

---

**REPORT**

OF THE

**AUDITOR-GENERAL**

FOR THE YEAR ENDED

**30th JUNE, 1964**

# INDEX

PAGE.	PAGE.
86 .. Aborigines Welfare Fund	82 .. Parliamentary Contributory Retirement Fund
87 .. Adult Education	82 .. Parliamentary Superannuation Fund
111 .. Advances to Public Bodies	84 .. Pharmaceutical Benefits Trust Account
29 .. Agricultural Colleges, &c.	31 .. Police Department
28 .. Agriculture Department	80 .. Police Pensions Fund
110 .. Arrears of Revenue	80 .. Police Superannuation Fund
116 .. Audit Queries Unsatisfied	82 .. Port Phillip Pilot Sick and Super. Fund
14 .. Betting Tax	35 .. Prisons
21 .. Budget—Expenditure Estimates	13 .. Probate Duty
19 .. Budget—Revenue Estimates	35 .. Probation and Parole
31 .. Chief Secretary's Department	10 .. Public Account
55 .. Closer Settlement	24 .. Public Debt and Debt Charges
55 .. Closer Settlement Insurance Fund	58 .. Public Works Department
102 .. Coal Canal Bridge	62 .. Railway Accounts
11 .. Commonwealth Financial Assistance Grants	14 .. Registrar-General, Registrar of Companies, and Registrar of Titles
77 .. Commonwealth—State Flood Protection and Restoration Account	11 .. Revenue (synopsis)
14 .. Comptroller of Stamps	3 .. Revenue and Expenditure
3 .. Consolidated Revenue Deficit	3 .. Review
109 .. Co-operative Housing Societies	75 .. River Improvement Trusts
97 .. Country Roads Board	92 .. Securities Lodged with Treasurer
75 .. Country Sewerage	33 .. Social Welfare
70 .. Country Water Supply	76 .. Special Funds
54 .. Crown Lands and Survey	14 .. Stamp Duties
91 .. Decentralization Fund	93 .. State Accident Insurance Office
116 .. Defalcations and Irregularities	68 .. State Coal Mine
114 .. Dried Fruits Board	110 .. State's Debtors
37 .. Education	95 .. State Motor Car Insurance Office
14 .. Entertainments Tax	70 .. State Rivers and Water Supply Commission
48 .. Erica State Saw Mill	80 .. Superannuation and Pension Funds
79 .. Estate Agents Guarantee Fund	116 .. Surcharges
20 .. Expenditure (synopsis)	15 .. Tattersall Duty
33 .. Family Welfare	12 .. Taxation
44 .. Forests	16 .. Totalizator
79 .. Government Buildings Fire Insurance Fund	104 .. Tourist Development Authority
49 .. Government Printer	106 .. Transport Regulation Board
109 .. Guarantees	27 .. Treasurer's Advance
50 .. Health	76 .. Trust Funds
85 .. Home Builders' Account	41 .. Universities
87 .. Hospitals and Charities	29 .. Victoria Dock Cool Stores
84 .. Hospital Benefits Fund	75 .. Waterworks Trusts
116 .. Imperfect Vouchers	107 .. Workers Compensation Board
24 .. Interest	34 .. Youth Welfare
89 .. Kings Bridge Restoration Trust Account	
112 .. King-street Bridge	<i>Abstracts of Year's Operations—</i>
13 .. Land Tax	121 .. No. 1 Receipts and Expenditure
54 .. Lands Department	122 .. „ 2 Expenditure—Comparative Statement
89 .. Level Crossings Fund	123 .. „ 3 Loan Fund
18 .. Licensing Fund	124 .. „ 4 Trust Funds
22 .. Loan Fund	125 .. „ 5 Debt Charges Account
56 .. Local Government Department	127 .. „ 6 Railways — Receipts and Expenditure
89 .. Mallee Land Account	129 .. „ 7 Country Water Supply—Receipts and Expenditure
89 .. Mental Hospitals Fund	
52 .. Mental Hygiene	<i>Appendices—</i>
102 .. Metropolitan Transportation Committee	130 .. A. Treasurer's Advance
114 .. Milk Board	131 .. B. Transfers—Section 25 Audit Act
57 .. Mines Department	135 .. C.-1 Endowments and Grants
80 .. Motor Car (Hospital Payments) Fund	137 .. 2 Cultural Development Allocations
14 .. Motor Car—Insurance Surcharge	139 .. D. Stores
32 .. Motor Registration Branch	140 .. E. Education Department. Comparative Analysis
47 .. Mt. Buller Committee of Management Works Trust Account	142 .. F. Agricultural Colleges and Research Institutions
90 .. Municipalities Assistance Fund	
102 .. Municipalities Forests Roads Improvement Fund	
26 .. National Debt Sinking Fund	
91 .. National Parks Fund	

# REPORT OF THE AUDITOR-GENERAL OF VICTORIA

UPON

THE TREASURER'S STATEMENT OF THE FINANCES FOR THE YEAR  
ENDED 30TH JUNE, 1964.

---

As directed by Section 47 of the *Audit Act* 1958, I hereby transmit to the Legislative Assembly the Statement for the financial year ended 30th June, 1964, prepared in detail by the Treasurer, of the receipts and expenditure of—

the Consolidated Revenue,

the Trust Fund, and

the Loan Fund ;

and I have the honour to furnish herein, in accordance with the provisions of the said section, my report—

(i) explaining the Statement in full ; and

(ii) showing particulars of the several matters more specifically referred to in paragraph (a) of sub-section (1) and in sub-section (2) of the said section.

In conformity with the provisions of Section 46 of the *Audit Act*, the Treasurer has included and distinguished in his Statement of the "expenditure of the Consolidated Revenue" for the year such amounts as had been expended but in respect of which no appropriation had been made on or before the 30th June, 1964. It follows that the relevant figures herein are submitted on the basis that, in the near future, Parliamentary approval of these amounts will be signified by the passing of the Supplementary Estimates for the year.

The Treasurer's Statement and the related subsidiary statements have been checked by my officers and are in agreement with the accounts of the Treasurer.

This report is arranged to present a review of the Treasurer's accounts for the year, followed, under appropriate headings, by the more detailed information and explanations necessary to comply with statutory requirements.

My comments upon the accounts of the several major public authorities which I am required by law to audit will be furnished in a supplementary report which is now in course of preparation.

## REVIEW.

### *Revenue.*

In 1963-64—	£	s.	d.
The Revenue brought to account from all sources was ..	222,184,556	0	3
The Expenditure charged against the year's Revenue was	222,437,092	6	3
	<hr/>		
The Deficit for the year was .. ..	252,536	6	0
	<hr/>		

The above summary is expressed in exact monetary terms in order to show in this report, as required by Section 19 of the *Public Account Act* 1958, the actual deficit for the year. It is necessary to explain, however, that this deficit is recorded herein as the true revenue result for the year subject to the reservation that the expenditure for the year, shown in the summary, includes £2,083,692 7s. 8d., the sum yet to be approved by the passing of the Supplementary Estimates for the year.

It should also be mentioned that, because it is considered necessary, several of the statements appended to this report are presented in full monetary detail but that, generally throughout the remainder of the report, the amounts furnished by way of explanation are, in conformity with modern practice, rounded off to the nearer pound.

The deficit, as disclosed, was less than that anticipated by £2,224,042. The improvement in the State's revenue position for the year was largely the result of the receipt of revenue, particularly from each of several of the State's major taxes, to an extent substantially in excess of the estimate.

Compared with the previous year, the State's revenue from its own sources increased from £123,400,194 to £133,608,239 and from Commonwealth sources from £83,675,235 to £88,576,317. The respective percentages of the State's gross revenue from these two sources were—from State sources 59·59 per cent. in 1962–63 and 60·13 per cent. in 1963–64 ; and from Commonwealth sources 40·41 per cent. in 1962–63 and 39·87 per cent. in 1963–64.

Collections of State taxes amounted to £50,972,111. This sum was in excess of the estimate for the year by £2,571,111, and higher than the amount received in the previous year by £5,401,762. As between the two years, the major factors contributing to the upward trend in taxation revenue were increases in collections from Probate Duty, £2,404,896 ; Sale of Duty Stamps, £1,579,864 ; Totalizator, £711,483 ; and Land Tax, £587,543. The only significant decrease under the general head of Taxation was in revenue from Entertainments Tax which fell from £611,274 in 1962–63 to £256,121 in 1963–64. The reasons for these and other variations in collections from the major sources of State taxation, are given at page 12 et seq.

Other State sources also provided collections in excess of those for the previous year. Appropriate references to these increases follow.

Collections under the head of Interest increased from £12,522,557 to £13,784,085. The major proportion of the collections under this head is comprised of interest received from Public Authorities on loans made to them by the State or through the agency of the State. The greater part of the over-all increase of £1,261,528 was accounted for by the increases in interest payments to the State of—£336,337, by the State Electricity Commission ; £237,760, by the Latrobe Valley Water and Sewerage Board ; and £476,945, under the Housing Acts ; together with an increase of £90,098 in interest earnings on Public Account.

Interest on special assistance loans for Soldier Settlement and the larger proportion of the interest received by the State under the Housing Acts is payable to and transmitted to the Commonwealth. The remainder of the State's collections on account of interest can be justifiably regarded as a set-off against the interest payable by the State on its loan liability. Accordingly, in the Debt Charges Account and Debt Charges analyses embodied in Statement No. 5 appended to this report, there is shown as a set-off against the State's payments for Debt Charges the remainder of the interest collections mentioned, namely £7,941,274, with the addition of certain recoups to the State by various Public Authorities which are included in the Treasurer's Revenue Statement under "No. 9—Miscellaneous" and which amount to £391,497, on account of Sinking Fund Contributions ; £163,063, on account of Exchange on Overseas Interest ; and £3,706, on account of Loan Conversion Expenses.

Territorial revenue collected in 1963–64 was higher than that collected in the previous year by £74,745. This is a net figure. Actually, there were marked fluctuations, as between the two years, in the collections from the component sources under this head. Forests revenue and revenue from the issue of mining leases and miners' rights were up by £113,073 and £4,564 respectively. On the other hand, territorial revenue collected by the Lands Department was down by £42,892 (net). This net decrease was largely the effect of a fall of £154,845, in revenue from land sales otherwise than by auction, which was much greater than anticipated, offset by increases in revenue under several other territorial sub-heads.

Revenue under "No. 4—Public Works" increased from £6,471,209 in 1962–63 to £6,770,147 in 1963–64. Collections under the various sub-heads were:—

	1962–63.	1963–64.	Increase + Decrease –
	£	£	£
State Rivers and Water Supply Commission—Rates, Charges, Recoups, &c. .. .. .	4,462,246	4,645,261	+ 183,015
Public Works Department— Recoups and other revenue, &c. .. .. .	1,430,276	1,575,954	+ 145,678
Agriculture— Victoria Dock Cool Stores .. .. .	253,445	228,822	– 24,623
Forests Undertakings .. .. .	75,154	76,017	+ 863
State Coal Mines .. .. .	250,088	244,093	– 5,995
	6,471,209	6,770,147	+ 298,938

References to and comments on the above revenues are made in this report under the respective departmental headings.

Mainly as the result of an increase of £194,440 in the statutory contribution of the Melbourne Harbor Trust offset by minor decreases in receipts under other sub-heads, there was a net increase of £193,311 in revenue from "Ports and Harbors".

"Fines" increased by £170,381 (net) and "Fees" by £198,130 (net). More particularly in respect of "Fees", comparative figures in respect of collections of Titles Office and Company fees are given at page 14 of this report.

"No. 8—Departmental" revenue is comprised of receipts and recoups of departments arising from or in consideration of the performance of their respective functions. Excluding the recoups by the Commonwealth of the Health Department's net maintenance expenditure for the purpose of the control, &c., of tuberculosis, departmental collections rose from £4,139,619 in 1962–63 to £4,356,701 in 1963–64.

"Miscellaneous" revenue, excluding such revenue items as might be correctly regarded as Commonwealth contributions, amounted to £5,052,940 as compared with £5,285,234 in the previous year. Collections under the head of "Miscellaneous" obviously embrace a wide range of receipts. These receipts include annual recoups of varying size and repayments of a non-recurring nature, the principal item of which, in 1963–64 was an amount of £600,000 received from the State Superannuation Board in repayment of an advance made from Consolidated Revenue late in the financial year 1960–61.

Railway income amounted to £46,188,246 as compared with railway operating expenditure, £45,817,867. Thus instead of, as anticipated, an excess of £714,421 of expenditure over income, there was a revenue surplus of £370,379. This surplus has, in conformity with the provisions of the *Railways (Funds) Act 1961*, been added to the amount of £714,421 at credit of the the Railway Equalization Account, making the balance of that Account at 30th June, 1964, £1,084,800.

Railway financial operations are the subject of comment and explanation under the heading of "Railway Accounts" in this report. In that section of the report, it will be seen that railway earnings under most heads were in excess of those for the previous year.

State revenue from Commonwealth sources over the past two years comprised the following :—

Commonwealth Grant or Contribution.	1962-63.	1963-64.	Increase + Decrease -
	£	£	£
Contribution pursuant to Commonwealth-States Financial Agreement .. .. .	2,127,159	2,127,159	..
Financial Assistance Grant .. .. .	76,133,355	79,741,249	+ 3,607,894
Additional Financial Assistance Grant .. .. .	3,727,000	5,140,000	+ 1,413,000
Tuberculosis Arrangement .. .. .	1,333,179	1,425,341	+ 92,162
Towards remissions and losses on Soldier Settlement	342,739	139,371	- 203,368
Other .. .. .	11,803	3,197	- 8,606
	83,675,235	88,576,317	+ 4,901,082

Particulars of the financial assistance and additional financial assistance grants shown above are furnished herein at page 11 et seq.

Expenditure from Revenue as shown under Part I. of the Treasurer's Statement of Expenditure from Consolidated Revenue—that is, excluding Railways Operating Expenditure which forms Part II. of such Statement—amounted to £176,248,846 as compared with £163,510,821 in 1962-63; an increase of £12,738,025.

The major factors which influenced the expenditure position as between the two years are, in respect of many items, the subject of mention or comment under appropriate departmental headings throughout this report. Other items which have a more general application are commented upon below.

Expenditure charged to Consolidated Revenue under "Salaries and Allowances" and "Salaries and Payments in the nature of Salary" amounted to £67,737,073 as compared with £61,075,022, an increase of £6,662,051. To a marked degree this rise in the State's salary costs was the result of the increases in salaries granted to public servants by the Public Service Board as from 30th June, 1963; to members of the Teaching Service by the Teachers' Tribunal also as from 30th June, 1963; and to members of the Police Force by the Police Classification Board first, as from 12th May, 1963, and again as from 11th July of the same year.

The increases in salaries granted to public servants and teachers as from 30th June, 1963, and the further increases awarded to members of the Police Force as from 11th July, 1963, which were in the nature of marginal increases, were made retro-operative to 12th May, 1963—that is, to the beginning of the first pay period commencing after the coming into operation of increases of a similar nature granted to the Commonwealth Public Service. In the State sphere this was achieved by providing in Treasury Vote—Division 50A—for the granting of the increases to members of the Public Service, the Teaching Service and the Police Force in the form of *ex gratia* payments for the period beginning, in respect of each of the three State services mentioned, on 12th May, 1963, but ending in each instance on the day immediately preceding that of the commencement of the relevant award of the appropriate Tribunal.

The *ex gratia* payments mentioned above amounted in all to £430,811 and this sum, in effect, was a further addition to the State's expenditure on salaries in 1963-64. However, it was provided that, in those instances in which payment was made to a person whose salary normally was paid from a source other than Consolidated Revenue, or if paid from Consolidated Revenue would be recouped from another source, the amount of any such *ex gratia* payment was to be refunded to Consolidated Revenue by the related source.

The appointment of additional personnel to the Teaching Service, just prior to the commencement of each of the academic years 1963 and 1964, and a net increase of 114 in the strength of the Police Force also contributed substantially to the marked upward trend as between 1962-63 and 1963-64, in the State's salary costs.

The State's debt charges on account of its ordinary loan liability rose from £38,793,403 in 1962-63 to £41,385,234 in 1963-64—a rise of £2,591,831. As indicated earlier herein, Statement No. 5 appended to this report shows what may properly be regarded as the net debit in 1963-64 to Consolidated Revenue on account of these charges. Also, in connection with Statement No. 5, it is appropriate to mention here that the main comparative analysis forming part thereof, illustrates clearly the trend over recent years of the annual cost of these debt charges to Consolidated Revenue.

With respect to the debt charges payable by the State under the Commonwealth-State Housing Agreement, the sum paid to the Commonwealth on account of these charges rose from £6,342,466 in 1962-63 to £6,937,488 in 1963-64, an increase of £595,022. As indicated earlier herein, these payments are, in so far as Consolidated Revenue is concerned, in the nature of contras—that is to say, for the purpose of meeting the debt charges on the loans made available to the State specifically for housing purposes, contributions of the necessary funds are made to Consolidated Revenue by the Housing Commission and the Home Builders' Account in conformity with their respective commitments under the Commonwealth-State Housing Agreement.

The State's annual debt charges on the special loans made available some years ago by the Commonwealth for soldier settlement purposes are, in effect, although paid from Consolidated Revenue, actually met from contributions to Consolidated Revenue by the Rural Finance and Settlement Commission. The sum paid to the Commonwealth in 1963-64 on account of these charges was the same as that paid in the previous year, viz., £314,670.

From the aspect of the costs of individual Departments, it should be noted that each departmental analysis, furnished in this report for the purposes of explanation and comparison, includes not only those items of expenditure authorized with specific application to the particular Department under review but also, wherever practicable and appropriate, components of expenditure items authorized under the votes of other Departments. Expenditure items so allocated in this report are—the salary increases granted by way of *ex gratia* payments under Treasury vote ; the payments on behalf of many Departments of pay-roll tax and workers' compensation insurance, also under Treasury vote ; and expenditure on " Rents and Allowances in lieu thereof " under Public Works vote. However, it was not possible, in every instance, for the reasons given under the general head of " Public Works " in this report, to allocate departmentally, as in former years, the expenditure of the Public Works Department on the maintenance and repair, &c., of public offices and buildings, &c.

*Loan.*—Expenditure on works, &c., amounted to £58,875,165 as compared with £55,332,644 in 1962-63 an increase of £3,542,521. Such expenditure extended over a wide range of diverse governmental and public activities. However, the greater part of the expenditure was incurred in meeting the basic social and economic needs of the State. This is exemplified below in that the works under the five broad classifications shown accounted for, as indicated, the major proportion of the total loan expenditure in each of the two years :—

Works.	Amount Expended.	
	1962-63.	1963-64.
	£	£
School Buildings .. .. .	11,747,420	12,187,349
Water Supply .. .. .	8,053,886	8,595,836
Electricity .. .. .	8,500,000	8,000,000
Railways .. .. .	7,809,221	7,810,185
Hospitals .. .. .	5,551,169	5,691,114
	41,661,696 or 75·29 %	42,284,484 or 71·82 %

Loan Fund operations and associated matters are the subject of explanation later in this report under the general heading of " Loan Fund ".

After taking into consideration loan cash on hand, the State's net loan liability on account of its ordinary debt rose from £715,725,185 at the beginning of the year to £762,929,259 as at the close of the year. Additional to this liability, are the State's liabilities to the Commonwealth for advances for housing purposes and for special assistance loans for soldier settlement. As at the close of the year, the respective liabilities of the State to the Commonwealth on these accounts were £165,771,908 and £6,888,384 as compared with £153,401,393 and £6,942,702 as at the close of the previous year.

*Trust Fund.*—“Trust and Special Accounts” which comprise the Trust Fund in the Treasury are the subject of detailed explanation in the latter part of this report. In the Treasurer's Finance Statement, these Accounts are presented in two distinct groups—the first under the heading of “Governmental Trust Accounts” and the second under the rather general heading of “Other Trust Accounts”. The first group contains some suspense accounts which are merely clearing accounts for accounting purposes. The credits to the remaining accounts in the group are comprised of moneys which have been provided for governmental purposes from one or more sources including Revenue and Loan appropriations, conditional advances and grants from the Commonwealth, income earned by business undertakings such as the State Insurance Offices and contributions by outside bodies. On the other hand, the credits to the accounts in the second group are basically in the nature of trust moneys, e.g., Endowment Funds for Scholarships.

Debits and credits to the above-mentioned accounts but excluding those to the suspense accounts, which as mentioned, are clearing accounts for accounting purposes, aggregated, respectively, £131,817,546 and £132,632,096. The comparable figures in 1962–63 were £115,063,782 and £117,224,733.

In effect, many of the Funds and Accounts in the Trust Fund are special revenue accounts or extensions of Consolidated Revenue or Loan Fund or extensions of both these in combination.

The Country Roads Board Fund is essentially in the nature of a special revenue account—for instance, the major proportion of State imposts under the Motor Car Act is paid into this Fund as also are the road charges under the State's Commercial Goods Vehicles Act. The total from these and other sources, including the balance brought forward, amounted to £16,834,287. Subject to a transfer of £213,658 to the Tourist Fund, this amount was available in terms of the appropriate legislation for expenditure on roads. Also available for the same purpose was the grant of £11,215,367 received from the Commonwealth pursuant to the Commonwealth Aid Roads Act and credited in the Treasury to the Special Accounts in the Trust Fund under the titles of Commonwealth Aid Roads Nos. 1 and 3 Accounts. The two sums mentioned—after excluding the transfer of £213,658 mentioned above—with an addition of £333,000 from Loan Fund, made the sum of £28,168,996 available to the Country Roads Board to provide, *inter alia*, for its expenditure on roads. The actual expenditure in 1963–64 on road and associated works was £24,477,193 as compared with £19,364,053 in 1962–63.

The Forestry Fund is an example of an account which is basically an extension of Consolidated Revenue. Into the Fund each year is paid from Consolidated Revenue a sum equivalent to one-half of the gross amount received by the Forests Commission in the particular year from certain specified sources of forest revenue. The moneys credited to the Fund are available for the improvement and reforestation of State forests and the development of forestry and certain other special purposes. Legal opinion has supported the view that expenses of an administrative nature are legally applied from the Fund if they are necessarily and inseparably involved in carrying out any of the special purposes cited in the *Forests Act* 1958.

The “Mallee Land Account” also receives each year a part of the State's revenue. In accordance with the provisions of the *Land Act* 1958, moneys derived from the leasing or selling of land (other than by auction) in the Mallee country are paid into this Account. From the credit accumulated from these moneys, there may, at any time, in terms of the Commonwealth and States Financial Agreement Act, be applied to recoup Consolidated Revenue portion of the State's annual contribution to the National Debt Sinking Fund.

Certain other funds which meet both expenses and capital requirements—e.g., the National Parks Fund and the Aborigines Welfare Fund—receive credits from both Consolidated Revenue and Loan Fund.



During the year, there were seven new accounts established within the Trust Fund including the "Kings Bridge Restoration Account", which is classified in the Treasurer's Statement as a governmental trust account. An *ex gratia* payment of £250,000 on behalf of three companies, which were concerned in the construction of the bridge, was credited to this Account and, therefrom, £83,739 was expended on the cost of repair and reconstruction work to the bridge from 29th May, 1963, to 26th May, 1964. A more detailed explanation of this special Account is given under its title in the "Trust and Special Accounts" section of this report. Expenditure on the cost of repair and reconstruction prior to 29th May, 1963, amounting to £76,874 stands charged to Treasurer's Advance pending allocation to be determined.

There are also other references to the bridge in this report. In the section under the general heading—"The State's Debtors"—the cost of the construction of the bridge is referred to and the financial arrangements for meeting such cost are explained. There, *inter alia*, it will be seen that, during 1963-64, there was a net addition of £71,181 to the cost of the bridge.

The comparative summary below shows for the past two years the debits and credits to the several special accounts in the Trust Fund which have been financed by conditional advances or grants from the Commonwealth:—

Account or Fund.	1962-63.			1963-64.		
	Total Credits (Including Balance Forward).	Total Debits.	Balance Forward.	Total Credits (Including Balance Forward).	Total Debits.	Balance Forward.
	£	£	£	£	£	£
Commonwealth Aid Roads (Nos. 1-3 Accounts) .. .. .	10,905,888	10,875,784	30,104	11,442,231	11,412,019	30,212
Commonwealth Pharmaceutical Benefits	1,683,192	1,683,002	190	2,150,190	2,054,019	96,171
Commonwealth Scholarship Scheme ..	1,019,979	960,923	59,056	948,180	902,823	45,357
Commonwealth-State Free Milk Scheme	1,071,051	1,035,322	35,729	1,130,194	1,037,143	93,051
Commonwealth State Housing ..	9,444,750	9,444,750	..	9,838,750	9,838,750	..
Home Builders' .. .. .	5,691,063*	5,579,557	111,506	6,450,983*	6,324,835	126,148
Hospital Benefits .. .. .	1,025,341	1,025,086	255	255	..	255
Monash University (Commonwealth Subsidy) .. .. .	2,293,560	2,293,560	..	2,278,607	2,278,607	..
Rural Rehabilitation .. .. .	1,792,621	..	1,792,621	1,871,940	..	1,871,940
Uniform Railway Gauge Trust ..	1,314,726	1,314,726	..	..	..	..
University (Commonwealth Subsidy) ..	2,290,101	2,290,101	..	2,361,386	2,361,386	..
Other .. .. .	544,930	458,046	86,884	956,686	793,598	163,088
	39,077,202	36,960,857	2,116,345	39,429,402	37,003,180	2,426,222

\* Includes repayment of advances and interest thereon 1962-63, £1,795,130; 1963-64, £2,364,478.

Some of the accounts listed in the comparative summary above serve to record the receipt of Commonwealth moneys which are transmitted by the State to public bodies for disbursement. For instance, the Housing Commission is responsible for the disbursement of the whole of the funds available to it through the agency of the State under the Commonwealth-State Housing Agreement. As to the advances by the Commonwealth—also under the Commonwealth-State Housing Agreement—for the purpose of the Home Builders' Account, the credits to this Account include, in addition to such advances, borrowers' repayments of principal and payments of interest.

As at the close of the year the Treasurer, by the power vested in him in Section 8 of the *Public Account Act* 1958, closed six inoperative Trust Accounts with credit balances amounting in all to £28,297. Of this sum, an amount of £10,194 was paid to Loan Fund Credit Account and the balance, £18,103, was credited under the appropriate sub-head in "No 9—Miscellaneous" to Consolidated Revenue. The remainder of the total amount of £18,266, viz., £163, credited under this revenue sub-head represented interest on the investments of the Maffra Sugar Factory Depreciation Account, which is also inoperative, but which holds securities with no fixed date of redemption. (For further particulars of the accounts closed, see under "Trust and Special Accounts" later in this report).

*Consolidated Revenue Deficit Account.*—The debit balance on this Account, representing the amount of the Consolidated Revenue Deficit standing as a charge to Public Account, was reduced during the year from £1,696,806 to £1,695,983. The small reduction indicated, was effected by the application to the Consolidated Revenue Deficit, in terms of Section 20 of the Public Account Act 1958, of the revenue Surplus, £823, for 1962–63.

*Public Account.*—At the close of the year, cash held on current account and fixed deposit amounted to £27,659,161. Details of this amount and a summary of Treasury Balances, as at 30th June, 1964, are furnished at page 5 of the Treasurer's Finance Statement. On the following page of that Statement, particulars of the Advances from Public Account, excluding the amounts charged to Treasurer's Advance are given. For reference to these latter amounts, attention is invited to the section in this report under the heading of "Treasurer's Advance".

---

As already indicated, the various matters outlined in this review are the subject of detailed comment in the succeeding pages.

## REVENUE.

A synopsis of the Treasurer's summary of revenue appearing on pages 8-14 of the finance statement is given in the following tabular comparison for the purpose of showing the significant variations during the year.

	1962-63	1963-64		£
State Taxes .. .. .	45,570,349	50,972,111	Increase	5,401,762
Commonwealth—				
State Grants Act 1959 .. .. .	76,133,355	79,741,249	„	3,607,894
Additional Assistance .. .. .	3,727,000	5,140,000	„	1,413,000
Interest .. .. .	12,522,557	13,784,085	„	1,261,528
Repayment of Advance—Superannuation Board .. .. .	..	600,000	„	600,000
Recoups &c. (other than Interest and Water Supply) .. .. .	4,722,162	4,994,526	„	272,364
Ports and Harbors .. .. .	656,687	849,999	„	193,312
Water Supply (including Recoups) .. .. .	4,462,245	4,645,261	„	183,016
Fines .. .. .	618,791	789,172	„	170,381
Health .. .. .	1,390,050	1,517,034	„	126,984
Mint .. .. .	183,617	289,669	„	106,052
Forests .. .. .	2,321,363	2,397,379	„	76,016
Government Printer .. .. .	1,208,543	1,306,463	„	97,920
Gas and Fuel Corporation—Dividend .. .. .	144,458	189,120	„	44,662
Education .. .. .	433,533	467,064	„	33,531
Sundry .. .. .	4,426,669	4,723,731	„	297,062
<b>Total Increase .. .. .</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>13,885,484</b>
Transfers from Trust Funds .. .. .	1,332,656	41,401	Decrease	1,291,255
Lands .. .. .	1,072,141	1,008,889	„	63,252
Rents .. .. .	458,309	411,998	„	46,311
<b>Total Decrease .. .. .</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>1,400,818</b>
Commonwealth and States Financial Agreement (Vic.) Act No. 3554 .. .. .	2,127,159	2,127,159	..	..
	163,511,644	175,996,310	Increase	12,484,666
Railways .. .. .	43,563,785	46,188,246	„	2,624,461
	207,075,429	222,184,556	Increase	15,109,127

Commonwealth financial assistance and State taxes can be conveniently discussed at this stage of the report: further references to revenue from other sources will be made under appropriate departmental headings.

## COMMONWEALTH FINANCIAL ASSISTANCE GRANTS.

Commonwealth legislation—the States Grants Acts 1959 and 1962—formulates the terms in which the respective financial assistance grants to the States are to be calculated and provides for a possible review of those terms insofar as they relate to a year subsequent to 1964-65.

The grant to Victoria for 1963-64 amounted to £79,741,249. This sum was, in accordance with the statutory formula, calculated in the manner explained hereunder:—

The basic figure, £76,133,355, which was the equivalent of the amount of the State's grant for the previous year, was increased in proportion to the increase, as estimated by the Commonwealth Statistician, in the State's population during

1962-63 and then, as the next and final step, the resultant figure was increased by 1.1 times the percentage increase, as between the years 1961-62 and 1962-63, in the average wages per person employed throughout Australia.

It is of interest to note that the basic figure was, at the completion of the first step, increased by £1,635,426; at the completion of the second step, by a further amount of £1,972,468; and that, on the basis of the combined result of the two steps, Victoria's grant for 1963-64 was in excess of that for the previous year by £3,607,894.

Also in 1963-64, and as in each of the two previous years, Victoria was the recipient from the Commonwealth of an additional assistance grant. The amount of the grant for the year under review was £5,140,000 which, together with the respective additional assistance grants of varying amounts to the other States, was allocated to Victoria pursuant to the provisions of the *Commonwealth's States Grants (Additional Assistance) Act (No. 2) 1963*, from a sum of £20,000,000 provided for the purpose from the Commonwealth's Consolidated Revenue Fund.

As the additional assistance grants mentioned above were free of statutory conditions, the sum of £5,140,000 received by Victoria was, in accordance with State law, paid into the State's Consolidated Revenue and thereupon became subject to the State's Revenue budget.

Commonwealth grants to Victoria in the nature of tax reimbursement or financial assistance grants from and inclusive of 1958-59 are compared hereunder:—

Year		Grant £
1958-59	*Tax Reimbursement and Supplementary Grants ..	54,582,520
1959-60	Financial Assistance Grant .. .. .	60,625,000
1960-61	Financial Assistance Grant .. .. .	67,371,342
1961-62	Financial Assistance Grant .. .. .	73,014,476
	Additional Assistance Grant .. .. .	1,800,000
1962-63	Financial Assistance Grant .. .. .	76,133,355
	Additional Assistance Grant .. .. .	3,727,000
1963-64	Financial Assistance Grant .. .. .	79,741,249
	Additional Assistance Grant .. .. .	5,140,000

\* For comparative details of earlier Commonwealth Tax Reimbursements and Supplementary Grants —see table at page 11 of my report for 1958-59.

#### STATE TAXES.

“Revenue, No. 1 Taxation”, in the Treasurer's Accounts is classified, by way of description, under “Direct” taxation, revenue under the “Stamps Acts”, collections from “Registrations, &c.” of shops and factories, &c., and proceeds of “Licences” issued under State laws. Further, each of these classifications is dissected in detail on the basis of the component revenue sources.

“Direct” taxation includes revenue from Probate Duty, Land Tax, Entertainments Tax, Motor Car Third-Party Insurance—Surcharge, Totalizator and Tattersall Duty. Revenue under the “Stamps Acts” comprises collections from the sale of Betting Tickets, Duty on Insurance Business, Sale of Duty Stamps, Turnover Tax on Bookmakers' Transactions and stamp duty on Bookmakers', &c., Certificates. The title “Licences” covers not only licence fees credited direct to Consolidated Revenue but also the payment made thereto from the Licensing Fund.

Under each of the four main classifications referred to, taxation revenue over the past four years is compared hereunder :—

No. 1 Taxation.	1960-61.	1961-62.	1962-63.	1963-64.
	£	£	£	£
Direct .. .. .	24,670,615	26,542,987	27,614,326	31,134,716
Stamps Acts * .. .. .	14,076,375	13,471,259	14,237,915	16,033,759
Registrations, &c. .. .. .	143,111	156,402	179,371	226,228
Licences .. .. .	3,254,268	3,406,638	3,538,737	3,577,408
<b>Total Taxation ..</b>	<b>42,144,369</b>	<b>43,577,286</b>	<b>45,570,349</b>	<b>50,972,111</b>

\* Includes stamp duty on Bookmakers', &c., Certificates brought to account by the Treasury up to and inclusive of 1962-63 under the sub-head "Licences".

The following comments refer in more detail to several of the main sources of taxation revenue.

*Probate Duty, Land Tax, and Entertainments Tax.*—The following statement gives a comparison over the past four years of collections of Probate Duty, Land Tax, and Entertainments Tax.

—	1960-61.	1961-62.	1962-63.	1963-64.
	£	£	£	£
Probate Duty .. .. .	11,530,879	12,540,213	12,321,363	14,726,259
Land Tax .. .. .	6,706,494	7,406,384	8,544,939	9,132,483
Entertainments Tax .. .. .	1,335,540	1,110,718	611,274	256,121

*Probate Duty.*—Duty for 1963-64 amounting to £14,495,815 was collected by the Commissioner of Probate Duties and £230,444 by the Public Trustee. The aggregate value of new estates assessed increased from £98·9 million in 1962-63 to £103 million in 1963-64.

The increase of £2,404,896 in collections from this source was due mainly to the receipt during the year of the major proportion of the unusually large amount of duty assessed but uncollected at the close of the previous year. In this regard, the comparative summary hereunder indicates the influence which the end-of-the-year position has on the State's annual collections from Probate Duty :—

Duty assessed but uncollected—

As at 30.6.1962—£793,365 ; collected—£736,450 in 1962-63.

As at 30.6.1963—£1,941,968 ; collected—£1,866,045 in 1963-64.

As at 30.6.1964—£1,149,364 ; to be collected in 1964-65.

*Land Tax.*—As indicated in the comparative statement, receipts from Land Tax increased by £587,544.

*The Land Tax (Rates and Appeals) Act 1963, No. 7099,* fixed rates of tax and exemption limits for the 1964 assessment year in identical terms to those applicable to the previous assessment year.

The revision of land values throughout the State continued to be the main factor contributing to the upward trend in the collections from this source. However, it may be observed that, as against the large increase of £1,138,555 in collections in the previous year, there was, in 1963-64, a smaller increase amounting to £587,544. In this connexion, it is necessary to explain that the collections in 1962-63 contained a greater proportion than usual of receipts on account of current assessments (for particulars, see my previous report at page 12).

*Entertainments Tax.*—The decrease of £355,153 in receipts from Entertainments Tax is the effect of a full year's operation of the *Entertainments Tax (Partial Abolition) Act 1962*, No. 6903, which, as from 29th December, 1962, abolished tax on all classes of entertainment except race-meetings to which Part 1 of the *Racing Act 1958* applies, viz., horse-racing and trotting meetings.

*Comptroller of Stamps.*—A comparative statement of collections of revenue by the Comptroller of Stamps is given in the following table:—

	1960-61.	1961-62.	1962-63.	1963-64.
	£	£	£	£
Duty Stamps .. .. .	9,859,923	9,202,243	9,833,877	11,413,740
Insurance Licences .. .. .	2,611,222	2,718,574	2,877,494	3,043,742
Betting Tax .. .. .	1,453,372	1,400,566	1,379,121	1,424,072
Betting Tickets .. .. .	114,699	112,979	106,320	112,742
Bookmakers', &c., Certificates .. .. .	37,159	36,897	41,103	39,463
Total .. .. .	14,076,375	13,471,259	14,237,915*	16,033,759

\* Excluding collections 28th June, 1963, £65,927.

Revenue from "Duty Stamps" was in excess of that for the previous year by £1,579,863. The major contributing factors were increases in collections (gross) of—£1,340,733, in stamp duty on real estate dealings; £280,841, in the sales of adhesive stamps; and £115,121, in duty on commercial instruments; offset by—a decrease of £167,566, in stamp duty on hire purchase transactions.

*Registrar of Titles, Registrar of Companies, and Registrar-General.*—The following comparative statement sets out the collections in each of the past four years:—

	1960-61.	1961-62.	1962-63.	1963-64.
	£	£	£	£
Fees, Titles Office .. .. .	718,117	684,319	753,034	900,424
„ Registrar of Companies .. .. .	508,326*	489,954	409,223*	493,506
„ Registrar-General .. .. .	28,621	33,349	34,897	38,287
Total .. .. .	1,255,064	1,207,622	1,197,154	1,432,217

\* Excluding cash in transit to Treasury on 30th June, 1961, £16,896; on 30th June, 1963, £12,027.

The higher revenue from Titles Office fees was due to the increase in the number of lodgments from 240,458 in 1962-63 to 282,407 in 1963-64.

The increase in revenue collected at the Companies Office was due to an increase in the number of documents filed. Statistics furnished by the Registrar of Companies showed the relevant figures to be:—

	1962-63	1963-64
Number of documents filed—Companies Act	81,645	93,004
Number of documents filed—Business Names Act	19,072	27,744

The greater number of documents filed in conformity with the requirements of the *Business Names Act 1962*, No. 6853, is a result of the operation of that Act as from 6th August, 1962. Pursuant to the provisions thereof, renewals of registrations are required at the end of each triennial period, whereas, previously, registrations were not subject to periodical renewal.

*Motor Car Third-party Insurance.*—In conformity with the requirements of the *Motor Car (Insurance Surcharge) Act 1959*, as amended by the *Motor Car (Insurance Surcharge Continuance) Act 1960* and the *Motor Car (Insurance Surcharge) Act 1961*, an additional fee of £1 is paid annually by each motor car owner with the premium payable in respect of his contract of third-party insurance.

Revenue under this head in 1963-64 was £1,040,928 as compared with £970,949 in the previous year.

*Tattersall Duty.*—In accordance with the provisions of the *Tattersall Consultations Act 1958*, the trustees of the will and estate of the late George Adams have promoted and conducted sweepstakes in Victoria under a licence granted in 1954. In terms of the original agreement, the period of the licence was due to expire on 22nd June, 1964. However, under a new agreement, the currency of the licence has been extended for a further period of ten years.

The number of consultations drawn and the total subscriptions in each of the years since the licence was granted are shown in the following statement:—

—		5s. Units.	10s. Units.	£1 Units.	£2 Units.	£5 Units.	Subscriptions.
							£
1954-55	.. ..	142	3	6	..	..	8,313,391
1955-56	.. ..	149	10	7	..	..	8,850,000
1956-57	.. ..	148	7	3	..	2	9,250,000
1957-58	.. ..	152	9	7	..	..	8,950,000
1958-59	.. ..	148	7	6	..	..	8,750,000
1959-60	.. ..	158	10	5	..	..	9,300,000
1960-61	.. ..	163	7	7	1	..	10,400,000
1961-62	.. ..	160	6	8	..	..	9,700,000
1962-63	.. ..	152	8	6	2	..	10,100,000
1963-64	.. ..	153	7	6	4	..	10,450,000
		1,525	74	61	7	2	94,063,391

In 1963-64, five of the £1 consultations and one of the £2 consultations were for 100,000 units only. Each of the remaining consultations consisted of 200,000 units.

Duty equivalent to 31 per centum of the total amount of subscriptions to the consultation is payable to the Treasurer within seven days after the drawing of each consultation. The duty payable and amounts shown in the Treasurer's accounts in each of the past three years are set out hereunder:—

—		1961-62.	1962-63.	1963-64.
		£	£	£
Duty payable	.. .. .	3,091,666	3,202,236	3,304,282
<i>Less</i> amounts due for consultations drawn but payable in July of succeeding year	.. .. .	48,191	48,111	48,765
		3,043,475	3,154,125	3,255,517
<i>Plus</i> amounts paid and exchange credited in July on account of previous year	.. .. .	138,723	55,751	55,927
		3,182,198	3,209,876	3,311,444
<i>Less</i> exchange on balance held in New Zealand as at 30th June		7,560	7,816	7,069
		3,174,638	3,202,060	3,304,375
Amount of duty shown in Treasurer's accounts	.. .. .			

In terms of the agreement entered into with the Government of Tasmania in 1960, particulars of which have been given in previous reports, payments to that Government of its share of duty on the sale of tickets in Tasmania by Tattersall Consultations amounted to £72,697, as compared with £67,238 in the previous year.

As at the 30th June, 1964, the Tasmanian share of duty for consultations drawn late in May and in June amounted to £6,305. This amount together with the relevant duty for July and August was paid to the Tasmanian Government after the close of the year.

A somewhat similar agreement has, since 1954, existed with the Government of New Zealand. This agreement, which was originally for ten years, was recently extended for three years from 1st July, 1964.

With respect to the subscriptions in New Zealand, exchange on the balance held in the Government of Victoria Public Account in Wellington as at the end of each financial year is brought to account by the Treasurer early in the succeeding year when the quarterly payment is made to the Government of New Zealand in accordance with the terms of the agreement. As at the 30th June, 1964, the balance in this account was £24,193 (N.Z. currency).\*

Payments to the Government of New Zealand during the year amounted to £172,887 as compared with £184,493 in 1962-63.

As at 30th June, 1964, an amount of £36,880, equivalent to £29,811 (N.Z.), was due to the Government of New Zealand. This sum represented the balance at credit in New Zealand, as at that date and the respective sums on account of six consultations drawn immediately prior to the close of the year.

The shares of the Victorian, New Zealand and Tasmanian Governments of the duty from consultations drawn from 1st July, 1954, to 30th June, 1964, were, respectively, £27,679,503, £2,075,983 and £257,635.

It is a condition of the licence that not less than 60 per centum of the total amount of subscriptions to each consultation shall be paid by the promoter by way of prizes in respect of each such consultation. Regarding New Zealand and Australian subscriptions as equivalent "units of account," such condition has been fulfilled in respect of each consultation conducted by the licensee.

Unpaid prizes for consultations drawn in each year during the period 1954-55 to 1960-61 (inclusive) totalled £59,761. In accordance with the Regulations under the Act, this amount, less certain expenses incurred by the promoter in searching for the persons concerned, has been paid to the Treasurer to place to the credit of the Unclaimed Moneys Fund.

All duty is paid to Consolidated Revenue, and pursuant to the provisions of the *Tattersall Consultations Act 1958*, is paid therefrom to the Hospitals and Charities Fund and the Mental Hospitals Fund in such proportions as the Treasurer from time to time determines.

*Totalizator.*—Part V. of the *Racing Act 1958* provides for the establishment and use of totalizators at horse-races, including trotting meetings, and at dog-races. These provisions were extended, as from 20th July, 1960, by the *Racing (Totalizators Extension) Act 1960* to allow of off-course betting on racecourse totalizators. The field of totalizator betting was further extended by the *Racing (Off-course Doubles Totalizators) Act 1961* and by the establishment from 6th April, 1963, of facilities for betting, both on-course and off-course, on races conducted in other States.

By legislative direction, a commission of 12 per cent. of investments is made from all totalizator pools, and the resulting sum is divided as follows:—

1. On-course totalizators—

(i) at metropolitan meetings—

- (a) to Consolidated Revenue—in respect of doubles and quinella totalizators, one-third; and in respect of win and place totalizators, seven-twelfths;

\* Excludes cash in transit, &c.



(b) to the racing club concerned—the remaining proportion in each case, i.e., two-thirds in respect of doubles and quinella totalizators and five-twelfths in respect of win and place totalizators;

(ii) at country meetings, in respect of all types of totalizators—

(a) to Consolidated Revenue—one-sixth;

(b) to the racing club concerned—five-sixths.

## 2. Off-course totalizators—

(i) to Consolidated Revenue—fifteen forty-eighths;

(ii) to a Treasury Trust Account\* (Totalizator Agency Board Trust Account) for application by the Treasurer for or towards recouping racing clubs for expenses associated with the establishment of the Totalizator Agency Board and the financing of its operations—one forty-eighth; and

(iii) to the Totalizator Agency Board to be expended in the terms of the *Racing Act 1958*—the remaining two-thirds.

\* The Treasurer may, by notice published in the *Government Gazette*, certify that such payment is no longer necessary. Thereafter, the proportion payable to Consolidated Revenue would be four-twelfths.

A summary of receipts by the Treasury on account of the Consolidated Revenue is as follows:—

	1962-1963.			1963-1964.		
	Horse Races.	Dog Races.	Total.	Horse Races	Dog Races.	Total.
	£	£	£	£	£	£
<b>PERCENTAGE—</b>						
<i>Win and Place—</i>						
<i>Metropolitan—</i>						
On-course ..	467,656	20,515	..	472,724	22,690	..
Off-course ..	371,333	..	..	536,369	..	..
<i>Country—</i>						
On-course ..	22,836	783	..	29,562	902	..
Off-course ..	136,263	..	..	254,231	..	..
<i>Interstate—</i>						
On-course ..	5,144	..	..	34,859	..	..
Off-course ..	9,647	..	..	53,999	..	..
<i>Doubles and Quinella—</i>						
<i>Metropolitan—</i>						
On-course ..	190,771	28,834	..	188,209	31,649	..
Off-course ..	25,551	..	..	42,482	..	..
<i>Country—</i>						
On-course ..	11,913	1,026	..	15,561	1,050	..
Off-course ..	..	..	..	..	..	..
<i>Daily and Feature all-up</i>						
<i>Doubles</i> .. ..	255,813	..	..	569,489	..	..
	1,496,927	51,158	1,548,085	2,197,485	56,291	2,253,776
<b>FRACTIONS—</b>						
<i>Win and Place—</i>						
<i>Metropolitan</i> ..						
	249,115	7,645	..	246,225	3,054	..
<i>Country</i> .. ..						
	94,414	1,028	..	82,588	381	..
<i>Interstate</i> .. ..						
	4,848	..	..	24,648	..	..
<i>Doubles and Quinella—</i>						
<i>Metropolitan</i> ..						
	11,721	5,465	..	9,801	2,059	..
<i>Country</i> .. ..						
	4,091	356	..	1,661	153	..
<i>Daily and Feature all-up</i>						
<i>Doubles</i> .. ..	4,332	..	..	16,602	..	..
	368,521	14,494	383,015	381,525	5,647	387,172
<b>DIVIDENDS UNCLAIMED—</b>						
Transferred to Consolidated Revenue ..						
	..	..	31,925	..	..	33,560
			1,963,025*			2,674,508*

\*On-Course—1962-63, £1,164,418, 1963-64, £1,217,938; Off-course 1962-63, £798,607, 1963-64, £1,456,570.

