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**REPORT**

OF THE

**AUDITOR-GENERAL**

FOR THE YEAR ENDED

**30th JUNE, 1967**

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# REPORT OF THE AUDITOR-GENERAL OF VICTORIA

UPON

THE TREASURER'S STATEMENT OF THE FINANCES FOR THE YEAR ENDED  
30TH JUNE, 1967.

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## PART I.—INTRODUCTION.

As directed by Section 47 of the *Audit Act* 1958, I hereby transmit to the Legislative Assembly the Statement prepared by the Treasurer of the receipts and expenditure of the Consolidated Revenue, the Trust Fund and the Loan Fund for the financial year ended 30th June, 1967. In accordance with the provisions of Section 47, I submit my Report explaining the Statement in full and showing particulars of the several matters referred to in sub-sections (1) and (2) of that section.

As required by 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 30th June, 1967. The relevant figures herein are submitted on the basis that these amounts receive Parliamentary approval 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.

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

## PART II.—REVIEW.

### Consolidated Revenue.

In 1966-67—

	\$
The Expenditure charged to Consolidated Revenue was ..	559,594,883.69
and	
The Revenue brought to account from all sources was the equivalent sum of .. .. .	559,594,883.69

The expenditure for the year, as recorded above, includes the sum of \$3,572,830.44 which had been charged to Treasurer's Advance pending the passing of the Supplementary Estimates for the year.

The Budget Estimates for 1966-1967 provided for a deficit of \$2,422,780. Actual revenue for the year exceeded the estimate by \$7,104,290 while actual expenditure was \$4,681,510 higher than the estimate. The difference between these variations offset the estimated deficit with the effect that actual revenue and actual expenditure were in balance.

Included in the revenue collections for the year was an amount of \$1,697,772 transferred from the Mallee Land Account, which, under legislative provision, may be used at the discretion of the Treasurer, to recoup Consolidated Revenue in respect of sinking fund contributions. Provision of \$1,700,000 was made in the 1966-67 Budget Estimates for payments of this kind.

#### REVENUE RECEIPTS.

The major excesses of revenue over the Budget Estimates were in the following items :—

	Excess \$
Sale of Duty Stamps .. .. .	1,817,249
Probate Duty .. .. .	1,747,376
Commonwealth Financial Assistance Grants .. .. .	1,674,016
Commonwealth (States Grants)—Advanced Education .. .. .	1,302,080
Land Tax .. .. .	732,065
State Rivers and Water Supply Commission .. .. .	690,653
Duty on Insurance Business.. .. .	285,753
Licensing Fund Payment .. .. .	263,319

The main shortages of revenue compared with the Budget Estimates were :—

	Shortage \$
Railways .. .. .	1,339,256
Forests .. .. .	318,432
Statutory Corporation Payments .. .. .	270,000
Fees and Charges for Departmental Services .. .. .	218,828

Receipts to Consolidated Revenue from all sources in 1966-67 amounted to \$559,594,884 which was \$51,041,032 higher than the 1965-66 total of \$508,553,852.

In 1966-67, State revenue from sources other than the Commonwealth totalled \$341,829,251 compared with \$309,067,035 in 1965-66—an increase of \$32,762,216. Revenue from sources other than the Commonwealth made up 61.09 per cent. of the State's gross revenue in 1966-67 and 60.77 per cent. in 1965-66.

State revenue received from Commonwealth sources was \$217,765,633 which was \$18,278,816 higher than the comparable amount of \$199,486,817 in 1965-66. The proportion of the State's gross revenue received from Commonwealth sources thus fell slightly from 39.23 per cent. in 1965-66 to 38.91 per cent. in 1966-67.

The following summary shows, under broad headings, significant variations in revenue from sources other than the Commonwealth which resulted in the increase of \$32,762,216 over such revenue for 1965-66 :—

	\$	Increase \$
New Sources—		
Statutory Corporation Payments .. .. .	.. .. .	5,730,000
State Taxes—		
Sale of Duty Stamps .. .. .	3,303,838	
Probate Duty .. .. .	2,994,839	
Totalizator .. .. .	1,723,994	
Land Tax .. .. .	1,251,335	
Licensing Fund Payment .. .. .	915,306	
Duty on Insurance Business.. .. .	888,271	
Sundry Taxes (Net) .. .. .	489,757	
	—————	11,567,340
Railways .. .. .	.. .. .	5,316,478
Interest recoups, &c. .. .. .	.. .. .	2,933,358
Mallee Land Account .. .. .	.. .. .	1,697,772
Ports and Harbors .. .. .	.. .. .	1,122,722
Public Works .. .. .	.. .. .	877,704
Departmental .. .. .	.. .. .	779,794
Fees .. .. .	.. .. .	717,251
Fines .. .. .	.. .. .	520,055
Territorial .. .. .	.. .. .	275,874
Other State sources .. .. .	.. .. .	1,223,868
		—————
		32,762,216

The statutory corporation payments referred to under “New Sources” above are the contributions made for the first time by the State Electricity Commission (\$4,800,000) and the Gas and Fuel Corporation (\$930,000) in accordance with the provisions of the *Public Authorities (Contributions) Act 1966*. Under this Act, each of these public authorities is required to contribute to Consolidated Revenue in each financial year an amount equal to 3 per cent. of its total revenue in the last preceding financial year. Total revenue is defined in the Act as “such amount as is agreed to by the Treasurer and the public authority or as is in default of such agreement determined by the Auditor-General”. The amount of total revenue in each case was determined by agreement between the Treasurer and the authority.

State revenue from Commonwealth sources over the past two years is compared in the following statement :—

Commonwealth Grant or Contribution.	1965-66.	1966-67.	Increase + Decrease -
	\$	\$	\$
Contribution pursuant to Commonwealth—States Financial Agreement .. .. .	4,254,318	4,254,318	..
Financial Assistance Grants .. .. .	191,921,804	208,790,217	+ 16,868,413
Tuberculosis Arrangement .. .. .	3,010,388	3,220,252	+ 209,864
Towards remissions and losses on Soldier Settlement Advance—States Grants (Advanced Education) .. .. .	203,130	92,196	— 110,934
Advance—States Grants (Water Resources) .. .. .	..	1,302,080	+ 1,302,080
Other .. .. .	79,620	77,300	— 2,320
	17,557	29,270	+ 11,713
	—————	—————	
	199,486,817	217,765,633	+ 18,278,816

The item, “Advance—States Grants (Advanced Education)” shows the amount received from the Commonwealth towards the recurrent expenditure of colleges of advanced education. To facilitate the administration of the scheme by the State, the total amount payable by the Commonwealth and the State in respect of each college is met, in the first place, from State funds, and the Commonwealth contribution, when received, is paid into Consolidated Revenue.

Later in this Report, more detailed information is furnished in relation to the financial assistance listed above.

## EXPENDITURE FROM REVENUE.

Expenditure for the year in respect of departments and services, including railways, amounted to \$559,594,884. This was \$42,905,652 higher than the 1965-66 total expenditure of \$516,689,232.

Railway expenditure (including debt charges) for 1966-67 accounted for \$108,450,767 of the total, showing an increase of \$3,268,967 over the 1965-66 railway expenditure of \$105,181,800.

Expenditure other than railway expenditure totalled \$451,144,117 in 1966-67 compared with \$411,507,432 in 1965-66—an increase of \$39,636,685.

As in 1965-66, the greater part of the rise in expenditure compared with the previous year consisted of increases in the expenditure on education, debt charges and health services. The following statement sets out a comparison under these headings of expenditure for the two years :—

	1965-66.	1966-67.	Increase.
	\$	\$	\$
Education .. .. .	142,122,789	158,411,359	16,288,570
Debt charges .. .. .	113,041,147	121,680,843	8,639,696
Health Services—Including transfers to Hospitals and Charities and Mental Hospitals Funds ..	66,976,501	73,277,645	6,301,144

Expenditure on education is offset to a relatively small extent by revenue collections and recoups of expenditure. These amounted to \$1,502,926 in 1965-66 and \$2,851,330 in 1966-67.

The 1966-67 sum of \$2,851,330 includes an amount of \$1,105,900 paid to revenue which represents that portion applicable to the Education Department of the grant of \$1,302,080 received from the Commonwealth in respect of recurrent expenditure of advanced education colleges.

Detailed comment on the increase in the expenditure on education is made under that heading at page 63.

The following statement shows the composition of the debt charges figure of \$121,680,843 mentioned above and provides a comparison of 1966-67 with the previous year :—

	1965-66.	1966-67.	Increase.
	\$	\$	\$
Debt charges on Public Debt .. .. .	95,861,765	102,919,963	7,058,198
Interest and principal—Commonwealth—State Housing Agreement .. .. .	16,550,043	18,131,541	1,581,498
Interest and principal—Commonwealth—State Soldier Settlement Account .. .. .	629,339	629,339	..
	<u>113,041,147</u>	<u>121,680,843</u>	<u>8,639,696</u>

Debt charges on the Public Debt (which include interest and sinking fund payments) again showed a considerable increase over the previous year.

Total debt charges, at \$121,680,843, were 21·7 per cent. of the total expenditure from Consolidated Revenue compared with 21·8 per cent. in 1965-66. However, a part of the outlay for debt charges is offset by recoups of interest and sinking fund contributions from State bodies which have received advances from the State's Loan Fund and by interest received from various sources and paid into Consolidated Revenue.

Statement No. 5 appended to this Report contains a detailed statement of receipts and payments for the year 1966-67 on account of debt charges and an analysis over a period of years of the respective proportions of the debt charges met each year from taxation and general revenues and from other sources. In 1966-67, the net amount available from other sources for the payment of debt charges was \$23,423,162 and the balance which had to be met from taxation and general revenues was \$74,605,610. These figures exclude Railway debt charges, amounting to \$4,891,191, and interest and principal repayments in respect of advances from the Commonwealth for housing and of special advances for soldier settlement.

Payments from Consolidated Revenue for interest and repayments of principal in respect of loans made to the State under the Commonwealth—State Housing Agreement are recouped to Revenue from the income of the Housing Commission and from the Home Builders' Account. In 1966-67, payments from Revenue in respect of housing loans amounted to \$18,131,541. Payments from Revenue for interest and repayments of principal on special loans from the Commonwealth for soldier settlement are recouped to Revenue from the income of the Rural Finance and Settlement Commission. Such payments from Revenue in 1966-67 totalled \$629,339.

Expenditure on health services was the third major heading contributing materially to the increase in total expenditure from Consolidated Revenue in 1966-67. The following statement has been prepared to show what may be considered to be the principal sources of finance for the expenditure on health services in 1965-66 and 1966-67 :—

From—	1965-66.		1966-67.	
	\$	\$	\$	\$
Commission—Totalizator Investments .. ..	8,460,302		10,184,296	
Tattersall Duty .. .. .	6,294,431		6,409,811	
Commonwealth Recoup—Tuberculosis Arrangement	3,010,388		3,220,252	
Mental Hygiene Branch—Receipts various ..	1,984,562		1,905,305	
Health Department—Miscellaneous Receipts ..	254,866		265,415	
	<hr/>	20,004,549	<hr/>	21,985,079
<i>From the general revenues of the State—</i>				
Net Cost to Consolidated Revenue—				
Health Services (other than Mental Hygiene) ..	8,617,225		9,426,071	
Mental Hygiene Branch .. .. .	16,274,727		17,582,601	
Transfers to Hospitals and Charities Fund—				
Special Appropriation (other than Totalizator and Tattersall receipts) .. .. .	1,600,000		1,600,000	
Annual vote .. .. .	20,480,000		22,683,894	
	<hr/>	46,971,952	<hr/>	51,292,566
		<hr/>	<hr/>	
		66,976,501		73,277,645
		<hr/>		<hr/>

### Loan Fund.

In 1966-67, expenditure from the Loan Fund on works and associated purposes amounted to \$137,561,502 compared with \$130,847,943 in 1965-66—an increase of \$6,713,559. In addition, in 1966-67, an amount of \$4,000,000 was applied from the Loan Fund to the funding of Consolidated Revenue deficits making the total loan expenditure \$141,561,502. Loan moneys available to meet this expenditure were \$142,153,286 in 1966-67 and \$131,823,503 in 1965-66. The following statement shows under broad headings the major allocations in these two years of the moneys available :—

	1965-66.		Per cent. of available funds.		1966-67.		Per cent. of available funds.	
	\$	\$			\$	\$		
Social Expenditure—								
including expenditure on Education, Health, &c. ..	57,149,771		43·35		60,938,306		42·87	
Services associated with Primary Production—								
including Agriculture, Forests, Country Water Supply, &c. ..	25,018,822		18·98		27,193,025		19·13	
Railways .. .. .	16,299,635		12·37		16,466,489		11·58	
Advances to State Electricity Commission .. .. .	15,000,000		11·38		15,500,000		10·90	

This statement does not include loan expenditure under the Commonwealth-State Housing Agreement which, in 1965-66, amounted to \$33,566,506 and, in 1966-67, to \$32,959,761.

At 30th June, 1967, after allowing for unexpended loan cash in hand, the State's net loan liability on account of its ordinary debt was \$1,849,904,970 which showed an increase of \$116,811,132 over the liability at 30th June, 1966, of \$1,733,093,838.

In addition, the State's liability at 30th June, 1967, to the Commonwealth under the Commonwealth-State Housing Agreement was \$422,064,133 and for special assistance loans for soldier settlement, \$13,425,798. The liabilities on account of these advances at 30th June, 1966, were \$392,806,928 and \$13,547,120 respectively.

### Trust Fund.

The Trust Fund in the Treasury comprises Trust and Special Accounts. These Accounts are discussed in detail later in this Report.

Excluding the debits and credits to those suspense accounts that are in the nature of accounts for the recording of clearing entries for book-keeping purposes, the debits and credits to the Funds and Accounts within the Trust Fund amounted to \$381,378,278 and \$390,114,603 respectively. The comparable figures in 1965-66 were \$321,832,729 and \$323,284,360.

