
Support for Steel Regions	14 791	..	..	..	834	..	15 625	..	15 625
Bovine Brucellosis and Tuberculosis Eradication	..	..	611	..	220	..	831	867	1 698
Plant Genetic Resource Program	..	300	..	33	15	..	348	..	348

*Table 93—Commonwealth Payments to or for the States and Loan Council Borrowings and Payments to the Northern Territory, 1985–86 (\$ thousands)—continued*

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
Fisheries Management . . .	..	..	1 088	..	..	..	1 088	..	1 088
Burdekin Dam Construction .	..	..	26 000	..	..	..	26 000	..	26 000
Salinity Reduction Control .	2 200	2 267	..	913	758	..	6 138	..	6 138
Irrigation and Other Water Projects .	1 358	1 690	5 100	1 623	677	200	10 648	1 465	12 113
Natural Disaster Relief . .	418	— 316	18 723	1 047	37	4	19 913	..	19 913
Assistance for South West Tasmania . . . . .	..	..	..	..	..	8 281	8 281	..	8 281
Total Specific Purpose Payments Capital	834 729	572 128	508 250	314 660	222 747	97 113	2 549 627	107 542	2 657 169
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS									
General Purpose . . . . .	4 081 330	3 012 416	2 304 535	1 444 032	1 471 146	603 215	12 916 673	739 217	13 655 890
Specific Purpose . . . . .	2 818 252	2 141 694	1 314 150	853 994	760 592	287 307	8 175 989	206 370	8 382 359
Total . . . . .	6 899 582	5 154 110	3 618 685	2 298 026	2 231 737	890 522	21 092 662	945 587	22 038 249

**Table 94—Commonwealth Payments to or for the States and Loan Council Programs and Payments to the Northern Territory, 1986-87 (estimate)**  
(\$ thousands)

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>GENERAL REVENUE FUNDS</b>									
Financial Assistance Grants	3 322 168	2 475 328	2 188 714	1 248 331	1 139 833	426 083	10 800 457	..	10 800 457
Special Revenue Assistance	2 063	435	3 193	2 528	17 996	19 410	45 625	1 235	46 860
Health Grants	621 349	408 827	125 990	196 148	215 453	70 021	1 637 788	..	1 637 788
General Revenue Grants	..	..	..	..	..	..	..	629 499	629 499
Grant in Lieu of Royalties	..	..	..	..	..	..	..	4 306	4 306
Recreation Leave and Furlough Entitlement	..	..	..	..	..	..	..	6 788	6 788
<b>Total</b>	<b>3 945 580</b>	<b>2 884 590</b>	<b>2 317 897</b>	<b>1 447 007</b>	<b>1 373 282</b>	<b>515 514</b>	<b>12 483 870</b>	<b>641 828</b>	<b>13 125 698</b>
<b>GENERAL PURPOSE CAPITAL FUNDS</b>									
Loan Council Borrowings	..	..	..	..	..	..	..	..	..
— Loan Portion	100 152	77 839	41 082	..	..	21 713	240 786	..	240 786
— Housing Nomination	150 277	116 758	61 622	71 672	100 943	32 573	533 795	..	533 795
General Purpose Loans to the Northern Territory	..	..	..	..	..	..	..	..	..
— Loan Portion	..	..	..	..	..	..	..	33 954	33 954
— Housing Nomination	..	..	..	..	..	..	..	50 931	50 931
Capital Grants	138 809	107 884	56 939	39 735	55 962	30 097	429 426	47 060	476 486
<b>Total</b>	<b>389 188</b>	<b>302 481</b>	<b>159 643</b>	<b>111 407</b>	<b>156 905</b>	<b>84 383</b>	<b>1 204 007</b>	<b>131 945</b>	<b>1 335 952</b>
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES</b>									
Payments Under Financial Agreement	..	..	..	..	..	..	..	..	..
Sinking Fund on State Debt	16 660	12 660	6 860	4 610	5 740	3 470	50 000	1 567	51 567
Emergency Services	736	493	625	459	360	208	2 881	170	3 051
Universities	431 047	299 546	163 236	93 228	105 649	39 706	1 132 411	..	1 132 411
Colleges of Advanced Education	200 523	276 888	122 804	93 025	78 655	12 131	784 027	8 160	792 187
Technical and Further Education	53 466	37 302	19 121	14 278	13 563	4 430	142 140	1 760	143 900
Schools	473 987	397 118	210 847	113 171	101 854	32 528	1 329 505	12 392	1 341 897
Education-Cost Escalation Allowance	44 437	38 744	19 676	12 224	11 631	3 458	130 168	894	131 062
Participation and Equity Program	15 189	11 302	7 248	4 094	4 005	1 403	43 240	464	43 704
Medicare	418 568	269 122	79 195	93 568	118 050	35 362	1 013 865	12 521	1 026 386
Nurse Education	..	3 967	620	1 870	769	62	7 288	121	7 409
Drug Education Campaigns	5 045	3 804	2 420	1 386	1 346	515	14 516	211	14 728
Blood Transfusion Services	4 017	5 300	2 103	1 646	1 555	341	14 961	183	15 144
Transfer of Pathology Lab	..	..	..	..	..	1 299	1 299	..	1 299
National Diseases Control	82	181	120	76	40	..	499	36	535
Funds to Combat AIDS	2 504	1 587	488	616	445	99	5 739	142	5 881
Home and Community Care	24 814	22 244	9 323	8 296	6 607	2 129	73 413	19	73 432
Geriatric Assessment	1 654	2 021	511	706	826	359	6 077	172	6 249
Supported Accommodation	..	..	..	..	..	..	..	..	..
Assistance	14 096	7 272	6 408	7 375	6 330	2 661	44 142	1 347	45 489
Children's Services	1 714	2 118	528	660	7 923	132	13 075	135	13 210
Family Support Services	1 497	1 966	672	943	625	189	5 892	179	6 071
International Year of Homeless	38	91	20	11	..	..	160	..	160
Rehabilitation Centres	403	..	..	..	..	1 794	2 197	63	2 260
Environmental Restoration	..	..	..	..	..	..	..	430	430
Mortgage and Rent Relief	8 508	6 400	3 968	2 197	2 114	686	23 873	227	24 100
Translating and Interpreting Services	230	420	75	200	90	..	1 015	191	1 206
Unattached Refugee Children	171	124	32	39	49	..	415	6	421
Aboriginal Advancement	3 405	2 030	5 768	12 613	6 397	193	30 406	65	30 470
Assistance for Housing	1 848	1 347	423	627	941	314	5 500	..	5 500
America's Cup Defence	..	..	..	3 389	..	..	3 389	..	3 389
Aerodrome Local Ownership Plan	30	..	600	7	28	250	915	..	915
Interstate Road Transport	761	489	497	305	188	107	2 347	78	2 425
NTEC Assistance	..	..	..	..	..	..	..	21 846	21 846
Rural Adjustment Scheme	8 600	8 500	5 840	5 800	4 300	860	33 900	540	34 440
Fertiliser Assistance	2 106	5 452	4 178	12 313	3 952	..	28 000	..	28 000
Sugar Industry	762	..	21 888	..	..	..	22 650	..	22 650
Dried Vine Fruits Assistance	..	989	..	85	340	..	1 414	..	1 414
Wine Industry Adjustment	..	..	..	..	5 267	..	5 267	..	5 267
Bovine Brucellosis and Tuberculosis Eradication	3 913	2 556	14 768	2 580	1 586	60	25 463	10 902	36 365
Exotic Diseases Eradication	36	15	33	30	16	7	137	14	151



*Table 94—Commonwealth Payments to or for the States and Loan Council Programs and Payments to the Northern Territory, 1986-87 (estimate)  
(\$ thousands)—continued*

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES—continued									
Agricultural Research . . . . .	344	218	151	101	50	31	895	..	895
National, Industry, Extension Service . . . . .	2 319	2 043	866	613	569	366	6 776	128	6 904
Assistance to Tin Mining . . . . .	112	..	757	20	..	80	968	32	1 000
Soil Conservation . . . . .	1 170	600	860	800	500	200	4 130	270	4 400
Coal Mining Industry—Long Service Leave . . . . .	15 014	..	3 162	736	..	87	19 000	..	19 000
Community Employment Program . . . . .	63 800	48 100	29 800	16 500	15 900	5 200	179 300	1 700	181 000
Legal Aid . . . . .	13 412	20 642	12 651	9 620	6 801	68	63 192	..	63 192
Human Rights . . . . .	500	320	..	265	300	..	1 385	..	1 385
Reimbursement Costs of Law Library . . . . .	511	..	..	..	..	..	511	..	511
Financial Assistance Local Government . . . . .	211 754	147 664	97 823	54 477	49 901	18 564	580 183	5 430	585 613
Natural Disaster Relief . . . . .	2 070	850	2 010	210	250	10	5 400	..	5 400
Assistance for South West Tasmania . . . . .	..	..	..	..	..	28 888	28 888	..	28 888
Total Specific Purpose Payments Recurrent . . . . .	2 051 831	1 642 486	858 974	575 767	565 511	198 244	5 892 813	82 395	5 975 208
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES									
Housing for Servicemen . . . . .	1 405	415	29	78	10	..	1 937	..	1 937
Universities . . . . .	36 813	20 738	12 029	10 282	7 240	4 227	91 330	..	91 330
Colleges of Advanced Education . . . . .	21 152	30 253	14 288	6 064	5 779	734	78 270	180	78 450
Technical and Further Education . . . . .	52 045	46 379	24 177	13 722	11 260	2 332	149 915	3 558	155 473
Schools . . . . .	67 030	54 780	31 291	22 728	16 676	5 130	197 634	5 902	203 537
Video Facilities . . . . .	206	32	552	149	87	7	1 032	268	1 300
Education Cost Escalation Allowance . . . . .	454	358	278	140	53	25	1 308	86	1 394
Launceston General Hospital Teaching Hospitals . . . . .	16 811	12 652	7 713	4 258	4 206	1 400	47 040	500	47 540
Blood Transfusion Services . . . . .	402	853	106	375	244	126	2 105	5	2 110
Home and Community Care Crisis Accommodation Program . . . . .	2 858	2 562	1 074	955	761	245	8 454	34	8 489
Children's Services . . . . .	4 933	3 711	2 301	1 274	1 226	398	13 843	157	14 000
Aboriginal Advancement . . . . .	..	4 035	2 712	1 766	2 188	693	11 394	403	11 797
Pensioner Housing Grants . . . . .	..	..	165	7 877	484	..	8 526	382	8 908
Housing Assistance for Aborigines . . . . .	14 282	8 509	7 096	3 095	2 640	855	36 477	523	37 000
Local Government and Com- munity Housing Grants . . . . .	12 345	3 417	14 109	10 047	5 595	696	46 209	11 791	58 000
Other Housing Assistance . . . . .	3 883	2 921	1 811	1 003	965	313	10 896	104	11 000
Urban Flood Mitigation . . . . .	182 340	140 377	73 328	49 239	61 004	24 701	530 989	18 611	549 600
Urban Rehabilitation . . . . .	2 635	1 845	..	406	408	90	5 384	116	5 500
Captains Flat Project . . . . .	3 000	..	..	..	..	..	3 000	..	3 000
Bicentennial Programs Assistance . . . . .	182	..	..	..	..	..	182	..	182
America's Cup Defence . . . . .	7 300	6 400	4 200	2 800	2 000	1 000	23 700	1 000	24 700
National Maritime Museum . . . . .	..	..	..	2 862	..	..	2 862	..	2 862
Nature Conservation . . . . .	18 000	..	..	..	..	..	18 000	..	18 000
National Estate . . . . .	..	12	..	..	..	..	12	..	12
National Standard Sports Facilities . . . . .	490	490	490	490	490	490	2 940	235	3 175
Aerodrome Local Ownership Plan . . . . .	235	935	1 750	1 366	1 224	995	6 505	475	6 980
Australian Land Transport Program . . . . .	275	..	..	..	..	20	295	..	295
Australian Bicentennial Roads Dev. . . . .	255 000	160 400	162 900	99 200	67 000	31 900	776 400	29 000	805 400
Burbong Bridge Construction . . . . .	140 000	93 500	94 700	55 100	30 300	15 200	428 800	10 800	439 600
Second Hobart Bridge . . . . .	340	..	..	..	..	..	340	..	340
Railway Projects . . . . .	..	..	..	..	100	..	100	..	100
Urban Water Supply and Treatment . . . . .	..	..	206	..	..	..	206	..	206
NTEC Assistance . . . . .	1 196	876	832	384	6 388	232	9 908	92	10 000
Support for Steel Regions . . . . .	..	..	..	..	..	..	..	35 123	35 123
Bovine Brucellosis and Tuber- culosis Eradication . . . . .	34 042	..	..	..	3 915	..	37 957	..	37 957
Plant Genetic Resource Program . . . . .	..	..	679	102	84	..	865	949	1 814
..	..	..	485	..	..	..	485	..	485

*Table 94—Commonwealth Payments to or for the States and Loan Council Programs and Payments to the Northern Territory, 1986-87 (estimate)  
(\$ thousands)—continued*

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES—continued									
Fisheries Management	..	..	1 015	..	..	..	1 015	..	1 015
Burdekin Dam Construction	..	..	29 000	..	..	..	29 000	..	29 000
Salinity Reduction Control	2 577	3 000	..	1 175	932	..	7 684	..	7 684
Irrigation and Other Water Projects	205	664	4 040	80	123	..	5 112	70	5 182
Portland Aluminium Smelter	..	1 500	..	..	..	..	1 500	..	1 500
Natural Disaster Relief	3 985	2 025	7 300	3 140	2 010	40	18 500	100	18 600
Assistance for South West Tasmania	..	..	..	..	..	7 549	7 549	..	7 549
Total Specific Purpose Payments Capital	886 421	603 637	500 451	300 363	235 292	103 739	2 629 902	120 464	2 750 366
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS									
General Purpose	4 334 768	3 187 071	2 477 540	1 558 414	1 530 187	599 897	13 687 877	773 773	14 461 650
Specific Purpose	2 938 251	2 246 123	1 359 425	876 130	800 803	301 983	8 522 715	202 859	8 725 574
Total	7 273 019	5 433 194	3 836 965	2 434 544	2 330 990	901 880	22 210 592	976 632	23 187 224

**Table 95—Total Payments to the States and Loan Council Programs and Payments to the Northern Territory—Dissection Between Funds for Recurrent and Capital Purposes, 1982–83 to 1986–87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>FUNDS FOR RECURRENT PURPOSES</b>									
1982-83 . . . . .	4 076 541	3 115 574	2 149 286	1 382 599	1 371 669	510 636	12 606 304	533 727	13 140 031
1983-84 . . . . .	4 593 509	3 552 366	2 481 116	1 577 322	1 532 163	601 783	14 338 258	624 831	14 963 089
1984-85 . . . . .	5 039 201	3 883 058	2 736 847	1 728 032	1 694 809	653 078	15 735 024	686 698	16 421 722
1985-86 . . . . .	5 559 138	4 188 935	2 902 993	1 838 602	1 805 106	683 761	16 978 535	666 593	17 645 128
1986-87 (estimate) . . . . .	5 997 411	4 527 076	3 176 871	2 022 774	1 938 793	713 758	18 376 683	724 223	19 100 906
<b>FUNDS FOR CAPITAL PURPOSES</b>									
1982-83 . . . . .	1 052 771	807 660	606 486	345 113	393 902	197 817	3 403 750	188 751	3 592 501
1983-84 . . . . .	1 273 350	886 957	715 525	407 604	420 742	240 389	3 944 566	209 572	4 154 138
1984-85 . . . . .	1 318 597	970 434	681 477	431 774	457 667	240 675	4 100 625	234 575	4 335 200
1985-86 . . . . .	1 340 444	965 175	715 692	459 424	426 631	206 761	4 114 127	278 994	4 393 121
1986-87 (estimate) . . . . .	1 275 609	906 118	660 094	411 770	392 197	188 122	3 833 909	252 409	4 086 318

**Table 96—Total Payments to the States and Loan Council Programs and Payments to the Northern Territory—Dissection Between Funds for Recurrent and Capital Purposes, 1982–83 to 1986–87 (\$ per head of population)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>FUNDS FOR RECURRENT PURPOSES</b>									
1982-83 . . . . .	764.32	776.19	877.86	1 023.13	1 027.97	1 185.28	845.36	4 064.97	873.46
1983-84 . . . . .	853.29	875.74	996.59	1 147.23	1 136.59	1 383.97	950.37	4 566.94	982.87
1984-85 . . . . .	925.99	947.15	1 083.32	1 239.65	1 247.78	1 485.65	1 031.14	4 860.82	1 066.27
1985-86 . . . . .	1 009.86	1 011.53	1 130.81	1 293.37	1 320.03	1 539.44	1 099.19	4 549.81	1 131.60
1986-87 (estimate) . . . . .	1 076.14	1 081.56	1 215.45	1 394.26	1 405.24	1 590.00	1 174.09	4 776.85	1 208.65
<b>FUNDS FOR CAPITAL PURPOSES</b>									
1982-83 . . . . .	197.39	201.21	247.71	255.38	295.20	459.17	228.25	1 437.56	238.81
1983-84 . . . . .	236.54	218.66	287.40	296.46	312.12	552.84	261.45	1 531.78	272.87
1984-85 . . . . .	242.30	236.71	269.75	309.74	336.95	547.50	268.72	1 660.45	281.49
1985-86 . . . . .	243.50	233.07	278.79	323.18	311.99	465.51	266.35	1 902.59	281.74
1986-87 (estimate) . . . . .	228.89	216.48	252.55	283.83	284.27	419.07	244.95	1 664.85	258.57

**Table 97—Total Payments to the States and Loan Council Programs and Payments to the Northern Territory—Dissection between Grants and Loans, 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens-land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>COMMONWEALTH GOVERNMENT PAYMENTS—GRANTS</b>									
1982-83 . . . . .	4 729 999	3 608 005	2 534 384	1 613 768	1 593 763	635 250	14 715 169	634 297	15 349 466
1983-84 . . . . .	5 459 806	4 128 151	2 983 556	1 862 498	1 795 807	765 177	16 994 995	740 077	17 735 072
1984-85 . . . . .	5 997 647	4 586 118	3 261 608	2 059 384	2 014 297	820 126	18 739 178	828 989	19 568 168
1985-86 . . . . .	6 562 084	4 900 970	3 471 280	2 201 850	2 095 275	819 879	20 051 338	834 420	20 885 758
1986-87 (estimate) . . . . .	7 018 444	5 236 747	3 729 753	2 359 836	2 223 813	847 574	21 416 167	890 798	22 306 965
<b>COMMONWEALTH GOVERNMENT PAYMENTS—LOANS (GROSS)</b>									
1982-83 . . . . .	103 437	85 270	100 021	29 249	52 522	9 052	379 552	7 762	387 313
1983-84 . . . . .	90 489	65 137	83 231	31 809	29 472	8 358	308 497	8 284	316 780
1984-85 . . . . .	23 012	5 344	18 417	3 912	2 257	529	53 471	649	54 119
1985-86 . . . . .	12 154	279	13 949	3 044	5 296	102	34 824	867	35 690
1986-87 (estimate) . . . . .	4 196	1 850	4 508	3 036	6 234	20	19 844	949	20 793
<b>TOTAL COMMONWEALTH GOVERNMENT LOANS AND LOAN COUNCIL BORROWINGS (GROSS)</b>									
1982-83 . . . . .	399 313	315 229	221 388	113 944	171 807	73 203	1 294 885	88 181	1 383 065
1983-84 . . . . .	407 052	311 173	213 084	122 427	157 098	76 995	1 287 830	94 326	1 382 155
1984-85 . . . . .	360 155	267 375	156 712	100 421	138 180	73 628	1 096 471	92 283	1 188 754
1985-86 . . . . .	337 498	253 140	147 405	96 176	136 462	70 643	1 041 324	111 168	1 152 491
1986-87 (estimate) . . . . .	254 575	196 447	107 212	74 708	107 177	54 306	794 425	85 834	880 259

**Table 98—Total Payments to the States and Loan Council Programs and Payments to the Northern Territory—Dissection between Grants and Loans, 1982-83 to 1986-87 (\$ per head of population)**

	New South Wales	Victoria	Queens-land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>COMMONWEALTH GOVERNMENT PAYMENTS—GRANTS</b>									
1982-83 . . . . .	886.84	898.87	1 035.15	1 194.19	1 194.41	1 474.54	986.78	4 830.93	1 020.33
1983-84 . . . . .	1 014.22	1 017.68	1 198.40	1 354.64	1 332.17	1 759.74	1 126.46	5 409.29	1 164.95
1984-85 . . . . .	1 102.11	1 118.64	1 291.04	1 477.36	1 483.00	1 865.65	1 228.00	5 868.04	1 270.57
1985-86 . . . . .	1 192.05	1 183.47	1 352.18	1 548.90	1 532.23	1 845.90	1 298.12	5 690.30	1 339.43
1986-87 (estimate) . . . . .	1 259.34	1 251.10	1 426.98	1 626.60	1 611.83	1 888.09	1 368.28	5 875.55	1 411.52
<b>COMMONWEALTH GOVERNMENT PAYMENTS—LOANS (GROSS)</b>									
1982-83 . . . . .	19.39	21.24	40.85	21.64	39.36	21.01	25.45	59.12	25.75
1983-84 . . . . .	16.81	16.06	33.43	23.14	21.86	19.22	20.45	60.55	20.81
1984-85 . . . . .	4.23	1.30	7.29	2.81	1.66	1.20	3.50	4.59	3.51
1985-86 . . . . .	2.21	.07	5.43	2.14	3.87	.23	2.25	5.91	2.29
1986-87 (estimate) . . . . .	.75	.44	1.72	2.09	4.52	.04	1.27	6.26	1.32
<b>TOTAL COMMONWEALTH GOVERNMENT LOANS AND LOAN COUNCIL BORROWINGS (GROSS)</b>									
1982-83 . . . . .	74.87	78.53	90.42	84.32	128.76	169.92	86.83	671.60	91.94
1983-84 . . . . .	75.61	76.71	85.59	89.04	116.54	177.07	85.36	689.43	90.79
1984-85 . . . . .	66.18	65.22	62.03	72.04	101.73	167.49	71.85	653.23	77.19
1985-86 . . . . .	61.31	61.13	57.42	67.66	99.79	159.05	67.42	758.10	73.91
1986-87 (estimate) . . . . .	45.68	46.93	41.02	51.49	77.68	120.97	50.76	566.15	55.70

**Table 99—Total Net Commonwealth Payments to the State and Local Government Sector 1982-83 to 1986-87**

	States				Northern Territory				Total			
	Amount	Actual percentage increase	Adjusted percentage increase (a)	Adjusted percentage increase (b)	Amount	Actual percentage increase	Adjusted percentage increase (a)	Adjusted percentage increase (b)	Amount	Actual percentage increase	Adjusted percentage increase (a)	Adjusted percentage increase (b)
	\$m	%	%	%	\$m	%	%	%	\$m	%	%	%
GENERAL REVENUE FUNDS												
1982-83 . . . . .	8 800.1	11.6	11.6	15.5	421.7	15.9	15.9	17.9	9 221.8	11.8	11.4	14.6
1983-84 . . . . .	9 890.4	12.4	12.0	11.3	471.7	11.9	11.9	12.1	10 362.1	12.4	12.7	12.7
1984-85 . . . . .	10 483.4	6.0	6.3	5.0	495.5	5.0	5.0	4.9	10 978.9	6.0	6.0	4.5
1985-86 . . . . .	11 352.2	8.3	8.3	8.3	567.8	14.6	14.6	21.2	11 919.9	8.6	8.6	9.0
1986-87 (estimate) . . . . .	12 483.9	10.0	10.0	9.9	641.8	13.0	13.0	13.0	13 125.7	10.1	10.1	10.1
SPECIFIC PURPOSE PAYMENTS—RECURRENT												
1982-83 . . . . .	3 806.2	24.1	19.5	11.0	112.1	31.8	31.8	22.0	3 918.2	24.3	19.8	12.3
1983-84 . . . . .	4 447.9	16.9	20.4	14.0	153.1	36.6	36.6	29.8	4 600.9	17.4	20.9	13.5
1984-85 . . . . .	5 251.7	18.1	19.3	7.5	191.2	24.9	24.9	17.5	5 442.9	18.3	19.5	8.1
1985-86 . . . . .	5 626.4	7.1	7.0	7.2	98.9	-48.3	-48.3	-58.6	5 725.2	5.2	5.1	4.9
1986-87 (estimate) . . . . .	5 892.8	4.7	4.8	6.4	82.4	-16.7	-16.6	-18.5	5 975.2	4.4	4.4	6.0
TOTAL RECURRENT GRANTS												
1982-83 . . . . .	12 606.3	15.1	13.8	13.8	533.7	18.9	18.9	18.9	13 140.0	15.2	13.7	13.7
1983-84 . . . . .	14 338.3	13.7	14.5	12.3	624.8	17.1	17.1	16.6	14 963.1	13.9	15.1	13.0
1984-85 . . . . .	15 735.0	9.7	10.3	5.9	686.7	9.9	9.9	8.5	16 421.7	9.7	10.1	5.8
1985-86 . . . . .	16 978.5	7.9	7.9	7.9	666.6	-2.9	-2.9	-3.2	17 645.2	7.5	7.4	7.4
1986-87 (estimate) . . . . .	18 376.7	8.2	8.2	8.6	724.2	8.6	8.6	8.9	19 100.9	8.2	8.3	8.6
GENERAL PURPOSE CAPITAL FUNDS												
1982-83 . . . . .	1 373.0	5.0	5.0	5.0	120.6	5.0	5.0	5.0	1 493.6	5.0	5.0	5.0
1983-84 . . . . .	1 469.0	7.0	7.0	7.0	129.1	7.0	7.0	7.0	1 598.1	7.0	7.0	7.0
1984-85 . . . . .	1 564.5	6.5	6.5	6.5	137.5	6.5	6.5	6.5	1 702.0	6.5	6.5	6.5
1985-86 . . . . .	1 564.5	..	..	..	171.5	24.7	24.7	24.7	1 736.0	2.0	2.0	2.0
1986-87 (estimate) . . . . .	1 204.0	-23.0	-23.0	-23.0	131.9	-23.0	-23.0	-23.0	1 336.0	-23.0	-23.0	-23.0
SPECIFIC PURPOSE PAYMENTS—CAPITAL												
1982-83 . . . . .	2 030.7	36.8	36.9	36.9	68.1	14.1	13.7	13.7	2 098.9	36.0	36.0	36.0
1983-84 . . . . .	2 475.6	21.9	20.5	20.5	80.5	18.2	15.4	15.4	2 556.1	21.8	20.3	20.3
1984-85 . . . . .	2 536.1	2.4	3.8	3.8	97.1	20.6	24.0	24.0	2 633.2	3.0	4.4	4.4
1985-86 . . . . .	2 549.6	.5	.5	.5	107.5	10.7	10.7	10.7	2 657.2	.9	.9	.9
1986-87 (estimate) . . . . .	2 629.9	3.1	3.2	3.2	120.5	12.0	11.9	11.9	2 750.4	3.5	3.6	3.6

Table 99—Total Net Commonwealth Payments to the State and Local Government Sector 1982-83 to 1986-87—continued

	States				Northern Territory				Total			
	Amount	Actual percentage increase	Adjusted percentage increase (a)	Adjusted percentage increase (b)	Amount	Actual percentage increase	Adjusted percentage increase (a)	Adjusted percentage increase (b)	Amount	Actual percentage increase	Adjusted percentage increase (a)	Adjusted percentage increase (b)
	\$m	%	%	%	\$m	%	%	%	\$m	%	%	%
TOTAL CAPITAL PAYMENTS (GROSS)												
1982-83 . . . . .	3 403.7	21.9	21.9	21.9	188.8	8.1	8.0	8.0	3 592.5	21.1	21.1	21.1
1983-84 . . . . .	3 944.6	15.9	15.0	15.0	209.6	11.0	10.0	10.0	4 154.1	15.6	14.8	14.8
1984-85 . . . . .	4 100.6	4.0	4.8	4.8	234.6	11.9	13.1	13.1	4 335.2	4.4	5.2	5.2
1985-86 . . . . .	4 114.1	.3	.3	.3	279.0	18.9	18.9	18.9	4 393.1	1.3	1.3	1.3
1986-87 (estimate) . . . . .	3 833.9	-6.8	-6.8	-6.8	252.4	-9.5	-9.6	-9.6	4 086.3	-7.0	-7.0	-7.0
TOTAL GENERAL PURPOSE FUNDS												
1982-83 . . . . .	10 173.1	10.7	10.7	13.8	542.3	13.3	13.3	14.6	10 715.4	10.8	10.5	13.0
1983-84 . . . . .	11 359.4	11.7	11.4	10.6	600.8	10.8	10.8	10.9	11 960.2	11.6	11.9	11.8
1984-85 . . . . .	12 047.9	6.1	6.3	5.2	633.0	5.4	5.4	5.3	12 680.8	6.0	6.0	4.8
1985-86 . . . . .	12 916.7	7.2	7.2	7.1	739.2	16.8	16.8	22.0	13 655.9	7.7	7.7	7.9
1985-86 (estimate) . . . . .	13 687.9	6.0	6.0	5.4	773.8	4.7	4.7	4.7	14 461.6	5.9	5.9	5.4
TOTAL SPECIFIC PURPOSE PAYMENTS												
1982-83 . . . . .	5 836.9	28.2	25.2	17.7	180.2	24.5	24.3	19.1	6 017.1	28.1	25.1	18.6
1983-84 . . . . .	6 923.4	18.6	20.5	16.0	233.6	29.6	28.6	25.0	7 157.0	18.9	20.7	15.6
1984-85 . . . . .	7 787.8	12.5	13.8	6.4	288.3	23.4	24.6	19.5	8 076.1	12.8	14.1	7.0
1985-86 . . . . .	8 176.0	5.0	4.9	5.1	206.4	-28.4	-28.4	-36.4	8 382.4	3.8	3.7	3.6
1985-86 (estimate) . . . . .	8 522.7	4.2	4.3	5.5	202.9	-1.7	-1.7	-1.5	8 725.6	4.1	4.1	5.3
TOTAL PAYMENTS TO THE STATES AND THE NORTHERN TERRITORY												
1982-83 . . . . .	16 010.1	16.5	15.5	15.5	722.5	15.9	15.9	15.9	16 732.5	16.5	15.3	15.3
1983-84 . . . . .	18 282.8	14.2	14.6	12.9	834.4	15.5	15.2	14.9	19 117.2	14.3	15.0	13.4
1984-85 . . . . .	19 835.6	8.5	9.1	5.7	921.3	10.4	10.7	9.6	20 756.9	8.6	9.0	5.7
1985-86 . . . . .	21 092.7	6.3	6.3	6.2	945.6	2.6	2.6	2.5	22 038.3	6.2	6.1	6.1
1985-86 (estimate) . . . . .	22 210.6	5.3	5.3	5.4	976.6	3.3	3.3	3.4	23 187.2	5.2	5.2	5.3
PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES (GROSS)												
1982-83 . . . . .	43.6	68.6	68.6	68.6	.4	50.0	50.0	50.0	44.1	68.4	68.4	68.4
1983-84 . . . . .	52.7	20.7	20.7	20.7	.6	37.0	37.0	37.0	53.3	20.8	20.8	20.8
1984-85 . . . . .	73.7	39.9	39.9	39.9	.9	40.7	40.7	40.7	74.5	40.0	40.0	40.0
1985-86 . . . . .	109.6	48.8	48.8	48.8	1.6	89.2	89.2	89.2	111.2	49.2	49.2	49.2
1985-86 (estimate) . . . . .	114.7	4.6	4.6	4.6	3.6	122.6	122.6	122.6	118.3	6.3	6.3	6.3