The credit to Consolidated Revenue as shown is specially appropriated to the Hospitals and Charities Fund which is required to repay to revenue the cost of administration of totalizator inspection, &c.

In addition to the afore-mentioned credits, an amount of £97,105 was credited to the Totalizator Agency Board Trust Account for distribution to racing clubs in the terms of the *Racing (Totalizator Extension) Act 1960*.

*Licensing Fund Payment.*—The revenue of the Licensing Fund consists mainly of fees charged to licensed victuallers (£2,593,789), spirit merchants and grocers (£633,973), and clubs (£167,719).

As directed by the *Licensing Act 1958*, the surplus of receipts over payments for 1963–64 was transferred to Consolidated Revenue.

A comparative statement of receipts and payments of the Licensing Fund for the period 1st July, 1961 to 30th June, 1964, is given hereunder:—

	1961–62.		1962–63.		1963–64.
	£		£		£
Balance 1st July.. .. .	330,736	.. .. .	330,736	.. .. .	330,736
<i>Receipts—</i>					
Licences and Club Certificates	3,320,699	.. .. .	3,429,119	.. .. .	3,451,820
Permits .. .. .	42,694	.. .. .	45,971	.. .. .	50,244
Fees and Fines .. .. .	31,529	.. .. .	34,713	.. .. .	32,864
Interest on Investments .. .. .	10,052	.. .. .	10,052	.. .. .	10,052
Miscellaneous .. .. .	904	.. .. .	1,299	.. .. .	1,297
<i>Total Receipts for the Year</i> .. .. .	<u>3,405,878</u>	.. .. .	<u>3,521,154</u>	.. .. .	<u>3,546,277</u>
<i>Payments—</i>					
Salaries and other administrative expenses .. .. .	72,285	.. .. .	72,604	.. .. .	79,816
Cost of policing Act .. .. .	57,339	.. .. .	58,664	.. .. .	65,080
Payments to Municipalities .. .. .	56,532	.. .. .	56,416	.. .. .	56,244
Payment to Police Super-annuation Fund .. .. .	23,000	.. .. .	23,000	.. .. .	23,000
Compensation .. .. .	3,603	.. .. .	7,610	.. .. .	2,725
<i>Total Payments for the Year</i> .. .. .	<u>212,759</u>	.. .. .	<u>218,294</u>	.. .. .	<u>226,865</u>
<i>Transfer to Consolidated Revenue</i> .. .. .	<u>3,193,119</u>	.. .. .	<u>3,302,860</u>	.. .. .	<u>3,319,412</u>
Balance 30th June .. .. .	<u>330,736</u>	.. .. .	<u>330,736</u>	.. .. .	<u>330,736</u>
Percentage of <i>Revenue Transfer</i> to total receipts .. .. .	93·8	.. .. .	93·8	.. .. .	93·6

The following statement shows the variations of Revenue Receipts from the Budget Estimate in 1963-64.

	Budget Estimate.	Revenue.	Excess + Deficiency—
	£	£	£
<b>PART I</b>			
State Taxes—			
Probate Duty .. .. .	13,900,000	14,726,259	826,259+
Land Tax .. .. .	8,650,000	9,132,483	482,483+
Entertainments Tax .. .. .	270,000	256,121	13,879—
Income Tax (Arrears) .. .. .	..	19	19+
Unemployment Relief Tax (Arrears) .. .. .	..	23	23+
Motor Car Third-party Insurance .. .. .	1,030,000	1,040,928	10,928+
Totalizator .. .. .	2,500,000	2,674,508	174,508+
Tattersall Duty .. .. .	3,300,000	3,304,375	4,375+
Betting and Bookmakers' Turnover Tax .. .. .	1,572,000	1,576,276	4,276+
Duty on Insurance Business .. .. .	3,050,000	3,043,742	6,258—
Stamp Duty .. .. .	10,200,000	11,413,740	1,213,740+
Registration Fees—Factories, Shops &c. .. .. .	216,000	226,228	10,228+
Licensing Fund Payment .. .. .	3,450,000	3,319,412	130,588—
Auctioneers' and other Licences .. .. .	263,000	257,997	5,003—
Interest .. .. .	13,951,000	13,784,085	166,915—
Territorial .. .. .	2,982,000	3,037,262	55,262+
Water and other State Works .. .. .	6,695,500	6,770,147	74,647+
Ports and Harbors .. .. .	875,000	849,999	25,001—
Fines .. .. .	675,000	789,172	114,172+
Fees—Titles Office and Registrar-General, &c. .. .. .	1,679,000	1,807,577	128,577+
Departmental .. .. .	5,697,000	5,782,042	85,042+
Repayment of Revenue Advances .. .. .	10,000	614,042	604,042+
Housing Agreement .. .. .	1,385,000	1,389,135	4,135+
Recoup Sinking Fund Contributions .. .. .	385,000	384,361	639—
Recoup Exchange, &c. .. .. .	163,000	163,063	63+
Other Receipts .. .. .	3,414,500	2,644,906	769,594—
Commonwealth Financial Agreement .. .. .	2,127,159	2,127,159	..
Commonwealth States Grants Act 1959 .. .. .	79,803,000	79,741,249	61,751—
Special Assistance Grant .. .. .	5,140,000	5,140,000	..
Total Revenue Part I. .. .. .	173,383,159	175,996,310	2,613,151+
<b>PART II.</b>			
Railways .. .. .	44,775,549	46,188,246	1,412,697+
Total Revenue .. .. .	218,158,708	222,184,556	4,025,848+

## EXPENDITURE.

The expenditure charged against income was more than the outlay for 1962-63 by the amount of £15,362,486. A comparison of the figures for the two years under the separate divisions of votes and special appropriations is given in the following statement:—

<i>Votes—Part I.—</i>	1962-63.	1963-64.		£
	£	£		£
Education .. .. .	45,969,707	51,325,525	Increase	5,355,818
Chief Secretary .. .. .	13,493,046	14,781,147	„	1,288,101
Health .. .. .	20,333,204	21,207,096	„	873,892
Treasurer .. .. .	8,595,055	9,058,223	„	463,168
Attorney-General .. .. .	2,626,290	2,941,604	„	315,314
Agriculture .. .. .	2,755,606	2,924,015	„	168,409
Water Supply .. .. .	4,452,541	4,608,576	„	156,035
Labour and Industry .. .. .	380,786	463,318	„	82,532
Local Government .. .. .	127,963	151,538	„	23,575
Parliament .. .. .	206,913	224,587	„	17,674
Other .. .. .	481,840	483,981	„	2,141
Public Works .. .. .	3,485,616	3,312,687	Decrease	172,929
Lands and Survey .. .. .	1,629,195	1,512,676	„	116,519
State Coal Mine .. .. .	509,826	450,010	„	59,816
Forests .. .. .	1,379,448	1,326,383	„	53,065
Premier .. .. .	1,054,925	1,027,080	„	27,845
	<u>107,481,961</u>	<u>115,798,446</u>	Increase	<u>8,316,485</u>
<i>Special Appropriations—Part I.—</i>				
Interest Including Exchange*	37,371,515	39,986,271	Increase	2,614,756
Charities Fund (Totalizator) .. .. .	1,963,025	2,674,508	„	711,483
Endowments and Grants .. .. .	1,402,187	1,947,193	„	545,006
National Debt Sinking Fund .. .. .	6,738,283	7,181,967	„	443,684
Charities and Mental Funds .. .. . (Tattersall)	3,202,060	3,304,375	„	102,315
Pensions .. .. .	2,333,600	2,418,977	„	85,377
Other .. .. .	3,018,190	2,937,109	Decrease	81,081
	<u>56,028,860</u>	<u>60,450,400</u>	Increase	<u>4,421,540</u>
<i>Votes—Part II.—Railways</i> .. .. .	41,018,131	43,201,222	Increase	2,183,091
<i>Special Appropriations—Part II.—Railways</i>	2,545,654	2,987,024	„	441,370
Grand Total † .. .. .	<u>207,074,606</u>	<u>222,437,092</u>	Increase	<u>15,362,486</u>

\* Additional Interest voted in 1962-63, £31,511, and in 1963-64, £34,116.

† Includes charges to Treasurer's Advance pending Parliamentary authority.

Most of the expenditure shown in the foregoing statement has been classified under departmental headings and is discussed in subsequent sections. That in connexion with the Treasury has not been so classified, and is dealt with generally throughout the report.

A major expenditure group, which comprises endowments and subsidies, contributions to various funds and bodies and grants for health, education and other social services is provided partly from special appropriations and partly from departmental votes. For the purposes of this report, expenditure falling within this group and pertaining to Health, Education and Forests is dealt with under related headings. Details of the remainder are given in Appendices C1-2.

The synopsis hereunder provides a comparison of budgeted and actual expenditure.

	Appropriations.	Expended Under Parliamentary Authority.	Unexpended.	Expended From Treasurer's Advance.	Expenditure for the Year.
	£	£	£	£	£
<i>Votes.—Part I.</i>					
Parliament .. .. .	207,162	199,865	7,297	24,722	224,587
Premier .. .. .	1,013,137	999,357	13,780	27,723	1,027,080
Chief Secretary .. .. .	14,648,872	14,554,316	94,556	226,831	14,781,147
Labour and Industry .. .. .	450,972	450,755	217	12,563	463,318
Education .. .. .	51,222,547	51,104,163	118,384	221,362	51,325,525
Attorney-General .. .. .	2,832,522	2,812,883	19,639	128,721	2,941,604
Treasurer .. .. .	8,942,232	8,849,606	92,626	208,617	9,058,223
Lands and Survey .. .. .	1,527,035	1,499,864	27,171	12,812	1,512,676
Public Works .. .. .	3,351,989	3,306,227	45,762	6,460	3,312,687
Local Government .. .. .	159,123	151,538	7,585	..	151,538
Mines .. .. .	444,483	436,936	7,547	..	436,936
Forests .. .. .	1,373,371	1,326,383	46,988	..	1,326,383
Water Supply .. .. .	4,681,450	4,602,980	78,470	5,596	4,608,576
Agriculture .. .. .	3,029,193	2,917,594	111,599	6,421	2,924,015
Health .. .. .	21,187,940	21,133,927	54,013	73,169	21,207,096
Railway Construction .. .. .	36,696	35,723	973	..	35,723
State Coal Mine .. .. .	484,042	449,814	34,228	196	450,010
Transport .. .. .	12,182	11,322	860	..	11,322
	115,604,948	114,843,253	761,695	955,193	115,798,446
<i>Votes.—Part II.</i>					
Railways .. .. .	42,072,725	42,072,723	2	1,128,499	43,201,222
Total Votes .. .. .	157,677,673	156,915,976	761,697	2,083,692	158,999,668
<i>Special Appropriations—</i>					
Part I. .. .. .	60,450,400	60,450,400	..	..	60,450,400
Part II. .. .. .	2,987,024	2,987,024	..	..	2,987,024
Total Special Appropriations .. .. .	63,437,424	63,437,424	..	..	63,437,424
Grand Total .. .. .	221,115,097	220,353,400	761,697	2,083,692	222,437,092

### LOAN FUND.

The State incurred additional loan liability of £55,633,041 on account of moneys raised for works and associated purposes during the year, compared with £49,521,885 in the previous year—an increase of £6,111,156. The sources of the funds were—four public loans in Australia, one in London, and the proceeds of the sale of Special Bonds.

After provision for flotation expenses and discounts had been made, the proceeds of these loans, together with the balance brought forward and moneys from the repayments of advances, allowed the implementation of a programme of works costing £58,875,165.

These transactions may be summarized as follows:—

<b>Liability—</b>		£
Australian Loans .. .. .		52,418,861
London Loan .. .. .		2,943,000
Domestic Raisings .. .. .		271,180
		55,633,041
Premium on Exchange—London .. .. .		735,584
		56,368,625
<b>Less—</b>		£
Discounts capitalized .. .. .		233,625
Expenses of Flotation .. .. .		188,956
		422,581
		55,946,044
Balance forward 1st July, 1963 .. .. .		20,568
Repayments .. .. .		3,127,542
Total loan cash available .. .. .		59,094,154
<b>Works—</b>		
Under Parliamentary Authority .. .. .		58,569,976
Charged to Treasurer's Advance pending Authority		305,189
		58,875,165
Loan Cash on Hand at 30th June, 1964 .. .. .		218,989

The above statement takes no account of £13,813,750 advanced by the Commonwealth Government under the Commonwealth-State Housing Agreement. The total amount now owing to the Commonwealth on advances for housing purposes is £165,771,908. There is also a liability to the Commonwealth of £6,888,384 on account of special assistance loans for Soldier Settlement. In consideration of the debt position of the State, cognizance must be taken of these liabilities, although they do not form part of the public debt statements included in the Treasurer's Finance Statement.

Details of the terms and conditions in respect of the Victorian proportion of the raisings for works and associated purposes by way of public issues and the sale of Special Bonds are as follows:—

Loan.	3½ Per Cent.	4½ Per Cent.	4½ Per Cent.	4¾ Per Cent.	5½ Per Cent.	Special Bonds.	Price of Issue.	Date of Maturity.
	£	£	£	£	£	£	£ s. d.	
No. 142	6,908,000	..	..	..	..	..	99 12 6	15.7.66
..	..	5,195,700	..	..	..	..	99 0 0	15.10.73
..	..	..	3,275,600	..	..	..	99 5 0	15.7.86
No. 143	4,272,000	..	..	..	..	..	99 17 6	15.7.66
..	..	5,012,000	..	..	..	..	99 12 6	15.10.73
..	..	..	4,640,000	..	..	..	Par.	15.7.86
No. 145	4,224,000	..	..	..	..	..	99 15 0	15.2.67
..	..	2,183,000	..	..	..	..	99 12 6	15.2.74
..	..	..	2,612,000	..	..	..	Par.	15.2.87
No. 147	..	1,014,379	..	..	..	..	Par.	15.5.67
..	..	..	1,664,000	..	..	..	Par.	15.2.75
..	..	..	..	4,417,000	..	..	99 0 0	15.5.84
London Series I.	..	..	..	..	2,943,000	..	98 10 0	1.4.82
Series J	..	..	..	..	..	5,820,477	Par.	1.10.70
..	..	..	..	..	..	1,180,705	Par.	1.6.71
	15,404,000	13,405,079	12,191,600	4,417,000	2,943,000	7,001,182		

Expenses associated with the raising of loans for works purposes were met from the Loan Fund, a total amount of £188,956 being so charged during the year. Of this sum, £144,591 was in respect of loans raised in the year, and £44,365 related to loans raised in 1962-63. The expenses in respect of Loan No. 147 and of Special Bonds Series "J" raised in the latter part of the year, are not yet known, and will be met in the current year.

Particulars of public loans raised to meet the conversion of securities which matured in 1963-64 are:—

Securities Dealt With.		Redeemed by Sinking Fund (a) and Loan Proceeds (b)	Converted to—					Price of Issue.	Date of Maturity.
Rate and Maturity.	Amount.		3½ Per Cent.	4½ Per Cent.	4½ Per Cent.	4¾ Per Cent.	Special Bonds.		
	£	£	£	£	£	£	£	£ s. d.	
3½ per cent. 15.10.63	22,962,670	4,018,940 (a)	4,486,000	..	..	..	..	99 17 6	
..	..	1,297,730 (b)	..	4,856,000	..	..	..	99 12 6	
..	..	..	..	..	6,733,000	..	..	Par	
..	..	..	..	..	..	1,571,000	..	Series "I"	
4½ per cent. 15.2.64	9,839,000	560 (a)	6,748,000	..	..	..	..	99 15 0	
..	..	742,440 (b)	..	1,752,000	..	..	..	99 12 6	
..	..	..	..	..	428,000	..	..	Par	
..	..	..	..	..	..	168,000	..	Series "J"	
4¼ per cent. 15.5.64	16,554,000	3,500,000 (a)	..	7,055,000	..	..	..	Par	
..	..	..	..	..	3,321,000	..	..	Par	
..	..	..	..	..	..	2,658,000	..	99 0 0	
..	..	..	..	..	..	..	..	Par	
..	..	..	..	..	..	20,000	..	Series "J"	
	49,355,670	7,519,500 (a) 2,040,170 (b)	11,234,000	13,663,000	10,482,000	2,658,000	1,759,000		

Redemption from loan proceeds of securities having a face value of £2,040,170 required public raisings to a total amount of £2,044,000. Details are:—

Value of Securities Redeemed.	Securities Issued.				
	3½ per cent.	4½ per cent.	4½ per cent.	Price of Issue.	Date of Maturity.
£	£	£	£	£ s. d.	
1,297,730	400,000	..	..	99 17 6	15.7.66
	..	472,000	..	99 12 6	15.10.73
	..	..	428,000	Par	15.7.86
742,440	348,000	..	..	99 15 0	15.2.67
	..	184,000	..	99 12 6	15.2.74
	..	..	212,000	Par	15.2.87
2,040,170	748,000	656,000	640,000		

The bonuses paid to converters in respect of the October and February conversions were met from the Loan Fund; that in respect of the May conversion will be met in the current year.

Funds for the redemption of Special Bonds on request by the holders were provided from the proceeds of Special Bonds of later issues. Details are :—

Redeemed.				Funds Provided by—	
Series.	Maturing.	Face Value.	Cost.	Series "I".	Series "J".
		£	£	£	£
A .. .. .	1.1.1966	136,660	138,575	98,285	40,290
B .. .. .	1.10.1966	161,960	163,580	113,282	50,298
C .. .. .	1.6.1967	117,730	118,907	88,708	30,199
D .. .. .	1.1.1968	88,270	88,623	62,060	26,563
E .. .. .	1.6.1968	53,570	54,106	38,552	15,554
F .. .. .	1.1.1969	177,250	177,948	123,307	54,641
G .. .. .	1.10.1969	244,000	244,000	176,300	67,700
H .. .. .	1.6.1970	132,140	132,140	71,940	60,200
I .. .. .	1.10.1970	103,300	103,300	..	103,300
		1,214,880	1,221,179	772,434	448,745

*Public Debt and Debt Charges.*—The Public Debt statement discloses that the Public Debt increased during the year by £47,520,041 and that the total amount of the indebtedness at 30th June, 1964, amounted to £763,772,372. Of this total, £705,794,690 represented internal and £57,977,682 external borrowing. The repayment of the external debt will entail the use of sterling or dollars as the case may be.

After deducting cash at credit of the National Debt Sinking Fund from the amount of the Public Debt, the State's capital liability to the Commonwealth was £763,148,249. This sum was accounted for in the Treasurer's Statements as follows :—

Total liability apportioned as between the various services of the State on account of expenditure from Loan Fund .. .. .	£	877,661,308	£	
Less—On account of equity in National Debt Sinking Fund .. .. .		101,076,032		
Net Liability .. .. .				776,585,276
Plus—Unapportioned—Loan Cash on Hand .. .. .				218,990
				<u>776,804,266</u>
<i>Deduct</i> —Exchange premium—				
London .. .. .		2,137,862		
New York.. .. .		9,330,419		
Canada .. .. .		1,029,306		
Switzerland .. .. .		813,430		
Netherlands .. .. .		345,000		
				<u>13,656,017</u>
State's capital liability to the Commonwealth as above .. .. .				<u>763,148,249</u>

The charges on the Public Debt, excluding loan conversion expenses, were—

Interest—On Funded Debt .. .. .	£	32,877,274	£	
Loan Management and Expenses of Paying Interest .. .. .		110,060		
Exchange on Overseas Interest .. .. .		1,190,242		
Total Interest (excluding interest on Commonwealth advances for Housing and Soldier Settlement and interest paid on Deposits) .. .. .				34,177,576
Sinking Fund—State's contributions to National Debt Sinking Fund—for details see section on the National Debt Sinking Fund .. .. .				7,181,967
Total Debt Charges .. .. .				<u>41,359,543</u>
The comparable figure for the previous year was .. .. .				<u>38,776,173</u>



*Loan Expenditure.*—The net loan expenditure in the year 1963–64 according to Treasury records was £58,875,165, compared with £55,332,644 for 1962–63 and £53,416,863 for 1961–62. The details are summarized below :—

	1961-62.	1962-63.	1963-64.
	£	£	£
Railways .. .. .	7,664,373	7,809,221	7,810,185
Water Supply .. .. .	7,955,704	8,053,886	8,595,836
Forests .. .. .	914,669	1,025,098	1,012,732
Country Roads .. .. .	683,000	301,000	333,000
King-street Bridge .. .. .	280,317	66,490	71,180
Electricity Commission .. .. .	7,000,000	8,500,000	8,000,000
Gas and Fuel Corporation .. .. .	70,000	50,000	30,000
Portland Harbor Trust .. .. .	188,000	..	..
Advances—Sundry .. .. .	131,750	118,579	171,101
Country Sewerage .. .. .	385,316	409,864	605,048
Hospitals .. .. .	5,170,331	5,561,169	5,691,114
Mental Hospitals .. .. .	1,165,110	984,201	1,759,944
Municipal Subsidies .. .. .	665,561	952,299	855,556
Police Buildings .. .. .	402,314	391,606	490,140
Rural Finance .. .. .	635,000	665,000	650,000
Sanatoria, &c. .. .. .	57,598	24,049	96,063
School Buildings .. .. .	11,282,129	11,747,420	12,187,349
Soldier Settlement .. .. .	295,487	90,834	92,734
Land Settlement .. .. .	1,504,440	1,414,165	1,136,151
Slum Reclamation .. .. .	710,000	840,400	819,427
Universities—			
Melbourne .. .. .	480,505	423,298	746,679
Monash .. .. .	1,878,000	1,072,747	807,725
National Art Gallery and Cultural Centre .. .. .	..	500,000	820,000
Other Public Works .. .. .	3,897,259	4,331,318	6,093,201
<b>Total within Financial Agreement .. .. .</b>	<b>53,416,863</b>	<b>55,332,644</b>	<b>58,875,165</b>
<b>Commonwealth—State Housing Agreement*</b> .. .. .	<b>14,000,445</b>	<b>13,299,750</b>	<b>13,813,750</b>
	<b>67,417,308</b>	<b>68,632,394</b>	<b>72,688,915</b>

\* Amounts shown are the Commonwealth advances to the State for the purposes indicated.

The items included in the above statement are examined in greater detail in the appropriate departmental and other sections of this report.

*National Debt Sinking Fund.*—A summary of the transactions in the National Debt Sinking Fund, in relation to this State, for the year is:—

	£	£
Balance at 1st July, 1963 .. .. .	..	506,578
Contributions 1963-64—		
<i>Commonwealth—</i>		
2s. 6d. per centum per annum on debt prior to 30th June, 1927 .. .. .	170,436	
5s. per centum per annum on new debt since 1927	1,679,806	
	<hr/>	1,850,242
<i>State—</i>		
5s. per centum per annum on debt prior to 1927	340,872	
5s. per centum per annum on new debt since 1927	1,628,305	
£4 per centum per annum on deficit loans ..	778,161	
15s. per centum per annum on deficit loans ..	29,963	
15s. per centum per annum on water supply replacements and imported coal and materials	41,203	
£1 15s. per centum per annum on drought relief and deferred maintenance of railways and schools .. .. .	179,784	
£2 per centum per annum on tourist resorts development .. .. .	5,995	
Various, on discount and expenses overseas loans	50,901	
£4 10s. per centum per annum on cancelled securities .. .. .	4,126,783	
	<hr/>	7,181,967
		<hr/>
		9,538,787
Interest—temporary investment and repurchased securities .. .. .	..	18,224
		<hr/>
		9,557,011
Securities repurchased and redeemed, £8,432,524 at a cost of ..		8,932,888
		<hr/>
Balance of cash in Sinking Fund at 30th June, 1964 .. ..		624,123
		<hr/>

The total amount of securities repurchased or redeemed and cancelled on account of this State since the inception of the scheme is now £100,451,909 at a cost, including exchange on overseas purchases, of £104,328,596.

### TREASURER'S ADVANCE.

The *Public Account Act* 1958 authorizes the temporary issue and application from the Public Account of any sum or sums (not exceeding in all Three million pounds) required to be provided for advances to the Treasurer to enable him to meet urgent claims that may arise before Parliamentary sanction therefor is obtained.

Under the authority cited above, the following expenditure stood charged to Treasurer's Advance as at 30th June, 1964 :—

	£
Expenditure from Consolidated Revenue pending the passing of the final Supplementary Estimates for the year ..	2,083,692
Expenditure from Loan moneys pending Parliamentary sanction	382,062
Total .. .. .	2,465,754

In his statement of expenditure from the Consolidated Revenue commencing at page 17 of his Finance Statement, the Treasurer furnishes details of the amount of £2,083,692 charged to Treasurer's Advance. With respect to the expenditure of £382,062 from loan moneys, he has submitted to me the particulars contained in Appendix "A" to this report.

#### TRANSFERS PURSUANT TO SECTION 25 OF THE AUDIT ACT 1958.

In respect of the year under review, the Treasurer has sought and obtained, in a number of instances, the direction of the Governor in Council as provided in sub-section (1) of Section 25 of the *Audit Act* 1958. The provisions of this sub-section are :—

"If in the opinion of the Treasurer it is necessary to alter the proportions assigned to the particular items comprised under any subdivision in the annual supplies, it shall be lawful for the Governor in Council by Order to direct that there shall be applied in aid of any item that is deficient a further limited sum out of any surplus arising on other items under the same subdivision, unless such subdivision is expressly stated to be inalterable".

Sub-section (2) of Section 47 of the Audit Act directs that I shall annex or append to my Report a copy of every Order in Council issued under the provisions of sub-section (1) of Section 25 of the Audit Act cited above. Because of the number of Orders involved, strict compliance with this statutory direction is impracticable. However, substantial conformity therewith is achieved by the submission of the relevant details in summary form in Appendix "B" to this report.



### Agricultural Colleges and Research Farms.

In various parts of the State, the Department has established and maintained colleges and research farms for the purpose of agricultural education and to develop improved farming methods in respect of all classes of primary production.

Departmental statements of cash receipts and payments are prepared for all educational and research institutions, and a summary of these statements is given in Appendix "F" to this report.

The receipts shown in Appendix "F", amounting to £302,224, were credited to Consolidated Revenue. Payments amounting to £1,160,111 were made from Consolidated Revenue and Loan Fund on account of general maintenance and capital items.

The capital items comprised:—

	£
Properties, &c. .. .. .	1,053
Buildings .. .. .	251,416
Plant and Equipment .. .. .	78,950
Furniture, &c. .. .. .	21,784
Electrical Installation, &c. .. .. .	12,680
Fencing .. .. .	7,003
Roads .. .. .	14,614
Water Reticulation .. .. .	21,274
	408,774

### Victoria Dock Cool Stores.

A profit of £39,769 resulted from operations during the year ended 30th June, 1964. The following comparative statement summarizes transactions during each of the last three years:—

	1961-62.		1962-63.		1963-64.	
—	£	£	£	£	£	£
<i>Revenue.</i>						
Storage Charges .. .. .	222,476		233,651		221,433	
Shipping Charges .. .. .	2,987		6,444		2,176	
Rental .. .. .	2,086		2,086		703	
	227,549		242,181		224,312	
<i>Expenditure.</i>						
Salaries and Wages, &c. .. .. .	73,740		78,607		82,768	
Pay-roll Tax .. .. .	1,875		1,968		2,046	
Rent of Site .. .. .	2,710		2,706		2,708	
Agency and Commission .. .. .	10,294		10,946		10,691	
Maintenance* .. .. .	12,691		9,651		13,610	
Electrical Energy .. .. .	19,115		18,496		17,993	
Other Charges (net) .. .. .	2,355		3,563		847	
Depreciation .. .. .	16,167		18,106		20,076	
Interest on Capital .. .. .	28,028		31,153		33,804	
	166,975		175,196		184,543	
Net operating profit .. .. .		60,574		66,985		39,769

\* With respect to this item in 1963-64, attention is invited to the observation in relation to maintenance of buildings, &c., by the Public Works Department under "Public Works" in this Report.

During the year, capital provided by the State was increased by £55,148. This amount was provided from Loan Fund for the purposes of a programme of replacements and improvements of a section of storage space erected in 1914 and of certain machinery installed in that year.

The interest charge shown in the statement is based on capital which has been provided by the State from Loan and Revenue sources—principally the former. The balance of receipts by Consolidated Revenue over working and other expenses provided therefrom has not, so far, been treated as a contra to the capital provided by the State in arriving at the notional charge for interest.

30.6.1963.	ABRIDGED BALANCE-SHEET.								30.6.1964.
£									£
726,966	Capital provided by State	..	..	..	..	..	..	..	782,114
74,696	Contribution by Commonwealth, &c.	..	..	..	..	..	..	..	74,696
8,987	Sundry Creditors	..	..	..	..	..	..	..	10,726
2,961	Reserve	..	..	..	..	..	..	..	2,961
								£	
436,953	Profit forward	..	..	..	..	..	..	436,953	
..	Plus Net Operating Profit	..	..	..	..	..	..	39,769	
..	Plus Provision for Doubtful Debts written back	..	..	..	..	..	..	400	477,122
<u>1,250,563</u>									<u>1,347,619</u>
	Fixed Assets at cost less depreciation:—								
435,231	Buildings	..	..	..	..	..	..	..	479,570
106,208	Machinery, Plant, &c.	..	..	..	..	..	..	..	126,054
13,747	Roads and Railway Sidings	..	..	..	..	..	..	..	13,524
<u>555,186</u>									<u>619,148</u>
3,484	Stores on hand	..	..	..	..	..	..	..	3,787
105,967	Sundry Debtors	..	..	..	..	..	..	..	102,476
585,926	Balance of payments to Consolidated Revenue over working and other expenses provided therefrom	..	..	..	..	..	..	..	622,208
<u>1,250,563</u>									<u>1,347,619</u>

## CHIEF SECRETARY'S DEPARTMENT.

The accounts of a number of sub-departments and branches controlled by the Chief Secretary are discussed hereunder. Exceptions are the accounts of the State Accident and State Motor Car Insurance Offices which are discussed later in this report.

### Police Department.

*Police Services.*—The net cost to revenue of these services was £8,797,554. In determining “net cost”, it has been the practice in the past to include not only the relevant expenditure under the authority of special appropriations and the annual police vote but also, to the extent to which applicable, the expenditure under the authority of votes of other Departments including expenditure by the Public Works Department on the maintenance of police buildings. Against the total of this expenditure, the revenue derived from police services has been offset. In respect of 1963-64, however, as explained elsewhere in this Report, expenditure by the Public Works Department on maintenance, &c., of public offices and buildings has not been dissected fully on a departmental basis and, accordingly, such expenditure has not been taken into consideration in the comparative statement of expenditure and revenue for the past two years which is furnished hereunder :—

	1962-63.	1963-64.
<i>Expenditure—</i>	£	£
Salaries and Allowances .. .. .	7,319,852	8,176,080 *
Overtime and Penalty Rates .. .. .	71,775	83,021
Payments in lieu of Long Service Leave .. .. .	92,212	89,752
Pay-roll Tax .. .. .	182,461	203,449
Travelling and Subsistence .. .. .	252,967	254,499
Office Requisites and Equipment, Printing, &c. .. .. .	90,498	89,976
Postal and Telephone Expenses .. .. .	164,996	165,421
Motor Vehicles, Purchase and Running Expenses .. .. .	284,940	339,973
Fuel, Light, Power, and Water .. .. .	77,884	85,427
Other Expenditure .. .. .	204,940	208,303
Rent of Buildings .. .. .	6,915	9,142
Police Classification Board .. .. .	2,805	2,822
Workers' Compensation Insurance .. .. .	91,984	92,751
Pensions and Superannuation .. .. .	67,000	62,081
	8,911,229	9,862,697
 <i>Revenue—</i>		
Police Services .. .. .	553,525	545,013
Firearms and other Licences .. .. .	4,371	4,352
Recoup from Country Roads Board Fund—Cost Motor Registration Branch .. .. .	467,183	515,778
	1,025,079	1,065,143
Net Cost to Revenue .. .. .	7,886,150	8,797,554
Plus Expenditure from Special Works Trust Account Commonwealth Grant on Maintenance and Repairs of Police Buildings and Residences .. .. .	19,899	..
	7,906,049	8,797,554
Further Expenditure on Police Buildings and Residences Financed from Loan Fund .. .. .	391,606	490,140

\* Includes £47,242 by way of *ex-gratia* payments under authority of Treasury Vote—Division 50A.

The greater net cost of police services indicated above arose mainly from the added charge for “Salaries and Allowances”, which in turn was the result of :—

- (i) Determinations Nos. 104 and 106 of the Police Classification Board granting salary increases as from 12th May, 1963, and further salary increases as from 11th July, 1963, respectively ;
- (ii) the retrospective application, to 12th May, 1963, of the salary increases of 11th July, 1963, by way of *ex-gratia* payments under the authority of Treasury Vote—Division 50A ; and
- (iii) a net increase of 114 in the strength of the police force during 1963-64.

*Motor Registration Branch.*—Functions of the Branch include matters relating to the registration of motor vehicles, issue of motor drivers' licences, and the collection, as agents for authorized insurers, of premiums under third-party policies pursuant to the provisions of the *Motor Car Act* 1958, as amended. In addition, the Branch is required to collect surcharges in respect of contracts of third-party insurance.

Collections under the authorities mentioned above are, by statutory direction credited as set out hereunder :—

1962-63.		1963-64.		
£		£	£	£
	<i>Country Roads Board Fund—</i>			
10,401,512	Motor Fees and Drivers' Licence Fees .. .. .	11,266,293		
707,526	Additional Fees (two-thirds) .. .. .	848,911		
..	Examiners' Licences .. .. .	7,765		
		12,122,969		
	<i>Level Crossings Fund—</i>			
353,763	Additional Fees (one-third).. .. .		424,456	
	<i>Municipalities Assistance Fund—</i>			
318,653	Motor Drivers' Licence Fees (half) .. .. .		297,541	
	<i>Transport Regulation Fund—</i>			
5,760	Omnibus Registration Fees .. .. .		5,361	
11,787,214	<i>Total Fees under Motor Car Act</i> .. .. .		12,850,327	
	<i>Third-party Insurance—</i>			
5,568,067	Premiums on behalf of Approved Insurers .. .. .		6,703,039	
63,153	Motor Car (Hospital Payments) Fund .. .. .		69,224	
718,108	Consolidated Revenue—No. 1 Taxation (Surcharges) .. .. .		786,912	
18,136,542	<i>Total Collections</i> .. .. .		20,409,502	

It will be noted that, as compared with the previous year, fees collected by the Branch under the Motor Car Act increased by £1,063,113. The higher collections from this source in 1963-64 were due to :—

- (i) the greater number of motor cars registered, 1,031,382 as against 956,718 in 1962-63 ;
- (ii) a substantial rise in the receipts from " Additional Fees " collected in respect of the transfers of the registrations of motor cars and the registration of new motor cars ; and
- (iii) to a lesser extent, the addition of testers' licence fees under the provisions of the *Motor Car (Roadworthiness) Act* 1963, with effect from 1st March, 1964.

The fees under the Motor Car Act are credited to the various funds indicated above as directed by that Act and other Acts. Costs of collection are apportioned between the participating funds with the exception that, in respect of amounts credited to the Level Crossings Fund, the relevant costs of collection are borne by the Country Roads Board Fund.



### SOCIAL WELFARE BRANCH.

This Branch is established on the basis of six divisions as listed hereunder :—

- Research and Statistics ;
- Family Welfare ;
- Youth Welfare ;
- Prisons ;
- Training ; and
- Probation and Parole.

The sum involved in 1963–64, on maintenance and repairs, &c., of buildings under the control of the Social Welfare Branch, was not made known by the Public Works Department. Therefore, this item of expenditure has been omitted from each of the financial analyses contained in this section of the report. Subject to this qualification, expenditure, revenue and net cost of the Branch to Consolidated Revenue for the past two years are summarized hereunder :—

Division.	1962–63.			1963–64.		
	Expenditure.	Revenue.	Net Cost.	Expenditure.	Revenue.	Net Cost.
	£	£	£	£	£	£
Administration and Research and Statistics .. .. .	110,262	..	..	119,461	..	..
Family Welfare .. .. .	1,310,551	..	..	1,439,124	..	..
Youth Welfare .. .. .	373,647	..	..	445,403	..	..
	1,794,400	83,340	1,711,060	2,003,988	93,883	1,910,105
Prisons .. .. .	1,200,150	136,383	1,063,767	1,258,503	174,985	1,083,518
Training .. .. .	26,902	..	26,902	30,191	..	30,191
Probation and Parole .. .. .	96,743	..	96,743	99,408	..	99,408
	3,118,195	219,723	2,898,472	3,392,090	268,868	3,123,222

The following details are furnished in amplification of the information contained in the preceding summary :—

#### EXPENDITURE FROM CONSOLIDATED REVENUE.

	1962–63.		1963–64.	
	£	£	£	£
<i>Administration and Research and Statistics—</i>				
Salaries .. .. .	53,552		60,058	
Overtime and penalty rates .. .. .	1,691		1,459	
Payments in lieu of long service leave .. .. .	744		1,650	
		55,987		63,167
Payroll Tax .. .. .		1,271		1,327
Rent—Chelsea House .. .. .		40,063		38,532
Other .. .. .		12,881		16,435
		110,202		119,461
<i>Family Welfare—</i>				
Salaries .. .. .	106,886		116,450	
Overtime and penalty rates .. .. .	1,704		1,789	
Payments in lieu of long service leave .. .. .	..		656	
Payroll Tax .. .. .	2,496		2,555	
School Books .. .. .	7,795		10,324	
Other .. .. .	19,455		18,514	
		138,336		150,288
Carried forward .. .. .				

		1962-63.		1963-64.	
	£	£	£	£	
Brought forward .. .. .		138,336		150,288	
Maintenance of Wards—					
In Departmental Establishments—					
Salaries .. .. .	196,146		221,401		
Overtime and penalty rates .. .. .	29,593		34,851		
Payments in lieu of long service leave .. .. .	439		..		
Provisions .. .. .	45,036		48,101		
Clothing .. .. .	18,989		29,473		
Light, power, fuel .. .. .	10,859		11,966		
Other .. .. .	30,830		34,328		
		<u>331,892</u>	<u>380,120</u>		
Boarded out in Children's Homes and Foster Homes .. .. .		479,555		592,230	
Allowances for children (non-wards) in necessitous circumstances..		360,768		316,486	
		<u>1,310,551</u>	<u>1,439,124</u>		

As indicated in the summary, major variations were:—

- (i) increases of £25,255 in salary costs of personnel employed in departmental establishments; £10,484 in clothing purchases; and £112,675 in respect of wards boarded out in children's homes and foster homes; and
- (ii) a decrease of £44,282 in allowances for children (non-wards) in necessitous circumstances.

The rise in salary expenditure was chiefly the result of the progressive enlargement of institutional staff. The higher expenditure on clothing purchases was attributable to the greater number of wards passing through departmental reception centres and, also, to the fact that, in the previous year, clothing requirements were met, to a larger extent, from stocks on hand at the beginning of the year. The increases in payments for wards boarded out in homes was due, mainly, to an increase in the rates of payment, operative from 1st October, 1963.

The decrease in allowances paid on account of children in necessitous circumstances is explained by the reduced payments to a number of mothers consequent upon an increase during the year in Commonwealth Social Service pension rates and, also, by the smaller number of families needing assistance.

	1962-63.		1963-64.	
	£	£	£	£
<i>Youth Welfare—</i>				
Salaries .. .. .	21,564		29,067	
Overtime and penalty rates .. .. .	114		249	
Payroll Tax .. .. .	498		633	
Other .. .. .	8,649		8,033	
		<u>30,825</u>	<u>37,982</u>	
Maintenance of Wards—				
In Departmental Establishments—				
Salaries .. .. .	154,086		187,969	
Overtime and penalty rates .. .. .	24,912		28,166	
Payments in lieu of long service leave .. .. .	1,069		651	
Provisions .. .. .	37,470		36,461	
Clothing .. .. .	16,723		25,699	
Light, power, fuel .. .. .	16,119		16,129	
Other .. .. .	18,118		20,807	
		<u>268,497</u>	<u>315,882</u>	
In non-Departmental Establishments .. .. .		*69,945	79,499	
Allowances to trainees .. .. .		4,380	12,040	
		<u>373,647</u>	<u>445,403</u>	

\* Includes £16,560, subsidies to hostels, charged to Division 28—Family Welfare.

The generally higher costs for 1963-64 reflected the greater number of young persons accommodated in Youth Training Centres and in departmental and approved hostels.

<i>Prisons—</i>	1962-63.		1963-64.	
	£	£	£	£
Salaries .. .. .	593,462		630,341	
Overtime and penalty rates .. .. .	110,462		127,105	
Payments in lieu of long service leave .. .. .	4,517		10,296	
		708,441		767,742
Payroll Tax .. .. .	16,176		16,382	
Travelling and Subsistence .. .. .	6,802		6,998	
Motor Vehicles—Purchase and Running Expenses .. .. .	15,750		16,467	
Fuel, light, power and water .. .. .	49,295		49,987	
Stores, provisions, equipment, &c. .. .. .	181,588		188,466	
Materials for manufacture .. .. .	121,924		98,864	
Allowances to Working Prisoners .. .. .	84,337		97,942	
Workers' Compensation Insurance .. .. .	6,413		6,009	
Other Expenditure .. .. .	9,424		9,646	
		491,709		490,761
		1,200,150		1,258,503

It will be seen that the main variations in the expenditure of this division were increases in payments on account of "Salaries", £36,879; "Overtime and Penalty Rates", £16,643; and "Allowances to Working Prisoners", £13,605; offset by a decrease in expenditure on "Materials for Manufacture", £23,060.

The increased salary costs were due, chiefly, to the general revision of salary rates, effective from 12th May, 1963. The increase in the item "Overtime and Penalty Rates" resulted from the necessity to retain the services of a number of members of staff for periods in excess of normal working hours in order to meet special circumstances arising, primarily, from staff shortages. The increase in "Allowances to Working Prisoners" was the effect of the greater number of prisoners discharged or paroled during 1963-64. The decrease in expenditure on "Materials for Manufacture" was accompanied by a fall in value of stocks on hand from £130,349 at 30th June, 1963 to £112,762 at 30th June, 1964.

<i>Training—</i>	1962-63.		1963-64.	
	£	£	£	£
Salaries .. .. .	19,861		19,866	
Overtime and Penalty Rates .. .. .			218	
		19,861		20,084
Payroll Tax .. .. .	457		434	
Travelling and Subsistence .. .. .	193		355	
Motor Vehicles—Purchase and Running Expenses .. .. .	124		300	
Training Equipment and Materials .. .. .	3,996		7,000	
Other Expenditure .. .. .	2,271		2,018	
		7,041		10,107
		26,902		30,191

  

<i>Probation and Parole—</i>	1962-63.		1963-64.	
	£	£	£	£
Salaries .. .. .	70,328		76,724	
Overtime and Penalty Rates .. .. .	523		4,294	
Payments in lieu of long service leave .. .. .	2,499			
		73,350		81,018
Payroll Tax .. .. .	1,629		1,749	
Travelling and Subsistence .. .. .	7,500		6,592	
Motor Vehicles—Purchase and Running Expenses .. .. .	3,164		1,996	
Parole Boards—Members' Fees and Expenses .. .. .	3,708		4,013	
Rent of Buildings .. .. .	3,927		251	
Workers' Compensation Insurance .. .. .	447		605	
Other Expenditure .. .. .	3,018		3,184	
		23,393		18,390
		96,743		99,408

## LOAN EXPENDITURE.

Expenditure from loan moneys amounted to £568,218, and represented the cost of acquisition and erection of buildings, and the furnishing and equipping of the various establishments under the control of the Branch.

The net costs of the remaining sub-departments and branches of the Chief Secretary's Department for 1963-64 as compared with the previous year are as set out below :—

	1963-64.			1962-63.
	Expenditure.	Revenue.	Net Cost.	Net Cost.
	£	£	£	£
State Library, &c. .. .. .	880,697	1,295	879,402	822,118
Government Statist .. .. .	145,517	54,411	91,106	86,198
Fisheries and Wildlife .. .. .	286,091	109,192	176,899	209,201
Immigration .. .. .	31,939	367	31,572	24,875
Other Branches .. .. .	263,654	81,863	181,791	172,454
Administrative .. .. .	166,063	16,697	149,366	135,503
	1,773,961	263,825	1,510,136	1,450,349

Expenditure from loan funds during 1963-64 related to :—

	£
State Library, Latrobe Library, National Gallery, National Museum and Institute of Applied Science .. .. .	233,203
Country Art Galleries .. .. .	34,119
Fisheries and Wildlife .. .. .	38,772
Immigration .. .. .	11,481

The increase in the net cost of the State Library, &c., was due mainly to higher salary costs, which, in turn, arose from the increased salary rates payable as from 12th May, 1963, combined with the effect of additions to the staff personnel of the Public Library.

The reduction in the net cost of the Fisheries and Wildlife Branch was the result of the non-recurrence of the expenditure item, "Expenses in connection with the Eradication of European Carp" and the effect of higher revenue from fishing and game licences.

The expenditure for "Other Branches" includes a contribution of £60,000 to the Aborigines Welfare Fund. Further reference to this Fund is made under the general heading of "Trust and Special Accounts" later in this report.

Increased expenditure in respect of salaries and pay in lieu of long service leave was the main reason for the greater net cost in the items grouped under the heading "Administrative".

### EDUCATION.

The net expenditure on education from Consolidated Revenue during 1963-64 was £56,842,064. This expenditure was not wholly provided from the votes of the Education Department, sundry items being included from payments made under special appropriations and from other departmental votes. The following statement shows the heads of expenditure contributing to the cost of education to the State:—

Departmental Votes (including on account of Votes)—		£	£
Education—			
Schools, &c. . . . .		51,324,525	
University Grant.. . . .		1,000	
		51,324,525	51,325,525
Treasury—			
Schools, &c. (Payroll Tax, Workers' Com- pensation Insurance, &c.) . . . . .		1,533,721	
University Grants . . . . .		2,822,500	
		4,356,221	4,356,221
Public Works—Schools, &c. (Maintenance, Rents, &c.) . . . . .			200,490
Agriculture—University Grant . . . . .			35,000
Special Appropriations—			
Adult Education, Pensions, &c. . . . .		1,246,861	
University of Melbourne . . . . .		98,100	
Monash University . . . . .		250,000	
		1,594,961	1,594,961
			57,512,197
<i>Less—</i>			
Revenue Collections . . . . .		617,757	
Recoups of Expenditure . . . . .		52,376	
		670,133	
Net Cost to Revenue . . . . .			56,842,064
Forestry Fund—University Grant . . . . .			500
Loan Acts Nos. 6931 and 7064, Maintenance— Schools, &c. . . . .			1,449,253
Loan Acts Nos. 6931 and 7064, Capital Works— Schools, &c. . . . .			10,750,772
Loan Acts Nos. 6931, 7064 and Treasurer's Advance Pending Loan, University of Melbourne . . . . .			1,261,436
Act No. 6184/6712—Monash University . . . . .			1,140,556
			71,444,581

Figures obtained from the Public Works Department show the distribution of loan expenditure on capital works as follows:—

	£
Primary schools . . . . .	4,331,453
High schools . . . . .	3,384,929
Technical schools . . . . .	2,826,759
Girls' secondary schools . . . . .	91,989
Teachers' colleges and hostels . . . . .	100,163
Universities . . . . .	2,401,992
Other . . . . .	15,479
	13,152,764

Expenditure by the Public Works Department from Loan Fund for both capital and maintenance works in connexion with schools, teachers' colleges and hostels amounted to £11,401,361 of which £1,048,898 was charged to recoup that Department the expenses involved in the design and supervision of such works, and the administration costs associated therewith.