Most Commonwealth recoups and conditional grants to the State and advances for disbursement by the State are accounted for in appropriately named accounts within the Trust Fund. The credits and debits in respect of these moneys in the past two years are summarized in the following statement under broad classifications related to the purpose of the expenditure :—

Account or Fund.	1965-66.			1966-67.		
	Total Credits (Including Balance Forward).	Total Debits.	Balance Forward.	Total Credits (Including Balance Forward).	Total Debits.	Balance Forward.
	\$	\$	\$	\$	\$	\$
<b>EDUCATION :</b>						
Commonwealth Scholarships Scheme	3,287,458	3,127,124	160,334	4,463,438	4,317,461	145,977
La Trobe University (Commonwealth Subsidy) .. .. .	1,093,456	1,093,456	..	2,283,160	2,283,160	..
Monash University (Commonwealth Subsidy) .. .. .	4,726,250	4,726,250	..	4,752,328	4,752,328	..
State Grants (Advanced Education)	..	..	..	911,000	706,354	204,646
State Grants (Science Laboratories)	4,280,187	3,806,179	474,008	3,273,208	2,916,027	357,181
State Grants (Technical Training)	1,998,352	1,998,352	..	3,050,000	2,664,624	385,376
University (Commonwealth Subsidy)* .. .. .	6,699,977	6,699,977	..	7,538,059	7,538,059	..
Other .. .. .	283,676	283,676	..	480,931	474,988	5,943
	22,369,356	21,735,014	634,342	26,752,124	25,653,001	1,099,123
<b>HEALTH :</b>						
Commonwealth Pharmaceutical Benefits .. .. .	4,221,734	4,201,113	20,621	5,020,799	3,761,044	1,259,755
Commonwealth-State Free Milk Scheme .. .. .	2,386,102	2,247,941	138,161	2,532,048	2,491,896	40,152
Commonwealth-State Grants (Mental Institutions) .. .. .	1,566,824	1,566,824	..	1,192,374	1,192,374	..
Other .. .. .	48,536	43,630	4,906	73,866	69,199	4,667
	8,223,196	8,059,508	163,688	8,819,087	7,514,513	1,304,574
<b>HOUSING :</b>						
Commonwealth-State Housing .. .. .	24,228,706	24,228,706	..	23,353,761	23,353,761	..
Home Builders .. .. .	15,504,607†	14,132,639	1,371,968	19,315,656‡	17,991,194	1,324,462
	39,733,313	38,361,345	1,371,968	42,669,417	41,344,955	1,324,462
<b>PRIMARY PRODUCTION :</b>						
Commonwealth Poultry Industry Assistance .. .. .	..	..	..	659,291	659,291	..
Rural Rehabilitation .. .. .	4,076,314	..	4,076,314	4,199,166	..	4,199,166
Other .. .. .	1,255,393	881,753	373,640	1,587,892	1,028,359	559,533
	5,331,707	881,753	4,449,954	6,446,349	1,687,650	4,758,699
<b>OTHER WORKS :</b>						
Commonwealth Aid Roads (Nos. 1-3 Accounts) .. .. .	27,629,308†	27,573,774†	55,534	29,498,191	29,467,034	31,157
Other .. .. .	8,291	7,619	672	360,167	358,110	2,057
	27,637,599	27,581,393	56,206	29,858,358	29,825,144	33,214
<b>MISCELLANEOUS :</b>						
Petroleum Products Subsidy .. .. .	736,713	666,156	70,557	1,164,960	1,091,806	73,154
Other .. .. .	54,155	38,630	15,525	38,798	30,774	8,024
	790,868	704,786	86,082	1,203,758	1,122,580	81,178
<b>Total .. .. .</b>	<b>104,086,039</b>	<b>97,323,799</b>	<b>6,762,240</b>	<b>115,749,093</b>	<b>107,147,843</b>	<b>8,601,250</b>

\* Refers to University of Melbourne.

‡ Includes repayment of advances and interest thereon 1965-66, \$6,164,860 ; 1966-67, \$8,337,688.

† Includes \$60,425, transferred from Commonwealth Aid Roads 1959—No. 2 Account to Commonwealth Aid Roads 1959—No. 1 Account.

The accounts included in the above summary under "State Grants (Advanced Education)" record transactions in relation to Commonwealth moneys received for building projects and equipment of a capital nature in respect of colleges of advanced education. As already stated earlier in this Review, Commonwealth grants in respect of recurrent expenditure for colleges of advanced education are paid directly to Consolidated Revenue.

The Commonwealth Poultry Industry Assistance Account is a new account established to record the receipt and disbursement of moneys received from the Commonwealth pursuant to its Poultry Industry Assistance legislation which imposes a levy in respect of hens kept for commercial purposes and enables payments from the proceeds of the levy to be made to the States.

Several new Trust Funds and Special Accounts for purely State purposes were opened by the Treasurer during the year. These are listed, with appropriate explanation of the purposes for which they were established, on page 27 of this Report.



### Consolidated Revenue Deficit Account.

At 30th June, 1966, the debit balance in this Account was \$3,897,038. During 1966-67, the Account was debited with the 1965-66 deficit of \$8,135,380 and credited with \$4,000,000 applied from the Loan Fund towards the funding of deficits. The debit balance in the Account at 30th June, 1967, representing the amount of the Consolidated Revenue Deficit to 30th June, 1966, standing as a charge against Public Account was thus \$8,032,418.

### Treasury Balances.

As at 30th June, 1967, the balances at credit of Loan Fund and Trust Fund aggregated \$127,304,921. This sum was accounted for as follows :—

	\$
Cash at credit of Public Account on fixed deposit and in current account ..	66,644,057
Investments held on behalf of Trust Fund .. .. .	48,782,629
Various advances—details of which are included in the summary on page 6 of the Treasurer's Finance Statement .. .. .	3,845,817
Amount necessary, as indicated above, to finance temporarily the Consolidated Revenue Deficit to 30th June, 1966 .. .. .	8,032,418
	127,304,921

Most of the matters outlined in this review are the subject of detailed comment in the succeeding pages.

## PART III.—CONSOLIDATED REVENUE FUND.

### Revenue.

A synopsis of the Treasurer's summary of revenue appearing on pages 8–15 of the finance statement is given in the following tabular comparison for the purpose of showing the significant variations during the year.

	1965–66.	1966–67.		\$
	\$	\$		\$
Commonwealth—States Grants Acts ..	191,921,804	208,790,217	Increase	16,868,413
State Taxes .. .. .	123,799,887	135,367,227	„	11,567,340
Interest .. .. .	32,626,103	35,559,461	„	2,933,358
Recoups, &c. (other than Interest and Water Supply) .. .. .	11,556,149	15,638,663	„	4,082,514
Water Supply (including Recoups) ..	11,325,303	11,890,653	„	565,350
Forests .. .. .	5,664,003	5,772,268	„	108,265
Statutory Corporations .. .. .	..	5,730,000	„	5,730,000
Fines .. .. .	3,207,421	3,727,476	„	520,055
Health .. .. .	3,213,435	3,431,800	„	218,365
Government Printer .. .. .	2,653,561	3,140,811	„	487,250
Ports and Harbors .. .. .	1,995,567	3,118,289	„	1,122,722
Education .. .. .	1,025,498	1,191,460	„	165,962
Rents (other than Territorial) .. ..	940,845	963,048	„	22,203
State Accident Insurance—				
Appropriation Portion of Surplus ..	606,000	723,124	„	117,124
State Electricity Commission—				
Royalties Brown Coal .. .. .	475,045	526,675	„	51,630
Gas and Fuel Corporation—				
Dividend .. .. .	280,969	283,381	„	2,412
Transfers from Trust Funds .. .. .	104,753	177,094	„	72,341
Sundry .. .. .	10,138,476	11,326,711	„	1,188,235
<b>Total Increase .. .. .</b>				<b>45,823,539</b>
<b>Lands .. .. .</b>	<b>2,449,574</b>	<b>2,416,742</b>	<b>Decrease</b>	<b>32,832</b>
<b>Mint .. .. .</b>	<b>642,275</b>	<b>576,122</b>	<b>„</b>	<b>66,153</b>
<b>Total Decrease .. .. .</b>				<b>98,985</b>
Commonwealth and States Financial Agreement .. .. .	4,254,318	4,254,318	..	..
	408,880,986	454,605,540	Increase	45,724,554
Railways .. .. .	99,672,866	104,989,344	„	5,316,478
	508,553,852	559,594,884	Increase	51,041,032

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.

The *States Grants Act* 1965–1966—the Commonwealth legislation which determines the basis on which the financial assistance grants to the States are to be calculated—was amended by the *States Grants Act* 1967 to provide that, in the calculation of the grants, the percentage increase in the average wages per person employed throughout Australia used in the statutory formula was to be that between the thirty-first day of March in the year concerned and the thirty-first day of March in the preceding year. Formerly, the percentage increase used was that between the two financial years preceding the year concerned. The amendment had the effect of reducing the time lag in the average wages adjustment in the formula.

The grant to Victoria for 1966–67 in accordance with the statutory formula amounted to \$207,527,292 and was calculated in the following way:—

The basic figure \$191,921,804, which was the equivalent of the amount of the State's grant for the previous year, was increased in proportion to the increase, estimated by the Commonwealth Statistician, in the State's population during the year ended 31st December, 1966. As the next step, the resultant figure was increased by the percentage increase, from 31st March, 1966, to 31st March, 1967, in the average wages per person employed throughout Australia. (In 1965–66, under previous legislation, the increase used was that between 1963–64 and 1964–65.) The third step was to increase the figure arrived at in the second step by 1.2 per cent. (the "betterment" factor).

The basic figure was, at the completion of the first step, increased by \$3,235,610 ; at the completion of the second step, by an additional amount of \$9,909,080 and at the completion of the third step, by a further \$2,460,798. On the combined result of the three steps, Victoria's grant for 1966-67 was \$15,605,488 higher than that for the previous year.

In 1966-67, Victoria also received from the Commonwealth a further grant of \$1,262,925. This amount was calculated in accordance with the provisions of Section 5 of the *States Grants Act* 1967 under which an additional sum of \$5,000,000 was payable to the States in 1966-67 and apportionable between them in proportion to the amounts respectively payable to them during that year under the statutory formula.

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	..	..	..	109,165,040
1959-60	Financial Assistance Grant	..	..	..	121,250,000
1960-61	Financial Assistance Grant	..	..	..	134,742,684
1961-62	Financial Assistance Grant	..	..	..	146,028,952
	Additional Assistance Grant	..	..	..	3,600,000
1962-63	Financial Assistance Grant	..	..	..	152,266,710
	Additional Assistance Grant	..	..	..	7,454,000
1963-64	Financial Assistance Grant	..	..	..	159,482,498
	Additional Assistance Grant	..	..	..	10,280,000
1964-65	Financial Assistance Grant	..	..	..	171,749,698
1965-66	Financial Assistance Grant	..	..	..	191,921,804
1966-67	Financial Assistance Grant	..	..	..	207,527,292
	Additional Assistance Grant	..	..	..	1,262,925

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

#### COMMONWEALTH FINANCIAL ASSISTANCE IN CONNEXION WITH THE MEASUREMENT AND INVESTIGATION OF STATE WATER RESOURCES.

The Commonwealth's *States Grants (Water Resources) Act* 1964 provides that, where a State furnishes to the Treasurer of the Commonwealth such information as is required by him with respect to the totals of its capital and operational expenditure during each year over the period 1964-65 to 1966-67 (inclusive) in connexion with the measurement of the discharge of its rivers and on the investigation and measurement of its underground water resources, there is payable to such State in respect of that year financial assistance determined in terms of the legislation.

The grants will be finally determined on the basis of the appropriate information furnished by the State, from details supplied by the several State authorities concerned including the State Rivers and Water Supply Commission and the Mines Department. Such basic information is subject to my verification and certification in accordance with the provisions of Section 7 of the Act. As statements incorporating all appropriate expenditure have not been submitted to me for verification, no expenditure has yet been certified.

During 1966-67, Victoria received from the Commonwealth an advance of \$77,300 pending final determination of the grants due to it pursuant to the provisions of the legislation outlined above. This advance was paid to the credit of Consolidated Revenue.

#### STATE TAXES.

Classifications under Revenue, Taxation, in the Treasurer's Accounts are : Direct taxation, revenue under the Stamps Acts, collections from registrations, &c., of shops and factories, &c., and proceeds of licences issued under State laws. 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, Stamp Duty on Bookmakers', &c. Certificates, Duty on Insurance Business, Sale of Duty Stamps and Turnover Tax on Bookmakers' Transactions. 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 three years is compared hereunder :—

Taxation.	1964-65	1965-66	1966-67
	\$	\$	\$
Direct .. .. .	67,428,424	69,411,392	75,630,899
Stamps Acts .. .. .	39,798,302	44,237,488	48,573,523
Registrations, &c. .. .. .	592,014	686,816	727,624
Licences .. .. .	8,274,594	9,464,191	10,435,181
<b>Total Taxation .. .. .</b>	<b>116,093,334</b>	<b>123,799,887</b>	<b>135,367,227</b>

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 three years of collections of Probate Duty, Land Tax and Entertainments Tax.

	1964-65	1965-66	1966-67
	\$	\$	\$
Probate Duty .. .. .	31,614,290	32,002,537	34,997,376
Land Tax .. .. .	19,724,940	19,880,730	21,132,065
Entertainments Tax .. .. .	516,226	502,000	519,685

*Probate Duty.*—Duty for 1966-67 amounting to \$34,583,105 was collected by the Commissioner of Probate Duties and \$414,271 by the Public Trustee. The aggregate value of new estates assessed increased from \$236 million in 1965-66 to \$261 million in 1966-67.

Until November, 1966, advance payments of Probate Duty were held in a departmental trust account pending the issue of an assessment. From 28th November, this practice was discontinued. The balance of such payments in the trust account was transferred to revenue and all advance payments of Duty since have been paid direct to revenue. According to Taxation Office records, transfers to revenue from 1st July to 27th November, 1966, totalled \$917,342 (including the balance transferred) and advance payments paid into revenue from 28th November, 1966, to 30th June, 1967, amounted to \$705,500. In 1965-66 transfers of advance payments to revenue from the departmental trust account amounted to \$636,650.