Table 99—Total Net Commonwealth Payments to the State and Local Government Sector 1982-83 to 1986-87—continued

	States				Northern Territory				Total			
	Amount	Actual percentage increase	Adjusted percentage increase (a)	Adjusted percentage increase (b)	Amount	Actual percentage increase	Adjusted percentage increase (a)	Adjusted percentage increase (b)	Amount	Actual percentage increase	Adjusted percentage increase (a)	Adjusted percentage increase (b)
	\$m	%	%	%	\$m	%	%	%	\$m	%	%	%
TOTAL PAYMENTS (GROSS)												
1982-83 . . . . .	16 053.7	16.6	15.3	15.3	722.9	15.9	15.9	15.9	16 776.6	16.6	15.4	15.4
1983-84 . . . . .	18 335.5	14.2	15.0	13.3	835.0	15.5	15.2	14.9	19 170.5	14.3	15.1	13.4
1984-85 . . . . .	19 909.3	8.6	9.0	5.6	922.1	10.4	10.7	9.6	20 831.5	8.7	9.1	5.8
1985-86 . . . . .	21 202.3	6.5	6.5	6.4	947.2	2.7	2.7	2.6	22 149.5	6.3	6.3	6.2
1985-86 (estimate) . . . . .	22 325.3	5.3	5.3	5.4	980.2	3.5	3.5	3.6	23 305.5	5.2	5.2	5.3
REPAYMENTS BY THE STATES, THE NORTHERN TERRITORY AND LOCAL GOVERNMENT AUTHORITIES												
1982-83 . . . . .	-320.1	-8.1	-3.6	-3.6	-5.2	27.7	27.7	27.7	-325.3	-1.4	-3.2	-3.2
1983-84 . . . . .	-373.9	16.8	17.0	17.0	-6.4	23.9	23.9	23.9	-380.3	16.9	17.1	17.1
1984-85 . . . . .	-382.1	2.2	-6	-6	-7.7	20.5	20.5	20.5	-389.8	2.5	-2	-2
1985-86 . . . . .	-360.4	-5.7	-8.2	-8.2	-8.6	11.4	11.4	11.4	-369.1	-5.3	-7.8	-7.8
1985-86 (estimate) . . . . .	-334.8	-7.1	-7.7	-7.7	-10.2	18.4	18.4	18.4	-345.0	-6.5	-7.0	-7.0
TOTAL PAYMENTS (NET)												
1982-83 . . . . .	15 733.6	17.0	16.0	16.0	717.8	15.8	15.8	15.8	16 451.3	17.0	15.8	15.8
1983-84 . . . . .	17 961.6	14.2	14.6	12.8	828.6	15.4	15.2	14.8	18 790.2	14.2	15.0	13.3
1984-85 . . . . .	19 527.3	8.7	9.2	5.7	914.4	10.4	10.6	9.6	20 441.6	8.8	9.3	5.9
1985-86 . . . . .	20 841.8	6.7	6.7	6.7	938.6	2.6	2.6	2.5	21 780.5	6.5	6.6	6.5
1985-86 (estimate) . . . . .	21 990.5	5.5	5.5	5.6	970.0	3.3	3.3	3.5	22 960.5	5.4	5.4	5.5

## APPENDIX 11—TABLES OF GENERAL PURPOSE CAPITAL FUNDS

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NOTE: All per capita calculations are on a residential population basis.



**Table 100—State Governments' Loan Council and Northern Territory Government Borrowing Programs (a), 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>LOANS</b>								
Amounts Nominated for Public Housing (b)								
1982-83 . . . . .	20 000	75 000	8 618	7 200	25 000	10 080	..	145 898
1983-84 . . . . .	20 000	44 488	10 000	7 000	127 626	18 000	..	227 114
1984-85 . . . . .	80 000	45 082	30 000	96 509	135 923	18 250	..	405 764
1985-86 . . . . .	65 000	75 858	40 037	93 132	131 166	21 162	33 090	459 445
1986-87 . . . . .	150 227	116 758	61 622	71 672	100 943	32 573	50 931	584 726
Other (c)								
1982-83 . . . . .	275 876	154 959	112 749	77 495	94 285	54 071	80 419	849 854
1983-84 . . . . .	296 563	201 548	119 853	83 618	..	50 637	86 042	838 261
1984-85 . . . . .	257 143	216 949	108 295	..	..	54 849	91 635	728 871
1985-86 . . . . .	260 344	177 003	93 419	..	..	49 379	77 211	657 356
1986-87 . . . . .	100 152	77 839	41 082	..	..	21 713	33 954	274 740
Total								
1982-83 . . . . .	295 876	229 959	121 367	84 695	119 285	64 151	80 419	995 752
1983-84 . . . . .	316 563	246 036	129 853	90 618	127 626	68 637	86 042	1 065 375
1984-85 . . . . .	337 143	262 031	138 295	96 509	135 923	73 099	91 635	1 134 635
1985-86 . . . . .	325 344	252 861	133 456	93 132	131 166	70 541	110 301	1 116 801
1986-87 . . . . .	250 379	194 597	102 704	71 672	100 943	54 286	84 885	859 466
<b>CAPITAL GRANTS</b>								
1982-83(d) . . . . .	147 938	114 979	60 683	42 348	59 643	32 076	40 209	497 876
1983-84 . . . . .	158 282	123 019	64 926	45 309	63 813	34 318	43 021	532 688
1984-85 . . . . .	168 572	131 016	69 147	48 255	67 961	36 549	45 817	567 317
1985-86 . . . . .	180 371	140 186	73 986	51 632	72 718	39 107	61 151	619 151
1986-87 . . . . .	138 809	107 884	56 939	39 735	55 962	30 097	47 060	476 486
<b>TOTAL PROGRAM</b>								
1982-83(d) . . . . .	443 814	344 938	182 050	127 043	178 928	96 227	120 628	1 493 628
1983-84 . . . . .	474 845	369 055	194 779	135 927	191 439	102 955	129 063	1 598 063
1984-85 . . . . .	505 715	393 047	207 442	144 764	203 884	109 648	137 452	1 701 952
1985-86 . . . . .	505 715	393 047	207 442	144 764	203 884	109 648	171 452	1 735 952
1986-87 . . . . .	389 188	302 481	159 643	111 407	156 905	84 383	131 945	1 335 952

(a) For an explanation of amounts shown in this table, see Chapter IV, particularly under the heading 'General Purpose Capital Assistance to the State and Northern Territory Governments'.

(b) Amounts nominated for public housing, made available on concessional terms. States may nominate amounts for 1986-87 until 31 December 1986; the amounts shown represent the maximum amount States are permitted to nominate.

(c) Amounts raised on behalf of the States and the Northern Territory by the Commonwealth, made available on terms achieved by the Commonwealth in the market.

(d) Excludes supplementary public housing grants.

**Table 101—State Governments' Loan Council and Northern Territory Government Borrowing Programs (a), 1982–83 to 1986–87 (\$ per head of population)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>LOANS</b>								
Amounts Nominated for Public Housing								
1982–83 . . . . .	3.75	18.68	3.52	5.33	18.74	23.40	..	9.70
1983–84 . . . . .	3.72	10.97	4.02	5.09	94.68	41.40	..	14.92
1984–85 . . . . .	14.70	11.00	11.87	69.23	100.07	41.52	..	26.35
1985–86 . . . . .	11.81	18.32	15.60	65.51	95.92	47.64	225.66	29.46
1986–87 . . . . .	26.96	27.89	23.58	49.40	73.16	72.56	335.93	37.00
<b>Other</b>								
1982–83 . . . . .	51.72	38.61	46.05	57.35	70.66	125.51	612.49	56.49
1983–84 . . . . .	55.09	49.69	48.14	60.82	..	116.45	628.89	55.06
1984–85 . . . . .	47.25	52.92	42.87	..	..	124.77	648.64	47.33
1985–86 . . . . .	47.29	42.74	36.39	..	..	111.17	526.54	42.16
1986–87 . . . . .	17.97	18.60	15.72	..	..	48.37	223.95	17.38
<b>Total</b>								
1982–83 . . . . .	55.47	57.29	49.57	62.67	89.40	148.91	612.49	66.19
1983–84 . . . . .	58.81	60.65	52.16	65.91	94.68	157.85	628.89	69.98
1984–85 . . . . .	61.95	63.91	54.74	69.23	100.07	166.29	648.64	73.67
1985–86 . . . . .	59.10	61.06	51.99	65.51	95.92	158.82	752.19	71.62
1986–87 . . . . .	44.93	46.49	39.29	49.40	73.16	120.93	559.89	54.38
<b>CAPITAL GRANTS</b>								
1982–83 . . . . .	27.74	28.65	24.79	31.34	44.70	74.45	306.24	33.10
1983–84 . . . . .	29.40	30.33	26.08	32.95	47.34	78.92	314.44	34.99
1984–85 . . . . .	30.98	31.96	27.37	34.62	50.04	83.14	324.32	36.84
1985–86 . . . . .	32.77	33.85	28.82	36.32	53.18	88.05	417.02	39.71
1986–87 . . . . .	24.91	25.77	21.78	27.39	40.56	67.05	310.40	30.15
<b>TOTAL PROGRAM</b>								
1982–83 . . . . .	83.21	85.94	74.36	94.01	134.09	223.36	918.73	99.29
1983–84 . . . . .	88.21	90.98	78.24	98.86	142.01	236.77	943.33	104.97
1984–85 . . . . .	92.93	95.87	82.11	103.85	150.11	249.43	972.96	110.51
1985–86 . . . . .	91.87	94.91	80.81	101.83	149.10	246.87	1 169.21	111.33
1986–87 . . . . .	69.83	72.27	61.08	76.79	113.73	187.98	870.29	84.54

(a) For an explanation of amounts shown in this table, see Chapter IV, particularly under the heading 'General Purpose Capital Assistance to the State and Northern Territory Governments'. Also see footnotes to Table 100.

**Table 102—'Global' New Money Borrowings by Commonwealth, State and Northern Territory Semi-Government and Local Authorities (a), 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens-land	Western Australia	South Australia	Tasmania	Northern Territory	States and the Northern Territory	Commonwealth	Total
<b>CONVENTIONAL BORROWINGS (b)</b>										
1982-83 . . . . .	1 066 500	1 269 200	971 250	462 104	249 918	162 954	32 200	4 214 126	308 802	4 522 928
1983-84 . . . . .	1 164 200	1 207 100	908 972	650 246	173 400	173 759	12 680	4 290 357	333 629	4 623 986
1984-85 . . . . .	1 337 282	2 007 130	736 789	770 442	478 500	225 623	37 250	5 593 016	574 265	6 167 281
1985-86 . . . . .	1 757 683	1 857 860	740 512	741 332	245 700	228 135	57 750	5 628 972	819 511	6 448 483
<b>OTHER BORROWINGS (c)</b>										
1982-83 . . . . .	881 152	291 309	384 750(d)	198 900	194 400	119	..	1 950 630	463 156	2 413 786
1983-84 . . . . .	729 692	373 231	743 028(d)	148 500	307 600	6 477	3 940	2 312 468	425 457	2 737 925
1984-85 . . . . .	603 366	(22 380)(e)	815 211(d)	47 616	14 500	3 365	12 740	1 474 418	576 695	2 051 113
1985-86 . . . . .	301 381	150 700	798 400	..	154 300	1 865	7 250	1 413 896	291 989	1 705 885
<b>TOTAL 'GLOBAL' BORROWINGS (f)</b>										
1982-83 . . . . .	1 947 652	1 560 509	1 356 000(d)	661 004	444 318	163 073	32 200	6 164 756	771 958	6 936 714
1983-84 . . . . .	1 893 892	1 580 331	1 652 000(d)	798 746	481 000	180 236	16 620	6 602 825	759 086	7 361 911
1984-85 . . . . .	1 940 648	1 984 750	1 552 000(d)	818 058	493 000	228 988	49 990	7 067 434	1 150 960	8 218 394
1985-86 . . . . .	2 059 064	2 008 560	1 538 912	741 332	400 000	230 000	65 000	7 042 868	1 187 800(g)	8 230 668
1986-87 (h) . . . . .	1 845 000	1 859 000	1 387 000	635 000	350 000	217 000	75 000	6 368 000	1 415 300(g)	7 783 300

(a) Includes borrowings by all Commonwealth, State and Northern Territory semi-government and local authorities, government-owned companies and trusts; see Chapter IV under the heading 'The Global Approach'.

(b) Includes 'conventional' loan raisings under the Gentlemen's Agreement for the years 1982-83 and 1983-84, and within the global limits thereafter.

(c) Includes borrowings by way of domestic deferred payments, overseas trade credits, financial leases, sale and leaseback and similar arrangements, security deposits and other repayable capital contributions, and identified net changes in temporary purpose borrowings over the financial year.

(d) Commonwealth Treasury estimates.

(e) Negative reflecting a decline in temporary purpose borrowings outstanding over the course of 1984-85.

(f) Includes 'conventional' and other borrowings.

(g) Includes 'implicit' borrowings associated with the Commonwealth's instalment purchase of Commonwealth Government offices.

(h) 'Global' new money limits agreed by Loan Council at its June 1986 meeting.

**Table 103—'Global' New Money Borrowings by State and Northern Territory Semi-Government and Local Authorities (a), 1982-83 to 1986-87 (\$ per head of population)**

	New South Wales	Victoria	Queens-land	Western Australia	South Australia	Tasmania	Northern Territory	States and the Northern Territory
<b>CONVENTIONAL BORROWINGS</b>								
1982-83 . . . . .	199.96	316.20	396.70	341.96	187.30	378.25	245.24	280.13
1983-84 . . . . .	216.26	297.58	365.11	472.94	128.63	399.61	92.68	281.82
1984-85 . . . . .	245.73	489.57	291.64	552.70	352.29	513.26	263.68	363.16
1985-86 . . . . .	319.30	448.63	288.45	521.49	179.67	513.63	393.82	360.99
<b>OTHER BORROWINGS</b>								
1982-83 . . . . .	165.21	72.57	157.15	147.19	145.69	0.28	..	129.66
1983-84 . . . . .	135.55	92.01	298.45	108.01	228.18	14.90	28.80	151.90
1984-85 . . . . .	110.87	(5.46)	322.68	34.16	10.68	7.65	90.18	95.73
1985-86 . . . . .	54.75	36.39	311.00	..	112.84	4.20	49.44	90.67
<b>TOTAL 'GLOBAL' BORROWINGS</b>								
1982-83 . . . . .	365.17	388.77	553.85	489.15	332.98	378.52	245.24	409.79
1983-84 . . . . .	351.81	389.59	663.56	580.95	356.82	414.50	121.48	433.72
1984-85 . . . . .	356.61	484.12	614.33	586.86	362.97	520.91	353.86	458.89
1985-86 . . . . .	374.04	485.02	599.46	521.49	292.51	517.83	443.27	451.67
1986-87 . . . . .	331.06	444.13	530.66	437.69	253.68	483.40	494.69	402.95

(a) See Chapter IV under the heading 'The Global Approach'. Also see footnotes to Table 102.

**Table 104—General Purpose Capital Funds for the State Governments and the Northern Territory (a), 1982–83 to 1986–87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>GOVERNMENT BORROWING PROGRAM</b>								
1982–83 . . . . .	443 814	344 938	182 050	127 043	178 928	96 227	120 628	1 493 628
1983–84 . . . . .	474 845	369 055	194 779	135 927	191 439	102 955	129 063	1 598 063
1984–85 . . . . .	505 715	393 047	207 442	144 764	203 884	109 648	137 452	1 701 952
1985–86 . . . . .	505 715	393 047	207 442	144 764	203 884	109 648	171 452	1 735 952
1986–87 . . . . .	389 188	302 481	159 643	111 407	156 905	84 383	131 945	1 335 952
<b>GLOBAL NEW MONEY BORROWINGS</b>								
1982–83 . . . . .	1 947 652	1 560 509	1 356 000	661 004	444 318	163 073	32 200	6 164 756
1983–84 . . . . .	1 893 892	1 580 331	1 652 000	798 746	481 000	180 236	16 620	6 602 825
1984–85 . . . . .	1 940 648	1 984 750	1 552 000	818 058	493 000	228 988	49 990	7 067 434
1985–86 . . . . .	2 059 064	2 008 560	1 538 912	741 332	400 000	230 000	65 000	7 042 868
1986–87 . . . . .	1 845 000	1 859 000	1 387 000	635 000	350 000	217 000	75 000	6 368 000
<b>TOTAL GENERAL PURPOSE CAPITAL FUNDS</b>								
1982–83 . . . . .	2 391 466	1 905 447	1 538 050	788 047	623 246	259 300	152 828	7 658 384
1983–84 . . . . .	2 368 737	1 949 386	1 846 779	934 673	672 439	283 191	145 683	8 200 888
1984–85 . . . . .	2 446 363	2 377 797	1 759 442	962 822	696 884	338 636	187 442	8 769 386
1985–86 . . . . .	2 564 779	2 401 607	1 746 354	886 096	603 884	339 648	236 452	8 778 820
1986–87 . . . . .	2 234 188	2 161 481	1 546 643	746 407	506 905	301 383	206 945	7 703 952

(a) For an explanation of amounts shown in this table, see Chapter IV. Also see footnotes to Tables 100 and 102.

**Table 105—General Purpose Capital Funds for the State Governments and the Northern Territory (a), 1982–83 to 1986–87 (\$ per head of population)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>GOVERNMENT BORROWING PROGRAM</b>								
1982–83 . . . . .	83.21	85.94	74.36	94.01	134.09	223.36	918.73	99.29
1983–84 . . . . .	88.21	90.98	78.24	98.86	142.01	236.77	943.33	104.97
1984–85 . . . . .	92.93	95.87	82.11	103.85	150.11	249.43	972.96	110.51
1985–86 . . . . .	91.87	94.91	80.81	101.83	149.10	246.87	1 169.21	111.33
1986–87 . . . . .	69.83	72.27	61.08	76.79	113.73	187.98	870.29	84.54
<b>GLOBAL NEW MONEY BORROWINGS</b>								
1982–83 . . . . .	365.17	388.77	553.85	489.15	332.98	378.52	245.24	409.79
1983–84 . . . . .	351.81	389.59	663.56	580.95	356.82	414.50	121.48	433.72
1984–85 . . . . .	356.61	484.12	614.33	586.86	362.97	520.91	353.86	458.89
1985–86 . . . . .	374.04	485.02	599.46	521.49	292.51	517.83	443.27	451.67
1986–87 . . . . .	331.06	444.13	530.66	437.69	253.68	483.40	494.69	402.95
<b>TOTAL GENERAL PURPOSE CAPITAL FUNDS</b>								
1982–83 . . . . .	448.38	474.71	628.20	583.16	467.08	601.89	1 163.97	509.08
1983–84 . . . . .	440.02	480.57	741.79	679.81	498.83	651.28	1 064.81	538.69
1984–85 . . . . .	449.54	579.99	696.44	690.71	513.07	770.34	1 326.82	569.40
1985–86 . . . . .	465.91	579.93	680.26	623.33	441.61	764.70	1 612.48	563.00
1986–87 . . . . .	400.89	516.40	591.74	514.49	367.41	671.37	1 364.97	487.48

(a) For an explanation of amounts shown in this table, see Chapter IV. Also see footnotes to Tables 100 and 102.

**Table 106—New Money Borrowings by Local Government Authorities (a), 1982-83 to 1986-87 (\$ thousands)**

	New South Wales (b)	Victoria (c)	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>CONVENTIONAL BORROWINGS BY LOCAL GOVERNMENT AUTHORITIES</b>								
1982-83 . . . . .	196 500	77 764	164 060	41 107	19 700	11 232	1 696	512 059
1983-84 . . . . .	219 900	91 971	185 859	39 544	23 915	7 122	1 027	569 338
1984-85 . . . . .	261 000	123 609	209 028	43 692	131 128	10 975	1 573	781 005
1985-86 . . . . .	287 000	130 502	226 740	41 161	45 500	14 847	2 574	748 324
<b>OTHER BORROWINGS BY LOCAL GOVERNMENT AUTHORITIES (d)</b>								
1982-83 . . . . .	..	1 500	..	..	..	..	..	1 500
1983-84 . . . . .	..	2 200	2 500	..	..	..	..	4 700
1984-85 . . . . .	10 000	3 510	23 900	..	..	..	..	37 410
1985-86 . . . . .	..	..	14 900	..	..	..	..	14 900
<b>TOTAL BORROWINGS BY LOCAL GOVERNMENT AUTHORITIES (e)</b>								
1982-83 . . . . .	196 500	79 264	164 060	41 107	19 700	11 232	1 696	513 559
1983-84 . . . . .	219 900	94 171	188 359	39 544	23 915	7 122	1 027	574 038
1984-85 . . . . .	271 000	127 119	232 928	43 692	131 128	10 975	1 573	818 415
1985-86 . . . . .	287 000	130 502	241 640	41 161	45 500	14 847	2 574	763 224
1986-87 (f) . . . . .	251 100	120 000	224 295	50 000	46 000	16 000	3 075	710 470

(a) For an interpretation of the figures in this table, see Chapter VI.

(b) Excludes NSW County Councils.

(c) Excludes Victorian municipal authorities with electricity distribution functions.

(d) Includes other borrowings by local government authorities by way of domestic deferred payments, overseas trade credits, financial leases, sale and leaseback and similar arrangements, security deposits and other repayable capital contributions and identified net changes in temporary purpose borrowings over the financial year.

(e) Includes conventional and other borrowings by local government authorities.

(f) Preliminary estimates.

**Table 107—Borrowings by Semi-Government and Local Authorities for Conversion/Refinancing Purposes (a), 1982–83 to 1986–87 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total States and Territory	Commonwealth	Total
<b>DOMESTIC CONVERSIONS</b>										
<b>Conventional (b)</b>										
1982–83	169 700	350 151	108 338	68 653	32 500	27 397	..	756 739	137 700	894 439
1983–84	280 800	613 684	200 810	153 483	100 000	36 917	30 450	1 416 144	239 800	1 655 944
1984–85	414 466	756 180	255 957	131 083	161 700	40 979	22 466	1 782 831	219 816	2 002 647
1985–86	610 241	1 275 080	297 363	250 255	65 000	123 257	30 780	2 651 976	333 325	2 985 301
1986–87(c)	614 067	995 919	423 866	461 554	818 400	144 145	30 210	3 488 161	455 612	3 943 773
<b>Non-Conventional (d)</b>										
1982–83	..	..	..	..	..	..	..	..	..	..
1983–84	..	..	..	..	..	..	3 740	3 740	..	3 740
1984–85	..	264 270	..	..	5 500	..	12 200	281 970	..	281 970
1985–86	121 090	210 180	..	..	494 400	..	27 510	853 180	199 700	1 052 880
1986–87(c)	..	202 368	137 200	..	..	..	..	339 568	235 500	575 068
<b>Total</b>										
1982–83	169 700	350 151	108 338	68 653	32 500	27 397	..	756 739	137 700	894 439
1983–84	280 800	613 684	200 810	153 483	100 000	36 917	34 190	1 419 884	239 800	1 659 684
1984–85	414 466	1 020 450	255 957	131 083	167 200	40 979	34 666	2 064 801	219 816	2 284 617
1985–86	731 331	1 485 260	297 363	250 255	559 400	123 257	58 290	3 505 156	533 025	4 038 181
1986–87(c)	614 067	1 198 287	561 066	461 554	818 400	144 145	30 210	3 827 729	691 112	4 518 841
<b>OVERSEAS CONVERSIONS</b>										
<b>Conventional (b)</b>										
1982–83	..	..	..	..	..	..	..	..	..	..
1983–84	..	..	..	..	..	..	..	..	..	..
1984–85	..	70 000	..	..	40 000	..	..	110 000	..	110 000
1985–86	168 770	145 080	212 000	9 897	230 800	..	..	766 547	..	766 547
1986–87(c)	76 987	12 485	..	14 000	123 900	1 095	..	228 467	93 200	321 667
<b>Non-Conventional (d)</b>										
1982–83	..	..	..	..	..	..	..	..	..	..
1983–84	..	..	..	..	..	..	..	..	..	..
1984–85	..	9 860	..	..	..	..	..	9 860	..	9 860
1985–86	..	..	..	..	119 900	..	..	119 900	418 785	538 685
1986–87(c)	..	59 028	..	..	..	..	..	59 028	88 800	147 828
<b>Total</b>										
1982–83	..	..	..	..	..	..	..	..	..	..
1983–84	..	..	..	..	..	..	..	..	..	..
1984–85	..	79 860	..	..	40 000	..	..	119 860	..	119 860
1985–86	168 770	145 080	212 000	9 897	350 700	..	..	886 447	418 785	1 305 232
1986–87(c)	76 987	71 513	..	14 000	123 900	1 095	..	287 495	182 000	469 495
<b>TOTAL CONVERSIONS</b>										
<b>Conventional (b)</b>										
1982–83	169 700	350 151	108 338	68 653	32 500	27 397	..	756 739	137 700	894 439
1983–84	280 800	613 684	200 810	153 483	100 000	36 917	30 450	1 416 144	239 800	1 655 944
1984–85	414 466	826 180	255 957	131 083	201 700	40 979	22 466	1 892 831	219 816	2 112 647
1985–86	779 011	1 420 160	509 363	260 152	295 800	123 257	30 780	3 418 523	333 325	3 751 848
1986–87(c)	691 054	1 008 404	423 866	475 554	942 300	145 240	30 210	3 716 628	548 812	4 265 440
<b>Non-Conventional (d)</b>										
1982–83	..	..	..	..	..	..	..	..	..	..
1983–84	..	..	..	..	..	..	3 740	3 740	..	3 740
1984–85	..	274 130	..	..	5 500	..	12 200	291 830	..	291 830
1985–86	121 090	210 180	..	..	614 300	..	27 510	973 080	618 485	1 591 565
1986–87(c)	..	261 396	137 200	..	..	..	..	398 596	324 300	722 896
<b>Total</b>										
1982–83	169 700	350 151	108 338	68 653	32 500	27 397	..	756 739	137 700	894 439
1983–84	280 800	613 684	200 810	153 483	100 000	36 917	34 190	1 419 884	239 800	1 659 684
1984–85	414 466	1 100 310	255 957	131 083	207 200	40 979	34 666	2 184 661	219 816	2 404 477
1985–86	900 101	1 630 340	509 363	260 152	910 100	123 257	58 290	4 391 603	951 810	5 343 413
1986–87(c)	691 054	1 269 800	561 066	475 554	942 300	145 240	30 210	4 115 224	873 112	4 988 336

(a) Includes borrowings for the purposes of refinancing or converting the maturing debt of semi-government and local authorities and government-owned companies. Such borrowings are undertaken in addition to the new money borrowings set out in Table 102.

(b) Conversion/refinancing by way of conventional loan raisings.

(c) Amounts advised to Loan Council. Individual members of Loan Council have discretion to amend the approved conversion programs to account for the conversion of debt prior to maturity and, in the case of overseas debt, for movements in exchange rates.

(d) Conversion/refinancing by way of non-conventional financing transactions such as trade credits, deferred payment arrangements etc.

