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This paper is presented as a statistical supplement to my *Australian Government Finances: A Statistical Overview 1850-1982* (ANU Working Papers in Economic History, No. 59). It is designed to accompany and be used with that study. In it I detail both the annual figures of commonwealth and aggregate colonial/state government finances represented in Working Paper No.59 in graphical form and the derivation and characteristics of those series. The latter functions are no less significant than the former because the Working Paper is the first use made of the only existing collection of annual data on government finances, on a fairly consistent basis, over this one hundred and thirty year period. For that reason alone, moreover, this full description of the series will assist those wishing to use them for other purposes.

The tables detail colonial/state and commonwealth finances only. They fall into two categories: those running from 1850 (for the commonwealth, 1901) to 1968; and those covering 1963-82. The former represent the style of reporting government finances used until the 1960s, the latter that currently practiced by the Australian Bureau of Statistics (ABS). The distinction, elaborated below, rests on aggregating cash transactions on governments' Consolidated Revenue Funds (CRF) and Loan Funds, on the one hand, and integrating transactions of all government authorities and accounts and presenting them in a national income accounting framework on the other. The overlapping figures for 1963-68 provide a basis for assessing the differences introduced by the change in reporting.

The tables fall into three groups: expenditure (and outlay); revenue (and receipts); and taxation. The parentheses indicate concepts used in modern reporting. Each group deals with total (net) transactions of both tiers of government and with each separately. The distinguishing feature of the aggregated series of expenditure (outlay) and revenue (receipts) is that they are netted for payments by the commonwealth to or for the states *insofar as these are, in series to 1968, credited to states' CRF or Loan Fund or treated as CRF revenue in the source used.*

The text deals first with questions of dates, then with sources used in expenditure and revenue tables, next with commentary on those tables and finally with sources for and commentary on taxation data.

DATES

It was not until 1904 that all the governments dealt with closed their accounts on 30 June. Variations from that date are detailed below. It will be noticed that changes in practices result in 'years' of six and of eighteen months being used. The influence of Victoria's short year in 1871 and that of NSW in 1895 should be especially noted.

NSW: financial year ended 31 December until 1894, 30 June thereafter with six months only in 1895.

Queensland: financial year ended 31 December until 1874, 30 June thereafter with six months only in 1875.

South Australia: financial year ended 31 December until 1858, then 30 June until 1864, reverting to 31 December until 1873 and becoming 30 June thereafter. There are consequently six-month 'years' 1859 and 1874 and one of eighteen months in 1865.

Tasmania: financial year ended 31 December until 1903, 30 June thereafter with six months only in 1904.

Victoria: financial year ended 31 December until 1870, 30 June thereafter with six months only in 1871.

Western Australia: financial year ended 31 December until 1892, 30 June thereafter with six months only in 1893.

SOURCES, TABLES 1-12

Before the publication of the first issue of *Finance Bulletin* by the Commonwealth Bureau of Census and Statistics (CBCS), covering the year 1907, there had been few successful attempts to bring together statistics of the sources of colonial/state governments' revenue and the purposes of their expenditure on anything like a consistent basis.

FOR THE PERIOD 1850-1906, therefore, a variety of sources was used to construct series that match, as far as possible, the categories employed in *Finance Bulletin*. They are set out, colony by colony, below.

NSW: For 1850-57, *Statistics of New South Wales*; for 1877-1906, *NSW Statistical Register*, adapted on basis of *Treasurer's Reports*; for 1858-76, calculated from *Treasurer's Reports*.

Queensland: Calculated from *Treasurer's Reports*.

South Australia: For 1851-55, *SA Statistical Register*; for 1856-1906, calculated from *Treasurer's Reports*.

Tasmania: For 1851-85, and 1904 calculated from *Treasurer's Reports*; for 1886-1903, 1905, 1906, *Statistics of Tasmania*.

Victoria: For 1851, *Statistics of New South Wales*; for 1852-55, Paper C38A, *Vic. Leg. Ass. Votes and Proceedings*, 1856-57; for 1856-1906, calculated from *Treasurer's Reports*.

Western Australia: For 1851-68, *W.A. Statistical Register*, 1898, *Statistical Summary*; for 1869-83, *W.A. Blue Book*; for 1884-1906, calculated from *Treasurer's Reports*.

FOR THE STATES, 1907-68, the source is CBCS, *Finance Bulletin 1907*, and its successors through to *State, Territory and Local Government Authorities' Finance and Government Securities, 1967/68*.

COMMONWEALTH REVENUE, 1901-68, is from latest figures published in CBCS, *Commonwealth Finance, 1968/69*, and predecessors. EXPENDITURE 1901-36, is

calculated from Treasurer's and Auditor-General's *Reports* as closely as possible in accordance with the categories used in *Finance Bulletin*, 1936-37; data for 1937-68 are latest published figures in CBCS, *Commonwealth Finance*, 1968-69 and its predecessors.

FOR 1963-82

STATE RECEIPTS for the period: ABS, *State and Local Government Finance, Australia*, 1981-82, and predecessors.

COMMONWEALTH RECEIPTS: 1963-73, latest published figures in ABS, *Public Authority Finance, State and Local Government Authorities*, 1975-76 and predecessors; 1974-82, latest published figures in ABS, *Commonwealth Finance, Australia*, 1981-82 and predecessors.

STATE OUTLAYS: 1963-69, from CBCS, *Public Authority Finance Bulletin No.1*, 1969-70; 1970-82 latest published figures in ABS, *State and Local Government Finance, Australia*, 1981-82 and predecessors.

COMMONWEALTH OUTLAYS: latest published figures in ABS, *Commonwealth Government Finance* 1981-82, and predecessors with the following exceptions:- 1963 data is from 1967-68 issue, 1964 from the 1968-69 issue, and 1965-69 from the 1969-70 issue; capital outlays by business enterprises is from ABS, *Australian National Accounts, National Income and Expenditure*, 1981-82 and predecessors.

NOTES TO TABLES 1-12

TABLE 1 TOTAL NET EXPENDITURE, 1850-1968

This table excludes commonwealth payments to or for the states that appear in state CRF or Loan Fund. It does not exclude transfers credited to state Trust Funds, expenditure from which is not captured in our source, except to the extent that *Finance Bulletin* specifies them as state receipts. Such transfers include, for example, those for unemployment relief in the 1930s, those made under housing agreements after 1950, and many relating to health and education. Also excluded are transfers between CRF and Loan Fund in any colonial/state.

Because *Finance Bulletins* covering the years 1917, 1918 and 1920 were not published, details of state expenditure for those years is not available. Corresponding figures for 'Law and defence' shown in the table are those of commonwealth war expenditure only. They are not directly comparable with others in that column and have been included because of their importance at that time.

Other characteristics of the table follow from those of the state and commonwealth statistics noted under Tables 3 and 5. Attention is drawn to the fact that data in this table for 1850-1900 are state data and are not repeated later. Notes to that section appear under Table 3.

TABLE 2 TOTAL NET OUTLAY, 1963-82

Constructed in conformity with the principles on which national income is estimated, this table presents integrated outlay transactions of all authorities of state and commonwealth governments, net of duplication. It covers their final consumption expenditure on goods and services (including wages and salaries), gross capital formation and transfer payments. Special treatment of gross capital formation in roads and construction of rental housing is commented upon in the source.

Note that because receipts from public enterprises are defined as their net operating surplus, only their capital outlays are reported in this and related tables.

This table is net of commonwealth grants and net advances to states.

There is a break in the series between 1969 and 1970.

Relevant notes appear under Tables 4 and 6.

TABLE 3 STATE TOTAL EXPENDITURE, 1901-1968

Because of the use of different sources and despite my effort to use a consistent set of criteria throughout, it should be assumed that there is a break in the series between 1906 and 1907.

This table should be treated as a continuation of the 1850-1900 section of Table 1

Finance Bulletin was not published in 1917, 1918 and 1920 and details of expenditure are lacking for those years.

Total. Despite the general rule that these tables include only transactions on CRF and Loan Fund, several major exceptions exist. Some arise from early colonial practices, others from the conventions adopted by the commonwealth statistician.

Among the first category is the inclusion here of transactions on Land Funds, kept separately in early years but later amalgamated with CRF. Transfers between the two groups of funds have been excluded. In addition, NSW accounts include, for 1850-55, transactions on various minor funds that were later reported as separate entities.

Following the precedent established by *Finance Bulletin*, certain expenditures that are not strictly CRF transactions have been included in the twentieth century. They relate to some major business undertakings that were removed from formal NSW CRF accounts in the 1920s, various portions of motor taxes in NSW and Victoria from the 1920s until 1948, and a variety of trust funds and special accounts in Victoria from the 1890s to 1936.

Debt charges include interest (and exchange) on the public debt, sinking fund payments and redemptions from CRF.

Businesses include only railways and urban transit, the post office and water supply and sewerage services and only for as long as they were reported in *Finance Bulletin*. (For example, coverage of NSW water and sewerage enterprises is scaled down after 1936 and ceases in 1938; Tasmanian transport services are no longer included when they are transferred to a semi-government authority in 1939.) A large variety of enterprises is excluded, primarily because in *Finance Bulletin* their expenditures and revenues are included in categories (e.g. 'harbours and rivers', 'other public works and services') incorporating non-business elements. In addition, many minor business undertakings were not operated through CRF but through special accounts. Expenditure figures include those for capital purposes as, indeed, do all expenditure columns other than 'debt charges'. From varying

dates after the 1920s, subsidy transfers from CRF to railway departments are excluded. Details of the NSW Metropolitan Water Board, omitted in the source for some years in the 1920s, have been added from its Reports.

Social catches expenditure on health, education and social security. Data for loan expenditure is incomplete 1907-68.

Primary industries include administration of Crown lands (including mining in some colonies for parts of the nineteenth century), and of stock and agriculture and expenditure on water and soil conservation, irrigation, closer settlement and assistance to primary industry.

Law and defence. To the expenditure on police, courts, prisons, public safety and, variably, delinquent children and reformatories is added that on defence and war (until Boer War costs were finally met early in the twentieth century) and associated buildings.

Business operating expenses is a category distinct from the others and it shown here for convenience only. They exclude from figures under 'Businesses' all loan expenditure and most capital expenditure from CRF. The qualification arises because my estimates of nineteenth century CRF spending include buildings funded from that source. In the case of the railways these are very insignificant; they are more important, though still minor, for the post office.

TABLE 4 STATE OUTLAY, 1963-82

Because of the use of different sources (the only ones published), there is a break in this series between 1969 and 1970.

Business capital outlay differs from the category 'businesses' in Table 3 Eft only because it is capital outlay, as distinct from total expenditure, but also because it encompasses all public enterprises.

Social includes health, education and social security but not housing. The exclusion is not based on any view of the social content of housing policy but on an attempt to keep the category broadly comparable with that used in Table 3.

TABLE 5 COMMONWEALTH 'OWN' EXPENDITURE, 1901-68

Total excludes payments to and for the states (as measured by state accounts) and is adjusted to accommodate special features noted under 'Debt charges', 'Social' and 'War'.

Debt charges are defined as in Table 3 but are in respect of commonwealth own borrowings only.

Businesses comprise the post office and commonwealth-operated railways only.

Social includes age pensions, maternity allowances and child endowment and payments to the National Welfare Fund. Age pension payments are actual, not transfers to Trust Fund. Note that actual expenditure from the National Welfare Fund was smaller, by up to 10%, than payments to it in all but one year between 1944 and 1952. Payments for education and housing escape the net.

War and defence include expenditure on repatriation, care of veterans and war pensions. It differs from state expenditure on 'Law and defence' by not including spending on law and order. War pension payments are actual, not the sums credited to the appropriate Trust Fund.

All other includes payments of commonwealth surplus to various Trust Funds from the 1950s.

Payments to or for the states are not included in the total but are shown for purposes of comparison. They are derived from state accounts and therefore show only those payments credited, or deemed by the commonwealth statistician to have been credited, to state CRF or Loan Funds.

Business operating expenses exclude from figures shown under 'Businesses' all capital expenditure, whether from loans or CRF.

TABLE 6 COMMONWEALTH 'OWN' OUTLAY

Total excludes grants and net advances to the states (including the Northern Territory from 1979).

Interest until 1977 was netted for interest received from the states.

Business capital outlays are those of all commonwealth trading enterprises.

Social includes outlays on education, health and social security and also on repatriation. Outlays on housing are not included so as to bring the category closer in concept to that used in Table 5.

Defence excludes repatriation outlays.

Grants and net advances to the states are not included elsewhere in this table. See also 'Grants from commonwealth' and associated note under Table 10.

TABLE 7 TOTAL NET REVENUE, 1850-1968

This table excludes from state revenue payments from the commonwealth.

It should be assumed that there is a break in these series between 1906 and 1907.

Some state details for 1917, 1918 and 1920, missing from the source, have been added by reference to *Treasurers' Reports*. (Similar interpolations of expenditure data have not been undertaken because it has not proved possible to replicate from those sources *Finance Bulletin* figures for surrounding years.)

Total. General comments under this head in Tables 3 and 5 apply also to this table. It includes non-CRF tax collections as below.

Taxation includes tax collections not credited to CRF but to special funds.

Other relevant notes are to be found under Tables 9 and 11. Special attention is drawn to those concerning colonial revenues, shown only here, under Table 9.

TABLE 8 TOTAL NET RECEIPTS, 1963-82

In the current mode of reporting, receipts are defined to exclude fees and charges for services rendered by government authorities and recoveries from other governments; these are netted from gross government authority expenditures to give final consumption expenditure. Income from public enterprises is defined as their net operating surplus.

Figures shown in this table, as well as in Table 10, are net of grants by the commonwealth to states and exclude all financing items.

Further characteristics of Table 8 follow those set out in notes to Tables 10 and 12.

TABLE 9 STATES' 'OWN' REVENUE 1901-68

As there is no commonwealth revenue before 1901, this table should be regarded as a continuation of the 1850-1900 section of Table 7.

Attention is drawn to the note under Table 7 relating to 1917, 1918 and 1920.

Total includes those non-CRF transactions mentioned in notes to Table 3. It also includes all taxes, whether or not they were credited to CRF.

Taxation includes amounts, equivalent on occasions to one third of total collections and running at over a quarter for most of the post-1945 period, that were not credited to CRF. Among them is the greater part of motor taxation, some liquor and racing (gambling) taxes and, during the 1930s, some taxes on wages and incomes levied for unemployment relief. Data for 1917, 1918 and 1920 have been added from Treasurers' Reports.

Business revenue is that earned by railways and urban transit and water and sewerage enterprises for as long as they are reported in the source. Subsidy transfers from CRF to railways are excluded. Revenue of the NSW Metropolitan Water Board, not available in the source for some years in the 1920s, has been added from its Reports. Data for 1917, 1918 and 1920 have been added from *Treasurers' Reports*.

Land revenue includes land sales and rentals (including interest on credit purchases), mining rights, leases and royalties, timber rights and leases and forestry receipts. Data for 1917, 1918 and 1920 have been added from *Treasurers' Reports*.

Interest is earned on loans to local government authorities and the private sector (excluding interest included in 'Land revenue') and on the public balances. It excludes interest credited as having been received from enterprises included in 'Businesses'. Figures for 1917, 1918 and 1920 are included with 'All other'.

Payments from commonwealth are not included in the total and are presented for convenience and comparison.

TABLE 10 STATES 'OWN' RECEIPTS, 1963-82

Total excludes all financing items, but refers to receipts of all state government authorities without double-counting.

Taxation excludes regulatory fees, fines and (very minor) other taxes included in the source.

Business surplus refers to the net operating surplus, before interest receipts and payments, of all state government authority trading enterprises and the payments made to government by public financial enterprises.

All other includes interest on fixed deposits and bank balances and on advances to the private sector, land rent, royalties (mainly mineral and timber), and dividends on shares held as investments.

Grants to states are not included in the total. They may be compared with 'Grants and net advances to the states' in Table 6 as alternative measures of commonwealth assistance or subtracted from that item to determine net advances.

TABLE 11 COMMONWEALTH REVENUE, 1901-68

Total includes taxation collections not credited to CRF.

Taxation. Non-CRF collections form a small proportion of the total and relate primarily to primary-producer and other industry-specific taxes collected for expenditure in those industries by industry-nominated authorities.

Business revenue is that collected by the post office and commonwealth railways.

Interest excludes that debited against enterprises included in 'Businesses' and that received from states from 1918 in relation to commonwealth on-lending for, for example, Soldier Land Settlement.

TABLE 12 COMMONWEALTH RECEIPTS 1963-82

Total excludes all financing items.

Taxation excludes items defined in the source as regulatory fees, fines, unfunded employee retirement contributions and other current transfers n.e.i.

Business surplus is the net operating surplus, excluding receipt and payment of interest, of all commonwealth public authority trading enterprises together with payments to government by public financial enterprises.

All other includes interest and other property income, but note that until 1977 interest received from the states was offset against interest paid.

SOURCES, TABLES 13-18

STATE TAXES, 1850-1919, are from a variety of places as follows:

NSW: *Statistical Register, Official Year Book, and Reports of Auditor-General.*

Queensland: 1859-79, *Treasurer's Reports*; 1880-1919, *Statistical Register and Reports of Auditor-General.*

South Australia: 1851-79, *Statistical Register*; 1880-1919, *Treasurer's and Auditor-General's Reports.*

Tasmania: 1855-71, *Treasurer's Reports*; 1872-1919, *Statistical Register*.

Victoria: 1851-55, Paper C38A, *Vic. Leg. Ass. Votes and Proceedings*, 1856-57; 1856-75, *Treasurer's Reports*; 1874-1919, *Statistical Register and Reports of Auditor-General*.

Western Australia: *Statistical Register*.

STATE AND COMMONWEALTH TAXES, 1920-68

Adapted from latest published figures, for 1920-67, in CBCS, *State, Territory and Local Government Authority Finance and Government Securities 1966-67* (Tables 21 and 11) and CBCS, *Commonwealth Finance, 1966-67*, Table 23 and their predecessors; 1968 figures from same publications, 1967-68 issues.

STATE AND COMMONWEALTH TAXES, 1963-82

Adapted from latest published figures in ABS, *Taxation Revenue Australia, 1982-83*, and predecessors.

NOTES TO TABLES 13-18

TABLES 13, 14 TOTAL TAXES, 1850-1968 AND 1963-82

There are breaks in the series between 1919 and 1920 and between 1967 and 1968.

Both tables include tax collections not credited to CRF.

For detailed notes, including those relating to colonial taxes to 1900, see under Tables 15-18.

TABLE 15 STATE TAXES 1901-68

These series should be treated as extensions of the colonial figures for the period 1850-1900 appearing in Table 13.

There are breaks in the series between 1919 and 1920 and between 1967 and 1968.

Total includes collections not credited to CRF, primarily in the form of motor taxes, liquor taxes, gambling taxes and, in the 1930s, some taxes on incomes and wages. 1968 alone includes what is described in the 1967-68 issue of the source (in its Table 11, carried back to 1958-59) as 'other government authority taxation profit on state lotteries'. While that item is allocated to the nature of the tax in the source Table 21 (Commonwealth and States: Total Net Tax Collections) the allocation is not extended to its Table 11. To maintain maximum comparability it has not been included for years before 1968.

Customs includes excise duties and export duties on gold. In nineteenth century compilations bond warehouse rents and fees are also sometimes included.

Wealth taxes comprise estate and succession duties and land tax.

Business taxes include business licences (until 1919), licences and other liquor taxes, payroll tax, and stamp duties on legal and business documents. In some colonial reporting there is often difficulty disentangling stamps sold for postage and those satisfying duty requirements.

Income taxes include all taxes on dividends, profits, incomes and wages of individuals and the incomes of companies. Figures shown for years after 1942 represent collection of tax due but not paid at that date.

Gambling taxes is shorthand for the variety of collections from entertainments taxes, racecourse attendance taxes, betting taxes and licences for and taxes on various gambling devices, lotteries and lottery winnings. Also included in 1968 are profits on state lotteries.

Motor taxes include registration and licence fees and associated taxes and charges on road transport enterprises and on third party insurance.

Other taxes include business licences from 1920 and in 1968 'other government authority taxation'.

TABLE 16 STATE TAXES 1963-82

Total excludes 'fees from regulatory services n.e.i.' and 'other taxes, fees, fines, etc', to use the terminology of the source. It includes all taxes paid to CRF, to trust and other funds and to public corporations of the states.

Wealth taxes include estate, gift, probate and succession duties and property taxes.

Business taxes include liquor taxes, payroll tax, fire brigade contributions from insurance companies, stamp duties not elsewhere included and business franchise charges.

Gambling incorporates lottery taxes, poker machine tax, racing taxes and others of like character.

Motor covers all fees and taxes on the ownership of motor vehicles, driving licences, taxes on road transport enterprises and surcharge and duties on motor car third party insurance.

Other taxes are levies on public corporations.

TABLE 17 COMMONWEALTH TAXES, 1901 1968

Total includes collections not credited to CRF.

Customs includes excise duties.

Wealth taxes are estate and gift duties and land tax.

Business equals payroll tax.

Income taxes include taxes on individual and company incomes, war-time (company) tax, super-tax, undistributed profits tax, and social services contribution.

Gambling is entertainments tax. (Negative sign indicates excess of refunds over collections>)

Other includes war-time postage tax, flour tax, gold tax, export charges on wool, wheat and other primary products and stevedoring industry charges.

TABLE 18 COMMONWEALTH TAXES, 1963-83

Total includes taxes raised in commonwealth territories which are not generally, however, allocated to type of tax until 1968 (and even then, incompletely). Includes broadcast and television station licences and broadcast listeners and television viewers licences. Excludes fees from regulatory services, fines, unfunded employee retirement contributions and other current transfers net.

Customs includes, in addition to those shown under Table 17, excise duties on crude oil and lpg and customs duty on coal exports.

Wealth includes estate and gift duties and rates on land in the territories.

Business tax comprises payroll tax.

Income taxes include Medibank levy and withholding taxes; excludes income tax paid by public enterprises.

Other taxes include primary production taxes, broadcasting and television licences, and others.