The end-of-the-year position, as indicated by the comparative summary hereunder, influences the State's annual collections from Probate Duty :—

Duty assessed but uncollected—

As at 30.6.65—\$3,416,962 ; collected—\$3,134,990 in 1965-66.  
 As at 30.6.66—\$2,927,225 ; collected—\$2,724,350 in 1966-67.  
 As at 30.6.67—\$3,381,015 ; to be collected in 1967-68.

*Land Tax.*—As indicated in the comparative statement, receipts from Land Tax increased by \$1,251,335. Improved collections, resulting in a decrease in uncollected tax of \$501,127 compared with the previous year, and a steady rise in land values were the main factors accounting for the increase.

The *Land Tax (Rates) Act* 1966, No. 7466, fixed rates of tax in terms identical with those applicable in the previous year.

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

	1964-65	1965-66	1966-67
	\$	\$	\$
Duty Stamps .. .. .	29,832,316	33,313,411	36,617,249
Insurance Licences .. .. .	6,734,708	7,697,482	8,585,753
Betting Tax .. .. .	2,917,332	2,920,754	3,058,140
Betting Tickets .. .. .	228,976	213,654	219,394
Bookmakers', &c. Certificates .. .. .	84,970	92,187	92,987
<b>Total .. .. .</b>	<b>39,798,302</b>	<b>44,237,488</b>	<b>48,573,523</b>

As indicated in the preceding statement, revenue from Duty Stamps was in excess of that for the previous year by \$3,303,838.

The *Stamps Act* 1966, No. 7500, as amended by the *Stamps Act* 1967, No. 7543, which operated from 1st February, 1967, imposed duty on certain credit business and rental business and reduced the rate of duty on instalment purchase agreements.

According to the statistical records of the Stamps Office—which are kept on a gross basis but which overall have been reconciled with the relevant Treasury record—the major increases in duty came from the following sources :—

	\$
(i) duty on real estate dealings .. .. .	1,393,252
(ii) duty on securities by way of mortgage or charge .. .. .	584,625
(iii) adhesive duty stamps .. .. .	415,158
(iv) printed duty on cheques .. .. .	346,922
(v) duty on credit and rental business (registered persons) .. .. .	760,500

The only substantial drop in revenue was from duty on hire purchase contracts (approved vendors)—\$325,699.

Other variations in revenue from Duty Stamps, both increases and decreases, were not significant.

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

	1964-65	1965-66	1966-67
	\$	\$	\$
Fees, Titles Office .. .. .	1,867,662	1,830,640	2,104,333
„ Registrar of Companies .. .. .	1,088,266	958,315†	1,246,619
„ Registrar-General .. .. .	78,844	81,016	105,677
Total .. .. .	3,034,772	2,869,971	3,456,629

† Excluding cash in transit to Treasury on 30th June, 1966, \$12,056.

The increase in revenue from Titles Office fees was due to an increase in the number of lodgments from 279,503 in 1965-66 to 294,549 in 1966-67.

Statistics furnished by the Registrar of Companies explain the increase in fees collected in his Office. The relevant figures are :—

	1964-65	1965-66	1966-67
Number of documents filed—Business Names Act .. .. .	39,656	26,683	31,991
„ „ „ „ —Companies Act .. .. .	95,809	107,781	102,854
Nominal „Capital of New Companies (\$Million) .. .. .	402	345	496

An increase in the number of Bills of Sale lodged in 1966-67 (13,557) as against the lodgments in 1965-66 (7,921) and an increase in the lodging fee, from September, 1966, were major factors accounting for the rise in revenue in the Registrar General's Office.

*Motor Car—Drivers' Licence Fees.*—Collections in respect of fees paid on the issue of motor car drivers' licences are apportioned, in accordance with the provisions of the *Motor Car Act* 1958 as amended by the *Motor Car (Fines and Drivers' Licence Fees) Act* 1964, as to one half, equally between the Country Roads Board Fund and the Municipalities Assistance Fund and, as to the other half, in the absence of specific direction as to the disposal thereof, to Consolidated Revenue. Costs of collection of these fees are also apportioned between the two Funds and Consolidated Revenue on the same basis.

After recouping the Country Roads Board Fund the required proportion of the costs of collection, \$107,055, net collections credited to Consolidated Revenue on this account, in 1966-67, amounted to \$1,249,357.

*Motor Car Third-party Insurance.*—In conformity with the requirements of the *Motor Car (Insurance Surcharge) Act* 1959, as amended, an additional fee of \$2 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 1966-67 was \$2,387,666, compared with \$2,271,383 in the previous year.

*Tattersall Duty.*—The trustees of the will and estate of the late George Adams promote and conduct sweepstakes in Victoria under a licence granted in accordance with the provisions of the *Tattersall Consultations Act 1958*.

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 :—

—				50c Units.	\$1 Units.	\$2 Units.	\$4 Units.	\$5 Units.	\$10 Units.	Subscriptions.
\$										
1954-55	..	..	..	142	3	6	..	..	..	16,626,782
1955-56	..	..	..	149	10	7	..	..	..	17,700,000
1956-57	..	..	..	148	7	3	..	..	2	18,500,000
1957-58	..	..	..	152	9	7	..	..	..	17,900,000
1958-59	..	..	..	148	7	6	..	..	..	17,500,000
1959-60	..	..	..	158	10	5	..	..	..	18,600,000
1960-61	..	..	..	163	7	7	1	..	..	20,800,000
1961-62	..	..	..	160	6	8	..	..	..	19,400,000
1962-63	..	..	..	152	8	6	2	..	..	20,200,000
1963-64	..	..	..	153	7	6	4	..	..	20,900,000
1964-65	..	..	..	151	8	7	4	..	..	21,288,000
1965-66	..	..	..	145	10	6	1	1	..	20,100,000
1966-67	..	..	..	145	10	7	4	..	..	20,300,000
				1,966	102	81	16	1	2	249,814,782

In 1966-67, all of the \$2 consultations and two of the \$4 consultations were for 100,000 units. Each of the other consultations consisted of 200,000 units.

Duty equivalent to 31 per cent. 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 :—

—				1964-65.	1965-66.	1966-67.
				\$	\$	\$
Duty payable .. .. .	..	..	..	6,713,082	6,322,795	6,379,862
<i>Less</i> amounts due for consultations drawn but payable in July of succeeding year .. .. .	..	..	..	95,372	126,090	95,998
				6,617,710	6,196,705	6,283,864
<i>Plus</i> amounts paid and exchange credited in July on account of previous year .. .. .	..	..	..	111,668	107,535	135,899
				6,729,378	6,304,240	6,419,763
<i>Less</i> exchange on balance held in New Zealand as at 30th June .. .. .	..	..	..	12,162	9,809	9,952
				6,717,216	6,294,431	6,409,811

Duty amounting to \$6,409,811, as shown above, was paid into Consolidated Revenue in 1966-67. Under the provisions of the Act, an amount equivalent to that duty was appropriated from Consolidated Revenue and apportioned between the Hospitals and Charities Fund (\$5,999,811) and the Mental Hospitals Fund (\$410,000).

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 \$140,995 compared with \$152,338 in the previous year.

As at 30th June, 1967, the Tasmanian share of duty for consultations drawn late in May and in June amounted to \$12,141. 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 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 30th June, 1967, the balance in this account was £16,621 (N.Z. currency).\*

Payments to the Government of New Zealand during the year amounted to \$225,915 compared with \$251,835 in 1965-66.

As at 30th June, 1967, an amount of \$51,956, equivalent to £21,002 (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 five 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, 1967, were, respectively, \$73,572,265, \$4,915,078 and \$954,633.

In terms of the licence, the prizes paid by the promoter must, in respect of each series of jackpot consultations, be not less than 60 per cent. of the total subscriptions thereto and, in respect of all other consultations, not less than 60 per cent. of the total amount of subscriptions to each of these consultations. Regarding New Zealand and Australian subscriptions as equivalent "units of account", the preceding conditions are being fulfilled.

By Act No. 7440, the *Tattersall Consultations Act* 1958 was amended to enable the promoter, with the consent of the Treasurer, to give tickets in a later consultation in lieu of some cash prizes. For the purposes of the Act and the licence, the nominal value of such tickets is regarded as having been paid by the promoter by way of prizes.

Unpaid prizes for consultations drawn in each year during the period 1954-55 to 1963-64 (inclusive) amounted to \$172,220. 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.

*Totalizator.*—Part V. of the *Racing Act* 1958 requires that a commission, being a percentage of investments, be deducted from all totalizator pools. As from 25th October, 1966, by the provisions of the *Racing (Totalizators Percentages) Act* 1966, this percentage was increased from twelve and one-half per cent. to thirteen per cent.

In accordance with the legislation, the commission is divided as follows :—

1. On-course totalizators—

(i) at metropolitan meetings—

(a) to Consolidated Revenue—in respect of doubles and quinella totalizators, five thirteenths ; and in respect of win and place totalizators, eight thirteenths ;

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

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

(a) to Consolidated Revenue—three thirteenths ;

(b) to the racing club concerned—ten thirteenths.

\* Excludes cash in transit, &c.

## 2. Off-course totalizators—

## (i) Commission derived from Victorian investments—

- (a) to Consolidated Revenue—nineteen fifty-seconds ;  
 (b) 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 fifty-second ; and  
 (c) to the Totalizator Agency Board to be expended in terms of the *Racing Act 1958*—the remaining eight thirteenths.

## (ii) Commission derived from Australian Capital Territory investments—

- (a) to Consolidated Revenue—two thirteenths ;  
 (b) to the Australian Capital Territory Totalizator Agency Board (Actab)—the remaining eleven thirteenths.

\* 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 five thirteenths.

The total credit to Consolidated Revenue 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 1966-67, the sum of \$10,184,296 was received into Consolidated Revenue and an equivalent amount paid out of Revenue to the Hospitals and Charities Fund.

A summary of receipts into Consolidated Revenue for the past two years is set out hereunder :—

	1965-66			1966-67		
	Horse Races	Dog Races	Total	Horse Races	Dog Races	Total
	\$	\$	\$	\$	\$	\$
<b>PERCENTAGE—</b>						
<i>Win and Place—</i>						
Metropolitan .. .. .	2,485,813	83,137	..	2,687,835	221,167	..
Country .. .. .	1,049,527	2,644	..	1,226,483	3,827	..
Interstate .. .. .	408,173	..	..	491,680	..	..
<i>Doubles and Quinella—</i>						
Metropolitan .. .. .	548,129	85,627	..	670,198	107,756	..
Country .. .. .	45,934	5,043	..	63,465	7,076	..
<i>Daily and Feature Doubles</i> .. .. .	2,309,909	48,467	..	2,881,928	296,730	..
	6,847,485	224,918	7,072,403	8,021,589	636,556	8,658,145
<b>FRACTIONS—</b>						
<i>Win and Place—</i>						
Metropolitan .. .. .	647,546	13,523	..	649,014	50,811	..
Country .. .. .	386,577	1,885	..	431,624	2,062	..
Interstate .. .. .	114,565	..	..	127,758	..	..
<i>Doubles and Quinella—</i>						
Metropolitan .. .. .	26,994	9,499	..	30,112	9,953	..
Country .. .. .	7,229	761	..	6,579	878	..
<i>Daily and Feature Doubles</i> .. .. .	87,283	..	..	109,465	14,268	..
	1,270,194	25,668	1,295,862	1,354,552	77,972	1,432,524
<b>DIVIDENDS UNCLAIMED</b> .. .. .	..	..	92,037	..	..	93,627
<b>CREDIT TO CONSOLIDATED REVENUE</b> .. .. .	..	..	8,460,302*	..	..	10,184,296*

\* On-course—1965-66, \$3,243,192 ; 1966-67, \$3,495,592.

Off-course—1965-66, \$5,204,749 ; 1966-67, \$6,667,547.

Actab—1965-66, \$12,361 ; 1966-67, \$21,157.

In addition, \$356,076 was credited in 1966-67 to the Totalizator Agency Board Trust Account for distribution to racing clubs in terms of the *Racing (Totalizators Extension) Act 1960*.



*Licensing Fund Payment.*—The revenue of the Licensing Fund consists mainly of fees charged to licensed victuallers (\$6,484,389), spirit merchants and grocers (\$1,814,211), and clubs (\$404,856).

In accordance with the provisions of the *Licensing Act 1958*, the surplus of receipts over payments for 1966–67 was transferred to Consolidated Revenue.

A comparative statement of receipts and payments of the Licensing Fund covering the period 1st July, 1964, to 30th June, 1967, is given hereunder :—

	1964–65	1965–66	1966–67
	\$	\$	\$
Balance 1st July .. .. .	661,471	661,471	661,471
<b>Receipts—</b>			
Licences and Club Certificates .. .. .	7,416,180	7,908,727	8,845,324
Permits .. .. .	108,154	122,159	114,432
Fees and Fines .. .. .	63,966	65,661	64,586
Interest on Investments .. .. .	20,104	20,104	20,104
Miscellaneous .. .. .	1,202	1,814	1,390
<b>Total Receipts for the Year .. .. .</b>	<b>7,609,606</b>	<b>8,118,465</b>	<b>9,045,836</b>
<b>Payments—</b>			
Salaries and other Administrative Expenses .. .. .	168,016	174,281	186,696
Cost of policing Act .. .. .	140,040	132,402	135,517
Payments to Municipalities .. .. .	111,888	111,416	111,104
Liquor Referendum .. .. .	378	1,243	..
Payment to Police Superannuation Fund .. .. .	46,000	46,000	46,000
Compensation .. .. .	4,100	5,110	3,200
<b>Total Payments for the Year .. .. .</b>	<b>470,422</b>	<b>470,452</b>	<b>482,517</b>
Transfer to Consolidated Revenue .. .. .	7,139,184	7,648,013	8,563,319
Balance 30th June .. .. .	661,471	661,471	661,471
Percentage of Revenue Transfer to Total Receipts .. .. .	93.8	94.2	94.7

*Comparison with Budget.*—The following statement (on this and the next page) shows the variations of Revenue Receipts from the Budget Estimate in 1966–67.