**Table 108—Commonwealth and State Authorities' Gross Debt Outstanding and Debt Maturity Profile, 1986-87 and beyond (a) (\$ million)**

	Domestic Maturities			Overseas Maturities(b)			Total Maturities		
	Common-wealth	States (c)	Total	Common-wealth	States (c)	Total	Common-wealth	States (c)	Total
<b>Conventional Debt Maturities</b>									
1986-87 . . . . .	345	3 537	3 882	137	183	320	482	3 720	4 201
1987-88 . . . . .	436	2 899	3 335	138	116	253	574	3 014	3 588
1988-89 . . . . .	443	2 929	3 372	152	162	313	594	3 091	3 685
1989-90 . . . . .	334	2 370	2 705	120	558	678	454	2 929	3 382
1990-91 and beyond . . . . .	2 024	17 357	19 381	543	6 516	7 059	2 567	23 873	26 439
Total Debt Outstanding . . . . .	3 581	29 092	32 674	1 089	7 534	8 623	4 670	36 626	41 297
<b>Non-Conventional Debt Maturities (d)</b>									
1986-87 . . . . .	152	339	491	118	363	481	270	702	972
1987-88 . . . . .	41	293	334	136	419	555	177	712	889
1988-89 . . . . .	28	1 131	1 159	146	433	579	175	1 564	1 738
1989-90 . . . . .	12	311	323	151	399	550	163	710	873
1990-91 and beyond . . . . .	127	4 354	4 481	664	1 969	2 633	791	6 324	7 115
Total Debt Outstanding . . . . .	359	6 428	6 788	1 215	3 583	4 798	1 575	10 011	11 586
<b>Total Debt Maturities (d)</b>									
1986-87 . . . . .	496	3 876	4 372	255	546	801	751	4 422	5 173
1987-88 . . . . .	477	3 192	3 669	274	534	808	751	3 726	4 477
1988-89 . . . . .	471	4 060	4 531	298	594	892	769	4 655	5 423
1989-90 . . . . .	346	2 681	3 027	271	957	1 228	617	3 638	4 255
1990-91 and beyond . . . . .	2 150	21 712	23 862	1 207	8 485	9 692	3 357	30 197	33 554
Total Debt Outstanding . . . . .	3 941	35 521	39 461	2 304	11 117	13 421	6 245	46 638	52 883

(a) Includes debt outstanding of Commonwealth and State semi-government and local authorities, government-owned companies and trusts at 30 June 1986. The conversion programs for 1986-87 shown in Table 107 differ from the maturities shown in this table due either to expected redemptions of some maturing debt or the intended conversion/refinancing of debt prior to maturity.

(b) Australian dollar equivalent as at 30 June 1986.

(c) Includes Northern Territory authorities.

(d) Figures shown exclude domestic non-conventional debt maturities of Western Australian authorities.

**Table 109: Indicative Interest Rates for Borrowings by Smaller Semi-Government and Local Authorities (a)**

	Years to Maturity					
	2 Years		4 Years		10 Years	
	Interest Rate	Margin Over Bond Rate	Interest Rate	Margin Over Bond Rate	Interest Rate	Margin Over Bond Rate
Jun 1984 . . . . .	n.a.	n.a.	13.5	+0.9	15.0	+1.1
Sep 1984 . . . . .	n.a.	n.a.	13.4	+0.9	14.5	+1.1
Dec 1984 . . . . .	13.8	+0.9	13.9	+0.9	14.3	+0.8
Mar 1985 . . . . .	14.5	+0.9	14.3	+0.9	14.6	+0.8
Jun 1985 . . . . .	14.3	+0.9	14.2	+0.9	14.3	+0.8
Sep 1985 . . . . .	15.0	+1.0	14.8	+1.0	14.6	+0.9
Dec 1985 . . . . .	16.6	+1.1	16.3	+1.1	15.9	+1.0
Mar 1986 . . . . .	14.2	+1.1	14.0	+1.1	13.7	+1.0
Jun 1986 . . . . .	13.9	+1.2	13.9	+1.2	13.8	+1.2

(a) Rates are as at the end of each month shown and are based on secondary market yields, as assessed by Loan Council Secretariat, on Treasury Bonds of comparable maturities, plus a margin for each maturity, which is reviewed monthly.

**Table 110—Details of the Financing of the State Governments' Loan Council and Northern Territory Government Borrowing Programs (a) 1981-82 to 1985-86**  
(\$ thousands)

	1981-82	1982-83	1983-84	1984-85	1985-86
<b>SPECIAL LOANS APPLIED TO BORROWING PROGRAMS AND HOUSING ADVANCES</b>					
Commonwealth Government Subscription to Special Loans. . . . .	395 442	..	..	230 658	..
Less Amounts used by the Commonwealth—					
for advances for public housing . . . . .	..	..	..	138 080	..
for other purposes . . . . .	227 000	..	..	..	..
(A) . . . . .	168 442	..	..	92 578	..
<b>LOAN RAISINGS APPLIED TO BORROWING PROGRAMS AND HOUSING ADVANCES</b>					
Loans Raised in Australia—					
Treasury Bonds . . . . .	2 915 583	6 082 271	10 552 721	8 940 389	6 912 447
Savings Bonds . . . . .	1 312 915	4 204 607	3 599 132	505 247	487 938
State Domestic Raisings . . . . .	53 345	61 945	114 622	71 101	..
Loans Raised Overseas. . . . .	900 319	1 133 690	1 174 099	1 807 055	2 874 981
Total Loan Raisings . . . . .	5 182 162	11 482 513	15 440 574	11 323 792	10 275 366
Less Amounts Used—					
for redemptions . . . . .	3 708 731	6 029 882	6 329 727	2 862 467	6 889 592
by Commonwealth . . . . .	456 618	4 107 185	7 759 200	7 114 632	1 664 822
for capital grants for works program . . . . .	135 394	457 667	489 667	521 500	619 151
Less amounts carried forward (b) . . . . .	178 361	-27 554	-117 353	-125 179	-15 000
(B)(c) . . . . .	703 058	915 333	979 333	950 422	1 116 801
<b>CAPITAL GRANTS</b>					
Capital Grants—					
financed from loan proceeds . . . . .	135 394	457 667	489 667	521 500	619 151
financed direct from Consolidated Revenue Fund . . . . .	300 356	..	..	..	..
(C) . . . . .	435 750	457 667	489 667	521 500	619 151
<b>TOTAL PROGRAMS</b>					
Total Programs (A) + (B) + (C) . . . . .	1 307 250	1 373 000	1 469 000	1 564 500	1 735 952
(a) See Chapter IV under the heading 'Financing of General Purpose Capital Assistance'. Northern Territory figures included for 1985-86 only. See discussion in Chapter V.					
(b) Proceeds of loans held in Loan Fund to finance the approved Loan Council borrowing program.					
(c) Includes amounts nominated by the States and Northern Territory from their government borrowing programs for public housing. See Table 100.					



### APPENDIX III—TABLES OF SPECIFIC PURPOSE PAYMENTS

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**Table 111—Grants for Schools 1982–83 to 1986–87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>GRANTS FOR RECURRENT PURPOSES</b>									
Government Schools									
1982–83 . . . . .	140 098	108 889	55 867	35 083	37 758	11 264	388 960	..	388 960
1983–84 . . . . .	147 690	115 505	62 055	38 327	39 475	11 890	414 943	4 678	419 621
1984–85 . . . . .	159 098	122 606	68 445	41 337	41 444	12 999	445 929	5 683	451 613
1985–86 . . . . .	174 908	130 962	77 136	46 456	44 778	14 187	488 427	6 661	495 088
1986–87 (estimate) . . . . .	180 936	137 408	76 555	47 430	46 425	14 171	502 925	6 955	509 880
Non-Government Schools									
1982–83 . . . . .	196 071	179 626	86 987	42 118	35 841	11 471	552 114	2 810	554 924
1983–84 . . . . .	222 098	204 052	97 208	47 730	40 289	13 095	624 472	3 424	627 896
1984–85 . . . . .	237 239	216 081	105 628	52 538	43 282	14 502	669 270	3 685	672 955
1985–86 . . . . .	266 587	238 553	119 373	59 138	50 378	16 457	750 486	4 486	754 972
1986–87 (estimate) . . . . .	279 814	249 509	127 751	61 731	51 934	17 274	788 013	4 427	792 440
Joint Programs									
1982–83 . . . . .	13 845	11 338	7 633	4 651	4 033	1 547	43 047	4 889	47 936
1983–84 . . . . .	13 185	10 834	7 576	4 692	3 794	1 305	41 385	735	42 120
1984–85 . . . . .	13 389	11 001	7 517	4 621	4 138	1 220	41 887	879	42 766
1985–86 . . . . .	14 339	10 671	7 947	4 699	4 248	1 231	43 135	1 213	44 348
1986–87 (estimate) . . . . .	13 237	10 202	6 540	4 010	3 495	1 083	38 567	1 010	39 577
Total									
1982–83 . . . . .	350 014	299 853	150 487	81 852	77 632	24 282	984 121	7 699	991 820
1983–84 . . . . .	382 973	330 391	166 839	90 749	83 558	26 290	1 080 800	8 837	1 089 637
1984–85 . . . . .	409 726	349 687	181 590	98 497	88 863	28 722	1 157 086	10 248	1 167 334
1985–86 . . . . .	455 835	380 186	204 456	110 292	99 404	31 875	1 282 048	12 360	1 294 407
1986–87 (estimate) . . . . .	473 987	397 118	210 847	113 171	101 854	32 528	1 329 505	12 392	1 341 897
<b>GRANTS FOR CAPITAL PURPOSES</b>									
Government Schools									
1982–83 . . . . .	46 748	35 276	21 434	12 338	12 439	4 099	132 333	1 792	134 125
1983–84 . . . . .	51 116	38 446	24 733	13 909	13 380	4 425	146 007	1 926	147 933
1984–85 . . . . .	54 234	40 477	28 478	16 977	14 939	4 685	159 788	3 722	163 510
1985–86 . . . . .	54 541	40 815	28 502	16 234	14 858	4 677	159 626	3 684	163 310
1986–87 (estimate) . . . . .	49 572	37 069	25 872	15 300	13 182	4 303	145 298	3 782	149 080
Non-Government Schools									
1982–83 . . . . .	16 959	14 201	8 670	3 708	3 590	1 073	48 199	1 703	49 902
1983–84 . . . . .	12 618	14 783	7 446	4 457	3 326	1 569	44 200	1 511	45 711
1984–85 . . . . .	16 919	14 527	6 698	5 084	4 217	1 339	48 783	507	49 290
1985–86 . . . . .	19 704	13 589	15 234	5 922	2 694	1 388	58 531	917	59 448
1986–87 (estimate) . . . . .	17 457	17 711	5 420	7 427	3 494	827	52 336	2 121	54 457
Joint Programs									
1982–83 . . . . .	..	..	..	..	..	..	..	..	..
1983–84 . . . . .	..	..	..	..	..	..	..	..	..
1984–85 . . . . .	..	..	..	..	..	..	..	..	..
1985–86 . . . . .	..	..	..	..	..	..	..	..	..
1986–87 (estimate) . . . . .	..	..	..	..	..	..	..	..	..
Total									
1982–83 . . . . .	63 707	49 476	30 104	16 045	16 028	5 172	180 532	3 495	184 027
1983–84 . . . . .	63 733	53 229	32 179	18 366	16 706	5 993	190 207	3 436	193 643
1984–85 . . . . .	71 152	55 004	35 175	22 061	19 156	6 024	208 571	4 229	212 800
1985–86 . . . . .	74 245	54 404	43 736	22 156	17 552	6 065	218 157	4 601	222 758
1986–87 (estimate) . . . . .	67 030	54 780	31 291	22 728	16 676	5 130	197 634	5 902	203 537

**Table 112—Payments for Aboriginal Advancement, by Function 1982-83 to 1986-87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>EDUCATION</b>									
Recurrent Payments									
1982-83 . . . . .	1 170	1 347	1 115	2 573	2 275	84	8 564	251	8 815
1983-84 . . . . .	1 148	1 534	1 238	2 750	2 394	135	9 198	287	9 485
1984-85 . . . . .	1 174	1 394	1 048	2 945	2 517	142	9 221	266	9 487
1985-86 . . . . .	1 262	1 534	849	3 048	2 602	141	9 436	235	9 671
1986-87 (estimate) . . . . .	1 313	1 665	889	3 042	2 518	154	9 581	..	9 581
Capital Payments									
1982-83 . . . . .	..	..	18	21	..	..	39	..	39
1983-84 . . . . .	..	..	24	..	..	..	24	..	24
1984-85 . . . . .	..	80	44	19	16	..	159	..	159
1985-86 . . . . .	..	..	..	..	20	..	20	..	20
1986-87 (estimate) . . . . .	..	..	..	..	..	..	..	..	..
Total Payments									
1982-83 . . . . .	1 170	1 347	1 133	2 594	2 275	84	8 603	251	8 854
1983-84 . . . . .	1 148	1 534	1 262	2 750	2 394	135	9 222	287	9 509
1984-85 . . . . .	1 174	1 474	1 092	2 964	2 533	142	9 379	266	9 646
1985-86 . . . . .	1 262	1 534	849	3 048	2 622	141	9 456	235	9 691
1986-87 (estimate) . . . . .	1 313	1 665	889	3 042	2 518	154	9 581	..	9 581
<b>HEALTH</b>									
Recurrent Payments									
1982-83 . . . . .	1 928	21	4 043	7 017	1 701	28	14 737	197	14 934
1983-84 . . . . .	1 928	24	4 425	7 375	1 525	33	15 311	..	15 311
1984-85 . . . . .	2 007	24	4 369	7 828	1 229	37	15 494	..	15 494
1985-86 . . . . .	1 531	25	4 527	7 813	819	38	14 753	58	14 811
1986-87 (estimate) . . . . .	812	26	4 685	7 159	905	39	13 626	64	13 691
Capital Payments									
1982-83 . . . . .	87	..	192	203	50	..	532	..	532
1983-84 . . . . .	96	..	161	168	45	..	470	..	470
1984-85 . . . . .	183	..	320	90	..	..	593	..	593
1985-86 . . . . .	..	..	300	7	..	..	307	..	307
1986-87 (estimate) . . . . .	..	..	..	2	48	..	50	..	50
Total Payments									
1982-83 . . . . .	2 015	21	4 235	7 220	1 751	28	15 269	197	15 466
1983-84 . . . . .	2 024	24	4 586	7 543	1 570	33	15 780	..	15 780
1984-85 . . . . .	2 190	24	4 689	7 918	1 229	37	16 086	..	16 086
1985-86 . . . . .	1 531	25	4 827	7 820	819	38	15 060	58	15 118
1986-87 (estimate) . . . . .	812	26	4 685	7 162	953	39	13 677	64	13 742

Table 112—Payments for Aboriginal Advancement, by Function (continued)  
1982-83 to 1986-87 (\$ thousands)

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>SOCIAL SECURITY AND WELFARE</b>									
Recurrent Payments									
1982-83 . . . . .	447	177	..	707	669	..	2 000	..	2 000
1983-84 . . . . .	41	210	..	736	735	..	1 722	..	1 722
1984-85 . . . . .	16	203	..	715	780	..	1 714	..	1 714
1985-86 . . . . .	40	226	..	696	793	..	1 755	..	1 755
1986-87 (estimate) . . . . .	42	271	..	704	852	..	1 870	..	1 870
Capital Payments									
1982-83 . . . . .	5	..	..	40	..	..	45	..	45
1983-84 . . . . .	..	..	..	..	..	..	..	..	..
1984-85 . . . . .	..	..	..	..	..	..	..	..	..
1985-86 . . . . .	..	..	..	18	..	..	18	..	18
1986-87 (estimate) . . . . .	..	..	..	..	..	..	..	..	..
Total Payments									
1982-83 . . . . .	452	177	..	747	669	..	2 045	..	2 045
1983-84 . . . . .	41	210	..	736	735	..	1 712	..	1 772
1984-85 . . . . .	16	203	..	715	780	..	1 714	..	1 714
1985-86 . . . . .	40	226	..	714	793	..	1 773	..	1 773
1986-87 (estimate) . . . . .	42	271	..	704	852	..	1 870	..	1 870
<b>HOUSING AND COMMUNITY AMENITIES</b>									
Recurrent Payments									
1982-83 . . . . .	..	..	..	294	82	..	376	..	376
1983-84 . . . . .	..	..	..	710	125	..	835	..	835
1984-85 . . . . .	..	..	..	847	214	..	1 061	..	1 061
1985-86 . . . . .	..	..	..	1 226	384	..	1 610	..	1 610
1986-87 (estimate) . . . . .	..	..	..	1 215	693	..	1 908	..	1 908
Capital Payments									
1982-83 . . . . .	..	..	1 486	259	2 402	..	4 147	1 682	5 829
1983-84 . . . . .	407	..	1 225	3 237	770	..	5 639	1 159	6 798
1984-85 . . . . .	1 838	..	625	3 754	800	..	7 017	1 472	8 489
1985-86 . . . . .	100	..	748	3 954	63	..	4 865	2 047	6 912
1986-87 (estimate) . . . . .	..	..	165	7 872	436	..	8 472	382	8 854
Total Payments									
1982-83 . . . . .	..	..	1 486	553	2 484	..	4 523	1 682	6 205
1983-84 . . . . .	407	..	1 225	3 947	895	..	6 474	1 159	7 634
1984-85 . . . . .	1 838	..	625	4 601	1 014	..	8 078	1 472	9 549
1985-86 . . . . .	100	..	748	5 179	447	..	6 474	2 047	8 521
1986-87 (estimate) . . . . .	..	..	65	9 086	1 128	..	10 380	382	10 762

*Table 112—Payments for Aboriginal Advancement, by Function (continued)*  
1982-83 to 1986-87 (\$ thousands)

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>CULTURE AND RECREATION</b>									
Recurrent Payments									
1982-83 . . . . .	1	..	..	..	15	..	16	2	18
1983-84 . . . . .	..	..	..	..	6	..	6	..	6
1984-85 . . . . .	3	..	..	..	38	..	40	41	82
1985-86 . . . . .	..	..	..	..	34	..	34	..	34
1986-87 (estimate) . . . . .	..	..	..	..	32	..	32	..	32
Capital Payments									
1982-83 . . . . .	..	..	..	7	..	..	7	..	7
1983-84 . . . . .	..	..	..	5	..	..	5	..	5
1984-85 . . . . .	..	..	..	..	..	..	..	..	..
1985-86 . . . . .	..	..	..	..	..	..	..	..	..
1986-87 (estimate) . . . . .	..	..	..	..	..	..	..	..	..
Total Payments									
1982-83 . . . . .	1	..	..	7	15	..	23	2	25
1983-84 . . . . .	..	..	..	5	6	..	11	..	11
1984-85 . . . . .	3	..	..	..	38	..	40	41	82
1985-86 . . . . .	..	..	..	..	34	..	34	..	34
1986-87 (estimate) . . . . .	..	..	..	..	32	..	32	..	32
<b>LABOUR AND EMPLOYMENT</b>									
Recurrent Payments									
1982-83 . . . . .	791	73	407	1 132	920	..	3 324	..	3 324
1983-84 . . . . .	944	97	304	758	1 091	..	3 194	..	3 194
1984-85 . . . . .	1 305	79	215	663	1 222	..	3 483	..	3 483
1985-86 . . . . .	1 235	97	199	671	1 305	..	3 506	..	3 506
1986-87 (estimate) . . . . .	1 238	68	194	492	1 398	..	3 389	..	3 389
Capital Payments									
1982-83 . . . . .	..	..	..	3	14	..	18	..	18
1983-84 . . . . .	..	..	..	3	80	..	83	..	83
1984-85 . . . . .	..	..	..	3	6	..	9	..	9
1985-86 . . . . .	..	..	..	23	..	..	23	..	23
1986-87 (estimate) . . . . .	..	..	..	3	..	..	3	..	3
Total Payments									
1982-83 . . . . .	791	73	407	1 135	934	..	3 341	..	3 341
1983-84 . . . . .	944	97	304	761	1 171	..	3 276	..	3 276
1984-85 . . . . .	1 305	79	215	666	1 228	..	3 492	..	3 492
1985-86 . . . . .	1 235	97	199	694	1 305	..	3 529	..	3 529
1986-87 (estimate) . . . . .	1 238	68	194	495	1 398	..	3 392	..	3 392
<b>TOTAL—ALL FUNCTIONS</b>									
Recurrent Payments									
1982-83 . . . . .	4 337	1 618	5 565	11 723	5 662	112	29 018	450	29 468
1983-84 . . . . .	4 061	1 864	5 966	12 329	5 877	168	30 266	287	30 553
1984-85 . . . . .	4 505	1 700	5 632	12 999	5 999	179	31 013	308	31 321
1985-86 . . . . .	4 068	1 882	5 575	13 454	5 937	179	31 094	294	31 388
1986-87 (estimate) . . . . .	3 405	2 030	5 768	12 613	6 397	193	30 406	64	30 470
Capital Payments									
1982-83 . . . . .	92	..	1 696	533	2 466	..	4 787	1 682	6 469
1983-84 . . . . .	503	..	1 410	3 413	894	..	6 220	1 159	7 380
1984-85 . . . . .	2 021	80	989	3 866	822	..	7 777	1 472	9 249
1985-86 . . . . .	100	..	1 048	4 002	83	..	5 233	2 047	7 280
1986-87 (estimate) . . . . .	..	..	165	7 877	484	..	8 525	382	8 908
Total Payments									
1982-83 . . . . .	4 429	1 618	7 261	12 256	8 129	112	33 805	2 132	35 937
1983-84 . . . . .	4 564	1 864	7 376	15 742	6 771	168	36 486	1 446	37 932
1984-85 . . . . .	6 526	1 780	6 621	16 864	6 821	179	38 790	1 780	40 570
1985-86 . . . . .	4 168	1 882	6 623	17 456	6 020	179	36 327	2 341	38 668
1986-87 (estimate) . . . . .	3 405	2 030	5 933	20 489	6 881	193	38 931	447	39 378

**Table 113—Payments to the States for Housing (a), 1982-83 to 1986-87**  
(\$ thousands)

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
<b>RECURRENT GRANTS</b>									
1982-83 . . . . .	1 848	1 347	423	627	941	314	5 500	..	5 500
1983-84 . . . . .	1 848	1 347	423	627	941	314	5 500	..	5 500
1984-85 . . . . .	1 848	1 347	423	627	941	314	5 500	..	5 500
1985-86 . . . . .	1 848	1 347	423	627	941	314	5 500	..	5 500
1986-87 (estimate) . . . . .	1 848	1 347	423	627	941	314	5 500	..	5 500
<b>PENSIONER HOUSING GRANTS</b>									
1982-83 . . . . .	12 171	7 371	5 138	2 731	3 080	1 009	31 500	500	32 000
1983-84 . . . . .	11 897	7 793	5 598	2 684	2 662	866	31 500	500	32 000
1984-85 . . . . .	13 376	8 421	6 327	2 850	2 622	904	34 500	500	35 000
1985-86 . . . . .	13 913	8 646	6 842	3 101	2 662	913	36 077	523	36 600
1986-87 (estimate) . . . . .	14 282	8 509	7 096	3 095	2 640	855	36 477	523	37 000
<b>ABORIGINAL HOUSING GRANTS</b>									
1982-83 . . . . .	9 088	2 527	6 626	7 222	3 815	518	29 796	4 404	34 200
1983-84 . . . . .	12 345	3 417	10 346	10 017	5 595	696	42 416	9 584	52 000
1984-85 . . . . .	12 345	3 417	10 346	10 017	5 595	696	42 416	9 584	52 000
1985-86 . . . . .	12 771	3 417	12 220	10 017	5 595	696	44 716	9 584	54 300
1986-87 (estimate) . . . . .	12 345	3 417	14 109	10 047	5 595	696	46 209	11 791	58 000
<b>LOCAL COMMUNITY HOUSING GRANTS</b>									
1984-85 . . . . .	2 475	1 865	1 145	632	620	200	6 937	63	7 000
1985-86 . . . . .	3 533	2 662	1 640	905	882	286	9 908	92	10 000
1986-87 (estimate) . . . . .	3 883	2 921	1 811	1 003	965	313	10 896	104	11 000
<b>OTHER HOUSING ASSISTANCE—GRANTS (b)</b>									
1982-83 . . . . .	36 826	28 818	13 819	10 477	15 288	7 445	112 673	8 038	120 711
1983-84 . . . . .	86 678	67 991	30 100	24 136	35 186	14 614	258 705	11 295	270 000
1984-85 . . . . .	160 461	125 147	58 720	44 192	61 284	24 913	474 717	20 283	495 000
1985-86 . . . . .	169 739	131 575	65 189	46 205	60 794	24 692	498 194	19 406	517 600
1986-87 (estimate) . . . . .	182 340	140 377	73 328	49 239	61 004	24 701	530 989	18 611	549 600
<b>OTHER HOUSING ASSISTANCE—LOANS</b>									
1982-83 . . . . .	46 012	36 333	15 131	12 984	19 833	8 407	138 700	7 300	146 000
1983-84 . . . . .	46 470	36 452	16 137	12 941	18 865	7 835	138 700	7 300	146 000
1984-85 . . . . .	..	..	..	..	..	..	..	..	..
1985-86 . . . . .	..	..	..	..	..	..	..	..	..
1986-87 (estimate) . . . . .	..	..	..	..	..	..	..	..	..
<b>TOTAL PAYMENTS</b>									
1982-83 . . . . .	105 945	76 396	41 137	34 041	42 957	17 693	318 169	20 242	338 411
1983-84 . . . . .	159 238	117 000	62 604	50 405	63 249	24 325	476 821	28 679	505 500
1984-85 . . . . .	190 505	140 197	76 961	58 318	71 062	27 027	564 070	30 430	594 500
1985-86 . . . . .	201 804	147 647	86 314	60 855	70 874	26 901	594 395	29 605	624 000

(a) For a description of these items see Chapter V under heading 'Housing and Community Amenities'

(b) Excludes payments made under the *Special Employment-Related Programs Act 1982*

**Table 114—Payments to the States and the Northern Territory for Water Management Projects and Water Resource Development, 1981-82 to 1985-86 (\$ thousands) (a)**

	1981-82	1982-83	1983-84	1984-85	1985-86
<b>NEW SOUTH WALES—</b>					
Water Resources Assessment . . . . .	1 800	1 800	1 250	1 250	1 250
Murray Valley Salinity Mitigation . . . . .	1 950	1 802	1 850	2 000	2 277
Urban Flood Plain Management . . . . .	880	1 322	2 270	1 783	2 656
Rural Flood Plain Management . . . . .	647	106	230	57	31
Hunter Valley Economic Strategy Study . . . . .	42	..	..	..	..
Split Rock Dam . . . . .	250	14	..	..	..
Chichester Dam . . . . .	..	..	1 000	..	..
Chichester Water Treatment Works . . . . .	..	..	229	1 650	3 807
Other Urban Water Supply . . . . .	..	..	..	..	575
Total . . . . .	5 569	5 044	6 829	6 740	10 596
<b>VICTORIA—</b>					
Water Resources Assessment . . . . .	1 250	1 250	870	950	950
Murray Valley Salinity Mitigation . . . . .	1 665	1 988	1 304	2 595	2 344
Urban Flood Plain Management . . . . .	1 037	947	1 047	1 267	1 154
Rural Flood Plain Management . . . . .	..	180	343	473	123
Urban Water Supply . . . . .	1 700	2 092	2 018	755	291
State Water Plan . . . . .	..	..	83	206	540
Total . . . . .	5 652	6 457	5 665	6 246	5 402
<b>QUEENSLAND—</b>					
Water Resources Assessment . . . . .	1 050	1 050	730	800	800
Urban Flood Plain Management . . . . .	775	866	1 017	856	1 027
Rural Flood Plain Management . . . . .	415	..	..	..	300
Bundaberg Irrigation Works . . . . .	4 000	4 000	4 000	4 000	4 000
Eton Irrigation Project . . . . .	991	2 700	2 700	2 700	..
Leslie Dam, Stage II . . . . .	..	1 000	1 000	..	..
Burdekin Falls Dam . . . . .	..	3 761	13 000	20 000	26 000
Urban Water Supply . . . . .	..	..	..	..	416
Total . . . . .	7 231	13 377	22 447	28 356	32 543
<b>WESTERN AUSTRALIA—</b>					
Water Resources Assessment . . . . .	2 200	2 200	1 530	1 610	1 610
Urban Water Supply . . . . .	916	2 130	4 752	6 650	1 044
Salinity Control . . . . .	1 300	2 000	2 000	1 378	981
Ord River Project . . . . .	106	..	..	..	..
Flood Plain Management Studies . . . . .	50	70	100	100	56
State Water Plan . . . . .	..	..	..	..	13
Total . . . . .	4 572	6 400	8 382	9 738	3 704
<b>SOUTH AUSTRALIA—</b>					
Water Resources Assessment . . . . .	822	800	555	600	600
Murray Valley Salinity Mitigation . . . . .	1 825	1 541	1 000	700	835
Urban Water Supply . . . . .	2 600	2 910	7 700	5 685	5 666
Urban Flood Mitigation—Torrens River . . . . .	500	1 141	1 100	722	1 000
Total . . . . .	5 747	6 392	10 355	7 707	8 101
<b>TASMANIA—</b>					
Water Resources Assessment . . . . .	235	235	165	180	200
Urban Flood Plain Management . . . . .	72	110	108	57	51
Coal River Investigation . . . . .	..	18	..	..	..
Deloraine/Westbury Water Supply . . . . .	..	13	20	..	..
Urban Water Supply . . . . .	..	..	..	..	109
Total . . . . .	307	376	293	237	360
<b>NORTHERN TERRITORY—</b>					
Water Resources Assessment . . . . .	1 940	1 940	1 357	1 390	1 455
Urban Flood Plain Management . . . . .	29	100	53	115	42
Rural Flood Plain Management . . . . .	22	..	..	..	..
Urban Water Supply . . . . .	..	..	..	..	46
Water Plan . . . . .	..	..	..	..	10
Total . . . . .	1 991	2 040	1 410	1 505	1 553
<b>TOTAL PAYMENTS . . . . .</b>	<b>31 069</b>	<b>40 086</b>	<b>55 381</b>	<b>60 528</b>	<b>62 259</b>

(a) From 1984-85 all water-related financial assistance to the States and Northern Territory has been paid under the Federal Water Resources Assistance Program (FWRAP) which brings together all previous Commonwealth programs of assistance for water management projects and water resource development.

**Table 115—Payments for Natural Disaster Relief by Type of Disaster (a) (b), 1981-82 to 1985-86 (\$ thousands)**

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Total
<b>DROUGHTS</b>								
1981-82 . . . . .	14 554	..	5 612	2 239	..	267	..	22 672
1982-83 . . . . .	32 557	22 695	37 297	7 731	18 368	..	..	118 648
1983-84 . . . . .	10 721	4 497	44 777	6 752	4 475	325	..	71 547
1984-85 . . . . .	..	..	3 246	..	..	210	..	3 456
1985-86 . . . . .	..	..	9 430	842	..	..	..	10 272
<b>FLOODS, STORMS AND CYCLONES</b>								
1981-82 . . . . .	145	1 135	4 501	1 130	..	..	..	6 911
1982-83 . . . . .	..	1 529	4 487	1 157	904	..	234	8 311
1983-84 . . . . .	7 876	2 246	35 826	1 719	1 206	..	2 167	51 040
1984-85 . . . . .	381	..	7 869	..	..	..	..	8 250
1985-86 . . . . .	418	..	15 507	275	..	..	..	16 200
<b>BUSHFIRES</b>								
1981-82 . . . . .	22	..	..	..	..	176	..	198
1982-83 . . . . .	..	16 135	..	..	3 204	..	..	19 339
1983-84 . . . . .	..	10 575	..	..	5 627	10	..	16 212
1984-85 . . . . .	..	-540(c)	..	..	44	71	..	-425
1985-86 . . . . .	..	-316(c)	..	..	37	4	..	-275
<b>ALL NATURAL DISASTERS (d)</b>								
1981-82 . . . . .	14 721	1 136	10 113	3 369	..	444	..	29 781
1982-83 . . . . .	32 557	40 359	41 784	8 888	22 476	..	234	146 298
1983-84 . . . . .	18 597	17 318	80 603	8 471	11 308	335	2 167	138 799
1984-85 . . . . .	381	-540(c)	11 116	..	44	281	..	11 281
1985-86 . . . . .	418	-316(c)	24 937	1 117	37	4	..	26 197

(a) Excludes the cost of emergency assistance provided by the Defence Force. 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 are received.

(b) Payments for Natural Disaster Relief are not designed to provide assistance on a disaster-by-disaster basis, but rather to assist a State in meeting the costs of relief measures when they exceed that State's assessed annual financial capacity. This table is derived from States' advice on their expenditures by type of disaster and apportions Commonwealth assistance accordingly.

(c) Minus sign (-) signifies the refund to the Commonwealth of an amount overpaid to the State by the Commonwealth.

(d) Chapter V details the Commonwealth policy, including changes effective from 1 July 1985.



**Table 116—State Outlays on and Other Details of Natural Disaster Relief, 1981–82 to 1985–86 (\$ thousands)**

	New South Wales					Victoria					Queensland				
	1981–82	1982–83	1983–84	1984–85	1985–86	1981–82	1982–83	1983–84	1984–85	1985–86	1981–82	1982–83	1983–84	1984–85	1985–86
<i>Expenditures by States on eligible measures: (a)</i>				(b)	(b)					(b)					(b)
Relief of personal hardship and distress	25	6	317	804	145	59	6 458	142 (c)	771	75	31	6	55	71	574
Freight subsidies	14 455	22 479	13 462				2 316	1 176	34	43	3 736	17 446	10 070	3 236	10 729
Stock slaughter assistance and compensation	15	111	12									784	79		
Loans to primary producers	16 453	29 481	7 179			360	28 971	5 805	488	244	6 151	31 068	58 427	3 919	20 869
Loans to small businesses			8				2 600	1 960	132	63	163	317	1 536	25	366
Loans to sporting clubs											10			10	
Restoration of State, local and semi-government assets	279		15 194			8 034	7 321	8 047	2 176	3 090	6 958	4 927	33 122	16 153	13 278
Emergency protection works and repairs to essential services						11	6 789	2 487	2 964	483					
Water cartage	85	907	277				2 095	375			50	1	84		
Fencing							802	576	12	2					
Disposal of unsaleable stock							238	2	23	10					
Housing loans							1 500	5 550	523	358					
Other measures		677	60				487	2 700			213	3 874	9 201	775	120
Total	31 312	53 661	36 510	n.a.	n.a.	8 464	59 578	28 819	7 124	4 368	17 313	58 424	112 574	24 190	45 936
<i>Less—</i>															
States' annual base amounts (d)	10 000	10 000	10 000	18 490	22 390	7 000	7 000	7 000	14 560	16 870	4 000	4 000	4 000	9 100	10 480
State expenditure eligible for Commonwealth assistance (d)	21 312	43 661	26 510	804	145	1 464	52 578	21 819	771	75	13 313	54 424	108 574	15 090	35 456
Commonwealth assistance \$3:\$1 (d)	15 965	32 741	19 883			1 092	39 376	16 304			9 984	40 818	81 425	11 304	20 697
Plus Commonwealth assistance \$:\$ (d)	13	3		402	73	4	38	40	386	38			4	9	3 930
<b>TOTAL COMMONWEALTH ASSISTANCE PAYABLE (e)</b>	15 978	32 744	19 883	402	73	1 096	39 414	16 344	386	38	9 984	40 818	81 429	11 313	24 627
Plus Adjustments from previous years (f)	–2 312	–1 055	–868	418	439		–40	–584	–1 558	–632	123	–6	–972	–146	51
Less Adjustments carried forward (f)	–1 055	–868	418	439	94	–40	–584	–1 558	–632	–278	–6	–972	–146	51	–259
<b>COMMONWEALTH ASSISTANCE PAID (net) (f)</b>	14 721	32 557	18 597	381	418	1 136	40 359(g)	17 318	–540	–316	10 113	41 784	80 603	11 116	24 937

Table 116—State Outlays on and Other Details of Natural Disaster Relief, 1981-82 to 1985-86 (\$ thousands)—continued

	Western Australia					South Australia					Tasmania				
	1981-82	1982-83	1983-84	1984-85	1985-86	1981-82	1982-83	1983-84	1984-85	1985-86	1981-82	1982-83	1983-84	1984-85	1985-86
<i>Expenditures by States on eligible measures: (a)</i>				(b)	(b)				(b)	(b)				(b)	(b)
Relief of personal hardship and distress	10	84	49	1	52	..	342	271	1	..	3	..	..	..	..
Freight subsidies	792	1 104	1 037	476	310	..	2 484	2 041	..	..	22	..	..	..	..
Stock slaughter assistance and compensation	..	..	..	..	..	..	..	..	..	..	..	187	4	..	..
Loans to primary producers	4 537	11 395	9 104	671	6 383	..	28 280	4 614	..	1 215	132	1 036	1 460	539	192
Loans to small businesses	30	8	..	..	..	..	1 205	544	..	..	..	..	..	..	..
Loans to sporting clubs	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Restoration of State, local and semi-government assets	2 537	1 926	2 740	243	2 214	..	3 934	2 713	4	..	999	83	..	..	..
Emergency protection works and repairs to essential services	..	..	..	..	..	..	519	..	..	..	299	..	..	..	..
Water cartage	..	..	6	..	267	..	12	27	..	..	..	5	1	..	..
Fencing	..	..	..	..	9	..	1 221	1 108	..	..	..	..	..	..	..
Disposal of unsaleable stock	..	..	..	..	..	..	250	106	..	..	..	..	..	..	..
Housing loans	..	..	..	..	..	..	537	581	40	..	137	14	..	..	..
Other measures	40	422	516	5	..	..	34	58	..	..	132	54	208	119	..
Total	7 946	14 939	13 452	1 396	9 236	..	38 818	12 063	45	1 215	1 724	1 378	1 672	658	192
Less—															
States' annual base amounts (d)	3 000	3 000	3 000	5 810	6 870	3 000	3 000	3 000	5 360	6 050	1 200	1 200	1 200	2 130	2 410
State expenditure eligible for Commonwealth assistance (d)	4 946	11 939	10 452	1	2 366	..	35 818	9 063	1	..	524	178	472	..	..
Commonwealth assistance \$3:\$1 (d)	3 709	8 954	7 839	..	..	..	26 864	6 797	..	..	393	134	354	..	..
Plus Commonwealth assistance \$:\$ (d)	..	..	..	..	1 183	..	..	..	..	..	..	..	..	..	..
TOTAL COMMONWEALTH ASSISTANCE PAYABLE(e)	3 709	8 954	7 839	..	1 183	..	26 864	6 797	..	..	393	134	354	..	..
Plus Adjustments from previous years (f)	353	694	760	128	128	3	3	4 591	80	37	182	131	265	284	4
Less Adjustments carried forward (f)	694	760	128	128	194	3	4 591	80	37	..	131	265	284	4	..
COMMONWEALTH ASSISTANCE PAID (net) (f)	3 369	8 887	8 471	..	1 117	..	22 476(h)	11 308	44	37	444	..	335	281	4

Table 116—State Outlays on and Other Details of Natural Disaster Relief, 1981-82 to 1985-86 (\$ thousands)—continued

	Northern Territory					Totals				
	1981-82	1982-83	1983-84	1984-85	1985-86	1981-82	1982-83	1983-84	1984-85	1985-86
<i>Expenditures by States on eligible measures: (a)</i>		(b)	(b)	(b)	(b)		(b)	(b)	(b)	(b)
Relief of personal hardship and distress	..	5	220	80	..	128	6 901	1 054(c)	1 728	846
Freight subsidies	..	..	..	..	747	19 005	45 829	27 786	3 746	11 829
Stock slaughter assistance and compensation	..	..	..	..	..	15	1 082	95	..	..
Loans to primary producers	..	..	..	..	494	27 633	130 231	86 589	5 617	29 397
Loans to small businesses	..	..	..	..	..	193	4 130	4 048	157	429
Loans to sporting clubs	..	..	..	..	..	10	..	..	10	..
Restoration of State, local and semi-government assets	922	882	1 507	..	..	19 729	19 073	63 323	18 576	18 582
Emergency protection works and repairs to essential services	..	..	..	..	..	310	7 308	2 487	2 964	483
Water cartage	..	..	..	..	..	135	3 020	770	..	267
Fencing	..	..	..	..	..	..	2 023	1 684	12	11
Disposal of unsaleable stock	..	..	..	..	..	..	488	108	23	10
Housing loans	..	..	..	..	..	137	2 051	6 131	563	358
Other measures	..	..	..	..	..	385	5 548	12 743	899	120
Total	922	887	1 727	80	1 241	67 681	227 685	206 817	34 297	62 333
Less—										
States' annual base amounts (d)	250	250	250	1 540	1 830	(i)	28 450	28 450	(i)	(i)
State expenditure eligible for Commonwealth assistance (d)	672	637	1 477	80	..	42 231	199 235	178 367	16 747	38 042
Commonwealth assistance \$3:\$1 (d)	503	475	1 108	..	..	31 646	149 362	133 710	11 304	20 697
Plus Commonwealth assistance \$:\$ (d)	..	2	..	40	..	17	43	44	837	5 224
TOTAL COMMONWEALTH ASSISTANCE										
PAYABLE(e)	503	477	1 108	40	..	31 663	149 405	133 754	12 141	25 921
Plus Adjustments from previous years (f)	673	1 176	1 420	361	401	—978	903	4 612	—433	428
Less Adjustments carried forward (f)	1 176	1 420	361	401	401	903	4 612	—433	428	152
COMMONWEALTH ASSISTANCE PAID (net)										
(f)	..	234	2 167	..	..	29 781	146 298(g)(h)	138 799	11 281	26 197

(a) Includes only that data, relevant to Commonwealth assistance, furnished by the State concerned.

(b) Subject to revision upon audit.

(c) Net of reimbursements from State Electricity Commission of Victoria.

(d) Chapter IV details the Commonwealth policy, including changes effective from 1 July 1985.

(e) Differs from assistance paid during the year as shown by the two adjustment lines.

(f) Minus sign (—) signifies overpayment, to the State by the Commonwealth, being adjusted or refunded.

(g) Includes \$400 000 paid towards public appeal following the February 1983 bushfires.

(h) Includes \$200 000 paid towards public appeal following the February 1983 bushfires.

(i) For some States, base amount exceeded State expenditure.

**APPENDIX IV—TABLES OF ADVANCES, DEBT CHARGES, NET  
ADVANCES, AND NET PAYMENTS TO THE STATES AND  
THE NORTHERN TERRITORY**

Table No.	Subject	Page
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118	New South Wales . . . . .	165
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**Table 117—Six States Total—Advances, Debt Charges on Advances and Net Advances, 1982-83 to 1986-87 (\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>ADVANCES (a)</b>					
<i>Loan Council Borrowings</i> . . . . .	769 435	752 219	637 236	580 145	240 786
<i>Commonwealth Government Loans—</i>					
<i>Loan Council</i>					
–Housing Nomination . . . . .	145 898	227 114	405 764	426 355	533 795
Housing for Servicemen . . . . .	8 282	5 299	5 959	4 258	1 937
Public Housing (b) . . . . .	138 700	138 700	..	..	..
Growth Centres . . . . .	33 519	37 360	9 832	6 046	..
Land Acquisition . . . . .	7 556	8 677	..	..	..
Captains Flat Project . . . . .	..	..	24	35	36
Railway Project . . . . .	..	..	42	..	206
Railway Mainline Upgrading . . . . .	27 993	4 150	..	..	..
Urban Water Supply and Treatment . . . . .	..	..	..	4 664	4 200
Gladstone Power Station . . . . .	8 042	..	..	..	..
Softwood Forestry . . . . .	827	..	..	..	..
Log Salvage Loan to South Australia . . . . .	11 000	..	..	..	..
Rural Adjustment Scheme . . . . .	14 336	37 473	24 794	6 672	..
Sugar Industry . . . . .	40 027	3 907	8 436	..	..
Canned Fruit Industry . . . . .	..	4 100	..	..	..
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	831	865
Other Mining Assistance . . . . .	..	..	2 048	..	..
Natural Disaster Relief . . . . .	89 270	68 830	2 335	12 318	12 600
Total Commonwealth Loans . . . . .	525 450	535 611	459 235	461 179	553 639
<b>TOTAL ADVANCES</b> . . . . .	<b>1 294 885</b>	<b>1 287 830</b>	<b>1 096 471</b>	<b>1 041 324</b>	<b>794 425</b>

**REPAYMENT OF ADVANCES**

<i>Payment to National Debt Sinking Fund (c)</i> . . . . .	223 828	232 749	241 296	217 982	204 300
<i>Repayments of Commonwealth Government</i>					
<i>Loans—</i>					
<i>Loan Council</i>					
–Housing Nomination . . . . .	..	705	1 835	3 879	6 115
Housing for Servicemen . . . . .	1 043	1 096	1 159	1 222	1 290
Unemployment Relief Works . . . . .	2	4	4	10	10
Aboriginal Advancement . . . . .	28	29	31	33	17
Public Housing . . . . .	39 876	42 144	44 499	46 287	48 148
Growth Centres . . . . .	42	83	85	76	1 584
Land Acquisition . . . . .	11 500	9 500	31 950	10 000	4 700
Urban Rehabilitation . . . . .	205	511	205	285	205
Captains Flat Project . . . . .	9	10	12	13	14
Legana Industrial Estate (Tasmania) . . . . .	20	20	20	20	20
Sewerage . . . . .	1 014	1 112	1 253	1 361	1 477
Community Facilities—Townsville . . . . .	7	7	8	9	9
Exmouth Township—Electricity Services . . . . .	10	10	5	10	10
Perth Entertainment Centre . . . . .	..	..	..	200	200
Railway Projects . . . . .	4 805	6 470	4 509	3 425	3 482
Railway Mainline Upgrading . . . . .	..	784	3 298	2 948	3 172

*Table 117—Six States Total—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)—(continued)*

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
King Island Harbour Works . . . . .	45	45	45	45	45
King Island Shipping Service . . . . .	87	87	480	..	..
Weipa Development . . . . .	105	111	117	123	129
Urban Water Supply and Treatment . . . . .	238	1 845	65	169	190
Gladstone Power Station . . . . .	2 523	2 677	3 044	3 160	3 352
Softwood Forestry . . . . .	704	1 083	1 278	1 563	1 894
Log Salvage Loan to South Australia . . . . .	..	..	..	11 000	..
Dairy Adjustment Program . . . . .	2 383	2 321	2 189	1 813	879
Rural Adjustment Scheme . . . . .	3 781	3 958	4 601	5 539	5 861
Beef Industry Assistance . . . . .	1 704	868	900	354	50
Rural Reconstruction . . . . .	7 289	7 638	8 219	8 719	9 275
Sugar Industry . . . . .	..	37 181	..	..	..
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	..	2
Chowilla Reservoir . . . . .	148	143	130	99	49
Dartmouth Dam . . . . .	..	135	325	825	1 385
Blowering Reservoir . . . . .	2 035	1 993	1 776	1 323	732
Irrigation and Other Water Projects . . . . .	883	977	998	999	1 002
Launceston Precision Tool Annex . . . . .	134	143	32	..	..
Other Mining Assistance . . . . .	..	..	..	1 586	462
War Service Land Settlement . . . . .	424	440	456	473	491
Brigalow Lands Development Scheme . . . . .	693	693	693	693	693
Natural Disaster Relief . . . . .	14 498	16 311	26 539	34 196	33 550
 Total Repayments of Commonwealth Government Loans . . . . .	 96 236	 141 134	 140 760	 142 456	 130 494
 TOTAL SINKING FUND PAYMENTS AND TOTAL OF LOANS REPAYMENTS . . . . .	 320 064	 373 883	 382 056	 360 438	 334 794
 NET ADVANCES (d) (Advances less Repayments)					
Loan Council Borrowings . . . . .	545 607	519 470	395 940	362 163	36 486
Commonwealth Government Loans . . . . .	429 214	394 477	318 475	318 723	423 145
 TOTAL NET ADVANCES . . . . .	 974 820	 913 947	 714 414	 680 885	 459 631

**Table 117—Six States Total—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)—continued**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
<b>INTEREST ON ADVANCES</b>					
<i>Interest on Loan Council Borrowings (e)</i>	1 589 787	1 690 852	1 849 440	1 924 876	1 994 500
<i>Interest on Commonwealth Government Loans</i>					
Housing Nominations	2 624	11 254	24 868	43 184	65 955
Housing for Servicemen	18 570	19 388	20 034	20 896	21 305
Aboriginal Advancement—Bamaga	8	6	4	2	1
Housing	174 963	179 699	180 861	179 073	177 211
Growth Centres	32 834	37 871	10 361	6 566	4 332
Urban Rehabilitation	371	354	336	319	301
Land Acquisition	7 556	8 677	..	..	..
Legana Industrial Estate (Tasmania)	22	20	17	15	12
Community Facilities—Townsville	39	39	38	37	37
Exmouth Township	13	12	7	11	10
Captains Flat Project	38	37	36	36	37
Sewerage	21 386	21 288	21 418	21 538	21 130
Leisure Facilities	244	234	269	127	102
Railway Projects	4 554	11 121	13 786	13 414	12 648
Railway Mainline Upgrading	6 194	4 150	..	..	..
King Island Harbour Works	21	18	15	11	8
King Island Shipping Service	60	52	12	..	..
Weipa Development	121	115	109	103	96
Urban Water Supply and Treatment	2 378	2 354	1 107	2 567	2 555
Blowering Reservoir	398	292	189	100	38
Gladstone Power Station	10 111	9 957	10 609	10 089	9 897
Softwood Forestry	2 376	2 938	3 299	3 919	4 587
Dairy Adjustment Program	780	736	710	630	638
Rural Adjustment Scheme	7 919	10 221	11 693	13 993	13 787
Rural Reconstruction	7 328	6 977	6 393	5 893	5 385
Bovine Brucellosis and Tuberculosis Eradication	..	..	..	..	17
Sugar Industry	1 380	1 451	..	..	..
Dartmouth Dam	2 528	2 526	2 513	2 476	2 390
Chowilla Reservoir	28	21	13	7	2
Irrigation and Other Water Projects	787	730	668	604	540
Chrysotile Corporation	5	25	..	..	..
Launceston Precision Tools Annexe	40	18	3	..	..
War Service Land Settlement	798	782	765	748	730
Brigalow Lands Development Scheme	797	750	704	658	611
<b>Total Interest on Commonwealth Govern- ment Loans</b>	<b>307 271</b>	<b>334 111</b>	<b>310 837</b>	<b>327 016</b>	<b>344 362</b>
<b>TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND TOTAL INTEREST ON COMMON- WEALTH GOVERNMENT LOANS</b>	<b>1 897 058</b>	<b>2 024 963</b>	<b>2 160 277</b>	<b>2 251 892</b>	<b>2 338 862</b>

- (a) For purposes of these tables advances comprise the State Governments' Loan Council and Northern Territory Government borrowing programs and Commonwealth Government loans. See footnote (1) in Chapter II of this Paper and footnote (d) below.
- (b) Comprises advances under the Commonwealth State Housing Agreements. Does not include advances for housing for servicemen.
- (c) Includes sinking fund contributions on State debt made by the Commonwealth Government, which are included in this Paper as payments for the States. In previous editions, repayments of Loan Council borrowings which were nominated by the States and Northern Territory for public housing purposes were also included under this item. These amounts are now separately identified.
- (d) Derived by subtracting sinking fund payments from Loan Council and Northern Territory borrowings and repayments on Commonwealth Government loans from the amounts of those loans each year. As explained in Chapter I, national accounting estimates of Commonwealth Government outlays published by the Treasury and by the Australian Bureau of Statistics show advances on a net basis. The figures shown here coincide with those shown in the national accounting estimates. The figures shown in some of the other sections of this Paper are on a gross basis—that is, *before* deducting repayments.
- (e) Includes interest on the States' domestic raisings.

**Table 118—New South Wales—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
<b>ADVANCES (a)</b>					
<i>Loan Council Borrowings</i> . . . . .	275 876	296 563	257 143	260 344	100 152
<i>Commonwealth Government Loans—</i>					
<i>Loan Council</i>					
–Housing Nomination . . . . .	20 000	20 000	80 000	65 000	150 227
Housing for Servicemen . . . . .	4 610	2 597	4 685	3 891	1405
Public Housing (b) . . . . .	46 012	46 470	..	..	..
Growth Centres . . . . .	20 985	23 892	9 832	6 046	..
Land Acquisition . . . . .	3 458	3 971	..	..	..
Captains Flat Project . . . . .	..	..	24	35	36
Railway Mainline Upgrading . . . . .	6 400	..	..	..	..
Softwood Forestry . . . . .	27	..	..	..	..
Rural Adjustment Scheme . . . . .	3 826	5 644	6 423	2 182	..
Canned Fruit Industry . . . . .	..	4 100	..	..	..
Other Mining Assistance . . . . .	..	..	2 048	..	..
Natural Disaster Relief . . . . .	18 119	3 815	..	..	2 755
Total Commonwealth Loans . . . . .	123 437	110 489	103 012	77 154	154 423
<b>TOTAL ADVANCES</b> . . . . .	<b>399 313</b>	<b>407 052</b>	<b>360 155</b>	<b>337 498</b>	<b>254 575</b>
<b>REPAYMENT OF ADVANCES</b>					
<i>Payment to National Debt Sinking Fund (c)</i> . .	75 209	78 490	82 037	86 060	67 910
<i>Repayments of Commonwealth Government Loans—</i>					
<i>Loan Council</i>					
–Housing Nomination . . . . .	..	97	198	593	935
Housing for Servicemen . . . . .	395	416	441	467	495
Public Housing . . . . .	13 734	13 563	15 307	15 919	16 571
Growth Centres . . . . .	14	52	58	46	1 544
Land Acquisition . . . . .	..	..	16 950	..	..
Urban Rehabilitation . . . . .	..	306	..	80	..
Captains Flat Project . . . . .	9	10	12	13	14
Sewerage . . . . .	373	408	450	495	544
Railway Projects . . . . .	96	96	96	96	96
Railway Mainline Upgrading . . . . .	..	217	2 063	1 520	1 520
Softwood Forestry . . . . .	236	366	446	530	628
Dairy Adjustment Program . . . . .	158	160	163	122	102
Rural Adjustment Scheme . . . . .	753	673	892	1 062	1 205
Beef Industry Assistance . . . . .	347	..	222	..	..
Rural Reconstruction . . . . .	2 255	2 392	2 537	2 691	2 880
Chowilla Reservoir . . . . .	148	143	130	99	49
Dartmouth Dam . . . . .	..	45	108	275	462
Blowering Reservoir . . . . .	2 035	1 993	1 776	1 323	732
Other Mining Assistance . . . . .	..	..	..	1 586	462
War Service Land Settlement . . . . .	205	213	221	229	238



**Table 118—New South Wales—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)—continued**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
Natural Disaster Relief . . . . .	4 185	5 210	7 160	7 532	7 350
Total Repayments of Commonwealth Government Loans . . . . .	24 943	26 359	49 231	34 678	35 827
<b>TOTAL SINKING FUND PAYMENTS AND TOTAL OF LOAN REPAYMENTS . . . . .</b>	<b>100 153</b>	<b>104 849</b>	<b>131 267</b>	<b>120 738</b>	<b>103 737</b>
<b>NET ADVANCES (d)</b> (Advances less Repayments)					
Loan Council Borrowings . . . . .	200 667	218 073	175 106	174 284	32 241
Commonwealth Government Loans . . . . .	98 494	84 131	53 781	42 476	118 596
<b>TOTAL NET ADVANCES . . . . .</b>	<b>299 160</b>	<b>302 204</b>	<b>228 888</b>	<b>216 760</b>	<b>150 838</b>
<b>INTEREST ON ADVANCES</b>					
Interest on Loan Council Borrowings . . . . .	521 858	558 918	626 408	652 817	677 600
Interest on Commonwealth Government Loans—					
Housing Nominations . . . . .	436	1 270	3 041	6 461	11 665
Housing for Servicemen . . . . .	8 733	9 121	9 392	10 143	10 540
Housing . . . . .	59 401	52 769	61 330	60 717	55 379
Growth Centres . . . . .	20 213	24 189	10 187	6 360	4 129
Urban Rehabilitation . . . . .	371	354	..	..	..
Land Acquisition . . . . .	3 458	3 971	..	..	..
Captains Flat Project . . . . .	38	37	36	36	37
Sewerage . . . . .	8 034	7 999	7 957	8 395	7 943
Railway Projects . . . . .	3 252	3 609	3 426	3 195	2 958
Blowering Reservoir . . . . .	398	292	189	100	38
Softwood Forestry . . . . .	1 239	1 469	1 634	1 799	1 989
Dairy Adjustment Program . . . . .	63	61	58	48	52
Rural Adjustment Scheme . . . . .	1 898	2 486	2 743	3 201	3 116
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	..	3
Rural Reconstruction . . . . .	2 241	2 102	1 956	1 802	1 662
Dartmouth Dam . . . . .	843	842	838	825	797
Chowilla Reservoir . . . . .	28	21	13	7	2
Chrysotile Corporation . . . . .	5	25	..	..	..
War Service Land Settlement . . . . .	387	379	371	363	354
Total Interest on Commonwealth Government Loans . . . . .	111 039	110 996	103 172	103 453	100 664
<b>TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND TOTAL INTEREST ON COMMONWEALTH GOVERNMENT LOANS . . . . .</b>	<b>632 897</b>	<b>669 914</b>	<b>729 580</b>	<b>756 270</b>	<b>778 264</b>

(a), (b), (c) and (d)—See corresponding footnote to Table 117.

**Table 119—Victoria—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
<b>ADVANCES (a)</b>					
<i>Loan Council Borrowings</i> . . . . .	154 959	201 548	216 949	177 003	77 839
<i>Commonwealth Government Loans—</i>					
<i>Loan Council</i>					
–Housing Nomination . . . . .	75 000	44 488	45 082	75 858	116 758
Housing for Servicemen . . . . .	467	..	1 226	279	415
Public Housing (b) . . . . .	36 333	36 452	..	..	..
Growth Centres . . . . .	12 534	13 468	..	..	..
Railway Mainline Upgrading . . . . .	10 727	1 785	..	..	..
Softwood Forestry . . . . .	–14	..	..	..	..
Rural Adjustment Scheme . . . . .	3 354	5 577	4 118	..	..
Natural Disaster Relief . . . . .	21 868	7 855	..	..	1 435
Total Commonwealth Loans . . . . .	160 270	109 625	50 426	76 137	118 608
<b>TOTAL ADVANCES</b> . . . . .	<b>315 229</b>	<b>311 173</b>	<b>267 375</b>	<b>253 140</b>	<b>196 447</b>
<b>REPAYMENT OF ADVANCES</b>					
<i>Payment to National Debt Sinking Fund (c)</i> . . . . .	55 469	57 162	59 537	50 136	51 802
<i>Repayments of Commonwealth Government Loans—</i>					
<i>Loan Council</i>					
–Housing Nomination . . . . .	..	363	594	839	1 245
Housing for Servicemen . . . . .	299	312	329	345	360
Unemployment Relief Works . . . . .	2	4	4	10	10
Public Housing . . . . .	11 522	12 562	12 800	13 303	13 846
Growth Centres . . . . .	28	31	27	30	40
Land Acquisition . . . . .	6 000	4 000	4 000	3 000	700
Urban Rehabilitation . . . . .	205	205	205	205	205
Sewerage . . . . .	329	361	397	436	479
Railway Projects . . . . .	..	192	..	192	96
Railway Mainline Upgrading . . . . .	..	247	550	634	732
Softwood Forestry . . . . .	84	145	145	181	217
Dairy Adjustment Program . . . . .	1 266	1 181	1 044	775	210
Rural Adjustment Scheme . . . . .	704	897	1 039	1 192	1 360
Beef Industry Assistance . . . . .	326	115	120	..	..
Rural Reconstruction . . . . .	1 620	1 721	1 824	1 935	2 053
Dartmouth Dam . . . . .	..	45	108	275	462
War Service Land Settlement . . . . .	219	227	235	244	253
Natural Disaster Relief . . . . .	299	360	3 017	3 769	3 670
Total Repayments of Commonwealth Government Loans . . . . .	22 904	22 968	26 439	27 366	25 939
<b>TOTAL SINKING FUND PAYMENTS AND TOTAL OF LOAN REPAYMENTS</b> . . . . .	<b>78 373</b>	<b>80 131</b>	<b>85 976</b>	<b>77 502</b>	<b>77 741</b>
<b>NET ADVANCES (d)</b>					
<b>(Advances less Repayments)</b>					
<i>Loan Council Borrowings</i> . . . . .	99 490	144 386	157 412	126 867	26 037
<i>Commonwealth Government Loans</i> . . . . .	137 366	86 656	23 987	48 771	92 669
<b>TOTAL NET ADVANCES</b> . . . . .	<b>236 856</b>	<b>231 042</b>	<b>181 399</b>	<b>175 638</b>	<b>118 706</b>

**Table 119—Victoria—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)—continued**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
<b>INTEREST ON ADVANCES</b>					
<i>Interest on Loan Council Borrowings</i> . . . . .	401 872	422 632	472 694	495 838	514 600
<i>Interest on Commonwealth Government Loans</i>					
Housing Nominations . . . . .	1 240	4 259	6 129	8 512	13 365
Housing for Servicemen . . . . .	2 919	2 952	2 967	3 095	3 115
Housing . . . . .	46 730	51 166	48 186	47 683	47 300
Growth Centres . . . . .	12 622	13 681	174	207	203
Urban Rehabilitation . . . . .			336	319	301
Sewerage . . . . .	7 057	7 024	6 988	6 949	6 973
Railway Projects . . . . .		2 193	3 773	3 948	3 713
Railway Mainline Upgrading . . . . .	2 330	1 785			
Softwood Forestry . . . . .	124	184	203	310	386
Dairy Adjustment Program . . . . .	259	248	238	200	218
Rural Adjustment Scheme . . . . .	2 174	2 764	2 960	3 248	3 282
Rural Reconstruction . . . . .	1 615	1 517	1 412	1 301	1 182
Bovine Brucellosis and Tuberculosis Eradication . . . . .					3
Dartmouth Dam . . . . .	843	842	838	825	797
War Service Land Settlement . . . . .	411	402	394	385	376
Total Interest on Commonwealth Govern- ment Loans . . . . .	78 322	89 017	74 598	76 981	81 213
<b>TOTAL INTEREST ON LOAN COUN- CIL BORROWINGS AND TOTAL IN- TEREST ON COMMONWEALTH GOVERNMENT LOANS . . . . .</b>	<b>480 194</b>	<b>511 649</b>	<b>547 291</b>	<b>572 819</b>	<b>595 813</b>

(a), (b), (c), and (d)—See corresponding footnotes to Table 117.

**Table 120—Queensland—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
<b>ADVANCES (a)</b>					
<i>Loan Council Borrowings</i>	112 749	119 853	108 295	93 419	41 082
<i>Commonwealth Government Loans—</i>					
<i>Loan Council</i>					
Housing Nomination	8 618	10 000	30 000	40 037	61 622
Housing for Servicemen	2 440	2 559	48	27	29
Public Housing (b)	15 131	16 137	..	..	..
Railway Mainline Upgrading	9 183	1 984	..	..	..
Gladstone Power Station	8 042	..	..	..	..
Softwood Forestry	261	..	..	..	..
Rural Adjustment Scheme	2 340	14 487	7 747	1 774	..
Sugar Industry	40 027	3 907	8 436	..	..
Bovine Brucellosis and Tuberculosis Eradication	..	..	..	611	679
Natural Disaster Relief	22 597	44 157	2 186	11 537	3 800
Total Commonwealth Loans	108 639	93 231	48 417	53 986	66 130
<b>TOTAL ADVANCES</b>	<b>221 388</b>	<b>213 084</b>	<b>156 712</b>	<b>147 405</b>	<b>107 212</b>
<b>REPAYMENT OF ADVANCES</b>					
<i>Payment to National Debt Sinking Fund (c)</i>	29 719	30 995	32 399	26 969	28 026
<i>Repayments of Commonwealth Government Loans—</i>					
<i>Loan Council</i>					
Housing Nomination	..	42	92	241	445
Housing for Servicemen	262	276	292	308	325
Aboriginal Advancement	28	29	31	33	17
Public Housing	3 693	4 046	4 146	4 311	4 485
Sewerage	95	104	114	125	137
Community Facilities—Townsville	7	7	8	9	9
Railway Projects	2 583	2 727	1 420	..	..
Railway Mainline Upgrading	..	261	582	674	780
Weipa Development	105	111	117	123	129
Urban Water Supply and Treatment	129	1 102	..	..	..
Gladstone Power Station	2 523	2 677	3 044	3 160	3 352
Softwood Forestry	156	242	304	397	487
Dairy Adjustment Program	452	469	485	471	358
Rural Adjustment Scheme	1 399	1 400	1 543	1 939	1 658
Beef Industry Assistance	975	641	526	352	50
Rural Reconstruction	1 326	1 313	1 511	1 603	1 700
Sugar Industry	..	37 181	..	..	..
Brigalow Lands Development Scheme	693	693	693	693	693
Natural Disaster Relief	2 178	2 635	4 782	10 223	10 400
Total Repayments of Commonwealth Gov- ernment Loans	16 605	55 957	19 690	24 661	25 026
<b>TOTAL SINKING FUND PAYMENTS AND TOTAL OF LOAN REPAYMENTS</b>	<b>46 324</b>	<b>86 951</b>	<b>52 089</b>	<b>51 630</b>	<b>53 052</b>
<b>NET ADVANCES (d)</b> (Advances less Repayments)					
<i>Loan Council Borrowings</i>	83 030	88 858	75 896	66 450	13 056
<i>Commonwealth Government Loans</i>	92 034	37 275	28 727	29 325	41 104
<b>TOTAL NET ADVANCES</b>	<b>175 065</b>	<b>126 133</b>	<b>104 624</b>	<b>95 775</b>	<b>54 160</b>

**Table 120—Queensland—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)—continued**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
<b>INTEREST ON ADVANCES</b>					
<i>Interest on Loan Council Borrowings (e)</i> . . . . .	201 682	206 352	219 542	243 465	249 400
<i>Interest on Commonwealth Government Loans</i>					
Housing Nominations . . . . .	188	649	1 368	2 788	5 360
Housing for Servicemen . . . . .	5 615	5 939	6 295	6 285	6 275
Aboriginal Advancement—Bamaga . . . . .	8	6	4	2	1
Housing . . . . .	16 122	17 919	16 888	16 723	18 238
Community Facilities—Townsville . . . . .	39	39	38	37	37
Sewerage . . . . .	2 090	2 080	2 070	2 059	2 066
Railway Projects . . . . .	335	2 319	4 234	4 103	3 996
Railway Mainline Upgrading . . . . .	3 231	1 984	..	..	..
Weipa Development . . . . .	121	115	109	103	96
Urban Water Supply and Treatment . . . . .	118	105	..	..	..
Gladstone Power Station . . . . .	10 111	9 957	10 609	10 089	9 897
Softwood Forestry . . . . .	221	314	403	623	826
Dairy Adjustment Program . . . . .	362	346	329	304	292
Rural Adjustment Scheme . . . . .	1 381	1 740	2 212	3 202	3 236
Rural Reconstruction . . . . .	1 343	1 356	1 158	1 066	968
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	..	4
Sugar Industry . . . . .	1 380	1 451	..	..	..
Brigalow Lands Development Scheme . . . . .	797	750	704	658	611
Total Interest on Commonwealth Government Loans . . . . .	43 462	47 069	46 422	48 042	51 903
<b>TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND TOTAL INTEREST ON COMMONWEALTH GOVERNMENT LOANS . . . . .</b>	<b>245 145</b>	<b>253 422</b>	<b>265 964</b>	<b>291 508</b>	<b>301 303</b>

(a), (b), (c), (d) and (e)—See Corresponding footnotes to Table 117.

**Table 121—Western Australia—Advances, Debt Charges on Advances and Net Advance 1982-83 to 1986-87 (\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>ADVANCES (a)</b>					
<i>Loan Council Borrowings</i> . . . . .	77 495	83 618	..	..	..
<i>Commonwealth Government Loans—</i>					
Loan Council					
—Housing Nomination . . . . .	7 200	7 000	96 509	93 132	71 672
Housing for Servicemen . . . . .	746	134	..	61	78
Public Housing (b) . . . . .	12 984	12 941	..	..	..
Land Acquisition . . . . .	4 098	4 706	..	..	..
Railway Projects . . . . .	..	..	42	..	206
Railway Mainline Upgrading . . . . .	1 683	381	..	..	..
Urban Water Supply and Treatment . . . . .	..	..	..	744	..
Softwood Forestry . . . . .	150	..	..	..	..
Rural Adjustment Scheme . . . . .	2 482	7 820	3 870	1 462	..
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	..	102
Natural Disaster Relief . . . . .	7 106	5 828	..	777	2 650
Total Commonwealth Loans . . . . .	36 449	38 809	100 421	96 176	74 708
<b>TOTAL ADVANCES</b> . . . . .	113 944	122 427	100 421	96 176	74 708
<b>REPAYMENT OF ADVANCES</b>					
<i>Payment to National Debt Sinking Fund</i> . . . . .	21 646	22 563	23 564	18 284	18 888
<i>Repayment of Commonwealth Government Loans—</i>					
Loan Council					
—Housing Nomination . . . . .	..	35	70	540	1 015
Housing for Servicemen . . . . .	61	64	67	71	75
Public Housing (c) . . . . .	3 535	3 865	3 949	4 107	4 272
Land Acquisition . . . . .	..	..	11 000	7 000	4 000
Sewerage . . . . .	134	147	162	183	196
Exmouth Township—Electricity Services . . . . .	10	10	5	10	10
Perth Entertainment Centre . . . . .	..	..	..	200	200
Railway Projects . . . . .	2 126	3 456	2 993	3 137	3 290
Railway Mainline Upgrading . . . . .	..	60	103	120	140
Urban Water Supply and Treatment . . . . .	..	..	..	..	19
Softwood Forestry . . . . .	92	132	149	176	211
Dairy Adjustment Program . . . . .	246	255	249	240	87
Rural Adjustment Scheme . . . . .	491	495	577	682	853
Beef Industry Assistance . . . . .	20	20	24	2	..
Rural Reconstruction . . . . .	1 119	1 185	1 257	1 334	1 415
Irrigation and Other Water Projects . . . . .	883	977	998	999	1 002
Natural Disaster Relief . . . . .	5 500	5 767	6 626	7 279	7 030
Total Repayments of Commonwealth Government Loans . . . . .	14 217	16 469	28 230	26 081	23 815
<b>TOTAL SINKING FUND PAYMENTS AND TOTAL OF LOAN REPAYMENTS</b> . . . . .	35 863	39 032	51 794	44 365	42 703
<b>NET ADVANCES (d)</b>					
<b>(Advances less Repayments)</b>					
<i>Loan Council Borrowings</i> . . . . .	55 849	61 055	—23 564	—18 284	—18 888
<i>Commonwealth Government Loans</i> . . . . .	22 232	22 341	72 191	70 095	50 893
<b>TOTAL NET ADVANCES</b> . . . . .	78 081	83 396	48 627	51 811	32 005

*Table 121—Western Australia—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)—continued*

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
INTEREST ON ADVANCES					
<i>Interest on Loan Council Borrowings</i> . . . . .	152 302	166 360	173 913	177 014	183 700
<i>Interest on Commonwealth Government Loans</i>					
Housing Nominations . . . . .	157	507	2 820	7 096	10 760
Housing for Servicemen . . . . .	614	689	693	691	695
Housing . . . . .	15 589	17 114	16 167	16 009	16 935
Land Acquisition . . . . .	4 098	4 706	..	..	..
Exmouth Township . . . . .	13	12	7	11	10
Sewerage . . . . .	2 909	2 896	2 881	2 865	2 873
Leisure Facilities . . . . .	244	234	269	127	102
Railway Projects . . . . .	966	2 999	2 352	2 169	1 981
Railway Mainline Upgrading . . . . .	633	381	..	..	..
Urban Water Supply and Treatment . . . . .	..	..	..	..	97
Softwood Forestry . . . . .	533	640	659	711	778
Dairy Adjustment Program . . . . .	60	49	54	52	48
Rural Adjustment Scheme . . . . .	1 272	1 686	2 037	2 374	2 243
Rural Reconstruction . . . . .	1 129	1 061	989	912	831
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	..	4
Irrigation and Other Water Projects . . . . .	787	730	668	604	540
Total Interest on Commonwealth Govern- ment Loans . . . . .	29 005	33 705	29 596	33 620	37 897
TOTAL INTEREST ON LOAN COUN- CIL BORROWINGS AND TOTAL INTEREST ON COMMONWEALTH GOVERNMENT LOANS . . . . .	181 306	200 065	203 509	210 634	221 597

(a), (b), (c) and (d)—See corresponding footnotes to Table 117.

**Table 122—South Australia—Advances, Debt Charges on Advances and Net Advances, 1982-83 to 1986-87 (\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>ADVANCES (a)</b>					
<i>Loan Council Borrowings</i> . . . . .	94 285	..	..	..	..
<i>Commonwealth Government Loans—</i>					
<i>Loan Council</i>					
–Housing Nomination . . . . .	25 000	127 626	135 923	131 166	100 943
Housing for Servicemen . . . . .	..	9	..	..	10
Public Housing (b) . . . . .	19 833	18 865	..	..	..
Urban Water Supply and Treatment . . . . .	..	..	..	3 920	4 200
Softwood Forestry . . . . .	154	..	..	..	..
Log Salvage Loan to S.A. . . . .	11 000	..	..	..	..
Rural Adjustment Scheme . . . . .	1 955	3 696	2 257	1 156	..
Bovine Brucellosis and Tuberculosis					
Eradication . . . . .	..	..	..	220	84
Natural Disaster Relief . . . . .	19 580	6 902	..	..	1 940
Total Commonwealth Loans . . . . .	77 522	157 098	138 180	136 462	107 177
<b>TOTAL ADVANCES</b> . . . . .	171 807	157 098	138 180	136 462	107 177
<b>REPAYMENT OF ADVANCES</b>					
<i>Payment to National Debt Sinking Fund (c)</i> . . . . .	28 135	29 233	28 859	22 791	23 517
<i>Repayments of Commonwealth Government</i>					
<i>Loans—</i>					
<i>Loan Council</i>					
–Housing Nomination . . . . .	..	121	743	1 434	2 130
Housing for Servicemen . . . . .	23	24	25	26	30
Public Housing . . . . .	5 405	5 923	6 057	6 311	6 552
Land Acquisition . . . . .	5 500	5 500	..	..	..
Sewerage . . . . .	47	52	86	75	69
Urban Water Supply and Treatment . . . . .	109	743	65	169	171
Softwood Forestry . . . . .	51	67	77	90	127
Log Salvage Loan . . . . .	..	..	..	11 000	..
Dairy Adjustment Program . . . . .	72	67	57	31	15
Rural Adjustment Scheme . . . . .	365	435	501	602	707
Beef Industry Assistance . . . . .	36	20	8	..	..
Rural Reconstruction . . . . .	801	849	901	956	1 014
Bovine Brucellosis and Tuberculosis					
Eradication . . . . .	..	..	..	..	..
Dartmouth Dam . . . . .	..	45	108	275	462
Natural Disaster Relief . . . . .	2 036	2 036	4 633	5 037	5 040
Total Repayments of Commonwealth Gov- ernment Loans . . . . .	14 443	15 880	13 261	26 005	16 316
<b>TOTAL SINKING FUND PAYMENTS AND TOTAL OF LOAN REPAYMENTS</b> . . . . .	42 578	45 114	42 120	48 797	39 833
<b>NET ADVANCES (d)</b> (Advances less Repayments)					
<i>Loan Council Borrowings</i> . . . . .	66 150	–29 233	–28 859	–22 791	–23 517
<i>Commonwealth Government Loans</i> . . . . .	63 079	141 218	124 918	110 457	90 861
<b>TOTAL NET ADVANCE.</b> . . . .	129 229	111 984	96 059	87 665	67 344



**Table 122—South Australia—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)—continued**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
<b>INTEREST ON ADVANCES</b>					
<i>Interest on Loan Council Borrowings</i> . . . . .	203 224	212 664	218 918	219 493	227 800
<i>Interest on Commonwealth Government Loans—</i>					
Housing Nominations . . . . .	399	3 721	9 939	15 930	21 055
Housing for Servicemen . . . . .	626	621	621	616	615
Housing . . . . .	26 591	29 042	27 389	27 136	27 505
Sewerage . . . . .	968	963	1 201	953	956
Urban Water Supply and Treatment . . . . .	2 260	2 249	1 107	2 567	2 458
Softwood Forestry . . . . .	144	173	194	217	251
Dairy Adjustment Program . . . . .	15	14	13	10	12
Rural Adjustment Scheme . . . . .	1 064	1 446	1 558	1 732	1 703
Rural Reconstruction . . . . .	835	787	735	680	622
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	..	3
Dartmouth Dam . . . . .	843	842	838	825	797
Total Interest on Commonwealth Govern- ment Loans . . . . .	33 743	39 859	43 594	50 666	55 977
<b>TOTAL INTEREST ON LOAN COUN- CIL BORROWINGS AND TOTAL INTEREST ON COMMONWEALTH GOVERNMENT LOANS . . . . .</b>	<b>236 967</b>	<b>252 524</b>	<b>262 512</b>	<b>270 159</b>	<b>283 777</b>

(a), (b), (c) and (d)—See corresponding footnotes to Table 117.

**Table 123—Tasmania—Advances, Debt Charges on Advances and Net Advances, 1982-83 to 1986-87 (\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>ADVANCES (a)</b>					
<i>Loan Council Borrowings</i> . . . . .	54 071	50 637	54 849	49 379	21 713
<i>Commonwealth Government Loans—</i>					
<i>Loan Council</i>					
–Housing Nomination . . . . .	10 080	18 000	18 250	21 162	32 573
Housing for Servicemen . . . . .	19	..	..	..	..
Public Housing (b) . . . . .	8 407	7 835	..	..	..
Softwood Forestry . . . . .	248	..	..	..	..
Rural Adjustment Scheme . . . . .	378	249	380	98	..
Natural Disaster Relief . . . . .	..	274	149	4	20
Total Commonwealth Loans . . . . .	19 132	26 358	18 779	21 264	32 593
<b>TOTAL ADVANCES</b> . . . . .	<b>73 203</b>	<b>76 995</b>	<b>73 628</b>	<b>70 643</b>	<b>54 306</b>
<b>REPAYMENT OF ADVANCES</b>					
<i>Payment to National Debt Sinking Fund (c)</i> . . . . .	13 650	14 305	14 901	13 741	14 156
<i>Repayments of Commonwealth Government Loans—</i>					
<i>Loan Council</i>					
–Housing Nomination . . . . .	..	49	138	232	345
Housing for Servicemen . . . . .	4	4	4	4	5
Public Housing . . . . .	1 987	2 184	2 240	2 335	2 422
Legana Industrial Estate . . . . .	20	20	20	20	20
Sewerage . . . . .	35	39	43	47	52
King Island Harbour Works . . . . .	45	45	45	45	45
King Island Shipping Service . . . . .	87	87	480	..	..
Softwood Forestry . . . . .	86	130	157	189	224
Dairy Adjustment Program . . . . .	189	190	191	174	107
Rural Adjustment Scheme . . . . .	69	57	49	62	78
Beef Industry Assistance . . . . .	..	72	..	..	..
Rural Reconstruction . . . . .	168	178	189	200	213
Launceston Precision Tool Annexe . . . . .	134	143	32	..	..
Natural Disaster Relief . . . . .	300	303	321	357	60
Total Repayments of Commonwealth Government Loans . . . . .	3 124	3 501	3 909	3 666	3 571
<b>TOTAL SINKING FUND PAYMENTS AND TOTAL OF LOAN REPAYMENTS</b> . . . . .	<b>16 774</b>	<b>17 807</b>	<b>18 810</b>	<b>17 407</b>	<b>17 727</b>
<b>NET ADVANCES (d)</b>					
<b>(Advances less Repayments)</b>					
<i>Loan Council Borrowings</i> . . . . .	40 421	36 332	39 948	35 638	7 557
<i>Commonwealth Government Loans</i> . . . . .	16 009	22 856	14 870	17 598	29 022
<b>TOTAL NET ADVANCES</b> . . . . .	<b>56 429</b>	<b>59 188</b>	<b>54 818</b>	<b>53 236</b>	<b>36 579</b>

*Table 123—Tasmania—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)—continued*

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
INTEREST ON ADVANCES					
<i>Interest on Loan Council Borrowings (e)</i> . . . . .	108 850	123 925	137 966	136 248	141 400
<i>Interest on Commonwealth Government Loans</i>					
Housing Nominations . . . . .	204	848	1 572	2 397	3 750
Housing for Servicemen . . . . .	63	66	66	66	65
Housing . . . . .	10 529	11 689	10 901	10 805	11 854
Legana Industrial Estate . . . . .	22	20	17	15	12
Sewerage . . . . .	329	325	321	317	319
King Island Harbour Works . . . . .	21	18	15	11	8
King Island Shipping Service . . . . .	60	52	12		
Softwood Forestry . . . . .	116	157	206	259	357
Dairy Adjustment Program . . . . .	21	18	17	16	16
Rural Adjustment Scheme . . . . .	130	99	183	236	207
Rural Reconstruction . . . . .	165	155	144	132	120
Launceston Precision Tools Annexe . . . . .	40	18	3		
Total Interest on Commonwealth Government Loans . . . . .	11 699	13 465	13 456	14 254	16 708
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND TOTAL INTEREST ON COMMONWEALTH GOVERNMENT LOANS . . . . .	120 549	137 390	151 422	150 502	158 108

(a), (b), (c), (d) and (e)—See corresponding footnotes to Table 117.

**Table 124—Northern Territory—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (estimate) (\$ thousands)**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
<b>ADVANCES (a)</b>					
<i>Northern Territory Government Loans</i> . . . . .	80 419	86 042	91 635	77 211	33 954
<i>Commonwealth Government Loans—</i>					
Loan Council					
–Housing Nomination . . . . .				33 090	50 931
Public Housing (b) . . . . .	7 300	7 300			
Rural Adjustment Scheme . . . . .	462	984	649		
Bovine Brucellosis and Tuberculosis Eradication				867	949
Total Commonwealth Government Loans	7 762	8 284	649	33 957	51 880
<b>TOTAL ADVANCES</b> . . . . .	88 181	94 326	92 283	111 168	85 834
<b>REPAYMENT OF ADVANCES</b>					
<i>Payments to Northern Territory Debt Sinking Fund (c)</i> . . . . .	2 697	3 706	4 773	5 430	6 324
<i>Repayments of Commonwealth Government Loans—</i>					
Loan Council					
–Housing Nomination . . . . .					160
Public Housing . . . . .	882	958	1 038	1 087	1 414
NTEC Assistance . . . . .	1 464	1 607	1 762	1 933	2 124
Rural Adjustment Scheme . . . . .		13	28	36	52
Bovine Brucellosis and Tuberculosis Eradication					1
Water and Sewerage Assistance . . . . .	136	136	136	136	136
Total Repayments of Commonwealth Government Loans	2 483	2 714	2 965	3 192	3 886
<b>TOTAL SINKING FUND PAYMENTS AND TOTAL OF LOAN REPAYMENTS</b> . . . . .	5 180	6 420	7 738	8 622	10 210
<b>NET ADVANCES (d) (Advances less Repayments)</b>					
<i>Northern Territory Government Borrowings</i> . . . . .	77 722	82 336	86 861	71 781	27 630
<i>Commonwealth Government Loans</i> . . . . .	5 279	5 570	–2 316	30 765	47 993
<b>TOTAL NET ADVANCES</b> . . . . .	83 001	87 906	84 545	102 546	75 623
<b>INTEREST ON ADVANCES</b>					
<i>Interest on Northern Territory Government Borrowings</i> . . . . .	28 444	45 065	54 342	65 667	73 906
<i>Interest on Commonwealth Government Loans—</i>					
Loan Council					
–Housing Nomination . . . . .					2 635
Housing . . . . .	5 318	5 283	5 246	5 207	8 795
Public Housing . . . . .	1 302	1 625	1 771	2 235	1 752
Sewerage . . . . .	773	766	759	752	746
Northern Territory Electricity . . . . .	4 977	4 835	4 679	4 508	4 318
Rural Adjustment Scheme . . . . .	95	120	190	227	250
Bovine Brucellosis and Tuberculosis Eradication					5
Total Interest on Commonwealth Government Loans	12 465	12 630	12 645	12 929	18 501
<b>TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND TOTAL INTEREST ON COMMONWEALTH GOVERNMENT LOANS</b> . . . . .	40 909	57 694	66 987	78 597	92 407

(a), (b), (c) and (d)—See corresponding footnotes to Table 117.

**Table 125—Six States and the Northern Territory—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
<b>ADVANCES</b>					
<i>Loan Council and Northern Territory Government Borrowings—</i>					
Loan Council . . . . .	769 435	752 219	637 236	580 145	240 786
Northern Territory Government Borrowings . . . . .	80 419	86 042	91 635	77 211	33 954
Total . . . . .	849 854	838 261	728 871	657 356	274 740
<i>Commonwealth Government Loans—</i>					
Loan Council					
–Housing Nomination . . . . .	145 898	227 114	405 764	459 445	584 726
Housing for Servicemen . . . . .	8 282	5 299	5 959	4 258	1 937
Public Housing (b) . . . . .	146 000	146 000	..	..	..
Growth Centres . . . . .	33 519	37 360	9 832	6 046	..
Land Acquisition . . . . .	7 556	8 677	..	..	..
Captains Flat Project . . . . .	..	..	24	35	36
Railway Projects . . . . .	..	..	42	..	206
Railway Mainline Upgrading . . . . .	27 993	4 150	..	..	..
Urban Water Supply and Treatment . . . . .	..	..	..	4 664	4 200
Gladstone Power Station . . . . .	8 042	..	..	..	..
Softwood Forestry . . . . .	827	..	..	..	..
Log Salvage Loan to South Australia . . . . .	11 000	..	..	..	..
Rural Adjustment Scheme . . . . .	14 797	38 457	25 443	6 672	..
Sugar Industry . . . . .	40 027	3 907	8 436	..	..
Canned Fruit Industry . . . . .	..	4 100	..	..	..
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	1 698	1 814
Other Mining Assistance . . . . .	..	..	2 048	..	..
Natural Disaster Relief . . . . .	89 270	68 830	2 335	12 318	12 600
Total Commonwealth Loans . . . . .	533 211	543 894	459 883	495 135	605 519
TOTAL ADVANCES . . . . .	1 383 065	1 382 155	1 188 754	1 152 491	880 259
<b>REPAYMENT OF ADVANCES</b>					
<i>Payments to National and Northern Territory Debt Sinking Funds (c)</i>					
	226 525	236 455	246 070	223 412	210 624
<i>Repayments of Commonwealth Government Loans—</i>					
Loan Council—					
–Housing Nomination . . . . .	..	705	1 835	3 879	6 275
Housing for Servicemen . . . . .	1 043	1 096	1 159	1 222	1 290
Unemployment Relief Works . . . . .	2	4	4	10	10
Aboriginal Advancement . . . . .	28	29	31	33	17
Public Housing . . . . .	40 758	43 102	45 537	47 374	49 562
Growth Centres . . . . .	42	83	85	76	1 584
Land Acquisition . . . . .	11 500	9 500	31 950	10 000	4 700
Urban Rehabilitation . . . . .	205	511	205	285	205
Captains Flat Project . . . . .	9	10	12	13	14
Legana Industrial Estate (Tasmania) . . . . .	20	20	20	20	20
Sewerage . . . . .	1 014	1 112	1 253	1 361	1 477
Community Facilities, Townsville . . . . .	7	7	8	9	9
Exmouth Township Electricity Services . . . . .	10	10	5	10	10
Perth Entertainment Centre . . . . .	..	..	..	200	200
Railway Projects . . . . .	4 805	6 470	4 509	3 425	3 482
Railway Mainline Upgrading . . . . .	..	784	3 298	2 948	3 172
King Island Harbour Works . . . . .	45	45	45	45	45
King Island Shipping Service . . . . .	87	87	480	..	..
Weipa Development . . . . .	105	111	117	123	129
Urban Water Supply and Treatment . . . . .	238	1 845	65	169	190
Gladstone Power Station . . . . .	2 523	2 677	3 044	3 160	3 352
NTEC, Assistance . . . . .	1 464	1 607	1 762	1 933	2 124
Softwood Forestry . . . . .	704	1 083	1 278	1 563	1 894
Log Salvage Loan to South Australia . . . . .	..	..	..	11 000	..
Dairy Adjustment Program . . . . .	2 383	2 321	2 189	1 813	879
Rural Adjustment Scheme . . . . .	3 781	3 971	4 629	5 575	5 913

*Table 125—Six States and the Northern Territory—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)—continued*

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
Beef Industry Assistance . . . . .	1 704	868	900	354	50
Rural Reconstruction . . . . .	7 289	7 638	8 219	8 719	9 275
Sugar Industry . . . . .	..	37 181	..	..	..
Bovine Brucellosis and Tuberculosis, Eradication . . . . .	148	..	..	..	2
Chowilla Reservoir . . . . .	148	143	130	99	49
Dartmouth Dam . . . . .	..	135	325	825	1 385
Blowering Reservoir . . . . .	2 035	1 993	1 776	1 323	732
Water and Sewerage Assistance . . . . .	136	136	136	136	136
Irrigation and other Water Projects . . . . .	883	977	998	999	1 002
Launceston Precision Tool Annex . . . . .	134	143	32	..	..
Other Mining Assistance . . . . .	..	..	..	1 586	462
War Service Land Settlement . . . . .	424	440	456	473	491
Brigalow Lands Development Scheme . . . . .	693	693	693	693	693
Natural Disaster Relief . . . . .	14 498	16 311	26 539	34 196	33 550
<b>Total Repayment of Commonwealth Government Loans . . . . .</b>	<b>98 719</b>	<b>143 848</b>	<b>143 725</b>	<b>145 648</b>	<b>134 380</b>
<b>TOTAL SINKING FUND PAYMENTS AND TOTAL OF LOAN REPAYMENTS . . . . .</b>	<b>325 244</b>	<b>380 303</b>	<b>389 794</b>	<b>369 060</b>	<b>345 004</b>
<b>NET ADVANCES (d) (Advances less Repayments)</b>					
Loan Council and Northern Territory Government Borrowings . . . . .	623 329	601 806	482 801	433 944	64 116
Commonwealth Government Loans . . . . .	434 493	400 046	316 159	349 487	471 139
<b>TOTAL NET ADVANCES . . . . .</b>	<b>1 057 821</b>	<b>1 001 852</b>	<b>798 960</b>	<b>783 431</b>	<b>535 255</b>
<b>INTEREST ON ADVANCES</b>					
<i>Interest on Loan Council and Northern Territory Government Borrowings(e) . . . . .</i>	<i>1 618 231</i>	<i>1 735 916</i>	<i>1 903 782</i>	<i>1 990 543</i>	<i>2 068 406</i>
<i>Interest on Commonwealth Government Loans—</i>					
Loan Council . . . . .					
–Housing Nominations . . . . .	2 624	11 254	24 868	43 184	68 590
Housing for Servicemen . . . . .	18 570	19 388	20 034	20 896	21 305
Aboriginal Advancement—Bamaga . . . . .	8	6	4	2	1
Housing . . . . .	180 280	184 981	186 106	184 280	186 006
Public Housing . . . . .	1 302	1 625	1 771	2 235	1 752
Growth Centres . . . . .	32 834	37 871	10 361	6 566	4 332
Urban Rehabilitation . . . . .	371	354	336	319	301
Land Acquisition . . . . .	7 556	8 677	..	..	..
Legana Industrial Estate (Tasmania) . . . . .	22	20	17	15	12
Community Facilities—Townsville . . . . .	39	39	38	37	37
Exmouth Township . . . . .	13	12	7	11	10
Captains Flat Project . . . . .	38	37	36	36	37
Sewerage . . . . .	22 159	22 054	22 177	22 290	21 876
Leisure Facilities . . . . .	244	234	269	127	102
Railway Projects . . . . .	4 554	11 121	13 786	13 414	12 648
Railway Mainline Upgrading . . . . .	6 194	4 150	..	..	..
King Island Works . . . . .	21	18	15	11	8
King Island Shipping Service . . . . .	60	52	12	..	..
Weipa Development . . . . .	121	115	109	103	96
Urban Water Supply and Treatment . . . . .	2 378	2 354	1 107	2 567	2 555
Northern Territory Electricity . . . . .	4 977	4 835	4 679	4 508	4 318
Blowering Reservoir . . . . .	398	292	189	100	38
Gladstone Power Station . . . . .	10 111	9 957	10 609	10 089	9 897
Softwood Forestry . . . . .	2 376	2 938	3 299	3 919	4 587
Dairy Adjustment Program . . . . .	780	736	710	630	638
Rural Adjustment Scheme . . . . .	8 014	10 341	11 882	14 220	14 037
Rural Reconstruction . . . . .	7 328	6 977	6 393	5 893	5 385
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	..	22

**Table 125—Six States and the Northern Territory—Advances, Debt Charges on Advances and Net Advances, 1982–83 to 1986–87 (\$ thousands)—continued**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
Sugar Industry . . . . .	1 380	1 451	..	..	..
Dartmouth Dam . . . . .	2 528	2 526	2 513	2 476	2 390
Chowilla Reservoir . . . . .	28	21	13	7	2
Irrigation and Other Water Projects . . . . .	787	730	668	604	540
Chrysotile Corporation . . . . .	5	25	..	..	..
Launceston Precision Tools Annexe . . . . .	40	18	3	..	..
War Service Land Settlement . . . . .	798	782	765	748	730
Brigalow Lands Development Scheme . . . . .	797	750	704	658	611
Total Interest on Commonwealth Govern- ment Loans . . . . .	319 735	346 741	323 482	339 945	362 863
TOTAL INTEREST ON LOAN COUN- CIL BORROWINGS AND TOTAL IN- TEREST ON COMMONWEALTH GOVERNMENT LOANS . . . . .	1 937 967	2 082 657	2 227 265	2 330 489	2 431 269

(a), (b), (c), (d) and (e)—See corresponding footnote to Table 117.

**Table 126—Total Commonwealth Government Loans and Loan Council Borrowings—Net Basis, 1982–83 to 1986–87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
1982–83 . . . . .	299 160	236 856	175 065	78 081	129 229	56 429	974 820	83 001	1 057 821
1983–84 . . . . .	302 204	231 042	126 133	83 396	111 984	59 188	913 947	87 906	1 001 852
1984–85 . . . . .	228 888	181 399	104 624	48 627	96 059	54 818	714 414	84 545	798 960
1985–86 . . . . .	216 760	175 638	95 775	51 811	87 665	53 236	680 885	102 546	783 431
1986–87 (estimate) . . . . .	150 838	118 706	54 160	32 005	67 344	36 579	459 631	75 624	535 255

**Table 127—Total Commonwealth Government Payments and Loan Council Borrowings— Net Basis, 1982–83 to 1986–87 (\$ thousands)**

	New South Wales	Victoria	Queens- land	Western Australia	South Australia	Tasmania	Six State Total	Northern Territory	Total
1982–83 . . . . .	5 029 159	3 844 861	2 709 448	1 691 849	1 722 992	691 679	15 689 989	717 298	16 407 287
1983–84 . . . . .	5 762 010	4 359 193	3 109 689	1 945 893	1 907 791	824 365	17 908 941	827 983	18 736 924
1984–85 . . . . .	6 226 534	4 767 516	3 366 231	2 108 011	2 110 356	874 944	19 453 593	913 534	20 367 127
1985–86 . . . . .	6 778 844	5 076 608	3 567 055	2 253 661	2 182 941	873 115	20 732 224	936 965	21 669 189
1986–87 (estimate) . . . . .	7 169 282	5 355 453	3 783 913	2 391 842	2 291 156	884 153	21 875 799	966 421	22 842 220

**APPENDIX V—TABLES OF PAYMENTS TO OR FOR THE STATES  
AND THE NORTHERN TERRITORY 1982-83 TO 1986-87**

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129	New South Wales . . . . .	185
130	Victoria . . . . .	188
131	Queensland . . . . .	190
132	Western Australia . . . . .	192
133	South Australia . . . . .	194
134	Tasmania . . . . .	196
135	Northern Territory . . . . .	198
136	Six States and the Northern Territory . . . . .	200



**Table 128—Six States Total—Commonwealth Payments and Loan Council Borrowings (a) 1982-83 to 1986-87 (estimate) (\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>GENERAL REVENUE FUNDS</b>					
Tax Sharing Grants . . . . .	7 772 498	8 538 032	9 058 429	..	..
Financial Assistance Grants . . . . .	..	..	..	9 781 693	10 800 457
Special Revenue Assistance . . . . .	30 000	183 500	51 300	87 177	45 625
Health Grants . . . . .	1 017 295	1 168 864	1 373 626	1 483 302	1 637 788
Special Grants . . . . .	-19 650	..	..	..	..
Total . . . . .	8 800 143	9 890 395	10 483 355	11 352 173	12 483 870
<b>GENERAL PURPOSE CAPITAL FUNDS</b>					
Loan Council Borrowings—					
Loan Portion . . . . .	769 435	752 219	637 236	580 145	240 786
Housing Nomination . . . . .	145 898	227 114	405 764	426 355	533 795
Capital Grants . . . . .	457 667	489 667	521 500	558 000	429 426
Total . . . . .	1 373 000	1 469 000	1 564 500	1 564 500	1 204 007
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES</b>					
Payments Under Financial Agreement—					
Interest on State Debt . . . . .	15 091	15 249	15 170	..	..
Sinking Fund on State Debt . . . . .	43 809	45 490	47 099	48 598	50 000
Emergency Services . . . . .	1 921	2 073	2 502	2 570	2 881
Universities . . . . .	918 191	969 344	1 041 430	1 147 573	1 132 411
Colleges of Advanced Education . . . . .	597 931	663 398	714 915	799 441	784 027
Technical and Further Education . . . . .	99 005	116 042	126 078	132 796	142 140
Schools . . . . .	984 121	1 080 800	1 157 086	1 282 048	1 329 505
Education—Cost Escalation Allowance . . . . .	..	..	..	..	130 168
Educational Research . . . . .	215	..	..	..	..
Pre-School Education . . . . .	32 750	32 750	32 750	16 375	..
School-to-Work Transition . . . . .	40 486	24 472	..	..	..
Participation and Equity Program . . . . .	..	26 985	88 020	63 181	43 240
Public Hospitals—Running Costs . . . . .	220 317	127 296	..	..	..
Community Health Program . . . . .	..	92	..	..	..
Medicare . . . . .	..	272 395	912 896	983 106	1 013 865
Nurse Education . . . . .	..	..	..	..	7 288
School Dental Scheme . . . . .	395	..	762	..	..
Drug Education Campaigns . . . . .	1 606	1 721	1 809	13 625	14 516
Blood Transfusion Services . . . . .	10 075	10 830	11 322	14 000	14 961
Health Planning Agencies . . . . .	98	..	..	..	..
Transfer of Pathology Laboratory . . . . .	..	..	..	670	1 299
National Diseases Control . . . . .	107	395	449	598	499
Funds to Combat AIDS . . . . .	..	..	3 697	5 586	5 739
Home Care Services . . . . .	17 697	24 882	34 890	..	..
Senior Citizens' Centres . . . . .	1 999	2 657	2 588	..	..
Paramedical Services . . . . .	1 241	1 412	1 517	..	..
Home and Community Care . . . . .	..	..	..	51 471	73 413
Geriatric Assessment . . . . .	..	..	..	3 901	6 077
Supported Accommodation Assistance . . . . .	..	..	17 025	30 983	44 142
Women's Emergency Services . . . . .	..	3 842	1 899	..	..
Children's Services . . . . .	16 013	14 840	12 017	11 926	13 075
Family Support Scheme . . . . .	..	..	2 769	3 409	5 892
International Year of Homeless . . . . .	..	..	..	122	160
Rehabilitation Centres . . . . .	1 189	1 509	1 843	1 991	2 197
Mortgage and Rent Relief . . . . .	15 993	17 905	21 390	22 492	23 873
Translating and Interpreting Services . . . . .	484	550	766	749	1 015
Supervision of Refugee Minors . . . . .	..	..	..	235	415
Aboriginal Advancement . . . . .	29 018	30 266	31 013	31 094	30 406
Assistance for Housing . . . . .	5 500	5 500	5 500	5 500	5 500
America's Cup Defence . . . . .	..	..	4 223	1 773	3 389
Nature Conservation . . . . .	..	200	..	..	..
International Youth Year . . . . .	..	..	515	..	..
Aerodrome Local Ownership Plan . . . . .	323	537	212	951	915
Interstate Road Transport . . . . .	..	..	..	..	2 347
Rural Adjustment Scheme . . . . .	2 972	5 761	5 679	10 051	33 900

**Table 128—Six States Total—Commonwealth Payments and Loan Council Borrowings (a) 1982-83 to 1986-87 (Estimate)—Continued—(\$ Thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
Fertiliser Assistance . . . . .	..	..	..	17 300	28 000
Sugar Industry . . . . .	..	..	..	1 728	22 650
Canned Fruit Industry . . . . .	750	279	..	..	..
Dried Vine Fruits Assistance . . . . .	..	..	..	19	1 414
Wine Industry Adjustment . . . . .	..	..	..	1 300	5 267
Apple and Pear Export Assistance . . . . .	534	507	169	..	..
Bovine Brucellosis and Tuberculosis Eradication . . . . .	24 377	25 295	28 372	26 766	25 463
Exotic Diseases Eradication . . . . .	..	..	120	1 221	137
Agricultural Research . . . . .	317	299	389	468	895
River Murray Waters Agreement . . . . .	15	9	..	..	..
National Industry Extension Service . . . . .	..	..	..	..	6 776
Assistance to Tin Mining . . . . .	..	..	..	..	968
Soil Conservation . . . . .	..	572	3 102	3 555	4 130
Coal Mining Industry—Long Service Leave . . . . .	14 171	18 266	19 114	17 857	19 000
Special Employment programs . . . . .	97 640	97 640	..	..	..
Community Employment Program . . . . .	..	243 810	351 216	254 501	179 300
Regional Economic Studies Centre . . . . .	40	40	40	40	..
Legal Aid . . . . .	33 112	34 940	38 269	43 904	63 192
Human Rights . . . . .	..	..	837	983	1 385
Reimbursement of Costs—Law Library . . . . .	237	235	320	367	511
Road Safety Practices . . . . .	150	150	150	..	..
Financial Assistance—Local Government . . . . .	424 486	459 335	486 534	535 966	580 183
Drought—Fodder Subsidy . . . . .	103 693	18 362	—452	..	..
Natural Disaster Relief . . . . .	48 093	28 596	1 668	6 284	5 400
Assistance for South West Tasmania . . . . .	..	20 333	21 991	27 290	28 888
<b>Total Specific Purpose Payments—</b>					
Recurrent . . . . .	3 806 161	4 447 863	5 251 670	5 626 362	5 892 813

**SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES**

Housing for Servicemen . . . . .	8 282	5 299	5 959	4 258	1 937
Universities . . . . .	52 091	66 686	70 264	79 140	91 330
Colleges of Advanced Education . . . . .	39 634	46 171	51 334	64 265	78 270
Technical and Further Education . . . . .	124 541	114 619	158 336	139 518	149 915
Schools . . . . .	180 532	190 207	208 571	218 157	197 634
Video Facilities . . . . .	1 258	830	842	~1 032	1 032
Education-Cost Escalation Allowance . . . . .	..	..	..	..	1 308
Launceston General Hospital . . . . .	1 357	194	157	766	4 241
Teaching Hospitals . . . . .	..	..	..	47 040	47 040
School Dental Scheme . . . . .	..	165	..	..	..
Blood Transfusion Services . . . . .	705	653	1 838	1 301	2 105
High Security Quarantine Unit . . . . .	415	..	283	30	..
Senior Citizen's Centres . . . . .	6 923	3 876	5 222	..	..
Home and Community Care . . . . .	..	..	..	5 975	8 454
Crisis Accommodation Program . . . . .	3 700	3 700	12 451	13 043	13 843
Children's Services . . . . .	1 076	2 483	10 592	1 402	11 394
Rehabilitation Centres . . . . .	286	18	..	..	..
Aboriginal Advancement . . . . .	4 787	6 220	7 777	5 233	8 526
Pensioner Housing Grants . . . . .	31 500	31 500	34 500	36 077	36 477
Housing Assistance for Aborigines . . . . .	29 796	42 416	42 416	44 716	46 209
Local Government and Community Housing Grants . . . . .	..	..	6 937	9 908	10 896
Other Housing Assistance . . . . .	251 373	397 405	474 717	498 194	530 989
Growth Centres . . . . .	33 519	37 360	9 832	6 046	..
Urban Flood Mitigation . . . . .	4 456	5 642	4 785	5 944	5 384
Land Acquisition . . . . .	7 556	8 677	..	..	..
Urban Rehabilitation . . . . .	3 173	512	634	4 000	3 000
Captains Flat Project . . . . .	..	..	120	174	182
Special Sewerage Assistance . . . . .	12 100	7 900	..	..	..
Bicentennial Programs Assistance . . . . .	..	..	5 151	13 014	23 700
America's Cup Defence . . . . .	..	..	277	14 977	2 862
National Maritime Museum . . . . .	..	..	..	2 000	18 000
Sesquicentary Grants . . . . .	280	3 275	2 457	988	..
Nature Conservation . . . . .	238	..	..	..	12
National Estate . . . . .	1 980	2 500	2 625	2 750	2 940
Port Arthur Conservation Program . . . . .	1 300	1 200	600	500	..

**Table 128—Six States Total—Commonwealth Payments and Loan Council Borrowings (a) 1982-83 to 1986-87 (Estimate)—Continued—(\$ Thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
National Standard Sports Facilities . . . . .	4 074	7 335	10 834	7 000	6 505
Aerodrome Local Ownership Plan . . . . .	14 996	16 775	1 364	215	295
Roads . . . . .	709 301	751 822	797 240		
Australian Land Transport Program . . . . .				775 747	776 400
Australian Bicentennial Roads Development . . . . .	110 689	410 588	403 185	428 850	428 800
Burbong Bridge Construction . . . . .	230	1 000	1 000	100	340
Tourist Roads Assistance . . . . .	10 000				
Second Hobart Bridge . . . . .	16 711	4 898	926	3 923	100
Railway Projects . . . . .			42		206
Railway Mainline Upgrading . . . . .	27 993	4 150			
Bass Strait Passenger Service . . . . .		958	25 042		
Transport Improvement Grant . . . . .	65 000		19 000	9 700	
Urban Water Supply and Treatment . . . . .	7 144	15 490	13 089	8 100	9 908
Special Assistance for Water . . . . .	10 000		20 250		
Gladstone Power Station . . . . .	8 042				
Softwood Forestry . . . . .	827				
Log Salvage Loan to South Australia . . . . .	11 000				
Rural Adjustment Scheme . . . . .	14 336	37 473	24 794	6 672	
Sugar Industry . . . . .	40 027	3 907	8 436		
Support for Steel Regions . . . . .		9 803	17 348	15 625	37 957
Canned Fruit Industry . . . . .		4 100			
Bovine Brucellosis and Tuberculosis Eradication . . . . .				831	865
Plant Genetic Resources Program . . . . .			357	348	485
Fisheries Management . . . . .				1 088	1 015
Assistance for Grand Prix Racing . . . . .			5 000		
Burdekin Dam Construction . . . . .	3 761	13 000	20 000	26 000	29 000
Salinity Reduction Control . . . . .	7 331	6 154	6 673	6 138	7 684
Irrigation and Other Water Projects . . . . .	15 353	13 456	12 826	10 648	5 112
Portland Aluminium Smelter . . . . .					1 500
Other Mining Assistance . . . . .			2 048		
Western Australia Pastoral Industry Assistance . . . . .			6 000		
Special Employment-Public Housing . . . . .	53 105	44 538			
Natural Disaster Relief . . . . .	97 971	108 036	9 613	19 913	18 500
Assistance for South West Tasmania . . . . .		42 573	12 378	8 281	7 549
<b>Total Specific Purpose Payments—Capital</b> . . . . .	<b>2 030 750</b>	<b>2 475 566</b>	<b>2 536 125</b>	<b>2 549 627</b>	<b>2 629 902</b>
<b>Total Payments and Loan Council Borrowings</b>					
For General Purposes . . . . .	10 173 143	11 359 395	12 047 855	12 916 673	13 687 877
For Specific Purposes . . . . .	5 836 910	6 923 429	7 787 794	8 175 989	8 522 715
<b>TOTAL</b> . . . . .	<b>16 010 054</b>	<b>18 282 824</b>	<b>19 835 649</b>	<b>21 092 662</b>	<b>22 210 592</b>

**Table 129—New South Wales—Commonwealth Payments and Loan Council Borrowings (a), 1982–83 to 1986–87 (\$ thousands)**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
<b>GENERAL REVENUE FUNDS</b>					
Tax Sharing Grants . . . . .	2 361 766	2 576 810	2 693 115	..	..
Financial Assistance Grants . . . . .	..	..	..	3 012 615	3 322 168
Special Revenue Assistance . . . . .	..	47 100	..	..	2 063
Health Grants . . . . .	469 005	489 116	521 442	563 000	621 349
<b>Total . . . . .</b>	<b>2 830 771</b>	<b>3 113 026</b>	<b>3 214 557</b>	<b>3 575 615</b>	<b>3 945 580</b>
<b>GENERAL PURPOSE CAPITAL FUNDS</b>					
Loan Council Borrowings—					
Loan Portion . . . . .	275 876	296 563	257 143	260 344	100 152
Housing Nomination . . . . .	20 000	20 000	80 000	65 000	150 227
Capital Grants . . . . .	147 938	158 282	168 572	180 371	138 809
<b>Total . . . . .</b>	<b>443 814</b>	<b>474 845</b>	<b>505 715</b>	<b>505 715</b>	<b>389 188</b>
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES</b>					
Payments under Financial Agreement—					
Interest on State Debt . . . . .	5 835	5 835	5 835	..	..
Sinking Fund on State Debt . . . . .	14 392	15 010	15 680	16 258	16 660
Emergency Services . . . . .	572	593	716	680	736
Universities . . . . .	359 432	368 063	398 558	438 264	431 047
Colleges of Advanced Education . . . . .	145 905	174 046	180 481	202 336	200 523
Technical and Further Education . . . . .	38 522	45 489	48 240	51 529	53 446
Schools . . . . .	350 014	382 973	409 726	455 835	473 987
Education-cost Escalation Allowance . . . . .	..	..	..	..	44 437
Educational Research . . . . .	80	..	..	..	..
Pre-school Education . . . . .	7 130	7 130	7 130	3 565	..
School-to-Work Transition . . . . .	13 142	8 485	..	..	..
Participation and Equity Program . . . . .	..	7 972	31 825	22 070	15 189
Public Hospitals—Running Costs . . . . .	12 942	..	..	..	..
Community Health Program . . . . .	..	92	..	..	..
Medicare . . . . .	..	104 096	351 903	420 755	418 568
School Dental Scheme . . . . .	191	..	301	..	..
Drug Education Campaigns . . . . .	471	502	547	4 724	5 045
Blood Transfusion Services . . . . .	2 929	2 992	3 228	3 719	4 017
Health Planning Agencies . . . . .	20	..	..	..	..
National Diseases Control . . . . .	19	55	103	103	82
Funds to Combat AIDS . . . . .	..	..	1 529	2 397	2 504
Home Care Services . . . . .	5 725	11 850	15 736	..	..
Senior Citizens' Centres . . . . .	553	901	723	..	..
Home and Community Care . . . . .	..	..	..	21 587	24 814
Geriatric Assessment . . . . .	..	..	..	1 305	1 654
Supported Accommodation Assistance . . . . .	..	..	6 287	10 723	14 096
Women's Emergency Services . . . . .	..	1 345	670	..	..
Children's Services . . . . .	4 171	4 032	1 902	1 556	1 714
Family Support Scheme . . . . .	..	..	569	773	1 497
International Year of Homeless . . . . .	..	..	..	32	38
Rehabilitation Centres . . . . .	..	286	326	378	403
Mortgage and Rent Relief . . . . .	7030	6 980	7 658	8 020	8 508
Translate and Interpreting Services . . . . .	209	255	217	182	230
Unattached Refugee Children . . . . .	..	..	..	88	171
Aboriginal Advancement . . . . .	4 337	4 061	4 505	4 068	3 405
Assistance for Housing . . . . .	1 848	1 848	1 848	1 848	1 848
International Youth Year . . . . .	..	..	139	..	..
Aerodrome Local Ownership Plan . . . . .	28	18	35	10	30
Interstate Road Transport . . . . .	..	..	..	..	761
Rural Adjustment Scheme . . . . .	719	916	1 261	1 358	8 600
Fertiliser Assistance . . . . .	..	..	..	1 584	2 106
Sugar Industry . . . . .	..	..	..	..	762
Bovine Brucellosis and Tuberculosis Eradication . . . . .	5 728	6 169	6 433	5 106	3 913
Exotic Diseases Eradication . . . . .	..	..	72	84	36
Agricultural Research . . . . .	158	91	161	150	344
National Industry Extension Service . . . . .	..	..	..	..	2 319

*Table 129—New South Wales—Commonwealth Payments and Loan Council Borrowings (a), 1982-83 to 1986-87 (\$ thousands)—continued*

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
Assistance to Tin Mining					112
Soil Conservation		173	825	973	1 170
Coal Mining Industry—Long Service Leave	10 939	13 956	15 034	13 968	15 014
Special Employment Programs	34 962	34 962			
Community Employment Program		86 297	125 316	90 750	63 800
Legal Aid	137	219	562	434	13 412
Human Rights			314	333	500
Reimbursement of Costs—Law Library	237	235	320	367	511
Road Safety Practices	37	37	37		
Financial Assistance—Local government	154 928	167 647	177 574	195 615	211 754
Drought—Fodder Subsidy	47 990	7 500	—62		
Natural Disaster Relief	14 438	7 370	381		2 070
<b>Total Specific Purpose Payments—Recurrent</b>	<b>1 245 769</b>	<b>1 480 483</b>	<b>1 824 644</b>	<b>1 983 524</b>	<b>2 051 831</b>
<b>SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES</b>					
Housing for Servicemen	4 610	2 597	4 685	3 891	1 405
Universities	21 554	26 068	25 908	32 176	36 813
Colleges of Advanced Education	14 783	18 023	15 754	18 762	21 152
Technical and Further Education	49 753	41 062	50 739	44 332	52 045
Schools	63 707	63 733	71 152	74 245	67 030
Video Facilities	371	190	223	206	206
Education—Cost Escalation Allowance					454
Teaching Hospitals				16 811	16 811
Blood Transfusion Services	147	110	336	276	402
Senior Citizens Centres	2 711	779	1 954		
Home and Community Care				1 185	2 858
Crisis Accommodation Program	1 326	1 323	4 443	4 651	4 933
Children's Services	1 076	2 000	3 634		
Aboriginal Advancement	92	503	2 021	100	
Pensioner Housing Grants	12 171	11 897	13 376	13 913	14 282
Housing Assistance for Aborigines	9 088	12 345	12 345	12 771	12 345
Local Government and Community Housing Grants			2 475	3 533	3 883
Public Housing	82 838	133 148	160 461	169 739	182 340
Growth Centres	20 985	23 892	9 832	6 046	
Urban Flood Mitigation	1 322	2 270	1 783	2 656	2 635
Land Acquisition	3 458	3 971			
Urban Rehabilitation	3 173	512	630	4 000	3 000
Captains Flat Project			120	174	182
Bicentennial Programs Assistance			3 915	1 986	7 300
National Maritime Museum				2 000	18 000
Nature Conservation	238				
National Estate	330	417	438	458	490
National Standard Sports Facilities	2 034	4 871	5 194	4 699	235
Aerodrome Local Ownership Plan			17		275
Roads	229 675	243 444	258 148		
Australian Land Transport Program				253 300	255 000
Australian Bicentennial Roads Development	33 700	151 753	134 200	141 194	140 000
Burbong Bridge Construction	230	1 000	1 000	100	340
Railway Mainline Upgrading	6 400				
Urban Water Supply and Treatment		1 000		575	1 196
Softwood Forestry	27				
Rural Adjustment Scheme	3 826	5 644	6 423	2 182	
Support for Steel Regions		9 803	16 150	14 791	34 042
Canned Fruit Industry		4 100			
Plant Genetic Resource Program			177		
Salinity Reduction Control	1 802	1 850	2 000	2 200	2 577
Irrigation and Other Water Project	1 920	1 480	1 307	1 358	205
Other Mining Assistance			2 048		
Special Employment—Public Housing	17 492	17 492			
Natural Disaster Relief	18 119	11 227		418	3 985
<b>Total Specific Purpose Payments—Capital</b>	<b>608 957</b>	<b>798 505</b>	<b>812 886</b>	<b>834 729</b>	<b>886 421</b>

*Table 129—New South Wales—Commonwealth Payments and Loan Council Borrowings (a), 1982-83 to 1986-87 (\$ thousands)—continued*

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS					
For General Purposes . . . . .	3 274 585	3 587 871	3 720 272	4 081 330	4 334 768
For Specific Purposes. . . . .	1 854 726	2 278 988	2 637 530	2 818 252	2 938 251
Total. . . . .	5 129 312	5 866 859	6 357 802	6 899 582	7 273 019

**Table 130—Victoria—Commonwealth Payments and Loan Council Borrowings  
(a), 1982-83 to 1986-87 (\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>GENERAL REVENUE FUNDS</b>					
Tax Sharing Grant . . . . .	1 743 372	1 926 238	2 019 927		
Financial Assistance Grants . . . . .				2 248 332	2 475 328
Special Revenue Assistance . . . . .	19 500	62 800	31 000		435
Health Grants . . . . .	300 549	323 248	344 218	371 037	408 827
Total . . . . .	2 063 421	2 312 287	2 395 145	2 619 369	2 884 590
<b>GENERAL PURPOSE CAPITAL FUNDS</b>					
Loan Council Borrowings—					
Loan Portion . . . . .	154 959	201 548	216 949	177 003	77 839
Housing Nomination . . . . .	75 000	44 488	45 082	75 858	116 758
Capital Grants . . . . .	114 979	123 019	131 016	140 186	107 884
Total . . . . .	344 938	369 055	393 047	393 047	302 481
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES—</b>					
Payments Under Financial Agreement—					
Interest on State Debt . . . . .	4 254	4 254	4 254		
Sinking Fund on State Debt . . . . .	11 078	11 398	11 844	12 278	12 660
Emergency Services . . . . .	413	431	512	485	493
Universities . . . . .	238 788	256 957	274 555	302 729	299 546
Colleges of Advanced Education . . . . .	215 675	234 310	257 331	284 566	276 888
Technical and Further Education . . . . .	26 595	32 569	35 514	33 778	37 302
Schools . . . . .	299 853	330 391	349 687	380 186	397 118
Education—Cost Escalation Allowance . . . . .					38 744
Educational Research . . . . .	75				
Pre-School Education . . . . .	9 015	9 015	9 015	4 508	
School-to-Work Transition . . . . .	11 862	5 795			
Participation and Equity Program . . . . .		7 771	23 006	15 560	11 302
Medicare . . . . .		80 045	249 187	256 040	269 122
Nurse Education . . . . .					3 967
Drug Education Campaigns . . . . .	360	378	397	3 472	3 804
Blood Transfusion Services . . . . .	3 442	3 749	3 608	4 854	5 300
Health Planning Agencies . . . . .	15				
National Diseases Control . . . . .	35	103	104	220	181
Funds to Combat AIDS . . . . .			876	1 493	1 587
Home Care Services . . . . .	5 892	8 024	10 213		
Senior Citizens' Centres . . . . .	977	1 208	1 268		
Paramedical Services . . . . .	446	492	552		
Home and Community Care . . . . .				15 054	22 244
Geriatric Assessment . . . . .				1 598	2 021
Supported Accommodation Assistance . . . . .			2 786	4 972	7 272
Women's Emergency Services . . . . .		820	410		
Children's Services . . . . .	5 472	4 044	2 990	1 903	2 118
Family Support Services . . . . .			903	993	1 966
International Year of Homeless . . . . .				61	91
Mortgage and Rent Relief . . . . .	5 300	5 250	5 771	6 043	6 400
Translate and Interpreting Services . . . . .	108	117	317	410	420
Supervision of Refugee Minors . . . . .				54	124
Aboriginal Advancement . . . . .	1 618	1 864	1 700	1 882	2 030
Assistance for Housing . . . . .	1 347	1 347	1 347	1 347	1 347
International Youth Year . . . . .			117		
Aerodrome Local Ownership Plan . . . . .	9				
Interstate Road Transport . . . . .					489
Rural Adjustment Scheme . . . . .	642	1 261	1 180	3 303	8 500
Fertiliser Assistance . . . . .				2 973	5 452
Canned Fruit Industry . . . . .	470	279			
Dried Vine Fruits Assistance . . . . .				19	989
Apple and Pear Export Assistance . . . . .	22	56	2		
Bovine Brucellosis and Tuberculosis Eradication . . . . .	4 314	4 504	4 281	4 042	2 556
Exotic Diseases Eradication . . . . .				1 132	15
Agricultural Research . . . . .	85	67	90	154	218
River Murray Waters Agreement . . . . .	15	9			
National Industry Extension Service . . . . .					2 043

*Table 130—Victoria—Commonwealth Payments and Loan Council Borrowings  
(a), 1982-83 to 1986-87—continued—(\$ thousands)*

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
Soil Conservation . . . . .		128	499	533	600
Special Employment Programs . . . . .	26 331	26 331	..	..	..
Community Employment Program . . . . .	..	64 012	94 428	68 434	48 100
Legal Aid . . . . .	13 965	15 337	15 065	17 827	20 642
Human Rights . . . . .	..	..	274	254	320
Road Safety Practices . . . . .	30	30	30	..	..
Financial Assistance—Local Government . . . . .	108 037	116 907	123 829	136 410	147 664
Drought—Fodder Subsidy . . . . .	41 663	6 274	-28	..	..
Natural Disaster Relief . . . . .	13 949	4 556	..	..	850
<b>Total Specific Purpose Payments—</b>					
Recurrent . . . . .	1 052 153	1 240 080	1 487 912	1 569 566	1 642 486
<b>SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES</b>					
Housing for Servicemen . . . . .	467	..	1 226	279	415
Universities . . . . .	13 097	14 557	20 692	21 054	20 738
Colleges of Advanced Education . . . . .	12 605	15 675	21 068	24 384	30 253
Technical and Further Education . . . . .	33 849	29 945	49 700	40 800	46 379
Schools . . . . .	49 476	53 229	55 004	54 404	54 780
Video Facilities . . . . .	23	23	12	32	32
Education—Cost Escalation Allowance . . . . .	..	..	..	..	358
Teaching Hospitals . . . . .	..	..	..	12 652	12 652
Blood Transfusion Services . . . . .	240	105	..	300	853
High Security Quarantine Unit . . . . .	415	..	283	30	..
Senior Citizens' Centres . . . . .	1 944	888	1 600	..	..
Home and Community Care . . . . .	..	..	..	3 052	2 562
Crisis Accommodation Program . . . . .	1 000	996	3 348	3 504	3 711
Children's Services . . . . .	..	..	2 225	..	4 035
Aboriginal Advancement . . . . .	..	..	80	..	..
Pensioner Housing Grants . . . . .	7 371	7 793	8 421	8 646	8 509
Housing Assistance for Aborigines . . . . .	2 527	3 417	3 417	3 417	3 417
Local Government and Community Housing Grants . . . . .	..	..	1 865	2 662	2 921
Other Housing Assistance . . . . .	65 151	104 443	125 147	131 575	140 377
Growth Centres . . . . .	12 534	13 468	..	..	..
Urban Flood Mitigation . . . . .	947	1 047	1 267	1 154	1 845
Urban Rehabilitation . . . . .	..	..	4	..	..
Bicentennial Programs Assistance . . . . .	..	..	500	5 025	6 400
Sesquicentenary Grants . . . . .	100	2 400	1 932	568	..
Nature Conservation . . . . .	..	..	..	..	12
National Estate . . . . .	330	417	438	458	490
National Standard Sports Facilities . . . . .	539	258	3 136	..	935
Roads . . . . .	147 671	156 523	165 979	..	..
Australian Land Transport Program . . . . .	..	..	..	159 700	160 400
Australian Bicentennial Roads Development . . . . .	20 467	72 604	82 487	94 200	93 500
Railway Mainline Upgrading . . . . .	10 727	1 785	..	..	..
Transport Improvement Grant . . . . .	35 000	..	19 000	..	..
Urban Water Supply and Treatment . . . . .	2 092	2 018	755	291	876
Softwood Forestry . . . . .	-14	..	..	..	..
Rural Adjustment Scheme . . . . .	3 354	5 577	4 118	..	..
Plant Genetic Resource Program . . . . .	..	..	..	300	..
Salinity Reduction Control . . . . .	1 988	1 304	2 595	2 267	3 000
Irrigation and Other Water Projects . . . . .	1 430	1 296	1 629	1 690	664
Portland Aluminium Smelter . . . . .	..	..	..	..	1 500
Special Employment—Public Housing . . . . .	10 980	15 371	..	..	..
Natural Disaster Relief . . . . .	26 410	12 763	-540	-316	2 025
<b>Total Specific Purpose Payments—Capital</b>	<b>462 722</b>	<b>517 902</b>	<b>577 387</b>	<b>572 128</b>	<b>603 637</b>
<b>TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS</b>					
For General Purposes . . . . .	2 408 359	2 681 342	2 788 192	3 012 416	3 187 071
For Specific Purposes . . . . .	1 514 875	1 757 982	2 065 300	2 141 694	2 246 123
<b>Total . . . . .</b>	<b>3 923 234</b>	<b>4 439 324</b>	<b>4 853 492</b>	<b>5 154 110</b>	<b>5 433 194</b>



**Table 131—Queensland—Commonwealth Payments and Loan Council Borrowings  
(a), 1982-83 to 1986-87 (\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>GENERAL REVENUE FUNDS</b>					
Tax Sharing Grants . . . . .	1 527 398	1 684 834	1 885 612		
Financial Assistance Grants . . . . .	..	..	..	1 973 578	2 188 714
Special Revenue Assistance . . . . .	..	31 000	..	10 000	3 193
Health Grants . . . . .	92 970	99 992	104 684	113 515	125 990
Special Grants . . . . .	-19 650	..	..	..	..
Total. . . . .	1 600 718	1 815 825	1 990 296	2 097 093	2 317 897
<b>GENERAL PURPOSE CAPITAL FUNDS</b>					
Loan Council Borrowings—					
Loan Portion . . . . .	112 749	119 853	108 295	93 419	41 082
Housing Nomination . . . . .	8 618	10 000	30 000	40 037	61 622
Capital Grants . . . . .	60 683	64 926	69 147	73 986	56 939
Total. . . . .	182 050	194 779	207 442	207 442	159 643
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES</b>					
Payments Under Financial Agreement—					
Interest on State Debt. . . . .	2 192	2 192	2 192	..	..
Sinking Fund on State Debt. . . . .	5 773	6 013	6 277	6 653	6 860
Emergency Services . . . . .	505	587	600	555	625
Universities . . . . .	128 673	138 705	149 006	164 896	163 236
Colleges of Advanced Education . . . . .	92 035	100 021	107 942	124 822	122 804
Technical and Further Education . . . . .	10 722	12 119	14 161	16 423	19 121
Schools . . . . .	150 487	166 839	181 590	204 456	210 847
Education—Cost Escalation Allowance . . . . .	..	..	..	..	19 676
Educational Research . . . . .	17	..	..	..	..
Pre-School Education . . . . .	6 605	6 605	6 605	3 303	..
School-To-Work Transition . . . . .	6 310	4 329	..	..	..
Participation and Equity Program . . . . .	..	5 297	13 626	10 966	7 248
Public Hospitals—Running Costs . . . . .	..	6 770	..	..	..
Medicare. . . . .	..	29 075	75 573	72 083	79 195
Nurse Education . . . . .	..	..	..	..	620
Drug Education Campaigns. . . . .	270	291	306	2 254	2 420
Blood Transfusion Services . . . . .	1 352	1 373	1 599	1 927	2 103
Health Planning Agencies . . . . .	20	..	..	..	..
National Diseases Control . . . . .	18	164	153	160	120
Funds to Combat AIDS . . . . .	..	..	441	497	488
Home Care Services . . . . .	2 962	1 918	3 261	..	..
Senior Citizens' Centres . . . . .	91	109	145	..	..
Home and Community Care . . . . .	..	..	..	5 165	9 323
Geriatric Assessment . . . . .	..	..	..	157	511
Supported Accommodation Assistance . . . . .	..	..	2 608	4 795	6 408
Women's Emergency Services . . . . .	..	691	346	..	..
Children's Services . . . . .	1 234	1 378	692	500	528
Family Support Services. . . . .	..	..	306	336	672
International Year of Homeless . . . . .	..	..	..	5	20
Mortgage and Rent Relief . . . . .	..	1 600	3 469	3 724	3 968
Translate and Interpreting Services . . . . .	78	59	68	52	75
Supervision of Refugee Minors. . . . .	..	..	..	20	32
Aboriginal Advancement. . . . .	5 565	5 967	5 632	5 575	5 768
Assistance for Housing . . . . .	423	423	423	423	423
Nature Conservation . . . . .	..	200	..	..	..
International Youth Year . . . . .	..	..	88	..	..
Aerodrome Local Ownership Plan . . . . .	201	404	..	669	600
Interstate Road Transport . . . . .	..	..	..	..	497
Rural Adjustment Scheme . . . . .	484	1 091	1 739	2 628	5 840
Fertiliser Assistance . . . . .	..	..	..	3 143	4 178
Sugar Industry . . . . .	..	..	..	1 728	21 888
Apple and Pear Export Assistance . . . . .	5	4	..	..	..
Bovine Brucellosis and Tuberculosis Eradication . . . . .	10 688	9 990	12 752	14 092	14 768
Exotic Diseases Eradication. . . . .	..	..	48	..	33
Agricultural Research . . . . .	27	55	77	103	151
National Industry Extension Service . . . . .	..	..	..	..	866

**Table 131—Queensland—Commonwealth Payments and Loan Council Borrowings (a), 1982-83 to 1986-87 (\$ thousands)—continued**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
Assistance to Tin Mining . . . . .	..	..	..	..	757
Soil Conservation . . . . .	..	113	611	738	860
Coal Mining Industry—Long Service Leave . . . . .	2 562	3 246	3 109	3 092	3 162
Special Employment Programs . . . . .	15 950	15 950	..	..	..
Community Employment Program . . . . .	..	41 268	57 960	42 073	29 800
Legal Aid . . . . .	8 685	8 429	10 096	11 307	12 651
Road Safety Practices . . . . .	28	28	28	..	..
Financial Assistance-Local Government . . . . .	71 571	77 447	82 033	90 367	97 823
Drought-Fodder Subsidy . . . . .	7 227	800	-194	..	..
Natural Disaster Relief . . . . .	15 808	13 742	1 183	6 214	2 010
<b>Total Specific Purpose Payments—</b>					
Recurrent . . . . .	548 567	665 291	746 550	805 900	858 974
<b>SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES</b>					
Housing for Servicemen . . . . .	2 440	2 559	48	27	29
Universities . . . . .	7 966	12 782	10 573	9 869	12 029
Colleges of Advanced Education . . . . .	4 727	4 589	6 439	10 729	14 288
Technical and Further Education . . . . .	12 642	18 784	23 732	28 589	24 177
Schools . . . . .	30 104	32 179	35 175	43 736	31 291
Video Facilities . . . . .	514	439	409	552	552
Education-Cost Escalation Allowance . . . . .	..	..	..	..	278
Teaching Hospitals . . . . .	..	..	..	7 713	7 713
Blood Transfusion Services . . . . .	50	205	1 371	213	106
Senior Citizens Centres . . . . .	934	839	293	..	..
Home and Community Care . . . . .	..	..	..	979	1 074
Crisis Accommodation Program . . . . .	600	608	2 054	2 160	2 301
Children's Services . . . . .	..	..	1 900	574	2 712
Aboriginal Advancement . . . . .	1 696	1 410	989	1 048	165
Pensioner Housing Grants . . . . .	5 138	5 598	6 327	6 842	7 096
Housing Assistance For Aborigines . . . . .	6 626	10 346	10 346	12 220	14 109
Local Government and Community Housing Grants . . . . .	..	..	1 145	1 640	1 811
Other Housing Assistance . . . . .	28 950	46 237	58 720	65 189	73 328
Urban Flood Mitigation . . . . .	866	1 017	856	1 027	..
Bicentennial Programs Assistance . . . . .	..	..	736	3 306	4 200
National Estate . . . . .	330	417	438	458	490
National Standard Sports Facilities . . . . .	524	13	..	..	1 750
Aerodrome Local Ownership Plan . . . . .	10 134	15 550	..	68	..
Roads . . . . .	149 348	158 301	167 865	..	..
Australian Land Transport Program . . . . .	..	..	..	163 000	162 900
Australian Bicentennial Roads Development . . . . .	30 608	96 200	91 000	94 600	94 700
Railway Mainline Upgrading . . . . .	9 183	1 984	..	..	..
Transport Improvement Grant . . . . .	20 000	..	..	..	..
Urban Water Supply and Treatment . . . . .	..	..	..	416	832
Gladstone Power Station . . . . .	8 042	..	..	..	..
Softwood Forestry . . . . .	261	..	..	..	..
Rural Adjustment Scheme . . . . .	2 340	14 487	7 747	1 774	..
Sugar Industry . . . . .	40 027	3 907	8 436	..	..
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	611	679
Plant Genetic Resource Program . . . . .	..	..	..	..	485
Fisheries Management . . . . .	..	..	..	1 088	1 015
Burdekin Dam Construction . . . . .	3 761	13 000	20 000	26 000	29 000
Irrigation and Other Water Projects . . . . .	8 750	8 430	7 500	5 100	4 040
Special Employment-Public Housing . . . . .	11 900	4 002	..	..	..
Natural Disaster Relief . . . . .	25 976	66 861	9 933	18 723	7 300
<b>Total Specific Purpose Payments—</b>					
Capital— . . . . .	424 436	520 746	474 035	508 250	500 451
<b>TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS</b>					
For General Purposes . . . . .	1 782 768	2 010 604	2 197 738	2 304 535	2 474 540
For Specific Purposes . . . . .	973 004	1 186 036	1 220 582	1 314 150	1 359 425
<b>Total . . . . .</b>	<b>2 755 772</b>	<b>3 196 641</b>	<b>3 418 320</b>	<b>3 618 685</b>	<b>3 836 965</b>

**Table 132—Western Australia—Commonwealth Payments and Loan Council Borrowings (a), 1982-83 to 1986-87 (\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>GENERAL REVENUE FUNDS</b>					
Tax Sharing Grants . . . . .	913 086	999 277	1 042 348		
Financial Assistance Grants . . . . .	..	..	..	1 122 961	1 248 331
Special Revenue Assistance . . . . .	..	18 200	20 300	..	2 528
Health Grants . . . . .	140 083	150 663	161 985	176 307	196 148
Total . . . . .	1 053 169	1 168 140	1 224 633	1 299 268	1 447 007
<b>GENERAL PURPOSE CAPITAL FUNDS</b>					
Loan Council Borrowings—					
Loan Portion . . . . .	77 495	83 618	..	..	..
Housing Nomination . . . . .	7 200	7 000	96 509	93 132	71 672
Capital Grants . . . . .	42 348	45 309	48 255	51 632	39 735
Total . . . . .	127 043	135 927	144 764	144 764	111 407
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES</b>					
Payments Under Financial Agreement—					
Interest on State Debt . . . . .	868	1 026	947	..	..
Sinking Fund on State Debt . . . . .	4 092	4 264	4 453	4 474	4 610
Emergency Services . . . . .	194	251	345	401	459
Universities . . . . .	73 385	79 172	85 199	93 936	93 228
Colleges of Advanced Education . . . . .	72 626	78 064	85 273	95 118	93 025
Technical and Further Education . . . . .	10 617	11 805	12 804	13 474	14 278
Schools . . . . .	81 852	90 749	98 497	110 292	113 171
Education-Cost Escalation Allowance . . . . .	..	..	..	..	12 224
Education Research . . . . .	29	..	..	..	..
Pre-school Education . . . . .	4 860	4 860	4 860	2 430	..
School-to-Work Transition . . . . .	3 535	2 253	..	..	..
Participation and Equity Program . . . . .	..	2 152	8 140	6 260	4 094
Medicare . . . . .	..	27 277	85 195	89 086	93 568
Nurse Education . . . . .	..	..	..	..	1 870
Drug Education Campaigns . . . . .	198	211	232	1 297	1 386
Blood Transfusion Services . . . . .	981	1 153	1 274	1 524	1 646
Health Planning Agencies . . . . .	19	..	..	..	..
National Diseases Control . . . . .	23	54	53	79	76
Funds to Combat AIDS . . . . .	..	..	343	564	616
Home Care Services . . . . .	1 200	1 230	2 680	..	..
Senior Citizens' Centres . . . . .	195	175	288	..	..
Home and Community Care . . . . .	..	..	..	3 621	8 296
Geriatric Assessment . . . . .	..	..	..	90	706
Supported Accommodation Assistance . . . . .	..	..	2 212	4 402	7 375
Women's Emergency Services . . . . .	..	466	214	..	..
Children's Services . . . . .	1 308	1 377	699	614	660
Family Support Services . . . . .	..	..	341	622	943
International Year of Homeless . . . . .	..	..	..	9	11
Mortgage and Rent Relief . . . . .	1 740	1 770	1 956	2 055	2 197
Translating and Interpreting Services . . . . .	..	..	..	..	200
Unattached Refugee Children . . . . .	..	..	..	30	39
Aboriginal Advancement . . . . .	11 723	12 329	12 999	13 454	12 613
Assistance for Housing . . . . .	627	627	627	627	627
America's Cup Defence . . . . .	..	..	4 223	1 773	3 389
International Youth Year . . . . .	..	..	64	..	..
Aerodrome Local Ownership Plan . . . . .	..	..	..	7	7
Interstate Road Transport . . . . .	..	..	..	..	305
Rural Adjustment Scheme . . . . .	474	1 422	788	1 373	5 800
Fertiliser Assistance . . . . .	..	..	..	6 629	12 313
Dried Vine Fruits Assistance . . . . .	..	..	..	..	85
Apple and Pear Export Assistance . . . . .	135	175	23	..	..
Bovine Brucellosis and Tuberculosis Eradication . . . . .	1 433	1 955	2 346	1 892	2 580
Exotic Diseases Eradication . . . . .	..	..	..	..	30
Agricultural Research . . . . .	28	38	16	20	101
National Industry Extension Service . . . . .	..	..	..	..	613
Assistant to Tin Mining . . . . .	..	..	..	..	20

**Table 132—Western Australia—Commonwealth Payments and Loan Council Borrowings (a), 1982–83 to 1986–87 (\$ thousands)—continued**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
Soil Conservation . . . . .	..	67	611	703	800
Coal Mining Industry—Long Service Leave . . . . .	640	1 020	938	727	736
Special Employment Programs . . . . .	8 790	8 790	..	..	..
Community Employment Program . . . . .	..	22 986	32 004	23 203	16 500
Legal Aid . . . . .	6 501	6 249	7 054	8 004	9 620
Human Rights . . . . .	..	..	..	150	265
Road Safety Practices . . . . .	25	25	25	..	..
Financial Assistance—Local Government . . . . .	39 858	43 130	45 684	50 326	54 477
Drought—Fodder Subsidy . . . . .	473	1 048	—6	..	..
Natural Disaster Relief . . . . .	1 002	1 013	..	70	210
<b>Total Specific Purpose Payments—Recurrent . . . . .</b>	<b>329 430</b>	<b>409 182</b>	<b>503 399</b>	<b>539 334</b>	<b>575 767</b>
<b>SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES</b>					
Housing for Servicemen . . . . .	746	134	..	61	78
Universities . . . . .	3 515	5 812	5 440	6 662	10 282
Colleges of Advanced Education . . . . .	3 584	3 494	3 618	5 353	6 064
Technical and Further Education . . . . .	12 136	8 065	15 725	16 138	13 722
Schools . . . . .	16 045	18 366	22 061	22 156	22 728
Video Facilities . . . . .	240	108	99	149	149
Education—Cost Escalation Allowance . . . . .	..	..	..	..	140
Teaching Hospitals . . . . .	..	..	..	4 258	4 258
Blood Transfusion Services . . . . .	97	115	83	341	375
Senior Citizens Centre . . . . .	424	708	929	..	..
Home and Community Care . . . . .	..	..	..	397	955
Crisis Accommodation Program . . . . .	332	335	1 135	1 191	1 274
Children's Services . . . . .	..	443	1 563	828	1 766
Aboriginal Advancement . . . . .	533	3 413	3 866	4 002	7 877
Pensioner Housing Grants . . . . .	2 731	2 684	2 850	3 101	3 095
Housing Assistance for Aborigines . . . . .	7 222	10 017	10 017	10 017	10 047
Local Government and Community Housing Grants . . . . .	..	..	632	905	1 003
Other Housing Assistance . . . . .	23 461	37 077	44 192	46 205	49 239
Urban Flood Mitigation . . . . .	70	100	100	56	406
Land Acquisition . . . . .	4 098	4 706	..	..	..
Special Sewerage Assistance . . . . .	12 100	7 900	..	..	..
Bicentennial Programs Assistance . . . . .	..	..	..	1 417	2 800
America's Cup Defence . . . . .	..	..	277	14 977	2 862
National Estate . . . . .	330	417	438	458	490
National Standard Sports Facilities . . . . .	424	20	313	1 945	1 366
Aerodrome Local Ownership Plan . . . . .	..	..	..	83	..
Roads . . . . .	89 874	95 262	101 017	..	..
Australian Land Transport Program . . . . .	..	..	..	102 339	99 200
Australian Bicentennial Roads Development . . . . .	13 693	47 677	52 996	55 800	55 100
Railway Projects . . . . .	..	..	42	..	206
Railway Mainline Upgrading . . . . .	1 683	381	..	..	..
Transport Improvement Grant . . . . .	..	..	..	9 700	..
Urban Water Supply and Treatment . . . . .	2 130	4 752	6 650	1 044	384
Softwood Forestry . . . . .	150	..	..	..	..
Rural Adjustment Scheme . . . . .	2 482	7 820	3 870	1 462	..
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	..	102
Plant Genetic Resource Program . . . . .	..	..	109	33	..
Salinity Reduction Control . . . . .	2 000	2 000	1 378	913	1 175
Irrigation and Other Water Projects . . . . .	2 200	1 530	1 610	1 623	80
Western Australian Pastoral Industry Assistance . . . . .	..	..	6 000	..	..
Special Employment—Public Housing . . . . .	7 884	884	..	..	..
Natural Disaster Relief . . . . .	7 886	7 458	..	1 047	3 140
<b>Total Specific Purpose Payments—Capital . . . . .</b>	<b>218 070</b>	<b>271 677</b>	<b>287 010</b>	<b>314 660</b>	<b>300 363</b>
<b>TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS</b>					
For General Purposes . . . . .	1 180 212	1 304 067	1 369 397	1 444 032	1 558 414
For Specific Purposes . . . . .	547 500	680 858	790 404	853 994	876 130
<b>TOTAL . . . . .</b>	<b>1 727 712</b>	<b>1 984 925</b>	<b>2 159 807</b>	<b>2 298 027</b>	<b>2 434 544</b>

**Table 133—South Australia—Commonwealth Payments and Loan Council Borrowings (a), 1982-83 to 1986-87 (\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>GENERAL REVENUE FUNDS</b>					
Tax Sharing Grants . . . . .	864 097	953 830	1 000 280	..	..
Financial Assistance Grants . . . . .	..	..	..	1 037 171	1 139 833
Special Revenue Assistance . . . . .	10 500	17 200	..	34 200	17 996
Health Grants . . . . .	9 467	78 609	182 326	195 890	215 453
Total . . . . .	884 064	1 049 639	1 182 606	1 267 262	1 373 282
<b>GENERAL PURPOSE CAPITAL FUNDS</b>					
Loan Council Borrowings—					
Loan Portion . . . . .	94 285	..	..	..	..
Housing Nomination . . . . .	25 000	127 626	135 923	131 166	100 943
Capital Grants . . . . .	59 643	63 813	67 961	72 718	55 962
Total . . . . .	178 928	191 439	203 884	203 884	156 905
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES—</b>					
Payments under Financial Agreement—					
Interest on State Debt . . . . .	1 408	1 408	1 408	..	..
Sinking Fund on State Debt . . . . .	5 516	5 722	5 651	5 573	5 740
Emergency Services . . . . .	96	78	166	282	360
Universities . . . . .	85 603	91 428	96 873	107 273	105 649
Colleges of Advanced Education . . . . .	62 231	66 590	72 763	80 346	78 655
Technical and Further Education . . . . .	9 349	10 509	11 481	12 809	13 563
Schools . . . . .	77 632	83 558	88 863	99 404	101 854
Education—Cost Escalation Allowance . . . . .	..	..	..	..	11 631
Educational Research . . . . .	6	..	..	..	..
Pre-School Education . . . . .	3 730	3 730	3 730	1 865	..
School-to-Work Transition . . . . .	4 402	2 591	..	..	..
Participation and Equity Program . . . . .	..	3 041	8 196	6 131	4 005
Public Hospitals—Running Costs . . . . .	162 122	93 529	..	..	..
Medicare . . . . .	..	21 227	118 353	111 891	118 050
Nurse Education . . . . .	..	..	..	..	769
School Dental Scheme . . . . .	165	..	..	..	..
Drug Education Campaigns . . . . .	191	207	218	1 372	1 346
Blood Transfusion Services . . . . .	1 190	1 292	1 387	1 657	1 555
Health Planning Agencies . . . . .	19	..	..	..	..
National Diseases Control . . . . .	11	19	36	36	40
Funds to Combat AIDS . . . . .	..	..	408	550	445
Home Care Services . . . . .	1 106	1 230	1 785	..	..
Senior Citizens' Centres . . . . .	183	265	164	..	..
Paramedical Services . . . . .	767	887	945	..	..
Home and Community Care . . . . .	..	..	..	4 315	6 607
Geriatric Assessment . . . . .	..	..	..	515	826
Supported Accommodation Assistance . . . . .	..	..	2 022	4 085	6 330
Women's Emergency Services . . . . .	..	352	176	..	..
Children's Services . . . . .	3 295	3 510	5 564	7 216	7 923
Family Support Services . . . . .	..	..	504	559	625
International Year of Homeless . . . . .	..	..	..	15	..
Mortgage and Rent Relief . . . . .	1 760	1 750	1 918	2 002	2 114
Translating and Interpreting Services . . . . .	90	119	164	105	90
Supervision of Refugee Minors . . . . .	..	..	..	43	49
Aboriginal Advancement . . . . .	5 662	5 877	5 999	5 937	6 397
Assistance for Housing . . . . .	941	941	941	941	941
International Youth Year . . . . .	..	..	62	..	..
Aerodrome Local Ownership Plan . . . . .	44	28	29	33	28
Interstate Road Transport . . . . .	..	..	..	..	188
Rural Adjustment Scheme . . . . .	583	1 027	634	1 251	4 300
Fertiliser Assistance . . . . .	..	..	..	2 972	3 952
Canned Fruit Industry . . . . .	280	..	..	..	..
Dried Vine Fruits Assistance . . . . .	..	..	..	..	340
Wine Industry Adjustment . . . . .	..	..	..	1 300	5 267
Bovine Brucellosis and Tuberculosis Eradication . . . . .	2 161	2 624	2 496	1 579	1 586
Exotic Diseases Eradication . . . . .	..	..	..	..	16
Agricultural Research . . . . .	20	38	19	29	50

**Table 133—South Australia—Commonwealth Payments and Loan Council Borrowings (a), 1982-83 to 1986-87—continued—(\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
National Industry Extension Service . . . . .	..	..	..	..	569
Soil Conservation . . . . .	..	64	396	422	500
Special Employment Programs . . . . .	8 773	8 773	..	..	..
Community Employment Program . . . . .	..	21 739	31 392	22 707	15 900
Legal Aid . . . . .	3 824	4 697	5 463	6 284	6 801
Human Rights . . . . .	..	..	249	248	300
Road Safety Practices . . . . .	19	19	19	..	..
Financial Assistance—Local Government . . . . .	36 510	39 507	41 847	46 098	49 901
Drought-Fodder Subsidy . . . . .	5 018	2 285	-162	..	..
Natural Disaster Relief . . . . .	2 896	1 862	44	..	250
<b>Total Specific Purpose Payments—</b>					
Recurrent . . . . .	487 604	482 524	512 203	537 845	565 511
<b>SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES</b>					
Housing for Servicemen . . . . .	..	9	..	..	10
Universities . . . . .	4 555	5 795	5 597	5 962	7 240
Colleges of Advanced Education . . . . .	3 530	3 949	4 001	4 408	5 779
Technical and Further Education . . . . .	12 671	13 986	16 106	8 921	11 260
Schools . . . . .	16 028	16 706	19 156	17 552	16 676
Video Facilities . . . . .	103	63	93	87	87
Education—Cost Escalation Allowance . . . . .	..	..	..	..	53
Teaching Hospitals . . . . .	..	..	..	4 206	4 206
School Dental Scheme . . . . .	..	165	..	..	..
Blood Transfusion Services . . . . .	170	47	43	107	244
Senior Citizens Centres . . . . .	647	437	418	..	..
Home and Community Care . . . . .	..	..	..	357	761
Crisis Accommodation Program . . . . .	334	331	1 112	1 161	1 226
Children's Services . . . . .	..	40	1 270	..	2 188
Aboriginal Advancement . . . . .	2 466	895	822	83	484
Pensioner Housing Grants . . . . .	3 080	2 662	2 622	2 662	2 640
Housing Assistance for Aborigines . . . . .	3 815	5 595	5 595	5 595	5 595
Local Government and Community Housing Grants . . . . .	..	..	620	882	965
Other Housing Assistance . . . . .	35 121	54 051	61 284	60 794	61 004
Urban Flood Mitigation . . . . .	1 141	1 100	722	1 000	408
Bicentennial Programs Assistance . . . . .	..	..	..	1 081	2 000
Sesquicentenary Grants . . . . .	180	875	525	420	..
National Estate . . . . .	330	417	438	458	490
National Standard Sports Facilities . . . . .	355	875	2 191	356	1 224
Roads . . . . .	60 327	63 943	67 807	..	..
Australian Land Transport Program . . . . .	..	..	..	66 192	67 000
Australian Bicentennial Roads Development . . . . .	8 515	29 837	27 603	31 100	30 300
Transport Improvement Grant . . . . .	10 000	..	..	..	..
Urban Water Supply and Treatment . . . . .	2 910	7 700	5 685	5 666	6 388
Special Assistance for Water . . . . .	10 000	..	20 250	..	..
Softwood Forestry . . . . .	154	..	..	..	..
Log Salvage Loan . . . . .	11 000	..	..	..	..
Rural Adjustment Scheme . . . . .	1 955	3 696	2 257	1 156	..
Support for Steel Regions . . . . .	..	..	1 198	834	3 915
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	220	84
Plant Genetic Resources Program . . . . .	..	..	71	15	..
Assistance for Grand Prix Racing . . . . .	..	..	5 000	..	..
Salinity Reduction Control . . . . .	1 541	1 000	700	758	932
Irrigation and Other Water Projects . . . . .	800	555	600	677	123
Special Employment-Public Housing . . . . .	3 664	5 130	..	..	..
Natural Disaster Relief . . . . .	19 580	9 445	..	37	2 010
<b>Total Specific Purpose Payments—Capital</b>	<b>214 974</b>	<b>229 303</b>	<b>253 783</b>	<b>222 747</b>	<b>235 292</b>
<b>Total Payments and Loan Council Borrowings</b>					
For General Purposes . . . . .	1 062 992	1 241 078	1 386 490	1 471 146	1 530 187
For Specific Purposes . . . . .	702 578	711 827	765 986	760 592	800 803
<b>Total.</b>	<b>1 765 571</b>	<b>1 952 905</b>	<b>2 152 476</b>	<b>2 231 737</b>	<b>2 330 990</b>

**Table 134—Tasmania—Commonwealth Payments and Loan Council Borrowings**  
(a), 1982-83 to 1986-87 (\$ thousands)

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>GENERAL REVENUE FUNDS</b>					
Tax Sharing Grants . . . . .	362 778	397 042	417 147		
Financial Assistance Grants . . . . .	..	..	..	387 036	426 083
Special Revenue Assistance . . . . .	..	7 200	..	42 978	19 410
Health Grants . . . . .	5 221	27 236	58 970	63 553	70 021
Total . . . . .	367 999	431 479	476 117	493 567	515 514
<b>GENERAL PURPOSE CAPITAL FUNDS</b>					
Loan Council Borrowings—					
Loan Portion . . . . .	54 071	50 637	54 849	49 379	21 713
Housing Nomination . . . . .	10 080	18 000	18 250	21 162	32 573
Capital Grants . . . . .	32 076	34 318	36 549	39 107	30 097
Total . . . . .	96 227	102 955	109 648	109 648	84 383
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES</b>					
Payments Under Financial Agreement—					
Interest on State Debt . . . . .	534	534	534		
Sinking Fund on State Debt . . . . .	2 958	3 082	3 194	3 361	3 470
Emergency Services . . . . .	141	134	163	167	208
Universities . . . . .	32 310	35 020	37 240	40 476	39 706
Colleges of Advanced Education . . . . .	9 459	10 367	11 125	12 254	12 131
Technical and Further Education . . . . .	3 200	3 552	3 878	4 784	4 430
Schools . . . . .	24 282	26 290	28 722	31 875	32 528
Education—Cost Escalation Allowance . . . . .	..	..	..	..	3 458
Educational Research . . . . .	10	..	..	..	..
Pre-School Education . . . . .	1 410	1 410	1 410	705	..
School-To-Work Transition . . . . .	1 234	1 019	..	..	..
Participation and Equity Program . . . . .	..	753	3 226	2 194	1 403
Public Hospitals—Running Costs . . . . .	45 253	26 997	..	..	..
Medicare . . . . .	..	10 675	32 685	33 251	35 362
Nurse Education . . . . .	..	..	..	..	62
School Dental Scheme . . . . .	38	..	460	..	..
Drug Education Campaigns . . . . .	115	132	110	506	515
Blood Transfusion Services . . . . .	181	271	226	319	341
Health Planning Agencies . . . . .	5	..	..	..	..
Transfer of Pathology Laboratory . . . . .	..	..	..	670	1 299
Funds to Combat AIDS . . . . .	..	..	100	86	99
Home Care Services . . . . .	813	630	1 216	..	..
Paramedical Services . . . . .	28	33	20	..	..
Home and Community Care . . . . .	..	..	..	1 729	2 129
Geriatric Assessment . . . . .	..	..	..	236	359
Supported Accommodation Assistance . . . . .	..	..	1 110	2 006	2 661
Women's Emergency Services . . . . .	..	168	83	..	..
Children's Services . . . . .	533	499	170	137	132
Family Support Services . . . . .	..	..	146	125	189
Rehabilitation Centres . . . . .	1 189	1 223	1 517	1 613	1 794
Mortgage and Rent Relief . . . . .	163	555	618	648	686
Aboriginal Advancement . . . . .	112	168	179	179	193
Assistance for Housing . . . . .	314	314	314	314	314
International Youth Year . . . . .	..	..	45	..	..
Aerodrome Local Ownership Plan . . . . .	41	87	148	232	250
Interstate Road Transport . . . . .	..	..	..	..	107
Rural Adjustment Scheme . . . . .	71	44	77	138	860
Apple and Pear Export Assistance . . . . .	372	272	145	..	..
Bovine Brucellosis and Tuberculosis Eradication . . . . .	52	53	64	55	60
Exotic Diseases Eradication . . . . .	..	..	..	5	7
Agricultural Research . . . . .	..	10	26	11	31
National Industry Extension Service . . . . .	..	..	..	..	366
Assistance to Tin Mining . . . . .	..	..	..	..	80
Soil Conservation . . . . .	..	26	161	186	200
Coal Mining Industry—Long Service Leave . . . . .	30	45	33	69	87
Special Employment Programs . . . . .	2 834	2 834	..	..	..

**Table 134—Tasmania—Commonwealth Payments and Loan Council Borrowings  
(a), 1982-83 to 1986-87—continued—(\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
Community Employment Program . . . . .		7 508	10 116	7 334	5 200
Regional Economic Studies Centre . . . . .	40	40	40	40	..
Legal Aid . . . . .	..	10	29	49	68
Road Safety Practices . . . . .	11	11	11	..	..
Financial Assistance—Local Government . . . . .	13 582	14 697	15 568	17 149	18 564
Drought—Fodder Subsidy . . . . .	1 322	454	..	..	..
Natural Disaster Relief . . . . .	..	53	61	..	10
Assistance for South-West Tasmania . . . . .	..	20 333	21 991	27 290	28 888
<b>Total Specific Purpose Payments—</b>					
Recurrent . . . . .	142 637	170 304	176 961	190 194	198 244
<b>SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES</b>					
Housing for Servicemen . . . . .	19	..	..	..	..
Universities . . . . .	1 404	1 672	2 055	3 415	4 227
Colleges of Advanced Education . . . . .	405	441	454	630	734
Technical and Further Education . . . . .	3 490	2 777	2 334	737	2 332
Schools . . . . .	5 172	5 993	6 024	6 065	5 130
Video Facilities . . . . .	7	7	6	7	7
Education—Cost Escalation Allowance . . . . .	..	..	..	..	25
Launceston General Hospital . . . . .	1 357	194	157	766	4 241
Teaching Hospitals . . . . .	..	..	..	1 400	1 400
Blood Transfusion Services . . . . .	1	71	5	64	126
Senior Citizens Centres . . . . .	262	226	28	..	..
Home and Community Care . . . . .	..	..	..	5	245
Crisis Accommodation Program . . . . .	108	107	359	376	398
Children's Services . . . . .	..	..	..	..	693
Rehabilitation Centres . . . . .	286	18	..	..	..
Pensioner Housing Grants . . . . .	1 009	866	904	913	855
Housing Assistance for Aborigines . . . . .	518	696	696	696	696
Local Government and Community Housing Grants . . . . .	..	..	200	286	313
Other Housing Assistance . . . . .	15 852	22 449	24 913	24 692	24 701
Urban Flood Mitigation . . . . .	110	108	57	51	90
Bicentennial Programs Assistance . . . . .	..	..	..	200	1 000
National Estate . . . . .	330	417	438	458	490
Port Arthur Conservation Program . . . . .	1 300	1 200	600	500	..
National Standard Sports Facilities . . . . .	198	1 297	..	..	995
Aerodrome Local Ownership Plan . . . . .	4 862	1 225	1 347	65	20
Roads . . . . .	32 406	34 349	36 424	..	..
Australian Land Transport Program . . . . .	..	..	..	31 216	31 900
Australian Bicentennial Roads Development . . . . .	3 706	12 517	14 900	11 957	15 200
Tourist Roads Assistance . . . . .	10 000	..	..	..	..
Second Hobart Bridge . . . . .	16 711	4 898	926	3 923	100
Bass Strait Passenger Service . . . . .	..	958	25 042	..	..
Urban Water Supply and Treatment . . . . .	13	20	..	109	232
Softwood Forestry . . . . .	248	..	..	..	..
Rural Adjustment Scheme . . . . .	378	249	380	98	..
Irrigation and Other Water Projects . . . . .	253	165	180	200	..
Special Employment—Public Housing . . . . .	1 185	1 659	..	..	..
Natural Disaster Relief . . . . .	..	282	220	4	40
Assistance for South-West Tasmania . . . . .	..	42 573	12 378	8 281	7 549
<b>Total Specific Purpose Payments—</b>					
Capital . . . . .	101 590	137 434	131 027	97 113	103 739
<b>TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS</b>					
For General Purposes . . . . .	464 226	534 434	585 765	603 215	559 897
For Specific Purposes . . . . .	244 227	307 738	307 988	287 307	301 983
<b>Total . . . . .</b>	<b>708 453</b>	<b>842 171</b>	<b>893 753</b>	<b>890 522</b>	<b>901 880</b>



**Table 135—Commonwealth Payments to the Northern Territory, 1982–83 to 1986–87 (\$ thousands)**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
<b>GENERAL REVENUE FUNDS</b>					
Tax Sharing Grants . . . . .	378 922	424 655	471 292	..	..
Special Revenue Assistance . . . . .	..	..	..	..	1 235
Health Grants . . . . .	23 522	25 299	27 200	..	..
General Revenue Grants . . . . .	..	..	..	561 317	629 499
Special Grants . . . . .	..	16 900	–12 600	..	..
Grant in Lieu of Royalties . . . . .	3 728	4 405	4 116	4 449	4 306
Recreation Leave and Furlough Entitlements . . . . .	495	485	500	2 000	6 788
Additional Assistance Grants . . . . .	15 000	..	5 000	..	..
<b>Total.</b> . . . . .	<b>421 667</b>	<b>471 744</b>	<b>495 508</b>	<b>567 765</b>	<b>641 828</b>
<b>GENERAL PURPOSE CAPITAL FUNDS</b>					
General Purpose Loans to Northern Territory					
Loan Portion . . . . .	80 419	86 042	91 635	77 211	33 954
Housing Nomination . . . . .	..	..	..	33 090	50 931
Capital Grants . . . . .	40 209	43 021	45 817	61 151	47 060
<b>Total.</b> . . . . .	<b>120 628</b>	<b>129 063</b>	<b>137 452</b>	<b>171 452</b>	<b>131 945</b>
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES</b>					
Sinking Fund on State Debt . . . . .	..	..	..	1 345	1 567
Debt Charges Assistance . . . . .	31 141	48 771	59 115	..	..
Emergency Services . . . . .	20	24	118	149	170
Colleges of Advanced Education . . . . .	4 428	5 039	6 074	7 676	8 160
Technical and Further Education . . . . .	1 010	1 312	1 430	1 898	1 760
Schools . . . . .	7 699	8 837	10 248	12 360	12 392
Education—Cost Escalation Allowance . . . . .	..	..	..	..	894
Pre-School Education . . . . .	340	340	340	170	..
School-to-work Transition . . . . .	453	226	..	..	..
Participation and Equity Program . . . . .	..	361	855	582	464
Medicare . . . . .	..	2 372	11 578	13 163	12 521
Nurse Education . . . . .	..	..	..	..	121
Drug Education Campaigns . . . . .	75	72	73	203	211
Blood Transfusion Services . . . . .	114	144	137	160	183
Health Planning Agencies . . . . .	3	..	..	..	..
National Diseases Control . . . . .	24	21	25	27	36
Funds to combat AIDS . . . . .	..	..	..	..	142
Home Care Services . . . . .	61	83	243	..	..
Home and Community Care . . . . .	..	..	..	311	19
Geriatric Assessment . . . . .	..	..	..	57	172
Supported Accommodation Assistance . . . . .	..	..	576	1 047	1 347
Women's Emergency Services . . . . .	..	64	20	..	..
Children's Services . . . . .	341	336	101	142	135
Family Support Services . . . . .	..	..	138	168	179
Rehabilitation Centres . . . . .	..	39	45	36	63
Environmental Restoration . . . . .	810	5 340	7 690	4 444	430
Mortgage and Rent Relief . . . . .	20	170	196	208	227
Translating and Interpreting Services . . . . .	..	..	..	..	191
Unattached Refugee Children . . . . .	..	..	..	2	6
Aboriginal Advancement . . . . .	450	287	308	294	65
Interstate Road Transport . . . . .	..	..	..	..	78
NTEC Assistance . . . . .	57 813	63 122	72 862	39 568	21 846
Rural Adjustment Scheme . . . . .	81	184	133	76	540
Bovine, Brucellosis and Tuberculosis Eradication . . . . .	3 711	9 955	13 219	9 624	10 902
Exotic Diseases Eradication . . . . .	..	..	..	..	14
National Industry Extension Service . . . . .	..	..	..	..	128
Assistance to Tin Mining . . . . .	..	..	..	..	32
Soil Conservation . . . . .	..	28	165	230	270
Special Employment Programs . . . . .	840	840	..	..	..
Community Employment Program . . . . .	..	2 822	3 168	2 323	1 700
Road Safety Practices . . . . .	3	3	3	..	..
Administrative Cost of Superannuation Scheme . . . . .	588	95	..	..	..
Financial Assistance—Local Government . . . . .	2 033	2 199	2 330	2 566	5 430
Natural Disaster Relief . . . . .	2	..	..	..	..
<b>Total Specific Purpose Payments—</b>					
<b>Recurrent</b> . . . . .	<b>112 060</b>	<b>153 087</b>	<b>191 190</b>	<b>98 828</b>	<b>82 395</b>

**Table 135—Commonwealth Payments to the Northern Territory, 1982-83 to 1986-87—continued—(\$ thousands)**

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
<b>SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES</b>					
Colleges of Advanced Education . . . . .	..	..	76	151	180
Technical and Further Education . . . . .	3 452	3 609	4 507	7 525	3 558
Schools . . . . .	3 495	3 436	4 229	4 601	5 902
Video Facilities . . . . .	192	125	212	268	268
Education—Cost Escalation Allowance . . . . .	..	..	..	..	86
Teaching Hospitals . . . . .	..	..	..	500	500
Blood Transfusion Services . . . . .	5	3	297	28	5
Home and Community Care . . . . .	..	..	..	9	34
Crisis Accommodation Program . . . . .	100	100	150	157	157
Children's Services . . . . .	..	..	172	..	403
Aboriginal Advancement . . . . .	1 682	1 159	1 472	2 047	382
Pensioner Housing Grants . . . . .	500	500	500	523	523
Housing Assistance for Aborigines . . . . .	4 404	9 584	9 584	9 584	11 791
Local Government and Community					
Housing Grants . . . . .	..	..	63	92	104
Public Housing . . . . .	15 338	18 595	20 283	19 406	18 611
Urban Flood Mitigation . . . . .	100	53	115	42	116
Bicentennial Programs Assistance . . . . .	..	..	..	28	1 000
National Estate . . . . .	165	200	210	220	235
National Standard Sports Facilities . . . . .	835	665	..	..	475
Roads . . . . .	24 699	26 178	30 460	..	..
Australian Land Transport Program . . . . .	..	..	..	29 400	29 000
Australian Bicentennial Roads Development . . . . .	6 240	6 610	13 815	11 150	10 800
Urban Water Supply and Treatment . . . . .	..	..	..	46	92
NTEC Assistance . . . . .	2 354	4 471	8 940	19 434	35 123
Rural Adjustment Scheme . . . . .	462	989	649	..	..
Bovine Brucellosis and Tuberculosis Eradication . . . . .	..	..	..	867	949
Irrigation and Other Water Projects . . . . .	1 940	1 357	1 390	1 465	70
Jabiru Infrastructure Assistance . . . . .	1 576	216	..	..	..
Special Employment Programs—Public Housing . . . . .	351	..	..	..	..
Natural Disaster Relief . . . . .	232	2 167	..	..	100
Total Specific Purpose Payments— Capital . . . . .	68 122	80 509	97 123	107 542	120 464
<b>TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS</b>					
For General Purposes . . . . .	542 295	600 807	632 960	739 217	773 773
For Specific Purposes . . . . .	180 182	233 596	288 313	206 370	202 859
Total . . . . .	722 478	834 403	921 273	945 587	976 632

**Table 136—Commonwealth Payments and Loan Council Borrowings to the States and the Northern Territory 1982–83 to 1986–87 (Estimate) (\$ thousands)**

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
<b>GENERAL REVENUE FUNDS</b>					
Tax Sharing Grants	8 151 420	8 962 687	9 529 721	9 781 693	10 800 457
Financial Assistance Grants				87 177	46 860
Special Revenue Assistance	30 000	183 500	51 300		
Health Grants	1 040 817	1 194 162	1 400 826	1 483 302	1 637 788
General Revenue Grants				564 317	629 499
Special Grants	–19 650	16 900	–12 600		
Grant in Lieu of Royalties	3 728	4 405	4 116	4 449	4 306
Recreation Leave and Furlough Entitlements	495	485	500	2 000	6 788
Additional Assistance Grants	15 000		5 000		
Total	9 221 810	10 362 139	10 978 862	11 919 938	13 125 698
<b>GENERAL PURPOSE CAPITAL FUNDS</b>					
Loan Council Borrowings—					
Loan Portion	769 435	752 219	637 236	580 145	240 786
Housing Nomination	145 898	227 114	405 764	426 355	533 795
General Purpose Loans to Northern Territory—					
Loan Portion	80 419	86 042	91 635	77 211	33 954
Housing Nomination				33 090	50 931
Capital Grants	497 876	532 688	567 317	619 151	476 486
Total	1 493 628	1 598 063	1 701 952	1 735 952	1 335 952
<b>SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES</b>					
Payments under Financial Agreement—					
Interest on State Debt	15 091	15 249	15 170		
Sinking Fund on State Debt	43 809	45 490	47 099	49 943	51 567
Debt Charges Assistance	31 141	48 771	59 115		
Emergency Services	1 941	2 098	2 620	2 720	3 051
Universities	918 191	969 344	1 041 430	1 147 573	1 132 411
Colleges of Advanced Education	602 359	668 437	720 989	807 117	792 187
Technical and Further Education	100 015	117 355	127 509	134 693	143 900
Schools	991 820	1 089 637	1 167 334	1 294 407	1 341 897
Education—Cost Escalation Allowance					131 062
Educational Research	215				
Pre-School Education	33 090	33 090	33 090	16 545	
School-to-Work Transition	40 939	24 698			
Participation and Equity Program		27 346	88 875	63 763	43 704
Public Hospitals—Running Costs	220 317	127 296			
Community Health Program		92			
Medicare		274 767	924 474	996 269	1 026 386
Nurse Education					7 409
School Dental Scheme	395		762		
Drug Education Campaigns	1 681	1 793	1 882	13 828	14 728
Blood Transfusion Services	10 189	10 974	11 459	14 159	15 144
Health Planning Agencies	100				
Transfer Pathology Laboratory				670	1 299
National Diseases Control	131	416	475	625	535
Funds to Combat AIDS			3 697	5 586	5 881
Home Care Services	17 759	24 965	35 133		
Senior Citizens Centres	1 999	2 657	2 588		
Paramedical Services	1 241	1 412	1 517		
Home and Community Care				51 782	73 432
Geriatric Assessment				3 958	6 249
Supported Accommodation Assistance			17 061	32 030	45 489
Women's Emergency Services		3 906	1 920		
Children's Services	16 354	15 176	12 118	12 068	13 210
Family Support Scheme			2 907	3 576	6 071
International Year of Homeless				122	160
Rehabilitation Centres	1 189	1 548	1 888	2 026	2 260
Environmental Restoration	810	5 340	7 690	4 444	430
Mortgage and Rent Relief	16 013	18 075	21 586	22 700	24 100
Translate and Interpreting Services	484	550	766	749	1 206

Table 136—Commonwealth Payments and Loan Council Borrowings to the States and the Northern Territory 1982-83 to 1986-87 (Estimate)—  
(\$ thousands) continued—

	1982-83	1983-84	1984-85	1985-86	1986-87 (estimate)
Unattached Refugee Children . . . . .	..	..	..	236	421
Aboriginal Advancement . . . . .	29 468	30 553	31 321	31 388	30 470
Assistance for Housing . . . . .	5 500	5 500	5 500	5 500	5 500
America's Cup Defence . . . . .	..	..	4 223	1 773	3 389
Nature Conservation . . . . .	..	200	..	..	..
International Youth Year . . . . .	..	..	515	..	..
Aerodrome Local Ownership Plan . . . . .	323	537	212	951	915
Interstate Road Transport . . . . .	..	..	..	..	2 425
NTEC Assistance . . . . .	57 813	63 122	72 862	39 568	21 846
Rural Adjustment Scheme . . . . .	3 054	5 944	5 811	10 127	34 440
Fertiliser Assistance . . . . .	..	..	..	17 300	28 000
Sugar Industry . . . . .	..	..	..	1 728	22 650
Canned Fruit Industry . . . . .	750	279	..	..	..
Dried Vine Fruits Assistance . . . . .	..	..	..	19	1 414
Wine Industry Adjustment . . . . .	..	..	..	1 300	5 267
Apple and Pear Export Assistance . . . . .	534	507	169	..	..
Bovine Brucellosis and Tuberculosis Eradication . . . . .	28 087	35 250	41 591	36 390	36 365
Exotic Diseases Eradication . . . . .	..	..	120	1 221	151
Agricultural Research . . . . .	317	299	389	468	895
River Murray Waters Agreement . . . . .	15	9	..	..	..
National Industry Extension Service . . . . .	..	..	..	..	6 904
Assistance to Tin Mining . . . . .	..	..	..	..	1 000
Soil Conservation . . . . .	..	600	3 267	3 785	4 400
Coal Mining Industry—Long Service Leave . . . . .	14 171	18 266	19 114	17 857	19 000
Special Employment Programs . . . . .	98 480	98 480	..	..	..
Community Employment Program . . . . .	..	246 632	354 384	256 824	181 000
Regional Economic Studies Centre . . . . .	40	40	40	40	..
Legal Aid . . . . .	33 112	34 940	38 269	43 904	63 192
Human Rights . . . . .	..	..	837	983	1 385
Reimbursement of Costs—Law Library . . . . .	237	235	320	367	511
Road Safety Practices . . . . .	153	153	153	..	..
Administrative Cost of Superannuation Scheme . . . . .	588	95	..	..	..
Financial Assistance—Local Government . . . . .	426 519	461 535	488 864	538 532	585 613
Drought—Fodder Subsidy . . . . .	103 693	18 362	—452	..	..
Natural Disaster Relief . . . . .	48 095	28 596	1 668	6 284	5 400
Assistance for South West Tasmania . . . . .	..	20 333	21 991	27 290	28 888
Total Specific Purpose Payments— Recurrent . . . . .	3 918 221	4 600 949	5 442 860	5 725 190	5 975 208

SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES

Housing for Servicemen . . . . .	8 282	5 299	5 959	4 258	1 937
Universities . . . . .	52 091	66 686	70 264	79 140	91 330
Colleges of Advanced Education . . . . .	39 634	46 171	51 410	64 416	78 450
Technical and Further Education . . . . .	127 993	118 228	162 843	147 043	153 473
Schools . . . . .	184 027	193 643	212 800	222 758	203 537
Video Facilities . . . . .	1 450	955	1 055	1 300	1 300
Education—Cost Escalation Allowance . . . . .	..	..	..	..	1 394
Launceston General Hospital . . . . .	1 357	194	157	766	4 241
Teaching Hospitals . . . . .	..	..	..	47 540	47 540
School Dental Scheme . . . . .	..	165	..	..	..
Blood Transfusion Services . . . . .	710	656	2 134	1 329	2 110
High Security Quarantine Unit . . . . .	415	..	283	30	..
Senior Citizens Centres . . . . .	6 923	3 876	5 222	..	..
Home and Community Care . . . . .	..	..	..	5 984	8 489
Crisis Accommodation Program . . . . .	3 800	3 800	12 601	13 200	14 000
Children's Services . . . . .	1 076	2 483	10 764	1 402	11 797
Rehabilitation Centres . . . . .	286	18	..	..	..
Aboriginal Advancement . . . . .	6 469	7 380	9 249	7 280	8 908
Pensioner Housing Grants . . . . .	32 000	32 000	35 000	36 600	37 000
Housing Assistance for Aborigines . . . . .	34 200	52 000	52 000	54 300	58 000
Local Government and Community Housing Grants . . . . .	..	..	7 000	10 000	11 000
Public Housing . . . . .	266 711	416 000	495 000	517 600	549 600

**Table 136—Commonwealth Payments and Loan Council Borrowings to the States and the Northern Territory 1982–83 to 1986–87 (Estimate)—**  
*(\$ thousands) continued—*

	1982–83	1983–84	1984–85	1985–86	1986–87 (estimate)
Growth Centres	33 519	37 360	9 832	6 046	..
Urban Flood Mitigation	..	..	4 900	5 986	5 500
Land Acquisition	7 556	8 677	..	..	..
Urban Rehabilitation	3 173	512	634	4 000	3 000
Captain's Flat Project	..	..	120	174	182
Special Sewerage Assistance	12 100	7 900	..	..	..
Bicentennial Programs Assistance	..	..	5 151	13 042	24 700
America's Cup Defence	..	..	277	14 977	2 862
National Maritime Museum	..	..	..	2 000	18 000
Sesquicentenary Grants	280	3 275	2 457	988	..
Nature Conservation	238	..	..	..	12
National Estate	2 145	2 700	2 835	2 970	3 175
Port Arthur Conservation Program	1 300	1 200	600	500	..
National Standard Sports Facilities	4 909	8 000	10 834	7 000	6 980
Aerodrome Local Ownership Plan	14 996	16 775	1 364	215	295
Roads	734 000	778 000	827 700	..	..
→ Australian Land Transport Program	..	..	..	805 147	805 400
→ Australian Bicentennial Roads Development	116 929	417 198	417 000	440 000	439 600
→ Burbong Bridge Construction	230	1 000	1 000	100	340
Tourist Roads Assistance	10 000	..	..	..	..
Second Hobart Bridge	16 711	4 898	926	3 923	100
Railway Projects	..	..	42	..	206
Railway Mainline Upgrading	27 993	4 150	..	..	..
Bass Strait Passenger Service	..	958	25 042	..	..
Transport Improvement Grant	65 000	..	19 000	9 700	..
Urban Water Supply and Treatment	7 144	15 490	13 089	8 146	10 000
Special Assistance for Water	10 000	..	20 250	..	..
Gladstone Power Station	8 042	..	..	..	..
NTEC Assistance	2 354	4 471	8 940	19 434	35 123
Softwood Forestry	827	..	..	..	..
Log Salvage Loan to South Australia	11 000	..	..	..	..
Rural Adjustment Scheme	14 797	38 463	25 443	6 672	..
Sugar Industry	40 027	3 907	8 436	..	..
Support for Steel Regions	..	9 803	17 348	15 625	37 957
Canned Fruit Industry	..	4 100	..	..	..
Bovine Brucellosis and Tuberculosis Eradication	..	..	..	1 698	1 814
Plant Genetic Resource Program	..	..	357	348	485
Fisheries Management	..	..	..	1 088	1 015
Assistance for Grand Prix Racing	..	..	5 000	..	..
Burdekin Dam Construction	3 761	13 000	20 000	26 000	29 000
Salinity Reduction Control	7 331	6 154	6 673	6 138	7 684
Irrigation and Other Water Projects	17 293	14 813	14 216	12 113	5 182
Jabiru Infrastructure Assistance	1 576	216	..	..	..
Portland Aluminium Smelter	..	..	..	..	1 500
Other Mining Assistance	..	..	2 048	..	..
Western Australia Pastoral Industry Assistance	..	..	6 000	..	..
Special Employment—Public Housing	53 456	45 029	..	..	..
Natural Disaster Relief	98 203	110 203	9 613	19 913	18 600
Assistance for South West Tasmania	..	42 573	12 378	8 281	7 549
Total Specific Purpose Payments—Capital	2 098 872	2 556 075	2 633 248	2 657 169	2 750 366
<b>TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS</b>					
For General Purposes	10 715 438	11 960 202	12 680 814	13 655 890	14 461 650
For Specific Purposes	6 017 093	7 157 025	8 076 107	8 382 359	8 725 574
Total	16 732 531	19 117 227	20 756 922	22 038 249	23 187 224

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