The following comparative statement sets out receipts and expenditure during 1963-64 and the four preceding years:—

	1959-60.	1960-61.	1961-62.	1962-63.	1963-64.
Consolidated Revenue—	£	£	£	£	£
Expenditure .. .. .	35,954,435	40,830,004	44,782,933	50,524,157	57,441,076
Receipts .. .. .	438,966	490,928	514,086	582,069	617,757
Net Cost Consolidated Revenue .. ..	35,515,469	40,339,076	44,268,847	49,942,088	56,823,319
Forestry Fund—Chair of Forestry—University	3,750	2,500	1,500	500	500
Loan Fund .. .. .	10,948,465	12,262,708	13,701,823	13,629,026	14,559,343
Special Works Trust Account—Commonwealth Grant .. .. .	..	..	400,000	166,336	..
Total Cost .. .. .	46,467,684	52,604,284	58,372,170	63,737,950	71,383,162

The above figures do not include interest and sinking fund charges on loans, expenditure on Agricultural Education administered by the Department of Agriculture, or subsidies to the University of Melbourne for bacteriological and other services.

*Analysis of Expenditure.*—A detailed statement showing a comparative analysis of expenditure from loan and revenue moneys in respect of the various services provided is given in Appendix E to this report. For ready reference the net cost of each service is shown hereunder.

	1962-63.	1963-64.
	£	£
Administration .. .. .	929,260	1,022,897
Central Schools and Classes .. .. .	273,173	235,032
Correspondence School .. .. .	163,797	178,290
Girls' Secondary Schools .. .. .	768,291	839,443
High Schools .. .. .	14,994,468	15,776,433
Higher Elementary Schools .. .. .	108,442	96,576
Primary Schools .. .. .	23,159,888	25,620,299
Registered Schools .. .. .	560,037	754,575
Special Schools and Hostels attached thereto	626,446	627,874
Special Activities (Library, Music, &c.) ..	1,067,601	1,200,775
Technical Schools .. .. .	10,806,359	12,656,020
Teachers' Colleges .. .. .	4,857,553	5,393,877
Teachers' Colleges Hostels .. .. .	168,756	172,866
Universities .. .. .	4,112,697	5,624,058
Pensions, &c. .. .. .	1,092,581	1,210,475
Miscellaneous .. .. .	48,601	35,091
	<u>63,737,950</u>	<u>71,444,581</u>

It will be seen on examination of Appendix "E" that, as between the year under review and the previous year, there were marked variations in certain expenditure items. Mention of these variations and the reasons therefor are given below:—

*Salaries—Teachers.*—Expenditure under this head rose from £32,515,228 to £36,930,039, an increase of £4,414,811. Approximately half of this increase was the result of marginal increases accorded members of the teaching service in respect of the period 12th May to 29th June, 1963 (inclusive) by way of ex-gratia payments under the authority of

Treasury Vote—Division 50A—together with the continuing effect, as from and inclusive of 30th June, 1963, of these marginal increases, but under the authority of an Award of the Teachers' Tribunal. With respect to the remaining half of the increase, this was almost wholly attributable to—

- (i) the cost of the salaries for a half-year of the graduates from Teachers' Colleges who, to the number of 1,979, were appointed to teaching positions on 1st January, 1964; and
- (ii) the effect of a full year's cost of the salaries of the graduates from Teachers' Colleges appointed on 1st January, 1963.

*Bursaries, Scholarships and Maintenance Allowances.*—The rise from £449,852 to £853,581 in this item was mainly the combined effect of—

- (i) the increase in the number of scholarship holders, as from the beginning of the academic year 1964, consequential upon the award of a scholarship to one student in every three students in Form II. as at the close of the previous academic year; and
- (ii) the overcoming in the financial year 1963-64 of a "lag" of six months in the payment of allowances for maintenance and requisites as the result of the more expeditious processing of claims for these allowances.

*Technical Schools.*—Maintenance grants made available to technical schools under the Annual Appropriation Act are augmented by tuition fees and other revenue collected and retained by the schools. These funds are expended on salaries of part-time instructors and full-time teachers employed by school councils, salaries and wages of office and maintenance staffs, and general costs incidental to the operating of the schools. Salaries of technical school teachers appointed under the *Teaching Service Act 1958*, are met from the amounts voted by Parliament for the Education Department.

The following statement, to be read in conjunction with Appendix "E" to this report, combines Treasury and technical school accounts to show the total expenditure on technical schools.

1962-63.		1963-64.	
£	Source of Funds—	£	£
8,313,535	Consolidated Revenue (net) .. .. .	9,544,483	
2,476,879	Loan Acts .. .. .	3,111,537	
15,945	Special Works Trust Account—Commonwealth Grant— .. .. .	..	
		—————	12,656,020
682,348	Tuition fees collected by Technical Schools .. .. .	..	727,247
248,416	Other Technical School Revenue .. .. .	..	304,519
—————			—————
11,737,123			13,687,786
..	Less Surplus in Technical School Maintenance Accounts .. .. .	..	5,612
3,601	Plus Deficit in Technical School Maintenance Accounts .. .. .	..	..
—————			—————
11,740,724			13,682,174
—————			—————

1962-63.		1963-64.	
£	Disbursement of Funds—	£	£
Salaries (including Pay-roll Tax)—			
6,604,197	Teachers and part-time Instructors .. .. .	7,705,576	
910,557	Administrative and Maintenance Staff .. .. .	991,948	
			8,697,524
2,515,862	Erection and Maintenance of Buildings, &c. .. .. .	..	2,850,277
245,903	Equipment (including Special Equipment Grants £200,000) .. .. .	..	357,945
515,534	General costs of classes .. .. .	587,060	
511,318	Administrative and other costs .. .. .	651,739	
			1,238,799
451,180	Allowances to pupils .. .. .	..	552,811
			13,697,356
11,754,551			15,182
13,827	Less Rents, &c., received by Education Department .. .. .	..	..
			13,682,174
11,740,724	Total Net Cost .. .. .	..	..

*Training of Teachers.*—Allowances paid to students in training represent approximately three-quarters of the cost of operating teachers' colleges. The Department conducts 32 hostels for students living away from home. The *per capita* cost of training is substantially higher for students accommodated in hostels as revenue from board does not cover the cost of operation. In the following figures, showing the trend over the last four financial years, average *per capita* costs (excluding capital items) are based on the approximate number of students in training during each of those years:—

	1960-61.	1961-62.	1962-63.	1963-64.
	£	£	£	£
Cost of conducting teachers' colleges .. .. .	3,549,977	3,897,640	4,764,151	5,291,838
Cost of conducting hostels for students in training .. .. .	131,241	160,428	127,365	152,995
	3,681,218	4,058,068	4,891,516	5,444,833
Average number of students in hostels .. .. .	1,401	1,472	1,564	1,574
Average number of students accommodated privately .. .. .	4,314	4,597	4,937	5,653
Average total number of students .. .. .	5,715	6,069	6,501	7,227
Average <i>per capita</i> cost of training per annum .. .. .	£ 621	£ 642	£ 733	£ 732
Average additional <i>per capita</i> cost of training per annum for those students accommodated in hostels .. .. .	94	109	82	97

*Conveyance of Pupils.*—The provision of bus services for the transport of children to schools and pupils' travelling allowances are annually increasing costs. The following is a comparative analysis of expenditure on these services:—

	1960-61.	1961-62.	1962-63.	1963-64.
	£	£	£	£
Allowances not exceeding 1s. per day for eligible pupils attending primary schools .. .. .	93,585	98,449	84,082	89,775
Allowances to eligible pupils attending post-primary schools (covering travel by bicycle and/or public transport facilities)	269,294	287,312	319,700	316,887
Payments to contractors providing special bus transport services for pupils .. .. .	2,030,588	2,137,993	2,272,165	2,392,986
	2,393,467	2,523,754	2,675,947	2,799,648



## UNIVERSITY OF MELBOURNE.

A section of the staff of the Audit Office with a senior audit officer in charge and acting in accordance with my general directions, conducts a continuous audit of the accounts of the University. The final audit for the year 1963, however, has not yet been completed, and, consequently, the analyses of the University's accounts for that year together with the relevant comments furnished herein are subject to this qualification.

During the audit being conducted by my staff, it was noticed that there was a marked upward trend in the sum of the "Salary Advances" made to members of the University staff; that several of these advances appeared to lack proper authority; and that, in some instances, there was an indication of laxity in ensuring their repayment. It was noticed also that, generally, appropriate action had not been taken for the recovery of many amounts long overdue to the University including, in particular, sums owing to the University by members of its staff. These audit disclosures were brought by me to the notice of the Honourable the Treasurer and the Honourable the Minister of Education and, as a result thereof, the Treasurer requested me to institute an immediate investigation into the accounting practices and financial administration generally at the University. One of my senior executive auditors has been assigned by me to this task and he is still in the course of carrying out this assignment.

Further, as a result of the audit disclosures, the University itself is in the course of reviewing at executive level its financial and accounting organization and, in addition, has engaged a firm of Consultants to conduct an investigation into the accounting systems and procedures of the Accounts Department.

Subject to the completion of the audit as aforesaid, details of the University's income and expenditure for 1963 are compared hereunder with those of the previous year :—

	1962.		1963.	
	£	£	£	£
<i>Income—</i>				
State Government Grants—				
General purposes .. .. .	1,394,943		1,487,152	
Special purposes .. .. .	868,360		1,029,362	
		2,263,303		2,516,514
Commonwealth Government Grants—				
General purposes .. .. .	1,453,000		1,555,996	
Special purposes .. .. .	856,079		1,133,902	
		2,309,079		2,689,898
Fees .. .. .		1,337,817		1,467,385
Donations and bequests .. .. .		696,805		758,525
Interest, dividends, rents .. .. .		214,038		206,421
Loan for Dental Hospital Building .. .. .		527,250		..
Other income .. .. .		190,254		214,278
		7,538,546		7,853,021
<i>Expenditure—</i>				
Salaries and Pay-roll Tax .. .. .		3,766,271		4,316,265
Apparatus and books .. .. .		665,709		708,799
Buildings, land, grounds, and vehicles .. .. .		2,028,155		1,856,623
Examination expenses .. .. .		129,789		141,709
Special grants, and fees to affiliated institutions .. .. .		253,348		192,283
General expenses .. .. .		372,414		420,161
Payment to Dental Hospital of proceeds of loan .. .. .		487,245		..
Interest and Redemption—Dental Hospital loan .. .. .		70,690		104,340
		7,773,621		7,740,180
<i>Balance—</i>				
General Account .. .. .		Deficit *190,712		Surplus *80,479
Trust Fund .. .. .		Deficit *44,363		Surplus *32,362
		Gross Deficit 235,075		Gross Surplus 112,841

\* Takes into consideration inter-fund transfers.

In a comparison of the results of the two years, it is necessary to note that the Trust Fund is the holding account for donations and bequests pending expenditure therefrom on specific projects.

The balances of General Account are composite figures. They embody the annual surpluses and deficits of several funds including the General Fund and a number of research and special funds. Actually, over the past two years, there has been a substantial deterioration in the position of the General Fund. This is indicated in the comparative statement furnished hereunder which shows, in addition, how the annual balances on General Account have been arrived at:—

<i>Particulars.</i>	1962. £	1963. £
Accumulated Deficit on General Fund at close of year ..	124,461	314,901
<i>Less</i> —Accumulated Deficit on General Fund at beginning of year .. .. .	103,108	124,461
	<hr/>	<hr/>
Annual Deficit on General Fund .. .. .	21,353	190,440
<i>Add</i> —Amounts disbursed from Unexpended Grants—		
On account of Murray Fund .. .. .	28,374	..
" " " Agriculture Fund .. .. .	14	..
Annual Deficit—		
On Sundry Special Funds .. .. .	166,018	..
" " Research Funds .. .. .	..	64,208
	<hr/>	<hr/>
General Account—Gross Annual Deficit .. .. .	215,759	254,648
<i>Less</i> —Excess of annual Receipts over Expenditure—	£	£
On Account of Lady Northcote Fund .. .. .	226	277
" " " Sundry Research Funds .. .. .	24,821	..
" " " Agriculture Fund .. .. .	..	14
" " " Meteorology Fund .. .. .	..	899
" " " Sundry Special Funds .. .. .	..	333,937
	<hr/>	<hr/>
	25,047	335,127
	<hr/>	<hr/>
General Account—Net Annual Deficit .. .. .	190,712	..
Net Annual Surplus .. .. .	..	80,479
	<hr/>	<hr/>

In recent years, there has been a considerable diminution in the University's general financial liquidity. As already indicated, the General Fund was, as at 31st December, 1963, overdrawn by £314,901. Also, as at that date, special allocations involving expenditure amounting to £1,055,818 remained in suspense pending recoup or adjustment in a manner yet to be determined.

It will be seen that the overdraft on General Fund together with the special allocations mentioned amounted to £1,370,719. The sources from which the necessary finance was provided to meet the sum in question were:—

Current liabilities including Bank Overdraft and Sundry Creditors ..	£	£
	587,406	
<i>Less</i> —Current Assets including amounts—due from Commonwealth Government; owing on account Salary Advances; and due from other debtors .. .. .	305,057	
	<hr/>	282,349
<i>Plus</i> —Unexpended Grants and Allocations—		
Funds for buildings other than those already purchased or erected ..	591,215	
Research funds .. .. .	236,545	
Apparatus appropriation .. .. .	40,596	
Other Funds .. .. .	220,014	
	<hr/>	1,088,370
Total .. .. .		<hr/> <hr/> 1,370,719

As in previous years, Government Grants comprised the major proportion of the income of the University in 1963. State Government grants, provided principally from Consolidated Revenue, increased by £253,211, as compared with the previous year.

Amounts received from the Commonwealth comprised the basic and supplementary general purpose grants calculated in accordance with the formula laid down in the related States Grants (Universities) Act, together with grants for special purposes.

## MONASH UNIVERSITY.

The accounts of the Monash University were subject to periodic audit by my officers until 23rd March, 1964. As from that date, an officer of my staff was assigned to full time audit duties at that University.

Subject to the completion of the audit for 1963, the particulars hereunder summarize for the past two years the contents of the University's annual Statement of Income and Expenditure, excluding receipts and payments on Trust Account:—

	1962.		1963.	
	£	£	£	£
<i>Income—</i>				
State Government Grants—				
General purposes .. .. .	523,477		1,031,039	
Special purposes .. .. .	1,744,035		1,109,376	
		2,267,512		2,140,415
Commonwealth Government Grants—				
General purposes .. .. .	323,000		631,669	
Special purposes .. .. .	1,494,036		1,105,727	
		1,817,036		1,737,396
Students' Fees including Union fees for operational purposes	..	81,825		159,552
Union fees for Union Development	.. .. .	..		10,767
Grants and Donations .. .. .	..	62,098		97,820
Other income .. .. .	..	5,554		13,842
		<u>4,234,025</u>		<u>4,159,792</u>
<i>Expenditure—</i>				
Salaries and Associated Expenditure .. .. .		547,114		914,635
Books, equipment, furniture, &c. .. .. .		394,849		495,700
Buildings, land, grounds, vehicles .. .. .		41,853		40,136
Student services .. .. .		12,699		17,954
General Expenditure .. .. .		227,532		371,632
Site development .. .. .		361,298		97,501
New Buildings .. .. .		2,930,562		2,188,006
Union Development—Purchase of land, &c. .. .. .		..		54,612
		<u>4,515,907</u>		<u>4,180,176</u>
<i>Balance—</i>				
Recurrent expenditure .. .. .	Deficit	83,159	Surplus	135,860
Grants and Donations .. .. .	Surplus	19,487	Surplus	19,389
Capital Funds .. .. .	Deficit	218,210	Deficit	131,788
Union Development .. .. .	..	..	Deficit	43,845
	<i>Net Deficit</i>	<u>281,882</u>	<i>Net Deficit</i>	<u>20,384</u>

The net credit balance as at 31st December, 1963, amounted to £236,272. Details are:—

	£	£
Unexpended Capital funds .. .. .	283,606	
Add—Donations on Hand .. .. .	41,168	
		324,774
Less—Accumulated Deficit on account of—		
Recurrent Transactions .. .. .	44,657	
Union Development .. .. .	43,845	
		<u>88,502</u>
Net Credit .. .. .		<u>236,272</u>

It will be observed that Government grants, Commonwealth and State, were the principal sources of income in each of the two years.

The increase in enrolments from 798 to 1598 is reflected in the increase in the receipts from Students' Fees.

As to the items in the summary related to "Union Development", it should be explained that, as from the commencement of the Academic Year 1963, each full time student's fee was increased by £7 10s. and each part time student's fee by £5 per annum, to finance capital expenditure for union purposes.

## FORESTS.

## EXPENDITURE.

In the year under review, expenditure amounted to £3,431,334. Under broad headings the principal divisions of expenditure in the past two years were:—

	1962-63.	1963-64.
	£	£
Appropriations—		
Salaries and Payments in the Nature of Salary .. .. .	781,000	856,877*
Pay-roll Tax .. .. .	21,049	22,331
Pensions .. .. .	33,768	38,208
School of Forestry .. .. .	17,400	17,400
Other Administrative Expenses .. .. .	79,037	76,210
Utilization Forest Produce .. .. .	299,841	273,171
Business Undertakings .. .. .	63,064	61,828
Contribution to the National Sirex Fund .. .. .	12,510	18,765
Payment into Bennison Roding Trust Account .. .. .	96,000	..
Sundry .. .. .	20,997	18,840
	<u>1,424,666</u>	<u>1,383,630</u>
Forestry Fund—		
Forests .. .. .	841,912	911,047
Plantations .. .. .	63,142	46,748
Nurseries .. .. .	20,791	23,337
General .. .. .	37,875	53,840
	<u>963,720</u>	<u>1,034,972</u>
Loan Fund—		
Land .. .. .	66,295	31,028
Fire Protection .. .. .	235,290	222,116
General Operations .. .. .	85,745	90,941
Extraction Roads .. .. .	247,315	236,827
Plantations .. .. .	285,393	374,436
Buildings .. .. .	58,140	48,183
Plant and Machinery .. .. .	10,241	9,201
	<u>988,419</u>	<u>1,012,732</u>
Special Works Trust Account—Commonwealth Grant—		
Plantations .. .. .	12,000	..
Destruction of Dead Pines .. .. .	4,220	..
Construction of Tracks .. .. .	5,780	..
	<u>22,000</u>	<u>..</u>

\* Includes £6,039 charged to Treasury Vote—Division 50 A.

Since the inception of the use of loan funds for forestry purposes, the sum of £21,147,282 has been so applied. After allowing for discount and expenses and amounts redeemed or repaid, the Loan Liability at 30th June, 1964, was £17,856,815, towards which there was an equity of £1,461,956 in the National Debt Sinking Fund.

Variations in percentages relating to the expenditure as detailed above may be compared as under:—

	1962-63.		1963-64.	
	£	%	£	%
Vote, &c. .. .. .	1,424,666	41·9	1,383,630	40·3
Forestry Fund .. .. .	963,720	28·4	1,034,972	30·2
Loan Fund .. .. .	988,419	29·1	1,012,732	29·5
Special Works Trust Account—Commonwealth Grant .. .. .	22,000	·6	..	..

Allocations for forestry purposes, provided for in the annual Appropriation Act, may be grouped under three broad headings—administrative, business undertakings and utilization of forest produce.

With respect to administrative costs, it should be observed that, in addition to the figures for salaries and payments in the nature of salary, shown in the preceding summary of expenditure, salaries of forest foremen and others amounting to £197,344 were charged to Utilization Vote, Forestry Fund, Loan Fund and Stores Suspense Account.

During the year, the Department sought from departmental sources appropriate information and collated such information as a basis for a review of the then existing arbitrary apportionment of salaries in respect of permanent forest foremen. As a result of this review, a change was made, as from 10th May, 1964, in the respective proportions chargeable to the several funds.

Expenditure in connexion with the State Sawmill, Erica, has been recouped by the revenue of such undertaking.

In the second half of the financial year 1961-62, a National Sirex Fund was created to which the Commonwealth, on the one hand, and the States, on the other, agreed to contribute on a £ for £ basis. Contributions have also been made to the Fund by private forest owners. To 30th June, 1964, Victoria had contributed as its share the sum of £41,700. From the Fund, Victoria had received up to 30th June, 1964, a total of £263,286 to finance the expenditure incurred by the State in its efforts to eradicate and control the sirex wasp.

In so far as the State is concerned, relevant transactions are recorded in an account styled the "Commonwealth-State Sirex Trust Account" kept in the Victorian Treasury. Expenditure charged to the Account up to 30th June, 1964, amounted to £260,351. The balance at the credit of the Account as at 30th June, 1964, was £2,935. It should be pointed out however, that as at the close of the year, there were certain items of expenditure incurred in the year in connexion with the sirex wasp campaign which are to be charged to the Account in 1964-65.

Contributions amounting to £96,000 were received up to 10th July, 1961, from the Heyfield Sawmillers Logging Company Pty. Ltd. and credited to the Bennison Roding Trust Account. The contributions in question were made on behalf of millers in the Macalister Forest District towards the provision of special roading in that district. To 30th June, 1964, expenditure charged against the credit of £96,000 amounted to £73,981. Therefore, the balance at credit of the Trust Account at the close of the year was £22,019.

Included in the gross amount of £1,012,732 charged to Loan Fund were allocations for special projects as set out hereunder:—

	£
Towards the provision of special roading in the Macalister Forest District:—	
Bennison Plains .. .. .	52,348
Tamboritha Saddle .. .. .	20,582
Plantation expansion .. .. .	317,475
Establishment costs—Reforestation Prison Camps—	£
Morwell River .. .. .	1,763
Won Wron .. .. .	4,962
	6,725

#### RECEIPTS.

The Commission's revenue receipts for the past two years are shown hereunder:—

	1962-63.	1963-64.
	£	£
<b>Territorial—</b>		
Rents .. .. .	45,804	47,818
Royalties .. .. .	1,876,308	1,985,863
Miscellaneous .. .. .	1,623	3,127
<b>Fees .. .. .</b>	481	380
<b>Tramways .. .. .</b>	716	135
<b>State Sawmill .. .. .</b>	74,438	75,882
<b>Departmental .. .. .</b>	321,993	284,173
<b>Transfer from Bennison Roding Trust Account .. .. .</b>	96,000	..
<b>Recoup of Salaries—Sirex Personnel .. .. .</b>	14,081	31,517
<b>Miscellaneous .. .. .</b>	28,817	31,102
	2,460,261	2,459,997

The increase of £109,555 in receipts from "Royalties" indicated in the preceding summary was due mainly to the factors outlined below.

In 1963-64—

- (i) a higher rate of collection, than usual, of amounts due under this head was achieved ;
- (ii) the upward trend in the demand for hardwood timber continued but was offset to some extent by a slight fall in the related average royalty rate ; and
- (iii) a greater output of softwood logs was attained consequential upon more of the State's softwood plantations becoming available for utilization, but, at the same time, there was a slight reduction in the average royalty rate as some of the increased volume came from smaller trees.

The net cost of the Commission for 1963-64, based on receipts and expenditure in the Consolidated Revenue Account, was £732,902.

The Consolidated Revenue receipts and expenditure for the past two years were :—

1962-63.	Receipts.	1963-64.	1962-63.	Expenditure.	1963-64.
£		£	£		£
2,460,261	As detailed .. ..	2,459,997	11,450	Commissioners' Salaries ..	13,000
672,395	Net Cost .. ..	732,902	1,379,448	Votes .. ..	1,332,422
			33,768	Pensions .. ..	38,208
			961,868	Grants to the Forestry Fund ..	1,018,404
			704,475	Interest and Exchange on Loans	746,166
			458	Loan Conversion Expenses ..	567
			41,189	National Debt Sinking Fund ..	44,132
<u>3,132,656</u>		<u>3,192,899</u>	<u>3,132,656</u>		<u>3,192,899</u>

*Forests Roads Account.*—As provided for in Section 32A, inserted in the *Forests Act 1958* by direction of the *Forests (Further Amendment) Act 1962*, there are to be paid into the Forests Roads Account in the Trust Fund in the Treasury all moneys which pursuant to any agreement are paid to or received by the Forests Commission for the use of any road or track constructed or maintained within State forests by the Commission. Moneys to the credit of the Account are available, in terms of the said Section, for or towards the maintenance of forest roads or tracks.

During the year, credits to the Account amounted to £2,516. This amount consisted of a sum of £2,210 from the Australian Paper Manufacturers Limited in terms of sub-clause (3) of clause 18 of the Schedule to the *Forests (Wood Pulp Agreement) Act 1961*, and a sum of £306 from the Colonial Sugar Refining Company Limited towards the cost of maintenance, by the Commission, of certain specified roads in forest districts in the vicinity of Bacchus Marsh.

No expenditure was charged to the Account in the year and, accordingly, as at the close of the year, the balance at credit of the Account was £6,799.

#### STORES SUSPENSE ACCOUNT AND PLANT AND MACHINERY FUND.

*Forests Stores Suspense Account.*—The terms of operation of the Stores Suspense Account are set out in Section 31 of the *Forests Act 1958*. In 1952-53, £20,000 was applied out of Loan Fund to finance the Account under the authority of Loan Application Act No. 5588.

The Account is charged with expenditure incurred in the purchase of stores, fuel and material, on repairs to plant and machinery, and in connexion with the manufacture and repair of articles.

As such stores or manufactured articles are issued for use, the Account is credited with the value of the article or articles concerned and the appropriate works authority or other authority debited.

Costs of repairs of plant and machinery charged to the Account are offset by credits :—

- (i) arising from a proportion of the "hire charges" on moneys provided for the carrying out of works on which the plant and machinery are engaged; and
- (ii) from recoups by other funds or appropriations on account of particular repair costs properly chargeable to such funds or appropriations.

The balance of £87,408 at credit of the Forests Stores Suspense Account in the Treasurer's books at 30th June, 1964, is a net figure. The Commission's books disclose that this balance is the net result of the balances of several accounts within the Stores Suspense Account as follows :—

<i>Credit balances—</i>	£	£	£
Stores Account .. .. .		40,997	
Repairs to Plant Account .. .. .		49,669	
Manufactured Articles (Carpenters' Shop) .. .. .		992*	
		—————	91,658
 <i>Debit balances—</i>			
Drums Account .. .. .		3,987	
Fire Protection Workshop Account—			
Unadjusted Expenditure .. .. .	1,763		
Less Advance from Stores Account .. .. .	1,500		
		—————	263
			—————
			4,250
			—————
			87,408

\* Remainder of £1,500 advanced from Stores Account.

It will be observed that the balance of the "Stores" section plus advances made from this section to other sections of the Stores Suspense Account exceeds the sum of £20,000 provided from loan to finance the Account. The major reason for this position and the manner in which it is being dealt with were mentioned on page 53 of my report for 1957–58. In 1963–64, the proceeds of the sale of surplus stocks amounting to £2,928 were credited to Loan Fund Credit Account.

Consideration as to whether the "Repairs to Plant" section of the Account is in excess of requirements has been deferred by the Treasury. It is understood that it is awaiting the result of the proposed investigation by the Parliamentary Public Accounts Committee into the question of Stores Suspense Accounts generally.

*Forests Plant and Machinery Fund.*—Section 32 of Act No. 6254 provides for a Plant and Machinery Fund. The component of the hire charge on account of the renewal and replacement of specified plant and machinery is debited to the appropriate expenditure allocation and credited to this Fund.

The following statement summarizes operations since the date of establishment of the Fund (1st July, 1953) to 30th June, 1964 :—

	1st July, 1953, to 30th June, 1963.	1st July, 1963, to 30th June, 1964.	Total.
	£	£	£
Plant Hire .. .. .	1,224,350	129,355	1,353,705
Expenditure on Renewals .. .. .	963,307	155,510	1,118,817
	—————	—————	
Balance at 30th June, 1964 .. .. .			234,888
			—————

*Mt. Buller Committee of Management Works Trust Account.*—The Honorable the Treasurer pursuant to the provisions of Section 8 of the *Public Account Act* 1958, established in the Treasury during the year a Trust Account, styled "Mt. Buller Committee of Management Works Trust Account". Both the Forests Commission and the Public Works Department were authorized to operate on the Account but financial control of the Account was vested in the Commission.

As part of an approved allocation from the State's Loan Fund—two-thirds by way of loan and one-third by way of grant—an amount of £18,285 was made available to the Mt. Buller Alpine Reserve Committee of Management in 1963-64. In turn, this sum was paid to the credit of the Works Trust Account named above to finance the early stages of construction of an effective water supply at Mt. Buller. At the request of the Committee of Management, this project is being undertaken by the Forests Commission with the co-operation of the Public Works Department. In this connexion, it should be noted that Mt. Buller is a declared Alpine Reserve within the meaning of Section 50 of the *Forests Act 1958*.

Recorded expenditure charged against the Works Trust Account in the year amounted to £18,175. Therefore, at the close of the year the balance at credit of the Account was £110.

#### STATE SAWMILL, ERICA.

The following information taken from the Commission's Profit and Loss Statements summarizes operations in 1962-63 and 1963-64.

	1962-63.		1963-64.	
	£	£	£	£
Sales .. .. .	75,978		71,450	
Other Receipts .. .. .	639		701	
Increase in Stock .. .. .	..		1,038	
		76,617		73,189
Working Expenses .. .. .	70,274		68,176	
Interest Calculated on Capital Used in the Business .. .. .	2,541		2,541	
Decrease in Stock .. .. .	1,184		..	
		73,999		70,717
Net Profit .. .. .		2,618		2,472

For several years, there has been a marked downward trend in revenue earned by this undertaking due to a decline both in log production and quality.

Depreciation charges were consistent with the basis mentioned in my report for 1959-60. Interest on capital was charged at the same rate as for the previous year and was made without regard to the net revenue paid into the Treasury.

The accumulated profit at 30th June, 1964, was £74,643.

The statement hereunder shows the position of the undertaking as at the close of each of the past two years :—

	30.6.63.		30.6.64.	
	£	£	£	£
<i>Fixed Assets less Depreciation—</i>				
Buildings .. .. .	9,656		7,667	
Machinery and Plant .. .. .	10,267		7,283	
Rolling-stock .. .. .	748		474	
		20,671		15,424
<i>Current Assets—</i>				
Debtors .. .. .	13,816		9,051	
Stock on Hand—				
Timber .. .. .	8,595		9,633	
Stores .. .. .	70		60	
		22,481		18,744
		43,152		34,168
Less Current Liabilities .. .. .		1,443		1,199
		41,709		32,969
The balances shown above were financed from the following sources :—				
Capital raised from Revenue and Loan Fund .. .. .	61,607		61,607	
Accumulated Profit .. .. .	72,171		74,643	
		133,778		136,250
Less the excess of receipts over payments which has been paid into Consolidated Revenue .. .. .	92,069		103,281	
		41,709		32,969

Timber stocks on hand at 30th June, 1964, comprised logs valued at £9,048, and sawn timber valued at £585.



### GOVERNMENT PRINTER.

Income from printing, sales of publications, &c., for the year amounted to £1,341,011 compared with £1,202,446 in 1962-63.

Most of the work for the State is for the purpose of meeting the requirements of other Departments and charges for these services are met from departmental votes. The statement below shows a profit of £76,388 on the year's operations.

The purpose of the statement is to apply commercial accounting tests to the operations of the Government Printing Office. The basis of its preparation has been consistent from year to year. Because of this, it indicates trends in costs and turnover, but it should be noted that the result shown each year is arrived at without regard to the following factors :—

- (i) interest paid applicable to the cost of the undertaking ;
- (ii) depreciation on buildings ;
- (iii) the State's contribution towards pensions ;
- (iv) certain freight and costs of distribution met by the Treasury ; and
- (v) in the valuation of publications on hand, the practice of assessment at marked selling prices without due allowance for discount on subsequent purchases by agents.

<i>Item.</i>	1962-63.	1963-64.
	£	£
Materials .. .. .	419,254	436,624
Salaries and Wages (including Pay-roll Tax) .. .. .	610,629	658,258
Insurance—Workers Compensation .. .. .	5,217	5,050
Insurance—Fire .. .. .	797	797
Power, Fuel, and Light .. .. .	13,915	17,746
Repairs to Buildings and Plant .. .. .	4,730	5,339
Sundry Charges .. .. .	24,129	29,601
Postage and Incidentals .. .. .	10,406	11,765
Depreciation .. .. .	36,218	38,909
Work done by other than Government Printer .. .. .	67,384	60,534
	1,192,679	1,264,623
Profit .. .. .	9,767	76,388
Turnover .. .. .	1,202,446	1,341,011

The total cost of plant and machinery met from loan funds to 30th June, 1964, was £567,767. During the financial year 1941-42, a Printing Machinery Depreciation Fund was established for the replacement of plant and machinery acquired from loan funds. Annual credits to the Depreciation Fund were made from Consolidated Revenue up to the financial year 1957-58. Since then, no further contributions have been made to the fund, and as no expenditure took place in 1963-64, the balance in the fund at 30th June, 1964, remained at £118,735.

## DEPARTMENT OF HEALTH.

This Department is divided into four branches, viz:—

General Health Branch.

Tuberculosis Branch.

Maternal and Child Welfare Branch.

Mental Hygiene Branch.

Total expenditure from revenue upon health services for the year ended 30th June, 1964, excluding that of the Mental Hygiene Branch and the contributions to the Hospitals and Charities Fund, which are discussed elsewhere herein, was £5,279,094.

This expenditure comprised the following charges:—

	£	£
Departmental Votes—		
Health—Salaries, General Expenses, &c. . . . .		5,000,458
Treasury—Pay-roll Tax . . . . .	19,253	
Treasury—Workers' Compensation Insurance . . . . .	11,455	
Treasury—Salary increases by way of ex-gratia payments . . . . .	8,748	
		39,456
* Public Works—Maintenance, Rents, &c. . . . .		27,667
Special Appropriations—Pensions and Salary of Director of Tuberculosis		211,513
		5,279,094

\* With respect to this item, see also the observation under "Public Works" in this report.

Receipts (excluding those of the Mental Hygiene Branch) totalled £1,537,123, and the net cost of health services to revenue was £3,741,971, an increase of £219,409 compared with the previous year.

For the purposes of this report, departmental finances are dealt with under branch headings, all central administrative costs being included under General Health Branch.

The figures given have been prepared from departmental analyses and have been reconciled in total with the Treasurer's Accounts.

### General Health Branch.

The functions of this branch relate to the prevention, limitation, and suppression of disease, safety of buildings, food standards, &c.

Revenue of the past three years is shown in the following table:—

	1961-62.	1962-63.	1963-64.
	£	£	£
Registration and other Fees . . . . .	13,644	15,443	35,337*
Other Receipts . . . . .	6,721	6,696	7,580
	20,365	22,139	42,917

\* Includes, £19,500, licence fees under the *Poisons Act* 1962.

Expenditure in the same period has been:—

	£	£	£
(a) <i>From Revenue</i> —			
Central Administration . . . . .	263,112	274,237	301,038
Cancer Institute . . . . .	643,000	655,000	720,000
Infectious Diseases . . . . .	142,543	136,718	160,322
Venereal Diseases . . . . .	26,133	29,720	27,209
Inspection of Buildings, Food Supervision, &c. . . . .	243,947	257,662	292,261
Miscellaneous Grants . . . . .	156,300	179,285	180,000
Subsidies—Home Help Scheme, Clubs for Elderly People, &c.	309,133	391,304	377,480
	1,784,168	1,923,926†	2,058,310
(b) <i>From Loan</i> —			
Cancer Institute . . . . .	195,059	181,931	41,623
Other . . . . .	72,707	76,131	220,959
	267,766	258,062	262,582

† Includes minor expenditure from Special Works Trust Account—Commonwealth Grant.

### Tuberculosis Branch.

Receipts of this Branch over the past three years have been :—

	1961-62.	1962-63.	1963-64.
	£	£	£
Commonwealth recoup under Health Act 1958 .. .. .	1,146,750	1,333,179	1,425,341
Other receipts .. .. .	32,752	30,936	63,163*
	<u>1,179,502</u>	<u>1,364,115</u>	<u>1,488,504</u>

\* Includes £33,343, deductions from salaries for accommodation and meals.

Expenditure for the same period is compared thus :—

	£	£	£
(a) <i>From Revenue</i> —			
Operation of sanatoria, tuberculosis wards, bureaux, mass X-ray services, &c. .. .. .	1,456,946	1,574,967	1,698,843
(b) <i>From Special Works Trust Account—Commonwealth Grant</i> —			
Various minor works .. .. .	..	5,917	..
(c) <i>From the Government Buildings Fire Insurance Fund</i> —			
Gresswell Sanatorium .. .. .	..	5,134	6
(d) <i>From Loan</i> —			
State sanatoria and clinics, &c. .. .. .	46,306	33,260	94,100

Capital expenditure on the provision of buildings, furniture, and equipment for use by the Branch, which is recoverable from the Commonwealth, has been met from both loan and revenue moneys, and in each of the past three years has been :—

	1961-62.	1962-63.	1963-64.
	£	£	£
Loan .. .. .	38,503	30,221	30,369
Revenue .. .. .	29,992	18,040	8,129
	<u>68,495</u>	<u>48,261</u>	<u>38,498</u>

A progress payment of £14,612 on account of 1963-64 was received in June, 1964, and reimbursement of the balance is in course.

Progress payments to 30th June by the Commonwealth on account of 1963-64 maintenance expenditure amounted to £1,360,270. Reimbursement of the balance outstanding at 30th June, 1964, is in course.

### Maternal and Child Welfare Branch.

This Branch is engaged in activities for the welfare of mothers and children, including the operation of the school medical and dental services, and infant welfare nursing.

Revenue expenditure for the last three years was :—

	1961-62.	1962-63.	1963-64.
	£	£	£
School Medical and Dental Services, &c. .. .. .	609,776	617,020	641,016
Subsidies .. .. .	714,691	800,349	880,925
	<u>1,324,467</u>	<u>1,417,369*</u>	<u>1,521,941</u>
Revenue for the same period was .. .. .	6,179	5,490	5,702
Net cost .. .. .	<u>1,318,288</u>	<u>1,411,879</u>	<u>1,516,239</u>

The subsidies were mainly on account of infant welfare centres, kindergarten and pre-school centres, crèches, &c.

Expenditure from loan was :—

	£	£	£
Subsidies towards capital expenditure on pre-school centres ..	159,492	159,965	160,000
Other .. .. .	9,543	11,758	2,637
	<u>169,035</u>	<u>171,723</u>	<u>162,637</u>

\* Includes minor expenditure from Special Works Trust Account—Commonwealth Grant.

### Mental Hygiene Branch.

The cost of the services provided by this Branch was, in 1963–64, defrayed from revenue and the Mental Hospitals Fund. Subject to the observation hereunder in relation to expenditure on the maintenance, &c., of buildings, gross expenditure for non-capital purposes was £7,855,845, and after taking into consideration receipts of £691,998, the net cost of Mental Hygiene services was £7,163,847. The gross expenditure comprised charges to—

	£	£
Departmental Votes—		
Health—Salaries and payments in the nature of salary .. .. .	5,471,811	
—General Expenses .. .. .	2,234,827	
	7,706,638	
Treasury—Workers' Compensation Insurance ..	43,328	
—Salary increases by way of ex-gratia payments .. .. .	19,730	
	63,058	
Public Works—Rents .. .. .	1,819	
Mental Hospitals Fund .. .. .	84,330	
		7,855,845

In previous reports, expenditure on the maintenance, &c., of Mental Hygiene buildings by the Public Works Department has been included as part of the annual gross expenditure of the Mental Hygiene Branch. However, in 1963–64, the amount of the expenditure on this item was not available and, accordingly, to maintain a proper basis of comparability, this item has been omitted from each of the previous years' figures shown in the expenditure analysis given.

Details of receipts credited to the Branch in each of the last three years are—

	1961–62.	1962–63.	1963–64.
	£	£	£
Maintenance of patients—principally Commonwealth payments on account of pensioners in Training Centres and repatriation patients .. .. .	288,109	292,781	370,113†
Deduction from Salaries for Accommodation and Meals ..	226,630	225,922	229,939
Commonwealth Pharmaceutical Benefits* .. .. .	84,972	157,290	66,041
Sales of produce .. .. .	10,704	9,265	8,482
Other .. .. .	16,153	22,066	17,423
	626,568	707,324	691,998

\* The amount of £84,972 received in 1961–62 was on account of 1960–61, and the amount of £157,290 received in 1962–63 included £105,706 on account of 1961–62.

† Commonwealth payments on account of pensioners in training centres operated from 19th September, 1963.

Particulars of expenditure under classified heads for the last three financial years are—

Item.	1961-62.	1962-63.	1963-64.
	£	£	£
Salaries .. .. .	4,311,375	4,434,259	4,746,919
Overtime and penalty rates .. .. .	578,449	641,425	694,634
Payments in lieu of long service leave.. .. .	28,943	35,994	49,988
Total Payments in nature of Salary .. .. .	4,918,767	5,111,678	5,491,541
Provisions and extra articles .. .. .	934,035	945,125	961,747
Clothing, bedding, &c. .. .. .	215,508	213,506	232,804
Stores, &c. .. .. .	185,272	190,128	192,364
Fuel, light, and water .. .. .	351,899	373,996	364,494
Drugs and medicines .. .. .	270,956	243,023	251,822
Rents .. .. .	2,582	2,301	1,819
Boarded-out patients .. .. .	95,940	104,975	103,500
Other .. .. .	234,186	257,854	255,754
Total .. .. .	7,209,145	7,442,586	7,855,845

Expenditure from the Loan Fund during 1963-64 on buildings and equipment of State institutions amounted to £1,761,159. In addition, moneys were provided for other institutions from the sources and for the purposes shown hereunder :—

Mental Hospitals Fund—	£	£
University of Melbourne—Mental Health Research .. .. .	7,000	
Other Institutions—Grants for Maintenance .. .. .	136,362	
	<hr/>	143,362
Loan Fund—		
Other Institutions—Grants for Capital Works .. .. .	.. .. .	23,841
		<hr/>
		167,203
		<hr/>

## DEPARTMENT OF CROWN LANDS AND SURVEY.

This Department is responsible for the occupation of Crown Lands, and the administration of various schemes of land settlement and financial assistance to farmers. Other important functions include the eradication of vermin and noxious weeds and the control and co-ordination of survey and mapping throughout the State. The collections and expenditure of the Department are reviewed hereunder.

*Collections.*—Collections during the year amounted to £1,688,763 as compared with £1,729,735 in the previous year. Details are as set out hereunder:—

	1962-63. £	1963-64. £
Territorial Revenue—		
Fees for various licences and leases, &c. . . . .	663,959	711,457
Proceeds of sales of land— . . . . .	331,678	205,449
	<hr/>	<hr/>
	995,637	916,906
Revenue from similar sources for credit to the Mallee Land Account . .	45,623	39,026
Repayments of principal by Settlers under the Closer Settlement Acts . .	181,015	190,348
Interest payments by Settlers on Loan Liabilities under the Closer Settlement Acts . . . . .	69,671	66,081
Repayments of principal—Other Advances . . . . .	12,198	12,969
Interest on Other Advances . . . . .	328	309
Licences to occupy water frontages—for credit to the Rivers and Streams Fund . . . . .	35,016	35,228
Recoups on account of—the services of survey personnel for the Housing Commission; survey services and costs associated with the administration of the Insurance Fund; and national mapping and surveying services for the Commonwealth Government . . . . .	134,616	134,949
Miscellaneous Revenue including rental Ballarat Guncotton Factory, admission to Buchan Caves, Sales of Government property and rentals of departmental houses . . . . .	76,311	84,128
Survey Fees, &c. . . . .	15,003	15,582
Premiums for credit to the Insurance Fund . . . . .	14,024	12,958
Moneys for specific purposes including funds made available by Wool and Wheat Research Committees for credit to Treasury Trust Funds . .	16,181	19,497
Collections on account of North West Mallee Water Rates and Wire Netting Cash Sales . . . . .	14,614	11,905
Road Loading Charges—Improvement Purchase Leases . . . . .	2,690	4,039
Receipts on account of Assurance Fund . . . . .	1,103	900
Net transactions through Lands Suspense Account comprising mainly deductions from pay for Group Tax, Superannuation, Insurance, &c.	115,705	143,938
	<hr/>	<hr/>
	1,729,735	1,688,763

It will be seen that, as compared with the previous year, over-all collections fell by £40,972 and that this decrease was due primarily to a reduction of £126,229 in "Territorial Revenue—Proceeds from Sales of Land". According to the appropriate estimate, the reduction in revenue from this source was unforeseen. However, it should be noted that, in the previous year, there were major sales of land to Alcoa of Australia, the Housing Commission and the State Electricity Commission amounting in all to £162,025, whereas, in 1963-64, there were no such sales of similar magnitude.

*Expenditure.*—Excluding expenditure from Trust Funds, departmental expenditure for the year amounted to £2,338,713, of which £1,514,825 was provided from Consolidated Revenue and £823,888 from Loan Fund.

Administrative costs and expenses and other functional expenditure of the Vermin and Noxious Weeds Branch were again financed from both Consolidated Revenue and Loan Fund—from Consolidated Revenue, £205,500, and from Loan Fund, £644,538. Also, loan moneys to the sum of £101,462 were applied in accordance with the provisions of Acts Nos. 6409 and 6704 to the purchase of equipment, tools, &c., for the Branch.

Other departmental items of loan expenditure were :—

Nature of Item.	Amount.	Authority.
	£	
Road construction—" Big Desert " Area, leased to the Australian Mutual Provident Society .. .. .	19,437	Item 53, Act No. 6931 and Item 54, Act No. 7064
Cost of Survey Vehicles, Equipment, &c. .. .. .	37,996	Item 49, Act No. 6931 and Item 50, Act No. 7064
Road Works—in connexion with Improvement Purchase Leases ..	12,315	Item 52, Act No. 6931 and Item 53, Act No. 7064
Tostaree Pilot Farm .. .. .	4,717	Item 62, Act No. 6931 and Item 62, Act No. 7064
Buchan Caves .. .. .	3,000	Item 51, Act No. 6931 and Item 52, Act No. 7064

Disbursements by the Department from Treasury Trust Funds included £17,688 from moneys made available by the Commonwealth through its Wool and Wheat Research Committees for rabbit control and skeleton weed research respectively, and £5,071 in meeting claims and administrative expenses on account of the Closer Settlement Insurance Fund.

#### CLOSER SETTLEMENT.

The Revenue Account for the year under the *Closer Settlement Act* 1938 disclosed a deficit of £978,140 and the accumulated deficit on account of the settlement scheme, the subject of the provisions of that Act, was, as a result, increased to £55,750,427.

#### CLOSER SETTLEMENT INSURANCE FUND.

The Closer Settlement Insurance Fund took its present form in 1938, consequent upon certain statutory amendments. Contracts of insurance cover risks of fire, storm and tempest and must be made by Closer Settlement lessees in respect of buildings and improvements, farmers who have received advances for improvements, and purchasers under contracts of sale. Improvements on vacant land are also covered by the Fund.

The accounts of the Fund are kept on a cash basis and the following is an abstract of receipts and payments during the year :—

<i>Receipts.</i>	£	<i>Payments.</i>	£
Balance at 1st July, 1963	307,617	Claims paid .. .. .	1,813
Premiums received .. .. .	12,958	Administration expenses ..	3,258
		Balance at 30th June, 1964 ..	315,504
	320,575		320,575

### LOCAL GOVERNMENT.

This Department was constituted under the provisions of Act No. 6479 of 1958 for the better administration of the laws relating to local government in this State.

The comparative statement hereunder shows the expenditure from revenue in each of the past two years :—

	1962-63.	1963-64.
	£	£
Local Government—		
Salaries and Allowances .. .. .	71,964	87,443
Salaries—ex-gratia payments (Vote 50A) .. .. .	..	581
Overtime and Penalty Rates .. .. .	1,536	1,468
Travelling (including Motor Vehicles) .. .. .	6,754	7,605
Fees and Expenses—Boards and Committees .. .. .	6,083	7,327
Other Administrative Expenses .. .. .	8,691	10,335
Town and Country Planning Board—		
Salaries and Allowances .. .. .	32,295	37,450
Other Administrative Expenses .. .. .	3,956	4,020
	131,279	156,229

Collections for the year amounted to £1,106.

From loan funds, payments to municipalities and other public bodies amounting to £440,460 were made during 1963-64 for the purposes shown hereunder :—

	£
Drainage Works .. .. .	99,008
Small Drains .. .. .	99,073
Swimming Pools and Accessories .. .. .	124,603
Traffic Signals .. .. .	19,819
Sale-yards, Markets, &c. .. .. .	11,353
Public Halls and Amenities .. .. .	31,650
Beach Cleaning .. .. .	24,490
Other Capital Works .. .. .	30,464
	440,460

As to the claims by municipalities for subsidies of the nature listed above, a change in departmental policy was implemented as from 2nd December, 1963, and, as a result thereof, each municipality concerned may include in its claim for subsidy the basic costs involved with the addition of an on-cost charge at a specified percentage of the direct cost of the Council labour employed.



## MINES DEPARTMENT.

The principal functions of this Department are the administration of mining legislation and supervision of the mining industry including development of mining, safe working of mines, investigational drilling and operation of State gold batteries. The Department is also responsible for the licensing of engine drivers and boiler attendants.

The net cost to Consolidated Revenue for the year under review was £355,737, which compares with £376,907 in 1962-63.

Details of departmental receipts for the two years are:—

	1962-63.	1963-64.
	£	£
Gold Buyers' Licences .. .. .	156	147
Mining Leases, Rents, &c. .. .. .	42,502	47,036
Assays .. .. .	305	243
Sundries .. .. .	250	118
Magazine Licences .. .. .	153	162
Boring and Crushing Fees .. .. .	10,881	29,765
Sale of Government Property .. .. .	2,758	9,478
Factory Fees—Boiler Attendants, &c. .. .. .	403	394
*Fees—		
Boiler Inspections .. .. .	17,257	..
Fusion Welders .. .. .	478	..
Repayment of Loans .. .. .	..	5,000
	<u>75,143</u>	<u>92,343</u>

\*Since 25th November, 1962, these fees have been collected by the Department of Labour and Industry.

Payments from revenue in those years comprised:—

	£	£
<i>Administration—</i>		
Salaries .. .. .	219,219	225,384
Salaries—ex-gratia payments (Vote 50A) .. .. .	..	1,336
Overtime and Penalty Rates .. .. .	650	446
Travelling and Subsistence .. .. .	6,299	4,900
Motor Vehicles—Purchase and Running Expenses .. .. .	11,700	11,000
Other Administrative Expenses .. .. .	24,647	26,611
	<u>262,515</u>	<u>269,677</u>
<i>Miscellaneous—</i>		
Maintenance, &c., State Batteries .. .. .	1,998	2,000
Boring for Water, Coal, and other Minerals, &c. .. .. .	131,000	131,000
Geological Survey .. .. .	5,500	5,500
Laboratory Expenses .. .. .	2,995	3,000
Covering Abandoned Shafts .. .. .	6,749	6,999
Surveys for Mineral Deposits .. .. .	17,468	20,000
Advances for Gold Mining .. .. .	23,825	9,904
	<u>452,050</u>	<u>448,080</u>
Total Expenditure .. .. .		

Collections during the year of amounts outstanding as at the close of the previous year accounted for most of the increase in "Boring and Crushing Fees".

During the year, the Department received an amount of £16,438 from the liquidator of a mining company. This amount represented the net proceeds from the sale of certain plant and equipment, over which the Department held Bills of Sale as security for loans to the company amounting to £45,000. The proceeds (£16,438) have been credited to Treasury Trust Fund awaiting allocation on final settlement of the State's claim.

## PUBLIC WORKS.

This Department is the principal designing and constructing authority for all Government Departments other than the Railways, Water Supply, and Forests. It is also responsible for maintaining, fitting and furnishing buildings and for the renting of additional accommodation. One section of the Department is in charge of harbor works and improvements not under the control of harbor trusts or municipalities. Considerable sums of money are expended on these works from revenue, loan, and other sources.

Expenditure from revenue under the principal divisions in each of the past two years is set out hereunder :—

	1962-63.	1963-64.
	£	£
Public Works Administration—		
Salaries .. .. .	1,271,539	1,325,944
Salaries—ex-gratia payments (Vote 50A) .. .. .	..	8,783
Overtime and Penalty Rates .. .. .	58,898	55,769
Travelling and Subsistence .. .. .	86,630	86,234
Other Administrative Expenses .. .. .	151,598	150,288
Total Administration .. .. .	<u>1,568,665</u>	<u>1,627,018</u>
Works and Buildings—Maintenance, Repairs, &c. .. .. .	799,488	501,560
Rents and Allowances .. .. .	309,746	297,457
Other Services .. .. .	327,538	294,096
	<u>3,005,437</u>	<u>2,720,131</u>
Ports and Harbors Administration—		
Salaries .. .. .	151,138	196,155
Salaries—ex-gratia payments (Vote 50A) .. .. .	..	943
Overtime and Penalty Rates .. .. .	37,390	38,848
Travelling and Subsistence .. .. .	17,243	17,771
Other Administrative Expenses .. .. .	3,505	4,461
Total Administration .. .. .	<u>209,276</u>	<u>258,178</u>
Wharves and Jetties—Maintenance, Repairs, &c. .. .. .	42,961	44,964
Contribution to Portland Harbor Trust .. .. .	249,400	322,950
Ligherage of explosives—expenses, &c., .. .. .	44	..
Other Services .. .. .	40,748	42,314
	<u>542,429</u>	<u>668,406</u>
Total Public Works Department .. .. .	<u>3,547,866</u>	<u>3,388,537</u>

As shown in the summary, expenditure on “Works and Buildings—Maintenance, Repairs, &c.”, fell from £799,488 to £501,560, a decrease of £297,928. Generally, in 1963-64, minor repairs only were included in this item. Other repairs, alterations, and renewals were charged to the appropriate loan item.

Further in respect of the revenue item mentioned above, which is shown in the Treasurer's Statement as “Public Offices and Buildings—Lighting, heating, cleaning, and other maintenance expenses, minor repairs”, it is necessary to state that, for the year 1963-64, the Public Works Department did not keep its records in such a way as would facilitate the complete dissection of this item for the purpose of departmental allocation. However, in some instances, because the relevant figures were necessary for recoup or commercial or other accounting purposes the Department did extract from the item amounts which purported to be, in these particular cases, the appropriate figures, but, in the absence of complete dissection or laborious detailed checking for the purpose of verification, the accuracy of the figures so extracted is open to question.

Works financed from Loan Fund or from Trust or Special Funds and carried out under the supervision of the Department were subject to a charge of 11·43 per centum to cover the departmental expenses involved in the design, supervision and administration of the works. Recoups to Consolidated Revenue on the basis of these and other charges amounted to £1,570,858. The comparable figure for 1962–63 was £1,424,747 when the charge for design, supervision and administration was 11·45 per centum.

Expenditure from Loan Fund amounted to £17,373,971, from Treasurer's Advance pending loan £32,861, and from Trust and Special Funds £811,152 a total of £18,217,984 as compared with a total of £16,580,127 from the same sources in the previous year. The major part of the expenditure in each year was incurred in the construction of buildings, the carrying out of works and the performance of services for various Departments. The extent to which each Department was concerned is indicated in this report under the appropriate departmental heading.

Loan expenditure on works associated with the activities of the Public Works Department itself, is summarized hereunder :—

Buildings, Works, &c., for—	£
Public Offices .. .. .	..1,048,341
Foreshore protection, wharves, and jetties .. ..	.. 132,354
Dredging, blasting, and navigational aids .. ..	.. 191,392
Vessels for dredging .. .. .	.. 265,009
Works & Services— <i>Western Port (Oil Refinery) Act 1963</i> ..	.. 84,980
Plant was acquired from loan funds for departmental purposes during the year at a cost of .. .. .	.. 50,057

The expenditure on “Public Offices”, £1,048,341, includes the sum of £182,820 paid to consultants for the design and planning of the proposed State Offices in the Treasury Reserve. The authority for the engagement of these consultants is the subject of audit query.

Of the sum of £265,009, expended on “Vessels for dredging”, £259,323 represented expenditure to 30th June, 1964, in connexion with the construction of a sea-going dredge at Maryborough, Queensland, for the Ports and Harbors Branch. The contract price for this dredge is £1,271,535, but this price is subject to certain variation clauses contained in the contract.

*Public Works Stores Suspense Account.*—This Account was established under the provisions of Loan Act No. 5240 of 1947. An amount of £25,000 was provided under that Act and subsequent authorities increased the amount to £325,000. The allocation under these authorities to the 30th June, 1964, was £324,000. The said Act was repealed by the *Acts Enumeration and Revision Act 1958* and, consequently, this Account since 1st April, 1959, has operated without statutory authority. The moneys in the Account are used:—

- (a) for the purchase of stores, materials, fittings and equipment; and
- (b) for defraying the cost of manufacturing articles for stock,

pending allocation to the respective appropriations or funds for the various public works or services in which they are used. The amounts so charged are credited to the Account.

The following summary has been prepared on an accrual basis to show the amount available for the purchase of stores as at the close of the year:—

	£
Cash balance as at 1st July, 1963—held in Treasury .. .. .	187,818
<i>Add</i> —Issues pending recoup 1st July, 1963 .. .. .	26,721
	<hr/>
	214,539
<i>Less</i> —Sundry creditors 1st July, 1963 .. .. .	27,018
	<hr/>
Amount available for purchase of stores as at 1st July, 1963 .. .. .	187,521
<i>Add</i> —Recoups on account of stores issues, &c., 1963–64 .. .. .	288,504
	<hr/>
Amount available for purchase of stores, 1963–64 .. .. .	476,025
<i>Less</i> —Payments on account of stores, &c., purchased in 1963–64 .. .. .	272,900
	<hr/>
Cash balance as at 30th June, 1964—held in Treasury .. .. .	203,125
<i>Add</i> —Issues pending recoup as at 30th June, 1964 .. .. .	37,086
	<hr/>
	240,211
<i>Less</i> —Sundry creditors as at 30th June, 1964 .. .. .	15,628
	<hr/>
Amount available after adjustments for the purchase of stores .. .. .	224,583

Incorporating the amount arrived at in the preceding summary as being available for the purchase of stores, the statement hereunder indicates the amount of the apparent excess over the sum of £324,000 allocated from Loan Fund for the purposes of the Account:—

	£
Amount available for the purchase of stores as per preceding summary .. .. .	224,583
Book value of stores .. .. .	118,885
Debit in departmental books on account of loss on disposal of consumable stores .. .. .	28,769
	<hr/>
	372,237
<i>Deduct</i> —Amount allocated from Loan Fund for the purposes of the Account .. .. .	324,000
	<hr/>
Apparent excess over funds provided for the Account .. .. .	48,237

It is understood that the excess arose through the over-valuation of stores at the time when the existing stores accounting records were set up in the Department. Directions have now been issued by the Treasury with a view to the adjustment of the quantitative and financial stores records of the Department.

*Public Works Plant and Machinery Fund.*—This Fund was established under the provisions of Loan Act No. 5199 of 1946. As in the case of Loan Act No. 5240 mentioned previously, the said Loan Act No. 5199 was repealed by the *Acts Enumeration and Revision Act 1958* and consequently since the 1st April, 1959, this Fund has operated without statutory authority. The charges made for the use of certain specified plant and machinery as authorized by Act No. 5199 are debited to projects on which such plant is used and credited to the Fund. The Fund is kept in two sections, viz., “Renewals and Replacements” and “Cost of Operating, Maintenance, &c.”, to each of which an appropriate allocation of the hire charges is made. At the close of the financial year the balance was £349,127, of which £345,360 related to the renewals and replacement section.

Discretionary power was provided under the Act for the investment of any balance and for the interest earned on investment to be credited to the Fund. So far, no part of the Fund has been invested.

*Commonwealth Aid—Havens, Wharves, Jetties, &c.*—Expenditure in relation to havens, wharves, and jetties is a Public Works Department responsibility and, by virtue of special provisions in the Commonwealth Aid Roads and Works Act of 1947 and the Commonwealth Aid Roads Acts of 1950, 1954, and 1959, certain funds have been made available for expenditure on this type of work. The projects are determined by the Minister.

During 1963-64, £196,652 was expended, making a total of £2,770,988 so applied since Commonwealth aid was first available from this source, viz., 1st July, 1947. The locations at which funds were expended during 1963-64 and other relevant particulars are—

	£
Altona .. .. .	2,984
Apollo Bay .. .. .	4,703
Bairnsdale .. .. .	636
Brighton .. .. .	704
Elwood .. .. .	426
Flinders .. .. .	25
French Island .. .. .	146
Gippsland Lakes .. .. .	18,295
Hampton .. .. .	1,241
Hastings .. .. .	1,732
Inverloch .. .. .	25
Lakes Entrance .. .. .	22,611
Lorne .. .. .	231
McCrae .. .. .	97
Mann's Beach .. .. .	20
Mentone .. .. .	1,457
Mordialloc .. .. .	8,446
Mornington .. .. .	3,704
Newhaven .. .. .	2,276
Point Lonsdale .. .. .	439
Port Albert .. .. .	3,839
Port Fairy .. .. .	12,588
Port Franklin .. .. .	140
Port Melbourne .. .. .	2,327
Port Phillip Bay .. .. .	290
Port Phillip Head .. .. .	272
Port Welshpool .. .. .	857
Portarlington .. .. .	9,938
Portsea .. .. .	1,107
Queenscliff .. .. .	26,674
Rhyll .. .. .	799
Rosebud .. .. .	1,151
Rye .. .. .	377
San Remo .. .. .	191
Sale Canal .. .. .	170
St. Kilda .. .. .	1,373
St. Leonards .. .. .	798
Stony Point .. .. .	4,584
Tooradin .. .. .	39
Warrnambool .. .. .	9,335
Werribee .. .. .	1,113
Westernport Bay .. .. .	540
Various Minor Works .. .. .	10,537
	<hr/>
Administrative Costs .. .. .	159,237
	37,415
	<hr/>
	196,652

### RAILWAY ACCOUNTS.

The *Railways (Funds) Act* 1961 relieved the Railways Commissioners of the liability for interest, sinking fund payments and exchange on moneys borrowed for the purposes of the *Railways Act* 1958; created in the Treasury Trust Fund an account called the Railway Equalization Account; and, in connexion with that Account, stipulated that, in any year in which railway income exceeded railway operating expenses, an amount equivalent to the excess was to be paid into the Account from Consolidated Revenue and that, in any year in which the opposite was the case, railway income was to be supplemented from any moneys standing to the credit of the Account.

In the year under review, railway income exceeded railway operating expenses by £370,379 and this surplus was, in accordance with the statutory provisions cited above, paid into the Railway Equalization Account.

#### REVENUE ACCOUNT.

Railway operations for the year as recorded in the Treasurer's Accounts are set out in Statement No. 6 of this report and for the purpose of ready reference are summarized hereunder:—

	£	£
Working expenses, &c. . . . .	43,219,522	
Renewals and Replacements Fund . . . . .	200,000	
Pensions and Superannuation contributions . . . . .	2,398,345	
	<hr/>	45,817,867
Transfer to Railway Equalization Account . . . . .	..	* 370,379
		<hr/>
		46,188,246
<b>This was provided by—</b>		
Railway Income . . . . .	..	45,931,636
General Revenue—		
For losses on Kerang-Koondrook line . . . . .	13,610	
For credit for country freight charge concessions . . . . .	143,000	
For concessions to pensioners . . . . .	100,000	
	<hr/>	256,610
		<hr/>
		46,188,246
		<hr/>

\* Available as required to meet Railway working expenses in future years.

According to the accounts in the Railway books, there was a surplus of £621,454. The Department's accounts are kept on an accrual basis. So, also, are the Treasury accounts for railway expenditure. However, Treasury accounts for income are mainly cash records. The net financial results for the year, as disclosed in the two accounting systems, are reconciled in the following statement:—

	£	£
Surplus, as shown in Treasury books . . . . .	..	370,379
Revenue outstanding (net) at—		
30th June, 1964 . . . . .	1,990,311	
30th June, 1963 . . . . .	1,739,236	
	<hr/>	251,075
		<hr/>
Surplus, as shown in Railway books . . . . .	..	621,454
		<hr/>

The above surplus was determined after adjustment of the amount of roundly £250,000 provided in excess, as at the close of the previous year, to meet liabilities under interstate settlements. Further, in connection with the surplus for the year, it should be pointed out that railway income includes a sum of £13,000 on account of transfers from the Level Crossings Fund as contributions towards the cost of maintenance of flashing light signals at level crossings. Such transfers are the subject of audit inquiry.

Collections on account of railway income, which are brought to account in the Treasury under Part II.—Railways, amounted to £46,188,246—an improvement of £2,127,119 on the estimate and an increase of £2,834,045 on the previous year.

The following dissection of earnings, taken from the Railway accounts, serves to show the trend under the principal heads in the past three years:—

	1961-62.	1962-63.	1963-64.
	£	£	£
Passengers .. .. .	12,479,530	12,519,527	12,568,521
Parcels, horses, carriages, &c. .. .. .	1,139,230	1,169,452	1,215,392
Mails .. .. .	264,856	277,358	306,240
Miscellaneous .. .. .	38,434	40,287	38,538
Goods and live stock, &c. .. .. .	25,733,328	26,538,937	29,365,423
Rents and general miscellaneous .. .. .	870,072	872,403	890,062
Dining car and refreshment rooms services .. .. .	1,528,118	1,501,498	1,481,910
Advertising .. .. .	99,986	105,060	109,271
Bookstalls .. .. .	403,582	414,104	413,954
Road motor services .. .. .	37,384	36,824	36,400
	42,594,520	43,475,450	46,425,711

Treasury recoups—£14,566 in 1961-62, £14,243 in 1962-63, and £13,610 in 1963-64 in accordance with the *Kerang and Koondrook Tramway Act 1951*, No. 5991—are not included in the above earnings.

Railway operating expenses comprising working expenses, superannuation contributions and pensions amounted to £45,817,867. This sum was in excess of the estimate by £1,042,318 and higher than the comparable expenditure for the previous year by £2,254,082.

In September, 1961, ten diesel locomotives were purchased on terms at an estimated cost of £943,780 including interest £106,720. Under the relevant agreement, the liability to the contractor is being met over a period of three years by regular instalments including principal and interest. Eight such payments amounting in all to £312,988 were made in 1963-64. The whole of the sum involved has been charged to "Working Expenses" with the result that no part thereof has been capitalized and included in the Balance Sheet.

The following comparative statement shows charges other than debt charges on general revenue due to railway operations during the past three years:—

	1961-62.	1962-63.	1963-64.
	£	£	£
Pensioners' Fares Concessions .. .. .	100,000	100,000	100,000
Freight Subsidies .. .. .	143,000	143,000	143,000
Recoups, Kerang-Koondrook Railway .. .. .	14,566	14,243	13,610
Charge on General Revenue .. .. .	257,566	257,243	256,610

The item "Pensioners' Fares Concessions—£100,000" is the amount of the payment to the Railways under the authority of the Annual Appropriation Act. The amount of these concessions has been calculated by the Department to be £179,219.

*Depreciation and Accrued Leave.*—As stated in previous reports, the Railway accounts do not disclose the full financial results. For example depreciation and accrued leave have not been fully provided for in the revenue accounts. Depreciation was assessed at £3,146,953 for the year, but the amount charged in the accounts was £299,541, i.e., part of the sum credited to the Renewals and Replacements Fund, leaving £2,847,412 unprovided for in the charge against revenue. The accumulated sum which has not been provided from revenue is £24,562,133. However, £2,195,577 has been received from sales of materials, &c., and the shortage in the fund has been more than overcome by loan allocations, £59,596,592, for replacement (rehabilitation) works. Accrued leave was reduced by 3,951 days in 1963-64, but the estimated liability increased from £1,663,518 as at 30th June, 1963, to £1,849,191 as at 30th June, 1964. There is no provision in the form of a reserve fund to meet the liability. Working expenses of the year in which the payments are made bear the cost of the annual leave accrued in previous years.

*Railway Renewals and Replacements Fund*.—Section 115 of the *Railways Act 1958* requires that there shall be paid annually into the fund a minimum sum of £200,000 and any other amounts provided by Parliament, in addition to the net proceeds from the sale of materials.

A summary of the 1963–64 transactions through the fund is as under:—

	£
Special Appropriation—Act No. 6355 .. .. .	200,000
Depreciation on rail motors and road motors, &c. .. .. .	99,541
Sundry sales and abolitions, &c. .. .. .	158,904
	458,445
Less renewals and replacements during the year .. .. .	458,445
Balance at 30th June, 1964 .. .. .	Nil

#### LOAN EXPENDITURE.

Principal items in the current *Railway Loan Application Act 1963*, No. 7071, are less in number than, and, in respect of two of the three such items, are different in description from those contained in each of the preceding *Railway Loan Application Acts*. Further, it is noticeable that the item, “Replacement (Rehabilitation) Works”, has been omitted from the current *Loan Application Act* and that each of the Items 1 and 2 in such *Act* includes authorities for expenditure on both renewals and capital works.

In the following comparative summary, the first three works classifications coincide with the descriptions in the current *Act*. The description, “Replacement (Rehabilitation) Works”, has been retained in the summary in order to show the expenditure on that Item in each of the preceding four years together with the final expenditure in 1963–64 of a like nature under the authority of the *Railway Loan Application Act 1962*.

Description of Works.	1959–60.	1960–61.	1961–62.	1962–63.	1963–64.
	£	£	£	£	£
Way and Works .. .. .	1,897,756	2,610,010	4,188,783	3,060,799	4,325,145
Rolling-stock, Equipment, &c. .. .. .	388,622	206,795	219,695	184,251	3,195,127
Construction of new lines .. .. .	138,861	172,895	250,974	211,513	159,150
Replacement (Rehabilitation) Works .. .. .	5,389,166	4,573,910	3,004,922	4,352,658	130,763
	7,814,405	7,563,610	7,664,374	7,809,221	7,810,185

#### BALANCE-SHEET.

An abridged statement of the balances in the *Railway accounts* as at 30th June, 1963 and 1964 is as under:—

	1963.	1964.
	£	£
Rolling-stock, Plant, &c., at cost less depreciation provided .. .. .	174,142,979	182,148,201
Stores and Materials .. .. .	3,844,222	3,739,174
Partly-manufactured Articles .. .. .	213,478	219,607
Refreshment Services, Stock and Equipment less provision for losses .. .. .	256,464	278,819
Discounts and Expenses on Loans .. .. .	2,410,517	2,537,383
Deferred Renewals, Replacements, and Maintenance Works .. .. .	525,000	525,000
Funds at Treasury—		
Railway Accident and Fire Insurance Fund .. .. .	100,000	100,000
Railway Charges in Suspense Account .. .. .	1,800,489	1,573,046
Railways Stores Suspense Account .. .. .	1,031,364	1,171,696
Railways Repayment Account .. .. .	2,860	3,818
Railway Equalization Account .. .. .	714,422	1,084,800
Advances to Agent-General .. .. .	64,477	117,784
Trust Securities .. .. .	1,795,758	1,591,032
Cash at stations and in transit .. .. .	330,330	236,380
Cash Advances .. .. .	150,135	193,866
Revenue Debtors .. .. .	1,681,145	2,024,842
Sundry Debtors .. .. .	673,341	956,243
Appropriation to Railway Equalization Account .. .. .	714,422	1,084,800
Accumulated loss .. .. .	66,096,268	65,474,814
	256,547,671	265,061,305



	1963.	1964.
	£	£
Loan Liability .. .. .	138,437,180	144,846,621
Funds for—		
Uniform Railway Gauge Works .. .. .	15,700,079	15,652,161
Level Crossings Fund—Act No. 6229 .. .. .	1,840,346	2,093,978
Other Special Purposes .. .. .	5,951,565	5,951,565
Special Works—Commonwealth Grant .. .. .	586,000	586,000
National Debt Sinking Fund Reserve .. .. .	19,081,975	20,559,669
Uniform Railway Gauge Sinking Fund Reserve .. .. .	99,921	147,839
Railway Accident and Fire Insurance Reserve .. .. .	100,000	100,000
Railway Equalization Reserve .. .. .	714,422	1,084,800
Advances from the Public Account .. .. .	442,104	642,021
Sundry Creditors .. .. .	3,245,536	3,251,877
Trust Securities .. .. .	1,798,618	1,594,849
Consolidated Revenue, &c. .. .. .	68,549,925	68,549,925
	256,547,671	265,061,305

N.B.—The total loan liability was reduced by the equity in the National Debt Sinking Fund.

*Railway Charges in Suspense Account.*—At 30th June, 1964, there was a credit balance of £1,573,046. Details are:—

	£
Credits—	
Salaries and Wages accrued .. .. .	938,579
Taxation Deductions, &c. .. .. .	221,643
Sundry Creditors for various services .. .. .	664,788
Revenue refunds and rebates due .. .. .	324,296
Amounts received in advance for works .. .. .	232,652
	2,381,958
Debits—	£
Expenditure on works for other bodies, &c. .. .. .	790,380
Sundry Debtors for sales and services .. .. .	35,937
	826,317
<i>Add</i> —Amount transferred from Income .. .. .	1,555,641
	17,405
	1,573,046

The item, “Expenditure on works for other bodies”, includes an amount of £120,968 on account of the rectification of the Spencer-street Station Building. The cost of this work is being temporarily borne by Railway Charges in Suspense Account pending settlement of insurance claims.

*Railways Stores Suspense Account.*—Section 111, *Railways Act 1958*. This account was established by statute in 1896. It is designed to provide financial control over the purchase and issue of stores and the stock on hand. To 30th June, 1959, Parliament had allocated £5,065,221 for the purposes of the account. However, a repayment of £565,221 to the Loan Fund in October, 1959, reduced the actual allocation to £4,500,000, which, as at 30th June, 1964, was represented by the following items:—

	£
Stock on hand .. .. .	3,739,174
Less Creditors for stores purchased .. .. .	530,795
	3,208,379
Railways equity in the stock .. .. .	104,955
Stores sold and proceeds not collected .. .. .	14,970
Advances to the Agent-General, London .. .. .	3,328,304
	1,171,696
Balance held at Treasury .. .. .	4,500,000

*Stock on Hand.*—£3,739,174.—This amount represents stock financed from the Suspense Account pending issues for works or purposes the expenditure on which is chargeable to Parliamentary appropriations.

In addition, there is a considerable quantity of stores the value of which is not included in the stock figures in the balance sheet. The cost of these stores is borne by funds provided for the works on which they are to be used.

The triennial stock-take was carried out at 30th June, 1963, and the results disclosed were satisfactory.

*Provision for Losses.*—Within the framework of the authorized account for the purchase and issue of railway stores, the Department has created a reserve by the allocation of receipts properly payable to other funds. The reserve, known as the “Stores Stock Equalization Account”, is used, *inter alia*, for writing off losses, writing down the recorded values of stores and for absorbing variations arising from the costing of articles manufactured in the departmental workshops.

Details of many of the transactions are not readily ascertainable as the entries in respect thereto are net figures. However, it has been possible to extract the following information from the account:—

Losses or reduction of values of stores .. .. .	£	21,997	£	..
Costing adjustments—				
Losses .. .. .	£	17,781	£	..
Profits .. .. .	£	..	£	16,863
Sales .. .. .	£	..	£	6,206
Other credits .. .. .	£	..	£	15,806
Debit balance 30th June, 1964, written off to Working Expenses .. .. .	£	..	£	903
		<hr/>		<hr/>
		39,778		39,778

*Discount and Expenses on Loans.*—The amount, £2,537,383, at which these capitalized costs of loan flotations appear among the debit balances, is higher than the previous year by £126,866. This is part of the loan liability but it is not represented by assets.

*Railway Accident and Fire Insurance Fund.*—The fund was originally established in 1891 as a Railway Accident Fund with provision for a reserve limited to £100,000. Amendments to the legislation instituted the Accident and Fire Insurance Fund and enlarged the range to be covered by the fund but did not increase the amount to be held in reserve.

The fund was preserved at the statutory limit of £100,000 by appropriation from revenue of £581,288 to meet the following expenditure in 1963-64. The expenditure in 1961-62 and 1962-63 is also shown:—

	1961-62.	1962-63.	1963-64.
	£	£	£
Damages recovered by non-employees at law .. .. .	7,437	27,339	16,066
Damages paid to non-employees without legal action .. .. .	11,923	7,425	24,954
Compensation for injuries to employees .. .. .	348,560	400,649	427,765
Compensation for goods lost or damaged .. .. .	98,463	94,170	94,869
Compensation for losses by fires caused by railway operations .. .. .	..	370	858
Losses by fire to railway property .. .. .	37,825	20,194	16,776
	<hr/>	<hr/>	<hr/>
	504,208	550,147	581,288

*Debtors.*—The amounts outstanding at 30th June, 1962, 1963 and 1964, are shown:—

	1962.	1963.	1964.
	£	£	£
Revenue services rendered .. .. .	1,672,132	1,681,145	2,024,842
Works .. .. .	487,519	512,770	790,380
Sales of general stores .. .. .	111,575	67,751	105,493
Sundry sales and services .. .. .	19,898	31,780	35,937
Sales of land .. .. .	87,472	61,040	24,433
	<hr/>	<hr/>	<hr/>
	2,378,596	2,354,486	2,981,085

*Creditors.*—A classification under broad headings at 30th June, 1962, 1963 and 1964 is shown:—

	1962.	1963.	1964.
	£	£	£
Stores purchased for railways .. .. .	415,340	450,284	530,795
Stores purchased for refreshment services .. .. .	37,627	28,589	31,309
Salaries and wages accrued .. .. .	671,278	623,644	938,579
Income Tax Commissioner, &c. .... .	272,113	451,051	221,643
Accounts for various services .. .. .	328,429	512,679	701,692
Revenue rebates and refunds .. .. .	457,377	660,519	324,296
Payments in advance for works .. .. .	232,859	246,530	232,652
Payments in advance for revenue services, &c. .. .. .	266,949	272,240	270,911
	<u>2,681,972</u>	<u>3,245,536</u>	<u>3,251,877</u>

*Advances from the Public Account, £642,021.*

Periodically, arbitrary adjustments between Railway Income and Treasury Advances are effected by withholding collections from the Treasury. During the year, by way of part adjustment, the sum of £346,800 was paid into the Advance Account from Railway Income.

As at the close of the year, the amount still to be adjusted was £17,405. However, this amount was offset by a like sum in the Treasury to the credit of Railway Charges Suspense Account.

*Level Crossings Fund.*—Moneys in the fund are applied towards, *inter alia*, “generally, reducing danger at level crossings”. The relevant legislation—Section 115 of Act No. 6229—does not exempt the Commissioners “from any liability to pay for such works in so far as moneys are not applied thereto from the said fund”.

The amount expended by the Commissioners, including £253,632 in the year 1963–64, was £2,093,978 to 30th June, 1964. This latter amount is in the balance-sheet as part of the total expenditure on capital works. As already indicated, a sum of £13,000 has been transferred from this fund to Railway Income.

*City of Melbourne Underground Railway.*—Act No. 6652 of the 15th June, 1960, authorized the construction of a railway to be called the City of Melbourne Underground Railway. For the purpose of preliminary expenditure on this project, Parliament authorized in the *Railway Loan Application Act* 1963 a sum of £50,000. Under this and prior authorities sums amounting to £92,834 had been expended up to and inclusive of 30th June, 1964.

*Electric Street Railways.*—The lines from Sandringham to Black Rock and from Head-street, Brighton, to Brighton Beach were closed to traffic in 1956–57; and the service on the Head-street–St. Kilda Station section ceased in 1958–59.

An amount of £67,397 on account of these closed lines is included in the figures for capital expenditure shown in the balance-sheet as at 30th June, 1964, and remains to be written off. This amount includes portion of a sum of £199,900 paid to the City of St. Kilda on 3rd March, 1959, in consideration of the Commissioners being wholly relieved of the liability for the reconstruction of roads after the dismantling of the railway in the municipality of St. Kilda.

## STATE COAL MINE—WONTHAGGI.

Under the provisions of the Coal Mines Act, the State Coal Mine is vested in the Railways Commissioners. The following statement summarizes the operations during the last four years as shown in the books of the Mine.

	1960-61.	1961-62.	1962-63.	1963-64.
	£	£	£	£
<b>Expenditure—</b>				
Working Expenses .. .. .	545,287	480,806	424,992	397,870
Contributions to Pension Funds .. .. .	43,900	46,977	46,996	43,975
Contribution to Accident Fund .. .. .	198	144	159	141
Pay-roll Tax .. .. .	11,461	9,831	8,950	8,655
Depreciation .. .. .	25,111	25,162	25,306	2,450
	625,957	562,920	506,403	453,091
Revenue .. .. .	347,405	259,124	238,355	240,404
Loss for year .. .. .	278,552	303,796	268,048	212,687

A comparison of revenue for the last four years is :—

	1960-61.	1961-62.	1962-63.	1963-64.
	£	£	£	£
Sale of Coal .. .. .	269,075	179,856	154,720	144,748
Electric Light and Power .. .. .	64,583	65,062	71,263	74,766
Miscellaneous .. .. .	13,747	14,206	12,372	20,890
	347,405	259,124	238,355	240,404

Operations in 1963-64 resulted in a loss of £212,687 compared with the loss of £268,048 in 1962-63.

The deficit on a cash basis in the Treasury was £205,916. The difference of £6,771 between the Treasury and the Mine's books at 30th June, represents unpaid accounts, coal on hand, &c.

As mentioned in earlier reports, the price for coal taken by the Railway Department for its own use or sale is fixed by the Commissioners on a formula based on results obtained from tests with New South Wales (Maitland) coal.

Disposals of coal in the period 1960 to 1964 are shown hereunder :—

	1960-61.	1961-62.	1962-63.	1963-64.
	tons	tons	tons	tons
Railway Department .. .. .	20,736	14,335	15,345	14,735
Electricity Commission .. .. .	29,523	19,319	14,917	11,860
Employees .. .. .	2,762	2,353	2,099	2,005
Public .. .. .	5,191	4,707	2,830	4,023
Used in Mine's Works .. .. .	14,097	13,155	14,293	13,561
	72,309	53,869	49,484	46,184

## BALANCE-SHEET.

A statement of the State Coal Mine balances at 30th June, 1963, and 1964, is as under :—

	1963,	1964.
	£	£
Works, Machinery, and Plant at cost, less depreciation .. ..	295,417	298,672
Stores and Materials .. .. .	22,163	19,910
Coal Stocks .. .. .	2,972	3,332
Discounts and Expenses on Loans .. .. .	641	641
Funds at Treasury—		
Depreciation Fund .. .. .	84,462	80,866
Trust Fund—Charges in Suspense .. .. .	4,687	6,418
Cash .. .. .	2,225	7,150
Deposits on Contracts .. .. .	2,184	2,273
Sundry Debtors .. .. .	27,759	23,533
Accumulated Loss .. .. .	4,593,928	4,806,615
	<hr/>	<hr/>
	5,036,438	5,249,410
National Recovery Loan (non-interest bearing) .. .. .	24,500	24,500
Advances from Public Account .. .. .	21,142	17,576
Sundry Creditors .. .. .	19,207	27,378
Depreciation Fund Interest Reserve .. .. .	104,135	106,585
Sinking Fund .. .. .	354,000	354,000
Advances from Consolidated Revenue .. .. .	4,513,454	4,719,371
	<hr/>	<hr/>
	5,036,438	5,249,410

## STATE RIVERS AND WATER SUPPLY COMMISSION.

*Country Water Supply.*

The State Rivers and Water Supply Commission, in its function of administering the Water Act, is responsible for the construction and maintenance of country water supply works. It is engaged not only in country water supply within the constituted districts; it has other duties which are unremunerative, such as investigations and research, and supervision of works for other bodies and persons. In addition, it is a constructing authority for the carrying out of works for the River Murray Commission.

*Revenue.*

A summary of the revenue from rates and charges for the supply of water for the period 1959-64, final figures being used except for the last year of the series, is furnished hereunder :—

	Amounts Collectable.			Amounts Credited.	Arrears as at 30th June.
	Water Sales and Miscellaneous.	Assessments of Rates and Charges.	Total Collectable Sum Including Arrears.		
	£	£	£	£	£
1959-60 .. .. .	938,906	1,921,926	3,383,553	2,803,879	579,674
1960-61 .. .. .	849,030	2,015,168	3,443,872	2,955,613	488,259
1961-62 .. .. .	1,178,191	2,304,217	3,970,667	3,362,773	607,894
1962-63 .. .. .	930,789	2,458,099	3,996,782	3,454,940	541,842
1963-64 .. .. .	1,007,917	2,525,286	4,075,045	3,527,986	547,059

The rates, with some minor exceptions, remained unchanged from the previous year. Of the total collectable sum, 86·5 per cent was received during the year, which was equivalent to the percentage collected in the previous year. In this connexion, it should be noted that amounts due for water sales do not bear interest until a date some months after the close of the year and, accordingly, consumers tend to defer payment of such amounts until late in the interest-free period. In the circumstances, a better indication of the degree to which collection is effected is obtained by a comparison of the sum of the collections on account of current rates and charges with the total amount assessed under those heads. On this basis, the percentage of collection was 94·3 per cent. in 1963-64 as compared with 92·9 per cent. in 1962-63.

A dissection of the collectable sum and the amount thereof owing at the 30th June, 1964, is given in the statement hereunder :—

	Total Collectable Sum.	Arrears 30.6.64.
	£	£
Irrigation Districts .. .. .	2,217,356	303,942
Waterworks Districts .. .. .	497,984	29,213
Urban Districts .. .. .	858,844	153,000
Flood Protection Districts .. .. .	44,937	2,301
Drainage Districts .. .. .	31,493	6,290
Coliban Districts .. .. .	275,010	48,615
Sundries .. .. .	149,421	3,698 (Approx.)

Other receipts on account of Consolidated Revenue are obtained by way of oncost and direct recoup from loan and other funds provided for expenditure on works and for other purposes.

These recoups were obtained as follows:—

	1961-62.	1962-63.	1963-64
	£	£	£
From Oncost—			
On loan expenditure at 8½ per cent. on £3,967,387 in 1961-62; and at 10 per cent. on £3,966,670 in 1962-63; and on £5,183,879 in 1963-64 ..	330,616	396,667	518,388
At various rates (1 to 6 per cent.) on loan expenditure of £659,196 in 1961-62; £811,516 in 1962-63; and £463,903 in 1963-64 .. .. .	26,630	37,771	26,167
On other funds .. .. .	18,233	15,279	12,991
From Repayments on account of works temporarily financed from Consolidated Revenue .. .. .	117,754	120,926	110,838
From Salary recoups—River Murray Commission and other funds ..	425,992	432,365	465,638
	<u>919,225</u>	<u>1,003,008</u>	<u>1,134,022</u>

The above summary discloses, in respect of revenue receipts from oncost charges on loan expenditure generally, that the raising of the rate from 8½ per cent. to 10 per cent. as from and inclusive of 1962-63 and the substantial rise in the amount of the loan expenditure in 1963-64, both contributed to the marked upward trend in the receipts from this source.

*Cash Summary.*—Details of the cost to the State in connexion with Country Water Supply are set out in Statement No. 7 appended to this report. A summary prepared on a cash basis for the period 1959-64 is given in the table hereunder:—

—	Receipts, Including Recoups.	Expenditure.			Cash Deficit.	Loan Expenditure.
		General.	Debt Charges.	Total.		
	£	£	£	£	£	£
1959-60 .. ..	4,127,683	3,887,812	5,063,370	8,951,182	4,823,499	7,166,562
1960-61 .. ..	4,283,539	4,014,607	5,483,647	9,498,254	5,214,715	8,094,984
1961-62 .. ..	4,865,633	4,251,415	6,053,361	10,304,776	5,439,143	7,955,704
1962-63 .. ..	5,009,175	4,293,185	6,500,947	10,794,132	5,784,957	8,053,886
1963-64 .. ..	5,388,935	4,396,488	6,799,643	11,196,131	5,807,196	8,294,343

NOTE.—The summary does not include expenditure amounting to £30,000 in 1961-62 and £12,555 in 1962-63 financed from Special Works Trust Account—Commonwealth Grant.

As the summary indicates, there was an increase in expenditure of £401,999 including an increase of £298,696 in debt charges offset by an increase in revenue of £379,760. Thus the net increase in the cash deficit as between 1962-63 and 1963-64 was £22,239.

*Works Expenditure.*—Included in the loan expenditure for the year shown in the foregoing statement, is a sum of £6,192,337 in respect of works undertaken by the Commission. The principal items were:—

		£
Irrigation Districts ..	Principally the remodelling and construction of main channels and drainage works .. .. .	1,897,288
Bellfield Reservoir ..	Construction of dam on Fyans Creek .. .. .	1,197,084
Mornington Peninsula System	Construction of Devilbend Creek Reservoir (£431,344) and extension of pipelines and reticulation .. .. .	1,070,704
Eppalock Reservoir ..	Construction of the pipeline to Bendigo and the remodelling of Campaspe Irrigation District Channels .. .. .	644,342
Other Storages .. ..	Principally Buffalo River Project (£359,846); also advances on account of land compensation payments for long term storage projects (£103,888) .. .. .	540,116
Other Main Urban Systems	Extension of pipelines and reticulation, &c., Coliban (£171,133); Otway (£144,838); and Bellarine Peninsula (£88,727) .. .. .	404,698

*Irrigation Districts Maintenance Equalization and Renewals Account.*—As at 1st July, 1959, this Account was established in the Treasury pursuant to the provisions of Section 68 of the *Water (Irrigation) Act 1959*, No. 6582. The main purpose of this Account was to have moneys set aside therein to defray, as required, the cost of maintenance and renewal works in irrigation districts. The Account is credited each year with a sum equivalent to the total of the cash surpluses, if any, as shown by the accounts of the respective irrigation districts at the end of the last preceding financial year. Further, pursuant to the provisions of the said Section 68, the Auditor-General is required to certify to such cash surpluses and it is within the discretion of the Treasurer whether the sum of the surpluses so certified shall be paid to the credit of the Account out of Consolidated Revenue or out of Loan Fund or partly out of each. In 1963–64, the necessary sum, £301,492 17s. 6d, was provided from Loan Fund.

*Stores Suspense Account.*—Up to and inclusive of 30th June, 1964, loan moneys amounting to £1,206,000 have been made available for the purpose of financing this Account.

In the Treasurer's Trust Fund statement, as at 30th June, 1964, the balance at credit of the Water Supply Stores Suspense Account is shown as £771,183. This amount is represented in the Commission's books by:—

	£	£
Balance available for purchases of stores, &c. .. .. .		376,166
<i>Plus Credit Balances of Plant Operating Accounts—</i>		
“Hire Plant” Accounts.. .. .	320,173	
Interest, Redemption and Administrative Account .. .. .	71,701	
Plant Operating Reserve Account .. .. .	3,143	395,017
Balance—Water Supply Stores Suspense Account .. .. .		<u>771,183</u>

The balances of the Plant Operating Accounts have reached the substantial figures shown as a result of credits from plant-hire charges made against works expenditure authorities.

Particular aspects of this Account, to which reference was made in my report for 1957–58, are in my view, still unsatisfactory.

As at the 30th June, 1963, the aggregate of the balances at credit of the several “Hire Plant” Accounts was £232,534, as compared with £320,173 as at the close of the year under review.

The balance, £3,143, at credit of the Plant Operating Reserve is the net result of the transactions recorded in the Reserve during the year, which are summarized hereunder:—

	£	£
Debit balance at 1st July, 1963 .. .. .		4,262
<i>Plus—</i> Part cost of operating Central Plant Workshops .. .. .	9,513	
Motor Vehicles Insurance paid on Hire Plant .. .. .	16,583	
Miscellaneous expenditure .. .. .	1,612	
Net miscellaneous adjustments .. .. .	572	28,280
		<u>32,542</u>
<i>Less—</i> Insurance provisions in Hire Rate .. .. .	16,776	
Net excess of provisions on Repairs and Maintenance in “Hire Plant” sold .. .. .	18,869	
Net profit on sale of spare parts .. .. .	40	35,685
		<u>3,143</u>
Credit balance at 30th June, 1964 .. .. .		<u>3,143</u>

In previous years, losses on sales of spare parts have been written off against the credits in this Account, e.g., in 1962–63, losses so adjusted amounted to £11,913. In this regard in previous reports, I have expressed the opinion that, unless the accounts within the Stores Suspense Account relating to the operation of plant and those recording the purchase and issue of stores are separated in the Treasurer's Accounts, substantial financial adjustments are possible without Treasury knowledge.



During the year, the credit balance in the Interest Redemption and Administrative Account was reduced from £87,158 to £71,701. The balance of this Account has accumulated as a result of the imposition of penalty rates, referred to by the Commission as "holding charges", to cover idle time and from excess provision in plant-hire charges for interest and redemption.

A summary of the transactions for the year under review is given hereunder:—

	£	£
Credit balance at 1st July, 1963 .. .. .	..	87,158
<i>Plus</i> —Interest and Redemption—		
Raised in Hire Charge .. .. .	63,241	
One-half of Holding Charge .. .. .	22,485	
Transfer of amounts raised on Motor Vehicle Hire from 1960–61 previously credited to Plant and Machinery Depreciation Fund .. .. .	61,599	
	<hr/>	147,325
		<hr/>
<i>Less</i> —Payment of Interest and Redemption on Capital Liability ..	51,482	
Recoup of Salaries of Mechanical and Plant Section ..	11,300	
Transfer to Loan Fund Credit Account .. .. .	100,000	
	<hr/>	162,782
		<hr/>
Credit balance at 30th June, 1964 .. .. .		71,701
		<hr/>

As shown in the preceding summary, the credits from the interest redemption and administration component of "hire charge" earnings amounted to £63,241. This sum was in excess of that for the previous year by £24,663. Two of the factors which contributed to the increase were:—

- (i) the interest and redemption content in the amount, £17,484, derived from Motor Vehicle hire charges was, in 1963–64, retained in the Account whereas, in the previous year, the amount received from this source was credited to the Plant and Machinery Depreciation Fund;
- (ii) the amount raised from "Tractor Hire" increased by £6,112 as a result of an addition to the Commission's tractor fleet and the greater use made of these tractors on construction projects.

It was observed that the sum, £61,599, made up of the amounts raised by way of "hire charge" for interest and redemption in the period 1960–61 to 1962–63 inclusive and transferred from the Account to the Plant and Machinery Depreciation Fund was brought back in 1963–64 to the Account and that, from the consequential credit, an amount of £100,000 was transferred to Loan Fund Credit Account.

*Stores.*—According to Commission records, the book values of plant, tools and general stores at the 30th June, 1964, were:—

	Plant.	Tools and Stores.
	£	£
At Construction Works .. .. .	98,299	203,852
Stores Suspense Accounts (Depots) .. .. .	121,675	605,386
At Central Plant Workshops (Suspense Accounts) .. .. .	2,674	120,063
At Central Plant Workshops pending transfer or disposal .. .. .	32,190	39,428

NOTE.—The above figures do not include the value of "Hire" Plant and Machinery.

Financial adjustments on account of net deficiencies, losses on realization, unserviceable goods and depreciation were made to the accounts of the respective projects or districts concerned and to the accounts within the Water Supply Stores Suspense Account.

Reference was made in a previous report to a specific loss on the sale of certain stores. As yet, the method of accounting for losses of this nature in the Treasury and Commission financial records has not been determined.

*Plant and Machinery.*—Expenditure from loan funds during the year for the purchase of movable plant and machinery to be engaged on the construction and maintenance of the works of the Commission totalled £163,648. The capital liability at 30th June, 1964, in respect of this plant and machinery was £1,611,034.

Under the provisions of the Water Act, the cost of this plant and machinery is not charged directly to any district, but, when used on construction and maintenance works, a charge for depreciation is made and the amount is paid to the Water Supply Plant and Machinery Depreciation Fund. At 30th June, 1964, the balance in the Fund for the replacement of hire plant and machinery was £1,158,775.

Measurement of the adequacy of the Fund for the purposes for which it was established requires information relating to the cost of the "hire plant" which is not readily available from the Commission's financial records.

*Depreciation—Works—Water Supply Works Depreciation Fund and Account.*—Pursuant to the provisions of Section 83 of the *Water Act* 1958 as amended, the Commission is required to raise, by means of annual rates and charges, moneys to provide for the replacement of any machinery, plant, or perishable structures comprising the works of the constituted districts with the exception of irrigation districts.

The sums raised in the annual rates and charges for depreciation must be paid into Consolidated Revenue or, to the extent the Treasurer directs, to the Water Supply Works Depreciation Fund. Also, the sums raised (with interest credited thereon) must be shown in the Commission's books to the credit of the Water Supply Works Depreciation Account.

The amount raised for credit to the Water Supply Works Depreciation Account in 1963–64 was £195,985, which included £998 on account of Eildon sewerage. On the other hand, in recent years, no payment has been made to the Fund nor has any part of the Fund been invested. As at 30th June, 1964, the balance of the Fund was £1,585. At the same date, the balance of the Account was £1,355,866 including £6,375 in respect of Eildon Sewerage.

It should be explained that, actually, expenditure authorities have already been issued by the Commission in respect of the whole of the balance at credit of the Fund.

*Rivers and Streams Fund.*—This Fund operates pursuant to the provisions of the *River Improvement Act* 1958.

Payments into the Fund totalled £52,548 and expenditure amounted to £35,714. The balance at the close of the year was £158,873.

*River Murray Commission.*—The agreement made under the provisions of the *River Murray Waters Act* (No. 2596) provides for the construction of works on the River Murray and for the appointment of the River Murray Commission to give effect to the agreement. The State Rivers and Water Supply Commission which is a constructing authority under the terms of the Act, incurred expenditure on these works amounting to £48,801.

In 1963–64, under the authority of Water Supply Loan Application Acts Nos. 6934 and 7056, Victoria contributed £120,000 for the construction of works, bringing the State's total contribution for construction as at 30th June, 1964, to £5,601,195. Also, £63,000 was contributed for maintenance and administrative expenses during 1963–64.

The books and accounts of the River Murray Commission are subject to audit by the Commonwealth Auditor-General.

*State Rivers Agency Trust Account.*—This Account was established by the Treasurer under the authority of Section 8 of the *Public Account Act* 1958 to record contributions by other bodies towards the costs of works carried out by the Commission. In the year, contributions amounted to £118,912 and expenditure, including refunds of contributions, amounted to £111,194. The balance in the Account at the close of the year was £71,716.

*Waterworks Trusts.*—Supervision of Waterworks Trusts is vested in the State Rivers and Water Supply Commission. The accounts of the Trusts are required by Section 169 of the *Water Act* 1958 to be audited by my officers.

Funds for capital works by the Trusts have been provided principally by advances made available by the State. Works have also been financed from the Trusts' own resources and, in recent years, from debenture loans raised under the provisions of the Act. In terms of an item in the annual Appropriation Act, interest in excess of 3 per cent. on debenture loans is recouped to Trusts by the State. Expenditure under this heading for the year was £19,353.

In 1963–64, advances to various Trusts by the State amounted to £1,226,590. Repayments by Trusts on account of advances amounted to £55,312, and certain Trusts were relieved of liability to the extent of £246,829. This sum, by direction of the Governor in Council, is to be borne by the State. The net increase during the year in the Trusts' indebtedness for State loans was £924,449.

Under the authority of an item in the annual Appropriation Act, country town water supply authorities are, subject to certain conditions, subsidized where the effective water rate exceeds the equivalent of 3s. 6d. in the £1 of net annual valuation. Under this authority, six Waterworks Trusts were so assisted in 1963–64 and the total amount involved was £2,021.

*River Improvement Trusts.*—To 30th June, 1964, 20 River Improvement Trusts and 4 Drainage Trusts had been constituted under the River Improvement Act.

The Act authorizes the Trusts to borrow money to finance works construction, and to raise revenue to meet maintenance and administration costs on similar conditions to those operating for Waterworks Trusts. Interest in excess of 3 per cent. on debenture loans raised by Trusts is recouped by the State. The amount provided by the State in 1963–64 for this purpose was £1,969.

Advances by the State in 1963–64 totalled £220,000. Repayments in respect of advances amounted to £771 and the Trusts were relieved of liability to the extent of £278,840 which the Governor in Council directed to be borne by the State, so that the net decrease in the Trusts' indebtedness for State loans was £59,611.

*Country Sewerage.*—In addition to its function of administering the Water Act, the Commission exercises general supervision over sewerage authorities.

Funds for capital works by the Authorities have been provided by advances made available by the State. Works have also been financed by the Authorities from private loans raised under the provisions of the Sewerage Districts Act. Interest in excess of 3 per cent. on such loans is recouped to Authorities by the State. Expenditure under this heading for the year was £343,191.

Advances by the State in 1963–64 totalled £475,000. Repayments in respect of advances amounted to £6,262 and the Authorities were relieved of liability to the extent of £383,916 which the Governor in Council directed to be borne by the State so that the net increase in the Authorities' indebtedness for State loans was £84,822.

In addition, the State advanced £325,000 to the Latrobe Valley Water and Sewerage Board for works for the supply of water, the treatment or disposal of waste, and the extension of the Latrobe Valley outfall pipeline beyond Rosedale.

*Eildon Sewerage District.*—During the year, the Commission continued to exercise and discharge the powers and duties of the Eildon Sewerage Authority. Expenditure on the sewerage works amounted to £249,905 of which £103,800 only was allocated as the capital liability of the sewerage district.

Rates and miscellaneous charges levied in 1963–64 totalled £7,309 of which £6,778 or 92.7 per cent. was paid during the year. Costs chargeable to the district amounted to £6,290 plus depreciation £998.

## TRUST AND SPECIAL ACCOUNTS.

Itemized Trust Funds and Special Accounts are included in the Treasurer's Finance Statement. The balances of all funds and accounts are held by way of investment or on general account and the operations of many are regulated by statute. The transactions recorded annually are numerous and, in total, of considerable magnitude, debits to all funds and accounts aggregating in 1963-64, £181,299,045 and credits, £181,823,077.

Statement No. 4 of this report summarizes the State's liability in respect of trust moneys and securities lodged with the Treasurer.

Several new funds and accounts were opened during the year under the heads shown and for the purposes indicated hereunder.

Account or Fund.	Purpose for which Established.	1963-64.		Balance 30th June, 1964.
		Debits.	Credits.	
		£	£	£
Burnley Horticultural College Scholarship Account.	To account for income from investments of endowments provided for the establishment of Scholarships at the Burnley Horticultural College.	..	3	3
Commonwealth Dairy Research Grant.	To account for Commonwealth moneys allocated to the Victorian Department of Agriculture for approved research projects in terms of the <i>Dairy Produce Research and Sales Promotion Act 1958</i> .	30,908	36,108	5,200
Kings Bridge Restoration Trust Account.	Established to receive an <i>ex-gratia</i> payment of £250,000 on behalf of three Companies and to account for any further sums received by the State in consideration of the failure of the King Street Bridge. (For further details in respect of this bridge, see other Sections of this report).	83,739	250,000	166,261
Mrs. Marlene Joyce Barbour and Dependants Trust Account.	Established to account for moneys set aside from the Victorian Bush Fires Relief Account to provide a fund for the payment of a living allowance to Mrs. Barbour on behalf of herself and children consequent upon the death of her husband, an officer of the Healesville Fire Brigade, who was fatally injured while engaged on bush fire duty in 1962.	5,736	10,887	5,151
Mt. Buller Committee of Management Works Trust Account.	To account for advances which are being made from the State's Loan Fund to the Mt. Buller Alpine Resort Committee of Management to enable it to meet the cost of water supply works being constructed within its reserve, and on its behalf, by the Forests Commission and the Public Works Department.	18,439	18,549	110
Probate Duty Prepayment Account.	Established pursuant to the provisions of the <i>Probate Duty Act 1962</i> , to receive prepayments of Probate Duty in accordance with Section 39 of that Act.	..	11,500	11,500
Wheat Stabilization Disposal Account.	Established to account for the amount allocated to Victoria in terms of the Commonwealth's <i>Wheat Industry Stabilization Fund (Disposal) Act 1962</i> .	..	55,120	55,120

By direction of the Treasurer under the authority of sub-section (4) of Section 8 of the *Public Account Act* 1958, several Trust Accounts, in respect of which appropriate particulars are given hereunder, were closed as at 30th June, 1964 :—

Account.	Balance as at date of closing.	Remarks.
Commonwealth—State Flood Protection and Restoration Account	£ 10,194	This account was established in 1957. Funds were provided on a £1 for £1 basis by the Commonwealth and the State. The State's contribution was provided from the Loan Fund. The Commonwealth's equity in the balance of the Fund was repaid in 1960–61. Thus, the balance as shown was the property of the State and, accordingly, was repaid to Loan Fund Credit Account.
Decentralized Industry-Yea Account	156	<p>This account was created in 1954–55 to receive instalments of principal in respect of a sale by the Treasurer, as mortgagee in possession, of a plaster factory at Yea.</p> <p>An amount equivalent to the mortgagor's liability to the State was transferred from this account in 1957–58 to Consolidated Revenue. Thus, the balance shown was the residue of the proceeds of the sale and was due to the proprietor. However, efforts to contact him have been unsuccessful and the balance in question was transferred to Consolidated Revenue.</p>
Elwood—Point Ormond Land Sales Account	8,569	Established by Item 7 of the <i>Surplus Revenue Act</i> 1904. There have been no transactions on this account since 1922 and the balance as shown was, in the circumstances, transferred to Consolidated Revenue.
Streams Erosion Protective Works Account	1,099	<p>This account was opened in 1939–40 to record transactions in relation to works for the checking and prevention of erosion of the banks of the Avon River and Wodonga Creek.</p> <p>Works within the scope of the account have been completed and there have been no operations on the fund since 1948–49.</p> <p>Funds credited to the account were provided from various sources and, in view of the lapse of time since its establishment and the difficulty in ascertaining the exact sources of moneys, the balance was transferred to Consolidated Revenue.</p>
Unclaimed Interest on London Loans Account Matured Securities Unclaimed Account	1,468 } 6,811 }	<p>These unclaimed moneys are in respect of State Securities which were raised in London prior to the Commonwealth—States Financial Agreement, and which have been retained in Trust Fund pending claims by stockholders.</p> <p>No claims had been received on these accounts since 1955–56 and, consequently, they came within the category of moneys unclaimed over six years and were transferred to Consolidated Revenue.</p>

For convenience in explaining the funds and accounts within the Trust Fund, the relevant figures for 1963-64 are set out under broad classifications in the table below:—

	Balance Forward. General Account. <i>Investments.</i>	1963-64.		Balance 30th June, 1964. General Account. <i>Investments.</i>
		Debits.	Credits.	
	£	£	£	£
Compensation and Insurance .. .. .	14,850,425	16,258,536	15,563,642	14,155,531
	1,539,384	..	1,250,000	2,789,384
Superannuation and Pension .. .. .	438,868	1,688,528	2,353,989	1,104,329
	12,675,490	1,231,994	702,058	12,145,554
Depreciation .. .. .	1,260,521	1,279,968	1,319,313	1,299,866
	932,650	..	..	932,650
Deposit .. .. .	382,022	125,401	192,749	449,370
	210,176	321	321	210,176
Railways.. .. .	3,566,165	54,131,796	54,416,021	3,850,390
Commonwealth .. .. .	2,116,345	37,003,180	37,313,058	2,426,223
Commonwealth-State .. .. .	336,547	209,312	195,942	323,177
Other—Regulated by Statute .. .. .	8,354,392	63,343,054	62,397,285	7,408,623
	355,400	1,230	4,400	358,570
Other—Not Regulated by Statute .. .. .	698,017	5,998,939	6,075,936	775,014
	47,629	23,360	5,790	30,059
Securities Lodged with Treasurer .. .. .	32,003,302	180,038,714	179,827,935	31,792,523
	15,760,729	1,256,905	1,962,569	16,466,393
	7,547,138	3,426	32,573	7,576,285
	32,003,302	180,038,714	179,827,935	31,792,523
	23,307,867	1,260,331	1,995,142	24,042,678
	55,311,169	181,299,045	181,823,077	55,835,201

### Compensation and Insurance.

Certain major funds and accounts included in this group are discussed in this report under appropriate departmental headings at the pages shown hereunder:—

Fund or Account.	Page Reference No.
Closer Settlement Insurance Fund .. .. .	55
Railway Accident and Fire Insurance Fund .. .. .	66
State Accident Insurance Fund .. .. .	93
State Motor Car Insurance Fund .. .. .	95

Other principal items in the group are commented upon below:—

*Government Buildings Fire Insurance Fund.*—Provision for the cost of restoring buildings destroyed or damaged by fire is made under two schemes, viz., the Government Buildings Fire Insurance Fund, and the Government Buildings Fire Insurance Pool. These schemes do not apply to properties owned by the Railways Commissioners for which separate provision is made under the Railway Accident and Fire Insurance Fund.

The Government Buildings Fire Insurance Fund was set up under the Special Funds Act, No. 2297 of 1910, by the transfer of £15,000 from the Assurance Fund. That Act provides also for a yearly charge against revenue of £2,000, and for the crediting of the Fund with the interest on the balance of the Fund in excess of £15,000. Initially, this was considered to be sufficient provision for costs resulting from the restoration of buildings damaged by fire, but, in 1942–43, it was deemed necessary to increase the Fund to £100,000. In recent years, additional contributions totalling £647,000 have been provided from Consolidated Revenue.

The following statement shows expenditure from the Fund and the balances at credit thereof from 1959–60 to 1963–64:—

Year.	Expenditure.	Balance at 30th June.		
		Investments.	Cash.	Total.
	£	£	£	£
1959–60.. .. .	48,934	35,000	278,543	313,543
1960–61.. .. .	78,773	35,000	453,215	488,215
1961–62.. .. .	69,756	35,000	387,208	422,208
1962–63.. .. .	49,159	35,000	341,800	376,800
1963–64.. .. .	14,598	35,000	330,951	365,951

In terms of the Act establishing the Fund, the present cash balance in excess of £15,000 should be invested, but, on past experience, a maximum of £15,000 available cash is insufficient for current requirements. However, prudent management of a fund of this nature requires that cash balances be invested to the maximum extent possible in order to obtain additional income to meet claims and to assist in maintaining the capital of the Fund.

Application of the Fund is restricted to buildings, no provision being made in regard to stores, equipment or the contents of buildings. As stated in previous reports, a revision of the 1910 Act is desirable.

*Estate Agents Guarantee Fund.*—Under the provisions of the *Estate Agents Act* 1958, this Fund is available to meet claims for losses incurred due to the non-compliance with certain provisions of the Act by any holder of an estate agent's licence, current at the date on which the cause of action originated, or the employee or sub-agent of such licence holder.

Funds are provided from fees charged for estate agents' and sub-agents' licences and the legislation requires the payment to Consolidated Revenue of any balance in excess of £25,000 at credit of the Fund at the close of the financial year.

Receipts for the year, including £6,667 recouped from certain estate agents, totalled £59,009 and claims paid amounted to £27,313. The surplus of £31,696 on the year's operations was transferred to Consolidated Revenue leaving the statutory maximum in the Fund, namely, £25,000.

*Motor Car (Hospital Payments) Fund.*—The revenue of this Fund is derived from an amount of 1s. 9d. deducted from each premium paid under the third party insurance provisions of the *Motor Car Act 1958*. An annual distribution is made to public hospitals in respect of motor accident cases where costs of treatment exceed the amounts received on behalf of the patients concerned.

Receipts and payments from the Fund since its inception are :—

Year.	Receipts.	Payments.	Balance.
	£	£	£
1940-58 .. .. .	662,089	584,007	78,082
1958-59 .. .. .	68,279	78,050	68,311
1959-60 .. .. .	75,449	68,279	75,481
1960-61 .. .. .	77,984	75,448	78,017
1961-62 .. .. .	81,086	77,984	81,119
1962-63 .. .. .	85,569	81,085	85,603
1963-64 .. .. .	91,435	85,569	91,469

#### Superannuation and Pension.

The major funds included in this group are the Police Superannuation Fund, Police Pensions Fund, Parliamentary Contributory Retirement Fund, Parliamentary Superannuation Fund and the Port Phillip Pilot Sick and Superannuation Fund. The Superannuation Fund and the Married Women Teachers' Pensions Fund do not form part of the Public Account and reference to these latter funds will be found in the supplementary report on the accounts of certain statutory bodies which I am required by law to audit.

*Police Superannuation Fund.*—This Fund is the source from which pensions are payable in respect of members of the Police Force who were appointed before 25th November, 1902.

Contributions by the State and all penalties and damages awarded to members of the Force are credited to the Fund, together with a statutory annual contribution of £23,000 from the Licensing Fund. The State's contribution is fixed at £2,000 annually, plus any further amount directed by Parliament to be applied to the liquidation of pensions authorized. No additional contribution was provided in 1963-64. Penalties and damages awarded amounted to £48,900, the sum of £528 was received from fines imposed upon members of the Force, and interest on the sum invested amounted to £16,275.

Pension payments from the Fund totalled £18,214 which was £3,112 less than the figure for the previous year.

There is a continuing diminution in the annual commitments of the Fund, and, as a result, the balance at credit of the Fund is progressively increasing. For this reason, consideration might be given to the necessity for legislative action to have part of the receipts of this Fund diverted to some other fund.

The unexpended balance of the Fund at 30th June, 1964, was £553,186, including investments, £306,125—(Face value, £310,000).

*Police Pensions Fund.*—With respect to members of the Police Force appointed after 25th November, 1902, this Fund was, until 1st February, 1964, the sole statutory fund out of which pensions or gratuities were payable. Into this Fund were paid the State's contributions, interest on investments and the appropriate deductions from the pay of members of the Force. The State's contribution was fixed at £50,000 annually, together with such additional amount as the Government Statist certified would ensure that the assets of the Fund were sufficient to meet all current and future liabilities. In 1962-63, the additional provision amounted to £15,000 but, in 1963-64, in view of amending legislation as outlined hereunder, no such additional contribution was made by the State.

As from 17th December, 1963, the *Superannuation Act 1963*, No. 7081 was proclaimed to operate. This Act, *inter alia*, altered the law relating to the superannuation rights of members of the Police Force and, in this regard, provided that, as from the appointed



date—fixed later as 1st February, 1964—and subject to certain conditions, members of the Police Force, with some exceptions, could elect to become officers under the *Superannuation Act* 1958 and thereby become participants in the State's main superannuation scheme administered by the State Superannuation Board.

For the purpose of giving practical effect to the transfer of members of the Force from the Police pensions scheme to the State superannuation scheme, the enabling legislation contains the necessary terms in detail. These terms have direct application to "electing members" of the Police Force, that is, members of the Force who elect to make the above-mentioned change and, consistently, specify the conditions under which such "electing members" become participants in the State superannuation scheme. Accordingly, these particular terms are the subject of explanation under the heading of "Superannuation Board" in my Supplementary Report which is now in the course of preparation for presentation to the House. However, the practical application of these terms has also had an effect on the operations of the Police Pensions Fund, and this effect will be even greater in the next succeeding financial year. For instance, the election period in terms of the Act extended from the first day of February to the thirtieth day of April, 1964, inclusive, and, consequently, salary deductions of "electing members" were not payable to the State Superannuation Fund until late in the financial year, viz., the first pay day in May, 1964.

It should also be mentioned that, in respect of certain "electing members", there were to be transferred from the Police Pensions Fund to the Superannuation Fund such moneys and securities (if any) as were certified by the Government Statist to be appropriate in all the circumstances. On the other hand many "electing members" were entitled to receive from the Police Pensions Fund refunds of their rateable deductions and to commence anew as officers pursuant to the provisions of the *Superannuation Act* 1958 as amended by the *Superannuation Act* 1963.

As to the two statutory arrangements, as aforesaid, no transfers of moneys or securities were made in the year under review but, in terms of the amending Act, refunds of rateable deductions were made to the total value of £111,192.

The comparative summary of the Police Pensions Fund for the past two years indicates the effect which the legislation outlined above has had so far on the receipts and disbursements of this Fund :—

—	1962-63.	1963-64.
<i>Receipts.</i>	£	£
Deductions from pay .. .. .	238,469	229,262
Deductions repaid by ex-officers on reinstatement ..	343	..
Contributions from Consolidated Revenue .. .. .	65,000	50,000
Interest on Investments .. .. .	559,075	576,839
Surplus on disposal of investments .. .. .	..	31,453
Balance in hand—1st July, .. .. .	11,879,400	12,001,183
	12,742,287	12,888,737
<i>Disbursements.</i>		
Pensions .. .. .	697,528	734,267
Gratuities .. .. .	24,847	22,850
Deductions refunded—on resignation .. .. .	18,729	20,634
Deductions refunded—on Transfer to the State Superannuation Scheme .. .. .	..	111,192
	741,104	888,943
Balance, 30th June, .. .. .	12,001,183	11,999,794
Represented by :—		
Investments .. .. .	*11,957,445	*11,238,245
Cash .. .. .	43,738	761,549
	12,001,183	11,999,794

\* Face Value of Investments 1962-63, £11,961,850; 1963-64, £11,242,650.

It will be noted that there was a surplus for the year on the "disposal of investments" amounting to £31,453. This surplus was the result of a sale to the State Superannuation Board of State Electricity Commission Inscribed Stock with a face value of £300,000. Also, during the year, cash was received on redemption of Commonwealth Government Inscribed Stock amounting to £419,200. The proceeds arising from these transactions provided the necessary liquidity for meeting the claims of those "electing members" of the Force who desired and were entitled to refunds of rateable deductions.

At 30th June, 1964, the remaining investments of the Fund comprised Commonwealth Government Inscribed Stock, £8,535,750, and securities of the Melbourne and Metropolitan Board of Works, £900,000, Melbourne and Metropolitan Tramways Board, £155,000, State Electricity Commission, £1,201,900, Gas and Fuel Corporation, £405,000, and the Melbourne Harbor Trust, £45,000.

*Parliamentary Contributory Retirement Fund.*—The Constitution Act Amendment Act 1958, as amended from 6th January, 1963, by the *Parliamentary Contributory Superannuation Act 1962* (No. 6968), limits payment of benefits from this Fund to persons who, before 6th January, 1963, ceased to be members of the Parliament of Victoria, or to the widows or personal representatives of deceased members or ex-members who were in receipt of a pension.

As from the same date, also as a result of the amending legislation, the only credit in this Fund available for meeting benefits payable is that specially provided for the purpose from Consolidated Revenue. The amount so provided in 1963-64 was £51,420.

*Parliamentary Superannuation Fund.*—This Fund was established pursuant to the provisions of the *Parliamentary Contributory Superannuation Act 1962*, which came into operation as from 6th January, 1963. In terms of the Act, members are required to contribute to the Fund by way of deduction from salary and, to the extent necessary, Consolidated Revenue may be applied for the purpose of meeting the benefits under the Act. These benefits are payable to persons who, after 6th January, 1963, ceased to be members of the Parliament of Victoria or to the widows or personal representatives of deceased members or of ex-members who were receiving benefits at the time of death.

Transactions during 1963-64 in respect of this Fund were :—

	£	£
Balance 1st July, 1963 .. .. .		126,048
Receipts—		
Members' Contributions .. .. .	25,730	
Interest on Investments .. .. .	2,245	
	—————	27,975
		—————
		154,023
Payments—		
Pensions .. .. .		1,985
		—————
Balance 30th June, 1964 .. .. .		152,038
Represented by—		
Investments (Face Value £132,090) .. .. .		131,996
Cash .. .. .		20,042
		—————
		152,038

*Port Phillip Pilot Sick and Superannuation Fund.*—To provide retiring and sick pay benefits to sea pilots of the port of Port Phillip, the *Marine Act 1958* provides that, before the division of the Pilots' Salary Fund is made, there is payable to the Port Phillip Pilot Sick and Superannuation Fund 6 per cent. of the amount at credit of the said Salary Fund. The Governor in Council is empowered to increase or decrease this percentage by not more than 2 per cent. Provision is made for moneys in the Fund to be invested.

The following summary sets out the transactions in the Fund during 1963-64 :—

Balance 1st July, 1963—	£	£	£
Investments .. .. .	403,639		
General Account .. .. .	40,473		
	<hr/>	444,112	
<b>Receipts—</b>			
Deductions from Earnings .. .. .		30,704	
Interest on Investments .. .. .		21,739	
		<hr/>	496,555
<b>Payments—</b>			
Pensions .. .. .		23,870	
Actuarial Valuation of Fund .. .. .		110	
		<hr/>	23,980
<b>Balance 30th June, 1964—</b>			
Investments .. .. .		460,814	
General Account .. .. .		11,761	
		<hr/>	472,575
			<hr/>
			496,555
			<hr/>

Investments comprise inscribed stock of the Commonwealth Government, £140,550, the State Electricity Commission, £177,250, the Melbourne and Metropolitan Board of Works, £47,300, the Melbourne Harbor Trust, £20,000, and a Registered First Mortgage over the Pilot Vessel "Akuna", £75,714.

### Depreciation.

Comments on the following funds under this classification are furnished at the pages shown :—

Fund.	Page Reference No.
Forests Plant and Machinery Fund .. .. .	47
Printing Machinery Depreciation Fund .. .. .	49
Public Works Plant and Machinery Fund .. .. .	60
Railway Renewals and Replacements Fund .. .. .	64
Water Supply Plant and Machinery Depreciation Fund .. .. .	74
Water Supply Works Depreciation Fund .. .. .	74
Irrigation Districts Maintenance Equalization and Renewals Account .. .. .	72

The Maffra Sugar Factory Depreciation Fund, with a balance of £4,650, consisting entirely of investments, is also included in this group. The purpose for which this Fund was established ceased to exist many years ago and moneys at credit of the Fund are being progressively transferred to Consolidated Revenue in accordance with a direction of the Treasurer.

During the year, an amount of £163, representing interest on investments, was so transferred.

### Deposit.

Items under this heading comprise securities lodged by Insurance and Trustee Companies, £70,000; Contractors and Timber Cutters deposits, £199,101; Municipalities Loan Repayment Account, £357,595, which includes investments totalling £140,176; Sundry Investments—Interest Account, £32,277, and State Coal Mines Deposit Account, £573.

### Railways.

The following major items in this group are discussed at the pages shown :—

	Page Reference No.
Railway Charges in Suspense Account .. .. .	65
Railway Stores Suspense Account .. .. .	65
Railway Equalization Account .. .. .	62

### Commonwealth.

The Treasurer is empowered by Act No. 6345 to credit suitable accounts in the Trust Fund with special grants made pursuant to any Commonwealth Act and to authorize expenditure therefrom for the purposes prescribed in such Commonwealth Act.

Certain accounts record the receipt of moneys from the Commonwealth for specific purposes and their transmission to particular public bodies for disbursement. The major accounts in this category and the references to the public bodies concerned are listed below :—

Account.	Public Body.	Page Reference Number, &c.
University (Commonwealth Subsidy) Account ..	University of Melbourne	41
Monash University (Commonwealth Subsidy) Account	Monash University ..	43
Commonwealth-State Housing Trust Account ..	Housing Commission ..	See Supplementary Report

The following funds are discussed under the departments and public authorities associated with their administration.

Fund.	Page Reference No.
Commonwealth Aid Roads Nos. 1 and 3 Accounts .. ..	97
"    "    "    No. 2 Account .. ..	60
Rural Rehabilitation Fund—See under Rural Finance and Settlement Commission in Supplementary Report.	

Other funds in this group are :—

*Commonwealth Pharmaceutical Benefits Trust Account.*—Under the provisions of the National Health Act, the Commonwealth Government makes advances from time to time for the reimbursement to public hospitals and the Mental Hygiene Authority of the cost of pharmaceutical benefits supplied. The basis of reimbursement under the Act is determined by the Commonwealth Minister of Health.

The following statement sets out the transactions of the Account during the years 1962-63 and 1963-64 :—

	1962-63.	1963-64.
	£	£
Balance 1st July .. .. .	3,091	190
Received from Commonwealth during the year .. ..	1,680,000	2,150,000
Reimbursements to Public Hospitals, &c. .. ..	1,683,091 1,682,901	2,150,190 2,054,019
Balance 30th June .. .. .	190	96,171

*Hospital Benefits Fund.*—The Hospital Benefits Agreement, ratified by the *Hospital Benefits Act 1958*, under which the Commonwealth paid to the State fixed amounts per day in respect of certain hospital patients, expired on 21st August, 1962, but payments were continued, by arrangement with the Commonwealth, until 31st December, 1962.

From 1st January, 1963, the administration of the scheme was taken over by the Commonwealth Department of Health and payments are now made direct to public hospitals by that Department.

The balance remaining in the fund, viz., £255, has, since the end of the financial year, been repaid to the Commonwealth.

*Home Builders' Account.*—Pursuant to the terms of the Commonwealth and State Housing Agreement 1956 as amended by the Housing Agreement 1961, part of the moneys provided by the Commonwealth to the State for housing is credited to a special account in the Public Account called the “Home Builders' Account”. The funds in this Account are administered by the Registry of Co-operative Housing Societies and, as required, advances are made to the Registry from the Account.

The total advances to the Account by the Commonwealth from the commencement of the operation of the Agreement to 30th June, 1964, amounted to £25,188,100. During this time the Commonwealth has varied its interest charge on advances as set out hereunder :—

	Rate %
From commencement of Agreement to 21st February, 1961 ..	4
„ 22nd February, 1961, to 7th February, 1962 .. ..	4 $\frac{3}{8}$
„ 8th February, 1962, to 11th August, 1963 .. ..	4
„ 12th August, 1963, to 25th June, 1964 .. ..	3 $\frac{1}{2}$
„ 26th June, 1964 .. ..	3 $\frac{5}{8}$

From time to time, advances are made from Public Account under the authority of the *Public Account Act* 1958, pending receipt of funds from the Commonwealth, and the Home Builders' Account is charged interest on these advances at the rate allowed by the contracting banks on the Public Account. In calculating interest charged against the Account no allowance was made for the sums held to its credit in the Public Account. All advances from the Public Account under this Act were repaid in the year.

Repayments by the co-operative housing societies are an additional source of funds for the Home Builders' Account and form a “revolving fund” within the Account. To 30th June, 1964, these repayments totalled £8,680,949.

The moneys in the Home Builders' Account, other than those required for payment of principal and interest to the Commonwealth and the State, are available for the financing of home building by means of loans to building societies (including co-operative housing societies) and other institutions as may be approved, at the request of the State, by the responsible Commonwealth Minister. The total of the advances to the 30th June, 1964, was £29,822,181. All of this sum was made available to co-operative housing societies—£24,771,827 at an interest rate of 4 $\frac{1}{4}$  per cent. and, £5,050,354 at an interest rate of 4 $\frac{5}{8}$  per cent.

Interest charged to the societies for the year exceeded interest paid from the Home Builders' Account to the Commonwealth and the State by £83,668. The accumulated interest surplus to 30th June, 1964, was £291,581.

A summary of transactions relative to the Home Builders' Account, is given hereunder :—

<i>Source of Funds—</i>	£
Balance 1st July, 1963 .. .. .	111,506
Advanced by Commonwealth Government .. .. .	3,975,000
Interest and Repayments of Principal .. .. .	2,364,478
Total Funds Available .. .. .	6,450,984
 <i>Disbursement of Funds—</i>	
Advances to Registry from Home Builders' Account .. .. .	5,285,000
Interest and Redemption—Commonwealth Advances .. .. .	1,039,723
Interest on Advances from Public Account .. .. .	111
Total Disbursements .. .. .	6,324,834
Balance 30th June, 1964 .. .. .	126,150
	6,450,984

### Commonwealth-State.

The principal item under this classification is the Commonwealth-State Local Public Works Account with a balance of £309,851. From 1st July, 1935, to 30th June, 1945, a total of £548,000 was provided by the Commonwealth and State Governments, on a £1 for £1 basis, for the relief of unemployment in Victoria by the recoup to public authorities of interest payments and sinking fund charges on loans raised for public works commenced after 1st July, 1935. Expenditure for these purposes to 30th June, 1948, totalled £238,149. Since that date, there have been no further transactions on the Fund and as stated in my previous report, there would appear to be no necessity for its retention.

Another account—the Commonwealth—State Sirex Trust Account—which has been classified under this head is discussed under “Forests” at page 45.

### Other—Regulated by Statute.

The balances of funds under this heading aggregated £7,767,193. Transactions are governed by the relevant legislation.

For references to the undermentioned funds in this group, see the pages shown :—

Fund.	Page Reference No.
Country Roads Board Fund .. .. .	97
Dried Fruits Fund .. .. .	114
Forestry Fund .. .. .	44
Forests Roads Account .. .. .	46
Forest Stores Suspense Account .. .. .	46
Licensing Fund .. .. .	18
Milk Board Fund .. .. .	114
Municipalities Assistance Fund .. .. .	90
Public Works Stores Suspense Account .. .. .	59
Tourist Fund .. .. .	104
Transport Regulation Fund .. .. .	106
Water Supply Stores Suspense Account .. .. .	72
Workers Compensation Board Fund .. .. .	107

Comments on several other funds classified as above are furnished hereunder :—

*Aborigines Welfare Fund—The Aborigines Act 1958* authorizes the Aborigines Board, with the consent of the Minister, to apportion, distribute and apply moneys appropriated by Parliament and any other funds or property under its control for the relief or benefit of aborigines or for the purpose of assisting aborigines to become assimilated into the general life of the community.

Transactions during 1963-64 in relation to this Fund were :—

Balance, 1st July, 1963 .. .. .	£	£
	..	59,266
Receipts—		
Loan Fund Contribution .. .. .	80,000	
Revenue Contribution .. .. .	60,000	
Revenue from Operations (Canteen and Produce Sales, &c.) .. .. .	5,239	
Child Endowment, &c. .. .. .	233	
Donations .. .. .	706	
Maintenance Payments .. .. .	1,450	
Rent .. .. .	2,416	
Collections, Electricity costs .. .. .	384	
Refund unexpended Advance for works .. .. .	941	
Recoup, Part Fencing costs .. .. .	285	
Miscellaneous .. .. .	487	
	<hr/>	152,141
		<hr/>
		211,407
Payments—		
Assistance to Aborigines .. .. .	141,544	
Administration, &c. Costs .. .. .	29,174	
	<hr/>	170,718
Balance, 30th June, 1964 .. .. .	..	40,689
		<hr/>
		211,407
		<hr/>

*Adult Education Fund.*—This Fund is administered by the Council of Adult Education which was established to advise the Minister on matters of general policy relating to adult education and to plan and supervise the administration and development of adult education in Victoria. The Council may also organize and conduct such lectures, classes, courses, vacation schools and other activities as it thinks necessary or desirable in connexion with the promotion and encouragement of adult education and, subject to the approval of the Minister, make payments or advances to local advisory committees.

In addition to an annual statutory contribution of £25,000 from revenue and any other sums appropriated by Parliament for the purpose, all fees and charges received by the Council in connexion with its activities are paid into the Fund.

The following statement summarizes the Council's financial operations for the past two years :—

	1962-63.	1963-64.
	£	£
<i>Source of Funds—</i>		
Balance from previous year .. .. .	229	1,641
Government Contributions :—		
Special Appropriation—Act No. 6240. .. .. .	25,000	25,000
Departmental Vote—Education* .. .. .	47,696	60,572
Fees and proceeds :—		
Classes, Lectures and Discussion Groups .. .. .	27,984	35,656
Schools and Conferences .. .. .	6,724	9,126
Community Arts Service .. .. .	11,386	15,669
Productions, &c. Russell St. Centre .. .. .	11,118	1,021
Miscellaneous .. .. .	324	961
	130,461	149,646
<i>Disbursement of Funds—</i>		
Administration—Salaries .. .. .	40,624	43,371
Administration—General Expenses .. .. .	14,624	27,861
	55,248	71,232
Classes, Lectures and Discussion Groups .. .. .	27,533	36,108
Schools and Conferences .. .. .	7,187	8,415
Community Arts Service .. .. .	18,792	20,876
Russell Street Centre :—		
Maintenance and operating costs .. .. .	17,913	9,698
Equipment and improvements .. .. .	383	522
Miscellaneous—Art Exhibitions &c. .. .. .	1,764	2,763
	128,820	149,614
<i>Leaving a balance of</i> .. .. .	1,641	32
	130,461	149,646

\* Includes an amount equivalent to rentals received into Consolidated Revenue in respect of Russell St. premises, 1962-63, £12,696; 1963-64, £6,572.

It should be noted that :—

- (i) the increase in " Administration " was due mainly to rental charges consequent upon the occupation of offices at 246 Flinders Street, and salary increases payable from 12th May, 1963;
- (ii) moneys received by way of class fees, &c., were, with the exception of " Schools and Conferences ", insufficient to meet the cost of the services provided.

*Hospitals and Charities Fund.*—This Fund is under the control of the Hospitals and Charities Commission. Among other duties the Commission is required to supervise the administration and management of subsidized institutions and benevolent societies.

The Hospitals and Charities Act prescribes the procedure to be followed in regard to the determination of grants to be made to institutions and societies from the Hospitals and Charities Fund.

Subject to administrative and other costs, a total of £15,690,068 was available in the Hospitals and Charities Fund for distribution. This amount was provided by:—

	£
Special Appropriation, Act No. 6274 .. .. .	800,000
Special Appropriation, Act No. 6353—Totalizator Receipts .. .. .	2,674,508
Special Appropriation, Act No. 6390—Tattersall Receipts .. .. .	3,154,375
Grants—Division 74 .. .. .	8,500,000
	<hr/>
	15,128,883
Balance forward from 1962-63 .. .. .	561,185
	<hr/>
	15,690,068
Expenditure for the year .. .. .	15,500,000
	<hr/>
Leaving a balance of .. .. .	190,068
	<hr/>

A summary of payments from the Fund is given below:—

	1961-62.	1962-63.	1963-64.
	£	£	£
<b>Maintenance—</b>			
Hospitals .. .. .	12,204,506	12,881,950	13,461,585
Benevolent Homes & Hospitals for the Aged .. .. .	916,256	937,503	801,579
Children's Homes .. .. .	129,064	167,035	166,047
Foundling Homes and Refuges .. .. .	69,813	96,792	89,993
Philanthropic Associations .. .. .	55,537	60,071	60,833
Ladies' Benevolent Societies .. .. .	5,680	5,500	5,500
Medical Dispensaries .. .. .	18,316	24,381	21,318
Ambulance Services .. .. .	213,985	237,058	267,597
Hostels for the Aged .. .. .	37,838	43,738	46,030
Other Institutions .. .. .	125,682	142,245	142,088
Public Risk Insurance .. .. .	12,208	26,235	23,868
	<hr/>	<hr/>	<hr/>
	13,788,885	14,622,508	15,086,438
<b>Other—</b>			
Transfer of Patients to Country Hospitals .. .. .	6	6	..
Costs Associated with Totalizator Receipts .. .. .	9,402	10,183	14,312
Training of Officers .. .. .	9,795	13,905	13,587
Recruitment and Training of Nurses .. .. .	16,981	30,351	31,961
Preliminary Schools for Nurses .. .. .	130,077	117,353	129,063
Post-graduate Training of Nurses .. .. .	11,308	13,786	16,496
Administration Costs .. .. .	180,151	190,733	206,623
Hospital Magazine .. .. .	3,384	1,168	1,520
	<hr/>	<hr/>	<hr/>
	14,149,989	14,999,993	15,500,000
	<hr/>	<hr/>	<hr/>

The increase in "Administration Costs" was due mainly to salary increases granted to the Commission's staff as from 12th May, 1963.

In addition to the assistance provided to hospitals and other institutions shown in the table, payments have been made to many of these bodies under the Public Works Loan Application Acts for or towards the erection of public hospitals, the purchase of land and buildings, and other items. The amount expended from this source during the year under review was £5,691,114. Details of payments to individual hospitals, &c., are shown in the Treasurer's Finance Statement, pages 159 to 161.



*Kings Bridge Restoration Trust Account.*—This Account was established by the Treasurer, pursuant to his powers under Section 8 of the *Public Account Act* 1958, to receive an ex-gratia payment to the State of £250,000 in terms of a Deed of Release of which the Honorable the Premier on behalf of the State, the Country Roads Board, Utah Australia Limited, The Broken Hill Proprietary Company Limited and Johns and Waygood Limited were the parties.

In the preamble to the Deed, it is acknowledged, inter alia, that certain defects had appeared in constituent components of the bridge constructed under the authority of the *King-street Bridge Act* 1957. It is indicated further that, to avoid the cost and inconvenience of litigation as to the bearing of the cost of correcting such defects, and in consideration of the ex-gratia payment to the State of the sum of £250,000, the three companies named above, and each of them severally, are released and discharged from all actions as defined in the Deed. Also, they are indemnified by the Premier on behalf of the State against all actions suits causes of action claims and demands of every description whatsoever in circumstances as set out in the Deed.

From the amount of £250,000 at credit of the Account, there was paid to the Melbourne and Metropolitan Board of Works, the statutory Body which, on completion of the construction of the bridge, became responsible for the bridge as a metropolitan bridge or metropolitan highway, the sum of £83,739. This amount is certified by the Chief Planner of the Melbourne and Metropolitan Board of Works to have been the actual cost of repair and reconstruction work carried out on the Kings Bridge for the period from 29th May, 1963 to 26th May, 1964. As a result of this payment, the amount at the credit of the Account was reduced to £166,261 at 30th June, 1964.

*Level Crossings Fund.*—Under the *Country Roads Act* 1958, the Fund is credited with one-third of the moneys received by way of additional registration fees under Section 8 of the *Motor Car Act* 1958, and moneys provided for the purpose under any other Act. These moneys are available for the purposes of the elimination of level crossings and for associated works.

Transactions on the Fund for the past two years are summarized hereunder :—

	1962-63.		1963-64.	
	£	£	£	£
Balance 1st July .. .. .			89,208	
Receipts—				
Additional Registration Fees .. .. .	353,763		424,456	
		353,763		513,664
Expenditure—				
By Railway Department .. .. .	231,336		253,632	
By Country Roads Board .. .. .	33,219		61,124	
		264,555		314,756
Balance 30th June .. .. .			89,208	198,908

*Mallee Land Account.*—In accordance with the provisions of the Financial Agreement Act No. 3554, the Treasurer is empowered to use Mallee Land Account receipts to assist contributions from revenue to the National Debt Sinking Fund. The Account was last called upon for this purpose in 1945-46. At 30th June, 1964, the accumulated balance of the Account was £1,043,109.

*Mental Hospitals Fund.*—The *Tattersall Consultations Act* 1958 provides, in respect of each financial year, for the payment from Consolidated Revenue into the Hospitals and Charities Fund and the Mental Hospitals Fund, in such proportions as the Treasurer determines, of an amount equivalent to the duty paid by the promoter. During 1963-64, duty paid amounted to £3,304,375. The sum of £150,000 was allocated to the Mental Hospitals Fund and the balance to the Hospitals and Charities Fund.

The Mental Hospitals Fund may be applied as the Treasurer determines towards the establishment and maintenance of mental hospitals, private mental homes, and other institutions within the meaning of the Mental Health Act. The Fund is also available for expenditure in connexion with the administration of this Act.

The following statement sets out the transactions for the year and the gross amounts from the inception of the Fund until the 30th June, 1964:—

<i>Receipts.</i>	<i>During the Year.</i>	<i>Total.</i>
	£	£
Balance 1st July, 1963 .. .. .	107,258	..
Special Appropriations - <i>Tattersall Consultations Act 1958</i> .. .. .	150,000	3,344,673
	257,258	3,344,673
	257,258	3,344,673

  

<i>Payments.</i>	<i>During the Year.</i>	<i>Total.</i>
	£	£
Capital Works .. .. .	..	311,000
Maintenance Works .. .. .	..	150,000
General Expenditure (State Institutions) .. .. .	84,330	1,680,108
Maintenance Grants (Other Institutions) .. .. .	136,362	801,916
Mental Health Research (University of Melbourne) .. .. .	7,000	60,000
Capital Grants (Other Institutions) .. .. .	..	312,083
	227,692	3,315,107
	227,692	3,315,107
Balance 30th June, 1964 .. .. .	29,566	29,566
	29,566	29,566

*Municipalities Assistance Fund.*—Reference has already been made on page 56 under the Local Government section of this report to subsidies to municipalities and other public bodies, from loan moneys, amounting to £440,460. Funds are also applied towards the assistance of municipalities through the Municipalities Assistance Fund.

The authority for this Fund is to be found in the *Local Government Act 1958*. The Fund has two functions—to provide subsidies towards the cost of approved works of municipalities and other public bodies, and to relieve certain municipalities of their former obligation to contribute towards the operating costs of the Country Fire Authority and to the Casual Fire Fighters Compensation Fund, whenever at 30th April in any year the balance of such compensation fund, less commitments, falls below £1,000.

One-half of the fees paid for motor car drivers' licences, less the costs of collection, provides the normal funds required to carry out the purposes of the Act. Where the amount standing to the credit of the Fund is at any time insufficient to meet the sums and contributions authorized to be paid out of the Fund, moneys may be issued and applied from the Consolidated Revenue to meet such insufficiency.

A summary of operations in the Fund is:—

	1962-63.		1963-64.	
	£	£	£	£
Balance 1st July .. .. .	..	312,469	..	300,969
Contribution—Loan Fund .. .. .	..	200,000	..	200,000
Receipts from fees—Motor Car Drivers' Licences .. .. .	318,653		297,541	
Less Costs of Collection .. .. .	59,378		52,557	
		259,275		244,984
		771,744		745,953
		771,744		745,953
<b>Expenditure—</b>				
Amount contributed to Country Fire Authority .. .. .		244,608		261,221
Amount contributed to Casual Fire Fighters Compensation Fund .. .. .		Nil		1,236
Subsidies to various Municipalities for works .. .. .		226,167		200,694
		470,775		463,151
Balance, 30th June .. .. .		300,969		282,802
		771,744		745,953
		771,744		745,953

*National Parks Fund.*—Pursuant to the *National Parks Act 1958* the National Parks Authority controls certain areas proclaimed to be national parks.

Moneys appropriated by Parliament for the purposes of the Authority, together with gifts, bequests or other moneys received by the Authority are paid into the National Parks Fund and are available to meet costs incurred by the Authority in the exercise of its functions, and, to the extent approved by the Minister, costs of administration.

A summary of the operations of the National Parks Fund for the year ended 30th June, 1964, is given hereunder :—

	£	£
Balance, 1st July, 1963 .. .. .	..	3,371
Receipts—		
From Consolidated Revenue .. .. .	26,000	
Loan Fund .. .. .	78,500	
Repayment of Advances, other contributions, &c. .. .. .	213	
	—————	104,713
		108,084
Payments—		
Subsidies to Committees of Management of National Parks and Advances for Works to the Public Works Department and Forests Commission .. .. .	81,674	
Administration Costs .. .. .	24,760	
	—————	106,434
Balance 30th June, 1964 .. .. .	..	1,650

In addition to the balance of £1,650 at credit of the Fund, unexpended advances to the Public Works Department, the Forests Commission and the Country Roads Board for works amounted to £49,549 as at 30th June, 1964.

#### Other—Not Regulated by Statute.

*Decentralization Fund.*—The major portion of the year's expenditure of £54,848 consisted of subsidies in respect of freight and electricity costs, and grants towards meeting expenditure on road and drainage works.

Credits to the Fund have been :—

	£
To 30th June, 1963 .. .. .	1,700,498
During the year—	
From Consolidated Revenue .. .. .	50,000
	—————
	1,750,498

The Fund has been utilized as follows :—

	£
Expenditure to 30th June, 1963 .. .. .	1,580,638
During the year—	
Power and Light Subsidies .. .. .	6,179
Freight Subsidies .. .. .	37,940
Loans and Grants to Decentralized Industries .. .. .	1,969
Removal of Plant, Machinery, Furniture, &c. .. .. .	770
Bus Subsidies .. .. .	941
Road and Drainage Works .. .. .	6,191
Miscellaneous .. .. .	858
	—————
	1,635,486
The balance at 30th June, 1964, was .. .. .	115,012
	—————
	1,750,498

Details of amounts advanced from the Decentralization Fund and still to be repaid at 30th June, 1964, are given hereunder :—

	Advanced to 30th June, 1964.	Repaid. &c.	Outstanding 30th June, 1964.	Arrears.	
				Interest.	Principal.
	£	£	£	£	£
Brickworks .. .. .	20,549	3,786	16,763	5,228	10,297
Textile Industries .. .. .	57,150	28,837	28,313	2,292	3,100
Foundries and Other Industries .. .. .	102,682	37,322	65,360	6,542	21,688
	*180,381	69,945	110,436	14,062	35,085

\* Includes interest capitalized, £1,832.

Concessions in regard to the repayment of loans and the payment of interest have been allowed in the majority of these cases.

Reference to other accounts in this group may be found at the pages shown below :—

Account.	Page Reference No.
Bennison Roading Trust Account .. .. .	45
Country Roads Board Special Works Account .. .. .	101
Municipalities Forests Roads Improvement Fund .. .. .	102
State Rivers and Water Supply Commission Agency Trust Account .. .. .	74
Tourist Bureaux Trust Account .. .. .	105

#### Securities Lodged with Treasurer.

The major items included in this category relate to shares of the Gas and Fuel Corporation of Victoria purchased by the State under the provisions of the *Gas and Fuel Corporation Act 1958*, £7,456,194, and to a Geelong Harbor Trust debenture securing the outstanding balance of an advance, £113,929.

## STATE ACCIDENT INSURANCE OFFICE.

Operation of this Office for the year showed a net profit of £551,285. This result is subject to completion of the audit of the accounts to 30th June, 1964.

A comparative statement of Income and Expenditure for the past five years is furnished hereunder :—

—	1959-60.	1960-61.	1961-62.	1962-63.	1963-64.
	£	£	£	£	£
<b>Income—</b>					
Premiums earned .. .. .	2,778,195	2,762,531	2,759,501	3,004,557	3,089,171
Interest .. .. .	119,336	146,141	174,107	194,337	215,557
Rents (Net) .. .. .	2,573	1,663	2,528	18,977	21,165
Surplus—Sale of property .. .. .	..	..	432	..	57
	2,900,104	2,910,335	2,936,568	3,217,871	3,325,950
<b>Expenditure—</b>					
Claims .. .. .	2,250,675	2,128,675	2,217,412	2,154,699	2,557,018
Management .. .. .	201,860	147,019	144,936	150,931	167,883
Agents' Commission and Expenses	40,311	40,661	47,444	45,048	49,764
Loss—Sale of property .. .. .	53	179	..	456	..
	2,492,899	2,316,534	2,409,792	2,351,134	2,774,665
<b>Net profit .. .. .</b>	<b>407,205</b>	<b>593,801</b>	<b>526,776</b>	<b>866,737</b>	<b>551,285</b>
	%	%	%	%	%
Loss ratio to earned premium income ..	81	77·1	80·4	71·7	82·8

The Appropriation Account, also for the past five years, is shown hereunder :—

—	1959-60.	1960-61.	1961-62.	1962-63.	1963-64.
	£	£	£	£	£
Net Profit .. .. .	407,205	593,801	526,776	866,737	551,285
Adjustment of provision for Unearned Premiums, previous years .. .. .	..	..	..	422,579	..
	407,205	593,801	526,776	1,289,316	551,285
<b>Appropriations—</b>					
Bonus Equalization Reserve .. .. .	247,205	253,801	226,776	289,316	Yet to be Determined
General Reserve .. .. .	160,000	340,000	300,000	1,000,000	
	407,205	593,801	526,776	1,289,316	551,285

Commencing with the financial year 1962-63, a more realistic method of calculation of premiums earned has been in operation. For example, risks accepted by the Insurance Commissioner in respect of policies issued to the Government and to semi-governmental bodies are operative for periods corresponding to financial years and, accordingly, the relevant premiums are treated as fully earned irrespective of time of receipt. Other premiums due are apportioned between "earned", and "unearned" on a monthly "time" basis.

## The following is an abridged statement of the Assets and Liabilities :—

30.6.63.		30.6.64.
£		£      £
	<i>Assets.</i>	
	Current—	
6,725,699	Cash .. .. .	6,195,808*
229,434	Sundry Debtors, <i>Less</i> Bad Debts Provision .. .. .	281,631
		————— 6,477,439
1,385,880	Inscribed Stock .. .. .	2,385,880
	Fixed—	
59,577	Furniture, Office Machines, and Cars— <i>Less</i> Depreciation .. .. .	61,466
116,514	Property (at cost)—Offices—412 Collins-street, Melbourne .. .. .	116,514
207,002	Land etc—480–490 Collins-street, Melbourne .. .. .	244,288
		————— 360,802
8,724,106		9,285,587
	<i>Liabilities and Funds.</i>	
	Current—	
585,675	Unearned Premiums .. .. .	507,753
4,479,206	Claims Outstanding .. .. .	4,755,600
7,334	Sundry Creditors .. .. .	9,063
		————— 5,272,416
	Deferred—	
817,553	Bonus Equalization Reserve .. .. .	614,724
19,338	Building Depreciation and Maintenance Provision .. .. .	20,677
		————— 635,401
	Funds—	
2,800,000	General Reserve .. .. .	2,811,485
15,000	Building Improvement Reserve .. .. .	15,000
..	Appropriation Account .. .. .	551,285
		————— 3,377,770
8,724,106		9,285,587

\* This sum is held in the State Accident Insurance Fund at the Treasury.

Outstanding claims have been assessed by the “case” method, all claims being individually examined by officers acting under direction of experienced senior officers. For the purpose of arriving at the figure under this head at balancing date, the aggregate obtained by the aforementioned method of assessment has been supplemented by additional amounts to provide for certain contingent liabilities.

## STATE MOTOR CAR INSURANCE OFFICE.

Over the period from its inception in 1941 to 30th June, 1964, this Office has incurred an accumulated loss of £403,650.

Operations for the year resulted in a profit of £184,626 compared with a profit of £20,470 in 1962-63. The statements herein are submitted subject to completion of the audit for the year ended 30th June, 1964.

A comparative summary of the sectional and over-all income and expenditure of the Office in the past two years is furnished hereunder:—

	1962-63.			1963-64.		
	Thrd-Party.	Comprehensive.	Total.	Thrd-Party.	Comprehensive.	Total.
	£	£	£	£	£	£
Net Premiums earned .. ..	2,075,733	1,011,720	3,087,453	2,531,931	1,048,243	3,580,174
Stamp Duty recouped .. ..	..	50,097	50,097	..	58,598	58,598
	2,075,733	1,061,817	3,137,550	2,531,931	1,106,841	3,638,772
Claims .. ..	2,262,711	672,381	2,935,092	2,391,920	845,132	3,237,052
Management .. ..	77,698	156,568	234,266	94,199	186,492	280,691
Licence Fee .. ..	..	49,356	49,356	..	51,777	51,777
	2,340,409	878,305	3,218,714	2,486,119	1,083,401	3,569,520
Operating Profit .. ..	..	183,512	..	45,812	23,440	69,252
Operating Loss .. ..	264,676	..	81,164	..	..	..
Interest—Fund at Treasury .. ..	..	..	101,709	..	..	115,340
Sale of Property .. ..	..	..	— 75	..	..	+ 34
	..	..	101,634	..	..	115,374
Net Profit .. ..	..	..	20,470	..	..	184,626
Loss Ratio to earned premium income	% 109·0	% 66·5	..	% 94·5	% 80·6	..

It should be pointed out that the figures in my report for the previous year were published prior to the completion of audit. Subsequently, certain amendments were necessary and the accounts for 1962-63 were adjusted accordingly.

Earned premiums were calculated on the "time" basis, using the monthly method of apportionment. A full year's effect of increases in "Third Party" premium rates imposed as from 1st February, 1963, is reflected in the accounts for 1963-64. On the other hand, the full beneficial effect of the increases, as from 1st February, 1964, in "Comprehensive Insurance" premium rates will not be evident until the financial year 1964-65.

The following is an abridged statement of the Assets and Liabilities :—

30.6.63	<i>Assets.</i>							30.6.64
£								£
	<i>Current—</i>							
5,655,331	Cash .. .. .	..	..	..	..	..	..	5,898,570
345,088	Sundry Debtors—Premiums Due, etc.	..	..	..	..	..	..	474,275
<hr/>								<hr/>
6,000,419								6,372,845
	<i>Investments—</i>							
	Semi-Governmental Securities .. .. .	..	..	..	..	..	..	250,000
	<i>Fixed—</i>							
23,538	Furniture and Office Machines <i>less</i> Depreciation .. .. .	..	..	..	..	..	..	26,998
	<i>Profit and Loss Account—</i>							
588,276	Accumulated Loss .. .. .	..	..	..	..	..	..	403,650
<hr/>								<hr/>
6,612,233								7,053,493
	<i>Liabilities and Provisions.</i>							
	<i>Current—</i>							
1,549,231	Unearned Premiums .. .. .	..	..	..	..	..	..	1,867,819
5,048,431	Claims Outstanding .. .. .	..	..	..	..	..	..	5,164,910
14,571	Sundry Creditors .. .. .	..	..	..	..	..	..	20,764
<hr/>								<hr/>
6,612,233								7,053,493

The cash funds of the State Motor Car Insurance Office are required to be kept in an account at the State Treasury called the State Motor Car Insurance Fund. The moneys standing to the credit of this Fund may, pursuant to the *State Insurance Funds Act 1963* which was proclaimed to operate from 22nd April, 1964, be invested by the Treasurer in such securities as he thinks fit. At 30th June, 1964, an amount of £250,000 had been so invested.

With respect to the liability for outstanding claims, the estimated value of these claims was calculated on the basis of a combination of "case" and "average" estimating and, to the sum so determined, there were added amounts to provide for unknown and unforeseen liabilities.



## COUNTRY ROADS BOARD.

The construction and maintenance of State highways, main roads, by-pass roads, forest roads, and tourists' roads are carried out by or under the supervision of the Board. In addition, the Board provides a substantial sum each year to assist municipalities in meeting the cost of maintaining unclassified roads.

The main funds administered by the Board are discussed hereunder :—

*Country Roads Board Fund.*—The principal revenue sources of the fund are :—

- (i) *Fees and Fines under the Motor Car Act.*—Receipts for the year under this heading amounted to £12,551,881 and the cost of collection was shown to be £838,505. These figures compare respectively with the 1962–63 totals of £11,467,704 and £784,786
- (ii) *Road Charges—Commercial Goods Vehicles Act 1958.*—Receipts for the year from these charges, credited to the Roads Maintenance Account within the fund, amounted to £2,818,969.

Apart from the moneys at credit of the Roads Maintenance Account referred to above, receipts of the Country Roads Board Fund are available to meet expenses of administration, debt charges and the costs of roadworks generally.

*Loan Fund.*—Under the authority of Section 31 of the *Country Roads Act 1958*, the Treasurer, in 1963–64, allocated from Loan Fund a sum of £333,000 for the purpose of permanent works as defined in the said Act. This sum was expended as follows :—

	£
On State highways and main roads generally .. ..	300,000
As the fifth of six annual instalments towards the cost of widening and strengthening the Anglesea and Ocean roads to facilitate the development of brown coal resources at Anglesea .. .. .	33,000
	333,000

*Commonwealth Aid Roads Act.*—Victoria's share of the sum of £48,000,000 allocated in 1963–64 to the States pursuant to the provisions of Section 4 of the *Commonwealth Aid Roads Act 1959* was £9,444,520.

An amount of £1,967,608 was also received in the year, being the sum determined as Victoria's quota of the additional assistance aggregating £10,000,000 granted to the States under Section 6 of the Act.

The additional assistance as aforementioned was made available to the States under certain conditions. Insofar as Victoria was concerned, conformity with these conditions in 1963–64, meant that :—

- (i) the sum of the amounts allocated by it for expenditure on roads from its own resources in the year had to exceed the sum so allocated by it in the base year (1958–59) namely £10,618,645 ; and
- (ii) in the event of the excess calculated as in (i) above being less than the statutory quota, £1,967,608, the difference was to be repaid to the Commonwealth.

Section 6 of the Act also requires that I certify the correctness of the information furnished by the State to the Commonwealth in verification of its fulfilment of the above conditions. This information has been prepared and submitted for my certification.

It will be seen that in 1963-64, the sum of the amounts received from the Commonwealth was £11,412,128. Actually, the original allocation to the State for the year was £11,672,275 but one of the bases of this allocation, viz., the Victorian census of motor vehicles, was amended by the Commonwealth Statistician in April, 1964, to operate as from and inclusive of the year under review. Accordingly, a consequential adjustment to the State's original allocation for the year was made in the period May/June, 1964. In this connexion, it should be mentioned that, in previous years, road tractor statistics were inadvertently taken into account in the calculation of Victoria's allocation.

Of the sum of £11,412,128 received by Victoria in 1963-64, £11,215,367 was made available to the Country Roads Board to meet expenditure on the construction, reconstruction, repair and maintenance of roads in the State, with the proviso that part thereof, amounting to £4,564,851, was to be reserved for works upon roads in rural areas or for the purchase of road-making plant for use in those areas.

#### *Available Funds and Expenditure.*

The statements following set out in summary form the funds referred to and the principal items upon which those funds were expended.

PRINCIPAL FUNDS AVAILABLE.			
1962-63.		1963-64.	
£		£	£
	<i>Country Roads Board Fund—</i>		
4,922	Balance from previous year .. .. .	1,400,522	
10,683,834	Net Taxes (including £739 fines other than Motor Car Acts) ..	11,714,116	
881,920	Municipal Contributions .. .. .	789,714	
2,459,557	Road Charges—Commercial Goods Vehicles Act .. .. .	2,818,969	
82,841	General Receipts .. .. .	110,966	
<hr/>		<hr/>	16,834,287
14,113,074			
	<i>Loan Moneys—</i>		
301,000	Act No. 6229—State Highways and Main Roads .. .. .	..	333,000
<hr/>			
	<i>Commonwealth Aid Roads Act—</i>		
6,324,769	For Roadworks Generally .. .. .	6,650,516	
4,350,797	For Rural Roads .. .. .	4,564,851	
<hr/>		<hr/>	11,215,367
10,675,566			
<hr/>			
25,089,640			<hr/>
			28,382,654

#### EXPENDITURE.

1962-63.		1963-64.
£		£
	Principal items of expenditure by the Board may be classified as follows:—	
19,364,053	Construction and Maintenance of Roads, &c. .. .. .	24,477,193
886,227	Payment of Interest (including exchange) .. .. .	894,517
44,945	Sinking Fund Contributions and Loan Conversion Expenses .. .. .	46,107
34,129	Repayment to Loan Fund .. .. .	34,602
197,328	Transfer to Tourist Fund .. .. .	213,658
23,839	Contribution—Australian Road Research Board .. .. .	39,838
3,138,597	General Expenditure, including Administration, Stores, and Materials, &c. ..	2,673,142
<hr/>		<hr/>
23,689,118		28,379,057
<hr/>		
1,400,522	Unexpended Balance at 30th June .. .. .	3,597
		<hr/>

Partly due to the reduction of £255,662 in the allocation to Victoria from Commonwealth Aid Roads funds as explained herein, claims against the Board unpaid as at the close of the year amounted to roundly £757,000 as against similar claims amounting to approximately £32,000 as at the close of the previous year.

## FUNDS CHARGED WITH EXPENDITURE UPON ROADWORKS.

Expenditure by the Board upon the various classes of roads, and the distribution of that expenditure over the funds at its disposal are:—

—	Total.	Country Roads Board Fund.	Commonwealth Aid Roads Acts.		Loan Fund.
			Roads Generally.	Rural Roads.	
	£	£	£	£	£
State Highways .. ..	9,575,353	5,125,810	4,244,921	..	204,622
Main Roads .. ..	7,444,647	5,639,051	1,677,218	..	128,378
By-pass Roads .. ..	1,320,502	1,320,502	..	..	..
Forest Roads .. ..	370,962	170,962	..	200,000	..
Tourists' Roads .. ..	712,339	712,339	..	..	..
Unclassified Roads ..	5,053,390	..	688,539	4,364,851	..
	24,477,193	12,968,664	6,610,678	4,564,851	333,000

## GENERAL AND ADMINISTRATIVE EXPENDITURE.

The following summary embraces the major items of expenditure under this head:—

1962—63		1963—64
£		£
1,307,537	Salaries, Long Service Leave, Retiring Gratuities, &c. .. ..	1,472,310
186,217	Printing and Stationery, Office and Motor Car Expenses, &c. ..	203,814
52,428	Divisional Offices and Residences .. ..	51,553
270,833	Kew Office and Laboratory—Buildings .. ..	188,896
41,309	Kew Office and Laboratory—Building Services .. ..	48,036
30,533	Payroll Tax .. ..	35,141
915,986	Plant Purchase (net) .. ..	596,273
171,786*	Properties Acquired for Road Deviations .. ..	424,945*
72,893	Traffic Section Costs .. ..	84,769
49,996	Traffic Line Marking .. ..	61,584
69,317	Murray River Bridges and Punts .. ..	43,511
..	Contribution—Metropolitan Transportation Committee—Act No. 7003	15,746
		3,226,578
3,168,835		
38,523 Cr.	Less—Recoup—Administrative Oncost .. ..	38,295
8,285 Dr.	—Other—Net Items (Including credit balances on plant operating, stock accounts, &c.) .. ..	515,141
		Cr. 553,436
30,238 Cr.		
3,138,597	General Expenditure as per Treasurer's Statement .. ..	2,673,142

\* Includes revenue producing properties only. Other properties acquired have been charged to the respective road works.

Certain items included in the above summary are the subject of proposed legislation before the House. Details are:—

(a) *Properties Acquired for Road Deviations.*—Following on the publication of the Board's plans for the construction of a number of by-pass roads, many property owners likely to be affected thereby have requested that their properties be acquired immediately although the road works in question are unlikely to be carried out for some years.

The Crown Solicitor expressed doubt as to the powers of the Board to negotiate for the purchase of land for road purposes and suggested that the legislation be amended to make the existing statutory provisions clearly applicable to cases of purchase by negotiation.

Having regard to the doubt expressed by the Crown Solicitor, a total of £809,724, as at 30th June, 1964, was withheld by me from the relevant acquittances to the Treasurer pursuant to Section 34 of the *Audit Act* 1958.

(b) *Long Service Leave*.—Long service leave benefits are granted to members of the Board's permanent staff on a similar basis to that provided for under the *Public Service Act* 1958.

The Crown Solicitor advised that the Board could not lawfully use any of its funds to provide long service leave benefits in excess of those provided under the *Labour and Industry Act*, 1958, unless :—

- (i) better conditions of leave are made part of the terms of appointment by the Governor in Council at the time of an officer's appointment; or
- (ii) the officer concerned holds an office which is certified by Order in Council, under Section 63 (7) of the *Public Service Act*, to be an office substantially similar to an office in the *Public Service*.

(c) *Retiring Gratuities*.—On 1st November, 1962, the Board introduced a non-contributory retiring gratuity scheme for certain employees who did not qualify for participation in the State's superannuation scheme.

The Crown Solicitor advised that the introduction of the retiring gratuity scheme was beyond the powers of the Board.

Gratuities paid in 1963-64 amounted to £19,215. Up to 30th June, 1964, sums amounting to £15,601 were withheld by me from the relevant acquittances to the Treasurer pursuant to Section 34 of the *Audit Act* 1958.

#### RELIEF TO MUNICIPALITIES.

Municipalities which have benefited from permanent works upon main or developmental roads or from maintenance works upon main roads are required to pay to the Board an annual contribution in respect of the funds expended. In certain circumstances, the required contribution may be reduced or waived, and for 1963-64 these concessions amounted to £738,792. Details are—

##### (a) *Permanent Works*.

Of the proportion charged to municipalities for permanent works on main roads, £55,993, relief was granted to the extent of £18,510 as provided in Act No. 6229. Existing legislation requires the amount of such relief to be paid to the Treasurer out of the Country Roads Board Fund. However, a proposed amendment to this legislation is at present before the House.

In respect of the interest on developmental roads assessed at £6,590, the whole was remitted. The total of these amounts did not exceed the statutory limit of £250,000.

##### (b) *Maintenance*.

Of the sum of £1,460,661, apportioned to municipalities, being one-third of the cost of maintenance of main roads in respect of the year 1962-63, the Governor in Council remitted £713,692 as excessive maintenance not due to local traffic. The net amount due was paid to the Board prior to 30th June, 1964.

#### TOURIST FUND.

For particulars of the operation of this Fund see page 104.

The *Tourist Act* 1958 as amended by the *Tourist (Amendment) Act* 1960, No. 6682, requires that an amount equal to 2 per centum of the amount of fees and fines under the *Motor Car Act* credited to the Country Roads Board Fund shall be paid from the Country Roads Board Fund to the Tourist Fund each year. The principal Act further provides that the amount of such payment shall in every year be certified by the Auditor-General and that the certificate of the Auditor-General shall be final and conclusive for all purposes. The amount so certified and paid in 1963-64 was £213,658.

## WORKS CARRIED OUT FOR COMMONWEALTH AND STATE AUTHORITIES.

Act No. 6229 authorizes the Board, with the consent of the Governor in Council, to undertake at the request and at the expense of the Commonwealth of Australia, the State of Victoria or any municipality or public authority any works for which the Board is suitably equipped. Amounts expended on such works during the year are set out in the statement below, expenditure in the previous year being shown for the purposes of comparison :—

1962-63.		1963-64.
£		£
60,788	Commonwealth Works—Various construction works .. .. .	116,306
47,434	Department of Crown Lands and Survey—Roads .. .. .	33,044
3,678	State Rivers & Water Supply Commission—Roads .. .. .	43,927
63,093	Rural Finance and Settlement Commission—Roads .. .. .	45,444
1,734	Victorian Railways—Madden-Grove Level Crossing .. .. .	29,222
156	Public Works Department—Approaches Longerenong Agricultural College, &c. ..	14,022
6,281	Latrobe Valley Water and Sewerage Board—Gould Deviation .. .. .	209
5,776	Other Works .. .. .	2,730
<u>188,940</u>		<u>284,904</u>

All of the above-mentioned bodies made advances to the Board towards the cost of these works and the Board was enabled to defray the cost of the works without encroachment upon its own funds.

At 30th June, 1964, an amount of £17,377 was held in Treasury Trust Fund—Country Roads Board Special Works Account—representing unexpended balances of advances made by Government Departments and State authorities for works to be carried out by the Board.

## LOAN OPERATIONS.

Loan expenditure amounting to £333,000 during the year increased the Board's loan liability which, at 30th June, was as set out in the following statement :—

—	Main Roads.	Developmental Roads.	Total.
	£	£	£
Net loan liability at 30th June, 1963 ..	10,825,224	3,877,055	14,702,279
Add—Discount and Expenses .. ..	7,207	1,746	8,953
Expenditure—Act No. 6229 ..	333,000	..	333,000
	11,165,431	3,878,801	15,044,232
Less—Repayments .. .. .	34,602	..	34,602
	11,130,829	3,878,801	15,009,630
Deduct—Increase in equity in National Debt Sinking Fund .. .. .	129,949	107,491	237,440
Net loan liability at 30th June, 1964 ..	11,000,880	3,771,310	14,772,190

## COAL CANAL BRIDGE.

The Board has been authorized as from 10th May, 1960, pursuant to the provisions of the *Coal Canal Bridge Act 1960*, No. 6613, to :—

- (a) construct and in due course remove a temporary bridge over the Railway Coal Canal at West Melbourne adjacent to the existing bridge; and
- (b) demolish the existing bridge and in its place erect a new bridge to be known as the Coal Canal Bridge.

The cost of these works is to be borne as follows :—

	%
Government of Victoria .. .. .	50
City of Melbourne .. .. .	30
Victorian Railways Commissioners .. .. .	10
Melbourne Harbor Trust .. .. .	10

The Act further provides for the construction of a service road and the installation of traffic signals by the Melbourne City Council; for the cost thereof to be borne equally by the Council and the Government of Victoria; and for the Railway Department to meet the cost of constructing the new bridge in such a way as to enable the deck to be raised to allow of the construction of an overpass over the Appleton Dock railway line.

To 30th June, 1964, under the authority of various Loan Application Acts, expenditure by the Board on works associated with the project amounted to £165,505; and the Melbourne City Council, on account of works constructed by it, had been reimbursed to the extent of £51,682. Thus, as at the close of the year under review, the total charge to Loan Fund was £217,187.

Expenditure by the State on the project to 31st May, 1964, was allocated in accordance with the provisions cited above and, up to and inclusive of the close of the year, the sum of £69,071 had been recouped by the several statutory contributories and credited to Loan Fund.

## MUNICIPALITIES FORESTS ROADS IMPROVEMENT FUND.

This Fund was established during 1954–55, with an appropriation from Revenue of £50,000, to provide assistance to municipalities for the improvement and protection of roads adjacent to forest areas in order to facilitate the extraction of forest produce. Subsequently, additional credits to the Fund amounting to £65,000 were provided from loan moneys under the authority of Public Works Loan Application Acts Nos. 6701 and 6826.

Recoups to municipalities for the purposes stated are made from the Fund in accordance with allocations approved by the Minister for Public Works after consideration of joint recommendations of the Forests Commission and the Country Roads Board. Such recoups amounted to £9,065 during the year and when added to those made in previous years brought the total charge to the Fund to £109,660 up to and inclusive of the 30th June, 1964. The amount at credit to the Fund unexpended at that date was £5,340.

## THE METROPOLITAN TRANSPORTATION COMMITTEE.

This Committee was established by *The Metropolitan Transportation Committee Act 1963* to advise the Governor in Council on the following matters :—

- (a) the planning and development of transport facilities and services within the metropolitan area;
- (b) the supervision, co-ordination and control of the activities of all persons and bodies concerned with public transport within the metropolitan area;
- (c) the improvement of transport facilities and services within the metropolitan area; and
- (d) any other matter relating to transport facilities and services referred to it by the Governor in Council.

The Act further provides that the Committee may make such inquiries, investigations or surveys as it thinks fit in carrying out its functions and that any expenses incurred are to be borne in such manner and in such proportions as may be determined by the Governor in Council.

Pursuant to the provisions of the Act, the Committee has appointed a firm of consultants to carry out a survey of public transport in the metropolitan area. Expenditure for the purposes of this survey, which was charged to Public Account pending allocation by the Governor in Council, amounted to £104,281 at 30th June, 1964.

By direction of the Governor in Council, in terms of the Act, the total cost of the survey is to be borne by the statutory bodies as set out hereunder :—

<i>Statutory Body.</i>	<i>Share or proportion of cost.</i>
	£
(a) the Melbourne City Council .. .. .	10,000
(b) the Transport Regulation Board .. .. .	5,000
(c) the Victorian Railways Commissioners ; .. .. .	} The balance of expenditure in equal proportions.
the Melbourne and Metropolitan Board of Works ; .. .. .	
the Country Roads Board ; and .. .. .	
the Melbourne and Metropolitan Tramways Board .. .. .	

Contributions during the year by several of the statutory bodies listed above amounted to £67,984. As at 30th June, 1964, the sum of £36,297, including unallocated expenses amounting to £26,297, remained a charge to Public Account.

### TOURIST DEVELOPMENT AUTHORITY.

Under the *Tourist Act* 1958, as amended, the Tourist Development Authority is a body corporate responsible, primarily, for recommending to the Minister:—

- (i) measures for the publicizing and development of the tourist industry in Victoria; and
- (ii) the making of payments out of the Tourist Fund for the improvement of tourist facilities.

For such purposes the Minister may authorize payments from the Fund on such terms and conditions as he thinks fit.

The Authority is also empowered to promote, assist and co-ordinate the activities of persons and organizations interested in the development of the tourist industry and to investigate such matters relating to the industry as are referred to it by the Minister.

In addition, the Authority is responsible for the administration of eight Victorian Government Tourist Bureaux. Three of these are outside Victoria, located respectively, at Adelaide, Sydney, and Brisbane.

The annual credits to the Tourist Fund include—a statutory levy on the Country Roads Board Fund calculated at 2 per centum of the amount credited to that Fund pursuant to the provisions of paragraph (d) of sub-section (1) of Section 38 of the *Country Roads Act* 1958; a specific appropriation from Consolidated Revenue under the authority of a Premier's Department Vote; a contribution, also from Consolidated Revenue, as a charge to Railway Working Expenses; fees and fines under the *Motor Boating Act* 1961; and allocations from Loan Fund under the authority of certain Public Works Loan Application Acts.

Credits to and disbursements from the Fund in each of the past two years are summarized below:—

1962-63		1963-64	
£	<i>Credits.</i>	£	£
166,735	Balance forward .. .. .	..	246,753
197,328	Contribution from Country Roads Board Fund .. .. .	..	213,658
133,500	Contribution under Public Works Loan Application Acts .. .. .	..	63,000
	Contributions by Municipalities, &c.—		
230	On account of works .. .. .	..	500
..	,, of motor boating facilities .. .. .	..	1,005
		—————	1,505
5,423	Interest on Loans to certain Bodies .. .. .	..	6,225
5,476	Loan Repayments by certain Bodies .. .. .	..	7,015
40,103	Motor Boat Registration Fees and Fines (Net) .. .. .	..	67,565
	Less Costs and Expenses of Collection and Administration .. .. .	..	33,743
		—————	33,822
1,523	Miscellaneous .. .. .	..	532
	Tourist Bureaux operations—		
61,201	Commissions, &c., received .. .. .	..	60,929
	From Consolidated Revenue—Share of cost of operations—		
106,175	Premier's Vote .. .. .	..	118,000
95,000	Railway Working Expenses .. .. .	..	95,000
		—————	273,929
			—————
			599,686
812,694			846,439
	<i>Disbursements.</i>		
181,029	Developmental and Maintenance works authorized under the Act .. .. .	..	192,394
39,030	Publicity—net (excluding Tourist Bureaux advertising, &c.) .. .. .	..	25,169
10,770	Loans to certain Bodies .. .. .	..	15,900
15,184	Provision of motor boating facilities .. .. .	..	27,261
	Costs and administrative expenses—		
24,870	Head Office .. .. .	..	24,826
*295,058	Tourist Bureaux .. .. .	..	*348,542
		—————	373,368
565,941			—————
246,753	Balance at the close of the year .. .. .	..	212,347
812,694			846,439

\* Includes expenditure on renovations and furniture, &c., in 1962-63, £1,404 at the Adelaide Bureau, £25,236 at the Sydney Bureau, and £7,828 at the Brisbane Bureau; in 1963-64, £1,646 at the Adelaide Bureau, £50,153 at the Sydney Bureau, £16,293 at the Brisbane Bureau, and £1,205 at the Geelong Bureau.



It will be observed that the preceding statement of the credits to and disbursements from the Tourist Fund includes in a summarized form receipts from motor boat registration fees and fines, the relevant costs and expenses of collection and administration, and the sum disbursed in the provision of motor boating facilities. In this regard, it should be explained that all fees for the registration of motor boats under the *Motor Boating Act 1961*, together with certain fines imposed for breaches of that Act are payable into the Tourist Fund. Also, the costs and expenses incurred in the collection of those fees and in the administration of the Act including the acquisition of the necessary equipment for enforcement of the provisions of the Act are chargeable to the Fund. In terms of the Act, the net credit remaining after the defrayment of such costs and expenses is to be applied by the Tourist Development Authority in the provision of facilities for motor boating in Victorian waters. The following details are furnished in amplification of the relevant information shown in the Statement of the Fund.

	£	£
Credit at 1st July, 1963 (held in Tourist Fund) .. .. .	..	68,284
Add—Registration Fees .. .. .	66,674	
Fines .. .. .	947	
	67,621	
Less—Refunds .. .. .	56	67,565
Add—Municipal contributions towards provision of boating facilities .. .. .	..	1,005
		136,854
Less—Expenditure—	£	
Provision of boating facilities .. .. .	27,261	
Costs of Administration—		
Transport Regulation Board .. .. .	9,693	
Chief Secretary's Department .. .. .	8,283	
Public Works Department .. .. .	2,834	
	20,810	
Purchases of boats, trailers and other equipment .. .. .	12,933	61,004
		75,850
Credit at 30th June, 1964 (held in Tourist Fund) .. .. .	..	75,850

Apart from the moneys credited to the Tourist Fund, cash collections by the Authority on account of railway bookings are, wherever practicable, paid into the Treasury by the Authority to the credit of railway income. Sums received for non-rail bookings are credited in the Treasury to the Tourist Bureaux Trust Account pending appropriate disbursement or allocation. The following statement summarizes the cash collections by the Authority at various locations during the years 1962–63 and 1963–64 and shows the accounts in the Treasury to which the collections for 1963–64 were credited.

Location.	Account Credited—1963–64.						1962–63 Total Collections.
	Railway Income.	Tourist Bureaux Trust Account.	Tourist Fund.	Revenue—No. 9—Miscel- laneous.	Treasury Trust— Unclaimed Moneys.	Total Collections.	
	£	£	£	£	£	£	£
Head Office .. .. .	..	57,206	118,103	..	96	175,405	167,050
Tourist Bureaux—							
Melbourne .. .. .	698,980	530,418	..	146	..	1,229,544	1,277,908
Sydney .. .. .	30,286	40,960	..	1	..	71,247	74,006
Adelaide .. .. .	35,730	59,256	..	3	..	94,989	80,309
Brisbane .. .. .	9,244	11,916	..	1	..	21,161	17,215
Ballarat .. .. .	13,882	42,516	..	..	..	56,398	49,401
Bendigo .. .. .	13,397	56,798	..	..	..	70,195	59,866
Geelong .. .. .	18,009	70,583	..	20	..	88,612	88,426
Mildura .. .. .	3,688	9,683	..	..	..	13,371	11,651
	823,216	879,336	118,103	171	96	1,820,922	1,825,832

The value of rail travel for which tickets were issued by the Authority on the presentation of travel vouchers is not included in the above figures. In such instances, accounts are rendered by the Railways Department on the debtors concerned.

### TRANSPORT REGULATION BOARD.

Functions of the Board are to improve and co-ordinate transport and, for these purposes, it has, pursuant to the provisions of the *Transport Regulation Act 1958*, and Part I of the *Commercial Goods Vehicles Act 1958*, jurisdiction over all commercial goods and passenger vehicles operating within the State. Fees (other than road charges) and fines under these Acts and fees under the Motor Car Acts for the registration of certain omnibuses are paid into the Transport Regulation Fund. Costs of administration and other authorized charges are met therefrom. The balance in the Fund at 30th June, 1964, was £675,144.

The receipts and payments of the Fund together with corresponding figures for the previous year are summarized hereunder:—

1962-63.			1963-64.
£	<i>Receipts.</i>		£
560,704	Balance of Transport Regulation Fund at 1st July .. ..		674,381
312,798	Licence Fees and Additional Fees on Licences .. ..		330,062
378,833	Permits .. ..		412,004
5,760	Metropolitan Omnibus Registration Fees .. ..		5,361
58,259	Fines .. ..		75,822
15,841	Miscellaneous Receipts .. ..		16,328
			839,577
1,332,195			1,513,958
	<i>Payments.</i>		
488,289	Salaries and Overtime (Including Pay-roll Tax, &c.) .. ..		516,045
107,855	Other Administrative Expenses .. ..		125,069
15,996	Payment for Police Services .. ..		14,695
2,947	Contribution towards erection of Comfort Stations and Bus Shelters, &c. ..		3,318
32,552	Amounts Distributed to Municipalities .. ..		30,637
10,175	New Head Office, Land and Building—Carlton .. ..		144,050
..	Contribution—Metropolitan Transportation Committee—Act No. 7003 ..		5,000
			838,814
657,814			
674,381	Balance of Transport Regulation Fund at 30th June .. ..		675,144

Revenue for the year rose by £68,086, due mainly to an increase in receipts from licences and permit fees.

*Road Charges.*—Part II. of the *Commercial Goods Vehicles Act 1958* requires the owners of commercial goods vehicles to pay to the Board specified road charges by way of compensation for wear and tear caused by such vehicles to public highways and directs that the moneys received are to be paid into the Country Roads Board Fund to the credit of the Roads Maintenance Account. The amount so paid in 1963-64 was £2,818,969 as compared with £2,459,557 in the previous year.

*Motor Boat Registration Fees.*—The *Motor Boating Act 1961*, provides for the registration of motor boats by the Board and for the payment of prescribed registration fees.

This Act also provides that these fees are to be credited to the Tourist Fund and that the costs of collection are to be recouped from the said Fund.

The registration fees collected by the Board during 1963-64 amounted to £66,674. The costs of collection were recouped to the extent of £9,693.

## WORKERS COMPENSATION BOARD.

In accordance with the provisions of the *Workers Compensation Act* 1958, the revenue of the Board consists of contributions by Insurers, the Victorian Railways Commissioners and employers who operate approved schemes of compensation. All receipts of the Board are paid into a Trust Fund kept at the Treasury styled the "Workers Compensation Board Fund" from which are met the costs and expenses of the Board. The Fund is also available for the payment of moneys due under awards against uninsured employers. The Insurance Commissioner is entitled to recover any such amounts. Certain expenses incurred by the Commissioner in recovering these amounts are met from Consolidated Revenue.

Particulars of Income and Expenditure of the Fund for the years 1962-63 and 1963-64 are as follow :—

	1962-63.	1963-64.
	£	£
<i>Income—</i>		
Contributions from Insurers and others .. .. .	65,293	62,532
<hr/>		
<i>Expenditure—</i>		
Salaries .. .. .	31,146	34,603
Rent .. .. .	7,812	8,548
General .. .. .	9,984	9,735
Claims on uninsured employers paid from the Fund (net) ..	8,822	21,094
<hr/>		
	57,764	73,980
<hr/>		
Excess of Income over Expenditure for the year .. .. .	7,529	..
Excess of Expenditure over Income .. .. .	..	11,448
<hr/>		

The Fund was insufficient to the extent of £1,560 to meet expenditure in the year ended 30th June, 1964. Pursuant to the provisions of section 82 (10) of Act No. 6419 a special appropriation of this amount was made out of Consolidated Revenue. When funds become available, Consolidated Revenue will be recouped out of the Fund.

All amounts of compensation granted under awards of the Board in cases of death or to minors (other than weekly payments) are payable into the custody of the Board to be invested, applied, or otherwise dealt with, in the Board's discretion, for the benefit of the persons entitled thereto. Generally, moneys in the custody of the Board are invested in a Common Fund and interest on the investments is equitably apportioned over all the constituent accounts. However, when requested, the Board will make a specific investment.

Receipts and Payments of the Common Fund for the years 1962-63 and 1963-64 are summarized below:—

	1962-63.	1963-64.
	£	£
Receipts .. .. .	1,616,893	1,812,287
Payments .. .. .	1,348,973	1,375,642
<hr/>		
Excess of receipts over payments .. .. .	267,920	436,645
Balance at beginning of year .. .. .	4,674,796	4,942,716
<hr/>		
Balance at close of year .. .. .	4,942,716	5,379,361
<hr/>		

Investments, &c., controlled by the Board at 30th June, 1964, are shown hereunder :—

Common Fund—								£
Cash State Savings Bank of Victoria	..	..	..	..	..	..	..	359,792
Commonwealth Securities (face value)	..	..	..	..	..	..	..	1,619,450
State Electricity Commission Debentures	..	..	..	..	..	..	..	1,850,000
Melbourne and Metropolitan Board of Works Debentures	..	..	..	..	..	..	..	1,350,000
Geelong Waterworks and Sewerage Trust Debentures	..	..	..	..	..	..	..	200,000
Temporary Advances	..	..	..	..	..	..	..	119
								<hr/>
								5,379,361
Specific Investments—								
Commonwealth Securities	..	..	..	..	..	..	..	8,630
State Electricity Commission Debentures	..	..	..	..	..	..	..	2,400
Melbourne and Metropolitan Board of Works Debentures	..	..	..	..	..	..	..	3,500
Geelong Waterworks and Sewerage Trust Debentures	..	..	..	..	..	..	..	2,000
								<hr/>
								16,530
								<hr/>

### GUARANTEES.

In certain instances, authorities for guarantees have been provided by specific legislation such as that relating to Co-operative Housing Societies. But, on other occasions, the State has been committed in respect of guaranteed bank overdrafts by the Executive without the specific authority of Parliament.

Particulars are given below of guarantees not authorized by statute and current at 30th June, 1964, showing the contingent liability of the State under each guarantee at that date.

	Guarantee.	Contingent Liability.
	£	£
Ballarat Agricultural and Pastoral Society .. .. .	3,500	3,500
Ballaarat City Council .. .. .	15,000	15,000
Bendigo City Council .. .. .	10,000	10,000
Exhibition Trustees .. .. .	180,000	119,990
Olympic Park Committee of Management .. .. .	140,000	75,000
Royal Agricultural Society of Victoria .. .. .	430,000	331,803
A. V. Page Pty. Ltd., Wonthaggi .. .. .	26,000	26,000
College of Pharmacy .. .. .	31,000	31,000
Eclarte Pty. Ltd. .. .. .	4,000	4,000

The reasons for the guarantees mentioned above were given in the reports for previous years.

Set out below are the details of each of those guarantees, authorized by statute, where there was a contingent liability at 30th June, 1964.

	Guarantee.	Contingent Liability.
	£	£
Co-operative Housing Societies .. .. .	83,256,500	78,236,753
Co-operative Societies .. .. .	618,345	331,792
Home Finance Trust .. .. .	8,710,788	7,191,880

The repayment of loans made by approved bodies to registered Co-operative Housing Societies has been guaranteed by the Treasurer under the provisions of the *Co-operative Housing Societies Act* 1958 which as a result of amendment by the *Co-operative Housing Societies (Guarantees) Act* 1963, now provides a limit of £90,000,000 to the aggregate liability which may be incurred by the State under this heading. At 30th June, 1964, 707 guarantees were current in support of loans made or to be made.

The Principal Act as amended by the *Co-operative Housing Societies (Amendment) Act* 1963, empowers the Treasurer to enter into an agreement with a Society to indemnify it against that part of any loss the Society may sustain in respect of an advance to a member upon the security of his land and dwelling-house, where such of the loss sustained is directly attributable to the fact that the amount of the advance made by the Society, reduced by the value of the share capital of the member, exceeded 80 per centum of the value of the member's security; and that the amount of such advance, subject to certain deductions, did not exceed £3,300. At 30th June, there were 2,246 indemnities in force, the contingent liability in respect of which was £473,576.

The *Co-operation Act* 1958 as amended by Act No. 6749 provides a limit of £2,000,000 to the liability which the State may incur under guarantees given in respect of societies registered under this Act. To 30th June, 116 guarantees to the extent of £618,345 had been given in relation to the borrowings of a number of societies, and the contingent liability under the guarantees amounted to £331,792.

The activities of the societies registered under this Act and the Co-operative Housing Societies Act are subject to the supervision of the Registrar holding office under these two Acts. The accounts of the societies are not audited by me, but, under the controlling legislation, are required to be audited, at least annually, by a person registered as a company auditor. They may also be inspected by the Registrar or some other person authorized to act on his behalf.

The *Home Finance Act* 1962 No. 6933 replaced, as from the 4th March, 1963, the then existing legislation in respect of home finance. It is provided in this Act that the Treasurer, with the approval of the Governor in Council, may execute a guarantee in favour of any institution which, on the security of a first mortgage of a dwelling-house, makes a loan in excess of certain specified maximum limits. A guarantee under this authority, however, is not to be executed where the amount of the loan exceeds 95 per cent. of the value of the dwelling-house. Also under this Act, but for the purpose of enabling the Trust to make a loan either on first or second mortgage, the Treasurer may, with the approval of the Governor in Council, execute a guarantee in favour of the Commissioners of the State Savings Bank of Victoria or any person or body depositing money with the Home Finance Trust or in favour of any bank lending money by way of overdraft to the Trust.

At 30th June, 177 guarantees amounting to £135,788 in respect of loans beyond the specified maxima, and 62 guarantees totalling £8,575,000 in respect of amounts to be deposited with or lent by way of overdraft to the Trust were current. The contingent liability, at 30th June, under these 239 guarantees was £7,191,880.

The accounts of the Trust are subject to audit by this office, and are discussed in further detail in my Supplementary Report.

*Building Societies Act* 1958.—This Act as amended by the *Building Societies (Amendment) Act* 1961, No. 6765, authorizes the Treasurer to guarantee the repayment by building societies of advances to them by banks, not exceeding in respect of any one society, a sum of £100,000. Up to and inclusive of 30th June, 1964, no such guarantees had been given.

### THE STATE'S DEBTORS.

Debts coming within this section are of two classes—arrears of revenue and advances to public bodies and others.

*Arrears of Revenue.*—The statement hereunder gives the position as to the amounts owing at the end of each of the last three financial years in respect of the major State activities.

—	1962.	1963.	1964.
	£	£	£
Railways and State Coal Mine .. .. .	1,634,902	1,759,306	2,006,331
Taxation—			
Income .. .. .	1,655	1,110	1,322
Unemployment Relief .. .. .	473	357	392
Land .. .. .	1,622,032	1,396,335	1,338,323
Entertainments .. .. .	8,932	..	..
Probate Duty .. .. .	391,301	744,525	495,223
Water Supply .. .. .	607,894	541,842	547,059
Lands Department .. .. .	55,257	39,118	68,383
Rural Finance and Settlement Commission .. .. .	185,154	209,112	198,910
Forests Commission .. .. .	247,038	234,082	213,670
Government Printer (excluding amounts due from State Departments) .. .. .	37,258	42,902	50,361
Other Departments .. .. .	75,904	58,863	40,506
Trading Activities—			
Victoria Dock Cool Stores .. .. .	116,591	105,967	102,476
Lighterage and Storage of Explosives .. .. .	270	..	..
Erica Sawmill .. .. .	13,022	13,816	9,237
Miscellaneous .. .. .	49,262	123,409	54,490
	5,046,945	5,270,744	5,126,683

The arrears of Probate Duty for 1964 do not include the amount of £654,141 which represents assessments issued during June, but not due and payable until after 30th June.

Land Tax in arrears as at 30th June, 1964, as disclosed in the preceding statement, is comprised of amounts due in respect of several assessment years. Relevant details are :—

Assessment year	Amount £
1960 and prior years .. .. .	1,304
1961 .. .. .	8,608
1962 .. .. .	59,868
1963 .. .. .	437,674
1964 .. .. .	830,869
	1,338,323

Collections during July, 1964, reduced these arrears by £376,132.

“Miscellaneous”, £54,490, represents cash in transit to the Treasury from various departmental branches throughout the State as at the close of the year 1963-64 and includes—from the Marine Board £10,248; and the City Court, £11,465.

Amounts due to the Social Welfare Department have not been included in the statement of arrears as the debtors are, in most instances, persons without the means to pay, or whose whereabouts are unknown, and substantial collections in respect of these arrears are unlikely.

*Advances to Public Bodies, &c.*—The State makes advances from loan and revenue sources to public bodies and other organizations, and debts due to the State in respect of these advances are discussed under this heading. Amounts made available to major undertakings such as the State Electricity Commission, Housing Commission, Rural Finance and Settlement Commission, &c., are not included here, but are discussed in the relevant sections of my supplementary report.

Advances additional to those from loan or revenue moneys have been provided from the Decentralization Fund, £448,658; and from the Tourist Fund, £140,660. To 30th June, 1964, repayments on account of these advances amounted to £189,443 and £18,583 respectively. Further references are made under appropriate headings in this report.

Set out below is a summary of advances made during the last three years by means of special items in Loan Application Acts or from Treasurer's Advance.

—	1961-62.	1962-63.	1963-64.
	£	£	£
Corporations and other Bodies .. .. .	1,452,448	1,845,336	1,226,705
Settlers .. .. .	929	1,273	423
Various .. .. .	36,750	74,349	116,896
Total .. .. .	1,490,127	1,920,958	1,344,024

Advances made during these years were related mainly to projects associated with water supply and sewerage in country districts.

In some cases, repayment of advances has not been in accordance with the agreed conditions and, at 30th June, instalments of redemption and interest charges due and unpaid amounted to £43,062. Following is a concise statement of the balances of advances and amounts overdue, together with brief comments in respect of the larger items:—

	Balance of Advances at 30th June, 1964.			Overdue at 30th June, 1964.				
	Loan.	Revenue.	Total.	Redemption.			Interest.	Total.
				Loan.	Revenue.	Total.		
	£	£	£	£	£	£	£	£
Co-operative Companies ..	423	..	423	..	..	..	..	..
Municipalities ..	1,425,002	..	1,425,002	..	..	..	..	..
Corporations and other bodies ..	14,271,760	..	14,271,760	2,389	..	2,389	15,865	18,254
Unemployment Relief Advances	101,207	..	101,207	15,736	..	15,736	..	15,736
Advances to Settlers ..	12,866	..	12,866	7,206	..	7,206	1,187	8,393
Various .. ..	811,877	1,754	813,631	425	254	679	..	679
Total .. ..	16,623,135	1,754	16,624,889	25,756	254	26,010	17,052	43,062

Included in the total of £43,062 overdue, is an amount of £1,187 on account of interest on advances to settlers. This amount is not shown in the Treasurer's Statement of Sundry Debtors to Revenue.

#### MUNICIPALITIES.

*King-street Bridge.*—The cost of construction of this bridge is being borne as to 65 per cent. by the State, 30 per cent. by the City of Melbourne and 5 per cent. by the City of South Melbourne. The cost is met initially by the State from the Loan Fund, and the proportionate shares of the municipalities are being repaid to the State, with interest at 5 per cent. per annum, over a period not exceeding 35 years from 30th June, 1958.

During the year, a further amount of £76,335 was charged to Loan Fund on account of the construction of the Bridge, including £75,000 paid to Johns and Waygood Limited in terms of a Deed of which that Company, Utah Australia Limited and the Country Roads Board were the parties. In consideration of this payment, the Supreme Court action, 1962, No. 1 Johns and Waygood Limited v. Utah Australia Limited and the Country Roads Board, and all further proceedings therein were wholly stayed and discontinued. The action had been brought by Johns and Waygood Limited in respect of work performed by it in connexion with the King Street Bridge Project.

On legal advice, the afore-mentioned payment of £75,000 was considered to be part of the "Cost of Construction" as defined in the *King-street Bridge Act 1957* and, accordingly, was provided and is to be borne in the manner stipulated in Section 8 of that Act.

During the year, receipts amounting to £5,155 including rents from certain properties in the vicinity of the Bridge were credited to the cost of construction. Therefore, in the year, the net addition to the expenditure on the Bridge was £71,180.

Expenditure from the Loan Fund, including the net amount mentioned above, amounted to £4,384,240 as at the close of the year. According to the Treasurer's accounts, the sum still to be repaid by the municipalities concerned, as at 30th June, 1964, was £1,425,002.

#### CORPORATIONS AND OTHER BODIES.

*Local Governing Bodies.*—To assist in the development of the water supply works controlled by certain municipalities, the State has made advances of £4,546,095 from loan and £4,000 from revenue. Repayments and amounts written off or transferred have left a balance to be repaid, at 30th June, of £2,788,769. Instalments of redemption and interest charges overdue at the same date totalled £50.

*Sewerage Authorities.*—Advances of £2,556,277 have been made from loan for capital works of country sewerage authorities, but £1,550,763 of this amount has been transferred to the Capital Expenditure borne by the State Account. Repayments amount to £153,644, and the balance of liability at 30th June was £851,870.



*Mildura Trusts.*—Loan advances to the First Mildura Irrigation Trust and the Mildura Urban Water Trust amount to £1,889,227 of which there has been repaid £66,178. Liability to the extent of £1,316,767 has been transferred to the State and £18,416 has been written off, leaving the balance of advances at 30th June, £487,866.

*Waterworks Trusts.*—Of advances of £13,552,740 from loan and £33,625 from revenue, £9,181,810 was still to be repaid at 30th June.

At the same date 77 trusts between them owed £17,379 for redemption and interest charges. (For further reference to these trusts see under State Rivers and Water Supply Commission).

*River Improvement Trusts.*—Provision has been made in the *River Improvement Act* 1958 for advances to be made to river improvement authorities for expenditure on approved works. At 30th June, total advances from loan funds, including £2,547 transferred from a Waterworks Trust, amounted to £1,856,463, but liability to the extent of £1,649,600 has been borne by the State. Further reference is made to these trusts under State Rivers and Water Supply Commission.

#### UNEMPLOYMENT RELIEF ADVANCES.

Advances made to various bodies for purposes associated with the relief of unemployment totalled £2,478,032, of which £839,386 has since been treated as a grant and £27,824 has been written off. The balance of advances at 30th June, was £101,207 including £15,736 overdue instalments of redemption.

## MARKETING BOARDS.

## ASSOCIATED WITH PUBLIC ACCOUNT.

Particulars of those marketing Boards the financial operations of which pass through the Public Account are as follows:—

*Victorian Dried Fruits Board.*—The Board is responsible for the control of the marketing, in Victoria, of dried fruits produced in the State, the registration of packing houses and the establishment and maintenance of standards in the industry.

The Board's operations are financed from the Dried Fruits Fund, and its accounts are based on a calendar year. The revenue of the Fund is derived almost entirely from statutory contributions made annually by packing-houses.

The following summary sets out the transactions of the Board for the years 1962 and 1963.

1962.		1963.	
£	£	£	£
20,040		Contributions .. .. .	13,558
150		Other Income .. .. .	475
<u>          </u>	20,190		<u>          </u> 14,033
		Expenditure—	
2,690		Allowances, Board Members .. .. .	2,336
3,057		Salaries, Office Staff .. .. .	3,317
6,007		Inspection and Grading .. .. .	5,781
3,114		General Expenses .. .. .	3,309
<u>          </u>	14,868		<u>          </u> 14,743
Surplus	<u>5,322</u>	Deficit for Year .. .. .	<u>710</u>

The fall of £6,482 in income from "Contributions" was due to a decrease in 1963 in the tonnage of dried fruits processed.

At 30th June 1964, the balance at credit to the Fund amounted to £22,068 and comprised cash £9,208 and investments £12,860.

*Milk Board.*—The Board's operations in 1963-64 resulted in a revenue surplus of £28,581 a decrease of £3,652 on the comparable figure for 1962-63.

A summarized statement of the Board's operations for the year together with comparative figures for the previous year is set out hereunder. The figures shown are subject to audit.

1962-63.		Revenue.		1963-64.	
£				£	£
155,042	Milk Trading Revenue .. .. .			162,916	
13,772	Milk Shop Licence Fees .. .. .			14,266	
1,139	Milk Shop Licence Transfer Fees .. .. .			1,096	
<u>          </u>				<u>          </u>	178,278
169,953					
		Expenditure.			
46,188	Salaries .. .. .			51,890	
943	Pay-roll Tax .. .. .			1,023	
486	Rental of Premises .. .. .			905	
6,586	Travelling Expenses .. .. .			5,332	
5,323	General Expenses .. .. .			8,659	
71,653	Publicity Account—Appropriation .. .. .			75,228	
2,500	Improving Quality of Milk—Paid to Department of Agriculture .. .. .			2,500	
2,130	Building Maintenance .. .. .			1,965	
776	Interest .. .. .			817	
1,135	Depreciation .. .. .			1,378	
<u>          </u>				<u>          </u>	149,697
137,720					
<u>32,233</u>	Surplus for the Year .. .. .			<u>28,581</u>	

The item—Publicity Account—Appropriation, £75,228—is the provision from revenue to meet publicity costs incurred in promoting the consumption of milk. This appropriation, together with the sum of £8,337 contributed by milk depots and carriers, was credited to the Publicity Account. Expenditure for publicity purposes charged to the Account in the year amounted to £94,915.

At 30th June, 1964, fixed assets and stock for publicity purposes, £14,141, and sundry debtors, £791, were represented by the accumulated balance of the Publicity Account, £10,089, and expenditure charged against the Milk Board Fund, £4,843.

The Board's balances as at 30th June, 1963, and 30th June, 1964, were :—

30·6·63		30·6·64
£		£      £
1,111,983	Sundry Creditors—Trade .. .. .	1,172,761
7,601	Sundry Creditors—Other .. .. .	16,651
4,585	Milk Shop Licences Paid in Advance (Net) .. .. .	4,323
<u>1,124,169</u>		<u>1,193,735</u>
	Accumulated Funds—	
	Accumulation Fund—	
423,025	Balance Brought Forward .. .. .	455,211
32,233	Revenue Surplus for the year .. .. .	28,581
<u>455,258</u>		<u>483,792</u>
21,439	Publicity Account .. .. .	10,089
<u>476,697</u>		<u>493,881</u>
<u>1,600,866</u>		<u>1,687,616</u>
385,058	Milk Board Fund—Balance at Treasury .. .. .	406,460
1,124,713	Sundry Debtors—Trade .. .. .	1,184,550
502	Sundry Debtors—Publicity Account .. .. .	791
		<u>1,185,341</u>
4,112	Office Equipment and Furniture less Depreciation .. .. .	4,359
2,788	Motor Vehicles less Depreciation .. .. .	2,795
74,241	Land and Buildings at cost .. .. .	74,520
	Publicity Account—	
	Fixed Assets less Depreciation—	
2,916	Pasteurization Plant .. .. .	2,624
2,763	Publishing Plant .. .. .	4,254
2,313	Mobile Milk Promotion Units .. .. .	4,217
..	Homogenizing Plant .. .. .	338
		<u>11,433</u>
1,460	Publishing Stocks on Hand .. .. .	2,708
		<u>14,141</u>
<u>1,600,866</u>		<u>1,687,616</u>

Trade debtors and creditors, for the most part, resulted from trading operations for the month of June, 1964.

### SURCHARGES.

In conformity with the provisions of Section 47 (1) (a) (v) of the *Audit Act* 1958, I furnish hereunder particulars of all surcharges unsatisfied as at 30th June, 1964.

Date.	Department, &c.	Amount.	Particulars.
5.3.1959	Housing Commission ..	<p style="text-align: center;">£   s.   d.</p> <p style="text-align: center;">210   0   0</p>	Deficiency in a rental officer's collections; restitution made to the extent of £169 4s. 6d. The person concerned cannot now be located.

### UNSATISFIED AUDIT QUERIES, ETC.

#### TREASURER'S ACQUITTANCE.

Sub-sections (1) and (2) of Section 34 of the *Audit Act* 1958 require me to acquit the Treasurer, in the form of the Eleventh Schedule to the Act, for the amount of those public moneys which has been ascertained by me to have been duly and properly expended. Sub-section (3) of the said section excludes from the acquittance expenditure which is "the subject of query or observation or of show cause action or of disallowance or surcharge".

In accordance with the provisions of this Section the Treasurer has not been acquitted for expenditure as follows:—

						£
1958-59	..	..	..	..	..	4,139
1959-60	..	..	..	..	..	23
1960-61	..	..	..	..	..	1,597
1961-62	..	..	..	..	..	216
1962-63	..	..	..	..	..	4,765
1963-64	..	..	..	..	..	1,017,943

Advances to Departments, &c., not adjusted at 30th June, 1964, amounted to £543,303. In respect of these advances, the Treasurer had not, at that date, been acquitted to the extent of £459,303.

#### IMPERFECT VOUCHER.

Pursuant to Section 42 of the *Audit Act* 1958 the following imperfect voucher was admitted as sufficient discharge of the Paymaster:—

##### *Law Department.*

Treasury Voucher No. 140493 of 1st May, 1964.—Witnesses Expenses. Seven sub-vouchers covering a sum of £25 4s. 6d. had been lost.

#### Defalcations and Irregularities, 1963-64.

Particulars as required by Section 47 of the *Audit Act* 1958 of cases in which default has been made in delivering or sending accounts or accounting for public or other moneys or stores, and of relevant proceedings taken.

(Amounts are shown to the nearer £1.)

##### *Chief Secretary's Department.*

*Institute of Applied Science.*—Petty Cash amounting to £8 was stolen. The matter was reported to the police.

##### *Police Department.*

*Police Station, St. Kilda.*—A constable failed to account promptly for moneys received on warrants. No shortage was evident.

*Social Welfare.*

*Head Office.*—In 105 instances over the period from 17th June to 25th September, 1963, sums received through the mail and amounting to £505 were temporarily withheld by a junior officer. The Public Service Board fined the officer concerned £10 for misconduct.

Fraudulent alteration of petty cash vouchers resulted in a cash shortage of £10. Individual responsibility for the alterations could not be determined.

“*Allambie*”.—An amount of £26 drawn for the payment of salary to an employee disappeared from the office. The police were advised.

“*Turana*”.—Bail money—£20—was stolen from an office safe. The police were advised.

*State Accident Insurance Office.*

£9 of a change advance was stolen from a locked drawer. The matter was reported to the police.

*Education Department.*

*State School Harkaway.*—A departmental inspection of the accounts of the Head Teacher disclosed a shortage of £110. Restitution has been made. Police action is in course.

*State School East Meadows.*—A Head Teacher misappropriated £833. He was sentenced to two and a half years imprisonment. Restitution was made.

*State School Glenthompson.*—A Head Teacher misappropriated £213. Restitution was made, and the teacher was reduced in classification and transferred to another school.

*State School Huntly.*—A Head Teacher was considered responsible for delays in banking official and other moneys. No shortage was evident.

*State School Katunga and State School Swan Hill North.*—A Head Teacher, first at Katunga and later at Swan Hill North, misappropriated official and extraneous funds to a total amount of £230. The teacher concerned was presented to the Court of Petty Sessions on two charges of larceny as a servant. The case was adjourned for one year and the defendant was placed under good behaviour bond for the same period. Later, the Teachers' Tribunal found him guilty regarding other matters raised in the audit reports and reduced him in classification. Restitution of official moneys was made.

*State School Morwell North.*—A Head Teacher misappropriated £60. Restitution in full was made and the teacher resigned.

*State School Musk Creek and State School Stonehaven.*—A Head Teacher, first at Musk Creek, and later at Stonehaven, misappropriated sums of £33 and £10, respectively. Restitution was made and the teacher concerned resigned.

*University of Melbourne.*

*Students' Records Section.*—Cash shortage of £7. Individual responsibility for the loss could not be determined.

*University Union.*—£193 stolen from the night safe; £230 stolen from the Box Office.

In each instance the police were notified, and recovery of the amount effected under the terms of an insurance policy.

*Russell-street Theatre.*—£530 stolen from the safe. Of this amount, £300 was recovered under the terms of an insurance policy.

*Tractor Testing Station, Werribee.*—Tools valued at £150 were stolen. The police were notified.

*Forests Commission.*

A cashier misappropriated £49 from an Advance Account. He was dealt with by the Public Service Board and transferred to other duties. Restitution was made.

*Health Department.*

*Mental Hospital, Mont Park.*—An amount of £2 was stolen from an office safe. Individual responsibility was not established by police officers who investigated the theft.

*Mental Hospital, Plenty.*—An office safe containing cash and cheques amounting to £70 was stolen. The police were advised.

*Tallangatta Hospital.*—Irregular handling of hospital and agency funds was the subject of audit investigation. The person responsible had left the employ of the hospital prior to such investigation.

*Law Department.*

*Companies Registration Office.*—The Office was entered during a week-end, and £7 petty cash was stolen. The matter was investigated by the police.

*Clerk of Courts, Kew and Hawthorn.*—An amount of £11 was misappropriated from Poor Box funds of the group.

*Clerk of Courts, Shepparton.*—An amount of £10 was not brought to account. Individual responsibility for the shortage could not be established.

*Metropolitan Fair Rents Board.*—The office was entered overnight and official stamps to a value of £90 were stolen.

*Sheriff's Office, Melbourne.*—An amount of £86 was stolen from an office safe. The police investigated the loss but were unable to determine responsibility therefor.

*Public Works Department.*

*Country Roads Board.*

*Syndal.*—A cash shortage of £10 was reported, and was recovered from the Board's insurers.

*Warrnambool.*—False claims for travelling expenses involved the Board in an estimated loss of £30. The matter is being investigated by the police.

*Geelong Harbor Trust.*—An amount of £865 was misappropriated. Restitution was made and the officer concerned was transferred to other duties with a substantial loss of salary.

*Treasurer.*

*Government Printing Office.*—Shortage of £11 in cash takings. Individual responsibility for the shortage could not be determined.

*Housing Commission.*—A pay envelope containing £29 disappeared from the Paymaster's safe. The matter was referred to the police. The amount was recovered under the terms of the Commission's insurance policy.

*Transport Regulation Board.*

*Ballarat.*—The office was entered overnight and cash and cheques amounting to £31 were stolen. The police were notified.

*Railways Department.*

Twenty-eight officers and employees were found guilty of offences in respect of loss or theft of money or other property. With the exception of two instances involving sums of £150 and £93, the cash and other deficiencies were comparatively small. Six of the charges were heard by the Courts and 22 were dealt with by the Railways Board of Discipline.

*State Electricity Commission.*

*Yallourn.*—A shortage of £5 in a cash advance was reported. The officer concerned was reduced in classification.

*General.*—All losses or thefts of stores or materials reported during the year were investigated by officers of the Commission and where thought necessary the police were advised. The services of Commission personnel were terminated in those instances in which individual responsibility could be established.

In addition, losses or thefts of stores or materials reported in the year were as follows :—

Department of Authority.	Location.	Items Lost or Stolen.	Value.	Remarks.
			£	
Agriculture .. ..	Echuca .. ..	Sundry items ..	8	} Police notified
	Fruit Inspection Depot	Sundry items ..	51	
	Kyabram .. ..	Tools, petrol ..	15	
	Maffra .. ..	Camera .. ..	17	
	Numurkah .. ..	Power take-off shaft	18	
	Orchard Inspection Branch	Various items of equipment	41	
	Potato Research Station	Electric drill ..	25	
	Werribee .. ..	Tools .. ..	7	
Forests Commission ..	Cobram .. ..	Camp fittings ..	18	} Police notified
	Kalatha .. ..	Camp fittings ..	25	
Gas and Fuel Corporation	Brunswick .. ..	Bath heater ..	17	} Investigated by police
	Collingwood ..	Gas fire .. ..	13	
	Fitzroy .. ..	Tyres and accessories	328	
	North Melbourne ..	L.P.G. equipment ..	700	
	West Melbourne ..	Bronze castings ..	125	
Mental Hygiene .. ..	Kew .. ..	Mantel radio ..	..	Police notified
	Mont Park .. ..	Tools .. ..	10	} Written off
	Observatory .. ..	Electric drill ..	25	
	Plenty .. ..	Two mantel radios ..	85	Police notified
	Traralgon .. ..	Hose .. ..	5	Written off
Public Works .. ..	Beverley Hills S.S. ..	Tools .. ..	55	} Police notified
	Eltham H.S. .. ..	Petrol drum ..	2	
	Engineers Branch ..	Tools and equipment	10	} Written off
	Fawkner T.S. .. ..	Tools .. ..	24	
	Gresswell .. ..	Materials .. ..	19	} Police notified
	Kew .. ..	Electric saw ..	40	
	Kingsville .. ..	Sundry items ..	20	
	Mentone .. ..	Rubber boots, petrol	45	
	Mont Park .. ..	Petrol, oil, tools, &c.	24	
	Mordialloc .. ..	Tools .. ..	22	
	New Treasury .. ..	Tools .. ..	19	
	Police H.Q. .. ..	Extension ladder ..	8	
	Rhyll .. ..	Tools and equipment	10	
	Royal Park .. ..	Extension ladder ..	11	
	Yarra Boulevard ..	Tools and equipment	25	
	Various .. ..	Sundry items ..	50	Written off
Rural Finance and Settlement Commission	Heytesbury .. ..	Polythene piping ..	114	Police notified
State Rivers and Water Supply Commission	Bellfield Project ..		144	} Suspected thefts referred to police for enquiry. Losses written off by Commission
	Cohuna .. ..		42	
	Construction Branch..		6	
	C.P.W. Bendigo .. ..		8	
	Eppalock .. ..		20	
	Frankston .. ..		70	
	Golden Square .. ..		6	
	Hopetoun .. ..		11	
	Kerang .. ..		17	
	Lake Pyans .. ..	} Materials, tools and equipment	4	
	Maffra .. ..		36	
	Numurkah .. ..		80	
	Pyramid Hill .. ..		3	
	Redcliffs .. ..		9	
	Rodney .. ..		3	
	Swan Hill .. ..		11	
Tatura .. ..	376			
Tongala .. ..	9			
Werribee .. ..	16			

## ACKNOWLEDGMENT.

The number of qualified and experienced officers in the Audit Office is still insufficient to meet, to my satisfaction, the statutory and extra-statutory audit requirements of the State. Nevertheless, it is my belief that, due largely to the zealous efforts and practical support of the supervisory and experienced personnel on the staff of the Audit Office, I have been able to utilize the services of all members of the staff of that Office in a way that has provided the maximum audit services possible under existing staff conditions. To all officers concerned, I wish to express my appreciation of the manner in which they have performed their respective audit tasks during the year.

I also desire to thank the officers of the Treasury and other Departments for their co-operation.

R. W. GILLARD,  
Auditor-General.

Melbourne, 6th October, 1964.



## STATEMENT No. 1.

## RECEIPTS AND EXPENDITURE FOR THE YEAR 1963-64.

A statement of the Receipts and Expenditure of the Consolidated Revenue, Loan Moneys and Advances on account of Loan Moneys\* for the financial year 1963-64.

		Receipts.			Expenditure.		
		£	s.	d.	£	s.	d.
<i>Balances brought forward—</i>							
Surplus for 1962-63	..	822	18	2	220,353,399	18	7
Loan Fund	..	20,568	0	5	2,083,692	7	8
		<hr/>			<hr/>		
		21,390	18	7	222,437,092	6	3
<i>Revenue for the year</i>		..	..	..222,184,556	..	..	..
<i>Proceeds of Loans raised for Works &amp;c...</i>		..	..	56,135,000	..	..	..
<i>Less Flotation Expenses &amp;c.</i>		..	..	188,955	..	..	..
		<hr/>			<hr/>		
Loan Repayments	..	..	..	3,127,542	..	..	..
Deficit for the year 1963-64	..	..	..	252,536	..	..	..
		<hr/>			<hr/>		
		281,532,069	12	1	281,312,257	1	1
		<hr/>			<hr/>		
		58,875,164	14	10	58,875,164	14	10
		<hr/>			<hr/>		
		222,184,556	0	3	281,312,257	1	1
<i>Surplus for 1962-63 applied in reduction of Consolidated Revenue Deficit</i>		..	..	..	..	..	..
<i>Balance carried forward—</i>							
Loan Fund	..	..	..	252,536	..	..	..
		<hr/>			<hr/>		
		281,532,069	12	1	218,989	12	10
		<hr/>			<hr/>		
		281,532,069	12	1	281,532,069	12	1
		<hr/>			<hr/>		

\* Does not include £13,813,750 advances from Commonwealth Government for Housing, including £3,975,000 for the Home Builders' Account.

† Subject to the passing of the Supplementary Estimates for the year.

## STATEMENT No. 2.

Comparison, on a monetary and proportional basis, of expenditure from Consolidated Revenue and Loan in 1963-64 with that in the previous year.

Note.—1963-64 shown in heavy type ; 1962-63 shown in light type.

Nature of Expenditure.	Revenue.		Loan.		Total.	
	—	Percentage of Gross Revenue.	—	Percentage of Loan Funds Available.	—	Percentage of Total.
	£		£		£	
Social—						
Education, Health, Child Welfare, Payments to Hospitals and Charities Fund, &c.	78,487,039	37·90	21,524,467	38·89	100,011,506	38·11
	<b>86,448,671</b>	<b>38·91</b>	<b>25,682,747</b>	<b>43·46</b>	<b>112,131,418</b>	<b>39·87</b>
Law and Order—						
Law, Police, Prisons, &c. .. .. .	12,051,823	5·82	788,868	1·43	12,840,691	4·89
	<b>12,976,750</b>	<b>5·84</b>	<b>950,788</b>	<b>1·61</b>	<b>13,927,538</b>	<b>4·95</b>
Debt Charges .. .. .	39,139,584	18·90	..	..	39,139,584	14·92
	<b>41,734,020</b>	<b>18·78</b>	..	..	<b>41,734,020</b>	<b>14·84</b>
Commonwealth-State Housing (Interest and Repayments)	6,342,466	3·06	..	..	6,342,466	2·42
	<b>6,937,488</b>	<b>3·12</b>	..	..	<b>6,937,488</b>	<b>2·47</b>
Railways—						
Working Expenses and Loan Expenditure	41,264,803	19·93	7,809,221	14·09	49,074,024	18·70
	<b>43,825,624</b>	<b>19·73</b>	<b>7,810,185</b>	<b>13·22</b>	<b>51,635,809</b>	<b>18·36</b>
Pensions .. .. .	2,328,654	1·13	..	..	2,328,654	·89
	<b>2,398,345</b>	<b>1·08</b>	..	..	<b>2,398,345</b>	<b>·85</b>
Pensions (excluding Railways) .. .. .	2,375,194	1·15	..	..	2,375,194	·90
	<b>2,451,465</b>	<b>1·10</b>	..	..	<b>2,451,465</b>	<b>·87</b>
Primary Production—						
Agriculture, Lands, Soldier Settlement, Forests, Country Water Supply &c.	11,102,074	5·36	8,737,894	15·79	19,839,968	7·56
	<b>11,080,376</b>	<b>4·99</b>	<b>11,882,856</b>	<b>20·11</b>	<b>22,963,232</b>	<b>8·16</b>
Advances to State Electricity Commission	..	..	8,500,000	15·36	8,500,000	3·24
	..	..	<b>8,000,000</b>	<b>13·54</b>	<b>8,000,000</b>	<b>2·84</b>
Other Public Works .. .. .	..	..	1,955,280	3·53	1,955,280	·74
	..	..	<b>2,822,789</b>	<b>4·77</b>	<b>2,822,789</b>	<b>1·00</b>
Other Expenditure .. .. .	13,982,969	6·75	6,016,914	10·87	19,999,883	7·62
	<b>14,584,353</b>	<b>6·56</b>	<b>1,725,800</b>	<b>2·92</b>	<b>16,310,153</b>	<b>5·80</b>
Total Expenditure from Consolidated Revenue and Loan	207,074,606	100·00	55,332,644	99·96	262,407,250	99·99
	<b>222,437,092</b>	<b>100·11</b>	<b>58,875,165</b>	<b>99·63</b>	<b>281,312,257</b>	<b>100·01</b>
Loan Funds carried forward .. .. .	..	..	20,568	·04	20,568	·01
	..	..	<b>218,989</b>	<b>·37</b>	<b>218,989</b>	<b>·07</b>
Revenue Surplus .. .. .	823	..	..	..	823	..
Revenue Deficit .. .. .	<b>252,536</b>	<b>·11</b>	..	..	<b>252,536</b>	<b>·08</b>
Total Revenue and Loan Proceeds available to meet expenditure .. .. .	207,075,429	100·00	55,353,212	100·00	262,428,641	100·00
	<b>222,184,556</b>	<b>100·00</b>	<b>59,094,154</b>	<b>100·00</b>	<b>281,278,710</b>	<b>100·00</b>

## STATEMENT No. 3.

## LOAN FUND.

## ABSTRACT OF TRANSACTIONS FOR THE YEAR 1963-64.

	£	s.	d.	£	s.	d.
<i>Balance</i> of Loan Fund at 30th June, 1963 .. ..	..	..	..	20,568	0	5
<i>Receipts—</i>						
Proceeds of Loans Raised—						
For Works, &c. .. ..	..	..	..	56,135,000	0	0
,, Redemption .. ..	..	..	..	43,762,611	0	0
Loan Repayments .. ..	..	..	..	3,127,542	4	9
				<hr/>		
				103,025,153	4	9
				<hr/>		
				103,045,721	5	2
<i>Disbursements—</i>						
Works, &c., Under Parliamentary Authority ..	58,569,976	6	7			
,, ,, From Treasurer's Advance ..	305,188	8	3			
				<hr/>		
				58,875,164	14	10
Moneys applied to Redemption .. ..	43,453,216	0	0			
Flotation Expenses .. ..	188,955	17	6			
Conversion Bonus .. ..	309,395	0	0			
				<hr/>		
				102,826,731	12	4
				<hr/>		
<i>Balance</i> Loan Cash on Hand at 30th June, 1964 .. ..	..	..	..	218,989	12	10
				<hr/>		

## LIABILITY FOR LOANS.

	£	s.	d.	£	s.	d.
Liability to Commonwealth at 30th June, 1963 ..	716,252,330	18	5			
Loans raised in 1963-64—	£	s.	d.			
For Works, &c. .. ..	55,633,040	15	11			
,, Redemption .. ..	43,840,278	10	0			
	<hr/>					
				99,473,319	5	11
				<hr/>		
				815,725,650	4	4
<i>Less</i> Loans Repurchased or Redeemed—						
By Redemption Loans .. ..	43,520,755	0	0			
,, National Debt Sinking Fund ..	8,432,523	13	7			
	<hr/>					
				51,953,278	13	7
				<hr/>		
Liability to Commonwealth at 30th June, 1964 .. ..	..	..	..	*763,772,371	10	9
<i>Less</i> Cash at credit of National Debt Sinking Fund	624,122	19	3			
Unexpended balance of Loan Cash ..	218,989	12	10			
				<hr/>		
				843,112	12	1
				<hr/>		
Net Liability for Loans at 30th June, 1964 .. ..	..	..	..	*762,929,258	18	8
				<hr/>		
Net Liability for Loans at 30th June, 1963 .. ..	..	..	..	715,725,184	18	10
				<hr/>		
The increase during the year was .. ..	..	..	..	47,204,073	19	10
				<hr/>		

\* Does not include £165,771,908 advanced by the Commonwealth for Housing purposes or £6,888,384 advanced for special assistance for Soldier Settlement.

## STATEMENT No. 4.

## TRUST FUNDS.

The Treasurer's liability on account of the Trust Fund, at 30th June, 1964, was:—

<i>Various funds as per Treasurer's Statement—</i>					£
Amounts lodged and invested	..	..	..	..	24,042,678
General Account balances	..	..	..	..	31,792,523
					<hr/> 55,835,201 <hr/>
 <i>Represented by:—</i>					
Stocks and Securities—					
Commonwealth Government Inscribed Stock, &c.	..	..	..	..	13,278,419
Melbourne and Metropolitan Board of Works Stock	..	..	..	..	997,400
Melbourne and Metropolitan Tramways Board Stock	..	..	..	..	155,000
State Electricity Commission Stock	..	..	..	..	1,640,880
Gas and Fuel Corporation Registered Debenture Stock	..	..	..	..	405,000
Geelong Waterworks and Sewerage Trust Stock	..	..	..	..	50,000
Geelong Harbor Trust Debenture	..	..	..	..	113,929
Kyabram Co-operative Fruit Preserving Co. Ltd.—Shares	..	..	..	..	4,932
Gas and Fuel Corporation of Victoria—Shares	..	..	..	..	7,456,194
Blue Moon Fruit Co-operative Ltd.—Shares	..	..	..	..	10
Camperdown—Glenormiston Dairying Co. Ltd.—Shares	..	..	..	..	70
Melbourne Harbor Trust Stock	..	..	..	..	65,000
State Savings Bank Deposit Stock	..	..	..	..	582,130
Pilot Vessel <i>Akuna</i> —Registered Mortgage Debenture	..	..	..	..	75,714
					<hr/> 24,824,678 <hr/>
 Cash Advanced—					£
For Consolidated Revenue Deficit	..	..	..	..	1,695,983
„ Other Advances	..	..	..	..	1,578,990
					<hr/> 3,274,973 <hr/>
„ Revenue Deficit 1963–64	..	..	..	..	252,536*
					<hr/> 3,527,509 <hr/>
Cash as per Treasurer's Statement	..	..	..	..	27,702,003
<i>Deduct—</i>					
Loan Fund Credit Balance	..	..	..	..	218,989
					<hr/> 27,483,014 <hr/>
					<hr/> 55,835,201 <hr/>

\* Subject to passing of Supplementary Estimates for the year.



STATEMENT No. 5—*continued.***DEBT CHARGES : STATISTICAL ANALYSIS.**

Year.	Loan Liability (Average for each Year).†	Debt Charges Paid in each Year.	Net Amount Avail- able for Payment of Debt Charges.	Amount with which Taxation, &c., was Charged.	Average Debt Charge Rate on Loan Liability— Per Cent.	Rate of Receipts— Per Cent.	Provided by Taxation, &c.—Per Cent.
	£	£	£	£	£ s. d.	£ s. d.	£ s. d.
1954-55 .. ..	394,081,484	16,782,943	3,926,577	12,856,366	4 5 2	0 19 11	3 5 3
1955-56 .. ..	428,456,232	19,160,720	4,269,329	14,891,391	4 9 5	0 19 11	3 9 6
1956-57 .. ..	463,766,048	21,102,752	4,708,362	16,394,390	4 11 0	1 0 4	3 10 8
1957-58 .. ..	500,015,672	23,918,452	4,896,071	19,022,381	4 15 8	0 19 7	3 16 1
1958-59 .. ..	536,612,245	26,215,694	5,207,850	21,007,844	4 17 8	0 19 5	3 18 3
1959-60 .. ..	574,566,917	29,645,507	5,695,985	23,949,522	5 3 2	0 19 10	4 3 4
1960-61 .. ..	613,565,297	31,992,712	6,315,902	25,676,810	5 4 3	1 0 7	4 3 8
1961-62 .. ..	653,742,997	35,265,929	7,120,264	28,145,665	5 7 11	1 1 10	4 6 1
1962-63 .. ..	695,364,873	38,793,404	7,636,625	31,156,779	5 11 7	1 2 0	4 9 7
1963-64 .. ..	735,012,351	41,385,234	8,499,540	32,885,694	5 12 8	1 3 2	4 9 6

† Excludes advances from Commonwealth Government for Housing and certain advances for Soldier Settlement.

**COUNTRY WATER SUPPLY.**

Year.	Loan Liability (Average for each Year).	Debt Charges on Water Supply Loans.	Net Earnings Available for Payment of Debt Charges.	Amount Provided by Taxation, &c.	Average Debt Charge Rate on Water Supply Loans —Per Cent.	Rate Earned—Per Cent.	Provided by Taxation, &c.—Per Cent.
	£	£	£	£	£ s. d.	£ s. d.	£ s. d.
1954-55 .. ..	77,002,616	3,096,235	..	3,096,235	4 0 5	..	4 0 5
1955-56 .. ..	84,957,069	3,490,361	72,220	3,418,141	4 2 2	0 1 8	4 0 6
1956-57 .. ..	91,579,468	3,814,836	..	3,814,836	4 3 4	..	4 3 4
1957-58 .. ..	98,040,683	4,264,713	401,130	3,863,583	4 7 0	0 8 2	3 18 10
1958-59 .. ..	104,864,693	4,640,190	322,656	4,317,534	4 8 6	0 6 2	4 2 4
1959-60 .. ..	111,855,889	5,063,370	239,871	4,823,499	4 10 6	0 4 3	4 6 3
1960-61 .. ..	119,230,446	5,483,647	268,932	5,214,715	4 12 0	0 4 6	4 7 6
1961-62 .. ..	127,111,430	6,053,361	614,118	5,439,243	4 15 3	0 9 8	4 5 7
1962-63 .. ..	134,861,639	6,500,947	715,990	5,784,957	4 16 5	0 10 8	4 5 9
1963-64 .. ..	142,867,570	6,799,643	992,447	5,807,196	4 15 2	13 11	4 1 3

## STATEMENT No. 6.

## RAILWAY ACCOUNTS.

Statement of Railway Receipts and Expenditure, including Revenue and Loan Moneys.

		Receipts.		Expenditure.	
		£	s. d.	£	s. d.
<i>Revenue—</i>					
Railway Income	.. .. .	45,931,636	2 0	42,619,933	14 6
Treasury credit for concessions in certain Country Freight Charges	.. .. .	143,000	0 0	581,288	10 6
Recoup Kerang-Koondrook Tramway Act	.. .. .	13,610	0 0	200,000	0 0
Recoup Pensioners' Fares Concessions	.. .. .	100,000	0 0	18,300	0 0
		46,188,246	2 0	2,398,345	0 4
				370,378	16 8
				<u>46,188,246</u>	<u>2 0</u>
<i>Loan—</i>					
Applied from the Loan Fund	.. .. .	7,810,185	3 4	4,325,145	9 2
				3,195,126	14 0
				159,150	4 10
				130,762	15 4
				<u>7,810,185</u>	<u>3 4</u>
Total	.. .. .	53,998,431	5 4	53,998,431	5 4

## STATEMENT No. 6—continued.

The expenditure charged to Revenue for the last six years and the deficiency in the Railway Receipts are shown in the following statement:—

Expenditure.	1958-59.	Per cent. of Revenue.	1959-60.	Per cent. of Revenue.	1960-61.	Per cent. of Revenue.	1961-62.	Per cent. of Revenue.	1962-63.	Per cent. of Revenue.	1963-64.	Per cent. of Revenue.
	£		£		£		£		£		£	
Working Expenses .. .. .	35,777,135	} 93.9	36,957,974	} 94.7	38,876,566	} 91.2	40,000,032	} 93.1	40,467,984	} 92.9	42,619,934	} 92.3
Commissioners' Salaries .. .. .	14,900		15,654		17,000		17,000		18,300			
Renewals and Replacements Fund .. .. .	200,000	.5	200,000	.5	200,000	.5	200,000	.5	200,000	.5	200,000	.4
Railway Accident, &c., Fund .. .. .	434,049	1.1	488,743	1.3	483,264	1.1	504,208	1.2	550,147	1.2	581,288	1.3
Pensions and Gratuities .. .. .	1,845,153	4.8	1,969,664	5.1	2,126,997	5.0	2,258,291	5.2	2,328,654	5.4	2,398,345	5.2
National Debt Sinking Fund .. .. .	196,822	.5	208,036	.5	211,232	.5	..	..	..	..	..	..
Interest .. .. .	3,466,653	9.1	3,605,250	9.2	3,777,482	8.9	..	..	..	..	..	..
Exchange on Interest Payments in London .. .. .	147,284	} .4	173,882	} .5	190,016	} .5	..	..	..	..	..	..
Loan Conversion Expenses .. .. .	2,037		14,998		1,017		..	..	..	..	..	..
Railway Equalization Account .. .. .	..	..	..	..	920,347	2.1	3,659	..	..	..	370,379	.8
<b>Receipts</b> .. .. .	42,084,033	110.3	43,634,201	111.8	46,803,921	109.8	42,983,190	100.0	43,563,785	100.0	46,188,246	100.0
Railway Equalization Account .. .. .	38,141,702	..	39,031,893	..	42,624,173	..	42,983,190	..	43,354,201	..	46,188,246	..
	..	..	..	..	..	..	..	..	209,584	..	..	..
<b>Deficiency</b> .. .. .	3,942,331	..	4,602,308	..	4,179,748	..	..	..	..	..	..	..





## APPENDIX A.

## TREASURER'S ADVANCE 1963-64.

The following amounts were charged to Treasurer's Advance at 30th June, 1964, pending the passing of the appropriate Loan Application Act.

	£.	s.	d.	£.	s.	d.
<i>Public Works—</i>						
Kings Bridge Restoration .. .. .	76,873	18	0			
Loan to Exhibition Trustees .. .. .	36,200	0	0			
Yarra Boulevard .. .. .	32,313	18	2			
Melbourne University .. .. .	50,481	10	0			
Melbourne University Residential Colleges .. .. .	52,535	10	0			
Lord Mayor's Children's Camp Fund .. .. .	10,000	0	0			
Crown Lands—Development and Improvement .. .. .	547	0	4			
North West Mallee Settlement Compensation .. .. .	66,493	10	1	325,445	6	7
				<hr/>		
<i>Water Supply—</i>						
Korumburra Waterworks Trust .. .. .	2,278	5	1			
Leongatha Waterworks Trust .. .. .	14,282	19	7			
Melton Waterworks Trust .. .. .	10,676	8	4			
Timboon Waterworks Trust .. .. .	2,745	11	1			
St. Arnaud Sewerage Authority .. .. .	8,968	2	0			
First Mildura Irrigation Trust .. .. .	15,000	0	0			
Latrobe Valley—Rosedale Pipeline .. .. .	2,665	13	7	56,616	19	8
				<hr/>		
TOTAL .. .. .				382,062	6	3
				<hr/>		

## APPENDIX B.

Summary of particulars contained in Orders of His Excellency the Governor in Council pursuant to the provisions of Section 25 of the *Audit Act* 1958.

Vote.		Transferred—				
Division.	Sub-Division.	From Item.		To Item.		£
		Item No.	Particulars.	Item No.	Particulars.	
<b>PARLIAMENT.</b>						
2	1	2	Salaries and allowances .. .. .	3	Overtime and penalty rates .. .. .	4
2	2	3	Books, publications, incidental expenses .. .. .	4	Postal and telephone expenses .. .. .	50
3	1	1	Salaries and allowances .. .. .	2	Overtime and penalty rates .. .. .	121
5	1	1	The Librarian .. .. .	2	Salaries and allowances .. .. .	2
				3	Overtime and penalty rates .. .. .	8
5	2	1	Travelling and subsistence .. .. .	4	Postal and telephone expenses .. .. .	10
6	1	2	Salaries and allowances .. .. .	3	Overtime and penalty rates .. .. .	8
6	2	2	Office requisites and equipment .. .. .	1	Travelling and subsistence .. .. .	18
<b>DEPARTMENT OF PREMIER.</b>						
7	1	1	Salaries and allowances .. .. .	2	Overtime and penalty rates .. .. .	56
7	2	1	Travelling and subsistence .. .. .	2	Travelling and subsistence .. .. .	2
..	..	4	Postal and telephone expenses .. .. .	2	Office requisites and equipment .. .. .	20
..	..	5	Motor vehicles—Purchase and running expenses .. .. .	2	.. .. .	1
8	1	3	Overtime and penalty rates .. .. .	4	Payments in lieu of long service leave .. .. .	528
8	2	3	Books, publications, incidental expenses .. .. .	1	Travelling and subsistence .. .. .	200
..	..	6	Publicity .. .. .	2	Office requisites and equipment .. .. .	300
9	1	2	Overtime and penalty rates .. .. .	8	Air travel—Members of Parliament, Ministers, &c. .. .. .	150
9	2	7	Films and equipment, &c. .. .. .	7	Entertainment of visitors, &c. .. .. .	800
..	..	..	.. .. .	1	Salaries and allowances .. .. .	14
10	1	2	Overtime and penalty rates .. .. .	4	Postal and telephone expenses .. .. .	300
10	2	1	Travelling and subsistence .. .. .	5	Motor vehicles—Purchase and running expenses .. .. .	345
..	..	..	.. .. .	1	Salaries and allowances .. .. .	161
11	1	2	Overtime and penalty rates .. .. .	2	Office requisites and equipment .. .. .	250
11	2	1	Travelling and subsistence .. .. .	3	Books, publications, and incidental expenses .. .. .	400
..	..	3	Books, publications, incidental expenses .. .. .	4	Postal and telephone expenses .. .. .	1,150
12	1	2	Salaries and allowances .. .. .	1	Salaries and allowances .. .. .	101
12	2	2	Expenses of office .. .. .	5	Motor vehicles—Purchase and running expenses .. .. .	80
13	2	3	Books, publications, incidental expenses .. .. .	2	Office requisites and equipment .. .. .	343
..	..	..	.. .. .	4	Postal and telephone expenses .. .. .	25
12	1	2	Salaries and allowances .. .. .	1	Agent-General .. .. .	208
12	2	2	Expenses of office .. .. .	1	Agent-General—Representation allowance .. .. .	144
13	2	3	Books, publications, incidental expenses .. .. .	2	Office requisites and equipment .. .. .	70
..	..	..	.. .. .	1	Travelling and subsistence .. .. .	338
..	..	5	Examinations expenses .. .. .	4	Postal and telephone expenses .. .. .	100
14	2	5	Motor vehicles—Purchase and running expenses .. .. .	3	Books, publications, incidental expenses .. .. .	24
<b>DEPARTMENT OF CHIEF SECRETARY.</b>						
15	2	4	Postal and telephone expenses .. .. .	1	Travelling and subsistence .. .. .	5
15	3	2	Expenses—censorship of films .. .. .	1	.. .. .	25
..	..	3	<i>Building Societies (Amendment) Act 1961</i> —Expenses .. .. .	1	Commissions and Boards of Enquiry .. .. .	6
..	..	4	Premiums Committee—Expenses .. .. .	1	.. .. .	5
..	..	5	Allowances—ex-members, &c., of Police Force .. .. .	1	.. .. .	3
16	2	2	Office requisites and equipment .. .. .	3	Books, publications, incidental expenses .. .. .	94
17	2	6	Materials and equipment .. .. .	1	Travelling and subsistence .. .. .	250
18	1	1	Salaries and allowances .. .. .	4	Postal and telephone expenses .. .. .	100
18	2	4	Postal and telephone expenses .. .. .	5	Motor vehicles—Purchase and running expenses .. .. .	730
..	..	..	.. .. .	2	Overtime and penalty rates .. .. .	61
..	..	5	Motor vehicles—Purchase and running expenses .. .. .	1	Travelling and subsistence .. .. .	5
..	..	6	Materials and equipment .. .. .	3	Books, publications, incidental expenses .. .. .	75
19	2	2	Office requisites and equipment .. .. .	1	Travelling and subsistence .. .. .	152
..	..	6	Laboratory equipment, &c. .. .. .	2	Office requisites and equipment .. .. .	155
24	2	1	Travelling and subsistence .. .. .	1	Travelling and subsistence .. .. .	135
..	..	5	Motor vehicles—Purchase and running expenses .. .. .	1	Travelling and subsistence .. .. .	170
..	..	8	Publicity .. .. .	5	Motor vehicles—Purchase and running expenses .. .. .	200
25	2	1	Travelling and subsistence .. .. .	2	Office requisites and equipment .. .. .	400
..	..	4	Postal and telephone expenses .. .. .	2	Books, publications, incidental expenses .. .. .	700
26	1	2	Overtime and penalty rates .. .. .	4	Postal and telephone expenses .. .. .	900
26	2	3	Payments in lieu of long service leave .. .. .	2	Office requisites and equipment .. .. .	400
27	1	2	Postal and telephone expenses .. .. .	2	Office requisites and equipment .. .. .	105
28	2	1	Travelling and subsistence .. .. .	2	.. .. .	19
..	..	2	Office requisites and equipment .. .. .	1	Salaries and allowances .. .. .	602
..	..	4	Postal and telephone expenses .. .. .	1	.. .. .	10
..	..	5	Motor vehicles—Purchase and running expenses .. .. .	1	Travelling and subsistence .. .. .	223
..	..	6	Fuel, light, power and water .. .. .	1	Salaries and allowances .. .. .	310
28	3	1	Family Welfare Advisory Council .. .. .	3	.. .. .	127
29	1	3	Payments in lieu of long service leave .. .. .	3	Books, publications, incidental expenses .. .. .	968
29	2	2	Office requisites and equipment .. .. .	3	.. .. .	10
..	..	3	Books, publications, incidental expenses .. .. .	3	.. .. .	11
..	..	4	Postal and telephone expenses .. .. .	3	.. .. .	2
..	..	5	Motor vehicles—Purchase and running expenses .. .. .	3	Rail travel—parents visiting wards .. .. .	193
..	..	6	Fuel, light, power and water .. .. .	1	Salaries and allowances .. .. .	144
..	..	7	Stores, provisions, &c.—institutions, homes and hostels .. .. .	1	Travelling and subsistence .. .. .	700
30	1	1	Salaries and allowances .. .. .	9	.. .. .	12
..	..	3	Books, publications, incidental expenses .. .. .	9	.. .. .	128
..	..	4	Postal and telephone expenses .. .. .	9	Allowances to trainees .. .. .	1
..	..	5	Motor vehicles—Purchase and running expenses .. .. .	9	.. .. .	378
..	..	6	Fuel, light, power and water .. .. .	8	.. .. .	1,521
..	..	7	Stores, provisions, &c.—penal establishments .. .. .	8	Expenses—State wards .. .. .	343
..	..	8	Materials for manufacture .. .. .	2	Overtime and penalty rates .. .. .	95
33	1	1	Salaries and allowances .. .. .	3	Payments in lieu of long service leave .. .. .	78
33	2	2	Office requisites and equipment .. .. .	3	Books, publications, incidental expenses .. .. .	30
..	..	7	Personal equipment, uniforms, &c. .. .. .	3	.. .. .	1,500
..	..	8	Radio, photographic and scientific equipment .. .. .	9	Allowances to working prisoners .. .. .	500
..	..	9	Contribution—Central Fingerprint Bureau .. .. .	2	Overtime and penalty rates .. .. .	13,000
..	..	10	Transport of prisoners, search parties, &c. .. .. .	5	Motor vehicles—Purchase and running expenses .. .. .	33
..	..	..	.. .. .	1	Travelling and subsistence .. .. .	23
..	..	..	.. .. .	3	Books, publications, incidental expenses .. .. .	4,500
..	..	..	.. .. .	5	Motor vehicles—Purchase and running expenses .. .. .	563
..	..	..	.. .. .	5	.. .. .	283
..	..	..	.. .. .	6	Fuel, light, power and water .. .. .	2,000
..	..	..	.. .. .	5	Motor vehicles—Purchase and running expenses .. .. .	39
..	..	..	.. .. .	4	Postal and telephone expenses .. .. .	500
..	..	..	.. .. .	5	Motor vehicles—Purchase and running expenses .. .. .	76
..	..	..	.. .. .	6	Fuel, light, power and water .. .. .	298
..	..	..	.. .. .	14	Allowance to Medical Officer .. .. .	202

## APPENDIX B—continued

Vote.		Transferred—			
Division.	Sub-Division.	From Item.		To Item.	
		Item No.	Particulars.	Item No.	Particulars.
<b>DEPARTMENT OF CHIEF SECRETARY—continued.</b>					
33	2	11	Training equipment and materials .. .. .	5	Motor vehicles—Purchase and running expenses ..
..	..	12	Burials .. .. .	6	Fuel, light, power and water .. .. .
..	..	13	Provisions for Police hospital .. .. .	5	Motor vehicles—Purchase and running expenses ..
..	..	15	Police Medals .. .. .	5	.. .. .
35	1	1	Salaries and allowances .. .. .	6	Fuel, light, power and water .. .. .
35	2	6	Buildings, furniture, &c. .. .. .	2	Overtime and penalty rates .. .. .
36	3	2	Archives Section—expenses .. .. .	1	Travelling and subsistence .. .. .
38	2	5	Motor vehicles—Purchase and running expenses ..	1	Library Training School .. .. .
40	2	1	Travelling and subsistence .. .. .	7	Furniture, fittings, &c. .. .. .
41	1	1	Salaries and allowances .. .. .	3	Books, publications, incidental expenses ..
..	..	..	.. .. .	2	Overtime and penalty rates .. .. .
41	2	6	Provisions, &c., Migrant Reception Centre ..	1	Travelling and subsistence .. .. .
..	..	..	.. .. .	2	Office requisites and equipment .. .. .
..	..	..	.. .. .	4	Postal and telephone expenses .. .. .
..	..	..	.. .. .	5	Motor vehicles—Purchase and running expenses ..
£					
<b>DEPARTMENT OF LABOUR AND INDUSTRY.</b>					
42	1	4	Payments in lieu of long service leave .. .. .	2	Salaries and allowances .. .. .
42	2	4	Postal and telephone expenses .. .. .	3	Overtime and penalty rates .. .. .
..	..	..	.. .. .	1	Travelling and subsistence .. .. .
..	..	..	.. .. .	2	Office requisites and equipment .. .. .
42	3	5	Motor vehicles—Purchase and running expenses ..	3	Books, publications, incidental expenses ..
..	..	..	.. .. .	2	Industrial Appeals Court .. .. .
<b>DEPARTMENT OF EDUCATION.</b>					
43	1	2	Salaries and allowances .. .. .	4	Payments in lieu of long service leave .. ..
43	2	2	Books, publications, incidental expenses .. ..	1	Travelling and subsistence .. .. .
..	..	..	.. .. .	11	Expenses in connection with examinations ..
..	..	..	.. .. .	5	School and office equipment, &c. .. .. .
..	..	3	Postal and telephone expenses .. .. .	13	Allowances to school cleaners, &c. .. .. .
..	..	..	.. .. .	1	Scholarships and bursaries .. .. .
43	3	3	Allowances to students in training .. .. .	2	Subsidies to holders of free places .. .. .
..	..	..	.. .. .	5(a)	Hostels at Teachers' Colleges, &c. .. .. .
..	..	..	.. .. .	6	Students attending schools under reciprocal arrange- ments with other States .. .. .
..	..	..	.. .. .	8	Speech therapy and psychology tests .. ..
..	..	4	Provision of bus services, &c. .. .. .	1	.. .. .
..	..	5(b)	Subsidies to hostels .. .. .	1	.. .. .
..	..	9	Expenses—residential group activities .. .. .	1	.. .. .
..	..	10	Minor repairs to residences, buildings, &c. ..	1	Scholarships and bursaries .. .. .
<b>DEPARTMENT OF ATTORNEY-GENERAL.</b>					
45	1	2	Salaries and allowances .. .. .	4	Payments in lieu of long service leave .. ..
..	..	..	.. .. .	4	.. .. .
45	2	1	Overtime and penalty rates .. .. .	4	Postal and telephone expenses .. .. .
..	..	..	.. .. .	7	.. .. .
..	..	2	Travelling and subsistence .. .. .	7	Allowances to witnesses .. .. .
..	..	..	.. .. .	7	.. .. .
..	..	3	Office requisites and equipment .. .. .	11	Appearance fees—Prosecutors for the Queen ..
..	..	..	.. .. .	7	Allowances to witnesses .. .. .
..	..	5	Books, publications, incidental expenses .. ..	7	.. .. .
..	..	..	.. .. .	3	Supreme Court Library—Maintenance .. ..
..	..	6	Motor vehicles—Purchase and running expenses ..	3	.. .. .
..	..	6	Fuel, light, power and water .. .. .	3	Books, publications, incidental expenses ..
45	3	2	Contribution—superannuation for Judges' Associates	3	.. .. .
40	2	2	Office requisites and equipment .. .. .	3	Postal and telephone expenses .. .. .
..	..	..	.. .. .	4	Allowances to witnesses .. .. .
..	..	6	Supplies—Coroner's Court .. .. .	3	Books, publications, incidental expenses ..
..	..	..	.. .. .	3	.. .. .
..	..	9	Refunds of fines .. .. .	4	Postal and telephone expenses .. .. .
..	..	..	.. .. .	8	Allowances to witnesses .. .. .
..	..	10	Remuneration to surgeons .. .. .	3	Books, publications, incidental expenses ..
..	..	..	.. .. .	2	Overtime and penalty rates .. .. .
47	1	1	Salaries and allowances .. .. .	3	Payments in lieu of long service leave .. ..
47	2	2	Office requisites and equipment .. .. .	3	.. .. .
..	..	..	.. .. .	1	.. .. .
..	..	4	Postal and telephone expenses .. .. .	1	Travelling and subsistence .. .. .
..	..	5	Motor vehicles—Purchase and running expenses ..	1	.. .. .
..	..	6	Fuel, light, power and water .. .. .	1	.. .. .
49	2	3	Books, publications, incidental expenses .. ..	1	Travelling and subsistence .. .. .
..	..	..	.. .. .	2	Office requisites and equipment .. .. .
..	..	..	.. .. .	4	Postal and telephones expenses .. .. .
<b>DEPARTMENT OF TREASURER.</b>					
50	1	3	Overtime and penalty rates .. .. .	2	Salaries and allowances .. .. .
50	2	1	Travelling and subsistence .. .. .	7	Office requisites and equipment .. .. .
..	..	..	.. .. .	7	Interest on deposits, &c. .. .. .
..	..	3	Books, publications, incidental expenses .. ..	2	Office requisites and equipment .. .. .
..	..	..	.. .. .	7	Interest on deposits, &c. .. .. .
..	..	5	Motor vehicles—Purchase and running expenses ..	7	.. .. .
..	..	6	Refunds—moneys unclaimed over six years ..	2	Office requisites and equipment .. .. .
..	..	..	.. .. .	4	Postal and telephone expenses .. .. .
50	3	1	Unforeseen and accidental expenditure .. ..	61	Orchestral Concerts .. .. .
..	..	..	.. .. .	10	Annual subsidy—Royal Mint .. .. .
..	..	12	Payment to New Zealand Government—Tattersall State's contribution—Coal Mine Workers' Pension Fund .. .. .	10	.. .. .
..	..	..	.. .. .	6	Supplying Statutes &c. to other Governments ..
..	..	16	Rail passes—ex-members of the Defence Forces ..	9	Maintenance—ex-Guncotton Factory Area—Ballarat
..	..	..	.. .. .	19	Railways Dept.—Whittlesea—Melbourne service ..
..	..	..	.. .. .	31	Payment to Government of Tasmania—Tattersall ..
52	2	5	Transport and cartage expenses .. .. .	50	Commonwealth Parliamentary Association—Grant ..
53	1	2	Overtime and penalty rates .. .. .	3	Books, publications, incidental expenses ..
53	2	2	Office requisites and equipment .. .. .	1	Salaries and allowances .. .. .
54	2	2	Office requisites and equipment .. .. .	3	Books, publications, incidental expenses ..
..	..	..	.. .. .	1	.. .. .
..	..	4	Postal and telephone expenses .. .. .	1	Travelling and subsistence .. .. .
..	..	5	Motor vehicles—Purchase and running expenses ..	1	.. .. .
56	1	3	Payments in lieu of long service leave .. ..	1	Salaries and allowances .. .. .
..	..	..	.. .. .	2	Overtime and penalty rates .. .. .
56	2	2	Office requisites and equipment .. .. .	3	Books, publications, incidental expenses ..
..	..	..	.. .. .	6	Commission on sale of duty stamps .. .. .
56	3	2	Stamp duty—powers of attorney executed by members of Defence Forces .. .. .	1	Bookmakers' and Bookmakers' Clerks' Committee ..

## APPENDIX B—continued

Vote.		Transferred—				
Division.	Sub-Division.	From Item.		To Item.		—
		Item No.	Particulars.	Item No.	Particulars.	
<b>DEPARTMENT OF TREASURER—continued.</b>						
57	1	1	Salaries and allowances	2	Overtime and penalty rates	\$ 3,677
..	..	3	Payments in lieu of long service leave	2	.. .. .	3,186
57	2	2	Office requisites and equipment	4	Postal and telephone expenses	100
..	..	3	Books, publications, incidental expenses	6	Fuel, light, power and water	70
..	..	5	Motor vehicles—Purchase and running expenses	1	Travelling and subsistence	1
..	..	..	.. .. .	4	Postal and telephone expenses	300
..	..	8	Working charges	6	Fuel, light, power and water	1,430
<b>DEPARTMENT OF CROWN LANDS AND SURVEY.</b>						
58	1	2	Salaries and allowances	4	Payments in lieu of long service leave	934
58	2	2	Office requisites and equipment	1	Travelling and subsistence	500
..	..	8	Expenses—surveys of land	3	Books, publications, incidental expenses	228
..	..	..	.. .. .	6	Fuel, light, power and water	92
..	..	9	Fees—registration of powers of attorney, liens &c.	6	.. .. .	100
58	3	3	Rebates to purchasers of wire netting	2	.. .. .	449
..	..	5	Purchase of certain areas of land	2	.. .. .	350
..	..	9	Repairs, &c.—crown property	2	Aerial survey—purchase of instruments, &c.	65
..	..	10	Payments in lieu of rates	2	.. .. .	638
..	..	11	Costs of land utilization	2	.. .. .	2,705
60	1	1	Salaries and allowances	2	Overtime and penalty rates	38
60	2	1	Travelling and subsistence	7	.. .. .	50
..	..	2	Office requisites and equipment	7	Tools, equipment, materials, &c.	50
..	..	..	.. .. .	7	.. .. .	135
..	..	5	Motor vehicles—Purchase and running expenses	4	Postal and telephone expenses	65
<b>DEPARTMENT OF PUBLIC WORKS.</b>						
61	1	2	Salaries and allowances	3	Overtime and penalty rates	2,200
61	2	1	Travelling and subsistence	3	.. .. .	15
..	..	2	Office requisites and equipment	3	Books, publications, incidental expenses	11
..	..	4	Postal and telephone expenses	3	.. .. .	1
61	3	2	Rents and allowances in lieu thereof	1	Public Offices—lighting, heating, &c.	1,560
..	..	..	.. .. .	5	.. .. .	1
..	..	8	Hire of plant and other recoverable expenses	5	Storeyards	210
62	3	1	Wharves, jetties, &c.	6	Murray River levees	4
..	..	2	Navigational aids	5	.. .. .	35
..	..	3	Marine surveys	5	Marine Board—Fees, &c.	28
..	..	4	Life saving services	5	.. .. .	12
<b>DEPARTMENT OF LOCAL GOVERNMENT.</b>						
63	2	5	Motor vehicles—Purchase and running expenses	4	Postal and telephone expenses	340
63	3	3	Building Regulations Committee	4	Interim Development Order Appeal Board	760
64	1	2	Payments in lieu of long service leave	1	Salaries and allowances	792
<b>DEPARTMENT OF MINES.</b>						
65	1	2	Salaries and allowances	4	Payments in lieu of long service leave	280
66	2	3	Books, publications, incidental expenses	4	Postal and telephone expenses	400
<b>DEPARTMENT OF FORESTS.</b>						
66	1	1	Salaries and allowances	3	Payments in lieu of long service leave	3,082
66	3	1	Utilization of forests produce	5	Subsidies—fencing school plantations	122
<b>DEPARTMENT OF WATER SUPPLY.</b>						
67	1	1	Salaries and allowances	3	Payments in lieu of long service leave	2,000
67	2	1	Travelling and subsistence	2	Office requisites and equipment	1,000
..	..	5	Fuel, light, power and water	4	Postal and telephone expenses	84
..	..	..	.. .. .	3	Books, publications, incidental expenses	1,100
..	..	7	Rent	4	Postal and telephone expenses	77
..	..	..	.. .. .	3	Books, publications, incidental expenses	675
..	..	10	Central workshops and storeyards	4	Postal and telephone expenses	288
..	..	..	.. .. .	8	Contour surveys, other recoverable expenses	1,000
..	..	11	Repairs and maintenance of buildings	9	River gaugings, &c.	1,750
..	..	..	.. .. .	4	Postal and telephone expenses	487
..	..	12	Pay-roll tax	8	Contour surveys, other recoverable expenses	500
67	3	3	Waterworks districts—Materials and other expenses	4	Postal and telephone expenses	15
..	..	..	.. .. .	1	Coliban—Materials and other expenses	150
..	..	..	.. .. .	4	Flood protection districts—Materials and other expenses	350
..	..	6	River Murray Commission	7	Subsidies to sewerage authorities	13,192
<b>DEPARTMENT OF AGRICULTURE.</b>						
68	1	2	Salaries and allowances	4	Payments in lieu of long service leave	177
68	2	2	Office requisites and equipment	4	Postal and telephone expenses	1,100
..	..	3	Books, publications, incidental expenses	4	.. .. .	200
..	..	..	.. .. .	6	Fuel, light, power and water	10
..	..	7	Payments to officers—overseas investigations	4	Postal and telephone expenses	500
69	3	1	State Agricultural Colleges	2	Horticultural College, Burnley	625
70	2	1	Travelling and subsistence	7	.. .. .	2
..	..	2	Office requisites and equipment	7	.. .. .	5
..	..	3	Books, publications, incidental expenses	7	.. .. .	720
..	..	4	Postal and telephone expenses	7	Inspection of produce	15
..	..	5	Motor vehicles—Purchase and running expenses	7	.. .. .	813
..	..	6	Fuel, light, power and water	7	.. .. .	12
..	..	8	Lectures, demonstrations and exhibitions	7	.. .. .	447
70	3	9	Agricultural experimental, &c., work	10	Agronomy Scholarships	7
71	1	1	Salaries and allowances	3	Payments in lieu of long service leave	794
71	2	2	Office requisites and equipment	4	Postal and telephone expenses	180
..	..	5	Motor vehicles—purchase and running expenses	3	Books, publications, incidental expenses	650
..	..	..	.. .. .	6	Fuel, light, power and water	160
71	3	7	Expenses—control of fruit fly	3	Horticultural Research Station, Scoresby	1,700
..	..	..	.. .. .	6	Horticultural experimental, &c., work	950
73	2	3	Books, publications, incidental expenses	5	Fuel, light, power and water	5
73	3	1	School of Dairy Technology	2	Dairy Technology Scholarships	418
..	..	3	Subsidization of herd recording associations	2	.. .. .	14

## APPENDIX B—continued

Vote.		Transferred—				
Division.	Sub-Division.	From Item.		To Item.		—
		Item No.	Particulars.	Item No.	Particulars.	
<b>DEPARTMENT OF HEALTH.</b>						
						£
74	2	2	Office requisites and equipment .. .. .	1	Travelling and subsistence .. .. .	1
75	1	2	Overtime and penalty rates .. .. .	1	Salaries and allowances .. .. .	14
75	2	7	General infectious diseases .. .. .	3		2
..	..	8	Veneral diseases .. .. .	3		87
..	..	9	Plumbers, and Gasfitters' Board .. .. .	3	Books, publications, incidental expenses .. .. .	13
..	..	10	Cinematograph Operators' Board .. .. .	3		2
..	..	11	Poliomyelitis—maintenance of sufferers, &c. .. .. .	3		1
..	..	12	Industrial Hygiene Division .. .. .	6	Postal and telephone expenses .. .. .	274
..	..	13	Proprietary medicines—expenses .. .. .	4	State Health Laboratories .. .. .	1,100
..	..	14	Clean air—expenses .. .. .	3	Books, publications, incidental expenses .. .. .	151
..	..	15	Poisons Information Centre—expenses .. .. .	3		357
..	..	16	Poisons Control .. .. .	3		24
76	1	1	Salaries and allowances .. .. .	1	Travelling and subsistence .. .. .	28
76	3	2	Preventive measures—tuberculosis .. .. .	2	Office requisites and equipment .. .. .	850
77	2	3	Books, publications, incidental expenses .. .. .	3	Motor vehicles—Purchase and running expenses .. .. .	240
..	..	7	School medical and dental expenses .. .. .	5	Payments in lieu of long service leave .. .. .	353
77	3	2	Subsidies—creches and day nurseries .. .. .	2	Tuberculosis wards at hospitals, &c. .. .. .	1,000
..	..	3	Consultative Council on Maternal Mortality .. .. .	4	Postal and telephone expenses .. .. .	1,634
..	..	4	Subsidies to Municipalities—infant welfare centres, &c. .. .. .	9	Expenses—infant welfare and pre-school Scholarships .. .. .	80
78	1	1	Salaries and allowances .. .. .	8	Medical, &c., expenses—Social Welfare Branch .. .. .	291
78	2	6	Fuel, light, power and water .. .. .	7	Dental Hospital—services to pre-school children .. .. .	1,300
				1	Subsidies—kindergartens and pre-school centres .. .. .	28
				1	Dental Hospital—services to pre-school children .. .. .	525
				2	Subsidies—kindergartens and pre-school centres .. .. .	357
				3	Overtime and penalty rates .. .. .	1,990
				1	Travelling and subsistence .. .. .	52,651
				3	Books, publications, incidental expenses .. .. .	947
				3	Books, publications, incidental expenses .. .. .	482
<b>STATE COAL MINE.</b>						
80	3	2	Coal Mine Workers' Pensions Fund—Contribution .. .. .	3	Superannuation charges .. .. .	215
<b>DEPARTMENT OF RAILWAYS.</b>						
82	1	5	Stores Branch .. .. .	1	Traffic Branch and Commercial Branch .. .. .	5
..	..	9	Railway Accident and Fire Insurance Fund—Contribution .. .. .	1		43,711

## APPENDIX C-1

## ENDOWMENTS AND GRANTS.

	1962-63.	1963-64.	Increase + Decrease -
	£	£	£
<b>Social—</b>			
Alcoholism Foundation of Victoria .. .. .	1,200	1,200	..
Alexander Miller Memorial Homes Trust .. .. .	2,500	2,500	..
Australia Day Council .. .. .	1,250	1,250	..
Australian Association of Social Workers—Victorian Branch ..	..	50	+ 50
Australian Association for United Nations .. .. .	500	500	..
Australian Red Cross Society for After-care Treatment of Poliomyelitis Sufferers .. .. .	16,000	16,000	..
Ballarat Youth Centre .. .. .	800	800	..
Boys' Employment Movement .. .. .	1,200	1,325	+ 125
Boy Scouts Association .. .. .	2,000	2,000	..
Bush Nursing .. .. .	121,584	118,500	- 3,084
Father and Son Welfare Movement .. .. .	600	600	..
Girl Guides Association .. .. .	2,000	2,000	..
Lord Mayor's Children's Camp Fund .. .. .	5,000	5,000	..
Marriage Guidance Council of Victoria .. .. .	1,000	1,000	..
National Fitness Council .. .. .	17,500	19,000	+ 1,500
National Safety Council .. .. .	10,000	15,000	+ 5,000
Occupational Therapy School .. .. .	2,000	2,000	..
Old Peoples' Welfare Council of Victoria .. .. .	..	1,000	+ 1,000
Over Fifty Association .. .. .	400	400	..
Playgrounds and Recreation Association of Victoria .. .. .	5,000	6,000	+ 1,000
Probation Officers' Association .. .. .	100	250	+ 150
Rotary Youth Club at Bendigo .. .. .	500	500	..
Royal Humane Society .. .. .	11	100	+ 89
Royal Life Saving Society .. .. .	5,000	5,000	..
Royal Victorian College of Nursing .. .. .	..	300	+ 300
St. John Ambulance Brigade .. .. .	1,750	4,000	+ 2,250
Salvation Army .. .. .	500	500	..
Science and Technology Careers Bureau .. .. .	1,736	1,272	- 464
State Relief Committee .. .. .	22,000	22,000	..
Surf Life Saving Association of Australia .. .. .	9,500	6,000	- 3,500
Victorian Amateur Swimming Association .. .. .	1,000	1,000	..
Victorian College of Pharmacy .. .. .	20,000	27,500	+ 7,500
Victorian Council of Social Services .. .. .	2,300	2,000	- 300
Victorian Family Council .. .. .	500	500	..
Victorian Nursing Council—Training Schools for Nurses .. .. .	12,000	12,000	..
Victorian Women's Amateur Athletic Association .. .. .	500	..	- 500
Walter and Eliza Hall Research .. .. .	16,000	18,000	+ 2,000
Young Christian Workers Movement .. .. .	1,000	1,000	..
Young Farmers' Clubs Association .. .. .	13,500	15,000	+ 1,500
Young Men's Christian Association .. .. .	2,000	2,000	..
<b>Cultural—</b>			
Bands .. .. .	2,400	2,400	..
Children's Free Libraries .. .. .	5,000	5,000	..
Country Art Galleries .. .. .	10,000	10,000	..
Country Free Libraries .. .. .	9,000	9,000	..
Cultural Development .. .. .	54,995	68,045	+ 13,050
Municipal and Regional Libraries .. .. .	397,011	403,410	+ 6,399
Orchestral Concerts .. .. .	14,580	15,195	+ 615
Victorian Symphony Orchestra .. .. .	32,500	32,500	..
<b>Sundry—</b>			
Animal Welfare League .. .. .	500	500	..
Australian Publicity Council .. .. .	5,000	5,000	..
Ballarat Fish Acclimatization Society .. .. .	1,200	1,200	..
British Commonwealth Day Movement .. .. .	250	250	..
British Commonwealth Youth Sunday .. .. .	3,838	4,058	+ 220
British Memorial Foundation .. .. .	100	100	..
Cemeteries, Improvement and Maintenance .. .. .	7,000	7,000	..
Commonwealth Parliamentary Association—Victoria Branch	4,956	5,645	+ 689
Country Fire Authority .. .. .	1,000	..	- 1,000
Guide Dog Owners and Friends Association .. .. .	500	500	..
Kerang Agricultural Research Farm .. .. .	500	500	..

ENDOWMENTS AND GRANTS—*continued.*

	1962-63.	1963-64.	Increase + Decrease—
	£	£	£
<i>Sundry—continued</i>			
Macalister Research Farm Co-operative Ltd. .. ..	1,000	1,000	..
Melbourne Medical Post-Graduate Committee .. ..	2,000	2,000	..
National Association of Testing Authorities .. ..	350	350	..
National Council of Women of Victoria .. ..	..	1,000	+ 1,000
National Trust of Australia (Victoria) .. ..	6,000	6,000	..
Nyah-Woorinen Enquiry Committee .. ..	508	..	— 508
Phillip Island Koala Reserve Committee of Management ..	1,200	1,500	+ 300
Royal Institute of Public Administration .. ..	250	250	..
Royal Society for the Prevention of Cruelty to Animals ..	750	750	..
Save the Forests Campaign .. ..	5,000	5,000	..
Standards Association of Australia .. ..	1,500	1,500	..
Trustees, Shrine of Remembrance .. ..	1,000	1,000	..
Victorian Field Game Shooters' Association .. ..	400	400	..
Victorian Piscatorial Council .. ..	900	960	+ 60
Victorian Rural Fire Brigades Association .. ..	1,000	1,000	..
War Nurses Memorial Centre .. ..	2,000	2,000	..
Water Research Foundation of Australia Ltd. .. ..	5,000	5,000	..
Women's Prison Council .. ..	50	50	..
Zoological Board of Victoria .. ..	18,500	20,000	+ 1,500
<b>Total .. ..</b>	<b>898,169</b>	<b>935,110</b>	<b>+ 36,941</b>

The Treasury vote for cultural development is included in total in the above statement. A dissection of the allocations from this vote is given in Appendix C-2.



## APPENDIX C-2.

## CULTURAL DEVELOPMENT ALLOCATIONS, 1963-64.

	£
All Nations Together Society .. .. .	50
Ararat Drama Group .. .. .	25
Ararat Music Club .. .. .	100
Astra Chamber Orchestral Society .. .. .	100
Australian Boys Choir .. .. .	100
Australian Elizabethan Theatre Trust .. .. .	25,000
Australian National Theatre Limited .. .. .	20,000
Bacchus Marsh Players .. .. .	50
Ballarat Ballet Guild .. .. .	50
Ballarat Begonia Festival Committee .. .. .	1,000
Ballarat Calesthenic College .. .. .	100
Ballarat Choral Society .. .. .	50
Ballarat Civic Male Choir .. .. .	50
Ballarat Light Opera Company .. .. .	25
Ballarat Music Lovers' Club .. .. .	50
Ballarat Orchestra Association .. .. .	250
Balmoral Drama Group .. .. .	25
Beaumaris Art Group .. .. .	50
Beaumaris Players Club .. .. .	50
Bendigo Competitions Society .. .. .	700
Bendigo Music Advancement Society .. .. .	250
Bendigo Music Lovers Club .. .. .	75
Bendigo Shakespeare Literary Society .. .. .	25
Berwick Drama Group .. .. .	25
Boort Choristers .. .. .	25
Boort Music, Literature and Arts Society .. .. .	25
Box Hill City Drama Group .. .. .	25
Bright Music and Drama Group .. .. .	25
Brighton City Philharmonic Society .. .. .	100
Brunswick City Choral Society .. .. .	25
Camberwell City Philharmonic Society .. .. .	50
Camperdown Musical Society .. .. .	100
Camperdown Repertory Society .. .. .	100
"Carols by Candlelight", Melbourne .. .. .	500
Casterton Music Circle .. .. .	50
Castlemaine Light Opera Company .. .. .	50
Caulfield Players .. .. .	50
Children's Theatre Guild .. .. .	500
Colac "Kanyana" Festival Committee .. .. .	75
Colac Music Lover's Club .. .. .	75
Coleraine Choral Society .. .. .	30
Contemporary Art Society of Australia .. .. .	150
Dandenong Festival of Music and Art for Youth .. .. .	1,250
Daylesford Highland Gathering Committee .. .. .	500
Debaters Association of Victoria .. .. .	100
Donald Music Literature and Art Society .. .. .	25
Echuca Music Group .. .. .	50
Essendon Society of Arts .. .. .	50
Euroa Little Theatre .. .. .	25
Fern Tree Gully and Mountain District Music and Arts Festival .. .. .	150
Fern Tree Gully Arts Society .. .. .	100
Footscray West End Eisteddfod .. .. .	300
Foster Films, Art, Music and Drama Association .. .. .	75
Frankston Theatre Group .. .. .	150
Garrick Repertory Company .. .. .	50
Geelong Association of Music and Art .. .. .	500
Geelong Society of Operatic and Dramatic Art .. .. .	200
Gilbert and Sullivan Society of Victoria .. .. .	50
Goulburn Valley Drama Association .. .. .	50
Hamilton Arts Council .. .. .	200
Hamilton Music Club .. .. .	50
Hartwell Eisteddfod Committee .. .. .	100
Heidelberg City Choir .. .. .	50
Heidelberg City Repertory Group .. .. .	200
Horsham Dramatic Society .. .. .	25
Horsham Music Club .. .. .	25
Jewish Society of Arts .. .. .	50
Kew Philharmonic Society .. .. .	75
Korumburra Arts Society .. .. .	50
Kyneton Lions Club—Musical Festival .. .. .	200
Kyneton Choral Society .. .. .	50

## APPENDIX C-2—continued.

	£
Latrobe Valley Eisteddfod .. .. .	200
Library Week Committee .. .. .	100
Malvern Arts Council .. .. .	50
Mansfield Arts Group .. .. .	25
Maryborough Arts Society .. .. .	100
Melba Memorial Conservatorium of Music .. .. .	750
Moe Mixed Choir .. .. .	25
Moe Amateur Dramatic Company .. .. .	25
Moomba Festival .. .. .	2,000
Mordialloc City Philharmonic Society.. .. .	100
Mordialloc Eisteddfod .. .. .	50
Mornington Eisteddfod .. .. .	100
Morwell Art Group .. .. .	25
Morwell Male Choir .. .. .	25
Morwell Players .. .. .	50
National Theatre Movement (Ballarat Branch) .. .. .	300
National Theatre Movement (Swan Hill Branch) .. .. .	300
Newtown and Chilwell Highland Gathering Committee .. .. .	50
Nhill Musical and Drama Society .. .. .	25
Northcote Dramatic Society .. .. .	50
Orbost Drama Group .. .. .	25
Oriana Madrigal Choir .. .. .	50
Peninsula Arts Society .. .. .	50
Pilgrim Theatre .. .. .	75
Portland Council for the Encouragement of Music and the Arts .. .. .	100
"Q" Theatre Guild .. .. .	200
Ringwood Arts and Crafts Society .. .. .	50
Rochester Music and Drama Circle .. .. .	25
St. Arnaud Drama Group .. .. .	50
St. John's Competitions Ballarat .. .. .	125
Sale Arts Festival .. .. .	300
Sale Eisteddfod Society .. .. .	200
Sale Repertory Group .. .. .	50
Sandringham Symphony Orchestra .. .. .	100
Seymour Music Club .. .. .	50
Shepparton and District Highland Gathering Society .. .. .	100
Shepparton Drama Group .. .. .	25
Shepparton Musical Advancement Society .. .. .	150
Shepparton Players .. .. .	25
Shepparton Symphony Orchestra .. .. .	215
South Gippsland Music and Speech Festival .. .. .	50
South Melbourne City Philharmonic Society .. .. .	25
South Street Society .. .. .	1,500
Stawell Choral Society .. .. .	100
Stawell Drama Group .. .. .	25
Strathmore Theatrical Arts Group .. .. .	50
Thespians (Yallourn) Dramatic Society .. .. .	25
Thorpdale Drama Group .. .. .	25
Toora Drama Group .. .. .	25
Traralgon Music Drama and Art Society .. .. .	150
Victorian Artists Society .. .. .	500
Victorian Ballet Guild .. .. .	1,000
Victorian Drama League .. .. .	750
Victorian Highland Pipe Band Association .. .. .	750
Victorian Light Opera Company .. .. .	100
Wangaratta Arts Council .. .. .	750
Wangaratta Eisteddfod Society .. .. .	25
Wangaratta Players .. .. .	50
Warrandyte Arts Association .. .. .	200
Warrnambool City Musical Society .. .. .	50
Western District Eisteddfod .. .. .	250
Williamstown Light Opera Company .. .. .	100
Williamstown Little Theatre Movement .. .. .	150
Williamstown Orchestral Society .. .. .	25
Wonkana Choral Society .. .. .	50
Yallourn Little Theatre .. .. .	50
Yallourn Orchestral and Choral Society .. .. .	100
	68,045

## APPENDIX D.

## STATEMENT OF STORES HELD FOR ISSUE BY GOVERNMENT DEPARTMENTS AND PUBLIC AUTHORITIES.

Department or Public Authority.	Nature of Stores.	Value as at 30th June, 1964.
<b>1. Departments—</b>		£
Agriculture .. .. .	Machinery and Equipment Parts, Fuel, Seed, Publications ..	87,883
Chief Secretary—		
(a) Police Branch (including Motor Registration Branch)	Radio and Vehicle Parts, Clothing, Office Requisites ..	186,274
(b) Social Welfare Branch .. .. .	Clothing, Bedding, Crockery, Hardware .. ..	173,937
Crown Lands and Survey .. .. .	Implements, Equipment, Plans, Photographic Materials ..	280,397
Education .. .. .	School Requisites, Books, and Equipment .. ..	314,709
Forests .. .. .	Vehicle Parts, Tools, Fuel .. .. .	212,029
Health (including Mental Hygiene Authority) ..	Furniture, Hardware, Linen, Instruments, Clothing, Drugs ..	418,206
Mines .. .. .	Machinery, Tools, Tubing, Chemicals .. .. .	204,902
Public Works .. .. .	Mechanical and Electrical Equipment, Spare Parts, Furniture, Building Materials	296,804
Railways (including State Coal Mine) .. .. .	Engineering, Refreshment Services, and General Stores ..	4,263,170
Treasurer—Government Printer .. .. .	Paper, Stationery, Publications .. .. .	621,548
Water Supply .. .. .	Machinery Parts, Tools and General Stores .. ..	968,729
<b>2. Public Authorities—</b>		
Cancer Institute Board .. .. .	Medical, Technical and General Stores .. .. .	22,496
Council of Adult Education .. .. .	Theatrical Equipment .. .. .	6,957
Country Fire Authority .. .. .	Fire Appliances, Hose, Spare Parts, Uniforms .. ..	72,503
Country Roads Board .. .. .	Vehicle Parts and Accessories, Camping Equipment, General Stores	483,705
Egg and Egg Pulp Marketing Board .. .. .	Eggs, Packing Materials, Spare Parts .. .. .	210,845
Gas and Fuel Corporation .. .. .	Gas Appliances, Fittings, and General Stores .. ..	1,787,381
Geelong Harbor Trust .. .. .	Engineering and Maintenance Stores .. .. .	32,178
Grain Elevators Board .. .. .	Mechanical Parts, Fuel .. .. .	803
Housing Commission .. .. .	Building Materials, Spare Parts .. .. .	221,132
Lalrope Valley Water and Sewerage Board ..	Construction Materials, Pipes, Spare Parts .. ..	27,295
Melbourne and Metropolitan Board of Works ..	Engineering Stores, Spare Parts, Pipes, Meters .. ..	1,111,000
Melbourne and Metropolitan Tramways Board ..	Engineering Stores and Parts, Uniforms, and Stationery ..	314,995
Melbourne Harbor Trust .. .. .	Maintenance and Engineering Stores .. .. .	323,081
Metropolitan Fire Brigades Board .. .. .	Fire Appliances, Electrical and Engineering Stores, Uniforms	89,000
Monash University .. .. .	Building Materials, Stationery, &c. .. .. .	13,617
Portland Harbor Trust .. .. .	Maintenance and Engineering Stores .. .. .	41,520
Rural Finance and Settlement Commission ..	Constructional and General Stores .. .. .	94,215
State Electricity Commission .. .. .	Electrical, Maintenance, and Constructional Stores ..	3,257,795
State Relief Committee .. .. .	Clothing, Bedding, Hardware, Provisions .. .. .	70,775
Transport Regulation Board .. .. .	Stationery and Office Requisites .. .. .	6,606
University of Melbourne .. .. .	Building Materials and Stationery .. .. .	36,728
Victorian Inland Meat Authority .. .. .	Livestock, Meat, Packing Materials, General Stores ..	133,250
	Total .. .. .	16,386,465

**EDUCATION DEPARTMENT**  
**Comparative Analysis of Expenditure from Loan and Revenue**

NOTE:—1963-64 shown in heavy type.  
 1962-63 shown in light type.

	Adminis- tration	Central Schools and Classes	Corres- pondence School	Girls' Secondary Schools	High Schools	Higher Elementary Schools	Primary Schools	Registered Schools	Special Schools and Hostels attached thereto	Special Activities (Library, Music, Visual Education, &c.)	Technical Schools	Teachers' Colleges Hostels	Universi- ties	Pensions, &c.	Miscel- laneous	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>EXPENDITURE.</b>																
Salaries (including Pay-roll Tax) .. {	823,914 735,307	..	..	..	..	..	..	..	..	..	..	..	..	..	..	823,914 735,307
Salaries—Teachers (including Pay-roll Tax) .. {	..	186,631 226,090	547,669 522,039	9,554,804 8,016,815	68,672 80,470	18,105,569 16,397,187	498,770 446,962	1,052,389 938,958	5,761,346 4,884,285	1,003,498 864,246	..	..	..	..	..	36,930,039 32,515,228
Salaries—Teachers, &c., in Charge of Hostels (including Pay-roll Tax) .. {	..	..	..	..	..	..	3,088 3,252	..	..	..	..	18,214 18,960	..	..	..	21,302 22,212
Salaries—Clerical Assistance (including Pay-roll Tax) .. {	..	5,305 5,505	13,821 13,086	234,690 210,249	..	5,297 4,548	..	22,267 20,045	..	46,182 40,423	..	3,345 2,608	..	..	..	342,865 307,690
Wages—Domestic Staff .. {	..	..	..	..	..	..	6,096 4,057	6,952 7,124	..	..	..	170,643 160,439	..	..	..	183,691 171,620
Allowances to Students in Training .. {	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	3,900,840 3,523,972
Buildings (including Residences), Furniture, &c. (including Maintenance) .. {	..	5,007 4,993	123,245 96,523	3,620,268 4,734,019	1,563 1,118	5,253,353 4,592,218	14,514 70,201	180	2,775,822 2,396,300	117,484 142,042	44,580 41,931	2,401,992 1,881,606	..	..	..	14,358,008 13,960,951
Buildings—Rentals .. .. {	..	..	440 347	6,149 6,585	..	9,799 10,917	..	..	4,346 5,756	..	..	1,727 1,635	..	..	..	22,461 25,470
Travelling Expenses, Office Requisites, School Cleaning, Equipment, &c. .. {	175,787 181,555	26,598 26,036	58,326 53,828	850,629 756,532	6,628 6,026	1,348,235 1,259,423	39,339 33,243	100,781 84,125	171,955 140,673	150,372 139,121	..	..	..	..	..	2,945,343 2,695,502
Domestic Arts and Manual Training—class materials, &c. .. {	..	542 683	21,194 20,438	155,754 153,728	2,540 2,870	10,224 11,613	2,511 2,013	308 150	115 70	248 133	..	..	..	..	..	193,436 191,698
Conveyance of Pupils .. .. {	..	5,201 5,459	41,823 38,542	966,164 889,183	14,791 16,285	844,825 855,001	54,542 59,618	3,606 3,189	379,466 351,547	..	..	..	..	..	..	2,799,648 2,675,947
Bursaries, Scholarships, and Maintenance allowances .. .. {	569 619	4,139 2,426	29,100 19,509	368,233 212,629	2,070 704	1,724 1,720	259,984 97,910	125 399	173,345 99,633	725 190	..	12,966 13,491	..	..	..	853,581 449,852
Fees—University and other .. .. {	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	137,216 113,696
Teachers Tribunal .. .. {	19,513 19,535	..	..	..	..	..	..	..	..	..	..	..	..	..	..	19,513 19,535



## APPENDIX F.

## SUMMARY OF RECEIPTS AND PAYMENTS FOR YEAR ENDED 30TH JUNE, 1964, OF AGRICULTURE DEPARTMENT—EDUCATIONAL, RESEARCH, AND EXPERIMENTAL INSTITUTIONS.

	Receipts.				Payments.				Net Cost.
	Students' Fees.	Sale of Produce, &c.	Rents and Other Receipts.	Total Receipts.	Salaries and Wages.	Maintenance and Other Working Expenses.	Capital Expenditure.	Total Payments.	
	£	£	£	£	£	£	£	£	£
Burnley Horticultural College ..	3,003	..	287	3,290	39,493	7,890	3,215	50,598	47,308
Dookie Agricultural College ..	35,270	21,471	15,562	72,303	136,776	76,766	44,750	258,292	185,989
Dookie Agricultural College Stock Trading Account ..	..	27,423	..	27,423	..	421	..	421	Cr.27,002
Glenormiston Dairy College ..	..	16,248	641	16,889	9,855	10,626	7,107	27,588	10,699
Longerenong Agricultural College	14,653	12,506	6,238	33,397	66,203	32,790	204,452	303,445	270,048
Longerenong Agricultural College Stock Trading Account ..	..	9,216	..	9,216	..	397	..	397	Cr.8,819
School of Dairy Technology, Werribee ..	220	3,751	860	4,831	8,403	14,047	4,379	26,829	21,998
Ellinbank Dairy Research Centre	..	9,164	821	9,985	18,884	6,591	7,966	33,441	23,456
Potato Research Station, Healesville ..	..	1,240	224	1,464	12,076	6,921	6,162	25,159	23,695
Horticultural Research Station, Mildura ..	..	372	26	398	4,181	1,623	6,518	12,322	11,924
Tobacco Research Station, Myrtleford ..	..	781	270	1,051	3,305	942	560	4,807	3,756
Rutherglen Research Station ..	..	24,696	2,060	26,756	25,028	18,286	6,307	49,621	22,865
Rutherglen Viticultural Station	..	4,031	240	4,271	12,304	2,065	1,118	15,487	11,216
Horticultural Research Station, Scoresby ..	..	5,002	281	5,283	21,948	11,896	12,643	46,487	41,204
State Research Orchard, Tatura	..	14,042	3,327	17,369	19,824	16,013	13,062	48,899	31,530
Mallee Research Station, Walpeup ..	..	9,769	3,213	12,982	14,380	7,494	6,705	28,579	15,597
State Research Farm, Werribee	..	28,112	4,164	32,276	62,276	46,273	63,672	172,221	139,945
Pastoral Research Station, Hamilton ..	..	13,667	108	13,775	10,536	8,678	10,880	30,094	16,319
Irrigation Research Station, Kyabram ..	..	8,935	330	9,265	10,598	5,548	9,278	25,424	16,159
	53,146	210,426	38,652	302,224	476,070	275,267	408,774	1,160,111	857,887

Receipts and payments in respect of Trust Funds affecting the institutions have not been included in the above statement. The main item of receipt was of £40,000 for the Tobacco Research Station at Myrtleford. Relevant expenditure from the Trust Funds amounted to £242,395.

Repayments to the Public Account of advances of £5,000 and £3,000 made during 1962-63 to the Dookie and Longerenong Agricultural Colleges Stock Trading Accounts respectively, have not been included in this statement.