—	Budget Estimate.	Revenue.	Excess + Deficiency—
PART I.	\$	\$	\$
<b>Taxation—</b>			
Probate Duty .. .. .	33,250,000	34,997,376	1,747,376 +
Land Tax .. .. .	20,400,000	21,132,065	732,065 +
Entertainments Tax .. .. .	550,000	519,685	30,315 —
Motor Car Third-party Insurance .. .. .	2,350,000	2,387,666	37,666 +
Totalizator .. .. .	10,250,000	10,184,296	65,704 —
Tattersall Duty .. .. .	6,350,000	6,409,811	59,811 +
Betting and Bookmakers' Turnover Tax .. .. .	3,240,000	3,370,521	130,521 +
Duty on Insurance Business .. .. .	8,300,000	8,585,753	285,753 +
Stamp Duty .. .. .	34,800,000	36,617,249	1,817,249 +
Registration Fees—Factories, Shops, &c. .. .. .	720,000	727,625	7,625 +
Licensing Fund Payment .. .. .	8,300,000	8,563,319	263,319 +
Auctioneers' and other Licences .. .. .	1,965,000	1,871,861	93,139 —
	<b>130,475,000</b>	<b>135,367,227</b>	<b>4,892,227 +</b>

## Comparison with Budget—continued.

	Budget Estimate.	Revenue.	Excess + Deficiency -
	\$	\$	\$
PART I.— <i>continued.</i>			
Recoveries of Debt Charges—			
Country Roads Board .. .. .	2,070,000	2,066,275	3,725—
Home Builders' Account .. .. .	3,214,000	3,151,194	62,806—
Housing Commission .. .. .	15,023,600	15,106,896	83,296+
Rural Finance and Settlement Commission .. .. .	1,161,200	1,167,935	6,735+
Soldier Settlement .. .. .	1,141,000	1,161,426	20,426+
State Electricity Commission .. .. .	12,116,000	11,965,188	150,812—
Water and Sewerage Authorities .. .. .	1,765,000	1,755,172	9,828—
Other .. .. .	1,625,200	1,657,282	32,082+
	38,116,000	38,031,368	84,632—
Land Revenue—			
Lands .. .. .	2,285,000	2,283,321	1,679—
Mining .. .. .	150,000	175,454	25,454+
Royalties—Brown Coal .. .. .	526,675	526,675	..
	2,961,675	2,985,450	23,775+
Harbor Revenue—			
Harbor Trust Contribution .. .. .	1,450,000	1,306,699	143,301—
Westernport .. .. .	959,300	1,006,335	47,035+
Other .. .. .	814,000	805,255	8,745—
	3,223,300	3,118,289	105,011—
Fees and Charges for Departmental Services—			
Fees—Titles Office, Registrar-General, &c. .. .. .	4,031,000	4,027,523	3,477—
Recoups—Departmental Services .. .. .	17,843,000	17,627,649	215,351—
	21,874,000	21,655,172	218,828—
Business Undertakings—			
Forests Commission .. .. .	6,090,700	5,772,268	318,432—
State Rivers and Water Supply Commission .. .. .	11,200,000	11,890,653	690,653+
State Coal Mine .. .. .	344,000	368,887	24,887+
	17,634,700	18,031,808	397,108+
Miscellaneous Receipts—			
Fines .. .. .	3,570,000	3,727,476	157,476+
Interest on Public Account .. .. .	2,310,000	2,473,041	163,041+
Rents and Hirings .. .. .	907,500	960,839	53,339+
States Grants—Water Resources .. .. .	77,300	77,300	..
Advanced Education .. .. .	..	1,302,080	1,302,080+
Statutory Corporation Payments .. .. .	6,000,000	5,730,000	270,000—
Transfer from Mallee Land Account .. .. .	1,700,000	1,697,772	2,228—
Tuberculosis Arrangement—Commonwealth Payment .. .. .	3,269,000	3,220,252	48,748—
State Accident Insurance—Appropriation of Portion of Surplus .. .. .	600,000	723,124	123,124+
Other .. .. .	2,073,000	2,459,807	386,807+
	20,506,800	22,371,691	1,864,891+
Commonwealth Payments to State—			
Commonwealth and States Financial Agreement .. .. .	4,254,318	4,254,318	..
States Grants Acts .. .. .	207,116,201	208,790,217	1,674,016+
	211,370,519	213,044,535	1,674,016+
Total Revenue Part I. .. .. .	446,161,994	454,605,540	8,443,546+
PART II.			
Railways .. .. .	106,328,600	104,989,344	1,339,256—
Total Revenue Part II. .. .. .	106,328,600	104,989,344	1,339,256—
Total Revenue .. .. .	552,490,594	559,594,884	7,104,290+

## Expenditure.

The expenditure charged against revenue was more than the outlay for 1965-66 by the amount of \$42,905,652. A comparison of the figures for the two years separated into annual appropriation and special appropriation is given in the following statement :—

		ANNUAL APPROPRIATION			
		1965-66	1966-67		
<i>Part I.—</i>		\$	\$		\$
Education .. .. .		124,761,448	139,330,099	Increase	14,568,651
Health .. .. .		49,734,392	54,146,378	,,	4,411,986
Chief Secretary .. .. .		33,060,465	36,501,815	,,	3,441,350
Treasurer .. .. .		22,339,134	25,089,466	,,	2,750,332
Water Supply .. .. .		10,496,160	11,251,764	,,	755,604
Public Works .. .. .		7,370,231	7,720,798	,,	350,567
Agriculture .. .. .		6,661,905	7,209,165	,,	547,260
Attorney-General .. .. .		6,437,695	7,052,160	,,	614,465
Lands and Survey .. .. .		3,307,034	3,547,289	,,	240,255
Forests .. .. .		3,170,522	3,304,400	,,	133,878
Premier .. .. .		2,414,268	2,757,743	,,	343,475
Labour and Industry .. .. .		1,058,059	1,210,207	,,	152,148
Mines .. .. .		1,026,031	1,084,935	,,	58,904
Local Government .. .. .		550,006	618,376	,,	68,370
Parliament .. .. .		469,720	505,207	,,	35,487
Other .. .. .		128,758	155,892	,,	27,134
State Coal Mine .. .. .		785,442	771,552	Decrease	13,890
		273,771,270	302,257,246	Increase	28,485,976
<i>Part II.—</i>					
Railways .. .. .		95,766,979	98,044,599	Increase	2,277,620
		95,766,979	98,044,599	,,	2,277,620
Total Annual Appropriation .. .. .		369,538,249	400,301,845	,,	30,763,596
SPECIAL APPROPRIATION					
<i>Part I.—</i>					
Interest including Exchange* .. .. .		92,977,976	100,251,459	Increase	7,273,483
National Debt Sinking Fund .. .. .		16,514,342	17,601,816	,,	1,087,474
Repayment of Advances—Commonwealth—State Housing and Soldier Settlement .. .. .		3,472,123	3,766,543	,,	294,420
Loan Expenses .. .. .		76,706	61,025	Decrease	15,681
		113,041,147	121,680,843	Increase	8,639,696
Less Charged Railways (Part II.) .. .. .		4,030,673	4,891,191	,,	860,518
		109,010,474	116,789,652	,,	7,779,178
Charities Fund (Totalizator) .. .. .		8,460,302	10,184,296	,,	1,723,994
Pensions .. .. .		6,211,870	6,971,026	,,	759,156
Charities and Mental Funds (Tattersall) .. .. .		6,294,431	6,409,811	,,	115,380
Endowments and Grants .. .. .		4,621,597	4,993,458	,,	371,861
Other .. .. .		3,137,488	3,538,628	,,	401,140
		137,736,162	148,886,871	,,	11,150,709
<i>Part II.—</i>					
Railways—Debt Charges .. .. .		4,030,673	4,891,191	Increase	860,518
Pensions .. .. .		4,944,573	5,073,277	,,	128,704
Other .. .. .		439,575	441,700	,,	2,125
		9,414,821	10,406,168	,,	991,347
Total Special Appropriation .. .. .		147,150,983	159,293,039	,,	12,142,056
Total Expenditure Charged Against Revenue† .. .. .		516,689,232	559,594,884	Increase	42,905,652

\* Additional interest voted in 1965-66, \$77,899, and in 1966-67, \$79,846.

† 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.

In the synopsis hereunder, the actual expenditure for the year is compared with the amounts appropriated for the various Departments and Services.

	Appropriations.	Expended Under Parliamentary Authority.	Unexpended.	Expended From Treasurer's Advance.	Expenditure for the Year.
	\$	\$	\$	\$	\$
<i>Annual Appropriation.—Part I.</i>					
Parliament .. .. .	499,989	496,376	3,613	8,831	505,207
Premier .. .. .	2,686,549	2,664,376	22,173	93,367	2,757,743
Chief Secretary .. .. .	35,709,196	35,679,196	30,000	822,619	36,501,815
Labour and Industry .. .. .	1,183,178	1,179,628	3,550	30,579	1,210,207
Education .. .. .	139,363,937	139,042,216	321,721	287,883	139,330,099
Attorney-General .. .. .	6,843,176	6,790,156	53,020	262,004	7,052,160
Treasurer .. .. .	25,146,079	24,961,564	184,515	127,902	25,089,466
Lands and Survey .. .. .	3,491,611	3,490,520	1,091	56,769	3,547,289
Public Works .. .. .	7,854,940	7,698,296	156,644	22,502	7,720,798
Local Government .. .. .	614,769	599,306	15,463	19,070	618,376
Mines .. .. .	1,132,586	1,084,521	48,065	414	1,084,935
Agriculture .. .. .	7,297,331	7,144,593	152,738	64,572	7,209,165
Health .. .. .	52,850,067	52,501,073	348,994	1,645,305	54,146,378
Fuel and Power .. .. .	38,519	35,250	3,269	2,571	37,821
Railway Construction .. .. .	91,776	91,607	169	2,138	93,745
Transport .. .. .	24,377	23,706	671	620	24,326
Forests .. .. .	3,278,044	3,261,216	16,828	43,184	3,304,400
Water Supply .. .. .	11,261,138	11,212,282	48,856	39,482	11,251,764
State Coal Mine .. .. .	749,899	728,534	21,365	43,018	771,552
	300,117,161	298,684,416	1,432,745	3,572,830	302,257,246
<i>Annual Appropriation.—Part II.</i>					
Railways .. .. .	99,312,357	98,044,599	1,267,758	..	98,044,599
Total Annual Appropriation	399,429,518	396,729,015	2,700,503	3,572,830	400,301,845
<i>Special Appropriation—</i>					
Part I. .. .. .	148,886,871	148,886,871	..	..	148,886,871
Part II. .. .. .	10,406,168	10,406,168	..	..	10,406,168
Total Special Appropriation	159,293,039	159,293,039	..	..	159,293,039
Grand Total .. .. .	558,722,557	556,022,054	2,700,503	3,572,830	559,594,884

### 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 six million dollars) 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, 1967.

Expenditure pending Parliamentary sanction to :—							\$
Final Supplementary Estimates for 1966-67	..	..	..	..	..	..	3,572,830
Appropriation Act, 1967-68	..	..	..	..	..	..	488,083
Loan Application Acts	..	..	..	..	..	..	43,259
Total	..	..	..	..	..	..	<u>4,104,172</u>

In the statement of expenditure from the Consolidated Revenue commencing at page 25 of the Finance Statement, the Treasurer furnishes details of the amount of \$3,572,830 charged to Treasurer's Advance. With respect to the expenditure charged pending the passing of the Appropriation Act, 1967-68, \$488,083 and Loan Application Acts, \$43,259, he has provided me with the particulars contained in Appendix "A" to this Report.

### Variations of Annual Appropriations.

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 statement setting out briefly the effect of the Orders in Council issued under the provisions cited above. In compliance with this direction, a statement containing the relevant information is submitted in Appendix "F" to this Report.

## PART IV.—LOAN FUND.

### Synopsis.

The State incurred additional loan liability of \$132,678,132 on account of moneys raised for works and associated purposes during the year, compared with \$121,480,205 in the previous year—an increase of \$11,197,927. The sources of the funds were five public loans in Australia 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 \$137,561,502 and the funding of revenue deficits to the extent of \$4,000,000.

These transactions may be summarized as follows :—

						\$
Liability—						
Australian Loans	..	..	..	..	..	132,678,132
Less—						\$
Discounts Capitalized	..	..	..	..	..	158,132
Expenses of Flotation, &c.	..	..	..	..	..	242,103
						400,235
						132,277,897
Balance forward 1st July, 1966	..	..	..	..	..	975,560
Repayments	..	..	..	..	..	8,899,829
						142,153,286
Works—						
Under Parliamentary Authority	..	..	..	..	..	137,518,243
Charged to Treasurer's Advance Pending Authority	..	..	..	..	..	43,259
						137,561,502
Funding Revenue Deficits	..	..	..	..	..	4,000,000
						141,561,502
Loan Cash on Hand at 30th June, 1967						591,784

The above statement takes no account of \$32,959,761 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 \$422,064,133. There is also a liability to the Commonwealth of \$13,425,798 on account of special assistance loans for Soldier Settlement. In a consideration of the debt position of the State, cognizance must be taken of these liabilities.

### Loan Raisings.

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.	4.5 Per Cent.	5 Per Cent.	5.25 Per Cent.	Special Bonds.	Price of Issue.	Date of Maturity.
	\$	\$	\$	\$	\$	
No. 164	..	7,205,000	..	..	Par.	15.7.69
	..	2,780,000	..	..	98.75	15.4.76
	..	..	321,000	..	Par.	15.7.01
No. 166	..	20,672,000	..	..	"	15.9.69
	..	6,381,000	..	..	98.80	15.10.76
	..	..	7,016,372	..	Par.	15.7.01
No. 168	..	11,206,000	..	..	"	15.10.76
	..	..	10,636,000	..	"	15.7.88
	..	..	18,178,344	..	"	15.7.01
No. 170	9,424,000	..	..	..	99.75	15.2.70
	1,160,000	..	..	..	99.75	15.2.70
	..	1,436,000	..	..	Par.	15.10.76
No. 172	..	..	2,440,000	..	"	15.7.88
	..	..	6,015,000	..	"	15.7.01
	8,140,000	..	..	..	99.75	15.2.70
No. 172	..	4,465,000	..	..	Par.	15.10.76
	..	..	4,202,000	..	"	15.7.88
	..	..	6,829,316	..	"	15.7.01
Series N.	..	..	..	4,171,100	"	1.3.74
	18,724,000	54,145,000	55,638,032	4,171,100	..	..

Expenses associated with the raising of loans for works purposes were met from the Loan Fund, a total amount of \$242,008 being so charged during the year. The expenses in respect of loans Nos. 170 and 172 are not yet known, and will be met in the current year.

Particulars of loans raised to meet the conversion of securities which matured in 1966-67 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.		4.5 Per Cent.	5 Per Cent.	5.25 Per Cent.	Special Bonds.		
	\$	\$	\$	\$	\$	\$	\$	
3.75 per cent. 15.7.66	32,132,000	2,000,500(a)	..	12,486,000	..	..	Par.	15.7.69
	..	..	..	8,741,000	..	..	98.75	15.4.76
	..	..	..	..	6,023,500	..	Par.	15.7.88
	..	..	..	..	2,829,000	..	"	15.7.01
	..	..	..	..	..	52,000	"	1.8.73
5 per cent. 1.10.66	5,561,030	..	..	..	..	5,561,030	"	1.3.74
4.25 per cent. 15.10.66	1,912,000	366,000(a)	..	539,000	..	..	..	15.9.69
	..	..	..	967,000	..	..	98.80	15.10.76
	..	..	..	..	25,000	..	Par.	15.7.88
	..	..	..	..	..	15,000	"	1.3.74
4.5 per cent. 15.10.66	31,522,160	2,160,160(a)	..	13,846,000	..	..	..	15.9.69
	..	2,500,000(b)	..	6,744,000	..	..	98.80	15.10.76
	..	..	..	..	5,519,000	..	Par.	15.7.88
	..	..	..	..	61,000	..	"	15.7.01
	..	..	..	..	..	692,000	"	1.3.74
3.75 per cent. 15.2.67	22,640,000	1,108,000(a)	15,501,000	..	..	..	99.75	15.2.70
	..	..	..	5,899,000	..	..	Par.	15.10.76
	..	..	..	..	87,000	..	"	15.7.88
	..	..	..	..	..	45,000	"	1.3.74
4.75 per cent. 15.2.67	20,215,840	468,840(a)	5,890,000	..	..	..	99.75	15.2.70
	..	1,100,000(b)	..	5,985,000	..	..	Par.	15.10.76
	..	..	..	..	4,143,000	..	"	15.7.88
	..	..	..	..	2,040,000	..	"	15.7.01
	..	..	..	..	..	589,000	"	1.3.74
5 per cent. 15.2.67	12,255,800	56,800(a)	4,407,000	..	..	..	99.75	15.2.70
	..	1,200,000(b)	..	3,298,000	..	..	Par.	15.10.76
	..	..	..	..	2,090,000	..	"	15.7.88
	..	..	..	..	566,000	..	"	15.7.01
	..	..	..	..	..	638,000	"	1.3.74
4.25 per cent. 15.5.67	36,328,758	4,404,378(a)	17,082,000	..	..	..	99.75	15.2.70
	..	2,352,380(b)	..	9,163,000	..	..	Par.	15.10.76
	..	..	..	..	2,797,000	..	"	15.7.88
	..	..	..	..	..	530,000	"	1.3.74
5 per cent. 1.6.67	3,332,000	..	..	..	..	3,332,000	"	1.3.74
	165,899,588	10,564,678(a) 7,152,380(b)	42,880,000	67,668,000	26,180,500	11,454,030		

Details of loan proceeds, other than from Special Bonds, which were applied to the redemption of securities are as follows :—

Securities Redeemed.		Securities Issued.				
Rate and Maturity.	Amount.	4.5 Per Cent.	5 Per Cent.	5.25 Per Cent.	Price of Issue.	Date of Maturity.
	\$	\$	\$	\$	\$	
3.5 per cent. 1.9.66	2,000,000 (London)	..	..	1,007,500	Par.	15.7.88
	..	..	..	1,500,000	"	15.7.01
	..	..	1,520,000	..	"	15.9.69
4.5 per cent. 15.10.66	2,500,000	..	469,000	..	98.80	15.10.76
	..	..	..	516,628	Par.	15.7.01
	..	438,000	..	..	99.75	15.2.70
4.75 and 5 per cent. 15.2.67	2,300,000	..	522,000	..	Par.	15.10.76
	..	..	..	495,000	"	15.7.88
	..	..	..	846,095	"	15.7.01
	..	248,000	..	..	99.75	15.2.70
4.25 per cent. 15.5.67	2,352,380	..	304,000	..	Par.	15.10.76
	..	..	..	524,000	"	15.7.88
	..	..	..	1,277,000	"	15.7.01
3.5 per cent. 1.6.67	1,512,244 (New York)	..	..	3,300,000	"	15.7.88
	10,664,624	686,000	2,815,000	9,466,223		

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

Series.	Redeemed.			Funds Provided by—	
	Maturing.	Face Value.	At Cost of—	Series " M ".	Series " N ".
		\$	\$	\$	\$
B .. .. .	1.10.66	2,387,700	2,458,667	1,795,553	663,114
C .. .. .	1.6.67	1,237,780	1,241,276	79,356	1,161,920
D .. .. .	1.1.68	133,400	136,068	54,570	81,498
E .. .. .	1.6.68	77,100	78,642	34,782	43,860
F .. .. .	1.1.69	317,600	323,952	146,880	177,072
G .. .. .	1.10.69	380,900	387,410	168,926	218,484
H .. .. .	1.6.70	347,400	350,874	156,954	193,920
I .. .. .	1.10.70	821,800	827,632	389,595	438,037
J .. .. .	1.6.71	239,900	239,900	108,300	131,600
K .. .. .	1.1.72	927,400	927,400	451,400	476,000
L .. .. .	1.10.72	809,500	809,500	361,800	447,700
M .. .. .	1.8.73	95,300	95,300	..	95,300
	..	7,775,780	7,876,621	3,748,116	4,128,505

### Loan Expenditure.

The net loan expenditure in the year 1966–67 according to Treasury records was \$141,561,502 compared with \$130,847,943 for 1965–66 and \$127,854,798 for 1964–65. Details of this loan expenditure together with advances made by the Commonwealth to the State for loan expenditure under the Commonwealth–State Housing Agreement are shown below :—

	1964-65.	1965-66.	1966-67.
	\$	\$	\$
School Buildings .. .. .	25,648,964	26,409,083	28,896,919
Water Supply .. .. .	17,895,858	17,953,147	18,278,343
Railways .. .. .	15,500,622	16,299,635	16,466,489
Electricity Commission .. .. .	16,000,000	15,000,000	15,500,000
Hospitals .. .. .	11,421,986	11,050,000	12,521,129
Public Offices .. .. .	2,684,546	3,813,896	5,438,517
Mental Hospitals .. .. .	4,128,654	5,122,695	4,898,038
National Art Gallery and Cultural Centre .. .. .	1,600,000	1,664,000	3,000,000
Land Settlement .. .. .	2,429,572	2,531,897	2,745,488
Forests .. .. .	2,091,804	2,076,932	2,151,992
Vermin and Noxious Weeds .. .. .	1,993,146	1,863,657	2,064,592
Universities—			
La Trobe .. .. .	61,140	820,000	1,920,496
Melbourne .. .. .	918,550	1,894,000	1,982,431
Monash .. .. .	2,740,000	1,690,000	704,504
Municipal Subsidies .. .. .	2,234,124	2,044,186	1,806,134
Slum Reclamation .. .. .	1,675,184	1,803,445	1,768,509
Agriculture .. .. .	1,003,780	1,114,998	1,657,573
Country Roads .. .. .	1,462,000	1,787,600	1,583,440
Social Welfare .. .. .	1,360,473	1,857,103	1,543,536
Court Houses .. .. .	598,357	659,158	1,277,570
Westernport Development .. .. .	2,768,916	2,615,290	999,151
Dredges .. .. .	1,146,762	342,769	977,152
Country Sewerage .. .. .	1,209,662	986,300	966,612
Rural Finance .. .. .	980,000	1,216,618	900,000
Police Buildings .. .. .	1,034,392	905,704	750,020
Victoria Institute of Colleges and Colleges of Advanced Education .. .. .	26,000	10,000	706,354
Sanatoria, &c. .. .. .	548,256	1,053,832	472,207
Advances—Sundry .. .. .	835,296	1,259,286	382,000
Gas and Fuel Corporation .. .. .	80,000	60,000	60,000
Soldier Settlement .. .. .	77,898	64,295	12,999
Other Public Works .. .. .	5,698,856	4,878,417	5,129,307
In Aid of Revenue .. .. .	..	..	4,000,000
Total within Financial Agreement .. .. .	127,854,798	130,847,943	141,561,502
Commonwealth–State Housing Agreement .. .. .	34,359,764	33,566,506	32,959,761
	162,214,562	164,414,449	174,521,263



### Public Debt under the Financial Agreement.

The Public Debt statement in the Treasurer's Finance Statement shows that the Public Debt increased during the year by \$116,876,280 and that the total amount of the indebtedness under the Financial Agreement at 30th June, 1967, amounted to \$1,851,156,660. Of this, \$1,755,150,822 represented internal and \$96,005,838 external borrowing.

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 \$1,850,496,754. This sum was accounted for in the Treasurer's Statements as follows :—

	\$	\$
Total liability apportioned between the various services of the State on account of expenditure from Loan Fund .. ..	..	2,136,903,523
<i>Plus</i> —Unapportioned Liability—Loan Cash on Hand .. ..	..	591,784
		<u>2,137,495,307</u>
<i>Less</i> —Exchange premium—		
London .. .. .	4,275,725	
New York .. .. .	20,539,954	
Canada .. .. .	2,058,613	
Switzerland .. .. .	1,626,859	
Netherlands .. .. .	690,001	
		<u>29,191,152</u>
		2,108,304,155
<i>Less</i> —Equity in National Debt Sinking Fund—Cancelled Securities ..	..	257,147,495
Total Indebtedness .. .. .	..	<u>1,851,156,660</u>
<i>Less</i> —Share of Cash—National Debt Sinking Fund .. ..	..	659,906
State's Capital Liability to Commonwealth under the Financial Agreement ..		<u>1,850,496,754</u>

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

	\$
Interest—On Funded Debt .. .. .	82,703,985
Loan Management and Expenses of Paying Interest .. ..	314,997
Exchange on Overseas Interest .. .. .	2,238,140
Total Interest (excluding interest on Commonwealth advances for Housing and Soldier Settlement and interest paid on Deposits) ..	<u>85,257,122</u>
Sinking Fund—State's Contributions to National Debt Sinking Fund .. .. .	17,601,816
Total Debt Charges .. .. .	<u>102,858,938</u>
The comparable figure for the previous year was .. ..	<u>95,785,059</u>

### 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, 1966 .. .. .	..	210,983
Contributions 1966-67—		
<i>Commonwealth—</i>		
·125 per cent. per annum on debt prior to 30th June, 1927	340,872	
·25 per cent. per annum on new debt since 1927 ..	4,182,713	
	<hr/>	4,523,585
<i>State—</i>		
·25 per cent. per annum on debt prior to 1927 .. ..	681,745	
·25 per cent. per annum on new debt since 1927 .. ..	4,079,166	
4 per cent. per annum on deficit loans .. .. .	1,540,607	
·75 per cent. per annum on deficit loans .. .. .	59,925	
·75 per cent. per annum on water supply replacements and imported coal and materials .. .. .	82,406	
1·75 per cent. per annum on drought relief and deferred maintenance of railways and schools .. .. .	347,495	
2 per cent. per annum on tourist resorts development ..	11,545	
Various, on discount and expenses overseas loans ..	101,802	
4·5 per cent. per annum on cancelled securities .. ..	10,697,125	
	<hr/>	17,601,816
		<hr/>
		22,336,384
Interest—temporary investment and repurchased securities .. ..	..	12,679
		<hr/>
		22,349,063
Securities repurchased and redeemed, \$18,681,024 at a cost of .. ..	..	21,689,157
		<hr/>
Balance of cash in Sinking Fund at 30th June, 1967 .. .. .	..	659,906
		<hr/>

The total amount of securities repurchased or redeemed and cancelled on account of this State since the inception of the scheme is now \$257,147,495 at a cost, including exchange on overseas purchases, of \$271,513,552.

## PART V.—TRUST FUND AND SPECIAL ACCOUNTS.

## Synopsis.

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 in 1966-67 aggregating \$571,851,424 and credits, \$584,485,270.

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

## New Funds and Accounts.

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.	1966-67.		Balance 30th June, 1967.
		Debits.	Credits.	
		\$	\$	\$
Apicultural Research Account	To record the receipt and disbursement of funds made available by the Commonwealth for research into the pollination of horticultural crops	..	1,490	1,490
Australian Meat Research Account	Redesignation of the "Commonwealth Cattle and Beef Research Account" following the reconstitution of the Australian Cattle and Beef Research Committee as the Australian Meat Research Committee. The purpose of the account is to record transactions on projects financed by that Committee	109,058	155,649	46,591
Commonwealth Extension Services (Conservation) Grant	To receive grants allocated to the Soil Conservation Authority by the Commonwealth Department of Primary Industry	..	2,000	2,000
Commonwealth Poultry Industry Assistance Account	To record the receipt and disbursement of moneys received from the Commonwealth pursuant to its <i>Poultry Industry Assistance Act 1965</i>	659,291	659,291	..
Eildon Sewerage District Depreciation Fund	To comply with the provisions of Section 81 of the <i>Sewerage Districts Act 1958</i>	5,722	17,964	12,242
Farm Produce Merchants, &c., Suspense Account	To receive fees accompanying applications for licences, pending a decision on the issue of licences under the <i>Farm Produce Merchants and Commission Agents Act 1965</i> , prior to transfer to Consolidated Revenue or refund to applicants	14,600	35,039	20,439
La Trobe University Residential Colleges (Commonwealth Subsidy) Account	To record the receipt and transmission of moneys granted by the Commonwealth Government for payment to the colleges attached to the La Trobe University	5,000	5,000	..
Pome Fruit Pest Research Account	To account for grants made by various authorities to the Agriculture Department for research into the control of pests in pome fruit orchards	3,318	5,661	2,343
Poultry Disease Investigations Account	To record the receipt and disbursement of funds made available to the Agriculture Department for investigations into diseases in poultry	827	3,225	2,398
Public Instruction, Scholarship and Prize Funds—E. H. Wragg Memorial Scholarship	To record the investment in respect of a scholarship endowed by the Nurserymen and Seedmen's Association in memory of the late E. H. Wragg, Esq., a former secretary of the Association. Income therefrom is credited to the "Burnley Horticultural College Scholarship Account".	..	2,000	2,000
Rutherglen Research Station Trust Account	To account for contributions received from the Wheat Industry Research Committee and from loan funds towards the erection of a new administration and laboratory building at the Rutherglen Research Station	40,000	40,000	..
State Grants (Advanced Education) Trust Account, 1965	To record transactions relative to funds received from the Commonwealth pursuant to its States Grants (Advanced Education) Acts	645,854	807,000	161,146
State Grants (Advanced Education) Trust Account, 1966		60,500	104,000	43,500
Stock Trading (Agriculture) Account	To facilitate accounting procedures relating to stock trading transactions at the several research stations under the control of the Agriculture Department	106,222	207,544	101,322
Wheat Research Institute (Horsham) Account	To account for moneys received from the Wheat Industry Research Committee in connection with the erection and equipping of buildings for the proposed Wheat Research Institute at Horsham	381,400	381,472	72

### Current Funds and Accounts.

For convenience in explaining the funds and accounts within the Trust Fund, the relevant figures for 1966-67 are set out under broad classifications in the table below :—

	Balance Forward. General Account. <i>Investments.</i>	1966-67.		Balance 30th June, 1967. General Account. <i>Investments.</i>
		Debits.	Credits.	
	\$	\$	\$	\$
Commonwealth .. .. .	6,762,240	107,147,843	108,986,853	8,601,250
Commonwealth-State .. .. .	739,641	369,697	391,275	761,219
Compensation and Insurance .. .. .	29,415,371	44,549,893	50,620,185	35,485,663
	<i>11,870,684</i>	<i>5,286</i>	<i>1,217,600</i>	<i>13,082,998</i>
Deposit .. .. .	1,096,351	372,533	407,692	1,131,510
	<i>420,242</i>	..	..	<i>420,242</i>
Depreciation .. .. .	1,635,654	2,985,173	3,499,192	2,149,673
	<i>1,615,200</i>	..	..	<i>1,615,200</i>
Social, Health and Welfare .. .. .	1,124,155	42,873,083	42,944,279	1,195,351
	<i>671,169</i>	<i>260</i>	<i>2,000</i>	<i>672,909</i>
Superannuation and Pension .. .. .	1,086,005	2,740,278	2,011,446	357,173
	<i>16,326,272</i>	<i>1,019,240</i>	<i>142,000</i>	<i>15,449,032</i>
Suspense .. .. .	10,851,190	217,011,886	220,674,088	14,513,392
Works and Development .. .. .	9,315,433	50,553,026	52,533,151	11,295,558
	<i>2,400</i>	..	..	<i>2,400</i>
Other .. .. .	5,238,966	102,218,126	100,982,879	4,003,719
	<i>709,300</i>	..	<i>14,740</i>	<i>724,040</i>
<b>General Account .. .. .</b>	<b>67,265,006</b>	<b>570,821,538</b>	<b>583,051,040</b>	<b>79,494,508</b>
<i>Investments .. .. .</i>	<i>31,615,267</i>	<i>1,024,786</i>	<i>1,376,340</i>	<i>31,966,821</i>

In addition, securities to a value of \$15,251,808 have been lodged with the Treasurer. Transactions in 1966-67 were debits \$5,100 and credits \$57,890. Further reference to these securities is made on page 43.

The larger accounts included in the above classifications are discussed in the following pages.

#### COMMONWEALTH.

The Treasurer is empowered by the Public Account Act 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	68
La Trobe University (Commonwealth Subsidy) Account	La Trobe University ..	73
Monash University (Commonwealth Subsidy) Account	Monash University ..	71
Commonwealth-State Housing Trust Account	Housing Commission ..	See Supplementary Report

The following funds are referred to under the departments and public authorities associated with their administration :—

Fund.	Page Reference No.
Commonwealth Aid Roads Nos. 1 and 3 Accounts .. .. .	57
"    "    "    No. 2 Account .. .. .	93
Commonwealth-State Grants (Mental Institutions) Trust Fund .. .. .	83
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 Health 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 1965-66 and 1966-67 :—

	1965-66.	1966-67.
	\$	\$
Balance 1st July .. .. .	221,734	20,621
Received from Commonwealth during the year ..	4,000,000	5,000,000
	4,221,734	5,020,621
Reimbursements to Public Hospitals, &c. .. .. .	4,201,113	3,760,866
Balance 30th June .. .. .	20,621	1,259,755

*Commonwealth Scholarships Scheme Trust Account.*—The State administers the Commonwealth Scholarships Scheme on behalf of the Commonwealth Government. At 1st July, 1966, \$160,334 was held in the Trust Account and during 1966-67, advances totalling \$4,281,000 were received from the Commonwealth. These funds were used to pay fees, \$3,199,261, to the universities and other approved institutions for students who had been awarded Commonwealth scholarships ; living allowances, \$1,094,638, to approved students ; and allowances, \$1,458, to certain students for the cost of travelling between their homes and the institutions at which they were studying. At 30th June, 1967, \$145,977 was held in the Trust Account.

*Commonwealth-State Free Milk Scheme Account.*—The Commonwealth Government, under the provisions of the *States Grants (Milk for School Children) Act 1950*, makes advances to the State from time to time to meet the cost of the provision of free milk to children in schools and pre-school establishments. Administration costs are borne equally by the Commonwealth and the State.

The following statement sets out the transactions of the Account during the years 1965-66 and 1966-67 :—

	1965-66.	1966-67.
	\$	\$
Balance 1st July .. .. .	126	138,161
Received from Commonwealth during the year ..	2,385,976	2,393,887
	2,386,102	2,532,048
Cost of milk supplied .. .. .	2,221,572	2,463,139
Cost of straws and delivery thereof .. .. .	23,069	25,098
Administrative expenses (Commonwealth proportion) ..	3,300	3,659
	2,247,941	2,491,896
Balance 30th June .. .. .	138,161	40,152

*Home Builders' Account.*—Pursuant to the terms of the 1956-1966 Housing Agreement, part of the moneys made available by the Commonwealth to the State for housing is to be used to provide finance for home builders by means of loans to building societies and other approved institutions. This part is credited to a special account in the Trust Fund called the "Home Builders' Account".

The total advances to the Account by the Commonwealth from the commencement of the operation of the Agreement to 30th June, 1967, amounted to \$77,420,000. The Commonwealth charges interest on these advances, and has varied the rate from time to time. The rate operating in 1966-67 was 4½ per cent.

The Home Builders' Account is also credited with the moneys received from building societies, &c., in repayment of principal and interest in respect of loans made by the State under the Agreement. To 30th June, 1967, these repayments amounted to \$37,642,606.

As required, advances are made from the Public Account to the Home Builders' Account under the authority of the *Public Account Act 1958*, pending receipt of funds from the Commonwealth. All such advances from the Public Account made during 1966-67 were repaid in the year. The Home Builders' Account is charged interest on these advances at the same rate as that received by the State on the Public Account. In calculating this interest, no allowance has been made for credits in the Public Account arising from repayments by the building societies, &c.

The moneys in the Home Builders' Account, after allowing for the amounts required for the payment of principal and interest to the Commonwealth and interest to the State, are available for the financing of home building by means of loans to building societies (including co-operative housing societies) and to other institutions as may be approved, at the request of the State, by the responsible Commonwealth Minister. These moneys are administered by the Registry of Co-operative Housing Societies, advances being made to the Registry from the Account as required. Loans made to 30th June, 1967, totalled \$97,723,949. All of this sum was made available to co-operative housing societies—\$79,503,844 at an interest rate of 4½ per cent., \$10,100,708 at an interest rate of 4¾ per cent. and \$8,119,397 at an interest rate of 4¾ 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 \$261,683. The accumulated interest surplus to 30th June, 1967, was \$1,296,296.

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

<i>Source of Funds—</i>	\$
Balance 1st July, 1966 .. .. .	1,371,968
Advanced by Commonwealth Government .. .. .	9,606,000
Interest and Repayments of Principal .. .. .	8,337,688
Total Funds Available .. .. .	<u>19,315,656</u>
 <i>Disbursement of Funds—</i>	
Advances to Registry from Home Builders' Account .. .. .	14,840,000
Interest and Redemption—Commonwealth Advances .. .. .	3,144,152
Interest on Advances from Public Account .. .. .	7,042
Total Disbursements .. .. .	<u>17,991,194</u>
Balance 30th June, 1967 .. .. .	1,324,462
	<u>19,315,656</u>

*Petroleum Products Subsidy Account.*—The Commonwealth's *States Grants (Petroleum Products) Act 1965* provides for grants of financial assistance to each State equal to the amounts expended by that State by way of subsidy on the distribution of petroleum products in country areas in accordance with a scheme formulated by the Commonwealth Minister for Customs and Excise. The State's *Petroleum Products Subsidy Act 1965* provided the necessary complementary legislation to enable Victoria to participate in the scheme. Payments to distributors of petroleum products during 1966–67 totalled \$1,091,806.

*State Grants (Advanced Education) Trust Accounts.*—Under the provisions of the *States Grants (Advanced Education) Acts*, the Commonwealth Government contributed grants of financial assistance to the State for advanced education college building projects and equipment of a capital nature. During 1966–67, \$911,000 was received of which \$647,854 was expended on colleges within the framework of the Education Department administration and \$58,500 on colleges outside that framework. At 30th June, 1967, \$204,646 was held in the Trust Accounts.

In addition, an amount of \$1,302,080 received from the Commonwealth in respect of recurrent expenditure for colleges of advanced education was credited directly to Consolidated Revenue. Of this amount, \$1,105,900 was in respect of the Victoria Institute of Colleges and colleges in the former group, and \$196,180 in respect of colleges in the latter group.

*State Grants (Science Laboratories) Trust Account.*—Pursuant to the provisions of the *States Grants (Science Laboratories) Acts*, the Commonwealth Government granted financial assistance to the State for science laboratories and equipment in schools. At 1st July, 1966, \$474,008 was held in the Trust Account and during the financial year a further \$2,799,200 was received from the Commonwealth. Payments of \$753,838 were made to registered schools and expenditure of \$2,162,189 was incurred by the Public Works and Education Departments on science laboratories and equipment in State schools. At 30th June, 1967, \$357,181 was held in the Trust Account.

*State Grants (Technical Training) Trust Account.*—Pursuant to the provisions of the *States Grants (Technical Training) Acts*, the Commonwealth Government made grants of financial assistance to the State for buildings and equipment for use in technical training in State Schools. Grants totalling \$3,050,000 were received during 1966–67. Expenditure of \$2,664,624 was incurred by the Education and Agriculture Departments and the Forests Commission on technical school buildings and equipment. The balance held in the Trust Account at 30th June, 1967, was \$385,376.

#### COMMONWEALTH—STATE.

The major account classified under this head is the Commonwealth—State Sirex Trust Account. This Account is discussed under "Forests Commission" at page 75.

## COMPENSATION AND INSURANCE.

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

Fund.	Page Reference No.
Closer Settlement Insurance Fund .. .. .	87
Railway Accident and Fire Insurance Fund .. .. .	97
State Accident Insurance Fund .. .. .	50
State Motor Car Insurance Fund .. .. .	52

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

*Estate Agents' Guarantee Fund.*—Under the provisions of the *Estate Agents Act 1958*, this Fund, the income of which is provided from fees charged for estate agents' and sub-agents' licences, is available to meet claims for losses incurred because of 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 by the employee or sub-agent of such licence holder.

Receipts for the year, including \$3,831 recouped from certain estate agents, totalled \$92,886 and claims paid amounted to \$45,907. The surplus of \$46,979 on the year's operations was transferred, in terms of the legislation, to Consolidated Revenue leaving the statutory maximum in the Fund, namely \$50,000.

*Government Buildings Fire Insurance Fund.*—Provision for the cost of restoring buildings destroyed or damaged by fire is made under two schemes, 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 \$30,000 from the Assurance Fund. That Act provides also for a yearly charge against Consolidated Revenue of \$4,000, and for the crediting of the Fund with the interest on the balance of the Fund in excess of \$30,000. In 1942–43, the Fund was increased to \$200,000 and, in recent years, additional contributions totalling \$1,294,000 have been provided from Consolidated Revenue.

The following statement shows expenditure from the Fund and the balances at credit thereof from 1964–65 to 1966–67.

Year.	Expenditure.	Balance at 30th June.		
		Investments.	Cash.	Total.
	\$	\$	\$	\$
1964–65 .. .. .	38,010	70,000	631,392	701,392
1965–66 .. .. .	34,377	70,000	604,516	674,516
1966–67 .. .. .	53,375	70,000	558,641	628,641

In terms of the Act establishing the Fund, the present cash balance in excess of \$30,000 should be invested. Application of the Fund is restricted to buildings, no provision being made in regard to stores, equipment or the contents of buildings.

*Motor Car (Hospital Payments) Fund.*—This Fund, the revenue of which was derived from deductions from premiums paid under the third-party insurance provisions of the *Motor Car Act 1958* and from which an annual distribution was made to certain public hospitals, became inoperative upon the proclamation of the *Motor Car (Hospitals and Charities Contributions) Act 1966*.

The provisions of the latter Act increased the amount deducted from each premium to \$1.40 and required all amounts so deducted on and after 1st July, 1966, to be paid to the Hospitals and Charities Fund.

The balance of the Fund at 30th June, 1966, \$202,374, was distributed to hospitals during the financial year 1966–67.



## DEPOSIT.

Items under this heading comprise securities lodged by Insurance and Trustee Companies, \$140,000; Contractors' and Timber Cutters' deposits, \$458,281; Municipalities Loan Repayment Account, \$879,545, which includes investments totalling \$280,242; and Sundry Investments—Interest Account, \$73,927.

## DEPRECIATION.

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

Fund or Account.	Page Reference No.
Eildon Sewerage District Depreciation Fund .. .. .	106
Forests Plant and Machinery Fund .. .. .	77
Irrigation Districts Maintenance Equalization and Renewals Account ..	103
Printing Machinery Depreciation Fund .. .. .	79
Public Works Plant and Machinery Fund .. .. .	93
Railway Renewals and Replacements Fund .. .. .	95
Water Supply Plant and Machinery Depreciation Fund .. .. .	104
Water Supply Works Depreciation Fund .. .. .	104

## SOCIAL, HEALTH AND WELFARE.

Classified under this heading are funds the transactions of which are concerned with various social services.

Comments on the funds listed below are furnished on the pages shown :—

Fund or Account.	Page Reference No.
Hospitals and Charities Fund .. .. .	84
Workers Compensation Board Fund .. .. .	54

*Aborigines Welfare Fund.*—The *Aborigines Act* 1958 authorizes the Aborigines Welfare Board, with the consent of the Minister, to apportion, distribute and apply moneys appropriated by Parliament and any other funds or property under the Board's 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 1966–67 in relation to this Fund were :—

Balance, 1st July, 1966 .. .. .	\$	\$
	..	102,978
Receipts—		
Loan Fund Contribution .. .. .	140,000	
Consolidated Revenue Contribution .. .. .	131,000	
Revenue from Operations (Canteen and Produce Sales, &c.) ..	14,206	
Timber Royalties .. .. .	3,405	
Donations .. .. .	1,340	
Maintenance Payments .. .. .	188	
Rent .. .. .	9,653	
Collections, Electricity Costs .. .. .	479	
Recoup, Part Fencing Costs .. .. .	750	
Miscellaneous .. .. .	2,024	
	<hr/>	303,045
		<hr/>
		406,023
Payments—		
Assistance to Aborigines .. .. .	254,614	
Administration, &c. Costs .. .. .	95,485	
	<hr/>	350,099
Balance, 30th June, 1967 .. .. .		55,924
		<hr/>
		406,023
		<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 \$50,000 from Consolidated 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 :—

	1965-66.	1966-67.
	\$	\$
<i>Source of Funds—</i>		
Balance from Previous Year .. .. .	56	1,001
<i>Government Contributions :—</i>		
Special Appropriation—Act No. 6240. .. .. .	50,000	50,000
Departmental Vote—Education* .. .. .	118,820	116,560
<i>Fees and Proceeds :—</i>		
Classes, Lectures and Discussion Groups .. .. .	100,169	122,004
Schools and Conferences .. .. .	20,729	32,931
Community Arts Service .. .. .	2,099	2,147
Miscellaneous .. .. .	1,597	1,617
	293,470	326,260
<i>Disbursement of Funds—</i>		
Administration—Salaries .. .. .	100,445	106,631
Administration—General Expenses .. .. .	59,287	66,118
	159,732	172,749
Classes, Lectures and Discussion Groups .. .. .	92,860	110,924
Schools and Conferences .. .. .	22,753	30,121
Community Arts Service .. .. .	9,352	7,415
Russell-street Centre :—		
Maintenance and Operating Costs .. .. .	5,742	536
Equipment and Improvements .. .. .	340	..
Miscellaneous .. .. .	1,690	3,864
	292,469	325,609
<i>Balance at End of Year</i> .. .. .	1,001	651
	293,470	326,260

\* Includes an amount equivalent to rentals received into Consolidated Revenue in respect of Russell-street premises, 1965-66, \$8,820 ; 1966-67, \$661.

*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 1966-67, duty paid amounted to \$6,409,811. The sum of \$410,000 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 following statement sets out the transactions for the year and the gross amounts from the inception of the Fund until 30th June, 1967 :—

<i>Receipts.</i>	During the Year. \$	Total. \$
Balance 1st July, 1966 .. .. .	12,450	..
Special Appropriations— <i>Tattersall Consultations Act 1958</i> .. .. .	410,000	7,689,346
	<hr/>	<hr/>
	422,450	7,689,346
	<hr/>	<hr/>
<i>Payments.</i>		
Capital Works .. .. .	..	622,000
Maintenance Works .. .. .	..	300,000
General Expenditure (State Institutions) .. .. .	..	3,360,216
Maintenance Grants (Other Institutions) .. .. .	393,374	2,605,888
Mental Health Research (University of Melbourne) .. .. .	14,000	162,000
Capital Grants (Other Institutions) .. .. .	..	624,166
	<hr/>	<hr/>
	407,374	7,674,270
	<hr/>	<hr/>
Balance 30th June, 1967 .. .. .	15,076	15,076
	<hr/>	<hr/>

#### SUPERANNUATION AND PENSION.

The major funds included in this group are the Parliamentary Contributory Retirement Fund, Parliamentary Superannuation Fund, Police Pensions Fund, Police Superannuation Fund and the Port Phillip Pilot Sick and Superannuation Fund. The Superannuation Fund, the Pensions Supplementation 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 my Supplementary Report.

*Parliamentary Contributory Retirement Fund.*—*The Constitution Act Amendment Act 1958* 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.

Funds required to meet benefits payable are specially provided for the purpose from Consolidated Revenue. The amount so provided in 1966–67 was \$105,029.

*Parliamentary Superannuation Fund.*—This Fund was established pursuant to the provisions of the *Parliamentary Contributory Superannuation Act 1962*, as amended by the *Parliamentary Salaries, Pensions and Superannuation Act 1964*. 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 ex-members who were receiving benefits at the time of death. The amending Act—the *Parliamentary Salaries, Pensions and Superannuation Act 1964*—provides for a higher rate of deduction from salary and for increased benefits, and applies in relation to persons who were members at 6th December, 1964, or who became members subsequent to that date.

Transactions during 1966–67 in respect of this Fund were :—

	\$	\$
Balance 1st July, 1966 .. .. .	..	385,700
Receipts—		
Members' Contributions .. .. .	62,712	
Interest on Investments .. .. .	18,584	
	<hr/>	<hr/>
		81,296
		<hr/>
		466,996
Payments—		
Pensions .. .. .	44,982	
Retiring Allowances .. .. .	3,344	
	<hr/>	<hr/>
		48,326
		<hr/>
Balance 30th June, 1967 .. .. .	..	418,670
		<hr/>
Represented by—		
Investments (Face Value \$398,180) .. .. .	..	397,992
Cash .. .. .	..	20,678
		<hr/>
		418,670
		<hr/>

*Police Pensions Fund.*—This Fund was, prior to the provisions of the *Superannuation Act* 1963 becoming effective, the sole statutory fund out of which pensions or gratuities were payable to members of the Police Force appointed on or after 25th November, 1902.

Contributions by the State, interest on investments and the appropriate deductions from pay of those members of the Force remaining as contributors to this scheme are credited to the Fund. The State's contribution is fixed at \$100,000 annually, together with such additional amount as the Government Statist certifies will ensure that the assets of the Fund are sufficient to meet all current and future liabilities. In 1966-67, the additional contribution amounted to \$280,000.

A comparative summary for the past three years of the Police Pensions Fund is furnished below :—

	1964-65.	1965-66.	1966-67.
<i>Receipts.</i>	\$	\$	\$
Deductions from pay .. .. .	53,552	55,033	56,714
Contributions from Consolidated Revenue .. .. .	100,000	380,000	380,000
Interest on Investments .. .. .	1,110,854	804,538	708,874
Surplus on disposal of investments .. .. .	..	8,810	..
Surplus Revenue Account—Transfer from General Fund .. .. .	3,137,940	9,262	..
Balance in hand—1st July .. .. .	23,999,588	19,281,922	14,331,168
	28,401,934	20,539,565	15,476,756
<i>Disbursements.</i>			
Pensions .. .. .	1,457,242	1,462,865	1,470,237
Gratuities .. .. .	45,292	23,746	44,870
Deductions refunded—on resignation .. .. .	10,250	9,805	7,245
Deductions refunded—on transfer to the State Superannuation Scheme .. .. .	1,331,348	..	..
Transfer to Surplus Revenue Account .. .. .	3,137,940	9,262	..
Surplus Revenue Account—Transfer to Consolidated Revenue—Act No. 6338, Sec. 55 (5A) .. .. .	3,137,940	9,262	..
State Superannuation Fund :—			
Act No. 7081, Section 9 .. .. .	..	657	..
Transfer of Securities, Act No. 7081, Sections 6 and 7 .. .. .	..	4,692,800	..
	9,120,012	6,208,397	1,522,352
Balance, 30th June .. .. .	19,281,922	14,331,168	13,954,404
Represented by :—			
Investments .. .. .	*19,273,490	14,290,500	13,940,500
Cash .. .. .	8,432	40,668	13,904
	19,281,922	14,331,168	13,954,404

\* Face Value of Investments 1964-65, \$19,282,300.

At 30th June, 1967, the investments of the Fund comprised Commonwealth Government Inscribed Stock, \$11,090,500, and securities of the Melbourne and Metropolitan Board of Works, \$1,800,000, State Electricity Commission, \$150,000, Gas and Fuel Corporation, \$810,000, and the Melbourne Harbor Trust, \$90,000—a total of \$13,940,500.

*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, damages awarded to members of the Force and certain penalties are credited to the Fund, together with a statutory annual contribution of \$46,000 from the Licensing Fund. The State's contribution is fixed at \$4,000 annually, plus any further amount directed by Parliament to be applied to the liquidation of pensions authorized. No additional contribution was provided in 1966-67. Damages awarded and penalties amounted to \$65,827.

Pension payments from the Fund totalled \$24,225 which was \$1,787 less than the figure for the previous year.

The *Pensions Supplementation Act* 1966 provided that there shall be paid to the Pensions Supplementation Fund, administered by the State Superannuation Board, the amount standing to the credit of the Police Superannuation Fund as at 30th June, 1965, and on each succeeding 30th day of June.

During 1966-67 an amount of \$1,415,653, including investments \$612,250 (face value \$620,000) was so transferred. This sum represented the balance of the Fund at 30th June, 1966.

*Port Phillip Pilot Sick and Superannuation Fund.*—To provide retiring allowances or gratuities to sea pilots of the port of Port Phillip, the *Marine Act 1958* stipulates 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 Salary Fund. The Governor in Council is empowered to increase or decrease this percentage by not more than 2 per cent. of the amount at credit. Provision is made for moneys in the Fund to be invested.

The following summary sets out the transactions in the Fund during 1965-66 and 1966-67:—

—	1965-66.	1966-67.
	\$	\$
<i>Receipts.</i>		
Deductions from Earnings .. .. .	69,127	74,479
Interest on Investments .. .. .	54,233	57,117
Balance, 1st July .. .. .	1,010,448	1,085,333
	1,133,808	1,216,929
<i>Payments.</i>		
Pensions .. .. .	48,155	81,962
Fee—Actuarial Valuation of Fund .. .. .	320	..
	48,475	81,962
Balance 30th June .. .. .	1,085,333	1,134,967
Represented by :—		
Investments .. .. .	1,059,592	1,110,352
Cash .. .. .	25,741	24,615
	1,085,333	1,134,967

The marked rise in pensions paid may be attributed to retrospective increases in pension entitlements operating from 1st January, 1966, and the consequent payment of arrears during the current financial year.

Investments comprise inscribed stock of the Commonwealth Government, \$178,100, the State Electricity Commission, \$542,500, the Melbourne and Metropolitan Board of Works, \$176,600, the Melbourne Harbor Trust, \$40,000, the Grain Elevators Board, \$68,000, and a Registered First Mortgage over the Pilot Vessel "Akuna", \$105,152.

## SUSPENSE.

The Trust Fund includes accounts which are in the nature of suspense accounts. Certain of these accounts are governed by relevant legislation, while others are clearing accounts for bookkeeping purposes.

Major accounts under this classification are discussed at the pages shown :—

<i>Account.</i>	Page Reference No.
Forests Stores Suspense Account .. .. .	77
Public Works Stores Suspense Account .. .. .	93
Railway Charges in Suspense Account .. .. .	98
Railway Stores Suspense Account .. .. .	98
Tourist Bureaux Trust Account .. .. .	108
Water Supply Stores Suspense Account .. .. .	103

## WORKS AND DEVELOPMENT.

Transactions of funds under this heading are related to works, development and research. References to the undermentioned funds in this group appear on the pages shown :—

<i>Fund or Account.</i>	Page Reference No.
Bennison Roading Trust Account .. .. .	77
Country Roads Board Fund .. .. .	56
Country Roads Board Special Works Account .. .. .	60
Forests Equipment Hire Account .. .. .	77
Forestry Fund .. .. .	75
Municipalities Forest Roads Improvement Fund .. .. .	61
Rivers and Streams Fund .. .. .	104
State Rivers and Water Supply Agency Trust Account .. .. .	105
Tourist Fund .. .. .	107

Comments on several other funds classified under the above heading are furnished hereunder :—

*Decentralization Fund.*—The major portion of the year's expenditure of \$129,234 consisted of subsidies in respect of freight and electricity costs.

Credits to the Fund have been :—

	\$
To 30th June, 1966 .. .. .	3,700,995
During the year—	
From Consolidated Revenue .. .. .	100,000
	<u>3,800,995</u>

The Fund has been utilized as follows :—

Expenditure to 30th June, 1966 .. .. .	3,535,108
During the year—	
Power and Light Subsidies .. .. .	12,675
Freight Subsidies .. .. .	112,192
Removal of Plant, Machinery, Furniture, &c. .. .. .	892
Bus Subsidies .. .. .	812
Miscellaneous .. .. .	2,663
	<u>3,664,342</u>
The balance at 30th June, 1967, was .. .. .	136,653
	<u>3,800,995</u>

Amounts advanced from the Decentralization Fund and still to be repaid at 30th June, 1967, are shown hereunder :—

—	Advanced to 30th June, 1967.	Repaid.	Outstanding 30th June, 1967.	Arrears.	
				Interest.	Principal.
	\$	\$	\$	\$	\$
Brickworks .. .. .	34,098	7,571	26,527	11,680	21,991
Textile Industries .. .. .	88,490	54,228	34,262	503	2,000
Foundries and Other Industries .. .. .	108,143	12,626	95,517	18,874	82,652
	*230,731	74,425	156,306	31,057	106,643

\* Includes interest capitalized, \$3,665.

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

*Level Crossings Fund.*—Under the *Country Roads Act* 1958, this 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 of the Fund for the past two years are summarized hereunder :—

	1965-66.		1966-67.	
	\$	\$	\$	\$
Balance 1st July .. .. .	733,972		1,021,299	
Receipts—				
Additional Registration Fees .. .. .	752,249		793,452	
		1,486,221		1,814,751
Expenditure—				
By Railway Department .. .. .	338,932		397,141	
By Country Roads Board .. .. .	125,990		214,487	
		464,922		611,628
Balance 30th June .. .. .		1,021,299		1,203,123

*Municipalities Assistance Fund.*—Reference is made on page 89 under the Local Government section of this Report to subsidies of \$1,058,893 made from loan moneys to municipalities and other public bodies. Funds are also applied towards the assistance of municipalities through the Municipalities Assistance Fund.

The authority for this Fund is 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 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 \$2,000.

When 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 Consolidated Revenue to meet such insufficiency.

A summary of operations in the Fund is :—

	1965-66.		1966-67.	
	\$	\$	\$	\$
Balance, 1st July .. .. .	..	544,830	..	514,255
Contribution—Loan Fund .. .. .	..	400,000	..	400,000
Receipts from Fees—Motor Car Drivers' and Instructors' Licences .. .. .	714,524	..	676,829	..
Less Costs of Collection .. .. .	59,197	..	53,569	..
		<u>655,327</u>	<u>623,260</u>	
		1,600,157	1,537,515	
 Expenditure—				
Contribution to Country Fire Authority .. .. .	..	690,970	..	834,526
Contribution to Casual Fire Fighters Compensation Fund .. .. .	..	..	..	5,133
Subsidies to Municipalities for Works .. .. .	..	394,932	..	415,090
		<u>1,085,902</u>	<u>1,254,749</u>	
Balance, 30th June .. .. .	..	514,255	..	282,766
		<u>1,600,157</u>	<u>1,537,515</u>	

*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, 1967, is given hereunder :—

	\$	\$
Balance, 1st July, 1966 .. .. .	..	19,475
Receipts—		
From Consolidated Revenue .. .. .	..	74,500
Loan Fund .. .. .	..	190,424
Repayment of Advances, other contributions, &c. .. .. .	..	15,637
		<u>280,561</u>
		300,036
Payments—		
Grants to Committees of Management of National Parks and Advances for Works to the Public Works Department and Forests Commission, &c. .. .. .	..	206,922
Administration Costs .. .. .	..	75,748
		<u>282,670</u>
Balance, 30th June, 1967 .. .. .	..	17,366

In addition to the balance of \$17,366 at credit of the Fund, unexpended advances to the Public Works Department and the Forests Commission for works amounted to \$19,502 as at 30th June, 1967.

*Roads (Special Projects) Fund.*—This Fund, established under the provisions of the *Roads (Special Projects) Act* 1965, is credited with the additional moneys obtained from increased motor registration fees provided for in the same legislation.

The moneys so provided may be applied, at the discretion of the Treasurer, for or towards the cost of such special projects for the construction and improvement of roads (including bridges and traffic control installations and items) as are approved by the Governor in Council.



Transactions on the Fund for the years 1965–66 and 1966–67 are set out below :—

	1965–66.		1966–67.	
	\$	\$	\$	\$
Balance, 1st July .. .. .	24,352	..	4,660,711	..
Receipts—				
Additional Registration Fees .. .. .	7,636,856	..	8,184,977	..
	<u>          </u>	7,661,208	<u>          </u>	12,845,688
Expenditure—				
By Country Roads Board .. .. .	1,654,374	..	3,310,762	..
By Melbourne and Metropolitan Board of Works .. .. .	1,346,123	..	3,639,086	..
	<u>          </u>	3,000,497	<u>          </u>	6,949,848
Balance, 30th June .. .. .	..	4,660,711	..	5,895,840
		<u>          </u>		<u>          </u>

A statement of expenditure by the Country Roads Board on specific projects is given on page 57 of this Report. Further reference to expenditure by the Melbourne and Metropolitan Board of Works will appear in my Supplementary Report.

#### OTHER.

*Dried Fruits Fund.*—The Victorian Dried Fruits 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. Its 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 1965 and 1966.

1965				1966.
\$				\$     \$
37,793	Contributions .. .. .	..	..	35,876
1,640	Other Income .. .. .	..	..	2,233
<u>39,433</u>				<u>38,109</u>
	Expenditure—			
4,570	Allowances, Board Members .. .. .	..	..	4,393
7,272	Salaries, Office Staff .. .. .	..	..	9,112
11,278	Inspection and Grading .. .. .	..	..	13,015
7,510	General Expenses .. .. .	..	..	9,504
<u>30,630</u>				<u>36,024</u>
8,803	Surplus for Year .. .. .	..	..	2,085
				<u>          </u>

Despite a rise in the levy imposed by the Board from 55 cents to 60 cents a ton, there was a fall of \$1,917 in income from contributions. This was due chiefly to a reduction in tonnage of dried fruits processed.

At 30th June, 1967, the balance at credit of the Fund in the Treasury amounted to \$68,287 and comprised cash \$18,287 and investments \$50,000.

*Mallee Land Account.*—The Treasurer is empowered by the Financial Agreement Act No. 3554 to use Mallee Land Account receipts to assist contributions from Revenue to the National Debt Sinking Fund. As already stated herein, in 1966–67, the Treasurer used for this purpose an amount of \$1,697,772. At the close of the year, the balance at credit of the Account was \$34,046.

*Milk Board Fund.*—The Board's operations in 1966–67 resulted in a revenue surplus of \$90,501, an increase of \$209 on the comparable figure for 1965–66.

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 for 1966-67 are subject to audit.

1965-66.		1966-67.	
\$		\$	
<i>Revenue.</i>			
390,945	Milk Trading Revenue .. .. .	445,569	
29,065	Milk Shop Licence Fees .. .. .	29,097	
1,800	Milk Shop Licence Transfer Fees .. .. .	872	
8,000	Rentals .. .. .	8,000	
<u>429,810</u>			<u>483,538</u>
<i>Expenditure.</i>			
128,682	Salaries .. .. .	151,171	
2,731	Pay-roll Tax .. .. .	3,344	
1,824	Rental of Premises .. .. .	1,845	
11,013	Travelling Expenses .. .. .	18,439	
14,762	General Expenses .. .. .	14,696	
166,649	Publicity Account—Appropriation .. .. .	187,157	
5,000	Improving Quality of Milk—Paid to Department of Agriculture ..	5,000	
5,285	Building Maintenance .. .. .	7,361	
1,241	Interest .. .. .	1,244	
2,331	Depreciation .. .. .	2,780	
<u>339,518</u>			<u>393,037</u>
90,292	Surplus for the Year .. .. .		90,501

The item—Publicity Account—Appropriation, \$187,157—is the provision from revenue to meet publicity costs incurred in promoting the consumption of milk. This appropriation, together with the sum of \$16,562 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 \$165,098.

The Board's balances as at 30th June, 1966, and 30th June, 1967, were :—

30.6.66		30.6.67	
\$		\$	
2,615,496	Sundry Creditors—Trade .. .. .	2,705,172	
16,635	Sundry Creditors—Other .. .. .	37,571	
12,111	Milk Shop Licences Paid in Advance (Net) .. .. .	14,049	
<u>2,644,242</u>			<u>2,756,792</u>
Accumulated Funds—			
Accumulation Fund—			
1,035,294	Balance Brought Forward .. .. .	1,125,586	
90,292	Revenue Surplus for the Year .. .. .	90,501	
<u>1,125,586</u>		<u>1,216,087</u>	
83,604	Publicity Account .. .. .	122,225	
<u>1,209,190</u>			<u>1,338,312</u>
<u>3,853,432</u>			<u>4,095,104</u>
Milk Board Fund—Balance at Treasury .. .. .			
934,286	Sundry Debtors—Trade .. .. .		1,085,593
2,653,328	Sundry Debtors—Publicity Account .. .. .	2,740,245	
1,588		2,064	
		<u>2,742,309</u>	
10,200	Office Equipment and Furniture less Depreciation .. .. .		10,127
5,516	Motor Vehicles less Depreciation .. .. .		6,574
218,990	Land and Buildings at Cost .. .. .		219,537
24,206	Publicity Plant and Equipment less Depreciation .. .. .		24,012
5,318	Publishing Stocks on Hand .. .. .		6,952
<u>3,853,432</u>			<u>4,095,104</u>

Trade debtors and creditors, for the most part, resulted from trading operations for the month of June, 1967.

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

<i>Account</i>	Page Reference No.
Licensing Fund .. .. .	17
Totalizator Agency Board Account .. .. .	16
Transport Regulation Fund .. .. .	109

#### **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*, \$15,123,074, and to a Geelong Harbor Trust debenture securing the outstanding balance of an advance, \$118,408.

# PART VI—DEPARTMENTS, BRANCHES AND AUTHORITIES.

## AGRICULTURE.

The Department of Agriculture is engaged in the administration of legislation relating to primary production, and in research and experimental work, practical farming education and supervision as prescribed by the relevant Acts. In this connexion, information is disseminated and advice, assistance and encouragement given to those engaged in the many branches of the agricultural, horticultural, live stock and dairying industries.

### NET COST TO REVENUE.

The expenditure (excluding that of the Victoria Dock Cool Stores) of the Department from revenue for the year was \$7,310,855, against which there were departmental receipts of \$1,125,611, resulting in a net cost to revenue of \$6,185,244, compared with \$5,612,409 for the previous year. Details of expenditure and receipts for the two years are :—

		1965-66.	1966-67.
	<i>Expenditure.</i>		
Vote—		\$	\$
Department of Agriculture .. .. .		6,666,515*	7,218,420†
Treasurer—Accident Insurance .. .. .		27,499	30,240
Treasurer—Pay-roll Tax .. .. .		117,309	137,208
Public Works—Maintenance and Rent of Buildings .. .. .		49,220	50,251
Special Appropriations .. .. .		112,674	112,755
		<hr/>	<hr/>
		6,973,217	7,548,874
<i>Less</i> Business undertaking—Victoria Dock Cool Stores .. .. .		231,034	238,019
		<hr/>	<hr/>
		6,742,183	7,310,855
	<i>Receipts.</i>		
Departmental .. .. .		1,429,687	1,598,032
<i>Less</i> Victoria Dock Cool Stores .. .. .		375,068	582,947
		<hr/>	<hr/>
		1,054,619	1,015,085
Licences—Dairies, Dairy Farms, Dairy Produce Factories, &c. .. .. .		75,155	110,526
		<hr/>	<hr/>
		1,129,774	1,125,611
		<hr/>	<hr/>
Net outgoing (excluding interest, sinking fund, and proportion of Government contribution to superannuation) .. .. .		5,612,409	6,185,244
		<hr/>	<hr/>

\* Includes \$4,610 by way of *ex gratia* payments under authority of Treasury Vote—Division 48A.

† Includes \$9,255 by way of *ex gratia* payments under authority of Treasury Vote—Division 48A.

### EXPENDITURE FROM LOAN.

Expenditure from loan on the acquisition of properties and on works and buildings at Agricultural and Dairy Colleges, Research Farms and the Victoria Dock Cool Stores, &c., amounted to \$1,657,573.

### Agricultural Colleges and Research Farms.

In various parts of the State, the Department has established and maintains colleges and research farms for the purposes of agricultural education and the development of improved farming methods.

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 "D" to this Report.

The receipts shown in Appendix "D", amounting to \$690,541, were credited to Consolidated Revenue. Payments amounting to \$3,369,914 were made from Consolidated Revenue and Loan Fund on account of general maintenance and capital items.

The capital items were :—

	\$	\$
Properties—		
Pastoral Research Station, Hamilton .. .. .	..	183
Buildings—		
Agricultural College, Dookie .. .. .	17,501	
Agricultural College, Longerenong .. .. .	22,774	
Gilbert Chandler Institute of Dairy Technology, Werribee ..	706,696	
Dairy Research Station, Ellinbank .. .. .	38,708	
Research Station, Mildura .. .. .	34,438	
Research Station, Rutherglen .. .. .	71,976	
Pastoral Research Station, Hamilton .. .. .	99,494	
Irrigation Research Station, Kyabram .. .. .	18,227	
Other locations .. .. .	45,154	
	<hr/>	1,054,968
Plant and Equipment—		
Agricultural College, Dookie .. .. .	16,960	
Agricultural College, Longerenong .. .. .	15,666	
Dairy Research Station, Ellinbank .. .. .	12,060	
Research Station, Scoresby .. .. .	41,970	
Research Station, Rutherglen .. .. .	10,697	
Research Station, &c., Werribee .. .. .	29,412	
Other locations .. .. .	58,346	
	<hr/>	185,111
Water Reticulation—		
Research Station, Mildura .. .. .	3,166	
Research Station, