

1980-81 BUDGET PAPER No. 7

PAYMENTS TO
OR FOR THE STATES,
THE NORTHERN TERRITORY
AND LOCAL GOVERNMENT
AUTHORITIES
1980-81

PRESENTED BY
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HONOURABLE MEMBERS ON THE OCCASION
OF THE BUDGET 1980-81

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n.a.—not yet available.

..—nil to less than \$500.

CHAPTER 1—INTRODUCTION

Since 1960–61, a paper on Commonwealth payments to the States has been published annually among the Budget documents. Commencing with the 1974–75 issue this paper was expanded to encompass Commonwealth Government payments to local government authorities and, commencing with the 1978–79 issue, also included Commonwealth Government payments to the Northern Territory of Australia (which became a self-governing Territory on 1 July 1978 with expenditure responsibilities and has revenue raising powers broadly approximating those of a State).

This paper concentrates on providing information on forms of assistance on which Commonwealth expenditure has been incurred in 1979–80 and/or is proposed in 1980–81. The tables cover payments over five years where applicable, that is, the period 1976–77 to 1980–81. Information on earlier years may be found in earlier issues of this paper. The 1975–76 issue of 'Payments to or for the States and Local Government Authorities' includes a consistent series of aggregate figures back to 1956–57.

Relationship with Statements Attached to the Budget Speech and Terminology

In the statements attached to the Budget Speech Commonwealth Government outlays are classified, inter alia, in terms of economic type—that is, as to whether they take the form of expenditure on goods and services, cash benefits to persons, payments to other levels of government or transfers to other sectors in the economy. The following table classifies estimated total budget outlays for 1980–81 by economic type and shows the proportion to total of each category.

Table 1—Budget Outlays—By Economic Type(a) 1980-81

	Amount	Percentage of Total Outlays
	\$ million	%
<i>Net Expenditure on goods and services—</i>		
Defence	3 277	9.1
Other current expenditure	3 984	11.1
Capital expenditure	396	1.1
Total	7 658	21.3
<i>Transfer Payments and Net Advances—</i>		
To or for the States, the Northern Territory and Local Government Authorities	12 821	35.6
	(Gross) (Net)	
	\$m \$m	
--the States	12 561	12 245
--Northern Territory	557	555
--Local Government Authorities	21	21
Cash benefits to persons	11 445	31.8
Interest	2 409	6.7
Transfers overseas	568	1.6
Net advances (other than to States).	210	0.6
Other	926	2.6
Total	28 379	78.7
TOTAL OUTLAYS (estimated)	36 037	100.0

(a) For further details and explanations see Statement No. 1 attached to the Budget Speech.

This paper provides details of those budget outlays classified as transfer payments and net advances to or for the States, the Northern Territory and local government authorities—that is, Commonwealth assistance to other spheres of government in Australia. Payments in this category comprise payments to the States and the Northern Territory, payments made direct to local government authorities and the State Governments' Loan Council borrowing program. These payments are estimated at \$12 821 million in 1980-81, which is 35.6 per cent of estimated total Commonwealth budget outlays.

In the statements attached to the Budget Speech, outlays are also classified according to function—that is, outlays having like purposes or objectives are brought together under one functional heading. Table 2 below classifies on a functional basis the transfer payments and net advances to or for other levels of government which are covered in this paper.

Table 2—Functional Classification of Payments to or for the States and the Northern Territory; State Governments' Loan Council Programs, and Payments Made Direct to Local Government Authorities, 1976-77 to 1980-81 (Net Basis (a)) (\$ thousands)

Functional Classification	1976-77	1977-78	1978-79	1979-80	1980-81	Percentage increase 1980-81 over 1979-80
					(estimate)	
Defence	35 560	23 073	12 484	2 335	2 457	5.2
Education	1 718 520	1 860 948	1 956 040	2 096 311	2 321 577	10.7
Health	852 708	1 107 196	1 132 143	1 240 379	1 405 697	13.3
Social Security and Welfare	53 852	69 117	69 075	70 696	62 486	-11.6
Housing	369 072	402 493	315 122	258 228	265 048	2.6
Urban and Regional Development n.e.c. and the Environment	125 074	53 454	40 608	42 856	45 394	5.9
Culture and Recreation	9 705	6 145	6 223	5 838	5 692	-2.5
Economic Services—						
Transport	511 706	539 250	551 618	616 050	708 088	14.9
Water Supply and Electricity	33 661	3 669	704	27 324	41 220	50.9
Industry Assistance and Development	81 938	71 976	82 941	73 181	44 866	-38.7
Labour and Employment	12 077	13 939	13 955	12 348	12 160	-1.5
Total Economic Services	639 382	628 834	649 218	728 903	806 333	10.6
General Public Services	13 139	11 450	11 905	12 641	423	-96.7
Outlays not allocated to function—						
General Revenue Funds	3 712 594	4 331 441	4 790 369	5 425 810	6 026 900	11.1
State Governments' Loan Council Borrowing Programs	744 677	784 835	770 598	634 790	667 754	5.2
Capital Grants	452 000	477 930	477 936	415 000	435 750	5.0
Assistance Related to State Debts	46 805	48 917	51 128	54 891	65 730	19.7
Payments to Northern Territory . . . . .	..	28 272	280 330	336 274	404 930	20.4
Assistance for Local Government(b)	140 000	165 328	179 427	222 801	302 226	35.6
Natural Disaster Relief	25 865	53 157	23 572	10 347	2 486	-76.0
Total not allocated to function	5 121 940	5 889 880	6 573 360	7 099 912	7 905 776	11.4
Grand Total (net basis)	8 938 953	10 052 590	10 766 180	11 558 099	12 820 883	10.9

(a) That is, net of repayments of Commonwealth advances and sinking fund contributions on State Governments' Loan Council borrowings.

(b) Comprising grants to the States as general purpose assistance for local government authorities under the personal income tax sharing arrangements.

One of the main distinctions used in this paper is between funds provided to the States, the Northern Territory and local government for *general* purposes (that is, 'untied' funds) and those provided for *specific* purposes (that is, 'tied' funds). All general purpose funds are classified under the 'Not Allocated to Function' heading. Certain forms of specific purpose payments are also classified under that heading, but most of these payments are classified under functional headings. Specific purpose payments are, with a few exceptions, grouped in the following Chapters on this functional basis.

Reference should be made here to the treatment in this and other budget papers of the State Governments' Loan Council borrowing program, which is financed by the issue of Commonwealth Government securities and to which the Commonwealth Government itself subscribes from its own revenue sources, as necessary, to fill the program approved by the Loan Council. The national accounting item 'grants and net advances to the States, the Northern Territory and local government authorities' used in the Statements attached to the Budget Speech and in certain other papers includes this program. *In this paper, the term 'payments to the States' does not include this program;* however, totals of payments to the States and their Loan Council borrowing program are also given and, subject to the point referred to in the next paragraph, these totals are comparable with the totals of grants and net advances to the States included in other budget papers. The treatment of the States' Loan Council program in this paper is explained in more detail in Chapter III.

As the term implies, the national accounting aggregate '*grants and net advances to the States, the Northern Territory and local government authorities*' includes Commonwealth Government advances (loans) to the States, the Northern Territory and local government authorities on a *net* basis—that is, after subtracting repayments by the States, the Northern Territory and local government authorities of advances they have received from the Commonwealth Government in earlier years. The national accounting aggregate also includes the States' Loan Council program *net* of sinking fund contributions. The figures for individual items and many of the aggregates referred to in the text or shown in the tables in this paper are on a *gross* basis—that is, before deducting repayments of Commonwealth Government loans or sinking fund contributions on State Loan Council borrowings. Where amounts are on a *net* basis this is specifically indicated. The grand totals in the summary tables in this Chapter and, for example, Tables 83 and 84 in Appendix 1 are on a *net* basis and are therefore consistent with the national accounting aggregate '*grants and net advances to the States, the Northern Territory and local government authorities*' appearing in other budget papers.

Outline of Commonwealth Payments to the States, the Northern Territory and Local Government Authorities and Format of this Paper

Payments of various descriptions have been made to the States continuously since Federation. Prior to World War II, these payments were mainly of a marginal character and were confined, for the most part, to special grants to assist the financially weaker States and to certain specific purpose grants such as assistance for roads and for debt charges.

Since World War II there has been a marked increase in the amount and scope of assistance to the States. This has reflected, among other things, increases in the range and variety of governmental activities that have accompanied economic and social developments in this period of rapid growth of the Australian economy; greater participation by the national Government in matters that were previously the sole responsibility of the States; and the effects of the introduction and continuation of uniform income tax.

An account of the historical development of payments to the States is contained in the 1975–76 issue of ‘Payments to or for the States, the Northern Territory and Local Government Authorities’—particularly the Appendices to that paper.

The arrangements under which the Commonwealth makes payments to the States for general recurrent purposes (referred to hereinafter as ‘general revenue funds’) are described in Chapter II. These funds comprise the largest element in Commonwealth payments to the States and are provided as general subventions to the States’ budgets. There are no conditions attached as to how they may be used.

Since 1976–77, the bulk of revenue assistance to the States has been provided through tax sharing arrangements under which State Governments are entitled to a *specified* share of Commonwealth net personal income tax collections. General revenue funds also encompass the special grants paid to certain States on the recommendation of the Commonwealth Grants Commission.

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

Specific purpose payments to the States, which finance a wide variety of expenditures for both recurrent and capital purposes, are described in Chapter IV. Some further statistical details related to these payments are given in Appendix III.

Chapter V provides details of Commonwealth assistance to the Northern Territory and borrowings by Northern Territory authorities.

Chapter VI describes Commonwealth assistance to local government authorities, both direct and by way of payments through the States. In particular, attention is drawn to the very significant amounts now being provided by the Commonwealth for local government authorities in the States under the tax sharing arrangements. These funds now comprise 2.0 per cent of Commonwealth net personal income tax collections in the previous year, and are allocated among the States to be made available to their local authorities. In this paper, these funds are usually treated *as specific purpose payments to the States* as they are specifically earmarked for ‘on-passing’ by the States to local government authorities. In the hands of the recipient local government authorities, however, such funds are properly regarded as ‘untied general purpose assistance’ funds and are so treated in the discussion and tables in Chapter VI.

Appendix I provides figures, in detail and in aggregate, of payments to the States and the State Governments' Loan Council programs in 1979-80 and 1980-81 (estimated). It also sets out aggregate figures of these funds and of payments made direct to local government authorities for the period 1976-77 to 1980-81 (estimated). Appendix IV provides information on Commonwealth advances to the States and debt charges paid by the States thereon, and Appendix V gives figures, in detail and in aggregate, of payments to the *six States combined and to each individual State* for the years 1976-77 to 1980-81 (estimated).

Recent Trends in Commonwealth Assistance to the States, the Northern Territory and Local Government Authorities

In examining year to year movements—either in total assistance, percentage increases or in components thereof—account needs to be taken of certain changes in the way funds have become available to other levels of government. The following factors are relevant in this connection:

- (i) the Health Insurance Fund payments to the States for hospital running costs which began in 1975-76 subsumed various forms of payments for public hospitals which had not been classified as payments to the States in previous years;
- (ii) payments totalling \$215.6 million were made to the States in June 1976 (under arrangements for the financing of public hospital operating costs) in respect of expenditures arising in 1976-77;
- (iii) payments to the States in 1976-77 under the personal income tax sharing arrangements were based on estimated taxation collections; final taxation figures were determined by the Commissioner of Taxation on 31 July 1977 and the 1977-78 States' entitlements were reduced by the amount overpaid in respect of 1976-77; and
- (iv) the transfer of additional functions to the Government of the Northern Territory (notably education and health) in the period since the beginning of 1978-79.

The percentage increases in the final column of Table 3 show the annual percentage increases after adjusting for the factors listed above.

Table 3—Payments to or for the States and the Northern Territory, State Governments' Loan Council Programs and Payments Made Direct to Local Government Authorities, 1976-77 to 1980-81.

	Actual Amount	Actual Percentage Increase	'Adjusted' Percentage Increase(a)
	\$ million	%	%
FUNDS TO STATES FOR RECURRENT PURPOSES			
<i>General Revenue Funds—</i>			
1976-77	3 722.6	19.6	19.0
1977-78	4 341.4	16.6	17.8
1978-79	4 800.4	10.6	10.1
1979-80	5 428.3	13.1	13.1
1980-81 (estimate)	6 026.9	11.0	11.0
<i>Specific Purpose Payments for Recurrent Purposes—</i>			
1976-77	2 387.6	3.1	18.7
1977-78	2 873.9	20.4	9.5
1978-79	3 047.7	6.0	5.9
1979-80	3 360.3	10.3	10.2
1980-81 (estimate)	3 799.1	13.1	13.1
<i>Total Funds for Recurrent Purposes—</i>			
1976-77	6 110.2	12.6	18.9
1977-78	7 215.3	18.1	14.3
1978-79	7 848.1	8.8	8.4
1979-80	8 788.6	12.0	12.0
1980-81 (estimate)	9 826.0	11.8	11.8
FUNDS TO STATES FOR CAPITAL PURPOSES			
<i>General Purpose Capital Funds(b)—</i>			
1976-77	1 356.0	5.0	5.0
1977-78	1 433.8	5.7	5.7
1978-79	1 433.8	0.0	0.0
1979-80	1 245.0	-13.2	-13.2
1980-81 (c)	1 307.2	5.0	5.0
<i>Specific Purpose Payments for Capital Purposes—</i>			
1976-77	1 680.9	-8.5	-8.5
1977-78	1 575.2	-6.3	-6.3
1978-79	1 437.8	-8.7	-8.7
1979-80	1 345.8	-6.4	-6.4
1980-81 (estimate)	1 427.4	6.1	6.1
<i>Total Funds for Capital Purposes—</i>			
1976-77	3 036.9	-2.9	-2.9
1977-78	3 009.0	-0.9	-0.9
1978-79	2 871.6	-4.6	-4.6
1979-80	2 590.8	-9.8	-9.8
1980-81 (estimate)	2 735.1	5.6	5.6
TOTAL FUNDS TO STATES FOR RECURRENT AND CAPITAL PURPOSES			
<i>General Purpose Funds—</i>			
1976-77	5 078.6	15.4	14.9
1977-78	5 775.2	13.7	14.5
1978-79	6 234.2	7.9	7.6
1979-80	6 673.3	7.0	7.0
1980-81 (estimate)	7 334.1	9.9	9.9
<i>Specific Purpose Funds—</i>			
1976-77	4 068.5	-2.0	6.4
1977-78	4 449.1	9.4	3.3
1978-79	4 485.6	0.8	0.8
1979-80	4 706.1	4.9	4.9
1980-81 (estimate)	5 226.9	11.1	11.1
<i>Total Funds—</i>			
1976-77	9 147.1	6.9	10.8
1977-78	10 224.3	11.8	9.4
1978-79	10 719.7	4.8	4.6
1979-80	11 379.4	6.2	6.2
1980-81 (estimate)	12 561.1	10.4	10.4

ERRATA

PAYMENTS TO OR FOR THE STATES, THE NORTHERN TERRITORY
AND LOCAL GOVERNMENT AUTHORITIES 1980-81

TABLE 3 PAGE 7

Total Funds to States and Local Government Authorities (Net Basis)

1979-80	Replace	11188.7	By	11118.7
	Replace	6.8	By	6.1
		(both columns)		

TABLE 4 PAGE 8

Specific Purpose Payments	Replace	5242.7	By	5247.7
Total States (Gross)	Replace	15028.7	By	15033.6
Grand Total (Gross)	Replace	15610.8	By	15615.8

TABLE 83 PAGE 119

Grand Total - Payments to or for
The States, the Northern Territory
and Local Government Authorities
(Net Basis)

1979-80	Replace	11585099	By	11558099
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TABLE 62 PAGE 94

New Money Borrowings by
Commonwealth and State
Authorities

1980-81 Estimates				
- Smaller Authorities	Replace	326745	By	327145
Total States				
Grand Total	Replace	327515	By	327915

TABLE 94 PAGE 129

'Larger' Authorities				
1979-80 Six State Total	Replace	270906	By	263656
1979-80 Total	Replace	270906	By	263656
'Smaller' Authorities				
1980-81 Six State Total	Replace	326745	By	327145
Total	Replace	327515	By	327915
Total				
1979-80 Six State Total	Replace	563673	By	556423
Total	Replace	564913	By	557663
1980-81 Six State Total	Replace	590098	By	590498
Total	Replace	594368	By	594768

The figures in the foregoing table include the State Governments' Loan Council program but do not include the borrowing programs of State semi-government and local authorities. This reflects the fact that the States' Loan Council program is underwritten by the Commonwealth and thus represents an effective charge on the Commonwealth's budget while the authorities' program is not underwritten by the Commonwealth and does not affect the Commonwealth's budget. It is of interest, however, to show how the magnitudes given in the previous tables are affected if the authorities' programs are included. The following table is designed for that purpose.

Table 4—Funds available to the States and the Northern Territory and their Authorities as Commonwealth Assistance and as Borrowing Programs (gross basis) 1980-81

	1980-81	Percentage Increase Over 1979-80	
		Actual	Adjusted(a)
	\$ million	%	%
States—			
<i>General Purpose Funds—</i>			
General Revenue Funds	6 026.9	11.0	11.0
General Purpose Capital Funds			
State Governments' Loan Council Programs(b)(c)	1 307.2	5.0	5.0
Borrowing Programs of Larger State Authorities (excluding Infrastructure Financing)(c)(d)	1 297.3	0.5	0.5
Infrastructure Borrowing Programs(c)	632.3	58.3	58.3
Borrowings of Smaller Authorities(d)(e)	522.2	10.6	10.6
Sub-total	3 759.0	10.3	10.3
Total General Purpose Funds	9 785.9	10.8	10.8
<i>Specific Purpose Payments(f)</i>	5 242.7	11.1	11.1
Total States (Gross)	15 028.7	10.9	10.9
Northern Territory—			
Payments (net)(g)	555.4	26.4	n.a.
Borrowing Programs of Authorities(h)	26.8	-18.9	n.a.
Total	582.2	23.2	n.a.
Grand Total (Gross)	15 610.8	11.3	n.a.

(a) As set out in previous table and accompanying text.

(b) Borrowing programs plus capital grants.

(c) Programs approved at the June 1980 meeting of the Loan Council.

(d) See Chapter III for explanations of terms 'larger' and 'smaller' authorities and Loan Council arrangements in relation thereto.

(e) Estimate on basis of advice from State Treasuries.

(f) Includes payments made direct to local government authorities.

(g) Includes payments direct to local government authorities in the Northern Territory. See Chapter V for details.

(h) Allowance for Northern Territory authorities within Commonwealth program approved at the June 1980 meeting of the Loan Council.

CHAPTER II—GENERAL REVENUE FUNDS TO THE STATES

General revenue grants have, in one form or another, been paid by the Commonwealth to the States since Federation. Their purpose is to assist the States, by way of subventions to their budgets, in the financing of their recurrent expenditures. They are not subject to any conditions as to the purposes for which they may be spent; that is, they are completely 'untied'.

A detailed history of successive arrangements governing this form of assistance is to be found in Chapter II and Appendix II of the 1975-76 issue of this paper. This Chapter provides a very brief summary of the arrangements, which applied up to and including 1975-76, followed by a more detailed description of the personal income tax sharing arrangements between the Commonwealth and State Governments which commenced in 1976-77.

SUMMARY OF PREVIOUS ARRANGEMENTS

Payments of general revenue assistance to the States in the early years of Federation were governed by provisions in the Constitution relating to the allocation to the States of a portion of customs and excise revenue and of 'surplus revenue'. These were replaced after about 10 years by per capita payments which were in turn replaced, under the Financial Agreement of 1927, by contributions by the Commonwealth to interest and sinking fund on State debt. Although the assistance in respect of State debt charges has the effect of providing general relief to the States' budgets, the assistance is classified in this paper as a form of specific purpose payment.

Since 1910-11 the payments referred to above were supplemented by special grants to Western Australia and then later to Tasmania and South Australia; from 1934-35 these grants were paid on the recommendation of the Commonwealth Grants Commission.

In 1942, when uniform income tax arrangements were adopted, the Commonwealth became the sole Government imposing taxes on income. To compensate the States for revenue forgone as a result of their ceasing to impose such taxes, the Commonwealth began paying what were known as 'tax reimbursement grants' to the States. These grants continued until 1958-59, after which they were replaced by 'financial assistance grants'. These grants were replaced as from 1976-77 by payments under the personal income tax sharing arrangements.

In very abbreviated terms, the arrangements which applied over the period 1942-43 to 1975-76 may be summarised as follows:

- When the tax reimbursement grants commenced, both the total grants, and their distribution between States, were related mainly to the amounts of income tax previously being collected by the States.
- From 1948-49, however, a formula applied under which a total grant for each year was determined by increasing the amount payable in the preceding year by reference to increases in the population of the six States and to the increase in average wages.

- Over the period 1948-49 to 1956-57 a proportion of the grants was distributed between the States by reference to the previous income tax collections of the States and a proportion by reference to the respective populations of the States as adjusted for density and numbers of children between 5 and 15 years of age (they being factors considered to affect the relative needs of the States). The proportion allocated in the latter manner was gradually increased over the period, and in 1957-58 and 1958-59 the distribution amongst the States was wholly on that basis.
- In every year from 1949-50 to 1958-59 supplementary grants, in addition to those yielded by the formulae, were paid.
- The legislation authorising payment of the tax reimbursement grants made those grants conditional on the States refraining from levying income tax, and permitted reductions to be made in the grants payable to any State which did levy such a tax; this element of the legislation was unsuccessfully challenged before the High Court in 1955-56.
- Over the whole of the period of the tax reimbursement grants the three least populous States continued to receive additional grants annually on the recommendation of the Commonwealth Grants Commission.
- The financial assistance grants arrangements were instituted in 1959 and reviewed and amended (in each case so as to increase the grants payable to the States) in 1965, 1970 and 1975.
- The main change compared with the previous arrangements was that the grants each year increased not only in proportion to increases in State populations and in average wages but by a further, the so-called 'betterment', factor; until and including 1964-65 this factor was calculated as 10 per cent of the average wages increase in the year concerned; it was then fixed at 1.2 per cent, independent of the average wages increase, for the years 1965-66 to 1970-71, at 1.8 per cent for the years 1971-72 to 1975-76 and was to have been increased to 3.0 per cent in 1976-77.
- The grants arrangements have been adjusted from time to time apart from the periodic reviews referred to above; for example, adjustments were made to compensate the States for loss of receipts duty following a High Court decision in 1970-71, to reduce the grants when payroll tax was transferred from the Commonwealth to the States in 1971, when the Commonwealth assumed full responsibility for financing tertiary education from January 1974, and on account of transfers of railways from South Australia and Tasmania to the Commonwealth in 1975.
- Additions were made to the financial assistance grants following withdrawals from the Commonwealth Grants Commission system by South Australia, Western Australia and Tasmania.
- Special revenue assistance, either for particular States or all States, was paid in each of the years 1966-67 to 1974-75 to supplement the financial assistance grants; on some occasions, this was built in to the formula grants.
- In terms of the distribution of the grants between States, the effect of the formula—under which each State's annual grant was increased from the previous year in proportion to its population increase in the year and by

the average wages and betterment factors which were common to all States—was, abstracting from other factors, to maintain the relationships between the grants to the States in per capita terms. However, these relationships were also affected by various adjustments made in the arrangements from time to time, including those referred to above.

- The grants arrangements, as revised following the June 1975 Premiers' Conference and incorporating an increase in the betterment factor to 3.0 per cent in 1976-77 and thereafter, were to have applied over the five years 1975-76 to 1979-80 inclusive, with a review before the end of that period.
- The legislation authorising the financial assistance grants—namely, successive States Grants Acts—did not specifically state that the grants were conditional on the States not levying taxes on income; however, it was made clear by the Commonwealth at the time of each review that the grants were so conditional.
- The State Governments consistently expressed the view, over the whole of the period covered by the foregoing summary, that the arrangements were unsatisfactory from their point of view. In 1970 the six States unanimously proposed that they be given direct access to income tax broadly along the lines of the scheme then operating in Canada. In 1975 they proposed—again unanimously—that the general revenue grants arrangements should be based, in effect, on the principle that they should compensate the States for their lack of access to income tax and that, to put that principle into effect, the average wages element in the formula should be replaced by a new 'progression' factor equal to 1.5 times the increase in average wages each year.

PERSONAL INCOME TAX SHARING WITH THE STATES

Commencing in 1976-77, personal income tax sharing arrangements between the Commonwealth and the States replaced the financial assistance grants. The tax sharing arrangements with the States represent a central element in the Government's Federalism policy.

The way in which a share of Commonwealth personal income tax revenue is provided as assistance for local government is explained in Chapter VI.

The income tax sharing arrangements with the States have two stages.

Under Stage 1, which commenced in 1976-77, the States receive a specified proportion of Commonwealth net personal income tax collections. Relevant legislation—the *States (Personal Income Tax Sharing) Act 1976*—received the Royal Assent in November 1976.

Under Stage 2, the Stage 1 arrangements would continue but, in addition, each State would have the right, at its discretion, to increase or reduce the personal income tax levied on residents of the State. Any additional income taxes so levied would be collected by the Commonwealth on behalf of the State or States concerned. Any rebate of tax in a State would be at the State's expense. Relevant

Commonwealth legislation—the *Income Tax (Arrangements with the States) Act 1978*—received the Royal Assent in June 1978. To date, no State has passed the necessary enabling State legislation.

Following is a list of points representing the understandings which were reached in 1976 between the Commonwealth and State Governments in connection with the scheme as it relates to State Governments (local government aspects are dealt with in Chapter VI).

*Personal Income Tax Sharing Between the Commonwealth and
State Governments: Points of Understanding*

- (1) The scheme will be related to personal income tax—not company tax and not including withholding taxes on interest and dividends.
- (2) The scheme will be introduced in two Stages; referred to below as Stage 1 and Stage 2.

Stage 1

- (3) Stage 1 will apply as from the beginning of 1976–77.
- (4) The States' entitlements under Stage 1 will represent a specified percentage of Commonwealth imposed personal income tax. (State legislation will thus not be required in regard to Stage 1.)
- (5) The 'base' to which the percentage will be applied each year will be net personal income tax collected in the year.
- (6) The percentage figure for 1976–77, and for subsequent years, subject to any decisions made given relevant points recorded below, will be 33.6.
- (7) Personal income tax collections in the Territories will be included in the base figure but with this subject to review in the light of the developments in public finances in the Territories.
- (8) The yield or costs of special surcharges or rebates applied, in appropriate circumstances, by the Commonwealth will not be included in the base figure from which the States' entitlements will be calculated.
- (9) In regard to the possible effects on the States' Stage 1 entitlements of changes by the Commonwealth in its personal income tax legislation, the Commonwealth Government has given a firm assurance to the States that:
 - (a) it will ensure that the States are fully informed of relevant tax changes made by the Commonwealth and of their estimated effects on the States' entitlements;
 - (b) it will participate in a review of the arrangements when there are changes in Commonwealth tax legislation which have effects on the States' entitlements of such significance as to warrant such a review;
 - (c) when post-budget changes in Commonwealth personal income tax legislation with substantial effects on the States' entitlements are made, the Commonwealth will consider, in consultation with the States, appropriate adjustments in the arrangements to offset the effects on the States' entitlements in that particular financial year having regard

to other relevant factors impinging on the States' budgetary positions; any necessary consultations with the States on this matter will be arranged at the earliest practicable stage; and

- (d) longer-term trends in regard to such matters as changes in the relative importance of personal income tax vis-a-vis other taxes will be kept under notice between the Commonwealth and State Governments.
- (10) However, it is agreed that it would not be practicable to devise in advance an automatic formula for defining how changes in Commonwealth tax laws should be reflected in the Stage 1 arrangements.
- (11) There will be a 'guarantee' arrangement to ensure that the States' Stage 1 entitlements in any year are not less, in absolute terms, than in the previous year. This arrangement will be supplemented in the first four years of the new scheme (that is, in the years 1976-77 to 1979-80) by a further undertaking that the entitlements will not be less in a year than the amount which would have been yielded in that year by the financial assistance grants formula as laid down in the *States Grants Act 1973*.
- (12) A total entitlement for all States will first be determined, to be then divided between the States.
- (13) The initial per capita relativities between the States in their Stage 1 entitlements will be the relativities in the financial assistance grants in 1975-76.
- (14) Subject to (16) and (17) below, and to any absorption of specific purpose payments, these relativities will be carried forward into subsequent years in such a way as to maintain the proportionate relationships between the per capita entitlements of the States.
- (15) The four less populous States will continue to be free to apply for grants on the recommendation of the Commonwealth Grants Commission in addition to their basic entitlements as yielded under the arrangements summarised above.
- (16) The matter of the relationship between the special grant which Queensland is at present receiving on the recommendation of the Commonwealth Grants Commission and the tax sharing arrangements is regarded as essentially one between the Commonwealth and Queensland Governments and will be considered by those Governments as necessary.
- (17) There will be a periodic review of relativities between all States, advice in relation to this review being sought from an independent review body; the first review will be made before the end of 1980-81 (the same timing as applies to the review of the tax sharing arrangements as a whole—see (35) below).
- (18) Arrangements will be made for the States to be regularly informed, as early as practicable and in confidence as necessary, of relevant estimates in relation to their entitlements.
- (19) In relation to the processes referred to in (9) and (18) as they may be affected by matters which are confidential as a result of their association with the Commonwealth's budget consideration and formulation, the Commonwealth will provide to the States the maximum possible relevant information as is consistent with the security and integrity of its own budget.

- (20) The States will be paid their Stage 1 entitlements on a monthly pro-rata basis, with adjustments during the financial year as necessary as estimates of personal income tax collections in the year are varied (this being similar to the arrangements under which the financial assistance grants are paid).
- (21) There will be full and precise documentation to record the understandings between Governments in relation to Stage 1 but this will not take the form of a formal Agreement.

Stage 2

- (22) Under Stage 2 each State will be able to legislate to impose a surcharge on personal income tax in the State (but not company taxation or withholding tax on dividends and interest) additional to that imposed by the Commonwealth, or to give (at cost to the State) a rebate on personal income tax payable under Commonwealth law and to authorise the Commonwealth to collect the surcharge or grant the rebate as its agent.
- (23) Any State surcharges or rebates will be expressed in percentage terms.
- (24) Assessment provisions, and the basic income tax rate structure, will continue to be uniform throughout Australia, these being matters for the Commonwealth to determine.
- (25) The Commonwealth will at all times remain the sole collecting and administrative agency in the income tax field.
- (26) The level of any State surcharges or rebates will be a matter for consideration by each State; relevant decisions will be taken within an appropriate framework of consultation with the Commonwealth and, as considered appropriate by the surcharging or rebating State, with other States, but ultimately the level of surcharge or rebate will be a decision for each individual State. In exercising these powers the States will accept responsibility to work in parallel with and not in negation of the overall economic management policies of the Commonwealth.
- (27) Equalisation arrangements will be made so that less populous States will be enabled to obtain the same relative advantage from a surcharge as the States with a broader tax base.
- (28) The Grants Commission will be responsible for assessing amounts payable under the arrangements referred to under (27).
- (29) The basis for assessment of equalisation assistance to the less populous States in regard to the yield of State surcharges levied under Stage 2 (see points (27) and (28) above) will be that supplementary assistance will be provided to a less populous State levying a surcharge to bring the per capita yield from the surcharge up to the average per capita amount which would be yielded if New South Wales and Victoria levied a surcharge on the same basis. The assessment will be independent of any examination of the overall financial position of the State concerned vis-a-vis other States.

- (30) Detailed proposals to implement Stage 2 will be formulated by an officers' working party. The firm target is to have an appropriate framework established, relevant matters agreed and any necessary legislation or other material prepared in time for Stage 2 to commence from the beginning of 1977-78.
- (31) At an appropriate time the Commonwealth will consider what implications Stage 2 might have in relation to the Territories.
- (32) Interest on future issues of Commonwealth securities will be subject to State income tax surcharges under Stage 2 of the tax sharing scheme; this change will not apply retrospectively to interest on securities already issued.

Implications for Tax Forms and Assessment Notices

- (33) In relation to tax forms, changes will be minimal apart from necessary changes to take account of surcharges or rebates.
- (34) Assessment notices will be changed only to accommodate State surcharges or rebates (any Commonwealth surcharge or rebate would, of course, also be shown), with information on the disposition of Commonwealth tax to States (and local government) provided to taxpayers separately but in conjunction with assessment notices.

Review of Total Tax Sharing Arrangements

- (35) There will be a review of the tax sharing arrangements as a whole periodically, with the first review being made at some time before the end of 1980-81 with any revisions applying as from the beginning of the next financial year after the review; arrangements will be made for the Commonwealth and State Governments to agree, well in advance of the review, on the procedures which are to be followed in connection with it.

Many of these points of understanding have since been incorporated into the *States (Personal Income Tax Sharing) Act 1976* or the *Income Tax (Arrangements with the States) Act 1978*. Others have been developed further in discussions at the Premiers' Conferences in 1977, 1978, 1979 and 1980 (see below).

Although the majority of matters relating to the Stage 1 arrangements had been settled at the 1976 Premiers' Conferences, some outstanding issues, together with matters relating to Stage 2, were considered at Premiers' Conferences in April, July and October 1977, June 1978, June and December 1979 and June 1980, mostly on the basis of joint reports by Commonwealth and State officers. The position reached on these issues is set out below.

- (1) The States and the Commonwealth agreed in April 1977 on the scheme unanimously recommended by the Commonwealth and State officers under which, to meet possible cash flow problems faced by a State to the extent that a deficit in its budget was due to the State's Stage 1 entitlement in respect of a year falling short of the Commonwealth Budget estimate of its entitlement,

and within Loan Council arrangements, a State would have access to Treasury Bills against which it would, except in extreme cases, be expected to lodge counterpart deposits with the Reserve Bank.

(2) Consideration was given at the April and July 1977 Premiers' Conferences to the arrangements for the provision of information by the Commonwealth to the States, and for consultation, as necessary, between the Commonwealth and the States, in relation to Commonwealth budget decisions as they might affect the States' entitlements. At the July 1977 Conference the Prime Minister stated that the Commonwealth would provide information to the States as follows:—

- a preliminary estimate of each State's Stage 1 entitlement for the year ahead on the basis of then current Commonwealth tax legislation;
- an estimate of the yield/cost of a 1% surcharge/rebate in each State on the basis of then current Commonwealth tax legislation;
- an estimate of each State's entitlement under the former financial assistance grants arrangements (the guaranteed entitlement);
- relevant wage assumptions underlying these estimates; and
- certain other information to the extent this is practicable and consistent with budget security.

(3) Following the 1976 Census, the Australian Statistician revised the State population estimates. This resulted in changes in the estimated entitlements of the individual States for 1976-77, although the total entitlement of the States as a whole was not affected by the revision. Officers were directed by the April 1979 Premiers' Conference to examine and report on the implications of the revision of population figures. While no change was made to the tax sharing arrangements in this regard, the general question of whether estimates of State populations could be made more accurate was considered at the October 1977 and June 1978 Premiers' Conferences on the basis of officers' reports. The Australian Statistician's efforts to overcome certain estimation problems were noted and it was agreed that no further action could usefully be taken at that stage.

(4) Point of Understanding (17) records that there would be a periodic review of relativities and that advice in relation to this review would be sought from an independent review body. There were three aspects to be considered: the guidelines for the review body, the nature of the review body, and the timing of the review.

At the April 1977 Premiers' Conference, the States and the Commonwealth agreed that the guidelines for the review body should be expressed in relatively broad terms to give it flexibility in carrying out its work, and agreed that the guidelines should be along the following lines:

- (i) The basic purpose is to review the percentage relationship between the States' respective per capita entitlements under Stage 1 of the personal income tax sharing arrangements between the Commonwealth and State Governments and to make any recommendations for changes in those relationships considered appropriate.

- (ii) The review should be on the basis of the principle that each State should be able to provide State Government services of a recurrent kind of the same standard as other States without imposing higher rates of taxes or charges; differences in revenue raising capacities and in the relative costs of providing comparable government services should be taken into account.
- (iii) The review is to include an examination of the existing relativities, of the factors which have influenced them and of any relevant changes which have occurred in the period since those relativities were established.

It was also agreed at the April 1977 Premiers' Conference that the States and the Commonwealth would each have a right to argue before the review body any matters which a State or the Commonwealth regarded as relevant to the review, that the first review should be commenced as soon as possible and that the review body's report would be considered at a Premiers' Conference before any decision was taken on it.

Agreement was not reached at the April 1977 Premiers' Conference on the constitution of the review body but the Commonwealth undertook to give the matter further consideration. After this further consideration, the Commonwealth reiterated its view that the Commonwealth Grants Commission was the appropriate body to conduct the review. The *States (Personal Income Tax Sharing) Amendment Bill 1977*, nominating the Grants Commission as the review body and prescribing the guidelines which it was to follow, was introduced into the Parliament on 26 May 1977 and was passed by the House of Representatives. However, in the light of views expressed by several Premiers, the Bill was not proceeded with in the Autumn session of the Parliament and the matter was discussed at the Premiers' Conference on 1 July 1977.

At that Conference, the Prime Minister agreed that Commonwealth and State officers would consult further on the guidelines and would also give consideration to suggested amendments proposed by some of the Premiers. On the question of the review body the Prime Minister put forward a compromise proposal—in effect, a special Division of the Commonwealth Grants Commission supplemented by three associate members nominated by the States. It was then agreed that the body to review the relativities should be composed of the Chairman of the Grants Commission, two members of the Commission, plus three associate members, one of whom would be nominated by New South Wales and Victoria and two by the four other States.

The Premiers' Conference on 21 October 1977 agreed on the wording of revised guidelines which were in line with the broad agreement reached at the April 1977 Premiers' Conference. The Conference also agreed that:

- (i) the intention was for reviews to be held no more often than every three to five years;
- (ii) Commonwealth legislation for the purpose should give flexibility to enable a review to be held whenever there were special circumstances which warranted this—for example, if a review were sought by (say) three States; and

- (iii) the guidelines were not intended to place any limitation on the review body in considering the matters that led to the existing relativities.

Amendments were made in June 1978 to the *States (Personal Income Tax Sharing) Act 1976* and to the *Commonwealth Grants Commission Act 1976* to provide, inter alia, for periodic reviews by a special Division of the Commonwealth Grants Commission of the per capita relativities between the States in their tax sharing entitlements.

- (5) The July 1977 Premiers' Conference noted that there had been fluctuations in the estimates of the total tax sharing entitlements during 1976-77. These fluctuations had occurred largely because of changes in estimates of tax collections but the uncertainty arising from these sources would have been avoided had the States not chosen to have their tax sharing entitlements calculated as a percentage of the current year's personal income tax collections, which were not finally known until 31 July in the following financial year.

Against the background of the uncertainty inevitably associated with the use of current year tax collections as the base, the Prime Minister suggested that the States might reconsider the earlier Commonwealth proposal that the preceding year's collections be used as the base (local government tax sharing entitlements were already based on collections in the preceding year—see Chapter VI for details). He offered to fix the States' tax sharing entitlements in respect of 1977-78 at \$4336.1 million if the States were to decide to adopt that proposal. (This would be subject to adjustments on account of over-payments in 1976-77 of State entitlements for that year—see page 21 of the 1978-79 issue of this paper.) The Prime Minister pointed out that this would reduce uncertainty and administrative difficulties.

The Premiers agreed that Commonwealth and State officers should examine and report on arrangements for changing the total tax sharing entitlements from 33.6 per cent of the current year's collections to an appropriate percentage of the preceding year's collections.

On the basis of the officers' report, the October 1977 Premiers' Conference agreed to adopt the preceding year's net personal income tax collections as the base, using 39.87 per cent for the purpose. The amending legislation—the *States (Personal Income Tax Sharing) Amendment Act 1978*—provides, inter alia, for States' entitlements for 1977-78 to be \$4336.1 million (subject to the guarantee arrangements) and the entitlements in each subsequent year to be 39.87 per cent of the preceding year's collections (again, subject to the guarantee arrangements).

- (6) In addition, the June 1978 Premiers' Conference referred the following matters to officers for examination and report:
 - (i) the States' request that there be an extension beyond 30 June 1980 of the present guarantee that until then each State will be entitled to receive each financial year under Stage 1 of the tax sharing arrangements at least what it would have received under the old financial assistance grants formula;

- (ii) a review in accordance with point 9 (b) of the points of understanding;
- (iii) procedures regarding consultation between the Commonwealth and States in relation to post-budget changes in the income tax structure (point of understanding 9 (c) refers);
- (iv) an examination of a New South Wales draft document relating to the points of understanding in relation to the extent to which it is an accurate, full and up-to-date record of the understandings reached between the Commonwealth and States; and
- (v) the factual position in relation to the effect of changes to population estimates on the level of Queensland's guaranteed minimum entitlement under the old financial assistance grants formula. (Queensland raised this matter at the October 1977 Premiers' Conference claiming that consistent under-estimation of its population has meant that its financial assistance grants were lower than they should have been and that, therefore, its guaranteed minimum entitlement is too low).

Officers' reports on these five matters were before the June 1979 Premiers' Conference. Regarding the officers' report on the related items (i) and (ii) above, the Prime Minister advised the States that the Commonwealth could not agree to either an extension of the existing guarantee beyond 30 June 1980 or an upwards adjustment to the States' share of tax collections. It was agreed, however, that Commonwealth and State officers would examine, taking into account the financial capacity of the Commonwealth, possible alternatives to the existing guarantee with a view to presenting a report to a Premiers' Conference to be held later in 1979. That Conference was also to resume consideration of the officers' reports on items (iii) and (iv) above. In respect of the bilateral matter of Queensland's guarantee (item (v) above), the Commonwealth and Queensland agreed to discuss this outside the Premiers' Conference. In the event, no adjustment was made to Queensland's guaranteed minimum entitlement.

- (7) A further Premiers' Conference in December 1979 had before it officers' reports on possible alternatives to the existing guarantee arrangements and on the matters relating to consultation between the Commonwealth and the States and the documentation of the understandings reached between the Commonwealth and the States referred to at items (iii) and (iv) of paragraph (6). Having in mind the review of the tax sharing arrangements to be made by the end of 1980-81 and the review of State relativities under the arrangements currently being undertaken by the Commonwealth Grants Commission, the Prime Minister put forward guarantee arrangements to apply in 1980-81. Under the Prime Minister's proposal, which was adopted by the Conference, the States' tax sharing entitlements in 1980-81, on a State by State basis, will be 39.87 per cent of net personal income tax collected in 1979-80, distributed according to the tax sharing relativities prescribed in the *States (Personal Income Tax Sharing) Act 1976*, with the guarantee that each State will receive no less in real terms than the amount it received in 1979-80 as measured by the Consumer Price Index for the four quarters to March 1981, compared with the four quarters to March

1980, in the capital city of the State. This guarantee arrangement is embodied in the *States (Personal Income Tax Sharing) Amendment Act 1980* which received the Royal Assent in May 1980. The Act also extends the definition of withholding tax in the *States (Personal Income Tax Sharing) Act 1976* to include the withholding tax on certain revenues derived from the use of land for mining purposes, which came into effect on 1 July 1979. The effect of this amendment is that, like collections of withholding tax on dividends and interest, collections of mining withholding tax are excluded from the taxation collections in which the States share. The matters relating to consultation between the Commonwealth and the States and documentation of the understandings reached between the Commonwealth and the States were not considered by the December 1979 Premiers' Conference.

- (8) The *States (Personal Income Tax Sharing) Act 1976* and Point (35) of the understandings between the Commonwealth and the States provide that the tax sharing arrangements as a whole shall be reviewed before the end of 1980-81. In this connection, it was decided at the June 1980 Premiers' Conference that the matter would be considered by a Premiers' Conference to be held early in 1981.

Stage 2 of the Tax Sharing Arrangements

The April 1977 Conference had before it the report of the working party of officers of the Commonwealth and State Treasuries and taxation and legal officers, established following the April 1976 Conference, to advise on the introduction of Stage 2 of the tax sharing arrangements. The report canvassed some fundamental aspects of possible arrangements, including several which raised important and complex legal and policy questions.

The Conference was in broad agreement as to the objectives to be pursued in developing detailed arrangements for Stage 2:

- (i) there should be complete uniformity as between the States in all respects other than rates of any surcharges or rebates;
- (ii) the arrangements should be free of any significant Constitutional or other legal doubt;
- (iii) the scheme should be as simple and inexpensive to administer as practicable consistent with legal requirements and the other broad objectives being followed;
- (iv) the arrangements should impose the least inconvenience practicable on taxpayers and employers; and
- (v) the arrangements should be such as to avoid creating avenues for tax avoidance or evasion.

For the benefit of States choosing to enter into Stage 2 arrangements, and in order to avoid technical problems, the Commonwealth suggested that it and all States co-operate to prepare complementary or 'interlocking' legislation. This proposal was not accepted by all States.

At the April 1977 Conference, the Commonwealth emphasised that it wanted to introduce enabling legislation as soon as possible, thus providing each State

with the option of proceeding to raise or lower income tax within its own borders if it so chose. The States could, within a framework of enabling legislation, make their own decisions, in their own time and in accordance with their own priorities, whether or not to utilise the provisions of Stage 2. It was agreed that Commonwealth officers and officers of the Victorian and Western Australian Governments should have discussions regarding the Commonwealth legislation which was to be drafted.

The *Income Tax (Arrangements with the States) Bill 1977* was introduced into the Commonwealth Parliament late in the Autumn 1977 sittings. This Bill was designed to enable the States at their own discretion to increase their shares of personal income tax by increasing the tax paid by their residents or to provide tax rebates to their residents at the States' own cost. In order to allow time for proper consideration and informed debate, the Bill was not proceeded with immediately. At the July 1977 Premiers' Conference, the Prime Minister invited comments from the States on the Bill.

The 1977 Bill lapsed with the dissolution of the Commonwealth Parliament on 10 November 1977.

Subsequently, after careful consideration, the Commonwealth Government agreed to some changes being made to the provisions of the 1977 Bill to meet points raised by the Premiers before re-introducing the Bill into the Parliament. The revised Bill, basically the same as the 1977 Bill but incorporating these changes, and a number of minor technical and machinery improvements, was passed by the Parliament late in the 1978 Autumn sittings and became the *Income Tax (Arrangements with the States) Act 1978*.

The drafting of possible enabling legislation which might be adopted by individual States is a State matter, but one on which the Commonwealth has indicated a willingness to consult and co-operate.

States' Tax Sharing Entitlements in 1979-80 and 1980-81

Under the *States (Personal Income Tax Sharing) Act 1976*, the States are entitled to receive in respect of each year subsequent to 1977-78 39.87 per cent of net personal income tax collections in the preceding year. This is subject to the guarantee that the States' Stage 1 entitlements in any year will not be less, in absolute terms, than in the previous year. In the years 1976-77 to 1979-80 a further guarantee applied that the States' entitlements would not be less in a year than the amount which would have been yielded in that year by the financial assistance grants formula laid down in the *States Grants Act 1973*. For 1980-81 the States are guaranteed that their entitlements will not be less in real terms than in 1979-80 (see page 19 above).

The entitlements are calculated on the basis of net personal income tax collections, excluding the effects of any special tax levies or rebates so declared for purposes of the Act. At present, there are no such special tax levies or rebates. The health insurance levy, which operated from 1 October 1976 to 31 October 1978, was in the nature of a special tax levy applied by the Commonwealth and has been excluded from the tax collections figures from which the States' entitlements are calculated.

The relative shares of the States are determined on a weighted population basis, the weights (which are based on the per capita relativities in the States' financial assistance grants in 1975-76) being prescribed in the Act, the populations being determined by the Australian Statistician.

Particulars of the calculations underlying the States' tax sharing entitlements for the years 1976-77 to 1978-79 are given in earlier issues of this paper.

The States were entitled to receive in respect of 1979-80 and subject to the guarantee arrangements, 39.87 per cent of \$12 670.8 million, the amount of net personal income tax collections (excluding the effects of the health insurance levy) in 1978-79 determined by the Commissioner of Taxation in accordance with the Act. As required by the legislation, the Australian Statistician made determinations of amounts that would have been payable under the financial assistance grants formula (that is, the States' guaranteed minimum entitlements) and of State populations at 31 December 1979. After allowing for the operation of the guarantee in the case of all States, the States' total entitlement for 1979-80 was \$5 415.9 million.

The following table shows the calculations underlying the States' tax sharing entitlements in 1979-80:

Table 5—Distribution of States' Personal Income Tax Sharing Entitlements in 1979-80

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
(1) Population at 31 December 1979(a)	5 111 561	3 874 450	2 213 020	1 297 171	1 257 039	420 098	14 173 339
(2) Per capita relativities(b)	1.02740	1.00000	1.39085	1.52676	1.66516	2.00188	..
(3) Row (1) weighted by Row (2)	5 251 618	3 874 450	3 077 979	1 980 469	2 093 171	840 986	17 118 673
(4) Percentage distribution of Row (3) between States (per cent)	30.67772	22.63289	17.98024	11.56906	12.22741	4.91268	100.00000
(5) Share of 39.87 per cent of \$12 670.8 million(c) —Distributed according to Row (4) \$'000	1 549 794	1 143 381	908 336	584 452	617 711	248 181	5 051 855
(6) Amount guaranteed under section 8 of the Act (Financial Assistance Grants formula) (d) \$'000	1 663 466	1 233 934	952 533	630 392	662 888	272 696	5 415 910
(7) States' entitlements under the Act(e) \$'000	1 663 466	1 233 934	952 533	630 392	662 888	272 696	5 415 910

(a) Determined by the Australian Statistician in accordance with section 9 of the *States (Personal Income Tax Sharing) Act 1976*.

(b) Relativities specified in section 4 (1) of the Act. For derivation, see Table 5 on page 22 of the 1977-78 issue of this paper.

(c) Net personal income tax collections (excluding receipts from the Health Insurance levy) in 1978-79 as determined by the Commissioner of Taxation in accordance with section 6 of the Act.

(d) Determined by the Australian Statistician in accordance with section 8 of the Act. Calculated by applying to the notional 1978-79 financial assistance grants the estimated increases in State populations in the year ended 31 December 1979 (New South Wales 1.35 per cent, Victoria 1.00 per cent, Queensland 1.53 per cent, South Australia 0.47 per cent, Western Australia 2.06 per cent and Tasmania 1.07 per cent), the estimated increase in average wages for Australia as a whole in the year ended 31 March 1980 of 8.81 per cent and the betterment factor of 3.0 per cent.

(e) For all States, amounts in Row (6).

The amount of net personal income tax collections (excluding the effects of the health insurance levy) in 1979–80 determined by the Commissioner of Taxation in accordance with the Act is \$15 039.3 million giving, on application of the percentage of 39.87 per cent, a total States' tax share in 1980–81 of \$5996.2 million.

Assuming an increase of 10.5 per cent in the Consumer Price Index for the four quarters to March 1981 compared with the four quarters to March 1980 in the capital city of each State, States' minimum entitlements for 1980–81 under the guarantee arrangements would be \$5984.5 million.

On this basis, the estimated guaranteed entitlements of three States—Victoria, South Australia and Tasmania—would be above their individual tax shares, resulting in an estimate of the States' entitlements in 1980–81 of \$6020.2 million.

The following table shows the calculations underlying the State by State estimates of tax sharing entitlements in 1980–81. It is to be emphasised that these figures are estimates dependent on projections relating to population and the Consumer Price Index and hence must necessarily be subject to a substantial margin of uncertainty.

Table 6—Estimates of the States' Personal Income Tax Sharing Entitlements in 1980-81

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
(1) Population at 31 December 1980(a) ('000 persons)	5 177.8	3 915.4	2 245.4	1 307.8	1 286.5	424.4	14 357.3
(2) Per capita relativities(b)	1.02740	1.00000	1.39085	1.52676	1.66516	2.00188	..
(3) Row (1) weighted by Row (2)	5 319.7	3 915.4	3 123.0	1 996.7	2 142.2	849.7	17 346.6
(4) Percentage distribution of Row (3) between States (per cent)	30.66706	22.57136	18.00370	11.51036	12.34940	4.89812	100.00000
(5) Share of 39.87 per cent of \$15 039.3 million(c) —Distributed according to Row(4) \$ million	1 838.8	1 353.4	1 079.5	690.2	740.5	293.7	5 996.2
(6) States' minimum entitlements under guarantee arrangements for 1980-81 (estimated)(d) \$ million	1 838.1	1 363.5	1 052.5	696.6	732.5	301.3	5 984.5
(7) Estimated States' entitlements under the Act(e) \$ million	1 838.8	1 363.5	1 079.5	696.6	740.5	301.3	6 020.2

(a) Forward estimates of population at 31 December 1980 supplied by the Australian Bureau of Statistics. Subject to revision.

(b) Relativities specified in section 4 (1) of the Act.

(c) Net personal income tax collections in 1979–80 excluding revenue from the Health Insurance levy; determined by the Commissioner of Taxation in accordance with section 6 of the Act.

(d) The guarantee arrangements for 1980–81 were adopted at the 7 December 1979 Premiers' Conference. The guarantee ensures that each State will receive no less in real terms than the amount it received in 1979–80 as measured by the Consumer Price Index for the four quarters to March 1981 compared with the four quarters to March 1980 in the capital city of the State. The States' minimum entitlements are based on the assumption that the relevant increase in the Consumer Price Index over the relevant period in the capital city of each State will be 10.5 per cent.

(e) For New South Wales, Queensland and Western Australia, amounts in Row (5); for Victoria, South Australia and Tasmania amounts in Row (6).

THE SPECIAL GRANTS

Special grants have been paid to the States on the recommendation of the Commonwealth Grants Commission since 1934–35. The Commission was established in 1933 and currently functions under the *Commonwealth Grants Commission Act 1973*.

Under the legislation as it now stands, the Commission is required 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 other States (or the States).
- any other matters related to Commonwealth financial assistance to the States which may be referred to it by the Government.
- any matters relating to the financing of works and services provided in respect of the Australian Capital Territory which may be referred to it by the Government.

For particulars of the Commission's role in relation to periodic reviews of the per capita relativities between the States in their tax sharing entitlements and in relation to applications for financial assistance by the Northern Territory see pages 16 to 18 and Chapter V of this paper respectively. The role of the Commission in the matter of Commonwealth assistance for local government is dealt with in Chapter VI of this paper.

The Commission's inquiries and reports in relation to special grants to States are made under the first of these provisions; the wording is based on the principle of financial need as set out by the Commission in its Third Report (1936).

The tax sharing arrangements permit each of the four less populous States to apply for special grants under the Grants Commission arrangements. Queensland has been the only applicant State in recent years. (Tasmania, which had withdrawn from claimancy in 1974–75, applied on 30 June 1978 for a special grant in respect of 1977–78 but subsequently withdrew its application.) Arrangements under which the various States withdrew from claimancy for special grants are set out in the 1975–76 issue of this paper.

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

In arriving at its recommendations, the Commission makes a detailed comparison between the financial position of a claimant State and those of the 'standard' States. Prior to 1959–60 the Commission used a standard derived from the experience of New South Wales, Victoria and Queensland. From 1959–60 the standard States have been New South Wales and Victoria.

In 1979–80 Queensland received special grants totalling \$12.4 million, consisting of an advance grant for 1979–80 of \$11.0 million and a completion grant in respect of 1977–78 of \$1.4 million. The grants were recommended by the Commission in its Forty-sixth Report presented to Parliament in the Budget Session in 1979, and were authorised by the *Queensland Grant (Special Assistance) Act 1979*.

The Commission has recommended for payment to Queensland in 1980–81 a completion grant in respect of 1978–79 of \$6.7 million. No recommendation has been made by the Commission with respect to an advance grant for 1980–81. This is because although Queensland has made application for a special grant for 1980–81 it has indicated to the Commission that it is not seeking an advance grant. Queensland's decision not to seek an advance grant is based on possible implications for the methodology adopted for assessing special grants arising from the fact that the Commission is conducting a review of the tax sharing relativities of all States, and that this review is due for completion before the assessment of any special grant for Queensland for 1980–81. The Commonwealth Government has accepted the Commission's recommendation and it is expected that legislation to authorise payment of the grant will be introduced in the Budget sittings of Parliament following tabling of the Commission's Forty-seventh Report.

The table below shows the *final* amount of special grants paid to Queensland in respect of each of the years 1976–77 to 1978–79 inclusive—that is, the advance grant paid in the year concerned plus the completion grant normally paid two years later. The table also shows the advance payment for 1979–80. Table 8 shows the grants in terms of amounts actually paid each year.

Table 7—Queensland—Special Grants (\$ thousands)

	Advance Payment	Completion Payment(a)	Total
1976–77 . . .	18 000	5 700	23 700
1977–78 . . .	14 000	1 400	15 400
1978–79 . . .	16 000	6 700	22 700
1979–80 . . .	11 000	(b)	(b)
1980–81 . . .	..	(b)	(b)

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

(b) Not yet determined—see text above.

OTHER GENERAL REVENUE ASSISTANCE

Prior to 1975–76, the Commonwealth Government from time to time provided general revenue assistance to the States additional to that payable under the tax reimbursement and financial assistance grants arrangements or by way of special grants recommended by the Grants Commission. Details of the amounts so provided are to be found in the 1975–76 issue (pages 22 and 23, Tables 116 and 117) and earlier issues of this paper.

PAYMENTS OF GENERAL REVENUE FUNDS TO THE STATES

The following table shows payments of general revenue funds to the States from 1976-77 and estimates for 1980-81.

Table 8—General Revenue Funds (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
PAYMENTS OF TAX SHARING ENTITLEMENTS(a)							
1976-77	1 133 400	841 700	660 200	433 200	440 800	186 294	3 695 594
1977-78	1 319 609	984 690	770 539	507 761	519 891	214 150	4 316 641
1978-79	1 464 397	1 090 025	844 137	559 841	579 532	240 737	4 778 669
1979-80	1 663 466	1 233 934	952 533	630 392	662 888	272 696	5 415 910
1980-81 (estimate)	1 838 800	1 363 500	1 079 500	696 600	740 500	301 300	6 020 200
SPECIAL GRANTS(b)							
1976-77 . . . . .	..	..	27 000	..	..	..	27 000
1977-78 . . . . .	..	..	24 800	..	..	..	24 800
1978-79 . . . . .	..	..	21 700	..	..	..	21 700
1979-80 . . . . .	..	..	12 400	..	..	..	12 400
1980-81 . . . . .	..	..	6 700	..	..	..	6 700
TOTAL GENERAL REVENUE FUNDS							
1976-77	1 133 400	841 700	687 200	433 200	440 800	186 294	3 722 594
1977-78	1 319 609	984 690	795 339	507 761	519 891	214 150	4 341 441
1978-79	1 464 397	1 090 025	865 837	559 841	579 532	240 737	4 800 369
1979-80	1 663 466	1 233 934	964 933	630 392	662 888	272 696	5 428 310
1980-81 (estimate)	1 838 800	1 363 500	1 086 200	696 600	740 500	301 300	6 026 900

(a) State Government entitlements to a share of Commonwealth personal income tax collections. Prior to 1976-77 payments were in the form of financial assistance grants. For further details concerning the grants in 1975-76 and earlier years, see the 1975-76 issue of this paper.

(b) Special grants actually paid to the States in the years shown. See text and Table 7 for amounts of special grants paid in respect of each year.

ADVISORY COUNCIL FOR INTER-GOVERNMENT RELATIONS

One other element of the Government's Federalism policy which has potential implications for Commonwealth/State financial relations is the establishment of the Advisory Council for Inter-Government Relations.

The Council is an independent body established under Commonwealth legislation—the *Advisory Council for Inter-Government Relations Act 1976*—and in accordance with agreement reached at the April 1976 Premiers' Conference. The Council whose Secretariat is in Hobart comprises 22 members including representatives of the Commonwealth and State Parliaments (Queensland participating from 1 July 1979), local government and the community. In addition, the Legislative Assembly of the Northern Territory and the Australian Capital Territory House of Assembly have observer status on the Council. The Commonwealth and the States together each meet 45 per cent of the Council's costs, the remaining 10 per cent being contributed by local government. Subjects for investigation and advice by the Council are referred to it by Premiers' Conferences; subjects so referred may include matters raised at the initiative either of local government or the Council itself.

The April 1977 Premiers' Conference approved the following items for examination and report:—

- An examination of the relationships which should exist between Federal, State and local governments (referred to as the 'Relationships' reference).
- A study of the costs and benefits of an interchange of personnel between the three spheres of government, and recommendations for selected implementation of a staff exchange program (referred to as the 'Interchange' reference).

In January 1978 the Prime Minister as chairman of the Premiers' Conference suggested the Council might concentrate initially on the relationships which should exist between local government and the Commonwealth and State Governments (referred to as the 'Local Government' sub-reference).

Annual reports for the years ending 31 August 1977, 1978 and 1979 have been published. The Council has made two reports on the 'Interchange' reference in June 1978 and August 1979, and a progress report on the 'Relationships' reference in June 1979.

The first 'Interchange' report dealt with short term staff interchanges and a final report with long term staff interchanges.

The 'Relationships' reference will necessitate a major review by the Council, over a considerable period of time, of all aspects of the Australian federal system. The Council is at present conducting studies of inter-governmental relations aspects of the provision of roads, the care of the aged, and the Loan Council.

Under the 'Local Government' sub-reference the Council is undertaking a major inquiry into Australian local government. Following public meetings held in all States in 1979, the Council is issuing a series of discussion papers on inter-governmental issues affecting local government. These include supplementary revenue sources of local government, Loan Council arrangements for local government borrowing, and inter-governmental grant procedures.

CHAPTER III—GENERAL PURPOSE CAPITAL FUNDS

This Chapter provides information on the general purpose capital funds available to the States and their authorities under the Loan Council arrangements. These comprise borrowings made on behalf of the State Governments (to which the Commonwealth has contributed from its own resources in most recent years), interest-free grants made by the Commonwealth to the States and borrowings by State authorities. Relevant statistical material for the period from 1976–77 is presented in Appendix II; statistical information for earlier years is available in Appendix III of 'Payments to or for the States and Local Government Authorities 1975–76'.

The Loan Council, which is constituted under the Financial Agreement, to co-ordinate the borrowings of the Commonwealth and the States, consists of representatives of the Commonwealth and each State Government. Under the terms of the Financial Agreement borrowings by the Commonwealth and on behalf of State Governments (except defence borrowings by the Commonwealth and borrowings for temporary purposes) are limited in total in each year to the amounts of the annual borrowing programs for the Commonwealth and State Governments determined each year by the Loan Council. The terms and conditions of loans to finance these programs require the approval of the Loan Council. Subject to the decisions of the Loan Council, borrowings for and on behalf of the State Governments and conversions, renewals, redemptions and consolidations of the public debt of the States are, with limited exceptions, arranged by the Commonwealth. The Loan Council also determines annual borrowing programs for the 'larger' semi-government and local authorities of each State, and approves the terms and conditions of borrowings by these authorities under the approved borrowing programs.

TREATMENT OF LOAN COUNCIL PROGRAMS IN THIS AND OTHER BUDGET PAPERS

The capital grants (beginning in 1970–71) paid by the Commonwealth to the States in relation to their government loan programs represent Commonwealth payments to the States and are so categorised for purposes of this and other budget papers.

The State Governments' Loan Council borrowing programs are not included in the totals of payments to the States shown in this paper. However, as mentioned in Chapter 1, the national accounting item 'grants and net advances to the States, the Northern Territory and Local Government Authorities' used in the statements attached to the Budget Speech and other papers does include these programs. The equivalent aggregate is described in this paper as the total of Commonwealth payments to the States and the Northern Territory, the State Governments' Loan Council borrowing program and payments to local authorities.

STATE GOVERNMENTS' LOAN COUNCIL PROGRAM

The Loan Council program for State Governments represents a major source of funds available to the States for capital works. Loan Council determines an aggregate program for the States as a whole and allocates the amount between the States. Each State may apply the proceeds of its share of the program as it wishes.

The Commonwealth undertakes to complete the financing of the State Governments' borrowing program by subscribing from its own resources any shortfall in actual loan raising. In addition, a proportion of the total program for State Governments has, since 1970-71, been provided as an interest-free non-repayable capital grant by the Commonwealth. Since 1975-76 that proportion has been one-third of the State Governments' program. This arrangement will continue in 1980-81. Background material on the grants, together with a summary of changes in the proportion of the total program provided as grants, is to be found on page 27 of 'Payments to or for the States and Local Government Authorities 1975-76'. On pages 24 and 25 of that paper there is an account of the way in which Commonwealth assistance to the States for housing has in the past been related to the Loan Council arrangements.

For 1979-80 the Loan Council approved a State Governments' program of \$1 245 million of which two-thirds, or \$830 million, comprised borrowings and one-third, or \$415 million, was provided as capital grants to the States.

The Loan Council at its June 1980 meeting approved a State Governments' program of \$1307.25 million for 1980-81, representing an increase of 5 per cent over the 1979-80 program. Two-thirds of this, or \$871.5 million, will comprise borrowings and one-third, or \$435.75 million, will be provided as interest-free capital grants to the States.

The following table shows the distribution between the States of the programs for 1979-80 and 1980-81:—

**Table 9—State Governments' Loan Council Programs, 1979-80 and 1980-81—
State by State Distribution**

	1979-80			1980-81			Total	
	Borrowings	Capital Grants (a)	Total	Borrowings	Capital Grants (a)	Amount	Percentage of Six State Total(b)	
								%
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
New South Wales .	268 293	134 146	402 439	281 707	140 854	422 561	32.33	
Victoria .	208 521	104 260	312 781	218 947	109 473	328 420	25.12	
Queensland .	110 051	55 026	165 077	115 554	57 777	173 331	13.26	
South Australia .	108 165	54 083	162 248	113 573	56 787	170 360	13.03	
Western Australia .	76 799	38 400	115 199	80 639	40 320	120 959	9.25	
Tasmania .	58 171	29 085	87 256	61 080	30 539	91 619	7.01	
Total .	830 000	415 000	1 245 000	871 500	435 750	1 307 250	100.00	

(a) Capital grants represent one-third of each State's total program.

(b) The same percentage allocation applied in 1979-80.

Financing of States' Borrowing Programs and the Capital Grants

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

When the proceeds of public borrowings available for this purpose are insufficient to finance the States' program the Commonwealth makes up the

shortfall by subscribing from its own resources the appropriate amount to a special loan, proceeds of which are allocated to the States. The amounts made available in this way represent State debt. Special loans are raised on terms and conditions similar to those attaching to Treasury Bonds on offer for public subscription in Australia, or, if no such securities are on offer at the time, the securities most recently on offer. The effect of this arrangement is that as necessary—and this has been the case in the majority of years since 1951–52—the Commonwealth contributes amounts from its own resources to help finance the Loan Council program of the State Governments.

The borrowing authority approved for the Commonwealth by the Loan Council each year includes an amount equal to the capital grant provided to the States under the State Governments' program. The legislation authorising payment of the capital grant authorises the Treasurer to borrow the amount concerned, or to meet it wholly or in part from Consolidated Revenue Fund.

A summary of the financing of the States' Loan Council programs since 1975–76 is given in Table 95 in Appendix II; Table 96 shows further details of the financing of the programs since 1975–76.

Following previous practice, the Commonwealth has undertaken to support the total State Governments' program of \$1307.25 million agreed for 1980–81, conditional on the States' agreement to the level of borrowing programs proposed by it for the States and for the States' and Commonwealth's larger authorities, and to certain arrangements designed to promote the raising of loans to finance the State Government's program. In summary, the Commonwealth:—

- (a) agrees to make up any shortfall of public borrowing by subscribing from its own resources;
- (b) agrees to provide one-third of the total approved State Governments' program in the form of capital grants;
- (c) by leaving to the States, to the extent necessary to complete their government borrowing program, the whole of the proceeds derived from public loan raisings by the Commonwealth in Australia (other than the net proceeds of Interest Equalisation Deposits, Treasury Notes and other borrowings for temporary purposes; and amounts applied to redemption of public securities (including Special Bonds and Australian Savings Bonds) that cannot be financed out of the National Debt Sinking Fund);
- (d) by arranging, to the maximum possible extent, for the redemption of maturing but unconverted State debt that cannot be met from State sinking funds; and
- (e) by making monthly advances to the States for the first eight months of the financial year against the borrowing component of the program at an annual rate not exceeding \$871.5 million, the position then to be reviewed and a tentative determination made, not later than February 1981, of the amount of any special loan assistance the Commonwealth may provide from its own resources. (The amount of the capital grant component of the program is paid to the States by equal monthly instalments.)

BORROWINGS BY STATE AUTHORITIES

Under the 'Gentlemen's Agreement', originating in 1936, the Loan Council approves an aggregate annual borrowing program for larger semi-government and local authorities. In 1980-81, as in 1979-80, larger authorities are defined as those borrowing more than \$1.2 million in the financial year, the Loan Council having decided at its June 1979 meeting to increase the limit from \$1 million which had applied since 1977-78. The limit applying in 1976-77 was \$0.8 million. For information on the limits applying in years prior to that see page 29 of 'Payments to or for the States and Local Government Authorities 1975-76'. Since 1962-63 no overall control has been set by the Loan Council on borrowings by smaller authorities, that is, authorities borrowing individually within the financial year up to the amounts mentioned above.

The program approved for borrowings by the larger authorities of the States is distributed between the States by the Loan Council. Each State determines the distribution between its individual larger authorities of its share of the basic borrowing program approved for such authorities. From time to time, the Loan Council also approves special temporary additions to the programs of particular States to meet specific circumstances, including under the special infrastructure financing guidelines (see below). The terms and conditions of loans raised by authorities under Loan Council approved borrowing programs are subject to Loan Council approval.

Borrowings by State 'smaller' authorities are also subject to the terms and conditions approved by the Loan Council under the 'Gentlemen's Agreement' and it is the responsibility of each government to ensure that its authorities conform to these terms and conditions.

For 1979-80, the Loan Council approved a borrowing program for the States' larger authorities of \$1 301.6 million (excluding additions for infrastructure financing—see below), which was subsequently adjusted to \$1 290.6 million following a revision to a requirement for special temporary assistance by Queensland. This program was made up of a basic program of \$1 225 million and special temporary additions of:

- \$20 million for New South Wales under arrangements made at the July 1977 Loan Council meeting, the same amount to be available for that State in each of the five years from 1977-78 to 1981-82;
- \$23 million for Queensland, consisting of \$4 million for the Gladstone power station and \$19 million for the Queensland Sugar Board against three-year programs of \$25 million and \$50 million respectively under arrangements made in 1977-78 (although in the event only \$8 million was borrowed against the \$19 million for the Queensland Sugar Board); and
- \$33.6 million for Western Australia consisting of \$1 million for the Kwinana power station (representing the final approval against a program of \$24 million over three years under arrangements made at the July 1977 Loan Council meeting), \$15 million for further electric power development at Muja (representing the second approval against a program of \$40 million over three years) and \$17.6 million for rehabilitation and upgrading of the railway between Kwinana and Koolyanobbing (representing the second approval against a program of \$65 million over six years).

At its June 1980 meeting, the Loan Council approved a borrowing program for larger State authorities of \$1 297.3 million (excluding additions for infrastructure financing—see below). This comprises a basic program of \$1225 million (the same as in 1979–80) and special temporary additions of:

- \$20 million for New South Wales under arrangements made at the July 1977 Loan Council meeting;
- \$42.3 million for Western Australia, consisting of \$16 million for further electric power development at Muja and \$26.3 million for rehabilitation and upgrading of the railway between Kwinana and Koolyanobbing under arrangements made at the June 1978 Loan Council Meeting; and
- \$10 million for Tasmania.

Details of the States' larger authorities' programs for 1979–80 and 1980–81 (excluding additions for infrastructure financing—see below) are set out in the following table:—

Table 10—Larger Authorities' Programs (Excluding Infrastructure Financing), 1979–80 and 1980–81—State by State Distribution

	1979–80			1980–81			
	Basic Program	Special Temporary Additions(a)	Total	Basic Program	States' Shares of Basic Program(b)	Special Temporary Additions(a)	Total
	\$'000	\$'000	\$'000	\$'000	%	\$'000	\$'000
New South Wales . . .	452 761	20 000	472 761	452 761	36.96	20 000	472 761
Victoria . . .	382 657	..	382 657	382 657	31.24	..	382 657
Queensland . . .	223 264	12 000(c)	235 264	223 264	18.22	..	223 264
South Australia . . .	56 830	..	56 830	56 830	4.64	..	56 830
Western Australia . . .	75 043	33 649	108 692	75 043	6.13	42 314	117 358
Tasmania . . .	34 445	..	34 445	34 445	2.81	10 000	44 445
Total . . .	1 225 000	65 649	1 290 649	1 225 000	100.00	72 315	1 297 315

(a) A 'temporary' addition, unlike a 'permanent' addition, is not added to a State's share of the basic program for the purpose of determining the distribution of the following year's basic program between the States.

(b) The distribution of the basic program between the States in 1980–81 is the same as the distribution of the 1979–80 basic program.

(c) At its June 1979 meeting the Loan Council approved special temporary additions amounting to \$23 million for Queensland in 1979–80. In the event only \$12 million was required because some \$11 million of the requirement for the Queensland Sugar Board was met from the Board's current revenues.

The States' smaller authorities' borrowings have increased substantially in recent years. In 1979–80 these borrowings amounted to \$462.7 million and are estimated by the States to total \$515.2 million in 1980–81, an increase of 11.3 per cent.

The borrowings of both larger and smaller authorities in each State in 1979–80 and previous years, the shares of the program for larger authorities in each State in 1980–81, and estimated borrowings by smaller authorities in 1980–81, are shown in Table 90 in Appendix II. (That table includes additions for infrastructure financing—see below.) Table 94 in that Appendix shows the amounts that have been borrowed by local government authorities from within the total borrowings of both larger and smaller authorities. Further reference to the borrowing arrangements for local government authorities is made in Chapter VI.

Special Additions for Infrastructure Financing

At its June 1978 meeting, the Loan Council adopted new guidelines for consideration by it of proposals for special additions to annual larger authorities' borrowing programs—the so-called 'semi-government programs'—for financing infrastructure. The guidelines apply to Commonwealth and State authorities. The new arrangements represent, in effect, an extension of the Gentlemen's Agreement which governs borrowings by these authorities. They do not relate to borrowings by Governments, which are of course subject to the Financial Agreement.

The Loan Council accepted the principle of a separate category of borrowings comprising special additions to semi-government programs, including forward approvals thereof, subject to such additions being confined to exceptional cases which:

- could not be reasonably accommodated within resources normally available to the Government and the authority, under 'normal' Loan Council programs;
- are for the provision of services of kinds normally provided by Government or public utility enterprises;
- have special significance for development; and
- require outlay within a relatively short time span.

Under the guidelines, each proposal for a special addition is subject to careful examination by the Loan Council, including as to the viability of the proposed project, its special significance to the economic development of Australia, its importance and urgency, the extent to which the project will be funded from resources otherwise available to the authority concerned, and the need for the special addition. Approval by the Loan Council of a special addition under the infrastructure financing guidelines requires the agreement of a simple majority including the Commonwealth.

To facilitate assessment of individual proposals which are competing for substantial quantities of scarce resources, Loan Council has decided to adopt the procedure of referring all proposals to a working party of Commonwealth and State Treasury officers for evaluation and report prior to their consideration by Loan Council.

The guidelines also provide that, where the Loan Council has approved a special addition to a government's semi-government program, the government and authority concerned shall use their best endeavours to obtain the funds within Australia. However, in exceptional cases if, because of inability of the domestic market to provide the funds on satisfactory terms or because of advantages to be derived from project financing involving a mix of local and overseas funds, the government concerned considers it desirable to arrange an overseas borrowing by the authority, it may seek the approval of the Loan Council to the arranging of such a borrowing.

Loan Council approval may also be sought for an overseas borrowing under a normal semi-government borrowing program where the government concerned can demonstrate that that program cannot be raised in Australia on satisfactory terms because of domestic market conditions.

In considering any proposal for an overseas borrowing, either under a special addition or a normal semi-government borrowing program, the Chairman, in view of the Commonwealth's overall economic management responsibilities, may take into account the implications of the proposed borrowing for the Commonwealth's fiscal policy, monetary policy and external policy objectives, and its own overseas borrowing activities.

In November 1978, the Loan Council considered a detailed report by State and Commonwealth officers on infrastructure financing proposals submitted by the States, and approved in principle a forward program of special additional borrowing authority, totalling about \$1.8 billion in June 1978 prices, in relation to twelve projects and spanning eight years commencing in 1978-79. The projects approved in principle and the indicative amounts in June 1978 prices, comprised:

- \$299 million for New South Wales for coal loaders at Balmain and Port Kembla (\$89 million) and the Eraring electricity project (\$210 million);
- \$399 million for Victoria for the Loy Yang electricity project (\$343 million) and a World Trade Centre (\$56 million);
- \$205 million for Queensland for a coal loader at Hay Point (\$75 million) and a number of power station projects (\$130 million);
- \$186 million for South Australia for a petrochemical project at Redcliff;
- \$568 million for Western Australia for a natural gas pipeline between Dampier and Perth (\$416 million), the integration of power supplies in the Pilbara region (\$111 million), and the Worsley aluminium project (\$41 million); and
- \$110 million for Tasmania for hydro-electric power development (\$75 million) and a number of water supply projects (\$35 million).

In December 1979 the Loan Council considered a report by State and Commonwealth officers on a further group of infrastructure financing proposals submitted by the States and the Commonwealth. Approval was given with respect to nine new proposals involving a forward program of special additional borrowing authority totalling \$800 million over the years to 1986-87. The new projects approved and the indicative amounts in June 1979 prices comprised:

- \$256 million for New South Wales for the Bayswater electricity project (\$142 million) and electrification of the Gosford/Newcastle railway (\$114 million);
- \$270 million for Queensland for the electrification of the Brisbane railway (\$68 million) and acceleration of construction of the Tarong Power Station (\$202 million);
- \$145 million for South Australia for the Northern Power Station;
- \$74 million for Western Australia for infrastructure associated with the North West Shelf gas project (\$45 million), and conversion of the Kwinana Power Station from oil to predominantly coal (\$29 million);
- \$25 million to Tasmania for the Hydro-Electric Commission fuel oil conservation program; and
- \$30 million to the Commonwealth for Telecom's acceleration of the conversion of the telecommunications rural sector network to automatic exchanges.

Subsequent to the December 1979 meeting of Loan Council, a further proposal was approved:

- \$12 million for Victoria for the Wurdee Boluc pipeline to facilitate an increase in the water supply of Geelong and Bellarine Peninsulas.

For 1978-79 Loan Council approved initial borrowings totalling \$158 million for the first group of infrastructure projects. In the event, actual borrowings in that year amounted to \$149 million, including \$143 million raised overseas.

For 1979-80 special borrowing additions totalling \$479 million were approved for the two groups of infrastructure project approvals. In the event, actual borrowings amounted to \$429 million, including \$322 million raised overseas.

At its June 1980 meeting, Loan Council considered a report by State and Commonwealth officers on a third group of infrastructure financing proposals submitted by the States and the Commonwealth. Approval was given to include in the program eight new proposals involving indicated borrowings of \$1552 million over the years to 1989-90. The new proposals approved and the indicative amounts in June 1980 prices, comprised:

- \$375 million for New South Wales for continuation of the Bayswater Stage I electricity project;
- \$871 million for Victoria for revisions to the Loy Yang A electricity project (\$200 million), a further electricity generation capacity to be known as Loy Yang B (\$493 million), a transmission line to carry power to Portland (\$123 million) and grain terminal facilities (\$56 million);
- \$243 million for Western Australia for additional electricity generation capacity to be known as Muja D (\$236 million) and facilities at Jervoise Bay to aid in construction at the North West Shelf gas field (\$7 million); and
- \$62 million for the Commonwealth on behalf of the Australian National Railways Commission for standardisation of the railway between Adelaide and Crystal Brook in South Australia.

Subsequent to its June 1980 meeting, Loan Council approved inclusion of a further project, electrification of the Waterfall/Port Kembla railway, in the infrastructure program. The New South Wales Government has indicated that the State Rail Authority will wish to borrow \$182 million (June 1980 prices) for this project. Together with the requirement for the eight new proposals approved in June 1980 and the revised estimates for the previously approved proposals, the Waterfall/Port Kembla proposal brought the total indicative forward program of special additional borrowing authority for infrastructure to about \$4.9 billion in June 1980 prices for 29 projects. Additionally, major proposals for New South Wales and Queensland for large scale expansion of electric power generating capacity are under consideration. A number of railway electrification proposals have been identified, including Sydney/Melbourne and three projects in Queensland—Norwich Park/Hay Point, Blackwater (Mines)/Gladstone and Collins/Abbot Point, which are candidates for inclusion in the infrastructure program.

For 1980-81 Loan Council has approved total borrowings of \$694 million for the 29 projects now covered by the program. A condition attaching to approvals

at the June meeting was that the working party of Commonwealth and State Treasury officers examine all approved projects and report to Loan Council on the possibilities for rescheduling and modification of proposed borrowings.

Details of special infrastructure financing additions to the larger Commonwealth and State authorities' programs for 1978-79, 1979-80 and 1980-81 are set out in the following table:

Table 11—Infrastructure Financing Additions to Larger Authorities' Programs—State and Commonwealth Distribution—1978-79 to 1980-81

	1978-79		1979-80		1980-81
	Approved	Actually Borrowed	Approved	Actually Borrowed	Approved
	\$ million	\$ million	\$ million	\$ million	\$ million
New South Wales—					
Coal loaders—Balmain and Port Kembla	24.0	24.0	35.0	35.0	32.0
Eraring electricity project	55.0	55.0	81.0	81.0	110.0
Bayswater electricity project	..	..	12.0	12.0	37.0
Gosford/Newcastle rail electrification	..	..	18.0	18.0	22.0
Bayswater electricity continuation	..	..	..	..	..
Waterfall/Port Kembla rail electrification	..	..	..	..	..
Victoria—					
Loy Yang A electricity project	35.0	35.0	96.5	96.5	42.3
World Trade Centre	10.0	10.0	17.3	17.0	21.5
Wurdee Boluc pipeline	..	..	..	2.6	5.1
Loy Yang A revision	..	..	..	..	76.8
Loy Yang B electricity project	..	..	..	..	..
Portland transmission line	..	..	..	..	23.0
Grain terminal facilities	..	..	..	..	5.0
Queensland—					
Hay Point coal loader	..	..	44.0	..	17.0
Electricity project	..	..	76.0	76.0	100.3
Brisbane railway electrification	..	..	8.0	8.0	20.0
South Australia—					
Redcliff petrochemical project	..	..	..	..	18.0
Northern power station	..	..	10.0	10.0	15.0
Western Australia—					
Dampier-Perth pipeline	..	..	..	2.9	9.2
Pilbara electricity project	..	..	4.5	10.0	3.7
Worsley alumina project	9.0	..	14.9	..	7.1
North West Shelf gas infrastructure	..	..	1.0	..	13.2
Kwinana power station conversion	..	..	2.4	2.4	5.1
Muja D electricity project	..	..	..	..	12.2
North West Shelf gas—Jervoise Bay	..	..	..	..	6.3
Tasmania—					
Hydro-electric power	15.0	15.0	21.0	21.0	25.5
Water supply projects	10.0	10.0	7.0	7.0	5.0
Total for States	158.0	149.0	448.6	399.4	632.3
Commonwealth—					
Telecommunications rural sector network	..	..	30.0	30.0	40.0
Adelaide/Crystal Brook rail standardisation	..	..	..	..	22.0
Total Commonwealth	..	..	30.0	30.0	62.0
Total Commonwealth and States	158.0	149.0	478.6	429.4	694.3

Notes: (i) Total indicative amounts for infrastructure financing additions now total \$4894 million.
(ii) Together with the forward program, approvals for 1980-81 are subject to review by Loan Council (following examination and report by officers) of the possibilities for rescheduling and modification of proposed borrowings.

CHAPTER IV—SPECIFIC PURPOSE PAYMENTS TO THE STATES

The Commonwealth has provided financial assistance for certain specific types of expenditure by the States for many years. The present Government, in line with its Federalism policy, has been lessening the emphasis on specific purpose programs following the considerable expansion in this type of assistance in the first half of the 1970s.

This Chapter outlines specific purpose payments recently made, presently being made or proposed to be made, to the States. Table 85 in Appendix 1 of this paper shows aggregate specific purpose payments to each State since 1976–77 classified as to whether they were for recurrent or capital purposes, and Table 2 in Chapter 1 classifies these and other payments by function.

The various payments in this Chapter are grouped under the functional headings used in the Statements attached to the Budget Speech—the only exceptions being that the payments included in the ‘Not Allocated to Function’ category (namely, assistance related to State debts, assistance for local government and natural disaster relief) are shown under specific headings in appropriate places in the Chapter, and that payments for Aboriginal Advancement are outlined together; in the functional statements these are distributed over a number of functions.)

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

ASSISTANCE RELATED TO STATE DEBTS

Payments Under the Financial Agreement

Contributions to Interest on State Debts

Under the Financial Agreement of 1927, the Commonwealth makes payments to the States described as a contribution towards interest payable on State debts. They are treated here as specific purpose grants, although they have some of the characteristics of grants for general purposes. In fact, these payments superseded the general revenue grants of \$2.50 per head of the population of each State made in the period 1910–11 to 1926–27 under the *Surplus Revenue Act* 1910. (See Appendix II of ‘Payments to or for the States and Local Government Authorities 1975–76’.)

Each year the total payment is \$15.17 million, the amount that was payable in 1926–27 under that Act. The contribution is apportioned between the States in the same way as the 1926–27 *per capita* grant and is to continue for 58 years from 1 July 1927 (that is, until 1985). It is distributed among the States as shown in the following table:

Table 12—Interest Payments on State Debts (\$ thousands)

New South Wales	5 835
Victoria	4 254
Queensland	2 192
South Australia	1 408
Western Australia	947
Tasmania	534
Total	15 170

Sinking Fund Contributions

The Financial Agreement established arrangements for the payment of sinking fund contributions, 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 'Payments to or for the States and Local Government Authorities 1974-75'.

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, provide for different sinking fund arrangements in respect of State debt which may be briefly summarised as follows:

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

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

The following table shows the Commonwealth's contributions to the sinking fund on States' debts from 1976-77, including estimated contributions to be made in 1980-81:

Table 13—Sinking Fund Payments under the Financial Agreement, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	10 506	8 003	4 165	3 911	2 981	2 069	31 635
1977-78	11 168	8 540	4 447	4 191	3 175	2 225	33 747
1978-79	11 876	9 098	4 740	4 483	3 377	2 386	35 959
1979-80	12 580	9 649	5 029	4 771	3 576	2 544	38 148
1980-81 (estimate)	13 150	10 100	5 265	5 010	3 740	2 675	39 940

DEFENCE

Housing for Servicemen

Under successive Commonwealth-State Housing Agreements provision was made from 1956-57 to 1970-71 for certain of the funds advanced annually to the States for housing to be devoted to the erection of dwellings for serving members of the Defence Force. (For further details see page 35 of 'Payments to or for the States and Local Government Authorities 1975-76'.)

Present arrangements were agreed between the Commonwealth and States in 1972 and embodied in the Commonwealth-State Housing Agreement (Servicemen) 1972, since amended to extend them to June 1981. Funds for housing for servicemen in the States are provided under the arrangements by way of advances repayable over 53 years and attract an interest rate equivalent to the long-term bond rate when the advances are made. Future arrangements are under review and funds in 1980-81 are intended for upgrading of older dwellings to contemporary standards.

The following table shows the amount provided to the States since 1976-77 and estimates for 1980-81:

Table 14—Advances for Houses for Servicemen, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
1976-77	15 280	4 191	12 300	2 107	1 230	6	35 114
1977-78	7 947	753	12 500	1 317	2	0	22 519
1978-79	5 423	948	5 229	0	0	0	11 600
1979-80	1 360	45	0	0	50	0	1 455
1980-81 (estimate)	320	500	1 000	0	0	0	1 820

Assistance to State 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 armed services) with the efforts made by State emergency services and local and voluntary organisations to cope with major natural disasters.

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

- (i) grants are made to the States to meet the cost of salaries of an agreed number of State Emergency Services' personnel at Division or District headquarters (this assistance was first provided in 1974-75);
- (ii) grants are made to subsidise disaster protection—specifically, levee banks, drains and firebreaks—and to provide depots for emergency service units at the local level;

- (iii) under a practice of some years' standing, capital equipment is provided to the State organisations. Equipment valued at \$1.17 million was provided in 1979-80 and the estimated value of equipment to be provided in 1980-81 is \$1.3 million;
- (iv) the Commonwealth meets the costs of State Government personnel travelling to attend courses at the Australian Counter Disaster College at Mount Macedon; and
- (v) other forms of assistance are provided from time to time.

Of these forms of assistance, those summarised as (i) and (ii) above are classified as payments to or for the States for purposes of this and other budget papers; they are both regarded as being recurrent payments for purposes of this paper. The following table shows payments made for these purposes since 1976-77 and estimated payments in 1980-81:

Table 15—Grants for State Emergency Services, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
SALARIES OF PERSONNEL							
1976-77	323	220	256	0	13	67	879
1977-78	385	269	323	0	37	62	1 076
1978-79	414	338	337	6	61	75	1 233
1979-80	474	220	383	42	91	63	1 273
1980-81 (estimate)	494	229	400	44	96	65	1 328
PROTECTION AND OTHER WORKS							
1976-77	32	40	46	5	24	2	149
1977-78	70	34	56	0	13	1	174
1978-79	59	32	36	9	16	9	160
1979-80	29	37	55	13	22	14	170
1980-81 (estimate)	46	59	86	22	35	22	270
TOTAL							
1976-77	355	260	302	5	37	69	1 028
1977-78	455	303	379	0	50	63	1 250
1978-79	472	370	373	15	77	83	1 390
1979-80	502	257	438	55	114	77	1 442
1980-81 (estimate)	540	288	486	66	131	87	1 598

Special Assistance to Exmouth Shire

In 1975 the Western Australian Government sought assistance towards the operational costs of the Exmouth Shire, which provides support to the United States Communications Station at North West Cape. Payments totalling \$1.14 million were made to Western Australia, including \$0.35 million in 1979-80, the final year in which assistance was provided.

EDUCATION

Grants to the States for education began with assistance for the recurrent expenditures of universities in 1951-52. The area of assistance was progressively extended, and the magnitude of Commonwealth assistance in particular areas has also been increased, the most notable example being the assumption by the Commonwealth of full financial responsibility for tertiary education in 1973-74 (previously

expenditure in this area had been shared between the Commonwealth and State Governments). Other examples are the substantially increased assistance for schools as from 1973–74 and for technical and further education as from 1974–75, and, more recently, the Commonwealth's undertaking to provide \$150 million over the period of 1980 to 1984 for school-to-work transition activities. As a result of these various developments, payments to the States for education have grown rapidly—for example, from \$259.4 million in 1972–73 to \$2084.4 million in 1979–80, and an estimated \$2306.6 million in 1980–81.

In recent years the arrangements for payments to the States in the four broad areas of education—universities, colleges of advanced education, technical and further education, and schools—have undergone a number of changes.

For universities and colleges of advanced education, fixed triennial funding arrangements for recurrent grants (other than equipment grants) were introduced in 1979. Capital and equipment grants continue to be determined annually. Technical and further education funds are also determined annually, while rolling program arrangements have been maintained for payments to the States for schools.

Cost supplementation arrangements for 1981 will continue to be confined to the wages and salaries component of recurrent programs, including the fees reimbursement component in the technical and further education assistance.

The figures for 1980–81 given in Tables 16 through 19 below in respect of the four areas are generally on the basis of estimated June 1980 cost levels, with a separate bulk allowance for estimated cost supplementation of the States' components of the tertiary and schools programs, for which an amount of \$103 million has been allowed in the Budget. This is a preliminary estimate and it is not possible to give a reliable sectoral break-down in the tables. As an indication, however, approximately \$73 million would relate to the tertiary education sector and \$30 million to the schools program. For purposes of this paper, the tertiary component is assumed to comprise \$68 million relating to recurrent grants and \$5 million relating to capital grants and the schools component break-down is assumed to be \$26 million and \$4 million respectively; this has been allocated between States in proportion to recurrent and capital grants for education respectively.

Tertiary Education

The *Tertiary Education Commission Act 1977* established the Tertiary Education Commission to promote balanced and co-ordinated development of tertiary education throughout Australia. The Commission replaced three former Commissions—the Universities Commission, the Commission on Advanced Education and the Technical and Further Education Commission—which had previously performed these functions. Relevant programs of assistance to the States are administered by the Commission and currently are authorised under the *States Grants (Tertiary Education Assistance) Act 1978*.

In May 1980, the Government announced base levels of expenditure for 1981 (ie, before adjustment for cost increases during the year). For universities and colleges of advanced education, recurrent funds are to be maintained at approximately the same real level in 1981 as in 1980, in line with the Government's

triennial funding commitment. Capital funds are to be reduced by 17.6 per cent in real terms in 1981, consistent with enrolment trends. For the technical and further education sector, there is to be an overall increase of 1.1 per cent in real terms in assistance in 1981.

The percentages referred to above in this section relate to the total programs which are the subject of recommendations by the Commission. In the case of universities and colleges of advanced education, these programs relate to institutions in the Australian Capital Territory as well as the States but, in the case of technical and further education, they exclude the Australian Capital Territory.

Universities

Assistance to the States for the recurrent expenditures of universities dates from 1951-52; in 1957-58 assistance was first given for expenditure on capital programs. In 1973-74 the Commonwealth assumed full financial responsibility in this area.

The program of financial assistance to the States for universities in 1981 amounts to \$722.2 million at estimated June 1980 prices. The allocation for 1980-81 is \$713.8 million, again at estimated June 1980 prices.

The following table shows grants to the States for universities since 1976-77 and the estimated grants for 1980-81 at estimated June 1980 prices:

Table 16—Grants for Universities(a), 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	199 633	134 763	69 427	51 000	40 794	15 939	511 556
1977-78	222 893	152 808	78 127	56 872	46 532	17 234	574 455
1978-79	230 197	158 860	80 980	57 917	48 318	18 315	594 587
1979-80	252 856	173 556	89 684	63 161	53 190	20 227	652 674
1980-81 (estimate)	260 653	178 791	92 882	64 765	54 778	20 810	672 679
CAPITAL							
1976-77	17 552	10 459	11 637	6 427	9 822	1 061	56 955
1977-78	17 909	11 842	7 335	6 634	7 664	1 008	52 392
1978-79	21 840	10 849	6 042	6 439	5 185	788	51 143
1979-80	25 353	10 679	8 755	3 482	3 006	918	52 192
1980-81 (estimate)	19 189	8 738	5 556	3 579	3 055	986	41 103
TOTAL							
1976-77	217 185	145 222	81 064	57 427	50 616	17 000	568 514
1977-78	240 802	164 650	85 462	63 506	54 196	18 242	626 855
1978-79	252 037	169 709	87 022	64 356	53 503	19 103	645 730
1979-80	278 209	184 235	98 438	66 643	56 196	21 145	704 866
1980-81 (estimate)	279 842	187 529	98 438	68 344	57 833	21 796	713 782

(a) Estimates only for 1980-81. In addition, the estimates shown do not include amounts to be paid on account of cost supplementation; see introductory paragraphs to the 'Education' section.

Colleges of Advanced Education

Assistance to the States for colleges of advanced education began in 1964-65 when the Commonwealth agreed to provide capital grants. From the start of the 1967-69 triennium, assistance was extended to include recurrent grants. Grants

to the States have been made since 1967-68 for teachers colleges and since 1968-69 for pre-school teachers colleges. In 1973-74 these grants were absorbed into an overall program of grants for colleges of advanced education.

The program of financial assistance to the States for colleges of advanced education in 1981 amounts to \$507 million, at estimated June 1980 prices. The allocation for 1980-81 is \$508.7 million, again at estimated June 1980 prices.

The following table shows grants to the States for colleges since 1976-77 and the estimated grants for 1980-81 at estimated June 1980 prices:

Table 17—Grants for Colleges of Advanced Education and Teachers' Colleges(a), 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	90 831	135 960	48 962	38 221	46 242	8 678	368 894
1977-78	98 303	141 522	56 616	41 724	48 080	9 256	395 501
1978-79	105 103	146 456	60 465	42 477	49 560	9 436	413 497
1979-80	115 272	159 680	67 445	46 612	53 290	10 068	452 366
1980-81 (estimate)	119 326	165 826	70 485	48 189	55 468	10 388	469 682
CAPITAL							
1976-77	27 200	25 971	14 630	4 276	5 074	404	77 555
1977-78	11 886	18 968	7 899	8 457	5 198	1 598	54 006
1978-79	20 070	23 112	10 712	5 177	5 863	3 221	68 155
1979-80	12 087	19 190	5 056	4 666	3 044	810	44 853
1980-81 (estimate)	10 324	16 584	4 470	3 796	2 796	1 010	38 980
TOTAL							
1976-77	118 031	161 931	63 592	42 497	51 316	9 082	446 449
1977-78	110 189	160 490	64 515	50 181	53 278	10 854	449 507
1978-79	125 174	169 568	71 177	47 654	55 423	12 657	481 653
1979-80	127 359	178 870	72 501	51 278	56 334	10 878	497 219
1980-81 (estimate)	129 650	182 410	74 955	51 985	58 264	11 398	508 662

(a) Estimates only for 1980-81. In addition, the estimates shown 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 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 compensating the States for not levying fees.

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

The program of financial assistance to the States in 1981 amounts to \$159.5 million at estimated June 1980 prices, including a \$17.9 million further instalment on a Government undertaking in 1978 to provide an additional \$50 million (in real terms) for capital works. The allocation for 1980-81 is \$161.1 million, at estimated June 1980 prices. In addition to expenditures under this program, technical and further education will also benefit substantially from expenditures under the school-to-work transition program (see below).

The following table shows grants to the States for technical and further education since 1976-77 and the estimated grants for 1980-81 at estimated June 1980 prices:

Table 18—Grants for Technical and Further Education(a), 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	16 714	13 866	4 538	4 502	3 607	969	44 194
1977-78	19 184	11 163	4 885	4 737	4 521	1 110	45 600
1978-79	21 061	13 509	5 222	5 116	5 160	1 673	51 741
1979-80	23 546	16 087	6 932	6 661	4 780	2 005	60 011
1980-81 (estimate)	24 385	17 783	7 409	7 257	8 402	2 239	67 475
CAPITAL							
1976-77	12 262	9 333	4 439	2 320	3 690	1 664	33 708
1977-78	15 162	12 728	8 735	4 837	2 993	1 970	46 425
1978-79	19 279	19 592	15 078	6 901	3 726	394	64 970
1979-80	28 054	15 467	12 717	8 697	10 481	3 400	78 816
1980-81 (estimate)	31 836	26 918	10 795	10 017	9 407	4 653	93 626
TOTAL							
1976-77	28 976	23 199	8 976	6 822	7 296	2 633	77 903
1977-78	34 346	23 891	13 620	9 574	7 514	3 080	92 025
1978-79	40 340	33 101	20 300	12 017	8 886	2 067	116 711
1979-80	51 600	31 554	19 649	15 358	15 262	5 405	138 827
1980-81 (estimate)	56 221	44 701	18 204	17 274	17 809	6 892	161 101

(a) Estimates only for 1980-81. In addition, the estimates shown 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 when it provided grants for science laboratories and equipment. The range of assistance was progressively extended and by 1975-76 the Commonwealth was providing grants for both government and non-government schools in a number of categories: general recurrent grants, general building grants and grants for science laboratories and equipment, primary and secondary school libraries, schools for handicapped children, disadvantaged schools, migrant children, teacher development, innovatory projects and information programs.

The Schools Commission, established by the *Schools Commission Act 1973*, administers these programs of assistance.

Three-year rolling program arrangements have applied to assistance for schools in the States since 1977. Under these arrangements an amount of \$741.1 million (at estimated June 1980 prices) will be provided as the base program of assistance in 1981.

The following table shows grants to the States for schools since 1976-77 and the estimated grants for 1980-81 at estimated June 1980 prices:

Table 19—Grants for Government and Non-Government Schools(a), 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	151 153	134 939	56 058	35 038	33 520	11 049	421 758
1977-78	171 540	138 250	59 853	38 566	35 293	12 120	455 622
1978-79	180 739	152 062	66 818	39 746	38 741	13 290	491 395
1979-80	203 806	169 614	74 914	44 714	44 019	14 617	551 684
1980-81 (estimate)	215 131	184 952	88 123	49 129	48 959	15 755	602 049
CAPITAL							
1976-77	48 683	45 056	28 090	14 672	6 999	4 266	147 766
1977-78	57 952	51 273	34 263	17 069	16 713	6 187	183 457
1978-79	58 954	48 993	29 475	16 178	20 971	4 385	178 956
1979-80	46 266	43 918	24 609	14 821	11 011	4 280	144 906
1980-81 (estimate)	50 862	41 127	21 170	12 115	13 496	3 795	142 565
TOTAL							
1976-77	199 837	179 995	84 148	49 711	40 519	15 314	569 524
1977-78	229 492	189 523	94 116	55 635	52 006	18 307	639 080
1978-79	239 693	201 055	96 293	55 924	59 712	17 674	670 351
1979-80	250 072	213 532	99 523	59 535	55 029	18 898	696 590
1980-81 (estimate)	265 993	226 079	109 293	61 244	62 455	19 550	744 614

(a) Estimates only for 1980-81. In addition, the estimates shown do not include amounts to be paid on account of cost supplementation; see introductory paragraphs to the 'Education' section.

School-to-Work Transition

The Commonwealth decided in 1979 to provide up to the equivalent of \$150 million in constant 1979 prices in the five years from the beginning of 1980 for a range of education, training and counselling activities in schools and technical and further education institutions. These activities are directed particularly to young people who have left or are likely to leave school early, and are intended to equip them better to move into the work force.

Funds are being made available very largely through the States, and in 1980, the initial year, the Commonwealth is meeting the full cost of \$23.4 million of the programs agreed with the States. In 1981 up to \$26.7 million will be made available to the States, on condition that they contribute matching amounts totalling \$9.9 million. From 1982 onwards, that allocation for the States will be on a \$1 for \$1 matching basis.

The following table shows grants to the States in 1979-80 and notional estimates for 1980-81:

Table 20—Grants for School-to-Work Transition Activities, 1979-80 and 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1979-80	1 886	515	951	374	482	222	4 429
1980-81 (estimate)	10 799	9 458	4 925	3 023	2 776	1 110	32 091

Child Migrant and Refugee Education

Grants are provided by the Commonwealth to the States for child migrant education in schools. Until 1976, they were made available under the *Immigration (Education) Act 1971*. Since then almost all of the program of assistance has been subsumed within the general recurrent grants programs administered by the Schools Commission (*see above*). Grants under the *Immigration (Education) Act* are now only provided for the purpose of initial special instruction of refugee children who arrive during the course of a school year, and for the purchase of language teaching materials and equipment. The increased expenditure shown below for 1980-81 is to cater for the large increase in refugee arrivals during 1979-80 and the further increase in intake agreed to for 1980-81.

For the period 1973-74 to 1976-77, assistance was also provided to the States under the Act for the construction of portable supplementary classrooms to accommodate the increased number of students needing special language instruction in government and non-government schools. Since 1978-79 funds have been provided on an emergency basis to assist government and non-government school systems to provide accommodation, where it is not already available, for newly arrived refugee children. These funds are for expenditure on activities such as the transport, erection and repair costs of portable classrooms provided by the school authorities.

The Commonwealth also reimburses the States for the cost of certain adult migrant education services. These reimbursements are regarded as payments for services rendered and are not, therefore, classified as payments to the States. In addition, Commonwealth funds provided since 1978-79 for portable classrooms for adults are not classified as payments to the States.

The following table shows grants paid to the States for child migrant education, other than under the Schools Commission program, since 1976-77 and estimates for 1980-81:

Table 21—Grants for Child Migrant and Refugee Education (other than under the Schools Commission Programs) 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	67	46	2	22	2	2	140
1977-78	165	41	15	16	41	..	278
1978-79	727	521	172	180	140	..	1 740
1979-80	1 008	1 045	262	180	125	3	2 623
1980-81 (estimate)	1 292	1 162	220	195	220	40	3 129
CAPITAL							
1976-77	2	5	..	31	..	..	39
1977-78 . . . . .	..	..	..	..	..	..	..
1978-79 . . . . .	..	88	40	..	..	..	129
1979-80	9	22	15	..	..	4	50
1980-81 (estimate)	50	40	10	..	..	..	100
TOTAL							
1976-77	69	51	2	53	2	2	179
1977-78	165	41	15	16	41	..	278
1978-79	727	610	212	180	140	..	1 869
1979-80	1 017	1 067	277	180	125	7	2 672
1980-81 (estimate)	1 342	1 202	230	195	220	40	3 229

Pre-Schools

Commonwealth grants to the States for pre-schools commenced in 1973-74 with the provision of funds for both capital and recurrent purposes. In 1977-78 assistance to the States for the recurrent costs of pre-school services was provided in the form of a block grant subject to certain broad requirements concerning priority of access. From 1978-79, the block grants have represented the total Commonwealth contribution to the States towards capital and recurrent costs of pre-schools.

The block grants are made under the Children's Services Program administered by the Office of Child Care. For 1980-81 the Government has decided to provide \$69.22 million for the Children's Services Program of which \$32.75 million is for block grants to the States for pre-schools.

The following table shows payments to the States that have been made since 1976-77 and estimates for 1980-81:

Table 22—Grants for Pre-Schools, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1977-78	7 934	12 244	6 958	5 194	5 110	1 922	39 362
1978-79	7 130	9 015	6 605	3 730	4 860	1 410	32 750
1979-80	7 130	9 015	6 605	3 730	4 860	1 410	32 750
1980-81 (estimate)	7 130	9 015	6 605	3 730	4 860	1 410	32 750
CAPITAL							
1976-77	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1977-78	3 053	3 500	..	..	79	..	6 632
1978-79 . . . . .	..	..	..	..	..	..	..
1979-80 . . . . .	..	..	..	..	..	..	..
1980-81 (estimate) . . . . .	..	..	..	..	..	..	..
TOTAL							
1976-77	13 999	15 778	7 272	5 194	4 853	1 922	49 018
1977-78	10 987	15 744	6 958	5 194	5 189	1 922	45 994
1978-79	7 130	9 015	6 605	3 730	4 860	1 410	32 750
1979-80	7 130	9 015	6 605	3 730	4 860	1 410	32 750
1980-81 (estimate)	7 130	9 015	6 605	3 730	4 860	1 410	32 750

Educational Research

Grants to the States for the purposes of educational research are made under the *Education Research Act 1970*. For this purpose, the Education Research and Development Committee advises the Minister for Education on priorities in educational research, and makes recommendations on allocations of financial support for educational research projects proposed to it or commissioned by it. The Committee is also required to advise the Minister on any other means for the improvement of educational research, its development and the application of results in Australia.

\$1.17 million has been approved for 1980-81 and, of this, it is estimated that \$0.77 million will be made available to the States on the recommendations of the Committee.

Under the Act payments are also being made to the States for research and evaluation commissioned by the Minister for Education. These payments are in addition to the activities of the Education Research and Development Committee.

The following table shows grants to the States for educational research since 1976-77 and estimated grants in 1980-81:

Table 23—Grants for Recurrent Expenditures on Educational Research, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	259	314	216	139	70	14	1 012
1977-78	184	240	166	135	75	9	809
1978-79	159	302	131	124	74	11	801
1979-80	170	318	124	107	111	11	841
1980-81 (estimate)	204	294	108	108	124	18	855

HEALTH

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

During the past decade, however, the level and extent of Commonwealth assistance to the States for health have increased dramatically, with a number of new continuing programs being initiated. The most significant of these is the scheme for sharing net operating costs of recognised hospitals in the States.

Payments to the States for health purposes have consequently risen rapidly—from \$21 million in 1972-73 to \$1218.2 million in 1979-80. The estimated payments in 1980-81 are \$1377.6 million.

Health Insurance Program

Section 30 of the *Health Insurance Act 1973* authorised the Commonwealth to enter into agreements with State Governments 'for the provision of hospital services' by the States. The agreements made had effect from various dates during 1975-76. Under these arrangements, the States provided free standard ward public hospital treatment without means test and free public hospital outpatient services. There were agreed arrangements in respect of charges in wards other than standard wards.

In very much abbreviated terms, the agreements provided that the Commonwealth meet 50 per cent of the net recurrent costs of hospitals referred to as 'recognised' hospitals in the agreements.

Payments under the agreement were suspended in May 1976, following legal advice that the agreements were invalid. Up to that date, the Commonwealth had already made payments totalling \$575.2 million.

As an interim measure, until new cost-sharing arrangements were negotiated with the States as part of the new health insurance arrangements that were to apply from 1 October 1976, the *States Grants (Hospital Operating Costs) Act 1976* authorised the payment of up to \$315 million to the States to meet 50 per cent of net operating costs of hospitals incurred before 1 October 1976. Of this amount, \$294.5 million was paid to the States in 1975-76 to meet the estimated payments that would have been made to the States from 25 May to 30 September 1976 had the former agreements not been declared invalid. It was estimated that \$215.6 million of that amount would have been paid in ordinary circumstances in 1976-77.

New cost-sharing arrangements under the *Health Insurance Act 1973* were negotiated with the States and became effective on 1 October 1976. Apart from revisions to relevant charges and to conditions in respect of free hospital treatment (both of which have been revised still further since then), the main change from the previous arrangement was that the Commonwealth now meets 50 per cent of budgets approved by the Commonwealth and State Health Ministers. From 1 November 1978, eligible persons without hospital insurance are entitled to free hospital provided treatment and services. Agreements with four of the States (New South Wales, Victoria, Queensland and Western Australia) expired on 30 June 1980, but have been extended on an annual basis pending finalisation of the Commission of Inquiry into the Efficiency and Administration of Hospitals. Agreements with the two remaining States (South Australia and Tasmania) expire on 30 June 1985.

The following table shows payments made to the States since 1976-77 and estimated payments to be made in 1980-81 under the *Health Insurance Act 1973*:

Table 24—Payments for Recurrent Costs of State Public Hospitals, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	234 399	149 903	82 883	69 394	74 674	18 918	630 171
1977-78	346 438	228 557	126 960	101 659	110 449	31 621	945 682
1978-79	383 785	252 575	139 314	104 287	117 017	33 176	1 030 155
1979-80	425 282	268 476	152 912	110 207	126 313	35 991	1 119 181
1980-81 (estimate)	474 989	306 919	175 570	120 920	145 798	42 463	1 266 659

Launceston General Hospital

Under an agreement with the Tasmanian Government, the Commonwealth is continuing to meet 50 per cent of the approved costs of Stage 1 of the redevelopment of the Launceston General Hospital. Payments to Tasmania for this purpose from 1976-77 to 1979-80 have totalled \$14.5 million. The estimated amount to be provided in 1980-81 is \$3.7 million.

Community Health Facilities and Services

The Government is continuing to provide grants in 1980-81 to the States and other eligible organisations under the Community Health Program which commenced in 1973.

The Commonwealth now meets 50 per cent of recurrent and capital costs of approved projects, except in respect of recurrent costs of women's refuges where funds allocated through the States are provided at the rate of up to 75 per cent. In addition, the Commonwealth meets the full cost of those community health projects that have an Australia-wide application.

Since 1979-80, further funds have been provided to the States through the Community Health Program for the employment of ethnic health workers and interpreters and translators. The costs of employing such persons were fully funded by the Commonwealth in 1979-80, and are to be shared between the Commonwealth and the States on a \$3 for \$1 basis in 1980-81.

The following table shows payments that have been made to the States under both programs taken together since 1976-77 and estimated payments in 1980-81:

Table 25—Grants for Community Health Facilities, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	25 606	11 355	4 797	3 720	2 916	2 038	50 432
1977-78	27 118	14 239	5 190	3 655	4 366	2 306	56 874
1978-79	17 203	10 528	4 979	3 205	3 748	1 868	41 532
1979-80	19 550	12 456	4 462	2 508	4 348	1 880	45 202
1980-81 (estimate)(a)(b) .	24 220	15 925	6 140	3 510	5 550	2 240	57 585
CAPITAL							
1976-77	3 328	3 660	2 805	980	2 780	561	14 114
1977-78	3 319	3 430	1 770	630	964	297	10 411
1978-79	2 468	1 945	254	375	862	222	6 125
1979-80	969	678	327	142	471	57	2 643
1980-81 (estimate)(a)(b) .	680	690	230	50	250	90	1 990
TOTAL							
1976-77	28 934	15 015	7 602	4 700	5 696	2 599	64 546
1977-78	30 437	17 669	6 960	4 285	5 330	2 603	67 284
1978-79	19 671	12 473	5 233	3 580	4 610	2 090	47 657
1979-80	20 518	13 134	4 788	2 650	4 819	1 936	47 845
1980-81 (estimate)(a)(b) .	24 900	16 615	6 370	3 560	5 800	2 330	59 575

(a) The State-by-State allocation of total available funds is still tentative and no commitment to the amounts shown is implied.

(b) Each State receives a 'block grant' for this Program, allowing flexibility to transfer funds between capital and recurrent components of approved projects as it sees fit. The component amounts shown above are, therefore, notional.

School Dental Scheme

The Commonwealth has been co-operating with the States since 1973 in an Australia-wide School Dental Service for all primary school children.

The State Governments are responsible for administering the scheme. Until 1975-76, the Commonwealth met the full capital and operating costs of training facilities for dental therapists, as well as the full capital costs and 75 per cent

of operating costs of school dental clinics. These arrangements have since been revised on a couple of occasions and from 1978-79 the Commonwealth has met 50 per cent of the operating costs of training facilities and clinics and 50 per cent of the capital costs of new facilities.

The amounts paid to the States under the scheme since 1976-77 and the estimated payments for 1980-81 are shown in the following table:

Table 26—Grants for School Dental Scheme, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	3 589	1 891	2 026	3 099	2 654	1 475	14 733
1977-78	2 911	2 121	2 027	3 686	3 018	1 684	15 447
1978-79	2 374	2 389	2 383	2 814	2 700	1 226	13 885
1979-80	3 790	3 477	4 014	3 433	3 745	1 882	20 341
1980-81 (estimate)	4 460	3 550	4 400	3 445	3 670	1 790	21 315
CAPITAL							
1976-77	2 191	1 711	1 896	830	935	132	7 695
1977-78	1 069	1 740	2 841	1 658	831	127	8 265
1978-79	976	963	1 249	724	..	184	4 096
1979-80	1 201	293	402	192	225	190	2 503
1980-81 (estimate)	400	402	402	27	102	42	1 375
TOTAL							
1976-77	5 780	3 602	3 922	3 929	3 589	1 607	22 428
1977-78	3 980	3 861	4 867	5 344	3 849	1 811	23 713
1978-79	3 349	3 352	3 632	3 538	2 700	1 410	17 981
1979-80	4 991	3 770	4 416	3 625	3 970	2 072	22 844
1980-81 (estimate)	4 860	3 952	4 802	3 472	3 772	1 832	22 690

Health Education Campaigns

The Commonwealth is continuing to sponsor, in conjunction with the States, the National Drug Education Program. Funds have been provided to support State and national projects of drug education since 1970-71. It is estimated that \$1.6 million, an increase of 44.2 per cent, will be made available to the States for this purpose in 1980-81. Grants paid to the States since 1976-77 and estimates for 1980-81 are shown in the following table:

Table 27—Grants for Health Education Campaigns, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	212	151	116	66	85	46	675
1977-78	225	162	138	75	92	52	742
1978-79	280	206	100	107	121	59	873
1979-80	380	206	178	145	149	67	1 125
1980-81 (estimate)	550	314	237	175	199	147	1 623

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.

From 1973-74 the annual operating costs of the Services in the States were met 35 per cent by the Commonwealth, 60 per cent by the States, and 5 per cent by the Society. It was agreed in 1975-76 that approved capital expenditure for the Services be shared between the Commonwealth and the States on a \$1 for \$1 basis.

The basis of the Commonwealth's contribution to operating costs changed from the beginning of 1976-77 so that the Society's contribution, within each State Division, is the lower of 5 per cent of operating costs or 10 per cent of the previous year's income from donations. Any reduction in the Society's previous share is taken up by the Commonwealth. Approved capital costs in the States continue to be shared equally by the Commonwealth and the States.

Grants paid since 1976-77 and estimates for 1980-81 are shown in the following table:

Table 28—Grants for Expenditures on Blood Transfusion Services, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	1 471	1 303	680	494	436	108	4 492
1977-78	1 495	1 376	736	606	588	124	4 924
1978-79	1 769	1 823	777	764	601	120	5 853
1979-80	2 196	2 095	936	990	687	131	7 034
1980-81 (estimate)	2 218	2 402	950	846	778	166	7 360
CAPITAL							
1976-77	15	53	6	17	23	5	118
1977-78	102	513	37	32	43	3	730
1978-79	100	909	34	25	73	9	1 149
1979-80	105	77	42	30	64	30	349
1980-81 (estimate)	100	205	117	140	48	3	613
TOTAL							
1976-77	1 486	1 356	686	511	459	113	4 610
1977-78	1 597	1 889	773	638	630	127	5 654
1978-79	1 869	2 732	811	788	674	128	7 002
1979-80	2 301	2 172	978	1 019	751	161	7 383
1980-81 (estimate)	2 318	2 607	1 067	986	826	169	7 973

Health Planning Agencies

The Government will continue to provide grants in 1980-81 for the support of State health planning agencies. Payment of grants for this purpose commenced in 1973-74. In years prior to 1978-79, these grants were provided to the States on a \$2 for \$1 basis. Since then, the Commonwealth has met 50 per cent of the approved costs of the agencies.

Grants to the States under this program since 1976-77 and estimates in 1980-81 are shown in the following table:

Table 29—Grants for Recurrent Expenditures by Health Planning Agencies, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	230	24	84	62	120	40	560
1977-78	166	24	100	100	135	35	560
1978-79	100	33	87	90	100	30	440
1979-80	83	57	100	100	100	10	450
1980-81 (estimate)	80	60	80	75	75	20	390

Control of Encephalitis

Following the outbreak of Australian Encephalitis (formerly known as Murray Valley Encephalitis) early in 1974, the Commonwealth has provided funds to New South Wales, Victoria and South Australia to assist in a mosquito eradication campaign along the Murray Valley Basin.

To assist in the continued control of Australian Encephalitis, funds have been provided since 1978-79 not only for mosquito abatement programs but also for co-ordination, research and teaching purposes. The campaign was also extended in 1978-79 to include Western Australia and the Northern Territory.

Grants paid to the States under these arrangements and estimated grants in 1980-81 are set out in the following table:

Table 30—Grants for the Control of Australian Encephalitis, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	South Australia	Western Australia	Total
1976-77	8	34	14	..	56
1977-78	6	43	9	..	58
1978-79	3	31	14	20	68
1979-80	17	39	8	33	98
1980-81 (estimate)	14	49	15	40	118

Disposal of Ships' Garbage

Under arrangements offered to the States in 1965-66 (1967-68 in the case of Western Australia), financial assistance has been made available to each State for the provision of facilities for the disposal of overseas ships' garbage with a view to improving measures against the entry of exotic diseases into Australia. The Commonwealth has been meeting the full capital cost of incinerators and ancillary structures and half the cost of access roads, excluding land costs at selected ports. Grants paid to the States from 1976-77 and estimates in 1980-81 are shown in the following table:

Table 31—Grants for Capital Expenditures on the Disposal of Ships' Garbage, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	6	1	7
1977-78	2	..	2
1978-79	4	..	..	..	4
1979-80	132	..	..	132
1980-81 (estimate)	..	65	..	100	70	53	288

High Security Quarantine Units

To meet the threat of new types of human quarantinable diseases, the Commonwealth is meeting the cost of establishing a national high security quarantine unit at the Fairfield Infectious Diseases Hospital, Victoria. The cost of constructing

the unit, estimated to be approximately \$2.1 million, is being met in full by the Commonwealth. Payments to 30 June 1980 amounted to \$1.14 million, including a payment of \$0.85 million in 1979-80, and it is estimated that \$0.97 million will be provided in 1980-81.

SOCIAL SECURITY AND WELFARE

Welfare Services for the Aged

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

Home Care Services

Under the *States Grants (Home Care) Act 1969* the Commonwealth shares with participating States, on a \$1 for \$1 basis, the cost of approved house-keeping or other domestic assistance provided wholly or mainly for aged persons in their homes. Grants provided from 1976-77 and estimates for 1980-81 are shown in the following table:

Table 32—Grants for Home Care Services, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	1 567	2 018	1 990	904	57	355	6 891
1977-78	1 933	2 520	2 744	1 411	56	474	9 138
1978-79	1 875	3 450	1 797	915	44	505	8 586
1979-80	2 769	4 226	1 793	944	52	585	10 369
1980-81 (estimate)	3 895	4 310	1 896	1 015	62	922	12 100

Senior Citizens' Centres

Under the *States Grants (Home Care) Act 1969*, the Commonwealth shares with participating States, on a \$2 for \$1 basis, up to a maximum of two-thirds of the approved capital cost of senior citizens' centres. The Commonwealth also shares, on a \$1 for \$1 basis, the salaries of welfare officers employed in conjunction with such centres. Grants provided for these purposes since 1976-77 and estimates for 1980-81 are shown in the following table:

Table 33—Grants for Senior Citizens' Centres, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	253	293	37	31	56	..	670
1977-78	226	328	45	66	56	..	721
1978-79	300	350	42	65	65	..	822
1979-80	297	574	45	68	70	..	1 054
1980-81 (estimate)	362	641	55	75	77	..	1 210
CAPITAL							
1976-77	891	1 571	916	212	407	..	3 997
1977-78	1 064	1 616	439	342	348	136	3 946
1978-79	1 200	608	553	423	100	166	3 050
1979-80	1 129	859	331	567	174	185	3 245
1980-81 (estimate)	1 472	1 035	656	380	308	149	4 000
TOTAL							
1976-77	1 144	1 864	953	243	463	..	4 667
1977-78	1 291	1 944	484	408	404	136	4 668
1978-79	1 500	958	595	488	165	166	3 872
1979-80	1 426	1 433	376	635	244	185	4 299
1980-81 (estimate)	1 834	1 676	711	455	385	149	5 210

Paramedical Services

The Commonwealth shares on a \$1 for \$1 basis with participating States the cost of approved paramedical services, such as chiropody, occupational therapy, physiotherapy and speech therapy, provided wholly or mainly for aged persons in their homes. Although all States have indicated their willingness to participate, to date only Victoria, South Australia and Tasmania have provided paramedical services in circumstances which qualify for assistance under the arrangement. Grants up to specified amounts are made in the first instance through the *States Grants (Paramedical Services) Act 1969*. However, where a State has an approved requirement for funds in excess of the limits prescribed by that Act, provision may be made for a supplementary grant through an Appropriation Act.

Annual figures of grants paid to the States for paramedical services since 1976-77 and estimates for 1980-81 are shown in the following table:

Table 34—Grants for Paramedical Services, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	..	263	..	272	..	15	550
1977-78	..	283	..	284	..	15	582
1978-79	..	380	..	431	..	24	836
1979-80	..	352	..	504	..	21	876
1980-81 (estimate)	..	378	..	505	..	27	910

Assistance for Deserted Wives

Under the *States Grants (Deserted Wives) Act 1968*, the Commonwealth has been sharing on a \$1 for \$1 basis with the States up to prescribed limits the cost of helping certain mothers of families without a breadwinner where the mothers are ineligible for a Class A widow's pension or, as from 1973-74, a supporting parent's benefit.

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

The grant to a State is equal to half the cost of the approved assistance paid by the State to each eligible person but is not to exceed half the amount that would be payable to such a person were she eligible for a Class A widow's pension or a supporting parent's benefit.

Victoria and South Australia have now withdrawn from these arrangements as from 1 January 1980 and 1 July 1980 respectively; Western Australia has indicated that it will withdraw from 26 August 1980. As announced in the Budget Speech, the Government has decided to extend the supporting parent's benefit from 1 November 1980 to cover the first six months of sole parenthood. This pension will replace, from that date, assistance to States under the *States Grants (Deserted Wives) Act*, which will be repealed accordingly.

The following table shows grants made to the States from 1976-77 and estimates for 1980-81:

Table 35—Grants for Deserted Wives, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	3 837	2 824	2 508	1 879	1 700	599	13 347
1977-78	6 376	4 003	3 888	3 203	1 848	764	20 031
1978-79	9 521	4 917	3 665	3 143	3 841	986	26 075
1979-80	7 538	4 967	5 054	2 981	3 092	1 036	24 668
1980-81 (estimate)	5 400	350	3 100	1 900	2 200	800	13 750

Children's Services

Services for children provided in the States began attracting Commonwealth financial support in 1972-73 under the *Child Care Act 1972*. Under that Act, payments were made direct to non-profit organisations and local government bodies—that is, not by way of payments to the States. 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.

The program of assistance is administered by the Office of Child Care which was established under the Minister for Social Security to advise on programs providing for capital and recurrent assistance for pre-school and child care projects including home care, vacation and after school care projects and various other community initiated projects. Funds for pre-schools are included under the Education function discussed earlier in this Chapter.

The Government has decided that up to \$36.1 million will be provided in 1980-81 for children's services other than pre-schools. It is tentatively estimated that, of that total, approximately \$8.2 million will take the form of payments to the States.

The following table shows payments to the States that have been made since 1976-77 and estimates for 1980-81:

Table 36—Grants for Children's Services, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1977-78	1 881	1 757	309	990	552	149	5 638
1978-79	2 461	2 477	367	1 858	783	248	8 194
1979-80	2 978	3 375	580	2 036	748	363	10 080
1980-81 (estimate)	2 545	2 515	740	1 550	611	226	8 187
CAPITAL							
1976-77	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1977-78	625	702	..	31	10	..	1 368
1978-79	604	323	..	68	38	..	1 033
1979-80	376	347	..	29	..	..	752
1980-81 (estimate)	..	..	..	..	..	..	..
TOTAL							
1976-77	1 125	1 104	12	568	220	89	3 118
1977-78	2 506	2 459	309	1 021	562	149	7 006
1978-79	3 065	2 800	367	1 926	821	248	9 227
1979-80	3 354	3 722	580	2 065	748	363	10 832
1980-81 (estimate)	2 545	2 515	740	1 550	611	226	8 187

Employment Grants for Maryborough Region

Following the decision to cease granting export licences for minerals from sand mining on Fraser Island, the Commonwealth agreed to provide \$10 million to Queensland for allocation by that State to create employment opportunities in the Maryborough region. The Commonwealth recently agreed to extend this assistance by an additional \$450 000 in 1979-80. Payments therefore totalled \$10.45 million, comprising \$1 million in 1976-77, \$3 million in each of 1977-78 and 1978-79 and \$3.45 million in 1979-80.

Rehabilitation Centre—Hobart

The Commonwealth and Tasmanian Governments agreed in 1974 to share the costs of establishing and operating a joint rehabilitation centre for handicapped persons in Hobart. The arrangement provides for the Commonwealth to meet up to half the capital cost of building and equipping the centre and to contribute 70 per cent of the annual running costs. Total payments for capital purposes to 30 June 1980 amounted to \$3.3 million including a payment of \$850 000 in 1979-80. The Commonwealth contribution is expected to be \$1.61 million in 1980-81, comprising \$700 000 for capital purposes and the first recurrent payments of \$910 000.

Translating and Interpreting Service

Arising out of its consideration of the Galbally Report on Post-Arrival Services for Migrants, the Government has offered to the States funds for a program of assistance towards the provision of translating and interpreting services in areas of primarily State responsibility. The program is for services other than those provided under the Community Health Program (*see* Community Health Facilities and Services above).

The Commonwealth meets the full costs of these services in the first year of the program and thereafter shares agreed costs equally with the States. To date New South Wales, Victoria and South Australia have accepted the offer and received funds totalling \$221 000 in 1979-80. In 1980-81 a total of \$235 000 is to be provided to these States, comprising \$105 000, \$70 000 and \$60 000 respectively.

Unattached Refugee Children

From 1980-81, it is proposed that payments previously made directly to unattached refugee children, accepted on arrival as wards of the Commonwealth under the *Immigration (Guardianship of Children) Act 1946*, will be made through State government authorities. An amount of \$463 000 has been provided for this purpose in 1980-81; the estimated State-by-State distribution is given in Appendix V.

ABORIGINAL ADVANCEMENT

Since 1968-69 the Commonwealth has provided assistance to the States for Aboriginal advancement, particularly in the fields of housing, education and health. Details of payments are included in the statements attached to the Budget Speech and in Table 2 in this paper under the functional headings appropriate to the specific kinds of assistance involved. In other relevant tables in this paper, however, all payments specifically designated for this purpose are grouped together.

The Commonwealth also provides assistance for Aboriginal advancement in the States by way of direct assistance to Aboriginal organisations and other bodies.

The following table shows payments made to the States since 1976-77 and estimated payments in 1980-81:

Table 37—Payments for Aboriginal Advancement, 1976-77 to 1980-81(a)
(\$ thousands)

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	2 683	1 254	3 314	2 515	7 702	71	17 549
1977-78	3 014	1 409	3 480	3 045	8 564	67	19 589
1978-79	2 982	1 331	3 917	3 404	8 544	44	20 221
1979-80	3 030	1 562	4 331	3 724	9 565	52	22 263
1980-81 (estimate)	3 242	1 686	5 061	4 093	10 924	86	25 092
CAPITAL							
1976-77	3 493	682	4 396	3 339	4 765	187	16 863
1977-78	2 654	400	2 825	1 807	4 614	175	12 474
1978-79	3 057	237	2 536	2 291	5 443	115	13 678
1979-80	3 756	275	1 613	2 231	5 058	254	13 187
1980-81 (estimate)	3 534	329	1 507	2 058	3 302	180	10 910
TOTAL							
1976-77	6 176	1 936	7 710	5 854	12 467	258	34 408
1977-78	5 668	1 809	6 305	4 852	13 178	242	32 054
1978-79	6 039	1 568	6 452	5 696	13 986	159	33 900
1979-80	6 786	1 837	5 944	5 955	14 623	306	35 451
1980-81 (estimate)	6 776	2 015	6 568	6 151	14 226	266	36 002

(a) The functional break-up of these payments is shown in Table 98 of Appendix III.

HOUSING

Welfare Housing Advances

Under successive arrangements between the Commonwealth and the States, financial assistance has been made available to the States in one form or another since 1945-46 for the provision of housing, including assistance with home ownership, for families of low or moderate means.

For many years, housing funds were closely aligned with State Governments' Loan Council borrowing programs and for two years, 1971-72 and 1972-73, they were integrated within these programs (although additional specific revenue grants of \$2.75 million per year in respect of each of those two years were provided in lieu of former interest subsidies, and continue to be payable for 30 years). Since 1973-74, financial assistance for welfare housing has been provided fully by way of specific purpose payments, appropriate 'offsets' having been made to State Governments' Loan Council borrowing programs. A detailed account of successive arrangements, together with statistics covering the period to 1975-76, is to be found on pages 66 through 68, 200, 201 and 224 of the 1975-76 issue of this paper.

Under the *Housing Assistance Act 1978* three-year Housing Agreements were executed with the States to cover the period from 1978-79 to 1980-81. In accordance with the Agreements the total amount of advances each year is determined in the annual Budget context after consideration of State requirements. Advances are repayable over 53 years as under earlier Agreements and concessional fixed rates of interest apply—4.5 per cent per annum for funds directed to home purchase assistance and 5 per cent per annum for rental housing.

The 1978 Agreements lay particular importance on the effective use of funds and resources to assist those most in need. The States also now have greater flexibility in determining the uses to which housing funds can be put and the extent of assistance to individuals. At least 40 per cent of advances in 1980-81 are to be applied to home purchase assistance. Restrictions under previous arrangements on the sale of State Housing Authority dwellings have been removed. The States determine their own sales policies provided that all sales are for cash at market value or replacement cost; purchasers of State Housing Authority dwellings are eligible for loans from the home purchase assistance program.

In 1980-81, total advances to the States are estimated at \$166.5 million, compared to \$160 million in 1979-80. As in 1979-80, the advances will be provided on a \$1 for \$1 matching basis. State expenditures on welfare housing under the Agreements and surpluses arising from the operation of the rental housing and home purchase assistance programs under the Agreements are eligible for matching. Annual payments are shown in the table at the end of this section.

Grants for Rental Housing

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 single aged and service pensioners who have little or no means of support apart from their pensions.

Since 1978-79 these grants have been provided under the *Housing Assistance Act 1978*, with wider eligibility criteria and under conditions giving the States greater freedom in the way the funds can be applied than in earlier years. Eligible persons include those in receipt of an age, invalid or widow's pension, a supporting parent's benefit, a special benefit, a sheltered employment allowance, a training allowance in certain circumstances and some classes of service pension. Married as well as single pensioners are being assisted.

Grants totalling \$31 million are provided in 1980-81, compared to \$30 million in 1979-80. Annual payments are shown in the table at the end of this section.

Rental Housing for Other Persons in Need

As well as grants for pensioner housing, the *Housing Assistance Act 1978* provides for assistance for any other class of persons declared by the Minister for Housing and Construction to be in need of rental assistance. In 1980-81, grants totalling \$21 million are provided for Aborigines in need of rental housing assistance (compared to \$20 million in 1979-80) and \$52 million for other persons eligible for rental housing assistance under the Housing Agreements with the States (compared to \$50 million in 1979-80).

The following table shows payments made to the States for housing from 1976-77 and estimated payments in 1980-81:

Table 38—Payments to the States for Housing, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT GRANTS(a)							
1976-77	1 848	1 347	858	941	627	314	5 935
1977-78	1 848	1 347	480	941	627	314	5 557
1978-79	1 848	1 347	423	941	627	314	5 500
1979-80	1 848	1 347	423	941	627	314	5 500
1980-81 (estimate)	1 848	1 347	423	941	627	314	5 500
ADVANCES							
1976-77	123 411	98 159	37 410	56 360	35 440	24 220	375 000
1977-78	128 011	101 759	39 810	58 460	36 740	25 220	390 000
1978-79	103 721	82 451	32 257	47 368	29 767	20 436	316 000
1979-80	52 512	41 744	16 336	23 984	15 072	10 352	160 000
1980-81 (estimate)	54 650	43 440	17 000	24 960	15 680	10 770	166 500
PENSIONER HOUSING GRANTS(b)							
1976-77	2 352	3 419	2 023	1 473	1 288	280	10 835
1977-78	4 070	2 530	1 490	930	700	280	10 000
1978-79	5 695	3 388	2 050	1 343	1 086	438	14 000
1979-80	12 132	7 186	4 495	2 856	2 361	970	30 000
1980-81 (estimate)	12 421	7 409	4 790	2 945	2 459	976	31 000
OTHER GRANTS							
1979-80	22 974	18 263	7 147	10 493	6 594	4 529	70 000
1980-81 (estimate)	23 370	15 670	11 710	9 390	9 100	3 760	73 000
TOTAL PAYMENTS(b)							
1976-77	127 611	102 925	40 291	58 774	37 355	24 814	391 770
1977-78	133 929	105 636	41 780	60 331	38 067	25 814	405 557
1978-79	111 264	87 186	34 730	49 652	31 480	21 188	335 500
1979-80	89 466	68 540	28 401	38 274	24 654	16 165	265 500
1980-81 (estimate)	92 289	67 866	33 923	38 236	27 866	15 820	276 000

(a) Includes contributions towards rental losses under the Commonwealth-State Housing Agreement 1945.

(b) Pensioner housing grants in 1977-78 and previous years are recorded under the Social Security and Welfare function in statements attached to the Budget Speech and Table 2 in this paper.

URBAN AND REGIONAL DEVELOPMENT NEC AND THE ENVIRONMENT

Payments to the States included under this functional heading relate to a number of programs, including growth centres and decentralisation, and assistance for development of Aboriginal communities. Payments in 1979-80 were \$42.9 million and are expected to total approximately \$45.4 million in 1980-81. (These figures are *net* of repayments.)

Payments in 1980-81 for most of the urban and regional development programs and for certain programs falling within other functional headings were made mainly under the authority of the *Urban and Regional Development (Financial Assistance) Act 1974*.

Growth Centres and Decentralisation

In 1979-80 \$4.2 million and \$0.8 million were provided to New South Wales and Victoria respectively for the Albury-Wodonga growth centre for land development and headworks, housing and commercial development construction, studies and investigations and running costs of the Albury-Wodonga Development Corporation.

In 1980-81 further assistance of \$5 million will be provided towards expenditure on Albury-Wodonga. While the precise allocation of this amount between New South Wales and Victoria is not possible at this stage, preliminary consideration of the proposed program of expenditure for 1980-81 suggests that the bulk of the funds might go to New South Wales. For the purposes of this document the whole of the \$5 million has been allocated to that State.

The 1980-81 Budget also allows for \$23.8 million for capitalised interest on advances to the States for Albury-Wodonga in 1980-81 and earlier years, and on earlier advances for the Bathurst-Orange and Macarthur growth centres. This amount represents estimated interest payments which are deferred and added to the amount of principal outstanding and on which interest thus accrues. (In 1979-80 capitalised interest, including in respect of the Monarto growth centre, amounted to \$22.1 million.) Allowance is also made in the Budget for a repayment in 1980-81 of \$5.1 million by South Australia in settlement of loans provided to the State in earlier years for the former Monarto growth centre.

In addition to the above, the Commonwealth provides funds for general decentralisation purposes under the Commonwealth's Regional Development Program to State, local government and community bodies, and firms engaged in manufacturing and tertiary industry, in selected non-metropolitan centres. However these funds are not classified as payments to the States or local government authorities.

Payments to the States for growth centres and related projects since 1976-77 and estimated payments in 1980-81 for Albury-Wodonga, including capitalised interest, are given in Appendix V.

Urban Flood Mitigation

Since 1975-76 \$5.5 million, including \$62 000 in 1979-80, has been provided to Queensland under the *Urban and Regional Development (Financial Assistance)*

Act 1974 to assist with flood mitigation works on various creeks in the Brisbane metropolitan area. A further amount of \$126 000 is to be provided in 1980-81 for this purpose.

Funds for urban flood mitigation in 1979-80 were also provided under the *National Water Resources (Financial Assistance) Act 1978* with \$0.7 million being provided towards the cost of flood mitigation works on Kedron Brook in the Brisbane metropolitan area. Further assistance may be provided for urban flood mitigation works in 1980-81 under this legislation from funds which have yet to be allocated to particular projects under the National Water Resources Program (See page 74).

Assistance for Land Acquisition and Development in Urban Areas

In 1973-74 a program of assistance by way of grants and loans was undertaken with the object of making land available for residential and associated uses and to facilitate the planning and development of new urban areas.

With the discharge of remaining commitments in 1977-78, this program came to an end. However, interest is being capitalised on advances in a similar manner to its treatment for growth centres and related projects (see above). The 1980-81 Budget includes \$17.5 million for capitalised interest on the loans provided to the States in 1977-78 and earlier years. Repayments on the first of these loans are due to begin in 1983-84.

Payments for land acquisition, development and related works in urban areas since 1976-77 (including capitalised interest) and capitalised interest in 1980-81 are given in Appendix V.

Woolloomooloo Redevelopment

An agreement was concluded in 1974-75 with New South Wales under which up to \$17 million is being provided by way of grant for acquisition of 3.2 hectares of property, and planning and site development in the Woolloomooloo Basin in Sydney. Payments to the State have totalled \$11 million since 1975-76, including \$0.7 million in 1979-80. An amount of \$5.2 million has been included in the Budget for estimated payments to the State in 1980-81.

The Commonwealth also agreed to transfer, at no cost to the State, 2.6 hectares of Commonwealth property in the Woolloomooloo Basin which was valued in excess of \$11 million. Most of this land has now been transferred.

The agreement also provides for the State to make payments to the Commonwealth in respect of each unit of public housing produced on the property acquired by, or transferred to, the State and payment of the receipts from any part of the property that is not retained for public housing. A total of \$1.9 million has been received from the State under these provisions since 1976-77 including \$0.7 million in 1979-80. Similar payments by the State in 1980-81 are estimated to be \$0.9 million.

The amounts shown in Appendix V are net amounts after deductions of these receipts.

Captains Flat—Pollution Abatement Works

Under the *Captains Flat (Abatement of Pollution) Agreement Act 1975* the Commonwealth is providing financial assistance to New South Wales for approved programs of works to abate the pollution of the Molonglo River from the mine waste dumps at Captains Flat. Financial assistance of up to \$2.5 million is being provided for expenditure on capital works and up to \$100 000 will be provided on a \$1 for \$1 matching basis for expenditure on maintenance of the works. The financial assistance for capital works is 80 per cent by way of grant and 20 per cent by way of loan, and for maintenance wholly by way of grant.

Payments to the State since 1975–76 have amounted to \$2 million for capital works and \$68 000 for maintenance. There have been no further payments in respect of expenditure on capital works in 1978–79. \$20 000 has been included in the Budget for estimated payments in respect of expenditure in 1980–81 on maintenance.

Legana Industrial Estate—Tasmania

The Commonwealth will make available to Tasmania in 1980–81 up to \$0.2 million by way of loan on a matching basis towards the development of an industrial estate at Legana, in the Launceston area.

CULTURE AND RECREATION

The Commonwealth Government first provided grants to the States for cultural and recreational purposes in 1973–74. An estimated \$5.5 million will be made available for these purposes in 1980–81.

National Fitness Program

Financial assistance to the States for national fitness activities commenced in 1975–76. Under arrangements agreed with the States in 1977–78, funds for these purposes are now allocated to the 'Life Be In It' campaign. Of a total of \$0.7 million provided for the campaign in 1980–81, \$207 000 is allocated for payment to the States. A similar amount was paid in 1979–80.

The following table shows payments to the States for national fitness activities since 1976–77 and estimated payments in 1980–81:

Table 39—Grants for Recurrent Expenditures on National Fitness Activities, 1976–77 to 1980–81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976–77	117	117	94	94	94	84	600
1977–78	45	42	34	32	30	24	207
1978–79	45	42	34	32	30	24	207
1979–80	45	42	34	32	30	24	207
1980–81 (estimate)	45	42	34	32	30	24	207

Capital Assistance for Leisure and Cultural Activities

A program of capital assistance grants on a cost-sharing basis with State, local government and voluntary bodies for the development of community sporting and recreation complexes was commenced in 1973-74 and expanded in 1974-75 to cover a wider range of community leisure facilities including arts/cultural facilities. The program was discontinued in December 1975 and payments since that date have been for outstanding commitments. A final payment of \$509 000 was made in 1979-80. Payments made to each State since 1976-77 are given in Appendix V.

Nature Conservation

Amounts of \$56 000 and \$125 000 were paid to the States in 1979-80 under the *States Grants (Nature Conservation) Act 1974* and the *Environment (Financial Assistance) Act 1977* respectively for land acquisition and programs related to the management of parks and reserves for the purposes of nature conservation.

\$20 000 has been provided in 1980-81 for payment to Tasmania for a number of land acquisitions under the *States Grants (Nature Conservation) Act*. There are also outstanding commitments for the acquisition of specific identified areas of land in New South Wales and Victoria that have been approved for acquisition in terms of the Act but for which cash disbursements are dependent on further negotiation. Upon completion of the negotiations, funds will be provided in terms of the existing agreements.

The following table shows payments made to the States since 1976-77 and estimates for 1980-81:

Table 40—Payments for Nature Conservation Purposes, 1976-77 to 1980-81
(\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	362	360	400	300	250	410	2 082
1977-78	200	..	..	152	352
1978-79	..	100	..	..	..	100	200
1979-80	16	..	165	181
1980-81 (estimate)	20	20

National Estate

Since 1974 grants have been provided for the restoration, preservation and improvement of landscapes and buildings of special significance. The Australian Heritage Commission, established in 1975 under the *Australian Heritage Commission Act 1975*, provides advice to the Commonwealth on the programs of assistance in respect of these matters. All grants to the States are made in accordance with Agreements concluded under the *Urban and Regional Development (Financial Assistance) Act 1974*.

The following table shows grants paid since 1976-77 and the estimated grants for 1980-81:

Table 41—Grants for Expenditure on the National Estate, 1976-77 to 1980-81
(\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77		591	183	246	215	19	1 254
1977-78	373	370	310	338	425	425	2 241
1978-79	415	415	415	415	415	415	2 490
1979-80	300	300	300	300	300	300	1 800
1980-81 (estimate)(a)	330	330	330	330	330	330	1 980

(a) The 1980-81 allocation by States is notional only. No commitment to the provision of the amount shown for each State is implied.

Port Arthur Conservation Program

Beginning in 1979-80, the Commonwealth is providing assistance on a \$2 for \$1 basis to Tasmania for a seven-year program to restore and develop the Port Arthur region. In 1979-80 the Commonwealth paid the State \$0.4 million for this purpose, and will make available \$0.8 million in 1980-81.

Facilities for 1982 Commonwealth Games

\$10 million by way of grant is being provided to Queensland for the construction of sporting facilities and athletes' and officials' accommodation for the 1982 Commonwealth Games in Brisbane. The third of four annual payments of \$2.5 million is to be made in 1980-81.

ECONOMIC SERVICES—TRANSPORT

The Commonwealth has been making payments to the States for transport purposes continuously since 1923-24, when it began providing grants for roads. The estimated total payments, *net* of repayments, are \$682.8 million for this function in 1980-81 and, of this, \$616.9 million is for roads and bridges (\$10 million being towards construction of the Second Hobart Bridge) and \$45.6 million for urban public transport.

Roads

Commonwealth assistance for expenditure on roads has taken two main forms—general assistance and assistance for specific road projects. Payments of the latter kind (such as those for beef roads and the sealing of the Eyre highway) were subsumed in the general program of roads assistance as from 1974-75. (See page 81 and the relevant section of Appendix IV of the 1975-76 issue of this paper for an historical description of the Commonwealth's assistance for roads).

For the triennium 1977-78 to 1979-80 assistance to the States for road construction and maintenance, totalling \$1529 million, was provided under the *States Grants (Roads) Act* 1977 amended appropriately. Grants provided in 1978-79 and 1979-80 were designed to provide the equivalent in real terms to the 1977-78 grant. The legislation also set down annual quotas for expenditure by each State from its own resources.

The following table shows the distribution of roads grants to the States in 1979-80 and the quotas to be met from State sources:

Table 42—Payments for Roads in 1979-80 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
National Highways—							
Construction	64 559	29 886	33 334	17 340	18 218	8 981	172 318
Maintenance	9 861	3 449	10 460	2 184	4 828	1 134	31 916
National Commerce Roads	6 733	5 977	3 219	1 397	1 115	805	19 246
Sub-Total	81 153	39 312	47 013	20 921	24 161	10 920	223 413
Rural Arterial Roads	20 691	12 759	26 438	8 046	10 817	3 448	82 199
Rural Local Roads	29 656	21 841	21 610	7 701	16 552	5 633	102 993
M.I.T.E.R.S. (a)	3 793	4 023	2 600	1 954	2 069	690	15 129
Urban Arterial Roads	32 990	31 548	12 918	5 288	12 874	3 104	98 722
Urban Local Roads	8 506	4 200	4 368	2 529	2 725	1 149	23 477
Sub-Total	95 636	74 371	67 934	25 518	45 037	14 024	322 529
Total	176 789	113 683	114 947	46 439	69 198	24 944	546 000
Quotas (b)	169 777	142 075	66 899	42 761	45 749	14 139	481 400

(a) Minor Traffic Engineering and Road Safety Improvements.

(b) To be met from State Sources.

Over the five years 1980-81 to 1984-85, the Commonwealth is to provide \$3650 million to the States and the Northern Territory as grants for road construction and maintenance. Of this amount, \$606.9 million will be provided to the States in 1980-81. This represents an increase of 11.2 per cent over the amount provided in 1979-80 and is expected at least to maintain the 1979-80 level of Commonwealth financial assistance in real terms. The State expenditure quotas are also to be increased similarly. Interim legislation has been passed in respect of grants in 1980-81.

In addition, beginning in 1980-81, the number of road categories for which assistance is to be made available has been reduced from eight to four to simplify administration of the program. The new categories are: national and developmental roads, rural arterial roads, urban arterial roads and local roads.

The following table shows the estimated payments to the States in 1980-81 and the quotas to be met from State sources:

Table 43—Payments for Roads in 1980-81 (Estimate) (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
National and Developmental Roads	94 948	48 469	54 909	24 973	29 126	12 820	265 245
Rural Arterial Roads	22 998	14 182	29 386	8 943	12 023	3 833	91 365
Urban Arterial Roads	36 138	34 040	14 594	6 330	14 338	3 535	109 073
Local Roads	42 417	29 668	28 875	11 371	21 427	7 538	141 366
Sub-Total	101 553	77 890	72 855	26 644	47 788	14 906	341 635
Total	196 501	126 359	127 764	51 617	76 914	27 726	606 887
Quotas (a)	186 800	156 400	75 800	48 200	51 200	15 900	534 300

(a) To be met from State Sources.

The following table shows the amounts paid to each State for roads since 1976-77 and estimated amounts for 1980-81:

Table 44—Grants under General Roads Acts, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	135 489	91 100	90 700	38 800	57 199	20 500	433 788
1977-78	155 611	98 900	100 000	40 400	61 301	21 700	477 912
1978-79	164 485	105 771	106 947	43 207	64 382	23 208	508 000
1979-80	176 789	113 683	114 947	46 439	69 198	24 944	546 000
1980-81 (estimate)	196 501	126 359	127 764	51 617	76 914	27 726	606 881

Second Hobart Bridge

Following agreement in 1975 between the Commonwealth and Tasmanian Governments, a Joint Committee on the Second Hobart Bridge was established. The first stage of the Committee's work was to carry out the technical investigations and design associated with the provision of a second bridge across the Derwent River at Hobart. These studies, completed in 1978-79, were funded by the Commonwealth at a total cost of \$1.2 million.

The Commonwealth subsequently agreed to fund the full cost of providing the bridge and necessary approach roads. The bridge is expected to be completed in 1984 at an estimated total cost of \$35 million. An amount of \$1 million was provided in 1979-80, and \$10 million is expected to be made available in 1980-81.

Railway Mainline Upgrading Projects

Over the period to 1982-83, the Government is providing assistance to those States which operate their own rail systems for expenditure on projects designed to upgrade the national mainline railway network. Up to \$70 million will be made available for this purpose by way of interest bearing repayable grants under the *National Railway Network (Financial Assistance) Act 1979*.

South Australia and Tasmania are not eligible for assistance under this program as their mainline railways have been transferred to the Commonwealth and are controlled by the Australian National Railways Commission.

An allocation of \$19.7 million has been made in 1980-81 for the program. Agreements have been concluded with Queensland and Victoria specifying the terms and conditions which will apply and the actual projects to be assisted in those States. Provision of assistance to New South Wales and Western Australia is subject to the finalisation of agreements with those States. Preliminary consideration suggests that in 1980-81, the third year of this program, possible allocations might be of the order of \$4.7 million, \$5.7 million, \$8.3 million and \$1 million to New South Wales, Victoria, Queensland and Western Australia respectively. While final decisions have yet to be made about the State-by-State distribution, these figures have been adopted for the purposes of this document. Payments made to relevant States since 1979-80 are given in Appendix V.

Adelaide-Crystal Brook Railway

An amount of \$863 000 has been provided in 1980-81 for South Australia as a refund of payments of interest and repayments of principal made under earlier arrangements concerning construction of the Adelaide to Crystal Brook railway. Responsibility for the construction of this railway is to be transferred from the State to the Australian National Railways Commission. The Loan Council has approved a borrowing program by the Commission for this project under the infrastructure guidelines.

Urban Public Transport

Since 1973-74 the Commonwealth has had a program whereby it meets two-thirds of the costs of approved urban public transport projects in the States.

The *States Grants (Urban Public Transport) Act 1978* provided for grants totalling up to \$300 million to the States under this program over the five years 1978-79 to 1982-83. The Act initially made available for payment to the States a total of \$60 million a year, of which \$40 million was to be allocated to the States in fixed basic amounts with the remaining \$20 million available for allocation annually on the basis of needs and priorities assessed in the light of proposals submitted by the States. However, the Government limited payments in 1978-79 and 1979-80 to the basic amounts. The *States Grants (Urban Public Transport) Amendment Act 1979* varied the basic amounts to \$45 million in 1980-81 and \$50 million in each of 1981-82 and 1982-83 by, in effect, absorbing into those amounts the 1978-79 needs component and part of the needs component for 1979-80. In 1980-81, the Government has again decided to limit the current year's payments to the basic amount as in previous years.

In 1979-80, \$42.1 million was provided including \$2.5 million to finalise outstanding commitments under previous arrangements. The amount for 1980-81, \$45.6 million, includes \$0.6 million in respect of commitments entered into in 1979-80 but not paid in that year.

The following table shows payments made to the States since 1976-77 and estimated payments for 1980-81:

Table 45—Grants under Urban Public Transport Programs, 1976-77 to 1980-81
(\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	24 596	15 885	11 380	4 420	1 869	253	58 403
1977-78	20 395	9 830	15 648	3 790	605	732	51 000
1978-79	14 000	12 000	8 875	4 110	2 015	869	41 869
1979-80	14 125	12 131	9 219	4 000	1 533	1 075	42 083
1980-81 (estimate)	15 750	13 500	7 875	4 500	2 821	1 125	45 571

Transport Planning and Research

For a number of years, funds have been made available for planning and research projects related to roads. Assistance was first provided for urban public transport planning and research in 1974-75.

Under the *Transport Planning and Research (Financial Assistance) Act* 1977, the Commonwealth met two-thirds of expenditure in 1977-78 on approved programs of projects and is meeting one-half of such expenditure by the States in subsequent years. The program now includes all land transport modes and their relationship with other modes. For 1980-81 a total program of \$12.5 million is expected to be approved with the Commonwealth's share amounting to \$6.25 million.

The following table shows payments made to the States since 1976-77 and estimates for 1980-81:

Table 46—Grants for Transport Planning and Research, 1976-77 to 1980-81
(\$ thousands)

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
1976-77	2 672	2 193	1 184	939	854	216	8 058
1977-78	3 495	2 411	1 381	698	744	195	8 924
1978-79	2 484	1 714	983	469	581	173	6 404
1979-80	2 670	1 842	1 056	504	658	186	6 916
1980-81 (estimate)	2 418	1 668	957	457	582	168	6 250

ECONOMIC SERVICES—WATER SUPPLY AND ELECTRICITY

Urban Water Supply

Payments amounting to \$35.4 million have been provided to South Australia since 1974-75 under the *Urban and Regional Development (Financial Assistance) Act* 1974 to assist with the construction of water treatment plants in the Adelaide metropolitan area. Of this amount, \$2.6 million was paid in 1979-80. In 1979-80 the Commonwealth also provided to Western Australia \$690,000 to assist in the development of a supplementary water supply for Port Hedland to relieve pressure on existing water supply sources, and \$500,000 to assist in the provision of additional water supplies for the West Pilbara region. Further funds in 1980-81 for such purposes may be provided from funds which have yet to be allocated to particular projects under the National Water Resources Program (see page 74).

Julius Dam

A grant of \$250 000 was provided to Queensland in 1979-80 under the National Water Resources program for on-passing to the Mount Isa City Council as the final instalment of Commonwealth assistance towards the Council's share of the debt burden associated with the now-completed Julius Dam. Similar grants of \$325 000 and \$500 000 were made in 1977-78 and 1978-79 respectively.

Softwood Forestry

From 1966-67 until 1976-77 the Commonwealth provided assistance to the States by way of interest-bearing loans for a program of increased planting of softwood forests.

Under the *Softwood Forestry Agreements Act 1978* the Commonwealth agreed to provide assistance for a further five-year period commencing 1 July 1977 to cover the cost of maintenance of existing forestry planting financed by earlier Commonwealth assistance. The assistance, which is by way of loans, is repayable over twenty years with repayment commencing fifteen years after the date of each advance.

Payments made in 1979-80 totalled \$5.1 million. It is estimated that \$4.9 million will be provided in 1980-81.

The following table shows payments that have been made to the States for softwood forestry purposes since 1976-77 and estimated payments in 1980-81:

Table 47—Advances for Softwood Forestry, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
1976-77	2 497	1 686	1 547	..	776	1 429	7 934
1977-78	374	73	..	-87	..	..	360
1978-79	3 175	613	1 485	..	1 302	1 090	7 665
1979-80	1 840	415	977	330	910	659	5 121
1980-81 (estimate)	1 980	402	790	135	1 000	640	4 947

Assistance to the Forestry Industry in Tasmania

The Commonwealth has agreed to provide financial assistance to Tasmania amounting to \$680 000 over the five years 1978-79 to 1982-83 toward the cost of establishing some small plantations and certain silviculture projects involving native trees. This assistance is being supplemented by a further \$400 000 over the four years 1979-80 to 1982-83 for the establishment of eucalypt plantations on marginal farmland and a program of purchase of such farmland.

The assistance, by way of loans on a \$1 for \$1 matching basis, is to be repayable over 40 years commencing 20 years after each advance is made. During the 20 years in which repayments are deferred, interest is to be capitalised.

Payments to 1979-80 have amounted to \$272 000, and \$336 000 is expected to be provided in 1980-81.

Rural Adjustment

In accordance with an agreement reached between the Commonwealth and the States in 1976, assistance is being made available under the *States Grants (Rural Adjustment) Act 1976*, partly as grants and partly as loans, for the purposes of the Rural Adjustment Scheme embracing debt reconstruction, farm build-up, farm improvement, carry-on finance, rehabilitation and household support. The scheme

replaced the *Rural Reconstruction Scheme*, the *Dairy Adjustment Program* and the program of *Carry-on Assistance to the Beef Industry*, all of which were terminated on 31 December 1976.

The scheme is monitored constantly by the Commonwealth and the States and amended as required to maintain its relevance in the light of changing adjustment needs in the rural sector. Wine-grape producers became eligible in 1978-79 for carry-on finance assistance; assistance for beef and dairy producers was discontinued as from 1979-80.

Assistance under the Scheme in 1979-80 amounted to \$15.1 million and it is estimated that a further \$17.1 million will be provided in 1980-81.

The following table shows payments made under the scheme since 1976-77 and estimated payments in 1980-81:

Table 48—Payments for Rural Adjustment and Previous Related Programs(a), 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GRANTS							
1976-77	1 581	2 118	1 642	698	1 216	105	7 361
1977-78	1 712	2 036	1 069	1 129	746	41	6 733
1978-79	1 843	1 666	1 198	854	1 429	173	7 162
1979-80	706	594	372	513	418	41	2 645
1980-81 (estimate)	667	593	427	364	458	63	2 572
ADVANCES							
1976-77	6 487	9 722	8 786	2 221	4 080	685	31 980
1977-78	8 138	10 114	8 517	6 256	4 254	212	37 490
1978-79	10 065	8 712	8 087	3 884	8 075	988	39 812
1979-80	3 485	3 281	1 744	2 041	1 720	202	12 472
1980-81 (estimate)	3 810	3 363	2 384	2 031	2 561	354	14 503
TOTAL							
1976-77	8 068	11 840	10 428	2 919	5 296	790	39 341
1977-78	9 850	12 150	9 587	7 385	5 000	253	44 223
1978-79	11 908	10 378	9 285	4 738	9 504	1 161	46 974
1979-80	4 191	3 875	2 116	2 554	2 138	242	15 117
1980-81 (estimate)	4 477	3 956	2 811	2 395	3 019	417	17 075

(a) The previous programs are: *Rural Reconstruction*, *Dairy Adjustment*, and *Assistance to the Beef Industry*. (See text).

Supplementary Assistance for Apple and Pear Growing Industries

In early 1974 the Commonwealth joined with Queensland, Western Australia and Tasmania, on a \$1 for \$1 matching basis, to supplement for the 1974 season the assistance available to the apple growing industry under the Commonwealth funded Apple and Pear Stabilisation Scheme. The supplementary arrangements were subsequently extended to cover the seasons 1975 to 1978. All States except New South Wales have participated in the arrangements at one time or another.

For the 1979 and 1980 seasons, the Commonwealth has offered to continue the supplementary assistance arrangements and to extend them to the pear

growing industry. Payments to the States amounted to \$689 000 in 1979-80 and it is estimated that \$950 000 will be made available in 1980-81. Arrangements to apply for the seasons 1981 to 1984 are currently subject to review.

The following table shows payments that have been made to the States for this purpose since 1976-77 and estimated payments in 1980-81:

Table 49—Recurrent Grants for Apple and Pear Export Assistance, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	..	8	..	1	100	229	338
1977-78	..	16	..	..	..	39	55
1978-79	..	27	..	..	310	238	575
1979-80	..	1	2	..	248	437	689
1980-81 (estimate)	..	253	4	..	244	450	955

International Sugar Agreement

The *International Sugar Agreement Act 1978* approved Australia's ratification of an Agreement which seeks to stabilise international trade in raw sugar through the management of special reserve stocks and the imposition of export quotas.

The International Monetary Fund has agreed to provide drawings from its Buffer Stock Financing Facility to export members of the Agreement to assist in financing the acquisition costs of their stockholding obligations, and a foreign currency drawing equivalent to \$27.8 million was made by the Commonwealth in November 1979 and on-lent to the sugar industry through the Queensland Government. The local industry's special stock holdings were released for sale in February 1980 following a sharp increase in world sugar market prices, and the Commonwealth was required to repay the International Monetary Fund drawing in May 1980. The \$A equivalent of the foreign currency drawing at that date was \$27.4 million and this amount, together with accrued interest, will be recovered from the State in 1980-81.

Eradication of Bovine Brucellosis and Tuberculosis

Since 1970 the Commonwealth has joined with the States in an intensified national campaign for the eradication of bovine brucellosis and tuberculosis. The Commonwealth has agreed to provide \$18.9 million during 1980-81 as payments to the States for this purpose.

In 1973 the Commonwealth joined with the mainland States in a scheme to compensate partially 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. An estimated \$3.6 million is to be paid to the States for this purpose in 1980-81.

The following table shows payments that have been made under these schemes since 1976-77, and payments estimated to be made in 1980-81:

Table 50—Grants for Recurrent Expenditure on the Eradication of Bovine Brucellosis and Tuberculosis, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	3 545	4 938	3 266	1 604	898	215	14 467
1977-78	4 535	5 858	4 180	1 201	854	120	16 749
1978-79	7 422	6 980	5 272	2 346	895	103	23 018
1979-80	7 593	5 754	5 290	1 986	1 013	57	21 691
1980-81 (estimate)	8 495	4 187	5 971	1 959	1 765	52	22 428

Control and Eradication of Exotic Animal Diseases

Under long-standing agreements between the Commonwealth and the States in respect of outbreaks of a number of exotic animal diseases, \$11 273 was paid to Queensland in 1979-80 in respect of an outbreak of bluetongue disease. A payment of \$67 000 to Tasmania is expected in 1980-81 in respect of a recent outbreak of vesicular disease in pigs in that State.

Control and Eradication of Plant Pests

The Commonwealth agreed in 1978 to provide \$450 000 to South Australia to assist that State in defraying some costs of its blue and spotted lucerne aphid control programs. A final payment of \$143 000 was made in 1979-80.

New South Wales was paid \$65 500 in 1979-80 under an agreement to match contributions by all States for the eradication of an outbreak of warehouse beetle in that State.

Extension Services Grants

From 1948-49 annual grants have been made to the States to promote improved practices in the dairy industry and from 1952-53 further grants have been provided for development in the States of agricultural advisory services generally. In addition to the payments to the States, a small amount is expended directly by the Commonwealth on projects of national importance.

The following table shows the payments to each State for extension services from 1976-77 and estimated payments in 1980-81;

Table 51—Grants for Extension Services(a), 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	2 578	2 291	2 097	1 068	1 082	560	9 675
1977-78	2 592	2 341	2 112	1 077	1 094	564	9 780
1978-79	2 597	2 307	2 112	1 076	1 090	564	9 746
1979-80	1 285	1 135	964	517	570	260	4 730
1980-81 (estimate)	1 274	1 136	954	517	565	260	4 706

(a) The 1980-81 allocations between the States are still to be determined. No commitment is implied to the provision of the amounts shown.

Agricultural Research Grants

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 \$1 for \$1 matching basis with the States and/or industry. Grants amounted to \$94 000 in 1979-80 and are estimated at \$82 000 in 1980-81. For 1980-81 it is expected that \$200 000 will also be made available for projects sponsored by the Australian Agricultural Council under a separate program. \$127 000 was provided in this manner in 1979-80.

Grants paid to the States since 1976-77 and estimated grants in 1980-81 are shown in the following table:

Table 52—Grants for Agricultural Research(a), 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	69	58	16	26	..	..	169
1977-78	82	22	5	16	..	..	125
1978-79	80	50	17	4	7	..	158
1979-80	108	64	34	8	8	..	222
1980-81 (estimate)	131	49	38	24	25	17	284

(a) The 1980-81 allocations between the States are still to be determined. No commitment is implied to the provision of the amounts shown.

Assistance to the Mount Lyell Mining and Railway Company Limited

Repayments were made in 1979-80 of all outstanding assistance provided to Tasmania towards meeting previous cash deficits of the copper mining operations of the Mount Lyell Mining and Railway Company Limited at Queenstown.

Assistance to the Chrysotile Corporation of Australia

The *New South Wales Grant (Chrysotile Corporation) Act 1978* provides for the Commonwealth to provide funds to New South Wales towards meeting the cash deficit of the Chrysotile Corporation's asbestos mine at Barraba for the period 1 October 1978 to 31 December 1979, on a \$1 for \$1 basis with the State, up to a maximum of \$1.4 million. An advance of \$1.2 million was made in 1979-80 in respect of that period, and the balance of \$0.2 million is to be paid in 1980-81. A further \$1 million is expected to be paid in 1980-81 under a separate arrangement.

Launceston Precision Tool Annexe

\$0.34 million was offered to the Tasmanian Government in 1979-80 to facilitate the re-establishment of the Launceston Precision Tool Annexe and the full amount is expected to be paid in 1980-81. The assistance is repayable over 10 years.

Water Resources Management and Development

The Commonwealth has for many years provided financial assistance to the States for water related purposes. Depending on these purposes, this assistance has come under a number of functional headings. While the following tables group all of

the relevant assistance together, several projects are dealt with elsewhere in this paper and in the Statements attached to the Budget Speech under their appropriate functional headings.

In November 1977, the Commonwealth established a National Water Resources Program to provide funds for water related purposes over the five years 1978-79 to 1982-83. (Assistance to the Northern Territory for these purposes will also be provided under this program from 1980-81.) The Commonwealth has indicated its intention to contribute \$200 million over the duration of the program.

The program encompasses the provision of funds to the States by way of grants and/or loans for programs, projects or activities of national significance or in special circumstances, for:

- urban and rural water supplies and water re-use;
- flood mitigation and flood plain management;
- problems representing a threat to long-term use of existing water resources;
- water resources assessment and control; and
- regional planning and management investigations.

Details of assistance provided to the States in 1979-80, amounting in total to \$20.9 million including \$4.8 million dealt with under other functional headings, are given in the table below. For details of assistance in previous years, see Appendix V and earlier issues of this paper.

Table 53—Payments to the States for Water Projects in 1979-80
(\$ thousands)

State	Amount	Purpose
New South Wales .	1 630	Water Resources Assessment Program—the Commonwealth has contributed funds to this program since 1964-65.
	1 620	Murray Valley Salinity Mitigation—funds were first provided in 1978-79 for this purpose as part of a co-ordinated program with New South Wales, Victoria and South Australia for salinity reduction.
	284	Flood Mitigation Study—continued funding of a joint study with New South Wales to develop comprehensive flood mitigation strategies for the coastal rivers.
	1 000	Flood Mitigation—provided as a further interim grant for on-going expenditures on approved works included in the coastal rivers flood mitigation program, pending completion of the study referred to above.
	75	Hunter Valley Economic Strategy Study—jointly funded with the Hunter Valley District Water Board to develop economic and financial strategies for the Board for the next twenty years.
Victoria	1 136	Water Resources Assessment Program (<i>see above</i>).
	1 409	Murray Valley Salinity Mitigation (<i>see above</i>).
	586	Flood Plain Management—the Commonwealth contributed funds to the investigation of the cause, frequency and extent of flooding in selected areas, the identification and mapping of flood plain areas and the implementation of various flood mitigation works and measures.
	57	Water Resources Studies—the Commonwealth contributed funds to the cost of studies on the financing of water supply and sewerage services for small communities and on the impact of sediments on the substrata and biota of the Thomson River.
Queensland	952	Water Resources Assessment Program (<i>see above</i>).
	(a)700	Urban Flood Mitigation—Kedron Brook Flood Mitigation Works (<i>see page 61 for details</i>).
	(a)62	Urban Flood Mitigation—Brisbane Creeks Flood Mitigation Scheme (<i>see page 61 for details</i>).

Table 53—Payments to the States for Water Projects in 1979–80
(\$ thousands)—continued

State	Amount	Purpose
Queensland	100	Flood Mitigation—the Commonwealth provided further support for the Proserpine Flood Mitigation Works under the <i>National Water Resources (Financial Assistance) Act 1978</i> .
	2 500	Bundaberg Irrigation Works—provided mainly as assistance for the construction of reticulation works included in Phase 2 of the project.
	(a)250	Julius Dam (see page 69 for details).
South Australia	727	Water Resources Assessment Program (see above).
	(a)2 555	Urban Water Supply—Adelaide Water Treatment Scheme (see page 69 for details).
	1 341	Murray Valley Salinity Mitigation (see above).
Western Australia	2 000	Water Resources Assessment Program (see above).
	(a)690	Urban Water Supply—Port Hedland Water Supply (see page 69 for details).
	(a)500	Urban Water Supply—West Pilbara Water Supply (see page 69 for details).
	700	Collie River Salinity Control—Commonwealth funds were provided for a program of applied research, catchment management and re-afforestation for control of the effects of dryland salinity in the Collie River catchment area.
	30	Water Resources Studies—Commonwealth contribution to studies of waste water management and residential water use.
	14	Ord River Irrigation Scheme—the Commonwealth is providing loan assistance for the construction of rice storage facilities associated with the Scheme.
Total	20 918	

(a) Included elsewhere in this document under other appropriate functional headings.

It is estimated that, of \$29.4 million to be provided under the National Water Resources Program in 1980–81, an amount of \$26.1 million will be provided to the States (and \$1.9 million to the Northern Territory). Of this amount an estimated \$387 000 is to be made available for investigations and construction of rice storage facilities associated with the Ord Irrigation Scheme and \$126 000 for urban flood mitigation works on the Brisbane creeks; the remaining \$25.6 million has not yet been allocated. The balance of \$1.3 million under the Program in 1980–81, not classified as payments to the States and the Northern Territory, is to be allocated to meet the Commonwealth's contribution to the River Murray Commission (\$763 000), reimbursement to the Bureau of Meteorology for water resources assessment work undertaken on behalf of the States (\$90 000), the Australian Water Resources Council's research program (\$475 000), and the Burdekin Ecology Study (\$20 000).

Burdekin Dam Project

It was announced in June 1980 that the Commonwealth Government has agreed in principle to assist the Queensland Government in the construction of the Burdekin Dam. When complete the project will provide irrigation for an additional 45 125 hectares adjacent to the existing Burdekin Irrigation Area for sugar, rice and horticultural production. Commonwealth and State officers are currently preparing a report to the two Governments on possible financing arrangements for the project.

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 15 cents per tonne of which an amount equivalent to 10 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 1976-77 and estimated payments in 1980-81:

Table 54—Grants for Coal Mining Industry Long Service Leave, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Queensland	Western Australia	Tasmania	Total
1976-77	3 936	780	241	12	4 969
1977-78	4 759	730	268	27	5 784
1978-79	5 447	992	327	16	6 783
1979-80	5 969	1 361	395	9	7 735
1980-81 (estimate)	6 290	1 500	400	10	8 200

Apprenticeship Training

Since 1971-72 the Commonwealth and the States have collaborated in several schemes to improve and extend apprenticeship training. In 1979-80 the Commonwealth provided \$1.1 million to meet costs incurred by the States in employing apprentices surplus to requirements. \$120 000 has been made available in 1980-81 by way of a final payment. The reduction is due mainly to the phasing out of this program and its replacement by other manpower and training schemes. A notional distribution of payments to the States for 1980-81 is included in the following table, but no commitment to the provision of these amounts is implied.

Table 55—Grants for Apprenticeship Training, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	1 822	2 804	750	313	731	187	6 607
1977-78	2 099	2 123	971	345	943	209	6 689
1978-79	1 393	1 062	891	82	571	160	4 159
1979-80	446	121	159	..	178	172	1 076
1980-81 (estimate)	50	5	10	..	40	15	120

Education Program for Unemployed Youth

Under the Education Program for Unemployed Youth the Commonwealth provides funds to the States to conduct courses to improve the skills and motivation of the young unemployed, particularly those with low or inadequate educational qualifications. Similar programs are also being supported under the School-to-Work Transition Program which is referred to earlier in this paper under Education.

In 1979-80 \$3.5 million was paid to the States under the program and the Government has decided to provide \$3.8 million in 1980-81. In addition, almost \$4.2 million will be provided as living allowances to trainees under this scheme in 1980-81. This amount forms part of the allocation for allowances under the National Employment and Training Scheme and is not classified as a payment to the States.

The following table shows grants made to the States since 1976-77 and estimates for 1980-81:

Table 56—Grants for Education for Unemployed Youth, 1976-77 to 1980-81
(\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	170	127	83	40	40	40	500
1977-78	376	272	437	173	52	156	1 466
1978-79	634	679	722	670	76	219	3 000
1979-80	800	777	760	745	105	297	3 484
1980-81 (estimate)	944	921	760	745	105	300	3 775

GENERAL PUBLIC SERVICES

Law, Order and Public Safety

Promotion of Road Safety Practices

In each year from 1947-48, grants have been made to the States to assist in the financing of public education programs for the promotion of road safety practices. Since 1970-71 the annual grants to the States have totalled \$150 000 and the distribution between States has also remained constant. The amounts are given in Appendix V.

Research Grants

Since 1965-66 the Commonwealth has made grants to the States for research projects on the recommendation of the Australian Research Grants Committee. An outline of developments over the period 1965 to 1975 was given in Appendix IV of the 1975-76 issue of this paper.

An amount of \$12.3 million was provided in 1979-80. Payments in 1980-81 and future years will be made directly to the individual researchers through the research institutions and will not, therefore, be classified as payments to or for the States. Payments made to each State from 1976-77 to 1979-80 are given in Appendix V.

ASSISTANCE FOR LOCAL GOVERNMENT

Commencing in 1976-77 local government authorities have participated in the income tax sharing arrangements introduced in 1976. Details of these arrangements as well as other schemes of assistance, insofar as they affect local government authorities, are given in Chapter VI.

ASSISTANCE FOR NATURAL DISASTER RELIEF

Commonwealth assistance for natural disaster relief is provided under the natural disaster relief arrangements. These long standing arrangements provide for Commonwealth financial assistance to help the States (and the Northern Territory) meet the sometimes large and unpredictable costs of providing natural disaster assistance within their areas. The arrangements recognise the States' primary responsibility for the administration, provision and funding of relief measures, while providing for Commonwealth assistance with the costs of certain standard measures on a reasonable cost sharing basis.

Under the arrangements the Commonwealth meets, on a \$1 for \$1 basis, State expenditures on standard measures for the immediate relief of personal hardship and distress, except where such expenditure is of a very minor nature. Such expenditures may cover provision of emergency food, clothing and accommodation and essential repairs to houses to make them habitable and secure.

The Commonwealth also assists in meeting, on a \$3 Commonwealth to \$1 State basis, State expenditures on other relief and restoration measures in the case of 'major' disasters where it is considered beyond the capacity of the State concerned to meet these expenditures from its own resources. Under the arrangements a State is responsible for meeting in full expenditures in a year up to its prescribed base amount. The existing base contributions, set in 1978-79, are:

	\$ million
New South Wales	10.0
Victoria	7.0
Queensland	4.0
South Australia	3.0
Western Australia	3.0
Tasmania	1.2
(Northern Territory)	(0.25)

Major disasters are defined as those necessitating expenditures on standard relief and restoration measures in excess of one-tenth of a State's base annual expenditure.

The standard measures which attract Commonwealth assistance under the arrangements, are as follows:

- (a) grants for relief of personal hardship and distress (cyclones, floods, storms and bushfires);
- (b) grants for restoration of public assets and emergency protection and repair works by State, local and semi-government authorities (disasters as in (a));
- (c) concessional loans to small businesses (cyclones and floods);
- (d) concessional loans to churches, sporting associations and other voluntary non-profit organisations (disasters as in (c));

- (e) concessional loans to primary producers for carry-on, restocking and restoration purposes (cyclones, floods, storms, bushfires and droughts);
- (f) freight subsidies for primary producers (disasters as in (e));
- (g) subsidies for carriage of water to central dispersal points for primary producers (drought); and
- (h) assistance to State, local and semi-government authorities for the disposal of helpless and unsaleable stock (floods, bushfires and droughts).

As a result of the inclusion of the measures listed above in the arrangements, the States are able to assume that relief expenditure incurred in respect of these measures will be eligible for Commonwealth assistance following specified major disasters. If a State wishes to change the terms of previously applied standard measures (e.g. the size of concessional loans), it is required to seek Commonwealth approval. It also remains open to a State to request Commonwealth agreement to a non-standard measure which it may wish to implement for a particular disaster.

Table 99 in Appendix III shows payments that have been made to each State since 1976-77 in respect of various types of disaster (drought, flood, storm, cyclone and bushfires). Reflecting the differing incidence of disasters, the amounts vary considerably from one State to another and from one year to another. Assistance to the States for natural disaster relief in 1979-80 was mainly in respect of drought and cyclones in both Western Australia and Queensland.

The following table shows payments to the States from 1976-77, including estimated payments in 1980-81. Table 100 gives a more detailed breakdown of payments from 1975-76 to 1979-80. Details of payments for natural disaster relief and restoration purposes in previous years are included in Table 158 of the 1975-76 issue of this document.

Table 57—Payments for Natural Disaster Relief Assistance(a), 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
PAYMENTS OF A RECURRENT NATURE							
1976-77	1 233	452	45	..	195	..	1 925
1977-78	1 237	99	231	218	526	..	2 311
1978-79	265	7	1 755	501	151	..	2 679
1979-80	45	..	1 303	..	293	..	1 641
1980-81 (estimate)(b)	211	..	1 719	164	43	..	2 137
PAYMENTS OF A CAPITAL NATURE—GRANTS							
1976-77	10 006	1 540	10 645	..	1 506	..	23 697
1977-78	6 945	522	11 080	15	2 258	..	20 820
1978-79	1 895	805	5 773	..	1 372	..	9 844
1979-80	..	-229	6 313	-270	1 057	..	6 870
1980-81 (estimate)(b)	558	..	4 820	..	570	..	5 948
PAYMENTS OF A CAPITAL NATURE—LOANS							
1976-77	1 490	888	449	..	2 001	..	4 828
1977-78	1 485	1 291	3 762	12 117	15 714	..	34 369
1978-79	984	201	1 434	4 929	6 895	..	14 444
1979-80	..	..	216	..	7 092	..	7 308
1980-81 (estimate)(b)	1 074	..	2 283	..	1 360	..	4 717
TOTAL PAYMENTS							
1976-77	12 729	2 880	11 139	..	3 702	..	30 450
1977-78	9 667	1 912	15 073	12 350	18 498	..	57 500
1978-79	3 144	1 013	8 962	5 430	8 418	..	26 967
1979-80	45	-229	7 832	-270	8 442	..	15 819
1980-81 (estimate)(b)	1 843	..	8 822	164	1 973	..	12 802

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

(b) Estimates shown for 1980-81 are indicative only as they make some provision for expected payments in respect of possible new disasters of which some, on the basis of past experience, can be expected to qualify for Commonwealth assistance.

CHAPTER V—PAYMENTS TO THE NORTHERN TERRITORY

On 1 July 1978 the Northern Territory of Australia became a self-governing Territory under the *Northern Territory (Self-Government) Act 1978*. Under this and associated legislation (and regulations thereunder) the Territory has expenditure responsibilities and revenue raising powers broadly approximating those of a State (though, of course, the Territory is not a State under the Constitution).

FUNCTIONS TRANSFERRED

The Legislative Assembly of the Northern Territory has power, with the assent of the Administrator or Governor-General, to make laws 'for the peace, order and good government of the Territory' and the Ministers of the Territory have executive authority in respect of the following main matters:

Remuneration, allowances and other entitlements in respect of services of
Members of the Legislative Assembly, Members of the Executive Council
and Ministers of the Territory

Territory insurance

Territory banking

Taxation, including stamp duty

Provision of rural, industrial and home finance credit and assistance

The Public Service of the Territory

Maintenance of law and order and the administration of justice (including
legal aid and correctional services)

Police

Private law

Administration of estates and trusts

Civil liberties

Inquiries and administrative reviews (including matters relating to a Territory
ombudsman)

Markets and marketing

Corporate affairs

Marketable securities

Consumer affairs

Sales and leases of goods, supply of services, and security interests in or over
goods

Prices and rent control

Industry (including forestry, fisheries, pastoral, agricultural, building and
manufacturing)

Regulation of businesses and professions

Tourism

Printing and publishing

Labour relations (including training and apprenticeship, workers' compen-
sation and compulsory insurance or indemnity therefor)

Industrial safety

Mining and minerals (excluding uranium but including gases and hydrocarbon
fuels)

Land, public and private (including internal waters)

Land use, planning and development
 Surface transport regulation (including traffic control, carriers, roads and bridges, vehicle registration and compulsory third party insurance, driver licensing and road safety)
 Ports and harbours
 Environment protection and conservation (including parks, reserves and gardens, and preservation of historical objects and areas)
 Flora and fauna
 Fire prevention and control
 Water resources
 Energy planning and regulation
 Public utilities
 Public works
 Registration of land titles, instruments, and births, deaths and marriages
 Local government
 Housing
 Public health
 Education
 Territory archives
 Child, family and social welfare
 Museums, libraries and art galleries
 Scientific research
 Recreation, entertainment and sport
 Community, cultural and ethnic affairs
 Lotteries, betting and gaming
 Liquor
 Firearms, explosives and hazardous and dangerous substances
 Civil defence and emergency services
 Censorship
 Air navigation
 Supreme Court
 Agreements between the Territory and the Commonwealth or a State or States
 Matters incidental to the execution of any executive authority vested in the Ministers of the Territory.

OUTLINE OF FINANCIAL ARRANGEMENTS

The financial arrangements between the Commonwealth and the Northern Territory are set out in a Memorandum of Understanding agreed between the Commonwealth and Northern Territory Governments. This section summarises the main features of the arrangements which have applied from 1 July 1979, when State-type arrangements were introduced. Particulars of transitional financial arrangements for 1977-78 and 1978-79 are contained in the 1978-79 and 1979-80 issues of this paper.

*Funds Available to the Northern Territory on a
State-type Basis—1979–80 and 1980–81*

As from 1 July 1979 the Northern Territory receives a tax sharing entitlement, a local government tax sharing entitlement, and specific purpose payments, under arrangements similar to those that apply in the case of the States. In addition, the Territory receives from the Commonwealth general purpose capital assistance comprising one-third grant and two-thirds loan on the same terms and conditions as apply to the State Governments Loan Council programs.

The Northern Territory Government and its authorities are empowered to borrow subject to Loan Council arrangements and procedures. Individual borrowings may be guaranteed by the Commonwealth.

The general approach which has been followed in settling the financial arrangements is described in the Memorandum of Understanding in the following words:

General Approach

16. The first step will be to settle an overall amount for revenue assistance (ie assistance for recurrent expenditures) for the Northern Territory in year 1 (the first year of operation of the State-type financial model), an overall amount for capital assistance for year 1 and an appropriate borrowing program under the umbrella of the Commonwealth's semi-government borrowing program for year 1 within the Loan Council arrangements.

17. The second step will be to dissect the overall amounts of revenue and capital assistance for year 1 into various categories of payments and to specify the terms and conditions which will apply to the payments.

18. The overall amounts referred to in paragraph 16 above will be settled having regard to the levels of the relevant provisions in the years preceding year 1, and the special needs of the Territory. It should be noted, however, that the overall amount for revenue assistance could, in effect, be determined by any special grant paid after inquiry and recommendation by the Commonwealth Grants Commission, and in the case of the semi-government borrowing program, the figure ultimately will be determined by the Loan Council.

19. The Commonwealth has given an assurance that Commonwealth assistance to the Northern Territory will be sufficient to maintain standards of service at an overall equivalent to that presently provided pending the examination by the Grants Commission, of the Territory's current revenue and expenditures, this on the understanding that the Territory will make a reasonable revenue raising effort.

20. The terms and conditions attaching to the various payments referred to in paragraph 17 above will in appropriate cases include a formula for determining the levels of assistance in the years beyond year 1. In other cases the level of assistance in those years will be determined by the Commonwealth in the context of its priorities and its own budgetary constraints and in the light of the needs of the Territory. These are similar to the arrangements which apply between the Commonwealth and the States.'

Special Grant and Additional Assistance Grant

The Northern Territory has been given access to the Commonwealth Grants Commission on the same basis as a claimant State, that is, it is eligible to apply for a special grant on the recommendation of the Grants Commission.

Under the agreed arrangements between the Commonwealth and Northern Territory Governments, however, an additional assistance grant of \$20 million

is payable in each of the first three years of operation of the State-type financial arrangements; this will be phased out over the following three years to 1984-85. The additional assistance grant is intended to ensure that over the transition period total Commonwealth funds to the Territory are at a level commensurate with historical levels; special grants are based on comparison with the States.

An additional assistance grant will not be payable in a year in which a special grant is recommended for payment if such special grant exceeds the additional grant otherwise payable. The intention is that in these initial years the Territory should receive *either* a special grant or an additional grant, whichever is greater.

Assistance for Expenditure on Aboriginals

Overall responsibility for policy planning and co-ordination in respect of Aboriginal affairs remains with the Commonwealth. However, a considerable part of expenditure in the Territory on various transferred functions is directed towards Aboriginals. Allowance for continued relatively high per capita expenditure on the Aboriginal people of the Northern Territory will be made by means of the normal general purpose and specific purpose Commonwealth assistance provided to the Northern Territory. The Northern Territory Government has agreed to give full consideration to the needs of the Aboriginal people in setting its expenditure priorities.

Mineral Revenues

Special arrangements have been entered into in relation to mineral revenues, the principal features being as follows. Ownership of minerals other than uranium is vested in the Crown in the right of the Northern Territory which will have the right to collect royalties. The Commonwealth will continue to make payments into the Aboriginal Trust Account in accordance with the *Aboriginal Land Rights (Northern Territory) Act 1976* and on this basis a once-for-all adjustment was made to the Northern Territory tax sharing entitlement for 1979-80. The Commonwealth will retain ownership of uranium but will make an additional grant to the Northern Territory of an amount in lieu of uranium royalties at a rate of 1½ per cent of the value of production less certain allowable deductions.

Transfer of Assets

Assets transferred to the Northern Territory under the provisions of section 69 of the *Northern Territory (Self-Government) Act 1978* did not attract a capital liability payable to the Commonwealth except in the case of the assets associated with the following items, in respect of which there is a capital liability as indicated.

(a) *Staff Housing*

Each dwelling transferred to the Northern Territory attracts a capital liability of \$19 000 repayable over 53 years from the date of transfer at an interest rate of 5 per cent per annum.

(b) *Northern Territory Housing Commission*

The capital liability of the Northern Territory Housing Commission as at 30 June 1978 and the terms and conditions applying to the advances comprising that liability have been assumed by the Northern Territory.

(c) *Electricity Supply*

Assets have been transferred at a valuation of \$55.983 million, repayable over 20 years at 9.7 per cent which was the long-term private semi-governmental interest rate current at the transfer on 1 July 1978.

(d) *Water Supply and Sewerage*

Assets have been transferred at a valuation of \$16 million repayable at an annual redemption of 0.85 per cent plus interest at 5 per cent per annum.

PAYMENTS TO THE NORTHERN TERRITORY AND BORROWINGS BY
NORTHERN TERRITORY AUTHORITIES IN 1979-80 AND 1980-81

From 1 July 1979, in accordance with the Memorandum of Understanding, funds have been provided under various categories of general and specific purpose assistance, under arrangements which are based on those with the States. These detailed categories of assistance for 1979-80 and 1980-81 do not correspond with the transitional arrangements that applied in 1977-78 and 1978-79 and consequently year to year comparisons of the figures can only be made at a very broad level of aggregation and have limited value. (Details of arrangements relating to these earlier years are contained in the 1978-79 and 1979-80 issues of this paper.)

The table immediately following shows payments to the Northern Territory, borrowing programs by or on behalf of Northern Territory authorities, and interest paid by the Northern Territory to the Commonwealth for 1979-80 and estimates for 1980-81. The succeeding table gives details of the main categories on a per capita basis.

Table 58—Commonwealth Payments to the Northern Territory, Borrowings by Northern Territory Government and Authorities and Interest Payable by the Northern Territory to the Commonwealth, 1979-80 and 1980-81

	1979-80 \$'000	1980-81 (estimate) \$'000
<i>General Revenue Funds—</i>		
Personal Income Tax Sharing Entitlement	208 857	269 145
Additional Assistance Grant	20 000	20 000
Establishment Grant	7	..
Grant in Lieu of Uranium Royalties . . . . .	..	933
Total General Revenue Funds	228 865	290 078
<i>General Purpose Capital Funds—</i>		
Borrowings (from Commonwealth)	71 606	76 568
Capital Grants	35 803	38 284
Total General Purpose Capital Funds	107 410	114 852
TOTAL GENERAL PURPOSE FUNDS	336 274	404 930
<i>Specific Purpose Payments—Recurrent Purposes—</i>		
Debt Charges Assistance	1 573	10 620
Tertiary Education	3 746	3 586
Schools	3 577	4 254
Education—Allowance for Cost Escalation . . . . .	..	400
School to Work Transition Program	17	263
Pre-School Education	340	340
Research and Development in Education	13	14
Child Migrant Education	2	50
Public Hospitals—Running Costs	19 897	25 263
Community Health Services	421	500
Blood Transfusion Services	75	92
School Dental Scheme	401	520
Health Education	22	50
Control of Encephalitis	4	7
Home Care Services	12	117
Assistance for Deserted Wives	233	190
Unattached Refugee Children . . . . .	..	4
Other Children's Services	258	300
Sacred Sites Protection Assistance	64	223
National Fitness Program	20	20
Subsidy to Electricity Commission	30 000	48 000
Exotic Diseases Eradication	4	..
Bovine Brucellosis and TB Eradication	1 322	1 584
Agricultural Extension Services Grant	50	50
Education Program for Unemployed Youth	52	65
Promotion of Road Safety Practices . . . . .	..	3
Local Government Tax Sharing Assistance	1 062	1 440
Total Specific Purpose Payments—Recurrent	63 165	97 955

Table 58—Commonwealth Payments to the Northern Territory, Borrowings by Northern Territory Government and Authorities and Interest Payable by the Northern Territory to the Commonwealth, 1979-80 and 1980-81—continued

	1979-80	1980-81 (estimate)
	\$'000	\$'000
<i>Specific Purpose Payments—Capital Purposes—</i>		
Tertiary Education	2 522	3 762
Schools	1 686	2 101
Education—Allowance for Cost Escalation . . . . .	..	200
Community Health Services	1	10
Blood Transfusion Services	13	5
School Dental Scheme . . . . .	..	35
Housing—		
Advances for Housing	8 700	9 000
Pensioner Housing Grants	1 590	1 650
Other Grants	3 710	3 850
Total Housing	14 000	14 500
Housing for Aborigines	809	..
National Estate Program	140	165
Roads—(a)		
National and Developmental Roads	} n.a.	12 284
Rural Arterial Roads		1 010
Urban Arterial Roads		954
Local Roads		6 871
Total Roads	19 000	21 119
Rural Adjustment Scheme	500	625
Water Resources Assessment	1 940	1 940
Jabiru Township Infrastructure	948	9 962
Total Specific Purpose Payments—Capital	41 559	54 424
TOTAL SPECIFIC PURPOSE PAYMENTS	104 724	152 379
TOTAL PAYMENTS (gross)	440 998	557 308
<i>Payments Direct to Local Authorities(b)</i>	298	167
<i>Less Repayments(c)</i>	1 903	2 076
TOTAL PAYMENTS (net)	439 393	555 399
<i>Borrowings—</i>		
Authorities' Program(d)	31 788	26 000
Borrowings by Smaller Authorities(e)	1 240	770
TOTAL BORROWINGS	33 028	26 770
INTEREST PAYABLE TO COMMONWEALTH .	13 283	22 632

(a) In 1980-81 the quota for expenditure on roads from the Northern Territory's own resources is \$3.2 million.

(b) For particulars see Chapter VI.

(c) In respect of the loan portion of the general purpose capital payments and the liability attaching to the transfer of certain assets (see text above).

(d) Allowance within Commonwealth authorities' Loan Council borrowing program for Northern Territory and its authorities.

(e) Estimated borrowings off-program by Northern Territory authorities borrowing not more than \$1.2 million.

Table 59—Commonwealth Payments to the Northern Territory, Borrowings by Northern Territory Government and Authorities and Interest Payable by the Northern Territory to the Commonwealth, 1979-80 and 1980-81
(\$ Per Head of Population)

	1979-80	1980-81 (estimate)
	\$	\$
General Revenue Funds	1 939.07	2 347.23
General Purpose Capital Funds	910.05	929.63
TOTAL GENERAL PURPOSE FUNDS	2 849.12	3 276.58
<i>Specific Purpose Payments—</i>		
Recurrent	535.18	792.63
Capital	352.12	440.38
TOTAL SPECIFIC PURPOSE PAYMENTS	887.30	1 233.01
TOTAL PAYMENTS (gross)	3 736.41	4 509.58
Payments Direct to Local Authorities(a)	2.52	1.35
Less Repayments(b)	16.12	16.80
TOTAL PAYMENTS (net)	3 722.81	4 494.14
<i>Borrowings—</i>		
Authorities' Program(c)	269.33	210.38
Borrowings by Smaller Authorities(d)	10.51	6.23
TOTAL BORROWINGS	279.84	216.62
INTEREST PAYABLE TO COMMONWEALTH	112.54	183.13

(a) See footnote (b) to Table 58

(b) See footnote (c) to Table 58

(c) See footnote (d) to Table 58

(d) See footnote (e) to Table 58

General Purpose Payments

General purpose payments to the Northern Territory comprise general purpose revenue payments (tax sharing entitlement, additional assistance grant and grant in lieu of uranium royalties) and general purpose capital payments (provided on terms and conditions analogous to those applying to the State Government Loan Council programs). The general purpose payments for 1979-80 were determined in accordance with the Memorandum of Understanding on the basis of residuals after the allocation of specific purpose payments from within a global figure for financial assistance.

The Memorandum of Understanding provides formulae for determining the tax sharing entitlements and the general purpose capital payments in years subsequent to 1979-80.

In accordance with the relevant formula, the tax sharing entitlement for 1980-81 is calculated by changing the 1979-80 entitlement in proportion to net personal income tax collections in Australia (lagged by one year) and the population of the Northern Territory. On this basis, and taking into account:

- (a) the financial effects of functions transferred and arrangements applying in 1979-80; and

(b) the estimated cost of known functions to be transferred and arrangements to apply in 1980-81,

the *estimate* of the Northern Territory's tax sharing entitlement in 1980-81 is \$269.1 million, compared to an entitlement of \$208.9 million in 1979-80.

The Northern Territory Government will receive additional general revenue assistance as a grant in lieu of uranium royalties at a rate of 1½ per cent of the value of production less certain allowable deductions. This grant was agreed to on the basis that its payment would be conditional on the Northern Territory ensuring that the terms of stamp duties and similar charges applying to mining agreements or to financial transactions in respect of such agreements are in line with those that apply in the States. The first payment (estimated to be \$0.9 million) is to be made in 1980-81.

The level of the general purpose capital payment for 1980-81 is calculated by changing the 1979-80 payment (adjusted to take account of the full-year effect of functions transferred to the Northern Territory in 1979-80) by 5 per cent, corresponding to the increase in State Government Loan Council programs (excluding any special additions). On this basis, the general purpose capital payment for 1980-81 is \$114.9 million. The payment in 1979-80 was \$107.4 million.

As in the case of the analogous payments to the States, one-third of the general purpose capital payments to the Northern Territory is paid as a capital grant. The remaining two-thirds is provided at the same rates of interest as the States pay on their corresponding borrowing programs and the Territory is liable to make payments to the Commonwealth analogous to the Sinking Fund liabilities of the States under the Financial Agreement. (As noted below, debt charges assistance is provided to the Territory to enable it to meet these charges.)

For 1979-80 the Commonwealth Grants Commission recommended an advance special grant of \$10 million for the Territory. Since the recommended special grant was less than \$20 million, the Territory received an additional assistance grant of \$20 million in 1979-80 under arrangements set out in the Memorandum of Understanding and summarised above. In accordance with the Grants Commission's usual procedure, a completion grant in respect of 1979-80 will be recommended in 1981-82 on the basis of detailed examination of the Territory's audited accounts for 1979-80. The Territory has not applied for a special grant for 1980-81 and therefore will receive the additional assistance grant of \$20 million in that year.

Specific Purpose Payments

In accordance with the Memorandum of Understanding, the Northern Territory is eligible for specific purpose assistance in respect of all relevant forms of assistance provided to the States under section 96 of the Constitution under terms and conditions similar to those applying to the States (*see* Chapter IV). The Northern Territory may also receive other forms of specific purpose assistance on terms and conditions agreed with the Commonwealth. Assistance estimated to be provided in 1980-81 and payments in 1979-80 are shown in Table 58.

Further details are set out below for cases where there are special features.

Northern Territory Electricity Commission—Subsidy

Under the Memorandum of Understanding between the Commonwealth and the Northern Territory, the Commonwealth is to provide a subsidy for the operations of the Commission up to 1981–82 based on the difference between estimated operating costs and the revenue the Commission would receive if it had applied average North Queensland tariffs. The payment in respect of that year is subject to subsequent variation by either the addition to the subsidy estimate of half the amount by which the operating loss based on this revenue assumption in that year exceeds the estimated loss or the reduction of the subsidy estimate by half the amount by which that operating loss in a year falls short of the estimated loss. The 1980–81 estimate of \$48 million represents an increase of \$18 million on the 1979–80 estimate, due mainly to increased oil costs. The Commonwealth and Northern Territory Governments have agreed to a re-examination of the subsidy arrangements during 1980–81.

Debt Charges

The Territory receives from the Commonwealth funds analogous to the State Government Loan Council programs and is required to meet debt charges on a portion of these funds under terms and conditions analogous to those that apply to the States' program. It has been agreed that in the early years of self-government the Commonwealth will make specific purpose payments to the Northern Territory equal to those debt charges. The estimated payment in 1980–81 is \$10.6 million compared with \$1.6 million in 1979–80. The rise in the Territory's interest payment reflects the fact that at the time of self-government the Territory had virtually no debt and therefore no debt charges to meet. The figures are also influenced by the timing of interest payments over the two years involved.

Aboriginal Sacred Sites Protection Authority

Included in the 1980–81 estimates is an amount of \$223 000 for payment to the Aboriginal Sacred Sites Protection Authority in the Northern Territory, compared with \$64 000 in 1979–80. This body processes applications by Aboriginals for the registration of sacred sites and has a responsibility to undertake the protection of such sites in accordance with the provisions of the *Aboriginal Sacred Sites Ordinance 1978* of the Northern Territory.

Jabiru Township—Contribution to Social Infrastructure

The Commonwealth has undertaken to reimburse the Northern Territory Government for additional capital or other expenditure, arising from the proposed uranium developments, to the extent that such expenditure is incurred by the Northern Territory Government in accordance with prior specific arrangements agreed between the two Governments. In 1980–81 expenditure of \$10 million is estimated as being payable by the Commonwealth for approved State-type social infrastructure at Jabiru Township under this arrangement.

CHAPTER VI—PAYMENTS TO OR FOR LOCAL GOVERNMENT AUTHORITIES

Local government authorities in Australia (except in the Northern Territory) are established under Acts of the State Parliaments for the purpose of providing certain public services within defined geographical boundaries. The functions of these authorities differ significantly between States and, indeed, within States.

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 in the local government area.

(There were, however, over this period, and there continue to be a number of Commonwealth programs under which local authorities are among the bodies eligible for assistance either directly or through the States. Details of payments under these programs are provided later in this Chapter.)

The major developments concerning Commonwealth assistance for local government in recent years are summarized below.

While the borrowing arrangements of local government authorities do not involve Commonwealth payments to or for such authorities, this Chapter includes material on such funds because of their relevance in the general context of inter-government financial relations.

Then follows an outline of various Commonwealth programs involving payments to or for local government authorities. Payments to or for local government authorities in the Northern Territory are described in a separate section in this Chapter.

The Chapter ends with a summary of the various forms of payments in the years 1976-77 to 1980-81.

Particulars of programs in respect of which expenditures were not made in 1979-80 nor are expected to be made in 1980-81 but which involved expenditures in earlier years may be found in previous issues of this paper.

GENERAL PURPOSE ASSISTANCE PROVIDED ON ADVICE OF THE GRANTS COMMISSION

In 1973 the Commonwealth Parliament passed the *Grants Commission Act 1973* repealing the *Commonwealth Grants Commission Act 1933*. The 1973 Act, inter alia, laid down procedures for regional organisations of local government to apply for financial assistance from the Commonwealth and for such applications to be the subject of inquiry and report by the Grants Commission. It also provided that the grants to the States for local authorities should be provided in such a way as to promote financial equality between local authorities and regional groupings of such authorities.

After consideration of written and oral submissions and evidence from interested parties, the Commission recommended grants for local government totalling \$56 345 000 in 1974–75 and \$79 908 000 in 1975–76, and further recommended that the grants be paid without conditions attached as to their use by local government authorities. The Commonwealth accepted the Commission's recommendations in both years. The payments were made in the first instance to State Governments for transmission to individual local government authorities in the amounts specified.

These arrangements were replaced in 1976 by the tax sharing arrangements described below, and the Grants Commission ceased to be responsible for recommending amounts to be paid to specific local authorities or regional groups (*Commonwealth Grants Commission Act 1976*).

LOCAL GOVERNMENT ASSISTANCE UNDER THE TAX SHARING ARRANGEMENTS

As noted in Chapter II, the sharing of personal income tax between the Commonwealth, the States and local government represents a central element in the Government's Federalism policy.

The arrangements agreed in 1976 between the Commonwealth and the States for the sharing of personal income tax collections with local government, and subsequently incorporated in the *Local Government (Personal Income Tax Sharing) Act 1976*, are broadly as follows:

- each year local government in the States will be entitled to a fixed percentage of net personal income tax collections in the previous year;
- the amount so derived will be divided amongst the States in specified proportions which are subject to recommendation by the Commonwealth Grants Commission;
- each State will allocate a minimum of 30 per cent of the assistance among its local authorities on a basis which takes into account the respective populations of those local authorities, but which may also take into account the respective sizes and the respective population densities, and any other matters agreed upon between the Commonwealth and the State concerned;
- the remaining assistance will be allocated among the local authorities, having regard to their respective financial needs, on the recommendation of State Grants Commissions.

In 1979–80 the *Local Government (Personal Income Tax Sharing) Act 1976* was amended on two occasions. The effect of these amendments was to increase the share of net personal income tax collections allocated to local government in the States from 1.52 per cent to 1.75 per cent in 1979–80, and to 2 per cent in 1980–81. The increases fulfil the Prime Minister's undertaking given in November 1977 to raise the entitlement to 2 per cent over the following three years.

The Act provides for the assistance to be distributed amongst the States as follows:

**Table 60—Tax Sharing Funds for Local Government Authorities—
Percentage Distribution Between States**

	Per cent
New South Wales	36.4977
Victoria	25.4513
Queensland	16.8606
South Australia	8.6010
Western Australia	9.3897
Tasmania	3.1997
Total	100.0000

The following table shows the amount of assistance paid to each State in the years 1976–77 to 1979–80 and the amount to be paid in 1980–81 for on-passing as general purpose assistance to local government authorities:

Table 61—Grants to States for On-passing as General Purpose Assistance for Local Government, 1976–77 to 1980–81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976–77	51 289	35 398	24 222	11 925	13 162	4 004	140 000
1977–78	60 341	42 078	27 875	14 220	15 524	5 290	165 328
1978–79	65 487	45 666	30 252	15 433	16 848	5 741	179 427
1979–80	80 930	56 436	37 387	19 072	20 821	7 095	221 739
1980–81	109 780	76 554	50 714	25 871	28 243	9 624	300 786

BORROWING ARRANGEMENTS FOR LOCAL GOVERNMENT AUTHORITIES

As explained in Chapter III, the borrowings of Commonwealth and State Government authorities, including those of local government authorities, come within the purview of the Loan Council. Under the Gentlemen's Agreement, the Loan Council determines maximum interest rates and other terms and conditions of loans raised by authorities and approves annual total borrowing programs for the 'larger' authorities (since 1979–80 those authorities borrowing more than \$1.2 million in a year) of the Commonwealth and of each State. These borrowings are arranged by the individual authorities, with guarantees and other assistance being provided in some cases by the Government concerned. 'Smaller' authorities are not subject to any aggregate borrowing program restraint, but are subject to the Loan Council's decisions on the permissible terms and conditions for their borrowings.

BORROWINGS BY LOCAL GOVERNMENT AUTHORITIES 1979–80 AND 1980–81

The table following shows aggregate borrowings by all 'larger' and 'smaller' authorities in 1979–80 and the amounts borrowed within these aggregates by local government authorities, together with corresponding estimates for 1980–81.

(Figures for earlier years are given in Appendix II.) It will be seen that a considerable proportion of, but not all, borrowings in the 'smaller' authorities category are made by local government authorities. It will be seen also that the amounts of borrowings by local government authorities vary markedly between the States (after taking account of differences in population). This reflects a number of factors including, importantly, variations between the States in the functions allocated to local government. As an example, the particularly high figures for Queensland reflect in part the large borrowings by the Brisbane City Council, which carries out a number of functions (e.g. sewerage) which in other States are undertaken by semi-government authorities.

Under the financial arrangements applying between the Commonwealth and the Northern Territory from 1 July 1978, Northern Territory semi-government and local authorities are subject to the Loan Council arrangements applying to Commonwealth authorities; individual borrowings may be guaranteed by the Commonwealth in appropriate circumstances—see Chapter V.

Table 62—New Money Borrowings By Commonwealth and State Authorities (Excluding Infrastructure Financing) 1979-80 and 1980-81 (\$ thousands)

	'Larger' Authorities(a)		'Smaller' Authorities(b)		All Local Government Authorities (c)
	Total	Local Government Authorities	Total	Local Government Authorities	
1979-80 ACTUAL					
Commonwealth Government	285 708	..	3 240	(d)1 240	(d)1 240
New South Wales	(e)472 761	(f)132 921	132 441	(f)102 486	(f)235 407
Victoria	382 657	9 900	126 018	80 802	123 618
Queensland	(e)235 264	104 378	98 673	43 570	147 948
South Australia	56 830	4 300	47 672	22 304	26 604
Western Australia	(e)108 593	6 772	48 664	33 564	40 336
Tasmania	34 445	5 385	18 821	10 041	15 426
Total States	1 290 550	263 656	472 289	292 767	589 339
Grand Total	1 576 258	263 656	475 529	294 007	590 579
1980-81 ESTIMATES(g)					
Commonwealth Government	304 500	(d)3 500	1 770	(d)770	(d)4 270
New South Wales	(e)472 761	(f)125 000	130 000	(f)100 000	(f)225 000
Victoria	382 657	11 300	137 000	90 000	134 700
Queensland	223 264	106 213	116 801	53 994	160 207
South Australia	56 830	4 000	55 400	26 400	30 400
Western Australia	(e)117 358	10 000	61 477	44 151	54 151
Tasmania	(e)44 445	6 840	21 500	12 600	19 440
Total States	1 297 315	263 353	522 178	326 745	623 898
Grand Total	1 601 815	266 853	523 948	327 515	628 168

(a) For the years 1979-80 and 1980-81 'larger' authorities are defined as those authorities borrowing more than \$1 200 000 during the year. The annual aggregate borrowing programs for these authorities and the distribution of the total program between States is subject to approval by the Loan Council.

(b) For the years 1979-80 and 1980-81 'smaller' authorities are those borrowing \$1 200 000 or less. No aggregate limit is imposed by the Loan Council (see footnote (a)).

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

(d) Borrowings by local government authorities in the Northern Territory.

(e) Includes special temporary addition to the States' larger authorities basic new money borrowing program.

(f) Includes borrowings by County Councils.

(g) Amounts shown as total borrowings by all 'larger' authorities are the programs approved at the June 1980 meeting of the Loan Council. Other amounts for 1980-81 are tentative estimates made by the Commonwealth and State Treasuries.

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 summarized below. Wide variations between the States in the amounts paid under particular programs reflect, amongst other things, differences in the extent to which the activities concerned are carried out by local government authorities rather than by private organisations or by State Government departments or agencies.

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 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 three States—New South Wales, South Australia and Western Australia—are presently participating in the scheme. It is estimated that an amount of \$1.2 million will be provided to meet the operating deficits of these nursing homes in 1980–81. Details of payments are set out in the following table:

Table 63—Grants Direct to Local Government Authorities for Nursing Homes, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	South Australia	Western Australia	Total
1976-77	..	99	185	284
1977-78	..	318	169	486
1978-79	90	381	178	649
1979-80	295	420	220	935
1980-81 (estimate)	520	450	230	1 200

Home Nursing

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

Local government authorities in New South Wales and Tasmania have received assistance under this scheme. The only local government authorities to participate since 1976–77, however, have been in New South Wales. The amounts of grants

that have been paid to such authorities since 1976-77 and estimates for 1980-81 are as follows: 1976-77, \$193 000; 1977-78, \$223 000; 1978-79, \$290 000; 1979-80, \$394 000; 1980-81, \$450 000 (estimate).

Aged or Disabled Persons Homes

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.

The rate of subsidy is \$2 for \$1 up to a maximum subsidy of \$12 100 for a single unit and \$14 035 for a double unit plus a maximum of \$1920 a unit for land. The subsidies are reviewed periodically.

In 1969 the Act was amended to provide for the payment of personal care subsidies in respect of persons aged eighty years and over resident in hostel accommodation and receiving personal care services provided by an approved organisation. In 1973 the subsidy was extended to hostel residents aged less than eighty years who require, and are receiving, approved personal care. The subsidy is presently \$15 a week.

The greater part of the capital grants under this Act is paid to organisations other than local government authorities. In 1979-80 local government authorities received \$1.7 million out of total capital grants of \$26.7 million. For 1980-81 it is estimated that local government authorities will receive \$3.0 million out of total estimated payments under the Act of \$29.9 million.

The following table shows the grants that have been paid to local government authorities in each State since 1976-77 together with estimates for 1980-81.

Table 64—Grants Made Direct to Local Government Authorities for Expenditure on Aged or Disabled Persons Homes, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	..	..	..	..	..	..	..
1977-78	..	..	..	52	..	..	52
1978-79	12	..	..	34	..	..	46
1979-80	35	199	..	65	25	..	324
1980-81 (estimate)	65	230	..	65	30	..	390
CAPITAL							
1976-77	61	621	44	1 712	31	43	2 412
1977-78	288	368	188	258	229	63	1 394
1978-79	1 340	248	91	82	529	3	2 293
1979-80	279	610	218	100	288	160	1 655
1980-81 (estimate)	1 471	356	145	..	880	132	3 084
TOTAL							
1976-77	61	621	44	1 712	31	43	2 412
1977-78	288	368	188	310	229	63	1 446
1978-79	1 352	248	91	116	529	3	2 339
1979-80	314	809	218	165	313	160	1 839
1980-81 (estimate)	1 536	586	145	65	910	132	3 374

Aged Persons Hostels

Under the *Aged Persons Hostels Act 1972*, local government authorities along with religious, charitable and other organisations are eligible to 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 providing hostel accommodation up to a current maximum of \$18 150 per person. The subsidies are reviewed periodically. 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 grants paid to local government authorities since 1976-77 and estimated payments for 1980-81.

Table 65—Grants made Direct to Local Government Authorities under the Aged Persons Hostels Act, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	Western Australia	Total
1976-77	3	1 402	83	2	1 488
1977-78	124	1 771	69	..	1 963
1978-79	695	1 523	..	..	2 218
1979-80	104	158	20	..	282
1980-81 (estimate)	..	1 600	..	..	1 600

Delivered Meals Subsidy

Under the *Delivered Meals Subsidy Act 1979*, eligible organisations can receive assistance for the provision of what are known as 'meals on wheels' services. Since 1974 assistance has been at the rate of 30 cents for meals with an approved vitamin C supplement and 25 cents for meals without such a supplement. These rates are to be increased, with effect from 1 July 1980, to 45 cents and 40 cents, respectively.

The table below shows grants that have been paid to local government authorities under this scheme since 1976-77 and estimated grants in 1980-81. In 1979-80 total payments under the Act were \$2.5 million, of which \$0.9 million was paid to local government authorities. For 1980-81 it is estimated that local government authorities will receive \$1.4 million out of total estimated payments under the Act of \$3.9 million.

Table 66—Grants Made Direct to Local Government Authorities for Delivered Meals, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Western Australia	Total
1976-77	75	404	63	542
1977-78	138	516	51	705
1978-79	111	595	60	766
1979-80	173	656	56	885
1980-81 (estimate)	280	1 066	92	1 438

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 basis; assistance with rent is also on a \$4 for \$1 basis and assistance for staffing is generally on \$1 for \$1 basis.

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

The following table shows grants paid since 1976-77. It is not expected that any payments to local government authorities will be made in 1980-81.

Table 67—Grants Made Direct to Local Government Authorities for Handicapped Persons, 1976-77 to 1979-80 (\$ thousands)

	New South Wales	Victoria	Total
1976-77	34	..	34
1977-78	28	137	165
1978-79	22	..	22
1979-80	47	..	47

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, including educational services for young children.

In 1979-80 grants paid direct to local government authorities under the Children's Services Program totalled \$7.2 million and payments in 1980-81 are estimated to be \$7.8 million.

The following table shows grants made direct to local government authorities in the States in the years 1976-77 to 1979-80 and estimated payments for 1980-81.

In addition to the amounts shown in the table, \$298 000 was paid to local government authorities in the Northern Territory in 1979-80 (comprising \$191 000 for capital purposes and \$107 000 for recurrent expenses). It is estimated that in 1980-81, these payments will total \$167 000 (comprising \$11 000 for capital purposes and \$156 000 for recurrent expenses).

Table 68—Grants made Direct to Local Government Authorities for Children's Services(a), 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	493	578	52	82	357	263	1 825
1977-78	1 153	1 018	150	182	585	370	3 457
1978-79	1 639	1 711	287	222	736	402	4 997
1979-80	1 636	2 264	425	186	876	434	5 821
1980-81 (estimate)	1 836	2 565	473	202	960	551	6 587
CAPITAL							
1976-77	1 103	1 548	316	822	337	314	4 440
1977-78	386	1 193	1 161	104	108	455	3 407
1978-79	553	665	175	498	180	70	2 141
1979-80	321	338	23	35	176	179	1 072
1980-81 (estimate)	324	516	20	13	168	29	1 070
TOTAL							
1976-77	1 596	2 126	368	904	694	577	6 265
1977-78	1 539	2 211	1 311	286	693	825	6 864
1978-79	2 192	2 376	462	720	916	472	7 138
1979-80	1 957	2 602	448	221	1 052	613	6 894
1980-81 (estimate)	2 160	3 081	493	215	1 128	580	7 657

(a) Previously designated 'Pre-Schools and Child Care'.

Community Youth Support Scheme

The Commonwealth introduced the Community Youth Support Scheme in November 1976 to assist young unemployed persons. The scheme provides financial assistance to community groups, including local government authorities, for supportive programs and services to unemployed youth, the aim of the scheme being to develop and maintain their skills and job orientation.

Overall expenditure on the scheme in 1979-80 was \$11.6 million and is estimated to be \$11.6 million in 1980-81.

Grants amounting to \$0.8 million were made direct to local government authorities in 1979-80. A notional distribution of estimated payments to local government authorities in 1980-81 is included in the following table:

Table 69—Grants Made Direct to Local Government Authorities under the Community Youth Support Scheme, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	14	14	..	13	15	2	57
1977-78	55	111	8	113	154	30	472
1978-79	75	385	..	171	149	48	828
1979-80 . . . . .	..	494	..	216	45	91	847
1980-81 (estimate) . . . . .	..	494	..	216	45	92	847

Homeless Persons Assistance

Under the *Homeless Persons Assistance Act* 1974, capital grants are made to voluntary agencies, and local government authorities, for approved projects to

upgrade and replace existing inadequate accommodation and to build new facilities for homeless men and women. Assistance is also provided towards the cost of accommodation and meals and to meet up to half the salaries of welfare officers performing approved services for homeless persons.

Under this legislation assistance was received by one local authority in Victoria up to 1978-79. Since 1978-79 one local authority, in Western Australia, has been receiving assistance under the Act. Total payments for both recurrent and capital purposes since 1976-77 and estimated payments for 1980-81 are as follows:

Table 70—Grants made Direct to Local Government Authorities for Homeless Persons Assistance, 1976-77 to 1980-81 (\$ thousands)

	Victoria	Western Australia	Total
1976-77	3	..	3
1977-78	8	..	8
1978-79	9	..	9
1979-80	..	8	8
1980-81 (estimate)	..	8	8

Arts

Local government authorities are eligible to receive assistance for community arts activities under a program administered by the Community Arts Board of the Australia Council which was established in 1977-78 to assist local government, service and welfare organisations to include the arts in their programs, to raise the standards of their arts activities, and to expand them to cater for new sectors of the community. Grants made by the Australia Council for the period 1976-77 to 1979-80 to local government authorities are shown in the following table. As these grants depend on the consideration of applications made during the course of the year, the grants that might be paid to local authorities in 1980-81 cannot be estimated at this stage.

Table 71—Grants Made Direct to Local Government Authorities for Community Arts Activities, 1976-77 to 1979-80 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	66	41	3	15	..	5	130
1977-78	40	69	..	3	3	..	115
1978-79	29	45	8	8	3	..	94
1979-80	17	36	..	19	9	..	81

Aerodrome Local Ownership Plan

Assistance is provided to local government authorities and to other bodies under the Aerodrome Local Ownership Plan to establish, develop and maintain local aerodromes on their own initiative and to take over aerodromes owned by the Commonwealth. Funds are provided on a \$1 for \$1 basis by the Commonwealth.

for both developmental and maintenance works proposals which meet the relevant criteria. Where an authority takes over a Government-owned aerodrome, the Commonwealth meets 100 per cent of the cost of any approved 'pre-transfer' works necessary to bring the aerodrome up to an acceptable standard. The following table shows the payments made to local authorities in each State under the Aerodrome Local Ownership Plan since 1976-77 and estimated payments in 1980-81:

Table 72—Grants Made Direct to Local Government Authorities for Aerodromes, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
Recurrent							
1976-77	405	142	230	19	90	7	893
1977-78	645	173	336	22	76	10	1 262
1978-79	890	280	413	122	130	27	1 861
1979-80	782	231	485	46	129	27	1 700
1980-81 (estimate)	788	285	582	135	166	32	1 988
CAPITAL							
1976-77	234	102	148	24	65	..	574
1977-78	216	41	183	15	8	..	463
1978-79	259	268	527	86	24	..	1 164
1979-80	328	370	774	70	197	..	1 739
1980-81 (estimate)	310	547	804	292	213	..	2 166
TOTAL							
1976-77	639	244	378	43	155	7	1 467
1977-78	861	215	519	37	84	10	1 726
1978-79	1 149	547	941	208	154	27	3 025
1979-80	1 110	601	1 259	116	326	27	3 439
1980-81 (estimate)	1 098	832	1 386	427	379	32	4 154

PAYMENTS TO THE STATES FOR ON-PASSING TO LOCAL GOVERNMENT AUTHORITIES

As explained above, the funds provided by the Commonwealth as general purpose assistance for local government take the form of payments to State Governments for on-passing to individual local authorities. There are also other programs of payments to the States under which portions of the funds provided are passed on to local government authorities. However, it should be noted that the degree of influence exerted by the Commonwealth over the particular amounts paid to local authorities varies considerably among the different programs as does the availability of information relating to those amounts. In some cases the amounts passed on to local government authorities are wholly at the discretion of the State Governments.

Each of the programs concerned is summarized, in general terms, in Chapter IV. The purpose of this section is to outline the way in which local government is involved and to provide available details of the amounts passed on by the States at their own discretion, or at the request of the Commonwealth, to local government authorities. As with the programs of direct payments, differences between the States 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 Government departments or agencies or private bodies.

It is emphasised that the payments referred to in this Section are included in the totals of payments to the States shown in this paper.

Because of the lag, in some cases, between payment of the funds concerned to the States and their allocation by the States, the amounts of funds paid to the States for local government authorities under a particular program in any year may not necessarily equal the amounts paid to authorities in that year.

Special Assistance to Exmouth Shire

As mentioned in Chapter IV, the Western Australian Government sought financial assistance towards the operational cost of Exmouth Shire which was established with the main purpose of servicing the United States Naval Communications Station at North West Cape. Amounts totalling \$320 500 were paid to the Western Australian Government on a \$1 for \$1 basis for on-passing to the Shire in 1975-76 and 1976-77 from the Department of Defence appropriations. This grant was additional to that provided to the Shire as a result of Commonwealth Grants Commission recommendations.

As an alternative to the continuing special financial assistance to the Shire, the Commonwealth agreed to assume responsibility for specified loans amounting to \$715 125 and to repay the principal with interest over a three-year period on the basis that the Western Australian Government accepts that this action will represent a full discharge of Australian Defence interests in the operations of the Shire. Payments totalling \$466 876 were made in 1977-78 and 1978-79, and a final payment of \$351 624 was made in 1979-80.

Community Health Facilities

Assistance for community health facilities is provided by the Commonwealth to the States and other eligible organisations under the Community Health Program. A brief description of the program is set out in Chapter IV of this paper. Local government authorities have some form of involvement in a small number of projects within the Community Health Program. However, the degree of involvement in the administration or funding of particular projects varies widely.

The following table shows assistance to local authorities from Commonwealth grants since 1976-77, with estimates for 1980-81.

Table 73—Community Health Facilities—Grants to States Passed on by the States to Local Government Authorities, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	South Australia	Western Australia	Total
1976-77	82	349	38	51	520
1977-78	25	370	23	54	472
1978-79	..	280	12	117	409
1979-80	21	391	17	114	543
1980-81 (estimate)	13	465	18	115	611

Home Care Services and Senior Citizens Centres

Grants for these purposes are provided under the *States Grants (Home Care) Act* 1969. Local government authorities are amongst the bodies eligible for assistance. Of total grants of \$14.7 million paid to the States under this Act in 1979-80, \$8.3 million or about 56 per cent was for local government authorities. Assistance under the Act is not available to State Government departments or agencies.

Since 1976-77 local government authorities in one State only, Victoria, have been receiving assistance for the provision of *home care services*. Amounts provided to Victoria for on-passing to local authorities are as follows: 1976-77, \$2 018 000; 1977-78, \$2 520 000; 1978-79, \$3 450 000; 1979-80, \$4 226 000; and 1980-81, \$4 310 000 (estimate).

The grants that have been provided since 1976-77 to each State for on-passing to local government authorities in respect of *senior citizens centres*, and estimates for 1980-81 are shown in the following table:

Table 74—Senior Citizens' Centres—Grants to States for On-passing to Local Government Authorities, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1976-77	211	293	10	8	47	..	569
1977-78	224	328	9	30	45	..	637
1978-79	283	350	19	22	21	..	695
1979-80	266	574	22	18	50	..	930
1980-81 (estimate)	341	641	29	21	54	..	1 086
CAPITAL							
1976-77	891	1 571	916	212	407	..	3 997
1977-78	1 064	1 616	439	342	348	136	3 946
1978-79	1 200	608	512	423	100	166	3 009
1979-80	1 129	859	253	567	174	185	3 167
1980-81 (estimate)	1 472	1 035	656	380	308	149	4 000
TOTAL							
1976-77	1 102	1 864	926	220	454	..	4 566
1977-78	1 288	1 944	448	372	393	136	4 583
1978-79	1 483	958	531	445	121	166	3 704
1979-80	1 395	1 433	275	585	224	185	4 097
1980-81 (estimate)	1 813	1 676	685	401	362	149	5 086

Children's Services

Commonwealth Government assistance for services for children is outlined in Chapter IV and earlier in this Chapter in the section on 'Commonwealth Payments Made Direct to Local Government Authorities'. Briefly, the position is that, in addition to direct grants to local government and private bodies, grants are made to the States. Some of the grants to the States are for on-passing to local government authorities for children's services.

The following table shows payments made in the years 1976-77 to 1979-80 and estimated payments in 1980-81:

Table 75—Children's Services (a)—Grants to States for On-passing to Local Government Authorities, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	2 199	6 886	..	..	167	10	9 262
1977-78	940	5 408	..	4	65	41	6 458
1978-79	716	4 200	..	34	73	46	5 069
1979-80	948	4 300	71	98	157	45	5 619
1980-81 (estimate)	950	4 400	80	100	160	50	5 740

(a) Previously designated 'Pre-Schools and Child Care'.

Urban Flood Mitigation

Amounts of \$1 574 271, \$992 041, \$818 000 and \$761 676 provided to Queensland in 1976-77, 1977-78, 1978-79 and 1979-80 respectively to assist with the construction of certain flood mitigation works on various creeks in the Brisbane metropolitan area were passed on to the Brisbane City Council.

An amount of \$100 000 was paid to Victoria in 1975-76 and 1976-77 for flood mitigation works at Seymour.

An amount of \$126 000 is expected to be provided in 1980-81 as the Commonwealth's contribution to the now-completed flood mitigation works on the Breakfast and Enoggera Creeks in Brisbane. Additional funds for urban flood mitigation could be provided in 1980-81 when the as yet unallocated amount of \$25.6 million under the National Water Resources Program is allocated.

Urban Water Supply

Grants of \$325 000 and \$500 000 in 1977-78 and 1978-79 respectively were made to Queensland for on-passing to the Mount Isa City Council as assistance towards the Council's share of the debt burden associated with the now-completed Julius Dam. A final grant of \$250 000 was provided for this purpose in 1979-80.

Capital Assistance for Leisure Facilities

Payments to the States under this program (see Chapter IV) have included payments passed on to local government authorities in respect of community leisure facilities sponsored by these authorities. Of the total grants of \$509 000 paid to the States in 1979-80, \$108 000 was passed on to local government authorities.

Payments to local government authorities have now been finalised. The following table provides details of payments since 1976-77:

Table 76—Capital Assistance for Leisure Facilities—Grants to States for On-passing to Local Government Authorities, 1976-77 to 1979-80 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	1 771	1 119	478	922	726	550	5 566
1977-78	552	507	93	86	274	155	1 667
1978-79	250	92	45	..	..	45	432
1979-80	108	..	..	..	..	..	108

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 provided to the States from the 1979-80 National Estate program for projects undertaken by local government authorities was \$402 000 out of a total expenditure under this program of \$1.8 million. It is estimated that \$1.98 million will be made available to the States in 1980-81 for this program, and provision will be made from within this amount for projects undertaken by local government authorities in 1980-81. No details of the amounts local government authorities will receive from the States in 1980-81 are available at this stage. The following table shows amounts passed on by individual States to local government authorities in the years 1976-77 to 1979-80:

Table 77—National Estate—Grants to States passed on by the States to Local Government Authorities, 1976-77 to 1979-80 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77(a)	..	193	91	24	149	1	458
1977-78	87	88	90	16	110	19	410
1978-79	91	173	72	34	170	14	553
1979-80	74	104	56	46	99	23	402

(a) Figures relate to assistance provided to the States for payment to local authorities.

Roads

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

The following table shows assistance to local authorities from Commonwealth grants from 1976-77 to 1979-80; estimates for 1980-81 are not available at this stage.

Table 78—Roads Assistance—Assistance to Local Government Authorities by the States, 1976-77 to 1979-80 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	20 436	29 500	11 794	3 948	17 924	3 418	87 020
1977-78	32 722	38 000	14 746	5 971	20 559	4 956	116 954
1978-79	35 506	39 800	15 204	6 353	22 015	5 310	124 187
1979-80	38 162	42 100	15 292	6 642	22 240	7 165	131 601

Urban Public Transport

Amounts passed on to local government authorities out of payments to the Queensland Government under this program were \$523 586 in 1976-77 and \$2 066 343 in 1977-78. These amounts were passed on to the Brisbane City Council for the acquisition of buses. A further \$63 213 was made available in 1979-80 for unpaid commitments incurred on the bus acquisition project.

PAYMENTS TO LOCAL GOVERNMENT AUTHORITIES IN THE NORTHERN TERRITORY

Before the Northern Territory became self-governing on 1 July 1978, two local government authorities had been established under the Northern Territory Local Government Ordinance—the Corporation of the City of Darwin in 1957 and the Corporation of the Municipality of Alice Springs in 1971. The relationship between the Commonwealth Government and these authorities changed on 1 January 1977 when executive responsibility for the Corporations was transferred to the Northern Territory Legislative Assembly. While the assistance given to these two authorities was of a quite different character from other forms of assistance referred to earlier in this Chapter, it can be regarded as the equivalent of assistance received by other local government authorities from State Governments.

Initial establishment grants had been provided to both Corporations and continuing operational subsidies were provided to the Corporations to meet the difference between income from ratepayers and the cost of providing municipal services at what were regarded as reasonable standards. These subsidies were subject to quinquennial review.

Capital assistance was also provided to the two Corporations in the form of matched and unmatched grants for capital works generally.

Additional financial assistance was given to the Corporation of the City of Darwin in 1974-75 to meet the cost of the emergency services provided by the Corporation following Cyclone Tracy. The two Corporations also received assistance under various specific programs from time to time.

The Northern Territory itself has established two further local government authorities, the Corporation of the Municipality of Katherine and the Corporation of the Municipality of Tennant Creek.

In 1978-79, the first year of self-government in the Northern Territory, the bulk of Commonwealth assistance to the Territory was provided as a global allocation. Included in this was an allowance for local authorities, but there was no requirement that the Northern Territory Government pass on specified amounts to local authorities.

Under the Memorandum of Understanding between the Commonwealth and the Northern Territory, the Northern Territory is entitled, as from 1979-80 to a share of net personal income tax collections for on-passing to its local government authorities.

The entitlement for the initial year, that is 1979-80, was the equivalent in per capita terms for population under local government of the analogous payment to the States in 1979-80. Assistance for subsequent years is determined by increasing the preceding year's entitlement in proportion to net personal income tax collections lagged by one year and adjusted for any changes in the percentage of personal income tax payable to local authorities in the States. The entitlement for 1979-80 amounted to \$1 061 733; that for 1980-81 is \$1 440 224.

Some local government authorities in the Northern Territory also receive assistance direct from the Commonwealth under the Children's Services Program described earlier in this chapter. The amount was \$298 000 in 1979-80, and is estimated to be \$167 000 in 1980-81.

The following amounts of Commonwealth assistance were passed on by the Northern Territory Government to its local authorities in 1979-80—Children's Services \$2400, and Roads \$519 000.

Payments made in the period 1976-77 to 1980-81 are shown in the summary table following.

SUMMARIES OF VARIOUS FORMS OF COMMONWEALTH GOVERNMENT PAYMENTS TO OR FOR LOCAL GOVERNMENT AUTHORITIES

The following table gives a summary of the various forms of the Commonwealth Government payments made to or for local government authorities between 1976-77 and 1979-80 together with estimates for 1980-81. The amounts shown in this table need to be interpreted very carefully, in the light of the comments provided in the foregoing text.

Table 79—Summary of Commonwealth Government Payments to or for Local Government Authorities, 1976-77 to 1980-81 (\$ thousands)

Program	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
Local Government Tax Sharing Entitlement(a)	140 000	165 328	179 427	221 739	300 711
Direct Payments—					
Nursing Homes	284	486	649	935	1 200
Home Nursing	193	223	290	394	450
Aged or Disabled Persons Homes	2 512	1 445	2 338	1 979	3 391
Aged Persons Hostels	1 488	1 963	2 218	282	1 600
Delivered Meals Subsidy	542	705	766	885	1 433
Handicapped Persons Assistance	34	165	22	47	..
Children's Services (b)	6 265	6 864	7 138	6 894	7 657
Regional Employment Development Scheme	435	..	..	..	..
Community Youth Support Scheme	57	472	828	847	547
Homeless Persons Assistance	3	8	9	8	..
Arts	130	116	94	81	n.a.
Aerodrome Local Ownership Plan	1 467	1 726	3 025	3 439	4 154
Total	13 411	14 173	17 377	15 790	n.a.
Other Payments through States—					
Assistance for Exmouth Shire	171	112	354	352	..
Community Health Facilities	520	472	410	543	611
Home Care Services	2 018	2 520	3 450	4 226	4 310
Senior Citizens Centres	4 566	4 583	3 704	4 097	5 036
Children's Services (b)	9 262	6 458	5 069	5 619	5 740
Growth Centres	2 618	..	..	..	..
Area Improvement Program	498	..	..	..	..
Urban Flood Mitigation	1 674	992	818	762	126
Urban Water Supply . . . . .	..	325	500	250	..
National Sewerage Program	8 800	..	..	..	..
Community Facilities, Townsville	25	..	..	..	..
Capital Assistance for Leisure Facilities	5 566	1 667	432	108	..
National Estate	458	410	553	402	n.a.
Roads	87 020	116 954	124 187	131 601	n.a.
Urban Public Transport	524	2 066	..	63	..
Tourism Development	91	..	..	..	..
Total (excluding Roads)	36 791	19 605	15 290	16 422	n.a.
Total (including Roads)	123 811	136 559	139 477	148 023	n.a.
Northern Territory—					
Operating Subsidies and Capital Grants	1 958	2 562	(c)	..	..
Local Government Tax Sharing Entitlement . . . . .	..	..	..	1 062	1 441
Direct Payment—Children's Services(b) . . . . .	..	..	..	298	167
Other Payments through the Northern Territory Government—					
Children's Services(b) . . . . .	..	..	..	2	n.a.
Roads . . . . .	..	..	..	519	n.a.
Grand Total (excluding Roads)	192 160	201 668	212 094	255 313	n.a.
Grand Total (including Roads)	279 180	318 622	336 281	387 433	n.a.

(a) The local government tax sharing entitlement is paid, in the first instance, to the States but is shown as a separate category in this table because of its importance.

(b) Previously designated 'Pre-Schools and Child Care'.

(c) The global allocation to the Northern Territory (see Chapter V), included an allowance for local authorities but there was no requirement that the Northern Territory Government pass on specific amounts to local authorities.

APPENDICES



APPENDIX I—SUMMARY TABLES

TABLE NO.	SUBJECT
80	Payments to or for the States and State Government Loan Council Borrowing Programs, 1978-79.
81	Payments to or for the States and State Government Loan Council Borrowing Programs, 1979-80.
82	Payments to or for the States and State Government Loan Council Borrowing Programs, Estimates 1980-81.
83	Summary of Payments to or for the States, the Northern Territory, State Government Loan Council Programs and Payments made direct to Local Government Authorities, 1976-77 to 1980-81.
84	Summary of Payments to or for the States, the Northern Territory, State Government Loan Council Programs and Payments made direct to Local Government Authorities Per Head of Population, 1976-77 to 1980-81.
85	Total Payments to or for the States and State Governments' Loan Council Programs—Dissection between Funds for Recurrent and Capital Purposes, 1976-77 to 1980-81.
86	Total Payments to or for the States and State Governments' Loan Council Programs—Dissection between Funds for Recurrent and Capital Purposes Per Head of Population, 1976-77 to 1980-81.
87	Total Payments to or for the States and State Governments' Loan Council Programs—Dissection between Grants and Loans—1976-77 to 1980-81.
88	Total Payments to or for the States and State Governments' Loan Council Programs—Dissection between Grants and Loans, Per Head of Population, 1976-77 to 1980-81.

Table 80—Commonwealth Government Payments to the States and Loan Council Borrowings, 1978-79 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE FUNDS							
Personal Income Tax Sharing	1 464 397	1 090 025	844 137	559 841	579 532	240 737	4 778 669
Special Grants	..	..	21 700	..	..	..	21 700
Total	1 464 397	1 090 025	865 837	559 841	579 532	240 737	4 800 269
GENERAL PURPOSE CAPITAL FUNDS							
Loan Council Borrowings	308 978	240 142	126 740	124 569	88 446	66 992	955 867
Capital Grants	154 489	120 071	63 370	62 284	44 226	33 496	477 936
Total	463 467	360 213	190 110	186 853	132 672	100 488	1 433 803
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES							
Payments under Financial Agreement—							
Interest on State Debt	5 835	4 254	2 192	1 408	947	534	15 170
Sinking Fund on State Debt	11 876	9 098	4 740	4 483	3 377	2 386	35 958
State Emergency Services	472	370	373	15	77	83	1 360
Assistance for Exmouth Shire Universities	230 197	158 860	80 980	57 917	48 318	18 315	594 587
Colleges of Advanced Education	105 103	146 456	60 465	42 477	49 560	9 436	413 497
Technical and Further Education	21 061	13 509	5 222	5 116	5 160	1 673	51 741
Schools	180 739	152 062	66 818	39 746	38 741	13 290	491 393
Child Migrant and Refugee Education	727	521	172	180	140	..	1 740
Educational Research	159	302	131	124	74	11	801
Pre-School Education	7 130	9 015	6 605	3 730	4 860	1 410	32 750
Public Hospitals—Running Costs	383 785	252 575	139 314	104 287	117 017	33 176	1 030 155
Community Health Program	17 203	10 528	4 979	3 205	3 748	1 868	41 532
School Dental Scheme	2 374	2 389	2 383	2 814	2 700	1 226	13 857
Health Education Campaigns	280	206	100	107	121	59	873
Blood Transfusion Services	1 769	1 823	777	764	601	120	5 855
Health Planning Agencies	100	33	87	90	100	30	440
Australian Encephalitis Control	3	31	..	14	20	..	68
Home Care Services	1 875	3 450	1 797	915	44	505	8 555
Senior Citizens Centres	300	350	42	65	65	..	822
Paramedical Services	..	380	..	431	..	24	835
Assistance for Deserted Wives	9 521	4 917	3 665	3 143	3 841	986	26 075
Child Care Services	2 461	2 477	367	1 858	783	248	8 194
Maryborough Employment Grants	..	..	3 000	..	..	..	3 000
Aboriginal Advancement	2 982	1 331	3 917	3 404	8 544	44	20 221
Welfare Housing	1 848	1 347	423	941	627	314	5 500
National Fitness	45	42	34	32	30	24	207
Nature Conservation	..	..	..	..	..	75	75
Trawl and Danish Seine Fishery	8	..	..	..	..	..	8
Apple Export Assistance	..	27	..	..	310	238	575
Bovine Brucellosis and TB Eradication	7 422	6 980	5 272	2 346	895	103	23 018
Exotic Diseases Eradication	1	..	134	..	39	..	174
Warehouse Beetle Eradication	84	..	..	..	..	..	84
Plant Pest Control	..	..	..	307	..	..	307
Agricultural Extension Services	2 597	2 307	2 112	1 076	1 090	564	9 766
Minor Agricultural Research	80	50	17	4	7	..	158
Coal Mining Industry—Long Service Leave	5 447	..	992	..	327	16	6 782
Apprenticeship Training	1 393	1 062	891	82	571	160	4 159
Education Program for Unemployed Youth	634	679	722	670	76	219	3 000
Legal Aid	..	21	..	..	..	..	21
Road Safety Practices	37	30	28	19	25	11	151
Research Grants	4 322	2 856	1 309	2 067	908	272	11 734
Local Government Tax Sharing Assistance	65 487	45 666	30 252	15 433	16 848	5 741	179 417
Natural Disaster Relief	265	7	1 755	501	151	..	2 679
Total Specific Purpose Payments—Recurrent	1 075 623	836 013	432 067	299 769	311 096	93 161	3 047 725

Table 80—Commonwealth Government Payments to the States and Loan Council Borrowings, 1978-79 (\$ thousands)—continued

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES							
Housing for Servicemen	5 423	948	5 229	..	..	..	11 600
Universities	21 840	10 849	6 042	6 439	5 185	788	51 143
Colleges of Advanced Education	20 070	23 112	10 712	5 177	5 863	3 221	68 155
Technical and Further Education	19 279	19 592	15 078	6 901	3 726	394	64 970
Schools	58 954	48 993	29 475	16 178	20 971	4 385	178 956
Child Migrant and Refugee Education . . . . .	..	88	40	..	..	..	129
Launceston General Hospital . . . . .	..	..	..	..	..	4 959	4 959
Community Health Program	2 468	1 945	254	375	862	222	6 125
School Dental Scheme	976	963	1 249	724	..	184	4 096
Blood Transfusion Services	100	909	34	25	73	9	1 149
Disposal of Ships' Garbage . . . . .	..	..	4	..	..	..	4
High Security Quarantine Unit . . . . .	..	89	..	..	..	..	89
Senior Citizens Centres	1 200	608	553	423	100	166	3 050
Child Care Services	604	323	..	68	38	..	1 033
Rehabilitation Centres . . . . .	..	..	..	..	..	917	917
Aboriginal Advancement	3 057	237	2 536	2 291	5 443	115	13 678
Welfare Housing	103 721	82 451	32 257	47 368	29 767	20 436	316 000
Pensioner Housing	5 695	3 388	2 050	1 343	1 086	438	14 000
Growth Centres	16 231	7 391	..	1 201	..	..	24 822
Urban Flood Mitigation . . . . .	..	..	818	..	..	..	818
Land Acquisition	2 137	3 201	..	6 712	2 537	..	14 587
Woolloomooloo Redevelopment	275	..	..	..	..	..	275
Air Quality Monitoring	30	..	..	..	40	..	70
Captains Flat Project	144	..	..	..	..	..	144
Leisure and Recreation/Culture	250	92	45	220	..	45	652
Nature Conservation . . . . .	..	100	..	..	..	25	125
National Estate	415	415	415	415	415	415	2 490
1982 Commonwealth Games Assistance . . . . .	..	..	2 500	..	..	..	2 500
Roads	164 485	105 771	106 947	43 207	64 382	23 208	508 000
Second Hobart Bridge Study . . . . .	..	..	..	..	..	49	49
Urban Public Transport	14 000	12 000	8 875	4 110	2 015	869	41 869
Newcastle Drydock	-178	..	..	..	..	..	-178
Transport Planning and Research	2 484	1 714	983	469	581	173	6 404
Tasman Bridge Disaster . . . . .	..	..	..	..	..	-725	-725
Julius Dam . . . . .	..	..	500	..	..	..	500
Urban Water Supply . . . . .	..	..	..	4 490	..	..	4 490
Softwood Forestry	3 175	613	1 485	..	1 302	1 090	7 665
Cheyne Beach Whale Co. Assistance . . . . .	..	..	..	..	25	..	25
Rural Adjustment Scheme	11 908	10 378	9 285	4 738	9 504	1 164	46 977
Beef Industry Assistance . . . . .	..	..	..	..	..	-3	-3
Fruitgrowing Industry	-28	..	..	..	..	8	-20
Water Resources Assessment	1 755	1 136	952	727	3 018	426	8 014
Salinity Reduction Control	1 000	550	..	250	..	..	1 800
Water Hyacinth Control	15	..	..	..	..	..	15
Flood Mitigation	1 000	..	62	..	..	..	1 062
Bundaberg Irrigation Works . . . . .	..	..	950	..	..	..	950
Soil Conservation	40	30	..	..	35	..	105
Natural Disaster Relief	2 879	1 006	7 207	4 929	8 268	..	24 288
Total Specific Purpose Payments—Capital	465 404	338 892	246 537	158 779	165 234	62 977	1 437 823
TOTAL PAYMENTS							
	3 159 913	2 385 001	1 607 811	1 080 673	1 100 088	430 371	9 763 856
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS							
General Purpose	1 927 864	1 450 238	1 055 947	746 694	712 204	341 225	6 234 172
Specific Purpose	1 541 027	1 174 905	678 604	458 547	476 330	156 138	4 485 551
Total	3 468 891	2 625 143	1 734 551	1 205 242	1 188 534	497 363	10 719 723

Table 81—Commonwealth Government Payments to the States and Loan Council Borrowings, 1979-80 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE FUNDS							
Personal Income Tax Sharing Entitlements	1 663 466	1 233 934	952 533	630 392	662 888	272 696	5 415 309
Special Grants	..	..	12 400	..	..	..	12 400
Total	1 663 466	1 233 934	964 933	630 392	662 888	272 696	5 427 709
GENERAL PURPOSE CAPITAL FUNDS							
Loan Council Borrowings	268 293	208 521	110 051	108 165	76 799	58 171	830 000
Capital Grants	134 146	104 260	55 026	54 083	38 400	29 085	415 000
Total	402 439	312 781	165 077	162 248	115 199	87 256	1 245 000
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES							
Payments under Financial Agreement—							
Interest on State Debt	5 835	4 254	2 192	1 408	947	534	15 170
Sinking Fund on State Debt	12 580	9 649	5 029	4 771	3 576	2 544	38 149
State Emergency Services	502	257	438	55	114	77	1 433
Assistance for Exmouth Shire							352
Universities	252 856	173 556	89 684	63 161	53 190	20 227	652 674
Colleges of Advanced Education	115 272	159 680	67 445	46 612	53 290	10 068	452 367
Technical and Further Education	23 546	16 087	6 932	6 661	4 780	2 005	60 011
Schools	203 806	169 614	74 914	44 714	44 019	14 617	551 584
Child Migrant and Refugee Education	1 008	1 045	262	180	125	3	2 523
Educational Research	170	318	124	107	111	11	744
Pre-school Education	7 130	9 015	6 605	3 730	4 860	1 410	27 755
School-to-Work Transition	1 886	515	951	374	482	222	4 429
Public Hospitals—Running Costs	425 282	268 476	152 912	110 207	126 313	35 991	1 119 181
Community Health Program	19 550	12 456	4 462	2 508	4 348	1 880	45 194
School Dental Scheme	3 790	3 477	4 014	3 433	3 745	1 882	23 341
Health Education Campaigns	380	206	178	145	149	67	1 125
Blood Transfusion Services	2 196	2 095	936	990	687	131	7 082
Health Planning Agencies	83	57	100	100	100	10	450
Australian Encephalitis Control	17	39		8	33		67
Home Care Services	2 769	4 226	1 793	944	52	585	10 369
Senior Citizens Centres	297	574	45	68	70		1 054
Paramedical Services		352		504		21	879
Assistance for Deserted Wives	7 538	4 967	5 054	2 981	3 092	1 036	24 658
Child Care Services	2 978	3 375	580	2 036	748	363	10 076
1972-74 Employment Grants—Refunds	-310						3 381
Maryborough Employment Grants			3 450				3 450
Translating/Interpreting Services	59	102		60			221
Aboriginal Advancement	3 030	1 562	4 331	3 724	9 565	52	22 204
Welfare Housing	1 848	1 347	423	941	627	314	5 496
Sewerage			16				16
National Fitness	45	42	34	32	30		24
Nature Conservation							125
Apple Export Assistance		1	2		248		437
Bovine, Brucellosis and TB Eradication	7 593	5 754	5 290	1 986	1 013	57	21 693
Exotic Diseases Eradication			11				11
Warehouse Beetle Eradication	66						66
Plant Pest Control				143			143
Agricultural Extension Services	1 285	1 135	964	517	570	260	4 731
Minor Agricultural Research	108	64	34	8	8		222
Coal Mining Industry—Long Service Leave	5 969		1 361		395		7 725
Apprenticeship Training	446	121	159		178		804
Education Program for Unemployed Youth	800	777	760	745	105	297	3 984
Legal Aid	29	113	12	22			176
Road Safety Practices	37	30	28	19	25		139
Research Grants	4 547	2 951	1 422	2 120	994	282	12 316
Local Government Tax Sharing Assistance	80 930	56 436	37 387	19 072	20 821	7 095	247 741
Natural Disaster Relief	45		1 303		293		1 641
Total Specific Purpose Payments—Recurrent	1 195 995	914 722	481 636	325 082	340 053	102 817	3 360 305

Table 81—Commonwealth Government Payments to the States and Loan Council Borrowings, 1979-80 (\$ thousands)—continued

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES							
Housing for Servicemen	1 360	45	..	..	50	..	1 455
Universities	25 353	10 679	8 755	3 482	3 006	918	52 192
Colleges of Advanced Education	12 087	19 190	5 056	4 666	3 044	810	44 853
Technical and Further Education	28 054	15 467	12 717	8 697	10 481	3 400	78 816
Schools	46 266	43 918	24 609	14 821	11 011	4 280	144 906
Child Migrant and Refugee Education	9	22	15	..	..	4	50
Launceston General Hospital . . . . .	..	..	..	..	..	5 160	5 160
Community Health Program	969	678	327	142	471	57	2 643
School Dental Scheme	1 201	293	402	192	225	190	2 503
Blood Transfusion Services	105	77	42	30	64	30	349
Disposal of Ships' Garbage . . . . .	..	..	..	132	..	..	132
High Security Quarantine Unit . . . . .	..	850	..	..	..	..	850
Senior Citizens Centres	1 129	859	331	567	174	185	3 245
Child Care Services	376	347	..	29	..	..	752
Rehabilitation Centres . . . . .	..	..	..	..	..	850	850
Aboriginal Advancement	3 756	275	1 613	2 231	5 058	254	13 187
Welfare Housing	52 512	41 744	16 336	23 984	15 072	10 352	160 000
Pensioner Housing	12 132	7 186	4 495	2 856	2 361	970	30 000
Other Housing Assistance	22 974	18 263	7 147	10 493	6 594	4 529	70 000
Growth Centres	16 977	8 804	..	1 311	..	..	27 091
Urban Flood Mitigation . . . . .	..	..	762	..	..	..	762
Land Acquisition	2 338	3 267	..	7 329	2 771	..	15 706
Woolloomooloo Redevelopment	-22	..	..	..	..	..	-22
Leisure and Recreation/Culture	110	..	138	258	..	4	509
Nature Conservation . . . . .	..	..	..	16	..	40	56
National Estate	300	300	300	300	300	300	1 800
Port Arthur Conservation Program . . . . .	..	..	..	..	..	400	400
1982 Commonwealth Games Assistance . . . . .	..	..	2 500	..	..	..	2 500
Roads	176 789	113 683	114 947	46 439	69 198	24 944	546 000
Second Hobart Bridge Study . . . . .	..	..	..	..	..	998	998
Railway Mainline Upgrading . . . . .	..	3 230	1 907	..	..	..	5 137
Urban Public Transport	14 125	12 131	9 219	4 000	1 533	1 075	42 084
Transport Planning and Research	2 670	1 842	1 056	504	658	186	6 916
Julius Dam . . . . .	..	..	250	..	..	..	250
Urban Water Supply . . . . .	..	..	..	2 555	..	..	2 555
Softwood Forestry	1 840	415	977	330	910	659	5 131
Native Forestry Assistance—Tasmania . . . . .	..	..	..	..	..	272	272
Rural Adjustment Scheme	4 191	3 875	2 116	2 554	2 138	242	15 117
Sugar Industry . . . . .	..	..	27 842	..	..	..	27 842
Water Resources Assessment	1 989	1 193	952	727	3 220	..	8 081
Salinity Reduction Control	1 620	1 409	..	1 341	700	..	5 070
Flood Mitigation	1 000	586	100	..	..	..	1 686
Bundaberg Irrigation Works . . . . .	..	..	2 500	..	..	..	2 500
Ord River Project . . . . .	..	..	..	..	14	..	14
Assistance for Chrysolite Corporation	1 179	..	..	..	..	..	1 179
Natural Disaster Relief . . . . .	..	-229	6 529	-270	8 149	..	14 179
Total Specific Purpose Payments—Capital	433 388	310 398	253 940	139 716	147 202	61 110	1 345 755
TOTAL PAYMENTS							
	3 426 996	2 563 314	1 755 535	1 149 273	1 188 544	465 708	10 549 371
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS							
General Purpose	2 065 905	1 546 715	1 130 010	792 640	778 087	359 952	6 673 310
Specific Purpose	1 629 384	1 225 120	735 576	464 789	487 255	163 927	4 706 061
Total	3 695 289	2 771 835	1 865 586	1 257 438	1 265 343	523 879	11 379 371

Table 82—Commonwealth Government Payments to the States and Loan Council Borrowings, 1980-81 (estimate) (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE FUNDS							
Personal Income Tax Sharing Entitlements	1 838 800	1 363 500	1 079 500	696 600	740 500	301 300	6 020 200
Special Grants	..	..	6 700	..	..	..	6 700
Total.	1 838 800	1 363 500	1 086 200	696 600	740 500	301 300	6 026 900
GENERAL PURPOSE CAPITAL FUNDS							
Loan Council Borrowings	281 707	218 947	115 554	113 573	80 639	61 080	871 500
Capital Grants	140 854	109 473	57 777	56 787	40 320	30 539	435 750
Total.	422 561	328 420	173 331	170 360	120 959	91 619	1 307 250
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES							
Payments under Financial Agreement—							
Interest on State Debt	5 835	4 254	2 192	1 408	947	534	15 170
Sinking Fund on State Debt	13 150	10 100	5 265	5 010	3 740	2 675	39 940
State Emergency Services	540	288	486	66	131	87	1 598
Universities	260 653	178 791	92 882	64 765	54 778	20 810	672 679
Colleges of Advanced Education	119 326	165 826	70 485	48 189	55 468	10 388	469 682
Technical and Further Education	24 385	17 783	7 409	7 257	8 402	2 239	67 475
Schools	215 131	184 952	88 123	49 129	48 959	15 755	602 049
Education—Allowance for Cost Escalation	32 120	28 422	13 476	8 905	8 798	2 575	94 300
Child Migrant and Refugee Education	1 292	1 162	220	195	220	40	3 129
Educational Research	204	294	108	108	124	18	855
Pre-School Education	7 130	9 015	6 605	3 730	4 860	1 410	32 750
School-to-Work Transition	10 799	9 458	4 925	3 023	2 776	1 110	32 091
Public Hospitals—Running Costs	474 989	306 919	175 570	120 920	145 798	42 463	1 266 659
Community Health Program	24 220	15 925	6 140	3 510	5 550	2 240	57 585
School Dental Scheme	4 460	3 550	4 400	3 445	3 670	1 790	21 315
Health Education Campaigns	550	314	237	175	199	147	1 623
Blood Transfusion Services	2 218	2 402	950	846	778	166	7 360
Health Planning Agencies	80	60	80	75	75	20	350
Australian Encephalitis Control	14	49	..	15	40	..	118
Home Care Services	3 895	4 310	1 896	1 015	62	922	12 100
Senior Citizens Centres	362	641	55	75	77	..	1 210
Paramedical Services	..	378	..	505	..	27	910
Assistance for Deserted Wives	5 400	350	3 100	1 900	2 200	800	13 750
Child Care Services	2 545	2 515	740	1 550	611	226	8 187
Rehabilitation Centres	..	..	..	..	..	910	910
Translating/Interpreting Services	105	70	..	60	..	..	235
Unattached Refugee Children	159	179	26	70	29	..	463
Aboriginal Advancement	3 242	1 686	5 061	4 093	10 924	86	25 092
Welfare Housing	1 848	1 347	423	941	627	314	5 500
National Fitness	45	42	34	32	30	24	207
Apple Export Assistance	..	253	4	..	244	450	950
Bovine Brucellosis and T.B. Eradication	8 495	4 187	5 971	1 959	1 765	52	22 423
Agricultural Extension Services	1 382	1 162	971	534	582	277	4 906
Minor Agricultural Research	22	23	21	8	8	..	82
Coal Mining Industry—Long Service Leave	6 290	..	1 500	..	400	10	8 200
Apprenticeship Training	50	5	10	..	40	15	120
Education Program for Unemployed Youth	944	921	760	745	105	300	3 775
Legal Aid	94	148	11	18	..	..	270
Road Safety Practices	37	30	28	19	25	11	150
Local Government Tax Sharing Assistance	109 780	76 554	50 714	25 871	28 243	9 624	300 786
Natural Disaster Relief	211	..	1 719	164	43	..	2 137
Total Specific Purpose Payments—Recurrent	1 342 002	1 034 367	552 596	360 328	391 327	118 515	3 799 136

Table 82—Commonwealth Government Payments to the States and Loan Council Borrowings, 1980-81 (estimate) (\$ thousands)—continued

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES(a)							
Housing for Servicemen	320	500	1 000	..	..	..	1 820
Universities	19 189	8 738	5 556	3 579	3 055	986	41 103
Colleges of Advanced Education	10 324	16 584	4 470	3 796	2 796	1 010	38 980
Technical and Further Education	31 836	26 918	10 795	10 017	9 407	4 653	93 626
Schools	50 862	41 127	21 170	12 115	13 496	3 795	142 565
Education—Allowance for Cost Escalation	3 000	2 500	1 200	800	800	300	8 600
Child Migrant and Refugee Education	50	40	10	..	..	..	100
Launceston General Hospital . . . . .	..	..	..	..	..	3 700	3 700
Community Health Program	680	690	230	50	250	90	1 990
School Dental Scheme	400	402	402	27	102	42	1 375
Blood Transfusion Services	100	205	117	140	48	3	613
Disposal of Ships' Garbage . . . . .	..	65	..	100	70	53	288
High Security Quarantine Unit . . . . .	..	965	..	..	..	..	965
Senior Citizens Centres	1 472	1 035	656	380	308	149	4 000
Rehabilitation Centres . . . . .	..	..	..	..	..	700	700
Aboriginal Advancement	3 534	329	1 507	2 058	3 302	180	10 910
Welfare Housing	54 650	43 440	17 000	24 960	15 680	10 770	166 500
Pensioner Housing	12 421	7 409	4 790	2 945	2 459	976	31 000
Other Housing Assistance	23 370	15 670	11 710	9 390	9 100	3 760	73 000
Growth Centres	19 802	8 986	..	..	..	..	28 788
Urban Flood Mitigation . . . . .	..	..	126	..	..	..	126
Land Acquisition	2 605	3 640	..	8 129	3 088	..	17 463
Woolloomooloo Redevelopment	4 244	..	..	..	..	..	4 244
Captains Flat Project	20	..	..	..	..	..	20
Legana Industrial Estate (Tasmania) . . . . .	..	..	..	..	..	200	200
Nature Conservation . . . . .	..	..	..	..	..	20	20
National Estate	330	330	330	330	330	330	1 980
Port Arthur Conservation Program . . . . .	..	..	..	..	..	800	800
1982 Commonwealth Games Assistance . . . . .	..	..	2 500	..	..	..	2 500
Roads	196 501	126 359	127 764	51 617	76 914	27 726	606 881
Second Hobart Bridge Study . . . . .	..	..	..	..	..	10 000	10 000
Railway Projects . . . . .	..	..	..	863	..	..	863
Railway Mainline Upgrading	4 700	5 700	8 300	..	1 000	..	19 700
Urban Public Transport	15 750	13 500	7 875	4 500	2 821	1 125	45 571
Transport Planning and Research	2 418	1 668	957	457	582	168	6 250
Softwood Forestry	1 980	402	790	135	1 000	640	4 947
Native Forestry Assistance—Tasmania . . . . .	..	..	..	..	..	336	336
Rural Adjustment Scheme	4 477	3 956	2 811	2 395	3 019	417	17 075
Unallocated Water Programs	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	25 590
Ord River Project . . . . .	..	..	..	..	387	..	387
Assistance for Chrysotile Corporation	1 222	..	..	..	..	..	1 222
Launceston Precision Tool Annexe . . . . .	..	..	..	..	..	343	343
Natural Disaster Relief	1 632	..	7 103	..	1 930	..	10 665
Total Specific Purpose Payments—Capital(b)	467 889	331 158	239 169	138 783	151 943	73 272	1 427 805
TOTAL PAYMENTS(a)(b)							
	3 789 545	2 838 499	1 935 742	1 252 498	1 324 091	523 626	11 689 591
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS(a)							
General Purpose	2 261 361	1 691 920	1 259 531	866 960	861 459	392 919	7 334 150
Specific Purpose(b)	1 809 891	1 365 526	791 765	499 111	543 271	191 787	5 226 941
Total(b)	4 071 252	3 057 446	2 051 296	1 366 071	1 404 730	584 706	12 561 091

(a) Individual State amounts will not add to Six State total. See footnote (b).

(b) The totals for individual States exclude items for which a State by State dissection of the total is not available (as indicated by 'n.a.' in the body of the table). The actual allocation for these items has still to be determined.

Table 83—Summary of Payments to or for the States and the Northern Territory, State Governments' Loan Council Programs, and Payments made direct to Local Government Authorities, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE FUNDS							
1976-77	1 133 400	841 700	687 200	433 200	440 800	186 294	3 722 594
1977-78	1 319 609	984 690	795 339	507 761	519 891	214 150	4 341 441
1978-79	1 464 397	1 090 025	865 837	559 841	579 532	240 737	4 800 369
1979-80	1 663 466	1 233 934	964 933	630 392	662 888	272 696	5 428 319
1980-81 (estimate)	1 838 800	1 363 500	1 086 200	696 600	740 500	301 300	6 026 900
GENERAL PURPOSE CAPITAL FUNDS(a)							
1976-77	431 873	343 060	181 057	177 955	126 352	95 703	1 356 000
1977-78	463 467	360 213	190 110	186 853	132 666	100 488	1 433 797
1978-79	463 467	360 213	190 110	186 853	132 672	100 488	1 433 803
1979-80	402 439	312 781	165 077	162 248	115 199	87 256	1 245 000
1980-81	422 561	328 420	173 331	170 360	120 959	91 619	1 307 250
TOTAL GENERAL PURPOSE FUNDS							
1976-77	1 565 273	1 184 760	868 257	611 155	567 152	281 997	5 078 594
1977-78	1 783 076	1 344 903	985 449	694 614	652 557	314 638	5 775 233
1978-79	1 927 864	1 450 238	1 055 947	746 694	712 204	341 225	6 234 172
1979-80	2 065 905	1 546 715	1 130 010	792 640	778 087	359 952	6 673 310
1980-81 (estimate)	2 261 361	1 691 920	1 259 531	866 960	861 459	392 919	7 334 150
SPECIFIC PURPOSE PAYMENTS—RECURRENT							
1976-77	830 247	671 958	327 417	241 026	243 468	73 444	2 387 561
1977-78	1 012 713	783 117	401 288	291 861	295 430	89 495	2 873 904
1978-79	1 075 623	836 013	432 067	299 769	311 096	93 161	3 047 723
1979-80	1 195 995	914 722	481 636	325 082	340 053	102 817	3 360 306
1980-81 (estimate)	1 342 002	1 034 367	552 596	360 328	391 327	118 515	3 799 156
SPECIFIC PURPOSE PAYMENTS—CAPITAL							
1976-77	544 781	404 616	303 256	181 285	170 975	75 997	1 680 909
1977-78	492 898	365 590	273 354	193 322	175 044	74 988	1 575 195
1978-79	465 404	338 892	246 537	158 779	165 234	62 977	1 437 823
1979-80	433 388	310 398	253 940	139 716	147 202	61 110	1 345 755
1980-81 (estimate)	467 889	331 158	239 169	138 783	151 943	73 272	1 427 804
TOTAL SPECIFIC PURPOSE PAYMENTS							
1976-77	1 375 028	1 076 573	630 673	422 311	414 443	149 441	4 068 471
1977-78	1 505 611	1 148 707	674 642	485 183	470 473	164 483	4 449 059
1978-79	1 541 027	1 174 905	678 604	458 547	476 330	156 138	4 485 559
1979-80	1 629 384	1 225 120	735 576	464 798	487 255	163 927	4 706 069
1980-81 (estimate)	1 809 891	1 365 526	791 765	499 111	543 271	191 787	5 226 941
TOTAL PAYMENTS(b)							
1976-77	2 652 386	2 032 627	1 378 225	914 829	897 360	367 636	8 243 064
1977-78	2 979 709	2 253 468	1 533 351	1 055 228	1 034 584	412 129	9 268 477
1978-79	3 159 913	2 385 001	1 607 811	1 060 673	1 100 088	430 371	9 763 955
1979-80	3 426 996	2 563 314	1 755 535	1 149 273	1 188 544	465 708	10 549 381
1980-81 (estimate)	3 789 545	2 838 499	1 935 742	1 252 498	1 324 091	523 626	11 689 581
TOTAL PAYMENTS AND LOAN COUNCIL BORROWING PROGRAMS(c)							
1976-77	2 940 301	2 261 333	1 498 930	1 033 466	981 595	431 438	9 147 053
1977-78	3 288 687	2 493 610	1 660 091	1 179 797	1 123 030	479 121	10 224 337
1978-79	3 468 891	2 625 143	1 734 551	1 205 242	1 188 534	497 363	10 719 272
1979-80	3 695 289	2 771 835	1 865 586	1 257 438	1 265 343	523 879	11 379 951
1980-81 (estimate)	4 071 252	3 057 446	2 051 296	1 366 071	1 404 730	584 706	12 561 071

Table 83—Summary of Payments to or for the States and the Northern Territory, State Governments' Loan Council Programs, and Payments made direct to Local Government Authorities, 1976-77 to 1980-81 (\$ thousands)—continued

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES (GROSS)							
1976-77	2 723	4 877	1 213	2 786	1 146	666	13 411
1977-78	3 295	5 406	2 095	1 066	1 384	928	14 173
1978-79	6 005	5 729	1 501	1 603	1 988	550	17 377
1979-80	4 411	5 361	1 945	1 158	2 024	892	15 790
1980-81 (estimate)	6 053	7 663	2 029	1 373	2 792	834	20 744
TOTAL PAYMENTS TO OR FOR THE STATES, STATE GOVERNMENTS' LOAN COUNCIL BORROWING PROGRAMS, AND PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES (GROSS)							
1976-77	2 943 024	2 266 210	1 500 143	1 036 252	982 741	432 104	9 160 474
1977-78	3 291 982	2 499 016	1 662 187	1 180 863	1 124 414	480 049	10 238 510
1978-79	3 474 896	2 630 872	1 736 052	1 206 845	1 190 522	497 913	10 737 099
1979-80	3 699 699	2 777 196	1 867 531	1 258 596	1 267 367	524 771	11 395 161
1980-81 (estimate)	4 077 305	3 065 109	2 053 325	1 367 444	1 407 522	585 540	12 581 835
REPAYMENTS BY STATES AND LOCAL GOVERNMENT AUTHORITIES(d)							
1976-77	78 149	50 242	32 890	25 273	21 328	13 639	221 521
1977-78	84 358	54 274	35 112	27 410	22 952	14 843	238 949
1978-79	89 580	59 355	38 586	29 824	24 693	16 954	258 992
1979-80	87 371	64 157	45 345	33 503	26 484	19 594	276 455
1980-81 (estimate)	88 636	66 073	71 242	38 783	33 690	17 926	316 351
TOTAL PAYMENTS TO OR FOR THE STATES, STATE GOVERNMENTS' LOAN COUNCIL BORROWING PROGRAMS AND PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES (NET)							
1976-77	2 864 874	2 215 968	1 467 252	1 010 980	961 413	418 466	8 938 953
1977-78	3 207 624	2 444 742	1 627 075	1 153 453	1 101 462	465 206	9 999 561
1978-79	3 385 316	2 571 517	1 697 466	1 177 021	1 165 829	480 958	10 478 107
1979-80	3 612 328	2 713 039	1 822 187	1 225 093	1 240 882	505 177	11 118 706
1980-81 (estimate)	3 988 669	2 999 035	1 982 083	1 328 661	1 373 831	567 614	12 265 484
PAYMENTS TO THE NORTHERN TERRITORY AND PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES IN THE NORTHERN TERRITORY (NET BASIS)(e)							
1977-78	..	..	..	..	..	..	53 029
1978-79	..	..	..	..	..	..	288 073
1979-80	..	..	..	..	..	..	439 393
1980-81 (estimate)	..	..	..	..	..	..	555 399
GRAND TOTAL—PAYMENTS TO OR FOR THE STATES, THE NORTHERN TERRITORY AND LOCAL GOVERNMENT AUTHORITIES (NET BASIS)							
1977-78	..	..	..	..	..	..	10 052 590
1978-79	..	..	..	..	..	..	10 766 180
1979-80	..	..	..	..	..	..	11 585 099
1980-81 (estimate)	..	..	..	..	..	..	12 820 883

(a) See Chapter III, under heading 'Treatment of Loan Council Programs in This and Other Budget Papers'.

(b) Comprises all the amounts shown above, with the exception of the borrowing program component of general purpose capital funds. See reference in footnote (a).

(c) Total payments to or for the States and State Loan Council borrowing programs on a net basis (i.e., excluding payments made direct to local government authorities) are given in Appendix IV, Table 110.

(d) That is, repayments of Commonwealth advances to the States and local government authorities and sinking fund payments on State Loan Council borrowings. See Appendix IV. Repayments of Commonwealth advances made direct to local government authorities (not included in Appendix IV) were \$19 000, \$20 000, \$20 000, \$20 000 and are estimated to be \$20 000 in 1976-77 to 1980-81 respectively.

(e) For further details see Tables 58 and 59 in Chapter V.

Table 84—Summary of Payments to or for the States and the Northern Territory, State Governments' Loan Council Programs and Payments made direct to Local Government Authorities, 1976-77 to 1980-81 (\$ Per Head of Population(a))

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
PAYMENTS TO OR FOR THE STATES AND STATE LOAN COUNCIL PROGRAMS							
GENERAL REVENUE FUNDS							
1976-77	229.74	223.59	323.72	341.42	372.52	455.38	272.03
1977-78	264.89	259.08	369.39	395.48	429.38	519.66	313.63
1978-79	290.24	284.04	397.63	433.75	469.90	579.53	342.89
1979-80	325.42	318.50	435.96	485.78	527.16	649.14	382.96
1980-81 (estimate)	355.17	348.25	483.68	532.70	575.50	710.04	419.79
GENERAL PURPOSE CAPITAL FUNDS(a)							
1976-77	87.54	91.13	85.29	140.25	106.78	233.94	99.11
1977-78	93.03	94.78	88.30	145.54	109.57	243.84	103.58
1978-79	91.86	93.86	87.31	144.77	107.57	241.91	102.42
1979-80	78.73	80.74	74.58	125.03	91.61	207.71	87.83
1980-81	81.62	83.88	77.18	130.28	94.01	215.91	91.05
TOTAL GENERAL PURPOSE FUNDS							
1976-77	317.27	314.73	409.01	481.68	479.30	689.31	371.19
1977-78	357.92	353.86	457.69	541.02	538.95	763.50	417.21
1978-79	382.10	377.90	484.94	578.52	577.48	821.44	445.30
1979-80	404.15	399.24	510.54	610.81	618.77	856.85	470.80
1980-81 (estimate)	436.79	432.13	560.86	662.98	669.51	925.95	510.84
SPECIFIC PURPOSE PAYMENTS—RECURRENT							
1976-77	168.29	178.50	154.24	189.96	205.75	179.53	174.51
1977-78	203.28	206.05	186.38	227.32	244.00	217.19	207.62
1978-79	213.19	217.85	198.42	232.25	252.25	224.27	217.70
1979-80	233.97	236.11	217.60	250.51	270.43	244.75	237.07
1980-81 (estimate)	259.21	264.19	246.07	275.55	304.13	279.29	264.62
SPECIFIC PURPOSE PAYMENTS—CAPITAL							
1976-77	110.42	107.48	142.86	142.88	144.49	185.77	122.86
1977-78	98.94	96.19	126.96	150.57	144.57	181.97	113.79
1978-79	92.24	88.31	113.22	123.02	133.98	151.61	102.70
1979-80	84.78	80.12	114.73	107.67	117.06	145.47	94.94
1980-81 (estimate)	90.37	84.58	106.50	106.13	118.09	172.67	99.45
TOTAL SPECIFIC PURPOSE PAYMENTS							
1976-77	278.71	285.99	297.09	332.84	350.24	365.29	297.36
1977-78	302.21	302.24	313.34	377.90	388.56	399.15	321.41
1978-79	305.43	306.16	311.64	355.27	386.22	375.87	320.40
1979-80	318.75	316.23	332.33	358.17	387.49	390.22	332.01
1980-81 (estimate)	349.59	348.77	352.57	381.68	422.22	451.96	364.07
TOTAL PAYMENTS(b)							
1976-77	537.63	539.96	649.25	721.02	758.35	898.65	602.49
1977-78	598.11	592.91	712.16	821.89	854.46	1 000.09	669.57
1978-79	626.30	621.48	738.37	837.28	891.99	1 036.04	697.42
1979-80	670.41	661.64	793.15	885.63	945.19	1 108.59	744.25
1980-81 (estimate)	731.97	724.98	861.98	957.80	1 029.05	1 233.97	814.29
TOTAL PAYMENTS AND LOAN COUNCIL BORROWING PROGRAMS(c)							
1976-77	595.99	600.72	706.11	814.52	829.54	1 054.60	668.55
1977-78	660.13	656.09	771.02	918.92	927.51	1 162.65	738.54
1978-79	687.54	684.06	796.58	933.79	963.70	1 197.31	765.77
1979-80	722.90	715.47	842.88	968.98	1 006.26	1 247.07	802.82
1980-81 (estimate)	786.38	780.90	913.43	1 044.66	1 091.72	1 377.92	874.92

Table 84—Summary of Payments to or for the States and the Northern Territory, State Governments' Loan Council Programs and Payments made direct to Local Government Authorities, 1976-77 to 1980-81 (\$ Per Head of Population(a))—continued

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES (GROSS)							
1976-77	.55	1 30	.57	2.20	.97	1.63	.98
1977-78	.66	1.42	.97	.83	1.14	2.25	1.02
1978-79	1.19	1 49	.69	1.24	1.61	1.32	1.24
1979-80	.86	1 38	.88	.89	1.61	2.12	1.11
1980-81 (estimate)	1.17	1.96	90	1.05	2.17	1.97	1.44
TOTAL PAYMENTS TO OR FOR THE STATES, STATE GOVERNMENTS' LOAN COUNCIL BORROWING PROGRAMS, AND PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES (GROSS)							
1976-77	596.54	602.01	706.68	816.72	830.51	1 056.23	669.53
1977-78	660.79	657.51	772.00	919.75	928.65	1 164.91	739.65
1978-79	688.73	685.55	797.27	935.03	965.31	1 198.63	766.94
1979-80	723.76	716.85	843.75	969.87	1 007.87	1 249.19	803.92
1980-81 (estimate)	787.55	782.86	914.33	1 045.70	1 093.89	1 379.88	876.36
REPAYMENTS BY STATES AND LOCAL GOVERNMENT AUTHORITIES							
1976-77	15.84	13 35	15 49	19.92	18.02	33.34	16.19
1977-78	16.93	14.28	16 31	21.35	18.96	36.02	17.26
1978-79	17.75	15 47	17 72	23.11	20.02	40.81	18.50
1979-80	17.09	16 56	20 49	25.82	21.06	46.64	19.50
1980-81 (estimate)	17.12	16 88	31 72	29.66	24.36	42.24	21.87
TOTAL PAYMENTS TO OR FOR THE STATES, STATE GOVERNMENTS' LOAN COUNCIL BORROWING PROGRAMS AND PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES (NET)							
1976-77	580.70	588 66	691 19	796.80	812.48	1 022.89	653.34
1977-78	643.86	643.23	755 69	898.40	909.70	1 128.89	722.39
1978-79	670.97	670.08	779 55	911.92	945.29	1 157.82	748.44
1979-80	706.67	700.29	823 27	944.06	986.81	1 202.55	784.41
1980-81 (estimate)	770.43	765 98	882.61	1 016.05	1 069.53	1 337.64	854.49
PAYMENTS TO THE NORTHERN TERRITORY AND PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES IN THE NORTHERN TERRITORY (NET BASIS)							
1977-78	..	..	..	..	..	..	504.51
1978-79	..	..	..	..	..	..	2 569.44
1979-80	..	..	..	..	..	..	3 722.81
1980-81 (estimate)	..	..	..	..	..	..	4 494.14
GRAND TOTAL—PAYMENTS TO OR FOR THE STATES, THE NORTHERN TERRITORY AND LOCAL GOVERNMENT AUTHORITIES (NET BASIS)							
1977-78	..	..	..	..	..	..	720.74
1978-79	..	..	..	..	..	..	762.91
1979-80	..	..	..	..	..	..	808.68
1980-81 (estimate)	..	..	..	..	..	..	885.55

(a) See footnotes to previous table.

Table 85—Total Payments to or for the States and State Governments' Loan Council Programs—Dissection Between Funds for Recurrent and Capital Purposes,(a) 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
FUNDS FOR RECURRENT PURPOSES							
1976-77	1 963 647	1 513 658	1 014 617	674 226	684 268	259 739	6 110 155
1977-78	2 332 322	1 767 808	1 196 627	799 622	815 321	303 645	7 215 345
1978-79	2 540 020	1 926 038	1 297 904	859 610	890 628	333 898	7 848 097
1979-80	2 859 461	2 148 656	1 446 569	955 474	1 002 942	375 513	8 783 614
1980-81 (estimate)	3 180 802	2 397 867	1 638 796	1 056 928	1 131 827	419 815	9 826 035
FUNDS FOR CAPITAL PURPOSES							
1976-77	976 654	747 676	484 313	359 240	297 327	171 700	3 036 900
1977-78	956 365	725 803	463 464	380 175	307 710	175 476	3 008 950
1978-79	928 871	699 105	436 647	345 632	297 906	163 465	2 871 626
1979-80	835 827	623 179	419 017	301 964	262 401	148 366	2 590 755
1980-81 (estimate)	890 450	659 578	412 500	309 143	272 902	164 891	2 735 054

(a) Gross basis, i.e. *before* deducting repayments of Commonwealth advances to the States and sinking fund payments on State Loan Council borrowings. Note that this table also excludes payments made to the Northern Territory and made direct to local government authorities. See footnotes to previous tables in this Appendix.

Table 86—Total Payments to or for the States and State Governments' Loan Council Programs—Dissection between Funds for Recurrent and Capital Purposes, 1976-77 to 1980-81 (\$ Per Head of Population*)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
FUNDS FOR RECURRENT PURPOSES							
1976-77	398.02	402.10	477.96	531.39	578.27	634.90	446.55
1977-78	468.16	465.13	555.77	622.81	673.37	736.84	521.25
1978-79	503.43	501.89	596.05	666.00	722.15	803.80	560.55
1979-80	559.39	554.61	653.56	736.29	797.59	893.89	620.43
1980-81 (estimate)	614.39	612.44	729.75	808.25	879.63	989.33	684.41
FUNDS FOR CAPITAL PURPOSES							
1976-77	197.96	198.62	228.15	283.13	251.27	419.70	221.57
1977-78	191.97	190.97	215.25	296.11	254.14	425.81	217.33
1978-79	184.10	182.17	200.53	267.79	241.55	393.51	205.11
1979-80	163.51	160.86	189.31	232.69	208.67	353.18	182.73
1980-81 (estimate)	171.99	168.46	183.68	236.41	212.09	388.58	190.55

* See footnote to previous table in this Appendix.

Table 87—Total Payments to or for the States and State Governments' Loan Council Programs—Dissection between Grants and Loans, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
COMMONWEALTH GOVERNMENT PAYMENTS—GRANTS							
1976-77	2 457 201	1 883 417	1 288 677	833 600	843 659	340 946	7 647 501
1977-78	2 814 145	2 125 064	1 468 571	960 370	972 808	383 314	8 724 272
1978-79	3 018 161	2 281 484	1 559 317	1 013 474	1 051 512	407 856	9 331 806
1979-80	3 347 305	2 502 528	1 706 513	1 114 278	1 160 915	454 224	10 285 761
1980-81 (estimate)	3 699 382	2 772 467	1 903 985	1 217 243	1 299 015	511 326	11 429 009
COMMONWEALTH GOVERNMENT PAYMENTS—LOANS (GROSS)							
1976-77	195 185	149 210	89 547	81 229	53 702	26 690	595 563
1977-78	165 564	128 404	64 781	94 857	61 777	28 815	544 198
1978-79	141 752	103 517	48 493	67 199	48 575	22 515	432 050
1979-80	79 690	60 787	49 022	34 995	27 629	11 484	263 608
1980-81 (estimate)	90 163	66 031	31 757	35 255	25 076	12 300	260 582
TOTAL COMMONWEALTH GOVERNMENT LOANS AND LOAN COUNCIL BORROWINGS (GROSS) (a)							
1976-77	483 100	377 916	210 252	199 866	137 937	90 492	1 499 563
1977-78	474 542	368 546	191 521	219 426	150 223	95 807	1 500 065
1978-79	450 730	343 659	175 233	191 768	137 021	89 507	1 387 917
1979-80	347 983	269 308	159 073	143 160	104 428	69 655	1 093 608
1980-81 (estimate)	371 870	284 978	147 311	148 828	105 715	73 380	1 132 082

(a) Figures on a net basis are given in Appendix IV.

Table 88—Total Payments to or for the States and State Governments' Loan Council Programs—Dissection between Grants and Loans, 1976-77 to 1980-81 (\$ Per Head of Population*)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
COMMONWEALTH GOVERNMENT PAYMENTS—GRANTS							
1976-77	498 06	500.32	607.06	657.00	712.97	833.41	558.95
1977-78	564 88	559.12	682.07	748.01	803.44	930.17	630.26
1978-79	598 20	594.51	716.10	785.21	852.60	981.84	666.56
1979-80	654 82	645.95	771.01	858.66	923.22	1 081.26	725.65
1980-81 (estimate)	714 55	708.12	847.83	930.84	1 009.56	1 204.99	796.06
COMMONWEALTH GOVERNMENT PAYMENTS—LOANS (GROSS)							
1976-77	39 56	39.64	42.18	64.02	45.38	65.24	43.53
1977-78	33 23	33.78	30.09	73.88	51.02	69.92	39.31
1978-79	28 10	26.97	22.27	52.06	39.39	54.20	30.86
1979-80	15 59	15.69	22.15	26.97	21.97	27.34	18.60
1980-81 (estimate)	17 42	16.86	14.14	26.96	19.49	28.99	18.15
TOTAL COMMONWEALTH GOVERNMENT LOANS AND LOAN COUNCIL BORROWINGS (GROSS)							
1976-77	97.92	100.39	99.04	157.52	116.57	221.20	109.60
1977-78	95 26	96.97	88.95	170.91	124.07	232.48	108.37
1978-79	89 33	89.55	80.47	148.58	111.10	215.47	99.14
1979-80	68 07	69.51	71.87	110.32	83.05	165.81	77.15
1980-81 (estimate)	71 83	72.79	65.60	113.81	82.16	172.93	78.85

* See footnote to previous table in this Appendix.



APPENDIX II—TABLES OF GENERAL PURPOSE CAPITAL FUNDS

TABLE No.

SUBJECT

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| 89 | General Purpose Capital Funds for State Governments, 1976-77 to 1980-81. |
| 90 | Semi-Government and Local Authority Borrowings, 1976-77 to 1980-81. |
| 91 | Semi-Government and Local Authority Borrowings, Per Head of Population, 1976-77 to 1980-81. |
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| 95 | Summary of Financing of State Government Loan Council Programs, 1975-76 to 1979-80. |
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Table 89—General Purpose Capital Funds for State Governments, 1976-77 to 1980-81(a)
(\$ thousands)

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
APPROVED LOAN COUNCIL BORROWING PROGRAMS							
1976-77	287 915	228 706	120 705	118 637	84 235	63 802	904 000
1977-78	308 978	240 142	126 740	124 569	88 446	66 992	955 867
1978-79	308 978	240 142	126 740	124 569	88 446	66 992	955 867
1979-80	268 293	208 521	110 051	108 165	76 799	58 171	830 000
1980-81(b)	281 707	218 947	115 554	113 573	80 639	61 080	871 500
CAPITAL GRANTS							
1976-77	143 958	114 354	60 352	59 318	42 117	31 901	452 000
1977-78(c)	154 489	120 071	63 370	62 284	44 220	33 496	477 930
1978-79(c)	154 489	120 071	63 370	62 284	44 226	33 496	477 936
1979-80	134 146	104 260	55 026	54 083	38 400	29 085	415 000
1980-81(b)	140 854	109 473	57 777	56 787	40 320	30 539	435 750
TOTAL GENERAL PURPOSE CAPITAL FUNDS							
1976-77	431 873	343 060	181 057	177 955	126 352	95 703	1 356 000
1977-78	463 467	360 213	190 110	186 853	132 666	100 488	1 433 797
1978-79	463 467	360 213	190 110	186 853	132 672	100 488	1 433 809
1979-80	402 439	312 781	165 077	162 248	115 199	87 256	1 245 000
1980-81(b)	422 561	328 420	173 331	170 360	120 959	91 619	1 307 250

(a) For an explanation of the amounts shown in this table, see Chapter III, particularly under the heading "Treatment of Loan Council Programs in This and Other Budget Documents".

(b) Amounts approved at the June 1980 meeting of the Loan Council.

(c) Western Australia was short paid \$3 000 in 1977-78 which was adjusted in 1978-79.

Table 90—Semi-Government and Local Authority Borrowings, 1976-77 to 1980-81
(\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total States	Commonwealth Government	Total
BORROWINGS BY LARGER AUTHORITIES(a)									
1976-77	360 108	304 347	177 575	45 200	45 369	27 397	959 996	423 544	1 383 540
1977-78	443 127	357 612	239 651	52 860	69 309	32 191	1 194 750	260 697	1 455 447
1978-79	472 746	382 645	244 256	56 828	104 656	34 444	1 295 575	288 957	1 584 532
1979-80	472 761	382 657	235 264	56 830	108 593	34 445	1 290 550	285 708	1 576 258
1980-81(b)	472 761	382 657	223 264	56 830	117 358	44 445	1 297 315	304 500	1 601 815
INFRASTRUCTURE BORROWINGS BY LARGER AUTHORITIES									
1978-79	79 000	45 000	..	..	..	..	25 000	..	149 000
1979-80	146 000	116 100	84 000	10 000	15 300	..	28 000	30 000	429 400
1980-81(b)	201 000	173 700	137 300	33 000	56 800	..	30 500	62 000	694 300
BORROWINGS BY SMALLER AUTHORITIES(a)									
1976-77	85 707	88 263	66 060	26 574	41 030	11 088	318 722	150	318 872
1977-78	91 318	115 501	77 063	39 784	45 861	15 985	385 512	..	385 512
1978-79	115 445	111 906	77 179	51 746	45 711	17 536	419 523	853	420 376
1979-80	132 441	126 018	98 673	47 672	48 664	18 821	472 289	3 240	475 529
1980-81 (est.)(c)	130 000	137 000	116 801	55 400	61 477	21 500	522 178	1 770	523 948
BORROWINGS BY ALL SEMI-GOVERNMENT AND LOCAL AUTHORITIES									
1976-77	445 815	392 610	243 635	71 774	86 399	38 485	1 278 718	423 694	1 702 412
1977-78	534 445	473 113	316 714	92 644	115 170	48 176	1 580 262	260 697	1 840 959
1978-79	667 191	539 551	321 435	108 574	150 367	76 980	1 864 098	289 810	2 153 908
1979-80	751 202	624 775	417 937	114 502	172 557	81 266	2 162 239	318 948	2 481 187
1980-81 (est.)(c)	803 761	693 357	477 365	145 230	235 635	96 445	2 451 793	368 270	2 820 063

(a) See Chapter III under the heading 'Borrowing Programs for State Authorities'. Borrowings by larger authorities exclude special additions under the infrastructure financing program.

(b) Borrowing programs approved by the Loan Council in June 1980, subject to examination and report by the Joint Commonwealth and State Officers working party on the possibilities for re-scheduling and modification of proposals.

(c) Tentative estimates by the Commonwealth and State Treasuries.

Table 91—Semi-Government and Local Authority Borrowings, 1976-77 to 1980-81, per head of population(a)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
	\$	\$	\$	\$	\$	\$	\$
BORROWINGS BY LARGER AUTHORITIES							
1976-77	72.99	80.85	83.65	35.62	38.34	66.97	70.17
1977-78	90.59	94.09	111.31	41.17	57.24	78.11	86.31
1978-79	93.55	99.71	112.17	44.03	84.86	82.92	92.49
1979-80	92.48	98.77	106.29	43.79	86.36	81.99	91.05
1980-81 (estimate)	91.32	97.73	99.42	43.46	91.21	104.74	90.36
INFRASTRUCTURE BORROWINGS BY LARGER AUTHORITIES							
1978-79	15.66	11.73	..	..	..	60.18	10.64
1979-80	28.56	29.97	37.95	7.71	12.17	66.65	28.18
1980-81 (estimate)	38.82	44.36	61.14	25.24	44.14	71.88	44.04
BORROWINGS BY SMALLER AUTHORITIES							
1976-77	17.37	23.45	31.12	20.94	34.67	27.10	23.30
1977-78	18.67	30.39	35.79	30.99	37.88	38.79	27.85
1978-79	22.88	29.16	35.44	40.09	37.06	42.21	29.97
1979-80	25.91	32.53	44.58	36.74	38.70	44.80	33.32
1980-81 (estimate)	25.11	34.99	52.01	42.37	47.78	50.67	36.37
BORROWINGS BY ALL SEMI-GOVERNMENT AND LOCAL AUTHORITIES							
1976-77	90.36	104.30	114.77	56.57	73.02	94.07	93.46
1977-78	107.28	124.48	147.10	72.16	95.12	116.90	114.16
1978-79	132.09	140.60	147.62	84.12	121.92	185.32	133.10
1979-80	146.96	161.27	188.82	88.24	137.23	193.45	152.54
1980-81 (estimate)	155.25	177.09	212.57	111.06	183.13	227.28	170.77

(a) See footnotes to Table 91.

Table 92—General Purpose Capital Funds for State Governments and State Semi-Government and Local Authority Borrowings, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL PURPOSE CAPITAL FUNDS FOR STATE GOVERNMENTS(a)							
1976-77	431 873	343 060	181 057	177 955	126 352	95 703	1 356 000
1977-78	463 467	360 213	190 110	186 853	132 666	100 488	1 433 797
1978-79	463 467	360 213	190 110	186 853	132 672	100 488	1 433 803
1979-80	402 439	312 781	165 077	162 248	115 199	87 256	1 245 000
1980-81	422 561	328 420	173 331	170 360	120 959	91 619	1 307 250
BORROWINGS BY STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES(b)							
1976-77	445 815	392 610	243 635	71 774	86 399	38 485	1 278 719
1977-78	534 445	473 113	316 714	92 644	115 170	48 176	1 580 262
1978-79	666 441	539 551	321 435	108 574	150 367	76 980	1 863 348
1979-80	751 202	624 775	417 937	114 502	172 557	81 266	2 162 239
1980-81 (estimate)	803 761	693 357	477 365	145 230	235 635	96 445	2 451 793
TOTAL GENERAL PURPOSE CAPITAL FUNDS FOR STATE GOVERNMENTS AND STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES BORROWINGS							
1976-77	877 688	735 670	424 692	249 729	212 751	134 188	2 634 719
1977-78	997 912	833 326	506 824	279 497	247 836	148 664	3 014 059
1978-79	1 129 908	899 764	511 545	295 427	283 039	177 468	3 297 151
1979-80	1 153 641	937 556	583 014	276 750	287 756	168 522	3 407 239
1980-81 (estimate)	1 226 322	1 021 777	650 696	315 590	356 594	188 064	3 759 045

(a) See footnotes to Table 90.

(b) See footnotes to Table 91.

Table 93—General Purpose Capital Funds for State Governments and State Semi-Government and Local Authority Borrowings, per head of population, 1976-77 to 1980-81

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
	\$	\$	\$	\$	\$	\$	\$
GENERAL PURPOSE CAPITAL FUNDS FOR STATE GOVERNMENTS							
1976-77	87.54	91.13	85.29	140.25	106.78	233.94	99.11
1977-78	93.03	94.78	88.30	145.54	109.57	243.84	103.58
1978-79	91.86	93.86	87.31	144.77	107.57	241.91	102.44
1979-80	78.73	80.74	74.58	125.03	91.61	207.71	87.88
1980-81	81.62	83.88	77.18	130.28	94.01	215.91	91.88
BORROWINGS BY STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES							
1976-77	90.36	104.30	114.77	56.57	73.02	94.07	93.48
1977-78	107.28	124.48	147.10	72.16	95.12	116.90	114.77
1978-79	132.09	140.60	147.62	84.12	121.92	185.32	133.77
1979-80	146.96	161.27	188.82	88.24	137.23	193.45	152.84
1980-81 (estimate)	155.25	177.09	212.57	111.06	183.13	227.28	173.77
TOTAL GENERAL PURPOSE CAPITAL FUNDS FOR STATE GOVERNMENTS AND STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES BORROWINGS							
1976-77	177.90	195.43	200.06	196.82	179.79	328.01	192.59
1977-78	200.31	219.26	235.39	217.69	204.69	360.75	218.35
1978-79	223.95	234.46	234.92	228.89	229.50	427.22	236.31
1979-80	225.68	242.00	263.41	213.26	228.84	401.16	240.77
1980-81 (estimate)	236.87	260.97	289.75	241.34	277.14	443.19	281.65

Table 94—Borrowings by Local Government Authorities(a), 1976-77 to 1980-81
(\$ thousands)

	New South Wales(b)	Victoria	Queens-land	South Australia	Western Australia	Tas-mania	Six State Total	Northern Territory	Total
'LARGER' AUTHORITIES(c)									
1976-77	121 108	14 630	85 389	4 300	6 050	10 085	241 562	1 194	242 756
1977-78	130 127	13 920	81 253	4 750	7 450	8 148	245 648	1 697	247 345
1978-79	133 046	15 295	90 252	4 300	7 815	9 571	260 279	..	260 279
1979-80	132 921	9 900	104 378	4 300	6 772	5 385	270 906	..	270 906
1980-81									
(est.)(d)	125 000	11 300	106 213	4 000	10 000	6 840	263 353	3 500	266 853
'SMALLER' AUTHORITIES(e)									
1976-77	70 824	51 263	30 729	17 374	26 330	6 968	203 488	..	203 488
1977-78	72 103	70 573	36 740	14 674	29 031	9 257	232 378	..	232 378
1978-79	82 595	66 500	36 457	20 321	31 471	8 270	245 614	631	246 245
1979-80	102 486	80 802	43 570	22 304	33 564	10 041	292 767	1 240	294 007
1980-81									
(est.)(d)	100 000	90 000	53 994	26 400	44 151	12 600	326 745	770	327 515
TOTAL									
1976-77	191 932	65 893	116 118	21 674	32 380	17 053	445 050	1 194	446 244
1977-78	202 230	84 493	117 993	19 424	36 481	17 405	478 026	1 697	479 723
1978-79	215 641	81 795	126 709	24 621	39 286	17 841	505 893	631	506 524
1979-80	235 407	90 702	147 948	26 604	40 336	15 426	563 673	1 240	564 913
1980-81									
(est.)(d)	225 000	101 300	160 207	30 400	54 151	19 440	590 098	4 270	594 368

(a) For the interpretation of the figures shown in this table, see Chapter VI, under the heading 'Borrowing Arrangements for Local Government Authorities'.

(b) Includes County Councils.

(c) That is, borrowings by local government authorities from within the totals approved for larger authorities. See footnote (a) to Table 62.

(d) State estimates supplied by State Treasuries; tentative only.

(e) That is, borrowings by local government within the smaller authorities category. See footnote (b) to Table 62.

Table 95—Summary of the Financing of State Government Loan Council Programs, 1975-76 to 1979-80(a)

	Amounts Met from Public Loan Raisings and Overseas Borrowings			Amounts Met from Consolidated Revenue Fund			
	Total Programs	Amount	Percentage of Total Programs	Special Loans	Capital Grants Met Direct from Consolidated Revenue Fund	Total	
						Amount	Percentage of Total Programs
	\$'000	\$'000	per cent	\$'000	\$'000	\$'000	per cent
1975-76	(b)1 291 000	1 291 000	100	..	..	..	..
1976-77	(b)1 356 000	1 356 000	100	..	..	..	..
1977-78	(b)1 433 797(c)1	228 934	86	204 863	..	204 863	14
1978-79	(b)1 433 803(c)1	195 850	83	237 950	(c)3	237 950	17
1979-80	(b)1 245 000	1 245 000	100	..	..	..	..

- (a) For further details of the financing of State Government Loan Council programs, including the derivation of the amounts shown above for those years, see following table.
- (b) Includes capital grants of \$430 333 000 in 1975-76, \$452 000 000 in 1976-77, \$477 933 000 in 1977-78 and 1978-79, and \$415 000 000 in 1979-80.
- (c) Western Australia was underpaid \$3 000 in 1977-78 and this was adjusted with a payment from Consolidated Revenue Fund in 1978-79.

Table 96—Details of the Financing of State Government Loan Council Programs, 1975-76 to 1979-80 (a) (\$ thousands)

	1975-76	1976-77	1977-78	1978-79	1979-80
SPECIAL LOANS APPLIED TO BORROWING PROGRAMS AND HOUSING ADVANCES					
Commonwealth Government Subscription to Special Loans . . . . .	..	..	204 863	237 950	609 405
<i>Less</i> —Amounts used by Commonwealth Government— for advances for welfare housing for redemptions . . . . .	..	..	..	..	48 463 (i)560 942
(A) . . . . .	..	..	204 863	237 950	..
LOAN RAISINGS APPLIED TO BORROWING PROGRAMS AND HOUSING ADVANCES					
Public Loans raised in Australia—					
Cash loans	1 676 610	1 580 967	610 815	780 539	874 012
Special Bonds/Savings Bonds	1 362 443	736 240	719 631	531 182	806 121
State Domestic Raisings	5 918	35 365	57 898	35 816	36 461
Overseas Loans applied direct to Borrowing Programs and Housing Advances	197 476	437 718	1 737 835	1 540 784	463 402
Total Loan Raisings	3 242 447	2 790 290	3 126 179	2 888 321	2 179 996
<i>Less</i> Amounts Used—					
for redemptions	(b)1 251 280	(c)1 057 487	(d)704 098	(g)421 095	(i)822 855
by Commonwealth Government (War Service Land Settlement, Other)	335 567	1 804	686 548	749 894	322 685
for capital grant for works program	430 333	452 000	(e)477 930	477 933	415 000
for advances for welfare housing for redemptions	364 600	375 000	390 000	316 000	111 537
<i>Less</i> —Amounts carried forward . . . . .	..	..	(f)116 599	(f)(h)205 482	(h)—322 081
(B)	860 667	904 000	751 004	717 917	830 000
CAPITAL GRANTS					
Capital Grants—					
Financed from other loan proceeds	430 333	452 000	(e)477 930	477 933	415 000
Financed direct from Con- solidated Revenue Fund . . . . .	..	..	..	(e)3	..
(C)	430 333	452 000	(e)477 930	(e)477 936	415 000
TOTAL PROGRAMS					
TOTAL PROGRAMS (A+B+C)	1 291 000	1 356 000	(e)1 433 797	(e)1 433 803	1 245 000

(a) See Chapter III under heading 'Financing of State Borrowing Programs and the Capital Grants' for an outline of the arrangements for financing the States' Loan Council program.
 (b) Includes \$965 267 000 cash proceeds applied to the redemption of Treasury Notes.
 (c) Includes \$720 320 000 cash proceeds applied to the redemption of Treasury Bills.
 (d) Includes \$503 806 000 cash proceeds applied to the redemption of Treasury Notes and Treasury Bills.
 (e) Western Australia was underpaid by \$3 000 in 1977-78 and this was adjusted in 1978-79.
 (f) Proceeds of overseas loan held in Loan Fund to finance the approved Loan Council borrowing program 1978-79.
 (g) Includes \$414 005 000 cash proceeds applied to the redemption of Treasury Bills.
 (h) Proceeds of overseas cash loan (\$322 081 000) held in Loan Fund to finance the approved Loan Council borrowing program 1979-80.
 (i) Includes \$376 800 000 cash proceeds applied to the redemption of Treasury Bills.

APPENDIX III—TABLES OF SPECIFIC PURPOSE PAYMENTS

TABLE NO.

SUBJECT

- | | |
|-----|---|
| 97 | Schools, Grants for, 1976-77 to 1980-81. |
| 98 | Aboriginal Advancement, Payments for, by Function, 1976-77 to 1980-81. |
| 99 | Natural Disasters, Payments for, by Type of Disaster, 1976-77 to 1980-81. |
| 100 | Natural Disaster Relief, Further Details of Assistance for, 1975-76 to 1979-80. |

Table 97—Grants for Schools, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GRANTS FOR RECURRENT PURPOSES							
GOVERNMENT SCHOOLS							
1976-77	83 674	69 450	26 761	21 628	17 768	6 486	225 767
1977-78	91 721	71 107	24 708	23 478	17 551	6 916	235 481
1978-79	92 925	71 856	28 208	23 449	18 834	7 274	242 544
1979-80	101 584	76 204	30 510	25 256	21 432	7 819	262 804
1980-81 (estimate)	102 463	81 800	39 455	28 509	23 932	8 501	284 660
NON-GOVERNMENT SCHOOLS							
1976-77	59 799	58 590	25 695	10 972	13 133	3 477	171 666
1977-78	70 164	59 674	30 198	12 415	14 989	3 942	191 382
1978-79	79 172	73 130	34 127	13 918	16 669	4 845	221 862
1979-80	93 818	87 390	40 050	16 592	19 905	5 709	263 464
1980-81 (estimate)	104 178	95 574	43 993	18 075	21 630	6 187	289 637
JOINT PROGRAMS							
1976-77	7 680	6 899	3 601	2 439	2 620	1 086	24 324
1977-78	9 655	7 469	4 947	2 673	2 753	1 262	28 759
1978-79	8 642	7 076	4 483	2 379	3 238	1 171	26 989
1979-80	8 405	6 020	4 354	2 866	2 682	1 089	25 417
1980-81 (estimate)	8 490	7 578	4 675	2 545	3 397	1 067	27 752
TOTAL							
1976-77	151 153	134 939	56 058	35 038	33 520	11 049	421 758
1977-78	171 540	138 250	59 853	38 566	35 293	12 120	455 622
1978-79	180 739	152 062	66 818	39 746	38 741	13 290	491 395
1979-80	203 806	169 614	74 914	44 714	44 019	14 617	551 684
1980-81 (estimate)	215 131	184 952	88 123	49 129	48 959	15 755	602 049
GRANTS FOR CAPITAL PURPOSES							
GOVERNMENT SCHOOLS							
1976-77	42 349	37 657	24 809	13 309	5 230	3 861	127 214
1977-78	47 851	40 882	29 506	14 335	13 838	4 816	151 227
1978-79	44 882	36 313	23 753	13 469	18 414	3 685	140 516
1979-80	36 988	33 440	19 464	13 000	8 411	3 780	115 083
1980-81 (estimate)	34 702	29 349	15 850	10 380	11 042	3 281	104 604
NON-GOVERNMENT SCHOOLS							
1976-77	6 208	7 259	3 077	1 300	1 731	360	19 935
1977-78	10 064	10 301	4 704	2 723	2 869	1 370	32 030
1978-79	14 072	12 668	5 717	2 709	2 558	699	38 423
1979-80	9 279	10 478	5 145	1 821	2 599	500	29 822
1980-81 (estimate)	16 160	11 778	5 320	1 735	2 454	514	37 961
JOINT PROGRAMS							
1976-77	126	141	204	63	38	45	617
1977-78	38	91	54	11	6	1	201
1978-79	..	12	5	..	..	..	17
1979-80	..	..	..	..	..	..	..
1980-81 (estimate)	..	..	..	..	..	..	..
TOTAL							
1976-77	48 683	45 056	28 090	14 672	6 999	4 266	147 766
1977-78	57 952	51 273	34 263	17 069	16 713	6 187	183 457
1978-79	58 954	48 993	29 475	16 178	20 971	4 385	178 956
1979-80	46 266	43 918	24 609	14 821	11 011	4 280	144 906
1980-81 (estimate)	50 862	41 127	21 170	12 115	13 496	3 795	142 565

Table 98—Payments for Aboriginal Advancement, by Function 1976-77 to 1980-81
(\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
EDUCATION							
RECURRENT PAYMENTS							
1976-77	931	576	836	1 151	2 035	32	5 561
1977-78	1 013	634	858	1 479	2 184	36	6 204
1978-79	690	633	904	1 560	1 996	28	5 811
1979-80	756	931	724	1 642	2 047	29	6 129
1980-81 (estimate)	835	1 002	801	1 666	2 193	63	6 590
CAPITAL PAYMENTS							
1976-77	1	..	8	233	119	..	361
1977-78 . . . . .	..	..	84	50	61	..	195
1978-79 . . . . .	..	..	57	149	159	..	365
1979-80 . . . . .	..	..	41	23	23	..	87
1980-81 (estimate) . . . . .	..	..	33	9	21	..	63
TOTAL PAYMENTS							
1976-77	932	576	844	1 384	2 154	32	5 921
1977-78	1 013	634	942	1 529	2 245	36	6 399
1978-79	690	633	961	1 709	2 155	28	6 176
1979-80	756	931	765	1 665	2 070	29	6 215
1980-81 (estimate)	835	1 002	834	1 675	2 214	63	6 623
HEALTH							
RECURRENT PAYMENTS							
1976-77	1 480	354	2 243	1 054	4 889	16	10 026
1977-78	1 642	348	2 393	1 185	5 380	16	10 964
1978-79	1 579	325	2 774	1 290	5 258	16	11 242
1979-80	1 608	389	3 119	1 282	5 645	23	12 065
1980-81 (estimate)	1 621	372	3 735	1 331	6 037	23	13 119
CAPITAL PAYMENTS							
1976-77	315	49	530	147	704	..	1 745
1977-78	64	..	526	59	755	..	1 404
1978-79	35	7	194	51	1 076	..	1 363
1979-80	92	..	299	80	612	..	1 083
1980-81 (estimate)	39	11	225	..	190	..	465
TOTAL PAYMENTS							
1976-77	1 795	403	2 773	1 201	5 593	16	11 767
1977-78	1 706	348	2 918	1 244	6 135	16	12 357
1978-79	1 614	332	2 967	1 340	6 334	16	12 603
1979-80	1 700	389	3 418	1 362	6 257	23	13 149
1980-81 (estimate)	1 660	383	3 960	1 331	6 227	23	13 581

Table 98—Payments for Aboriginal Advancement, by Function 1976-77 to 1980-81
(\$ thousands)—continued

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
SOCIAL SECURITY AND WELFARE							
RECURRENT PAYMENTS							
1976-77	262	324	235	295	778	11	1 905
1977-78	359	427	230	346	1 000	15	2 378
1978-79	713	374	239	515	1 290	..	3 130
1979-80	666	162	488	644	1 513	..	3 472
1980-81 (estimate)	786	187	525	882	1 708	..	4 088
CAPITAL PAYMENTS							
1976-77 . . . . .	..	..	..	..	4	..	4
1977-78 . . . . .	..	..	..	..	98	..	98
1978-79 . . . . .	..	..	..	28	88	..	116
1979-80	59	4	..	57	70	..	189
1980-81 (estimate) . . . . .	..	..	..	4	14	..	18
TOTAL PAYMENTS							
1976-77	262	324	235	295	782	11	1 909
1977-78	359	427	230	346	1 098	15	2 476
1978-79	713	374	239	543	1 378	..	3 246
1979-80	725	162	491	701	1 583	..	3 661
1980-81 (estimate)	786	187	525	886	1 722	..	4 106
HOUSING							
RECURRENT PAYMENTS							
1976-77 . . . . .	..	..	..	15	..	12	27
1977-78 . . . . .	..	..	..	15	..	..	15
1978-79 . . . . .	..	..	..	40	..	..	40
1979-80 . . . . .	..	82	..	156	249	..	487
1980-81 (estimate) . . . . .	..	125	..	214	790	..	1 129
CAPITAL PAYMENTS							
1976-77	3 177	633	1 925	2 959	3 938	187	12 821
1977-78	2 590	400	1 665	1 586	3 700	175	10 116
1978-79	3 022	230	1 650	1 954	4 120	115	11 091
1979-80	3 605	275	1 270	1 930	4 259	254	11 593
1980-81 (estimate)	3 495	318	930	1 992	2 862	180	9 777
TOTAL PAYMENTS							
1976-77	3 177	633	1 925	2 975	3 938	199	12 848
1977-78	2 590	400	1 665	1 600	3 700	175	10 130
1978-79	3 022	230	1 650	1 994	4 120	115	11 131
1979-80	3 605	357	1 270	2 086	4 508	254	12 080
1980-81 (estimate)	3 495	443	930	2 206	3 652	180	10 906

Table 98—Payments for Aboriginal Advancement, by Function 1976-77 to 1980-81
(\$ thousands)—continued

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
URBAN AND REGIONAL DEVELOPMENT N.E.C. AND THE ENVIRONMENT							
RECURRENT PAYMENTS							
1976-77	10	..	..	21	..	..	54
1977-78	..	..	..	21	..	..	21
1978-79	..	..	..	..	..	..	..
1979-80	..	..	..	..	111	..	111
1980-81 (estimate)	..	..	..	..	196	..	196
CAPITAL PAYMENTS							
1976-77	..	..	1 933	..	..	..	1 933
1977-78	..	..	550	112	..	..	662
1978-79	..	..	635	110	..	..	745
1979-80	..	..	..	142	94	..	236
1980-81 (estimate)	..	..	319	53	215	..	587
TOTAL PAYMENTS							
1976-77	10	..	1 933	..	..	..	1 943
1977-78	..	..	550	133	..	..	683
1978-79	..	..	635	110	..	..	745
1979-80	..	..	..	142	205	..	347
1980-81 (estimate)	..	..	319	53	411	..	783
TOTAL—ALL FUNCTIONS							
RECURRENT PAYMENTS							
1976-77	2 683	1 254	3 314	2 515	7 702	71	17 540
1977-78	3 014	1 409	3 480	3 045	8 564	67	19 580
1978-79	2 982	1 331	3 917	3 404	8 544	44	20 221
1979-80	3 030	1 562	4 331	3 724	9 565	52	22 263
1980-81 (estimate)	3 242	1 686	5 061	4 093	10 924	86	25 092
CAPITAL PAYMENTS							
1976-77	3 493	682	4 396	3 339	4 765	187	16 863
1977-78	2 654	400	2 825	1 807	4 614	175	12 474
1978-79	3 057	237	2 536	2 291	5 443	115	13 678
1979-80	3 756	275	1 613	2 231	5 058	254	13 187
1980-81 (estimate)	3 534	329	1 507	2 058	3 302	180	10 910
TOTAL PAYMENTS							
1976-77	6 176	1 936	7 710	5 854	12 467	258	34 403
1977-78	5 668	1 809	6 305	4 852	13 178	242	32 054
1978-79	6 039	1 568	6 452	5 696	13 986	159	33 900
1979-80	6 786	1 837	5 944	5 955	14 623	306	35 451
1980-81 (estimate)	6 776	2 015	6 568	6 151	14 226	266	36 002

Table 99—Payments for Natural Disaster Relief Assistance by Type of Disaster, 1976-77 to 1980-81(a) (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
DROUGHT							
1976-77	779	716	..	..	2 134	..	3 629
1977-78	1 458	399	2 568	12 350	16 000	..	32 775
1978-79	743	173	3 427	5 430	5 907	..	15 680
1979-80	..	-229	1 279	-270	6 884	..	7 664
1980-81 (estimate) (b)	1 670	..	3 623	..	731	..	6 024
FLOOD, STORM AND CYCLONE							
1976-77	11 877	809	11 139	..	1 568	..	25 393
1977-78	8 195	1 320	12 496	..	2 498	..	24 510
1978-79	2 393	797	5 535	..	2 511	..	11 236
1979-80	..	..	6 553	..	1 558	..	8 111
1980-81 (estimate) (b)	84	..	5 199	82	1 242	..	6 607
BUSHFIRE							
1976-77	73	1 355	..	..	..	..	1 428
1977-78	14	192	9	..	..	..	215
1978-79	8	43	..	..	..	..	51
1979-80	45	..	..	..	..	..	45
1980-81 (estimate) (b)	89	..	..	82	..	..	171
ALL NATURAL DISASTERS							
1976-77	12 729	2 880	11 139	..	3 702	..	30 450
1977-78	9 667	1 912	15 073	12 350	18 498	..	57 500
1978-79	3 144	1 013	8 962	5 430	8 418	..	26 967
1979-80	45	-229	7 832	-270	8 442	..	15 820
1980-81 (estimate) (b)	1 843	..	8 822	164	1 973	..	12 802

(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 were received (also see footnotes to Table 57).

(b) Estimates shown for 1980-81 are indicative only as they make some provision for expected payments in respect of possible new disasters, of which some, on the basis of past experience, can be expected to qualify for Commonwealth assistance.

Table 100—Further Details of Natural Disaster Relief Assistance to the States, 1975-76 to 1979-80 (\$ thousands)

	New South Wales					Victoria					Queensland				
	1975-76	1976-77	1977-78	1978-79	1979-80	1975-76	1976-77	1977-78	1978-79	1979-80	1975-76	1976-77	1977-78	1978-79	1979-80
<i>Expenditures by States in Year(a)</i>															
Personal hardship and distress	845	703	974	210	90	25	153	108	46	..	70	52	71	5	4
Housing repair and rebuilding	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Rail and road freight subsidies	2	980	867	911	..	28	858	198	14	..	..	..	192	2 945	2 386
Fodder airdrop subsidies	65	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Stock slaughter assistance and compensation	..	19	30	3	..	..	573	..	..	..	..	1	327	261	11
Loans to primary producers	1 218	1 982	2 212	3 911	..	425	1 608	3 965	1 427	..	46	409	4 230	2 210	380
Loans to small businesses	..	35	3	245	..	..	365	..	..	..	..	96	35	35	17
Loans to sporting clubs	22	23	10	20	..	..	..	..	..	..	63	24	..	10	..
Assistance to surf lifesaving clubs	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Assistance to independent schools	-1	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Restoration of State, local and semi-government assets	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Emergency protection works and repairs to essential services	13 839	13 263	10 802	7 824	..	9 441	2 408	815	6 479	..	7 534	12 140	12 064	9 794	11 710
Assistance to local government authorities for fire fighting costs	735	423	205	217	..	175	465	53	..	..	..	43	..	..	..
Assistance to tertiary education institutions(b)	53	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Water cartage	..	..	1	2	..	..	..	..	..	..	102	46	..	..	..
Fencing	..	..	..	..	..	..	..	125	63	..	..	..	..	..	..
Bores	..	..	..	..	..	..	..	..	81	..	..	..	..	..	..
Disposal of unsaleable stock	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Total	16 778	17 428	15 104	13 343	90	10 094	6 430	5 264	8 110	..	7 815	12 811	16 920	15 260	14 508
<i>Less—</i>															
Expenditure in Year attributable to States(c)—															
Base-line amount	5 003	5 000	5 000	10 000	..	3 500	3 500	3 500	7 000	..	2 000	2 000	2 000	4 000	4 000
Expenditure by State above 'base-line'	..	..	..	827	..	..	..	..	326	..	..	..	..	2 881	2 627
States' share of expenditure for personal hardship and distress	..	..	..	..	45	..	..	..	..	..	..	..	..	..	..
Expenditure in Year to be reimbursed in subsequent years(d)	250	(e)-51	..	..	..	2	..	..	(e)-229	..	481	153	..	(e)-8	..
Refunds of overpayments in respect of previous years	..	..	437	..	..	342	50	74	..	229	15	..	..	..	49
<i>Plus—</i>															
Amounts paid in Year in respect of previous years	2 380	250	..	628	..	..	..	222	..	..	1 133	481	153	575	..
Payments to States in Year	13 905	12 729	9 667	3 144	45	6 250	2 880	(f)1 912	1 013	-229	6 452	11 139	15 073	8 962	7 812

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Table 100—Further Details of Natural Disaster Relief Assistance to the States, 1975-76 to 1979-80 (\$ thousands)—continued

	South Australia					Western Australia					Total				
	1975-76	1976-77	1977-78	1978-79	1979-80	1975-76	1976-77	1977-78	1978-79	1979-80	1975-76	1976-77	1977-78	1978-79	1979-80
<i>Expenditures by States in Year(a)</i>															
Personal hardship and distress	120	1	364	28	304	1 060	900	1 517	289	398
Housing repair and rebuilding
Rail and road freight subsidies	245	256	..	..	270	187	257	227	30	2 108	1 689	4 383	2 613
Fodder airdrop subsidies	65	1	1	..	..
Stock slaughter assistance and compensation	16	..	..	..	..	..	..	..	592	373	264	264	11
Loans to primary producers	13 319	9 294	..	..	2 824	16 995	9 562	12 724	1 689	6 823	40 721	26 404	13 104
Loans to small businesses	25	..	496	38	280	42
Loans to sporting clubs	85	47	10	30	..
Assistance to surf lifesaving clubs	-1	..	..	..	..
Assistance to independent schools
Restoration of State, local and semi-government assets	650	..	4 588	3 261	2 330	1 888	1 852	35 402	31 072	26 011	26 635	13 562
Emergency protection works and repairs to essential services	9	1	..	..	..	919	932	258	217	..
Assistance to local government authorities for fire fighting costs	53	..	..	..	..
Assistance to tertiary education institutions(b)	102	46	..	..	..
Water cartage	25	..	..	..	17	..	..	..	..	18	27	..
Fencing	23	..	..	..	125	86	..
Bores	81	..
Disposal of unsaleable stock	15	..	..	..	..	..	..	..	..	..	15	..
Total	13 580	10 240	..	4 717	6 357	19 893	11 758	15 132	39 404	43 026	70 761	58 711	29 730
<i>Less—</i>															
Expenditure in Year attributable to States(c)—															
Base-line amount	1 500	3 000	..	1 500	1 525	1 500	3 000	3 000	12 003	12 025	13 500	27 000	7 000
Expenditure by State above 'base-line'	1 810	..	..	..	..	2 166	3 033	..	..	..	8 010	5 660
State's share of expenditure for personal hardship and distress	45
Expenditure in Year to be reimbursed in subsequent years(d)	(e)-270	..	..	-1 130	..	..	96	753	-397	102	(e)-270	(e)-141	753
Refunds of overpayments in respect of previous years	270	..	1 130	..	..	..	(h)354	1 180	511	..	548
<i>Plus—</i>															
Amounts paid in Year in respect of previous years	108	..	..	..	..	..	..	105	1 922	96	3 621	731	480	3 125	96
Payments to States in Year	108	..	12 350	5 430	-270	4 347	3 702	18 498	8 418	8 442	31 055	30 450	57 500	26 967	15 820

(a) Actual amounts for New South Wales in 1974-75 and 1975-76. All other amounts are estimates by State Treasuries of expenditures on measures agreed between the Commonwealth and State Governments in respect of eligible disasters. Subject to revision.

(b) This assistance was administered, in part, by the Universities Commission and the Commission on Advanced Education but was paid through State Treasury accounts.

(c) For explanations see Chapter IV.

(d) For unavoidable administrative reasons payments to the States in a year are not equal to the amounts payable to them in respect of that year.

(e) Refers to overpayment to State in year concerned, adjusted in subsequent year.

(f) The Commonwealth and State Governments provided \$600 000 and \$500 000 respectively as donations to official disaster appeal funds. These amounts are not shown in this table. The Commonwealth's contribution was paid direct to the funds and did not take the form of payments to the State.

(g) Paid to South Australia in 1975-76.

(h) Includes refunds received from Tasmania of \$6 765 in 1975-76 and from South Australia of \$127 in 1975-76.



APPENDIX IV—ADVANCES, DEBT CHARGES, NET ADVANCES,
NET PAYMENTS AND STATE GOVERNMENT DEBT OUTSTANDING

TABLE NO.

SUBJECT

Advances to States, Debt Charges on Advances and Net Advances,
1976-77 to 1980-81:

101	Six States Combined
102	New South Wales
103	Victoria
104	Queensland
105	South Australia
106	Western Australia
107	Tasmania
108	Total Commonwealth Government Loans and State Government Loan Council Borrowings—Net Basis, by States, 1976-77 to 1980-81.
109	Payments to the States and Loan Council Borrowings—Net Basis, by States, 1976-77 to 1980-81.

Table 101—Six States Total—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
ADVANCES(a)					
<i>Loan Council Borrowings</i>	904 000	955 867	955 867	830 000	871 500
<i>Commonwealth Government Loans—</i>					
Housing for Servicemen	35 114	22 519	11 600	1 455	1 820
Welfare Housing(b)	375 000	390 000	316 000	160 000	166 500
Growth Centres	42 796	25 486	24 822	27 091	28 788
Land Acquisition	22 903	26 160	14 587	15 706	17 463
Captains Flat Project	206	..	15	..	..
Legana Industrial Estate—Tasmania . . . . .	..	..	..	..	200
Sewerage	33 812	..	..	..	..
Community Facilities—Townsville	25	..	..	..	..
Railway Projects	320	20	..	..	..
Railway Mainline Upgrading . . . . .	..	..	..	5 137	19 700
Railways—Intersystem Advances	255	..	..	..	..
Urban Water Supply	6 423	4 200	3 105	..	..
Gladstone Power Station	26 422	191	..	..	..
Softwood Forestry	7 934	360	7 665	5 131	4 947
Native Forestry Assistance—Tasmania . . . . .	..	..	..	272	336
Dairy Adjustment Program	5 277	672	..	..	..
Rural Adjustment Scheme	8 272	34 585	39 815	12 472	14 503
Beef Industry Assistance	3 478	33	—3	..	..
Rural Reconstruction	14 954	2 199	..	..	..
Sugar Industry . . . . .	..	..	..	27 842	..
Dartmouth Dam	5 625	..	..	..	..
Ord River Project	12	20	..	14	387
Assistance for Mount Lyell Mining . . . . .	..	3 383	..	..	..
Assistance for Chrysotile Corporation . . . . .	..	..	..	1 179	1 222
Brigalow Lands Development Scheme	1 909	..	..	..	..
Natural Disaster Relief	4 828	34 369	14 444	7 308	4 717
Total Commonwealth Government Loans	595 563	544 198	432 050	263 608	260 582
TOTAL ADVANCES	1 499 563	1 500 065	1 387 917	1 093 608	1 132 082

Table 101—Six States Total—Advances, Debt Charges on Advances and Net Advances: 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
REPAYMENTS OF ADVANCES					
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	159 323	171 032	185 269	195 210	203 746
<i>Repayments of Commonwealth Government Loans—</i>					
Special Budgetary Assistance	10 000	10 000	10 000	2 500	..
Housing for Servicemen	734	789	840	894	941
Unemployment Relief Works	4	..	2	2	..
Aboriginal Advancement	20	21	..	23	23
Welfare Housing	24 711	27 684	30 880	33 504	35 635
Growth Centres	21	28	137	252	5 372
Area Improvement	..	7	..	..	..
Captains Flat Project	..	..	4	7	..
Sewerage	441	608	696	765	834
Community Facilities—Townsville	5	4	5	5	6
Exmouth Township—Electricity Services	14	9	10	15	10
Beef Cattle Roads	570	570	570	570	570
Railway Projects	4 136	4 335	3 998	4 753	5 555
Railways—Intersystem Advances	218	..	..	..	..
King Island Harbour Works	45	45	45	45	45
King Island Shipping Service	87	87	87	87	87
Coal Loading Facilities	13	13	13	6	..
Northern Harbours	98	98	98	98	98
Derby Jetty	53	53	53	..	..
Weipa Development	77	81	85	90	95
Natural Gas	1 875	1 875	1 875	1 875	..
Julius Dam	73	80	88	97	107
Urban Water Supply	32	46	62	77	90
Hydro-electricity	2 989	2 989	2 989	2 989	2 989
Gladstone Power Station	..	..	..	1 072	2 242
Softwood Forestry	..	12	150	305	498
Dairy Adjustment Program	1 607	1 807	2 239	2 632	2 400
Rural Adjustment Scheme	..	..	188	1 712	1 710
Beef Industry Assistance	234	891	2 385	4 367	4 100
Rural Reconstruction	3 528	4 296	5 054	6 531	6 835
Sugar Industry	2 485	2 610	2 740	2 877	27 391
Canned Fruit Industry	694	1 470	759	1 461	731
Chowilla Reservoir	99	137	148	148	143
Blowering Reservoir	1 303	1 805	2 015	2 035	2 035
Exmouth Township—Water and Sewerage	..	..	4	4	4
Exmouth Shire Water and Sewerage	..	..	4	4	4
Ord River Project	..	..	..	..	9
Western Australia Water Supply	150	244	367	508	613
Assistance for Mount Lyell Mining	..	..	1 009	2 374	..
War Service Land Settlement	340	352	366	379	394
Brigalow Lands Development Scheme	938	508	346	693	693
Natural Disaster Relief	4 585	4 343	3 396	5 473	7 975
Total Repayments of Commonwealth Government Loans	62 179	67 897	73 703	81 225	110 244
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	221 502	238 929	258 972	276 435	313 990
NET ADVANCES(d) (Advances Less Repayments)					
Loan Council Borrowings	744 677	784 835	770 598	634 790	667 754
Commonwealth Government Loans	533 384	476 301	358 347	182 383	150 338
TOTAL NET ADVANCES	1 278 061	1 261 136	1 128 945	817 173	818 092

Table 101—Six States Total—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
INTEREST ON ADVANCES					
Interest on Loan Council Borrowings(e)	831 563	947 629	1 017 905	1 088 740	1 221 500
Interest on Commonwealth Government Loans—					
Special Budgetary Assistance	2 763	1 913	1 063	213	..
Housing for Servicemen	11 932	14 623	16 841	17 731	17 956
Unemployment Relief Works	3	..	..	..	..
Aboriginal Advancement—Bamaga	16	14	..	12	12
Housing	119 127	133 992	148 483	158 237	164 724
Growth Centres	14 075	17 862	20 482	22 971	24 793
Land Acquisition	10 011	12 132	14 587	15 706	17 463
Community Facilities—Townsville	41	41	41	41	40
Exmouth Township	19	11	17	22	15
Captains Flat Project	17	37	39	40	40
Sewerage	19 402	21 734	21 704	21 635	21 560
Beef Cattle Roads	165	136	107	79	50
Railway Projects	4 193	3 994	2 737	3 538	4 025
Railways—Intersystem Advances	403	..	..	..	..
King Island Harbour Works	40	37	34	31	28
King Island Shipping Service	110	102	93	85	77
Coal Loading Facilities	2	1	1	..	..
Northern Harbours	23	18	13	9	4
Derby Jetty	7	4	2	..	..
Weipa Development	149	145	140	136	131
Natural Gas	415	304	194	83	..
Julius Dam	175	168	159	151	141
Urban Water Supply	1 107	1 724	2 049	2 287	2 287
Hydro-electricity	1 077	890	702	515	328
Blowering Reservoir	997	921	822	717	610
Gladstone Power Station	..	..	..	8 578	10 392
Softwood Forestry	..	13	135	564	1 197
Dairy Adjustment Program	647	966	992	984	890
Rural Adjustment Scheme	..	565	2 709	5 071	5 968
Canned Fruit Industry	230	301	372	337	61
Sugar Industry	536	411	281	871	1 657
Rural Reconstruction	8 301	9 006	8 732	8 350	8 167
Ord River Project	190	191	193	193	199
Dartmouth Dam	1 578	2 276	2 528	2 528	2 528
Chowilla Reservoir	72	67	59	51	44
Western Australia Water Supply	701	691	675	652	603
War Service Land Settlement	882	869	856	842	828
Brigalow Lands Development Scheme	828	447	485	936	890
Total Interest on Commonwealth Govern- ment Loans	200 229	226 605	248 329	274 194	287 707
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND COMMONWEALTH GOVERN- MENT LOANS	1 031 792	1 174 234	1 266 234	1 362 934	1 509 207

(a) For purposes of these tables advances comprise the State Governments' Loan Council borrowing programs and Commonwealth Government loans to the States. See Chapter 1 of this paper and footnote (d) below. Important qualifications attach to the 1980-81 estimates in some cases; see relevant sections of the text.

(b) Comprising advances from 1974-75 under the Housing Agreement 1973. 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. Amounts shown equal total receipts of the Sinking Funds on the States' debts controlled by the National Debt Commission.

(d) Figures derived from those shown above by subtracting sinking fund payments from Loan Council borrowings and repayments of Commonwealth Government loans from the amounts of those loans each year. As explained in Chapter 1, national accounting estimates of Commonwealth Government outlays published by the Treasury and by the Australian Bureau of Statistics show advances (including the State Governments' Loan Council borrowing programs) on a net basis. The figures shown here coincide with those shown in the national accounting estimates. The figures shown in 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 102—New South Wales—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
ADVANCES(a)					
<i>Loan Council Borrowings</i>	287 915	308 978	308 978	268 293	231 777
<i>Commonwealth Government Loans—</i>					
Housing for Servicemen	15 280	7 947	5 423	1 360	551
Welfare Housing (b)	123 411	128 011	103 721	52 512	54 627
Growth Centres	26 022	15 323	16 231	16 977	19 522
Land Acquisition	3 743	4 287	2 137	2 338	2 657
Captains Flat Project	206	..	15	..	..
Sewerage	13 790	..	..	..	..
Railway Mainline Upgrading . . . . .	..	..	..	..	4 722
Railways—Intersystem Advances	384	..	..	..	..
Softwood Forestry	2 497	374	3 175	1 840	1 551
Dairy Adjustment Program	306	..	..	..	..
Rural Adjustment Scheme	1 476	6 495	10 065	3 485	3 822
Beef Industry Assistance	730	..	..	..	..
Rural Reconstruction	3 975	1 643	..	..	..
Dartmouth Dam	1 875	..	..	..	..
Assistance for Chrysotile Corporation . . . . .	..	..	..	1 179	1 222
Natural Disaster Relief	1 490	1 485	984	..	1 074
Total Commonwealth Government Loans	195 185	165 564	141 752	79 690	90 163
TOTAL ADVANCES	483 100	474 542	450 730	347 983	371 877
REPAYMENTS OF ADVANCES					
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	54 579	58 218	62 633	65 924	68 724
<i>Repayments of Commonwealth Government Loans—</i>					
Special Budgetary Assistance	10 000	10 000	10 000	2 500	..
Housing for Servicemen	270	293	312	334	355
Welfare Housing	8 657	9 658	10 730	11 594	12 331
Growth Centres	21	28	35	45	46
Area Improvement . . . . .	..	7	..	..	..
Captains Flat Project . . . . .	..	..	4	7	8
Sewerage	164	226	256	281	305
Railway Projects	96	96	96	96	96
Railways—Intersystem Advances	62	..	..	..	..
Softwood Forestry . . . . .	..	..	60	108	180
Dairy Adjustment Program	81	137	141	148	140
Rural Adjustment Scheme . . . . .	..	..	..	218	222
Beef Industry Assistance . . . . .	..	238	594	916	870
Rural Reconstruction	1 032	1 288	1 692	1 871	2 070
Canned Fruit Industry	169	169	..	..	..
Chowilla Reservoir	99	137	148	148	145
Blowering Reservoir	1 303	1 805	2 015	2 035	2 035
War Service Land Settlement	165	171	177	184	191
Natural Disaster Relief	1 453	1 888	688	964	916
Total Repayments of Commonwealth Government Loans	23 571	26 140	26 947	21 447	19 912
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	78 149	84 358	89 580	87 371	88 656
NET ADVANCES(d) (Advances Less Repayments)					
Loan Council Borrowings	233 336	250 760	246 345	202 369	212 953
Commonwealth Government Loans	171 614	139 424	114 805	58 243	70 257
TOTAL NET ADVANCES	404 950	390 184	361 150	260 613	283 210

Table 102—New South Wales—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
INTEREST ON ADVANCES					
<i>Interest on Loan Council Borrowings</i>	273 262	311 602	334 673	357 354	400 851
<i>Interest on Commonwealth Government Loans—</i>					
Special Budgetary Assistance	2 763	1 913	1 063	213	..
Housing for Servicemen	5 887	6 949	7 809	8 232	8 356
Housing	40 943	45 805	50 615	53 895	56 044
Growth Centres	7 959	10 176	11 672	13 220	15 249
Land Acquisition	1 336	1 687	2 137	2 338	2 605
Captains Flat Project	17	37	39	40	40
Sewerage	7 392	8 174	8 151	8 126	8 098
Railway Projects	171	166	161	156	152
Railways—Intersystem Advances	115	..	..	..	..
Blowering Reservoir	997	921	822	717	610
Softwood Forestry . . . . .	..	..	44	269	617
Dairy Adjustment Program	84	82	80	73	70
Rural Adjustment Scheme . . . . .	..	98	545	1 131	1 400
Canned Fruit Industry	37	145	..	..	..
Rural Reconstruction	2 521	2 756	2 724	2 639	2 520
Dartmouth Dam	526	759	843	843	843
Chowilla Reservoir	72	67	59	51	44
War Service Land Settlement	428	421	415	408	402
Total Interest on Commonwealth Government Loans	71 247	80 155	87 179	92 350	97 050
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND COMMONWEALTH GOVERNMENT LOANS	344 509	391 757	421 852	449 704	497 901

(a), (b), (c) & (d). See corresponding footnotes to previous Table.

Table 103—Victoria—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
ADVANCES(a)					
<i>Loan Council Borrowings</i>	228 706	240 142	240 142	208 521	218 947
<i>Commonwealth Government Loans—</i>					
Housing for Servicemen	4 191	753	948	45	500
Welfare Housing(b)	98 159	101 759	82 451	41 744	43 447
Growth Centres	15 793	9 075	7 391	8 804	8 955
Land Acquisition	4 926	5 340	3 201	3 267	3 647
Sewerage	11 970	..	..	..	..
Railway Mainline Upgrading . . . . .	..	..	..	3 230	5 700
Softwood Forestry	1 686	73	613	415	402
Dairy Adjustment Program	3 565	363	..	..	..
Rural Adjustment Scheme	2 958	9 733	8 712	3 281	3 353
Beef Industry Assistance	349	..	..	..	..
Rural Reconstruction	2 850	18	..	..	..
Dartmouth Dam	1 875	..	..	..	..
Natural Disaster Relief	888	1 291	201	..	..
Total Commonwealth Government Loans	149 210	128 404	103 517	60 787	66 031
TOTAL ADVANCES	377 916	368 546	343 659	269 308	284 973
REPAYMENTS OF ADVANCES					
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	39 174	42 171	45 868	48 195	50 372
<i>Repayments of Commonwealth Government Loans—</i>					
Housing for Servicemen	224	236	248	260	272
Unemployment Relief Works	4	..	2	2	2
Welfare Housing	7 339	8 142	9 004	9 748	10 368
Growth Centres . . . . .	..	..	103	207	225
Sewerage	148	193	226	248	270
Railway Projects	96	96	96	96	96
Softwood Forestry . . . . .	..	..	12	32	51
Dairy Adjustment Program	865	899	1 348	1 513	1 400
Rural Adjustment Scheme . . . . .	..	..	1	25	60
Beef Industry Assistance . . . . .	..	6	143	349	330
Rural Reconstruction	852	962	1 163	1 687	1 520
Canned Fruit Industry	525	1 301	759	1 255	525
War Service Land Settlement	175	182	189	196	205
Natural Disaster Relief	840	85	193	343	378
Total Repayments of Commonwealth Government Loans	11 068	12 103	13 486	15 962	15 701
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	50 242	54 274	59 355	64 157	66 073
NET ADVANCES(d) (Advances Less Repayments)					
<i>Loan Council Borrowings</i>	189 532	197 971	194 274	160 326	168 575
<i>Commonwealth Government Loans</i>	138 142	116 301	90 031	44 825	50 330
TOTAL NET ADVANCES	327 674	314 272	284 304	205 150	218 905

Table 103—Victoria—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
INTEREST ON ADVANCES					
<i>Interest on Loan Council Borrowings</i>	209 178	239 403	257 316	274 649	308 082
<i>Interest on Commonwealth Government Loans—</i>					
Housing for Servicemen	2 478	2 838	2 899	2 922	2 967
Unemployment Relief Works	3	..	..	..	..
Housing	32 597	36 439	40 078	42 478	44 180
Growth Centres	5 136	6 598	7 609	8 440	9 544
Land Acquisition	2 474	2 887	3 201	3 267	3 640
Sewerage	6 385	7 179	7 160	7 137	7 113
Railway Projects	171	166	161	156	152
Softwood Forestry . . . . .	..	..	9	30	58
Dairy Adjustment Program	117	308	345	349	320
Rural Adjustment Scheme . . . . .	..	259	939	1 502	1 700
Canned Fruit Industry	193	156	372	145	46
Rural Reconstruction	1 916	2 012	1 951	1 593	1 800
Dartmouth Dam	526	759	843	843	843
War Service Land Settlement	454	447	441	434	426
Total Interest on Commonwealth Government Loans	52 449	60 049	66 008	69 296	72 789
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND COMMONWEALTH GOVERNMENT LOANS	261 627	299 452	323 323	343 945	380 871

(a), (b), (c) and (d). See corresponding footnotes to Table 101.

Table 104—Queensland—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
ADVANCES(a)					
<i>Loan Council Borrowings</i>	120 705	126 740	126 740	110 051	115 554
<i>Commonwealth Government Loans—</i>					
Housing for Servicemen	12 300	12 500	5 229	..	1 002
Welfare Housing(b)	37 410	39 810	32 257	16 336	17 091
Sewerage	700	..	..	..	..
Community Facilities—Townsville	25	..	..	..	..
Railway Mainline Upgrading . . . . .	..	..	..	1 907	8 355
Gladstone Power Station	26 422	191	..	..	..
Softwood Forestry	1 547	..	1 485	977	795
Dairy Adjustment Program	579	21	..	..	..
Rural Adjustment Scheme	3 191	8 440	8 087	1 744	2 384
Beef Industry Assistance	2 226	33	..	..	..
Rural Reconstruction	2 790	23	..	..	..
Sugar Industry . . . . .	..	..	..	27 842	..
Brigalow Lands Development Scheme	1 909	..	..	..	..
Natural Disaster Relief	449	3 762	1 434	216	2 283
Total Commonwealth Government Loans	89 547	64 781	48 493	49 022	31 757
TOTAL ADVANCES	210 252	191 521	175 233	159 073	147 311
REPAYMENTS OF ADVANCES					
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	21 218	22 795	24 734	26 093	27 138
<i>Repayments of Commonwealth Government Loans—</i>					
Housing for Servicemen	177	192	208	224	236
Aboriginal Advancement	20	21	..	23	23
Welfare Housing	2 217	2 506	2 820	3 077	3 273
Sewerage	36	58	65	71	78
Community Facilities—Townsville	5	4	5	5	6
Beef Cattle Roads	570	570	570	570	570
Railway Projects	1 865	1 969	2 079	2 195	2 317
Coal Loading Facilities	13	13	13	6	..
Weipa Development	77	81	85	90	95
Julius Dam	73	80	88	97	107
Gladstone Power Station . . . . .	..	..	..	1 072	2 242
Softwood Forestry . . . . .	..	8	27	65	103
Dairy Adjustment Program	275	334	356	393	350
Rural Adjustment Scheme . . . . .	..	..	138	1 360	1 300
Beef Industry Assistance	234	451	1 445	2 868	2 700
Rural Reconstruction	623	842	906	1 152	1 260
Sugar Industry	2 485	2 610	2 740	2 877	27 391
Brigalow Lands Development Scheme	938	508	346	693	693
Natural Disaster Relief	2 045	2 050	1 939	2 391	1 340
Total Repayments of Commonwealth Government Loans	11 654	12 297	13 832	19 231	44 084
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	32 871	35 092	38 566	45 325	71 222
NET ADVANCES(d) (Advances Less Repayments)					
<i>Loan Council Borrowings</i>	99 487	103 945	102 006	83 958	88 416
<i>Commonwealth Government Loans</i>	77 894	52 484	34 661	29 791	—12 327
TOTAL NET ADVANCES	177 381	156 429	136 667	113 749	76 089

Table 104—*Queensland—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)—continued*

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
INTEREST ON ADVANCES					
<i>Interest on Loan Council Borrowings (e)</i>	108 761	121 463	129 761	139 979	157 251
<i>Interest on Commonwealth Government Loans—</i>					
Housing for Servicemen	2 696	3 709	4 880	5 327	5 383
Aboriginal Advancement—Bamaga	16	14	..	12	12
Housing	10 423	11 935	13 414	14 391	15 034
Community Facilities—Townsville	41	41	41	41	40
Sewerage	1 876	2 109	2 119	2 113	2 106
Beef Cattle Roads	165	136	107	79	50
Railway Projects	1 053	949	839	723	601
Coal Loading Facilities	2	1	1	..	..
Weipa Development	149	145	140	136	131
Julius Dam	175	168	159	151	141
Gladstone Power Station . . . . .	..	..	..	8 578	10 392
Softwood Forestry . . . . .	..	6	24	62	119
Dairy Adjustment Program	383	454	457	427	400
Rural Adjustment Scheme . . . . .	..	161	548	927	1 080
Sugar Industry	536	411	281	871	1 657
Rural Reconstruction	1 546	1 645	1 603	1 547	1 470
Brigalow Lands Development Scheme	828	447	485	936	890
Total Interest on Commonwealth Government Loans	19 886	22 331	25 099	36 320	39 507
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND COMMONWEALTH GOVERNMENT LOANS	128 647	143 794	154 860	176 299	196 758

(a), (b), (c), (d) and (e). See corresponding footnotes to Table 101.

Table 105—South Australia—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
ADVANCES(a)					
<i>Loan Council Borrowings</i>	118 637	124 569	124 569	108 165	113 575
<i>Commonwealth Government Loans—</i>					
Housing for Servicemen	2 107	1 317	..	..	..
Welfare Housing(b)	56 360	58 460	47 368	23 984	24 561
Growth Centres	980	1 088	1 201	1 311	..
Land Acquisition	10 352	11 507	6 712	7 329	8 123
Sewerage	702	..	..	..	..
Railway Projects	210	..	..	..	..
Urban Water Supply	6 423	4 200	3 105	..	..
Softwood Forestry . . . . .	..	-87	..	330	135
Dairy Adjustment Program	65	..	..	..	..
Rural Adjustment Scheme . . . . .	..	5 956	3 884	2 041	2 031
Beef Industry Assistance	70	..	..	..	..
Rural Reconstruction	2 086	300	..	..	..
Dartmouth Dam	1 875	..	..	..	..
Natural Disaster Relief . . . . .	..	12 117	4 929	..	..
Total Commonwealth Government Loans	81 229	94 857	67 199	34 995	35 255
TOTAL ADVANCES	199 866	219 426	191 768	143 160	148 825
REPAYMENTS OF ADVANCES					
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	19 638	21 199	23 102	24 416	25 519
<i>Repayments of Commonwealth Government Loans—</i>					
Housing for Servicemen	15	17	18	19	20
Welfare Housing	3 213	3 645	4 108	4 488	4 773
Growth Centres . . . . .	..	..	..	..	5 100
Sewerage	24	29	33	36	39
Railway Projects	2	2	2	2	..
Natural Gas	1 875	1 875	1 875	1 875	..
Urban Water Supply	32	46	62	77	90
Softwood Forestry . . . . .	..	4	12	21	35
Dairy Adjustment Program	45	50	76	74	60
Rural Adjustment Scheme . . . . .	..	..	..	4	4
Beef Industry Assistance . . . . .	..	94	60	107	70
Rural Reconstruction	361	449	477	696	770
Canned Fruit Industry . . . . .	..	..	..	206	206
Natural Disaster Relief	69	..	..	1 481	2 092
Total Repayments of Commonwealth Government Loans	5 635	6 211	6 723	9 087	13 264
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	25 273	27 410	29 824	33 503	38 783
NET ADVANCES(d) (Advances <i>Less</i> Repayments)					
Loan Council Borrowings	98 999	103 370	101 467	83 749	88 054
Commonwealth Government Loans	75 594	88 646	60 476	25 909	21 591
TOTAL NET ADVANCES	174 594	192 016	161 943	109 657	110 045

Table 105—South Australia—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
INTEREST ON ADVANCES					
<i>Interest on Loan Council Borrowings (e)</i>	103 661	119 300	128 583	137 630	154 383
<i>Interest on Commonwealth Government Loans—</i>					
Housing for Servicemen	322	457	587	586	585
Housing	18 115	20 397	22 602	24 078	25 087
Growth Centres	980	1 088	1 201	1 311	..
Land Acquisition	4 570	5 507	6 712	7 329	8 129
Sewerage	955	985	983	979	976
Railway Projects	184	208	208	208	..
Natural Gas	415	304	194	83	..
Urban Water Supply	1 107	1 724	2 049	2 287	2 287
Softwood Forestry . . . . .	..	3	16	31	72
Dairy Adjustment Program	15	21	19	19	16
Rural Adjustment Scheme . . . . .	..	15	340	628	780
Canned Fruit Industry . . . . .	..	..	..	192	15
Rural Reconstruction	875	1 013	999	967	930
Dartmouth Dam	526	759	843	843	843
Total Interest on Commonwealth Govern- ment Loans	28 064	32 481	36 751	39 541	39 720
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND COMMONWEALTH GOVERN- MENT LOANS	131 725	151 781	165 335	177 171	194 103

(a), (b), (c), (d) and (e). See corresponding footnotes to Table 101.

Table 106—Western Australia—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
ADVANCES(a)					
<i>Loan Council Borrowings</i>	84 235	88 446	88 446	76 799	80 659
<i>Commonwealth Government Loans—</i>					
Housing for Servicemen	1 230	2	..	50	..
Welfare Housing(b)	35 440	36 740	29 767	15 072	15 681
Land Acquisition	3 882	5 026	2 537	2 771	3 055
Sewerage	6 300	..	..	..	..
Railway Projects	110	20	..	..	..
Railway Mainline Upgrading	..	..	..	..	1 600
Railways—Intersystem Advances	-129	..	..	..	..
Softwood Forestry	776	..	1 302	910	1 000
Dairy Adjustment Program	264	208	..	..	..
Rural Adjustment Scheme	647	3 857	8 075	1 720	2 561
Beef Industry Assistance	61	..	..	..	..
Rural Reconstruction	3 108	189	..	..	..
Ord River Project	12	20	..	14	387
Natural Disaster Relief	2 001	15 714	6 895	7 092	1 360
Total Commonwealth Government Loans	53 702	61 777	48 575	27 629	25 076
TOTAL ADVANCES	137 937	150 223	137 021	104 428	105 715
REPAYMENTS OF ADVANCES					
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	15 762	16 839	18 171	19 105	19 841
<i>Repayments of Commonwealth Government Loans—</i>					
Housing for Servicemen	45	48	50	53	55
Welfare Housing	2 177	2 443	2 736	2 966	3 155
Sewerage	57	80	92	101	111
Exmouth Township—Electricity Services	14	9	10	15	10
Railway Projects	2 078	2 173	1 725	2 364	3 046
Railways—Intersystem Advances	156	..	..	..	..
Northern Harbours	98	98	98	98	99
Derby Jetty	53	53	53	..	..
Softwood Forestry	..	..	18	38	72
Dairy Adjustment Program	189	212	227	230	210
Rural Adjustment Scheme	..	..	..	..	20
Beef Industry Assistance	..	101	142	82	90
Rural Reconstruction	549	651	744	921	1 065
Exmouth Township Water and Sewerage	..	..	4	4	4
Exmouth Shire Water and Sewerage	..	..	4	4	4
Ord River Project	..	..	..	..	9
Western Australia Water Supply	150	244	367	508	615
Natural Disaster Relief	..	..	256	..	2 949
Total Repayments of Commonwealth Government Loans	5 566	6 112	6 522	7 380	11 505
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	21 328	22 952	24 693	26 484	31 346
NET ADVANCES(d) (Advances Less Repayments)					
Loan Council Borrowings	68 473	71 607	70 275	57 694	60 798
Commonwealth Government Loans	48 136	55 664	42 053	20 249	13 567
Total Net Advances	116 608	127 271	112 328	77 943	74 365

Table 106—Western Australia—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
INTEREST ON ADVANCES					
<i>Interest on Loan Council Borrowings (e)</i>	80 906	92 080	98 619	105 202	118 008
<i>Interest on Commonwealth Government Loans—</i>					
Housing for Servicemen	497	617	615	613	614
Housing	10 238	11 642	13 032	13 982	14 559
Land Acquisition	1 631	2 051	2 537	2 771	3 088
Exmouth Township	19	11	17	22	15
Sewerage	2 530	2 959	2 951	2 942	2 932
Railway Projects	2 613	2 504	1 367	2 295	3 121
Railways—Intersystem Advances	288	..	..	..	..
Northern Harbours	23	18	13	9	4
Derby Jetty	7	4	2	..	..
Softwood Forestry . . . . .	..	4	27	132	264
Dairy Adjustment Program	40	81	78	80	60
Rural Adjustment Scheme . . . . .	..	33	335	814	918
Rural Reconstruction	1 248	1 377	1 353	1 312	1 260
Ord River Project	190	191	193	193	199
Western Australia Water Supply	701	691	675	652	603
Total Interest on Commonwealth Government Loans	20 025	22 183	23 196	25 816	27 636
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND COMMONWEALTH GOVERNMENT LOANS	100 931	114 263	121 815	131 017	145 643

(a), (b), (c), (d) and (e). See corresponding footnotes to Table 101.

Table 107—Tasmania—Advances, Debt Charges on Advances and Net Advances 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
ADVANCES(a)					
<i>Loan Council Borrowings</i>	63 802	66 992	66 992	58 171	61 000
<i>Commonwealth Government Loans—</i>					
Housing for Servicemen	6	..	..	..	..
Welfare Housing(b)	24 220	25 220	20 436	10 352	10 771
Legana Industrial Estate . . . . .	..	..	..	..	260
Sewerage	350	..	..	..	..
Softwood Forestry	1 429	..	1 090	659	640
Native Forestry Assistance . . . . .	..	..	..	272	336
Dairy Adjustment Program	498	81	..	..	..
Rural Adjustment Scheme . . . . .	..	104	991	202	354
Beef Industry Assistance	42	..	-3	..	..
Rural Reconstruction	145	27	..	..	..
Assistance for Mount Lyell Mining . . . . .	..	3 383	..	..	..
Total Commonwealth Government Loans	26 690	28 815	22 515	11 484	12 300
TOTAL ADVANCES	90 492	95 807	89 507	69 655	73 330
REPAYMENTS OF ADVANCES					
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	8 953	9 810	10 761	11 477	12 152
<i>Repayments of Commonwealth Government Loans—</i>					
Housing for Servicemen	3	3	3	3	3
Welfare Housing	1 108	1 289	1 482	1 630	1 734
Sewerage	12	20	24	26	29
King Island Harbour Works	45	45	45	45	45
King Island Shipping Service	87	87	87	87	87
Hydroelectricity	2 989	2 989	2 989	2 989	2 989
Softwood Forestry . . . . .	..	..	21	40	56
Dairy Adjustment Program	153	176	91	274	240
Rural Adjustment Scheme . . . . .	..	..	48	105	106
Beef Industry Assistance . . . . .	..	..	..	46	40
Rural Reconstruction	111	104	73	204	150
Assistance for Mount Lyell Mining . . . . .	..	..	1 009	2 374	..
Natural Disaster Relief	178	320	320	294	294
Total Repayments of Commonwealth Government Loans	4 686	5 033	6 193	8 118	5 774
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	13 639	14 843	16 954	19 594	17 926
NET ADVANCES(d) (Advances Less Repayments)					
<i>Loan Council Borrowings</i>	54 849	57 182	56 231	46 694	48 923
<i>Commonwealth Government Loans</i>	22 004	23 782	16 322	3 367	6 528
TOTAL NET ADVANCES	76 853	80 964	72 552	50 061	55 454

Table 107—Tasmania—Advances, Debt Charges on Advances and Net Advances, 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
INTEREST ON ADVANCES					
<i>Interest on Loan Council Borrowings (e)</i>	55 795	63 781	68 953	73 926	82 925
<i>Interest on Commonwealth Government Loans—</i>					
Housing for Servicemen	52	52	52	52	51
Housing	6 812	7 773	8 743	9 413	9 819
Sewerage	264	328	340	337	335
King Island Harbour Works	40	37	34	31	28
King Island Shipping Service	110	102	93	85	77
Hydroelectricity	1 077	890	702	515	328
Softwood Forestry . . . . .	..	..	15	40	67
Dairy Adjustment Program	8	21	13	37	24
Rural Adjustment Scheme . . . . .	..	..	3	70	90
Rural Reconstruction	195	203	102	291	187
Total Interest on Commonwealth Govern- ment Loans	8 558	9 406	10 096	10 872	11 005
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND COMMONWEALTH GOVERN- MENT LOANS	64 353	73 187	79 049	84 798	93 930

(a), (b), (c), (d) and (e). See corresponding footnotes to Table 101.

Table 108—Total Commonwealth Government Loans to the States and Loan Council Borrowings—Net Basis, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77 . . .	404 950	327 674	177 381	174 594	116 608	76 853	1 278 059
1977-78 . . .	390 184	314 272	156 429	192 016	127 271	80 964	1 261 136
1978-79 . . .	361 150	284 304	136 667	161 943	112 328	72 552	1 128 944
1979-80 . . .	260 613	205 150	113 749	109 657	77 943	50 061	817 173
1980-81 (estimate) . . .	283 234	218 905	76 089	110 045	74 365	55 454	818 036

Table 109—Total Commonwealth Government Payments to the States and Loan Council Borrowings—Net Basis, 1976-77 to 1980-81 (\$ thousands)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1976-77	2 862 151	2 211 091	1 466 059	1 008 194	960 267	417 800	8 925 562
1977-78	3 204 329	2 439 336	1 625 000	1 152 387	1 100 078	464 279	9 985 408
1978-79	3 379 311	2 565 788	1 695 985	1 175 418	1 163 840	480 409	10 460 751
1979-80	3 607 917	2 707 678	1 820 262	1 223 935	1 238 858	504 285	11 102 936
1980-81 (estimate)	3 982 616	2 991 372	1 980 074	1 327 288	1 368 699	566 780	12 244 761

APPENDIX V—COMMONWEALTH PAYMENTS TO OR FOR THE STATES
AND STATE GOVERNMENT LOAN COUNCIL BORROWINGS,
1976-77 TO 1980-81

TABLE NO.	SUBJECT
110	Six States Combined.
111	New South Wales.
112	Victoria.
113	Queensland.
114	South Australia.
115	Western Australia.
116	Tasmania.

Table 110—Six States Total—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate)
GENERAL REVENUE FUNDS					
Personal Income Tax Sharing Entitlements	3 695 594	4 336 250	4 778 669	5 415 910	6 020 235
Adjustments for Previous Year . . . . .	..	-19 609	..	..	..
Special Grants	27 000	24 800	21 700	12 400	6 700
Total	3 722 594	4 341 441	4 800 369	5 428 310	6 026 935
GENERAL PURPOSE CAPITAL FUNDS(c)					
Loan Council Borrowings	904 000	955 867	955 867	830 000	871 500
Capital Grants(d)	452 000	477 930	477 936	415 000	435 750
Total	1 356 000	1 433 797	1 433 803	1 245 000	1 307 250
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES					
Payments under Financial Agreement—					
Interest on State Debt	15 170	15 170	15 170	15 170	15 170
Sinking Fund on State Debt	31 635	33 747	35 959	38 148	39 940
State Emergency Services	1 028	1 250	1 390	1 442	1 598
Assistance for Exmouth Shire	171	112	354	352	..
Universities	511 556	574 465	594 587	652 674	672 679
Colleges of Advanced Education	368 894	395 501	413 497	452 366	469 682
Technical and Further Education	44 194	45 600	51 741	60 011	67 475
Schools	421 758	455 622	491 395	551 684	602 049
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	94 300
Child Migrant and Refugee Education	140	278	1 740	2 623	3 129
Educational Research	1 012	809	801	841	855
Pre-School Education	n.a.	39 362	32 750	32 750	32 750
School to Work Transition . . . . .	..	..	..	4 429	32 091
Public Hospitals—Running Costs	630 171	945 682	1 030 155	1 119 181	1 266 659
Community Health Program	50 432	56 874	41 532	45 202	57 585
Tuberculosis Control	6 659	2 332	..	..	..
School Dental Scheme	14 733	15 447	13 885	20 341	21 315
Health Education Campaigns	675	742	873	1 125	1 623
Blood Transfusion Services	4 492	4 924	5 853	7 034	7 360
Health Planning Agencies	560	560	440	450	390
Home Dialysis Scheme	1 960	3	..	..	..
Australian Encephalitis Control	56	58	68	98	118
Home Care Services	6 891	9 138	8 586	10 369	12 100
Senior Citizens' Centres	670	721	822	1 054	1 210
Paramedical Services	550	582	836	876	910
Assistance for Deserted Wives	13 347	20 083	26 075	24 668	13 750
Pre-Schools and Child Care	40 761	..	..	..	..
Child Care Services	n.a.	5 638	8 194	10 080	8 187
1972-74 Employment Grants—Refunds	-174	-408	..	-310	..
Maryborough Employment Grants	1 000	3 000	3 000	3 450	..
Rehabilitation Centres . . . . .	..	..	..	..	910
Community Welfare Relief . . . . .	..	50	..	..	..
Translating/Interpreting Services . . . . .	..	..	..	221	235
Unattached Refugee Children . . . . .	..	..	..	..	463
Aboriginal Advancement	17 540	19 580	20 221	22 263	25 092
Welfare Housing	5 935	5 557	5 500	5 500	5 500
Sewerage	1 453	241	..	16	..
National Fitness	600	207	207	207	207
Nature Conservation . . . . .	..	282	75	125	..
Tasman Bridge Disaster	1 715	730	..	..	..
Trawl and Danish Seine Fishery	31	21	8	..	..

Table 110—Six States Total—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
Apple and Pear Export Assistance	338	55	575	689	950
Bovine Brucellosis and T.B. Eradication	14 467	16 749	23 018	21 691	22 428
Exotic Diseases Eradication	120	..	175	11	..
Warehouse Beetle Eradication . . . . .	..	156	84	66	..
Plant Pest Control . . . . .	..	..	307	143	..
Agricultural Extension Services	9 675	9 780	9 746	4 730	4 706
Minor Agricultural Research	169	125	158	221	282
Water Hyacinth Control	35	50	..	..	..
Coal Mining Industry—Long Service Leave	4 969	5 784	6 783	7 735	8 200
Apprenticeship Training	6 607	6 689	4 159	1 076	120
Education Program for Unemployed Youth	500	1 466	3 000	3 484	3 775
Legal Aid	1 000	80	21	175	270
Family Courts	819	1 065	..	..	..
Road Safety Practices	150	150	150	150	150
Research Grants	11 171	10 155	11 734	12 316	..
Local Government Tax Sharing Assistance	140 000	165 328	179 427	221 739	300 786
Natural Disaster Relief	1 925	2 311	2 679	1 641	2 137
Total Specific Purpose Payments— Recurrent	2 387 561	2 873 904	3 047 728	3 360 306	3 799 136

Table 110—Six States Total—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (£)
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES					
Housing for Servicemen	35 114	22 519	11 600	1 455	1 820
Universities	56 958	52 392	51 143	52 192	41 103
Colleges of Advanced Education	77 555	54 006	68 155	44 853	38 930
Technical and Further Education	33 708	46 425	64 970	78 816	93 626
Schools	147 766	183 457	178 956	144 906	142 565
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	8 600
Child Migrant and Refugee Education	39	..	129	50	100
Pre-School Education	n.a.	6 632	..	..	..
Hospitals—Capital Development	106 960	44 540	..	..	..
Launceston General Hospital	1 040	3 350	4 959	5 160	3 700
Nursing Homes	652	..	..	..	..
Community Health Program	14 114	10 411	6 125	2 643	1 990
Tuberculosis Control	125	..	..	..	..
School Dental Scheme	7 695	8 265	4 096	2 503	1 375
Blood Transfusion Services	118	730	1 149	349	613
Disposal of Ships' Garbage	7	2	4	132	288
High Security Quarantine Unit . . . . .	..	200	89	850	965
Housing for Pensioners	10 835	10 000	..	..	..
Senior Citizens' Centres	3 997	3 946	3 050	3 245	4 000
Pre-Schools and Child Care	11 375	..	..	..	..
Child Care Services	n.a.	1 368	1 033	752	..
Rehabilitation Centres	397	922	917	850	700
Aboriginal Advancement	16 863	12 474	13 678	13 187	10 910
Welfare Housing	375 000	390 000	316 000	160 000	166 500
Pensioner Housing . . . . .	..	..	14 000	30 000	31 000
Other Housing Assistance . . . . .	..	..	..	70 000	73 000
Growth Centres	43 714	25 640	24 822	27 091	28 788
Area Improvement	618	..	..	..	..
Urban Flood Mitigation	1 674	992	818	762	126
Land Acquisition	23 951	26 260	14 587	15 706	17 463
Woolloomooloo Redevelopment	2 845	213	275	-22	4 244
Air Quality Monitoring . . . . .	..	80	70	..	..
Captains Flat Project	1 030	..	144	..	20
Legana Industrial Estate—Tasmania . . . . .	..	..	..	..	200
Sewerage	48 302	..	..	..	..
Community Facilities—Townsville	25	..	..	..	..
Leisure and Recreation/Culture	5 640	3 229	652	509	..
Nature Conservation	2 082	70	125	56	20
National Estate	1 254	2 241	2 490	1 800	1 980
Port Arthur Conservation Program . . . . .	..	..	..	400	800
1982 Commonwealth Games Assistance . . . . .	..	..	2 500	2 500	2 500
Roads	433 788	477 912	508 000	546 000	606 881
Second Hobart Bridge	584	518	49	998	10 000
Railway Projects	810	34	..	..	863
Railway Mainline Upgrading . . . . .	..	..	..	5 137	19 700
Railways—Intersystem Advances	255	..	..	..	..
Urban Public Transport	58 403	51 000	41 869	42 084	45 571
Newcastle Drydock	15	-305	-178	..	..
Transport Planning and Research	8 058	8 924	6 404	6 916	6 250
Tasman Bridge Disaster	13 785	5 870	-725	..	..
Julius Dam . . . . .	..	325	500	250	..
Urban Water Supply	9 175	6 000	4 490	2 555	..
Gladstone Power Station	26 422	191	..	..	..
Ross River Dam	1 158	..	..	..	..
Softwood Forestry	7 934	360	7 665	5 131	4 947
Native Forestry Assistance—Tasmania . . . . .	..	..	..	272	336
Cheyne Beach Whale Company Assistance . . . . .	..	..	25	..	..
Dairy Adjustment Program	6 337	1 015	..	..	..
Rural Adjustment Scheme	9 588	40 243	46 977	15 117	17 075

Table 110—Six States Total—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
Beef Industry Assistance	3 478	33	-3	..	..
Rural Reconstruction	19 938	2 932	..	..	..
Fruitgrowing Industry	1 189	679	-20	..	..
Sugar Industry . . . . .	..	..	..	27 842	..
King River Dam	-25	..	..	..	..
Dartmouth Dam	5 625	..	..	..	..
Clare Weir	2 551	..	..	..	..
Namoi River Weirs	1 000	1 000	..	..	..
Water Resources Assessment	6 596	6 660	8 014	8 081	..
Unallocated Water Programs . . . . .	..	..	..	..	25 590
Salinity Reduction Control	-1	..	1 800	5 070	..
Water Hyacinth Control . . . . .	..	..	15	..	..
Flood Mitigation	77	1 236	1 062	1 686	..
Bundaberg Irrigation Works	11	1 500	950	2 500	..
Eton (Mackay) Irrigation Works	814	..	..	..	..
Ord River Project	12	20	..	14	387
Tourism Development	832	..	..	..	..
Assistance for Mount Lyell Mining . . . . .	..	3 383	..	..	..
Assistance for Chrysotile Corporation . . . . .	..	..	..	1 179	1 222
Launceston Precision Tool Annexe . . . . .	..	..	..	..	343
Tailem Bend to Keith Pipeline	433	17	..	..	..
Soil Conservation	180	95	105	..	..
Brigalow Lands Development Scheme	1 909	..	..	..	..
Natural Disaster Relief	28 525	55 189	24 288	14 179	10 665
Total Specific Purpose Payments—Capital	1 680 909	1 575 195	1 437 823	1 345 755	1 427 804
TOTAL PAYMENTS(e)					
	8 243 064	9 268 470	9 763 856	10 549 371	11 689 591
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS					
General Purpose(f)	5 078 594	5 775 238	6 234 172	6 673 310	7 334 150
Specific Purpose	4 068 470	4 449 099	4 485 551	4 706 061	5 226 941
Total	9 147 064	10 224 337	10 719 723	11 379 371	12 561 091

(a) That is, Commonwealth payments to State Governments and Loan Council borrowing programs. Excludes Commonwealth payments made direct to other levels of government, details of which are given in Chapters 5 and 6.

(b) Important qualifications attach to the 1980-81 estimates in some cases. See relevant sections of the text.

(c) See Chapter 3, under the heading 'Treatment of Loan Council Programs in this and other Budget Papers'.

(d) Western Australia was underpaid by \$3 000 in 1977-78 which was adjusted in 1978-79.

(e) Comprising general revenue funds, specific purpose payments and general purpose capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (c).

(f) Comprising general revenue funds, Loan Council borrowings and general purpose capital grants. See footnote (c).

Table 111—New South Wales—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
GENERAL REVENUE FUNDS					
Personal Income Tax Sharing Entitlements	1 133 400	1 327 143	1 464 397	1 663 466	1 838 800
Adjustment for Previous Year . . . . .	..	-7 534	..	..	..
Total	1 133 400	1 319 609	1 464 397	1 663 466	1 838 800
GENERAL PURPOSE CAPITAL FUNDS(c)					
Loan Council Borrowings	287 915	308 978	308 978	268 293	281 707
Capital Grants	143 958	154 489	154 489	134 146	140 854
Total	431 873	463 467	463 467	402 439	422 561
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES					
Payments under Financial Agreement—					
Interest on State Debt	5 835	5 835	5 835	5 835	5 835
Sinking Fund on State Debt	10 506	11 168	11 876	12 580	13 150
State Emergency Services	355	455	472	502	540
Universities	199 633	222 893	230 197	252 856	260 653
Colleges of Advanced Education	90 831	98 303	105 103	115 272	119 326
Technical and Further Education	16 714	19 184	21 061	23 546	24 385
Schools	151 153	171 540	180 739	203 806	215 131
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	32 120
Child Migrant and Refugee Education	67	165	727	1 008	1 292
Educational Research	259	184	159	170	204
Pre-School Education	n.a.	7 934	7 130	7 130	7 130
School to Work Transition . . . . .	..	..	..	1 886	10 799
Public Hospitals—Running Costs	234 399	346 438	383 785	425 282	474 989
Community Health Program	25 606	27 118	17 203	19 550	24 220
Tuberculosis Control	390	1 626	..	..	..
School Dental Scheme	3 589	2 911	2 374	3 790	4 460
Health Education Campaigns	212	225	280	380	550
Blood Transfusion Services	1 471	1 495	1 769	2 196	2 218
Health Planning Agencies	230	166	100	83	80
Home Dialysis Scheme	801	..	..	..	..
Australian Encephalitis Control	8	6	3	17	14
Home Care Services	1 567	1 933	1 875	2 769	3 895
Senior Citizens' Centres	253	226	300	297	362
Assistance for Deserted Wives	3 837	6 376	9 521	7 538	5 400
Pre-Schools and Child Care	8 532	..	..	..	..
Child Care Services	n.a.	1 881	2 461	2 978	2 545
1972-74 Employment Grants—Refunds . . . . .	..	-408	..	-310	..
Translating/Interpreting Services . . . . .	..	..	..	59	105
Unattached Refugee Children . . . . .	..	..	..	..	159
Aboriginal Advancement	2 683	3 014	2 982	3 030	3 242
Welfare Housing	1 848	1 848	1 848	1 848	1 848
Sewerage	189	..	..	..	..
National Fitness	117	45	45	45	45
Trawl and Danish Seine Fishery	31	21	8	..	..
Bovine Brucellosis and T.B. Eradication	3 545	4 535	7 422	7 593	8 495
Exotic Diseases Eradication . . . . .	..	..	1	..	..
Warehouse Beetle Eradication . . . . .	..	156	84	66	..
Agricultural Extension Services	2 578	2 592	2 597	1 285	1 274
Minor Agricultural Research	69	82	80	108	131
Water Hyacinth Control	35	50	..	..	..
Coal Mining Industry—Long Service Leave	3 936	4 759	5 447	5 969	6 290
Apprenticeship Training	1 822	2 099	1 393	446	50

Table 111—New South Wales—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
Education Program for Unemployed Youth	170	376	634	800	944
Legal Aid	331	..	..	29	94
Road Safety Practices	37	37	37	37	37
Research Grants	4 086	3 867	4 322	4 547	..
Local Government Tax Sharing Assistance	51 289	60 341	65 487	80 930	109 780
Natural Disaster Relief	1 233	1 237	265	45	211
Total Specific Purpose Payments— Recurrent	830 247	1 012 713	1 075 623	1 195 995	1 342 002

Table 111—New South Wales—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES					
Housing for Servicemen	15 280	7 947	5 423	1 360	320
Universities	17 552	17 909	21 840	25 353	19 189
Colleges of Advanced Education	27 200	11 886	20 070	12 087	10 324
Technical and Further Education	12 262	15 162	19 279	28 054	31 836
Schools	48 683	57 952	58 954	46 266	50 862
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	3 000
Child Migrant and Refugee Education	2	..	..	9	50
Pre-School Education	n.a.	3 053	..	..	..
Hospitals—Capital Development	36 000	15 810	..	..	..
Community Health Program	3 328	3 319	2 468	969	680
Tuberculosis Control	15	..	..	..	..
School Dental Scheme	2 191	1 069	976	1 201	400
Blood Transfusion Services	15	102	100	105	100
Housing for Pensioners	2 352	4 070	..	..	..
Senior Citizens' Centres	891	1 064	1 200	1 129	1 472
Pre-School and Child Care	6 592	..	..	..	..
Child Care Services	n.a.	625	604	376	..
Aboriginal Advancement	3 493	2 654	3 057	3 756	3 534
Welfare Housing	123 411	128 011	103 721	52 512	54 650
Pensioner Housing . . . . .	..	..	5 695	12 132	(d)12 421
Other Housing Assistance . . . . .	..	..	..	22 974	23 370
Growth Centres	26 596	15 342	16 231	16 977	19 802
Area Improvement	120	..	..	..	..
Land Acquisition	3 817	4 287	2 137	2 338	2 605
Woolloomooloo Redevelopment	2 845	213	275	—22	4 244
Air Quality Monitoring . . . . .	..	..	30	..	..
Captains Flat Project	1 030	..	144	..	20
Sewerage	19 700	..	..	..	..
Leisure and Recreation/Culture	1 208	570	250	110	..
Nature Conservation	362	..	..	..	..
National Estate . . . . .	..	373	415	300	330
Roads	135 489	155 611	164 485	176 789	196 501
Railway Mainline Upgrading . . . . .	..	..	..	..	4 700
Railways—Intersystem Advances	384	..	..	..	..
Urban Public Transport	24 596	20 395	14 000	14 125	15 750
Newcastle Drydock	15	—305	—178	..	..
Transport Planning and Research	2 672	3 495	2 484	2 670	2 418
Softwood Forestry	2 497	374	3 175	1 840	1 980
Dairy Adjustment Program	338	..	..	..	..
Rural Adjustment Scheme	1 700	7 660	11 908	4 191	4 477
Beef Industry Assistance	730	..	..	..	..
Rural Reconstruction	5 300	2 190	..	..	..
Fruitgrowing Industry	41	..	—28	..	..
Dartmouth Dam	1 875	..	..	..	..
Namoi River Weirs	1 000	1 000	..	..	..
Water Resources Assessment	1 630	1 630	1 755	1 989	..
Salinity Reduction Control . . . . .	..	..	1 000	1 620	..
Water Hyacinth Control . . . . .	..	..	15	..	..
Flood Mitigation . . . . .	..	1 000	1 000	1 000	..
Tourism Development	74	..	..	..	..
Assistance for Chrysotile Corporation . . . . .	..	..	..	1 179	1 222
Soil Conservation . . . . .	..	..	..	40	..
Natural Disaster Relief	11 496	8 430	2 879	..	1 632
Total Specific Purpose Payments—Capital	544 781	492 898	465 404	433 388	467 889

TOTAL PAYMENTS(e)

2 652 386 2 979 709 3 159 913 3 426 996 3 789 545

Table 111—New South Wales—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS					
General Purpose(f)	1 565 273	1 783 076	1 927 864	2 065 905	2 261 361
Specific Purpose	1 375 028	1 505 611	1 541 027	1 629 384	1 809 891
Total	2 940 301	3 288 687	3 468 891	3 695 289	4 071 252

(a) That is, Commonwealth payments to State Governments and Loan Council borrowing programs. Excludes Commonwealth payments made direct to other levels of government, details of which are given in Chapters 5 and 6.

(b) Important qualifications attach to the 1980-81 estimates in some cases. See relevant sections of the text.
(c) See Chapter 3, under the heading 'Treatment of Loan Council Programs in this and other Budget Papers'.

(d) See Chapter IV and Table 38 for details.

(e) Comprising general revenue funds, specific purpose payments and general purpose capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (c).

(f) Comprising general revenue funds, Loan Council borrowings and general purpose capital grants. See footnote (c).

Table 112—Victoria—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
GENERAL REVENUE FUNDS					
Personal Income Tax Sharing Entitlements	841 700	985 667	1 090 025	1 233 934	1 363 500
Adjustment for Previous Year . . . . .	..	-976	..	..	..
Total	841 700	984 690	1 090 025	1 233 934	1 363 500
GENERAL PURPOSE CAPITAL FUNDS(c)					
Loan Council Borrowings	228 706	240 142	240 142	208 521	218 947
Capital Grants	114 354	120 071	120 071	104 260	109 473
Total	343 060	360 213	360 213	312 781	328 420
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES					
Payments under Financial Agreement—					
Interest on State Debt	4 254	4 254	4 254	4 254	4 254
Sinking Fund on State Debt	8 003	8 540	9 098	9 649	10 100
State Emergency Services	260	303	370	257	288
Universities	134 763	152 808	158 860	173 556	178 791
Colleges of Advanced Education	135 960	141 522	146 456	159 680	165 826
Technical and Further Education	13 866	11 163	13 509	16 087	17 783
Schools	134 939	138 250	152 062	169 614	184 952
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	28 426
Child Migrant and Refugee Education	46	41	521	1 045	1 162
Educational Research	314	240	302	318	294
Pre-School Education	n.a.	12 244	9 015	9 015	9 015
School to Work Transition . . . . .	..	..	..	515	9 458
Public Hospitals—Running Costs	149 903	228 557	252 575	268 476	306 919
Community Health Program	11 355	14 239	10 528	12 456	15 925
Tuberculosis Control	3 277	..	..	..	..
School Dental Scheme	1 891	2 121	2 389	3 477	3 550
Health Education Campaigns	151	162	206	206	314
Blood Transfusion Services	1 303	1 376	1 823	2 095	2 402
Health Planning Agencies	24	24	33	57	60
Home Dialysis Scheme	760	3	..	..	..
Australian Encephalitis Control	34	43	31	39	49
Home Care Services	2 018	2 520	3 450	4 226	4 310
Senior Citizens' Centres	293	328	350	574	641
Paramedical Services	263	283	380	352	378
Assistance for Deserted Wives	2 824	4 003	4 917	4 967	350
Pre-Schools and Child Care	12 722	..	..	..	..
Child Care Services	n.a.	1 757	2 477	3 375	2 515
1972-74 Employment Grants—Refunds	-174	..	..	..	..
Community Welfare Relief . . . . .	..	50	..	..	..
Translating/Interpreting Services . . . . .	..	..	..	102	70
Unattached Refugee Children . . . . .	..	..	..	..	179
Aboriginal Advancement	1 254	1 409	1 331	1 562	1 686
Welfare Housing	1 347	1 347	1 347	1 347	1 347
Sewerage	664	100	..	..	..
National Fitness	117	42	42	42	42
Apple and Pear Export Assistance	8	16	27	1	253
Bovine Brucellosis and T.B. Eradication	4 938	5 858	6 980	5 754	4 187
Exotic Diseases Eradication	120	..	..	..	..
Agricultural Extension Services	2 291	2 341	2 307	1 135	1 136
Minor Agricultural Research	58	22	50	64	49
Apprenticeship Training	2 804	2 123	1 062	121	5
Education Program for Unemployed Youth	127	272	679	777	921

Table 112—Victoria—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (c)
Legal Aid	286	80	21	113	143
Road Safety Practices	30	30	30	30	30
Research Grants	3 014	2 470	2 856	2 951	..
Local Government Tax Sharing Assistance	35 398	42 078	45 666	56 436	76 554
Natural Disaster Relief	452	99	7	..	..
Total Recurrent Specific Purpose Payments—	671 958	783 117	836 013	914 722	1 034 367
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES					
Housing for Servicemen	4 191	753	948	45	500
Universities	10 459	11 842	10 849	10 679	8 738
Colleges of Advanced Education	25 971	18 968	23 112	19 190	16 584
Technical and Further Education	9 333	12 728	19 592	15 467	26 918
Schools	45 056	51 273	48 993	43 918	41 127
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	2 500
Child Migrant and Refugee Education	5	..	88	22	40
Pre-School Education	n.a.	3 500	..	..	..
Hospitals—Capital Development	27 000	11 800	..	..	..
Community Health Program	3 660	3 430	1 945	678	690
School Dental Scheme	1 711	1 740	963	293	402
Blood Transfusion Services	53	513	909	77	205
Disposal of Ships' Garbage . . . . .	..	..	..	..	65
High Security Quarantine Unit . . . . .	..	200	89	850	965
Housing for Pensioners	3 419	2 530	..	..	..
Senior Citizens' Centres	1 571	1 616	608	859	1 035
Pre-Schools and Child Care	4 160	..	..	..	..
Child Care Services	n.a.	702	323	347	..
Aboriginal Advancement	682	400	237	275	329
Welfare Housing	98 159	101 759	82 451	41 744	43 440
Pensioner Housing . . . . .	..	..	3 388	7 186	(d)7 409
Other Housing Assistance . . . . .	..	..	..	18 263	15 670
Growth Centres	16 093	9 140	7 391	8 804	8 986
Area Improvement	28	..	..	..	..
Urban Flood Mitigation	100	..	..	..	..
Land Acquisition	4 926	5 340	3 201	3 267	3 640
Sewerage	17 100	..	..	..	..
Leisure and Recreation/Culture	972	450	92	..	..
Nature Conservation	360	..	100	..	..
National Estate	591	370	415	300	350
Roads	91 100	98 900	105 771	113 683	126 359
Railway Mainline Upgrading . . . . .	..	..	..	3 230	5 700
Urban Public Transport	15 885	9 830	12 000	12 131	13 500
Transport Planning and Research	2 193	2 411	1 714	1 842	1 668
Softwood Forestry	1 686	73	613	415	402
Dairy Adjustment Program	4 208	604	..	..	..
Rural Adjustment Scheme	3 483	11 522	10 378	3 875	3 956
Beef Industry Assistance	349	..	..	..	..
Rural Reconstruction	3 800	24	..	..	..
Fruitgrowing Industry	774	223	..	..	..
King River Dam	-25	..	..	..	..
Dartmouth Dam	1 875	..	..	..	..
Water Resources Assessment	1 136	1 136	1 136	1 193	..
Salinity Reduction Control	-1	..	550	1 409	..
Flood Mitigation . . . . .	..	..	..	586	..
Tourism Development	59	..	..	..	..
Soil Conservation	64	..	30	..	..
Natural Disaster Relief	2 428	1 813	1 006	-229	..
Total Specific Purpose Payments—Capital	404 616	365 590	338 892	310 398	331 153
TOTAL PAYMENTS(e)					
	2 032 627	2 253 468	2 385 001	2 563 314	2 838 499

Table 112—Victoria—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS					
General Purpose(f)	1 184 760	1 344 903	1 450 238	1 546 715	1 691 920
Specific Purpose	1 076 573	1 148 707	1 174 905	1 225 120	1 365 526
Total	2 261 333	2 493 610	2 625 143	2 771 835	3 057 446

(a) That is, Commonwealth payments to State Governments and Loan Council borrowing programs. Excludes Commonwealth payments made direct to other levels of government, details of which are given in Chapters 5 and 6.

(b) Important qualifications attach to the 1980-81 estimates in some cases. See relevant sections of the text.

(c) See Chapter 3, under the heading 'Treatment of Loan Council Programs in this and other Budget Papers'.

(d) See Chapter IV and Table 38 for details.

(e) Comprising general revenue funds, specific purpose payments and general purpose capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (c).

(f) Comprising general revenue funds, Loan Council borrowings and general purpose capital grants. See footnote (c).

Table 113—Queensland—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
GENERAL REVENUE FUNDS					
Personal Income Tax Sharing Entitlements	660 200	777 608	844 137	952 533	1 079 500
Adjustment for Previous Year . . . . .	..	-7 069	..	..	..
Special Grants	27 000	24 800	21 700	12 400	6 700
Total	687 200	795 339	865 837	964 933	1 086 200
GENERAL PURPOSE CAPITAL FUNDS(c)					
Loan Council Borrowings	120 705	126 740	126 740	110 051	115 554
Capital Grants	60 352	63 370	63 370	55 026	57 777
Total	181 057	190 110	190 110	165 077	173 331
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES					
Payments under Financial Agreement—					
Interest on State Debt	2 192	2 192	2 192	2 192	2 192
Sinking Fund on State Debt	4 165	4 447	4 740	5 029	5 265
State Emergency Services	302	379	373	438	486
Universities	69 427	78 127	80 980	89 684	92 882
Colleges of Advanced Education	48 962	56 616	60 465	67 445	70 485
Technical and Further Education	4 538	4 885	5 222	6 932	7 409
Schools	56 058	59 853	66 818	74 914	88 123
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	13 476
Child Migrant and Refugee Education	2	15	172	262	220
Educational Research	216	166	131	124	108
Pre-School Education	n.a.	6 958	6 605	6 605	6 605
School to Work Transition . . . . .	..	..	..	951	4 925
Public Hospitals—Running Costs	82 883	126 960	139 314	152 912	175 570
Community Health Program	4 797	5 190	4 979	4 462	6 140
Tuberculosis Control	1 253	667	..	..	..
School Dental Scheme	2 026	2 027	2 383	4 014	4 400
Health Education Campaigns	116	138	100	178	237
Blood Transfusion Services	680	736	777	936	950
Health Planning Agencies	84	100	87	100	80
Home Dialysis Scheme	169	..	..	..	..
Home Care Services	1 990	2 744	1 797	1 793	1 896
Senior Citizens' Centres	37	45	42	45	55
Assistance for Deserted Wives	2 508	3 888	3 665	5 054	3 100
Pre-Schools and Child Care	6 970	..	..	..	..
Child Care Services	n.a.	309	367	580	740
Maryborough Employment Grants	1 000	3 000	3 000	3 450	..
Unattached Refugee Children . . . . .	..	..	..	..	26
Aboriginal Advancement	3 314	3 480	3 917	4 331	5 061
Welfare Housing	858	480	423	423	423
Sewerage	99	2	..	16	..
National Fitness	94	34	34	34	34
Nature Conservation . . . . .	..	200	..	..	..
Apple and Pear Export Assistance . . . . .	..	..	..	2	4
Bovine Brucellosis and T.B. Eradication	3 266	4 180	5 272	5 290	5 971
Exotic Diseases Eradication . . . . .	..	..	134	11	..
Agricultural Extension Services	2 097	2 112	2 112	964	954
Minor Agricultural Research	16	5	17	34	38
Coal Mining Industry—Long Service Leave	780	730	992	1 361	1 500
Apprenticeship Training	750	971	891	159	10
Education Program for Unemployed Youth	83	437	722	760	760
Legal Aid	131	..	..	12	11
Road Safety Practices	28	28	28	28	28

Table 113—Queensland—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
Research Grants	1 258	1 080	1 309	1 422	..
Local Government Tax Sharing Assistance	24 222	27 875	30 252	37 387	50 714
Natural Disaster Relief	45	231	1 755	1 303	1 715
Total Specific Purpose Payments— Recurrent	327 417	401 288	432 067	481 636	552 556
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES					
Housing for Servicemen	12 300	12 500	5 229	..	1 000
Universities	11 637	7 335	6 042	8 755	5 556
Colleges of Advanced Education	14 630	7 899	10 712	5 056	4 470
Technical and Further Education	4 439	8 735	15 078	12 717	10 795
Schools	28 090	34 263	29 475	24 609	21 170
Education Allowance for Cost Escalation . . . . .	..	..	..	..	1 200
Child Migrant and Refugee Education . . . . .	..	..	40	15	10
Hospitals—Capital Development	17 000	7 130	..	..	..
Nursing Homes	652	..	..	..	..
Community Health Program	2 805	1 770	254	327	230
Tuberculosis Control	110	..	..	..	..
School Dental Scheme	1 896	2 841	1 249	402	402
Blood Transfusion Services	6	37	34	42	117
Disposal of Ships' Garbage . . . . .	..	..	4	..	..
Housing for Pensioners	2 023	1 490	..	..	..
Senior Citizens' Centres	916	439	553	331	656
Pre-Schools and Child Care	314	..	..	..	..
Aboriginal Advancement	4 396	2 825	2 536	1 613	1 507
Welfare Housing	37 410	39 810	32 257	16 336	17 000
Pensioner Housing . . . . .	..	..	2 050	4 495	(d)4 790
Other Housing Assistance . . . . .	..	..	..	7 147	11 710
Area Improvement	468	..	..	..	..
Urban Flood Mitigation	1 574	992	818	762	126
Air Quality Monitoring . . . . .	..	40	..	..	..
Sewerage	1 000	..	..	..	..
Community Facilities—Townsville	25	..	..	..	..
Leisure and Recreation/Culture	590	202	45	138	..
Nature Conservation	400	..	..	..	..
National Estate	183	310	415	300	330
1982 Commonwealth Games Assistance . . . . .	..	..	2 500	2 500	2 500
Roads	90 700	100 000	106 947	114 947	127 764
Railway Mainline Upgrading . . . . .	..	..	..	1 907	8 300
Urban Public Transport	11 380	15 648	8 875	9 219	7 875
Transport Planning and Research	1 184	1 381	983	1 056	957
Julius Dam . . . . .	..	325	500	250	..
Gladstone Power Station	26 422	191	..	..	..
Ross River Dam	1 158	..	..	..	..
Softwood Forestry	1 547	..	1 485	977	790
Dairy Adjustment Program	877	43	..	..	..
Rural Adjustment Scheme	3 605	9 480	9 285	2 116	2 811
Beef Industry Assistance	2 226	33	..	..	..
Rural Reconstruction	3 720	31	..	..	..
Fruitgrowing Industry	18	44	..	..	..
Sugar Industry . . . . .	..	..	..	27 842	..
Clare Weir	2 551	..	..	..	..
Water Resources Assessment	952	952	952	952	..
Flood Mitigation	77	236	62	100	..
Bundaberg Irrigation Works	11	1 500	950	2 500	..
Eton (Mackay) Irrigation Works	814	..	..	..	..
Tourism Development	147	..	..	..	..
Soil Conservation . . . . .	..	30	..	..	..
Brigalow Lands Development Scheme	1 909	..	..	..	..
Natural Disaster Relief	11 094	14 842	7 207	6 529	7 103
Total Specific Purpose Payments—Capital	303 256	273 354	246 537	253 940	239 169

Table 113—*Queensland—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued*

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
TOTAL PAYMENTS(e)					
	1 378 225	1 533 351	1 607 811	1 755 535	1 935 742
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS					
General Purpose(f)	868 257	985 449	1 055 947	1 130 010	1 259 531
Specific Purpose	630 673	674 642	678 604	735 576	791 765
Total	1 498 930	1 660 091	1 734 551	1 865 586	2 051 296

(a) That is, Commonwealth payments to State Governments and Loan Council borrowing programs. Excludes Commonwealth payments made direct to other levels of government, details of which are given in Chapters 5 and 6.

(b) Important qualifications attach to the 1980-81 estimates in some cases. See relevant sections of the text.

(c) See Chapter 3, under the heading 'Treatment of Loan Council Programs in this and other Budget papers'.

(d) See Chapter IV and Table 38 for details.

(e) Comprising general revenue funds, specific purpose payments and general purpose capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (c).

(f) Comprising general revenue funds, Loan Council borrowings and general purpose capital grants. See footnote (c).

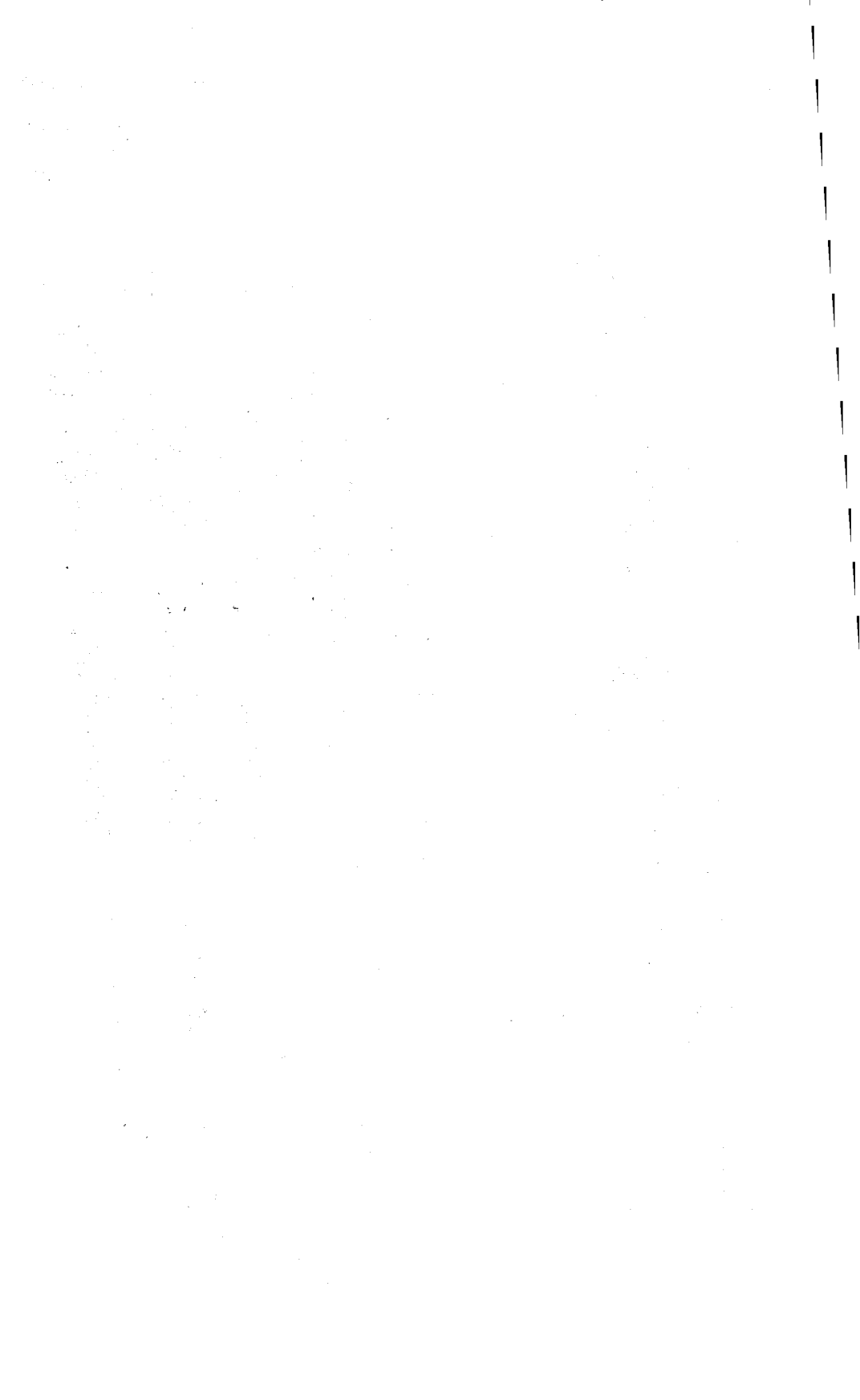


Table 114—South Australia—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
GENERAL REVENUE FUNDS					
Personal Income Tax Sharing Entitlements	433 200	508 506	559 841	630 392	696 600
Adjustment for Previous Year . . . . .	..	-745	..	..	..
Total	433 200	507 761	559 841	630 392	696 600
GENERAL PURPOSE CAPITAL FUNDS(c)					
Loan Council Borrowings	118 637	124 569	124 569	108 165	113 573
Capital Grants	59 318	62 284	62 284	54 083	56 787
Total	177 955	186 853	186 853	162 248	170 360
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES					
Payments under Financial Agreement—					
Interest on State Debt	1 408	1 408	1 408	1 408	1 408
Sinking Fund on State Debt	3 911	4 191	4 483	4 771	5 010
State Emergency Services	5	..	15	55	66
Universities	51 000	56 872	57 917	63 161	64 765
Colleges of Advanced Education	38 221	41 724	42 477	46 612	48 189
Technical and Further Education	4 502	4 737	5 116	6 661	7 257
Schools	35 038	38 566	39 746	44 714	49 129
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	8 905
Child Migrant and Refugee Education	22	16	180	180	195
Educational Research	139	135	124	107	108
Pre-School Education	n.a.	5 194	3 730	3 730	3 730
School to Work Transition . . . . .	..	..	..	374	3 023
Public Hospitals—Running Costs	69 394	101 659	104 287	110 207	120 920
Community Health Program	3 720	3 655	3 205	2 508	3 510
Tuberculosis Control	498	39	..	..	..
School Dental Scheme	3 099	3 686	2 814	3 433	3 445
Health Education Campaigns	66	75	107	145	175
Blood Transfusion Services	494	606	764	990	846
Health Planning Agencies	62	100	90	100	75
Home Dialysis Scheme	122	..	..	..	..
Australian Encephalitis Control	14	9	14	8	15
Home Care Services	904	1 411	915	944	1 015
Senior Citizens' Centres	31	66	65	68	75
Paramedical Services	272	284	431	504	505
Assistance for Deserted Wives	1 879	3 203	3 143	2 981	1 900
Pre-Schools and Child Care	5 601	..	..	..	..
Child Care Services	n.a.	990	1 858	2 036	1 550
Translating/Interpreting Services . . . . .	..	..	..	60	60
Unattached Refugee Children . . . . .	..	..	..	..	70
Aboriginal Advancement	2 515	3 045	3 404	3 724	4 093
Welfare Housing	941	941	941	941	941
Sewerage	84	63	..	..	..
National Fitness	94	32	32	32	32
Apple and Pear Export Assistance	1	..	..	..	..
Bovine Brucellosis and T.B. Eradication	1 604	1 201	2 346	1 986	1 959
Plant Pest Control . . . . .	..	..	307	143	..
Agricultural Extension Services	1 068	1 077	1 076	517	517
Minor Agricultural Research	26	16	4	8	24
Apprenticeship Training	313	345	82	..	..

Table 114—South Australia—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
Education Program for Unemployed Youth	40	173	670	745	745
Legal Aid	84	..	..	22	18
Road Safety Practices	19	19	19	19	19
Research Grants	1 911	1 886	2 067	2 120	..
Local Government Tax Sharing Assistance	11 925	14 220	15 433	19 072	25 871
Natural Disaster Relief . . . . .	..	218	501	..	164
Total Specific Purpose Payments— Recurrent	241 026	291 861	299 769	325 082	360 328

SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES

Housing for Servicemen	2 107	1 317	..	..	..
Universities	6 427	6 634	6 439	3 482	3 579
Colleges of Advanced Education	4 276	8 457	5 177	4 666	3 796
Technical and Further Education	2 320	4 837	6 901	8 697	10 017
Schools	14 672	17 069	16 178	14 821	12 115
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	800
Child Migrant and Refugee Education	31	..	..	..	..
Hospitals—Capital Development	13 000	5 120	..	..	..
Community Health Program	980	630	375	142	50
School Dental Scheme	830	1 658	724	192	27
Blood Transfusion Services	17	32	25	30	140
Disposal of Ships' Garbage . . . . .	..	..	..	132	100
Housing for Pensioners	1 473	930	..	..	..
Senior Citizens' Centres	212	342	423	567	380
Pre-Schools and Child Care	160	..	..	..	..
Child Care Services	n.a.	31	68	29	..
Aboriginal Advancement	3 339	1 807	2 291	2 231	2 058
Welfare Housing	56 360	58 460	47 368	23 984	24 960
Pensioner Housing . . . . .	..	..	1 343	2 856	(d) 2 945
Other Housing Assistance . . . . .	..	..	..	10 493	9 390
Growth Centres	980	1 088	1 201	1 311	..
Area Improvement	2	..	..	..	..
Land Acquisition	10 352	11 507	6 712	7 329	8 129
Sewerage	1 002	..	..	..	..
Leisure and Recreation/Culture	1 722	1 910	220	258	..
Nature Conservation	300	..	..	16	..
National Estate	246	338	415	300	330
Roads	38 800	40 400	43 207	46 439	51 617
Railway Projects	700	..	..	..	863
Urban Public Transport	4 420	3 790	4 110	4 000	4 500
Transport Planning and Research	939	698	469	504	457
Urban Water Supply	9 175	6 000	4 490	2 555	..
Softwood Forestry . . . . .	..	-87	..	330	135
Dairy Adjustment Program	68	..	..	..	..
Rural Adjustment Scheme . . . . .	..	6 985	4 738	2 554	2 395
Beef Industry Assistance	70	..	..	..	..
Rural Reconstruction	2 781	400	..	..	..
Fruitgrowing Industry	140	65	..	..	..
Dartmouth Dam	1 875	..	..	..	..
Water Resources Assessment	732	727	727	727	..
Salinity Reduction Control . . . . .	..	..	250	1 341	..
Tourism Development	311	..	..	..	..
Tailem Bend to Keith Pipeline	433	17	..	..	..
Soil Conservation	33	30	..	..	..
Natural Disaster Relief . . . . .	..	12 132	4 929	-270	..
Total Specific Purpose Payments—Capital	181 285	193 322	158 779	139 716	138 783

Table 114—South Australia—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
TOTAL PAYMENTS(e)					
	914 829	1 055 228	1 080 673	1 149 273	1 252 498
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS					
General Purpose(f)	611 155	694 614	746 694	792 640	866 960
Specific Purpose	422 311	485 183	458 547	464 798	499 111
Total	1 033 466	1 179 797	1 205 242	1 257 438	1 366 071

(a) That is, Commonwealth payments to State Governments and Loan Council borrowing programs. Excludes Commonwealth payments made direct to other levels of government, details of which are given in Chapters 5 and 6.

(b) Important qualifications attach to the 1980-81 estimates in some cases. See relevant sections of the text.

(c) See Chapter 3, under the heading 'Treatment of Loan Council Programs in this and other Budget Papers'.

(d) See Chapter IV and Table 38 for details.

(e) Comprising general revenue funds, specific purpose payments and general purpose capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (c).

(f) Comprising general revenue funds, Loan Council borrowings and general purpose capital grants. See footnote (c).

Table 115—Western Australia—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
GENERAL REVENUE FUNDS					
Personal Income Tax Sharing Entitlements	440 800	523 176	579 532	662 888	740 500
Adjustment for Previous Year . . . . .	..	-3 285	..	..	..
Total	440 800	519 891	579 532	662 888	740 500
GENERAL PURPOSE CAPITAL FUNDS(c)					
Loan Council Borrowings	84 235	88 446	88 446	76 799	80 639
Capital Grants(d)	42 117	44 220	44 226	38 400	40 320
Total	126 352	132 666	132 672	115 199	120 959
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES					
Payments under Financial Agreement—					
Interest on State Debt	947	947	947	947	947
Sinking Fund on State Debt	2 981	3 175	3 377	3 576	3 740
State Emergency Services	37	50	77	114	131
Assistance for Exmouth Shire	171	112	354	352	..
Universities	40 794	46 532	48 318	53 190	54 778
Colleges of Advanced Education	46 242	48 080	49 560	53 290	55 468
Technical and Further Education	3 607	4 521	5 160	4 780	8 402
Schools	33 520	35 293	38 741	44 019	48 959
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	8 798
Child Migrant and Refugee Education	2	41	140	125	220
Educational Research	70	75	74	111	124
Pre-School Education	n.a.	5 110	4 860	4 860	4 860
School to Work Transition . . . . .	..	..	..	482	2 776
Public Hospitals—Running Costs	74 674	110 449	117 017	126 313	145 798
Community Health Program	2 916	4 366	3 748	4 348	5 550
Tuberculosis Control	648	..	..	..	..
School Dental Scheme	2 654	3 018	2 700	3 745	3 670
Health Education Campaigns	85	92	121	149	199
Blood Transfusion Services	436	588	601	687	778
Health Planning Agencies	120	135	100	100	75
Home Dialysis Scheme	73	..	..	..	..
Australian Encephalitis Control . . . . .	..	..	20	33	40
Home Care Services	57	56	44	52	62
Senior Citizens' Centres	56	56	65	70	77
Assistance for Deserted Wives	1 700	1 848	3 841	3 092	2 200
Pre-Schools and Child Care	4 930	..	..	..	..
Child Care Services	n.a.	552	783	748	611
Unattached Refugee Children . . . . .	..	..	..	..	29
Aboriginal Advancement	7 702	8 564	8 544	9 565	10 924
Welfare Housing	627	627	627	627	627
Sewerage	228	76	..	..	..
National Fitness	94	30	30	30	30
Apple and Pear Export Assistance	100	..	310	248	244
Bovine Brucellosis and T.B. Eradication	898	854	895	1 013	1 765
Exotic Diseases Eradication . . . . .	..	..	39	..	..
Agricultural Extension Services	1 082	1 094	1 090	570	565
Minor Agricultural Research . . . . .	..	..	7	8	25
Coal Mining Industry—Long Service Leave	241	268	327	395	400
Apprenticeship Training	731	943	571	178	40

Table 115—Western Australia—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (£)
Education Program for Unemployed Youth	40	52	76	105	105
Legal Aid	140	..	..	..	..
Family Courts	819	1 065	..	..	..
Road Safety Practices	25	25	25	25	25
Research Grants	665	687	908	994	..
Local Government Tax Sharing Assistance	13 162	15 524	16 848	20 821	28 243
Natural Disaster Relief	195	526	151	293	43
Total Specific Purpose Payments— Recurrent	243 468	295 430	311 096	340 053	391 327
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES					
Housing for Servicemen	1 230	2	..	50	..
Universities	9 822	7 664	5 185	3 006	3 055
Colleges of Advanced Education	5 074	5 198	5 863	3 044	2 796
Technical and Further Education	3 690	2 993	3 726	10 481	9 407
Schools	6 999	16 713	20 971	11 011	13 496
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	800
Pre-School Education	n.a.	79	..	..	..
Hospitals—Capital Development	12 000	4 680	..	..	..
Community Health Program	2 780	964	862	471	250
School Dental Scheme	935	831	..	225	102
Blood Transfusion Services	23	43	73	64	48
Disposal of Ships' Garbage	6	2	..	..	70
Housing for Pensioners	1 288	700	..	..	..
Senior Citizens' Centres	407	348	100	174	303
Pre-Schools and Child Care	144	..	..	..	..
Child Care Services	n.a.	10	38	..	..
Aboriginal Advancement	4 765	4 614	5 443	5 058	3 302
Welfare Housing	35 440	36 740	29 767	15 072	15 680
Pensioner Housing . . . . .	..	..	1 086	2 361	(e)2 459
Other Housing Assistance . . . . .	..	..	..	6 594	9 100
Land Acquisition	4 606	5 026	2 537	2 771	3 088
Air Quality Monitoring . . . . .	..	..	40	..	..
Sewerage	9 000	..	..	..	..
Leisure and Recreation/Culture	667	97	..	..	..
Nature Conservation	250	..	..	..	..
National Estate	215	425	415	300	330
Roads	57 199	61 301	64 382	69 198	76 914
Railway Projects	110	34	..	..	..
Railway Mainline Upgrading . . . . .	..	..	..	..	1 000
Railways—Intersystem Advances	-129	..	..	..	..
Urban Public Transport	1 869	605	2 015	1 533	2 821
Transport Planning and Research	854	744	581	658	582
Softwood Forestry	776	..	1 302	910	1 000
Cheynes Beach Whale Company Assistance . . . . .	..	..	25	..	..
Dairy Adjustment Program	291	275	..	..	..
Rural Adjustment Scheme	800	4 473	9 504	2 138	3 019
Beef Industry Assistance	61	..	..	..	..
Rural Reconstruction	4 144	252	..	..	..
Fruitgrowing Industry	16	237	..	..	..
Water Resources Assessment	2 000	2 000	3 018	3 220	..
Salinity Reduction Control . . . . .	..	..	..	700	..
Ord River Project	12	20	..	14	387
Tourism Development	50	..	..	..	..
Soil Conservation	73	..	35	..	..
Natural Disaster Relief	3 507	17 972	8 268	8 149	1 930
Total Specific Purpose Payments—Capital	170 975	175 044	165 234	147 202	151 945

Table 115—Western Australia—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
TOTAL PAYMENTS(f)					
	897 360	1 034 584	1 100 088	1 188 544	1 324 091
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS					
General Purpose(g)	567 152	652 557	712 204	778 087	861 459
Specific Purpose	414 443	470 473	476 330	487 255	543 271
Total	981 595	1 123 030	1 188 534	1 265 343	1 404 730

(a) That is, Commonwealth payments to State Governments and Loan Council borrowing programs. Excludes Commonwealth payments made direct to other levels of government, details of which are given in Chapters 5 and 6.

(b) Important qualifications attach to the 1980-81 estimates in some cases. See relevant sections of the text.

(c) See Chapter 3, under the heading 'Treatment of Loan Council Programs in this and other Budget Papers'.

(d) Western Australia was underpaid by \$3 000 in 1977-78 which was adjusted in 1978-79.

(e) See Chapter IV and Table 38 for details.

(f) Comprising general revenue funds, specific purpose payments and general purpose capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (c).

(g) Comprising general revenue funds, Loan Council borrowings and general purpose capital grants. See footnote (c).

Table 116—Tasmania—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
GENERAL REVENUE FUNDS					
Personal Income Tax Sharing Entitlements	186 294	214 150	240 737	272 696	301 300
Total	186 294	214 150	240 737	272 696	301 300
GENERAL PURPOSE CAPITAL FUNDS(c)					
Loan Council Borrowings	63 802	66 992	66 992	58 171	61 080
Capital Grants	31 901	33 496	33 496	29 085	30 539
Total	95 703	100 488	100 488	87 256	91 619
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES					
Payments under Financial Agreement—					
Interest on State Debt	534	534	534	534	534
Sinking Fund on State Debt	2 069	2 225	2 386	2 544	2 675
State Emergency Services	69	63	83	77	87
Universities	15 939	17 234	18 315	20 227	20 810
Colleges of Advanced Education	8 678	9 256	9 436	10 068	10 388
Technical and Further Education	969	1 110	1 673	2 005	2 239
Schools	11 049	12 120	13 290	14 617	15 755
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	2 575
Child Migrant and Refugee Education	2	..	..	3	40
Educational Research	14	9	11	11	18
Pre-School Education	n.a.	1 922	1 410	1 410	1 410
School to Work Transition . . . . .	..	..	..	222	1 110
Public Hospitals—Running Costs	18 918	31 621	33 176	35 991	42 463
Community Health Program	2 038	2 306	1 868	1 880	2 240
Tuberculosis Control	592	..	..	..	..
School Dental Scheme	1 475	1 684	1 226	1 882	1 790
Health Education Campaigns	46	52	59	67	147
Blood Transfusion Services	108	124	120	131	166
Health Planning Agencies	40	35	30	10	20
Home Dialysis Scheme	35	..	..	..	..
Home Care Services	355	474	505	585	922
Paramedical Services	15	15	24	21	27
Assistance for Deserted Wives	599	764	986	1 036	800
Pre-Schools and Child Care	2 006	..	..	..	..
Child Care Services	n.a.	149	248	363	226
Rehabilitation Centres . . . . .	..	..	..	..	910
Aboriginal Advancement	71	67	44	52	86
Welfare Housing	314	314	314	314	314
Sewerage	189	..	..	..	..
National Fitness	84	24	24	24	24
Nature Conservation . . . . .	..	82	75	125	..
Tasman Bridge Disaster	1 715	730	..	..	..
Apple and Pear Export Assistance	229	39	238	437	450
Bovine Brucellosis and T.B. Eradication	215	120	103	57	52
Agriculture Extension Services	560	564	564	260	260
Minor Agricultural Research . . . . .	..	..	..	..	17
Coal Mining Industry—Long Service Leave	12	27	16	9	10
Apprenticeship Training	187	209	160	172	15
Education Program for Unemployed Youth	40	156	219	297	300
Legal Aid	28	..	..	..	..
Road Safety Practices	11	11	11	11	11
Research Grants	236	165	272	282	..
Local Government Tax Sharing Assistance	4 004	5 290	5 741	7 095	9 624
Total Specific Purpose Payments—Recurrent	73 444	89 495	93 161	102 817	118 515

Table 116—Tasmania—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES					
Housing for servicemen	6	..	..	..	..
Universities	1 061	1 008	788	918	986
Colleges of Advanced Education	404	1 598	3 221	810	1 010
Technical and Further Education	1 664	1 970	394	3 400	4 653
Schools	4 266	6 187	4 385	4 280	3 795
Education—Allowance for Cost Escalation . . . . .	..	..	..	..	300
Child Migrant and Refugee Education . . . . .	..	..	..	4	..
Hospitals—Capital Development	1 960	..	..	..	..
Launceston General Hospital	1 040	3 350	4 959	5 160	3 700
Community Health Program	561	297	222	57	90
School Dental Scheme	132	127	184	190	42
Blood Transfusion Services	5	3	9	30	3
Disposal of Ships' Garbage	1	..	..	..	53
Housing for Pensioners	280	280	..	..	..
Senior Citizens' Centres . . . . .	..	136	166	185	149
Pre-schools and Child Care	5	..	..	..	..
Rehabilitation Centres	397	922	917	850	700
Aboriginal Advancement	187	175	115	254	180
Welfare Housing	24 220	25 220	20 436	10 352	10 770
Pensioner Housing . . . . .	..	..	438	970	(d)976
Other Housing Assistance . . . . .	..	..	..	4 529	3 760
Growth Centres	45	70	..	..	..
Land Aquisition	250	100	..	..	..
Air Quality Monitoring . . . . .	..	40	..	..	..
Legana Industrial Estate . . . . .	..	..	..	..	200
Sewerage	500	..	..	..	..
Leisure and Recreation/Culture	481	..	45	4	..
Nature Conservation	410	70	25	40	20
National Estate	19	425	415	300	330
Port Arthur Conservation Program . . . . .	..	..	..	400	800
Roads	20 500	21 700	23 208	24 944	27 726
Second Hobart Bridge	584	518	49	998	10 000
Urban Public Transport	253	732	869	1 075	1 125
Transport Planning and Research	216	195	173	186	163
Tasman Bridge Disaster	13 785	5 870	-725	..	..
Softwood Forestry	1 429	..	1 090	659	640
Native Forestry Assistance . . . . .	..	..	..	272	336
Dairy Adjustment Program	555	94	..	..	..
Rural Adjustment Scheme . . . . .	..	123	1 164	242	417
Beef Industry Assistance	42	..	-3	..	..
Rural Reconstruction	193	36	..	..	..
Fruitgrowing Industry	200	110	8	..	..
Water Resources Assessment	146	215	426	..	..
Tourism Development	191	..	..	..	..
Assistance for Mount Lyell Mining . . . . .	..	3 383	..	..	..
Launceston Precision Tool Annexe . . . . .	..	..	..	..	343
Soil Conservation	10	35	..	..	..
Total Specific Purpose Payments—Capital	75 997	74 988	62 977	61 110	73 272
TOTAL PAYMENTS(e)					
	367 636	412 129	430 371	465 708	523 626

Table 116—Tasmania—Commonwealth Payments and Loan Council Borrowings(a), 1976-77 to 1980-81 (\$ thousands)—continued

	1976-77	1977-78	1978-79	1979-80	1980-81 (estimate) (b)
TOTAL PAYMENTS AND LOAN COUNCIL BORROWINGS					
General Purpose(f)	281 997	314 638	341 225	359 952	392 919
Specific Purpose	149 441	164 583	156 138	163 927	191 787
Total	431 438	479 121	497 363	523 879	584 706

- (a) That is, Commonwealth payments to State Governments and Loan Council borrowing programs. Excludes Commonwealth payments made direct to other levels of government, details of which are given in Chapters 5 and 6.
- (b) Important qualifications attach to the 1980-81 estimates in some cases. See relevant sections of the text.
- (c) See Chapter 3, under the heading 'Treatment of Loan Council Programs in this and other Budget Papers'.
- (d) See Chapter IV and Table 38 for details.
- (e) Comprising general revenue funds, specific purpose payments and general purpose capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (c).
- (f) Comprising general revenue funds, Loan Council borrowings and general purpose capital grants. See footnote (c).

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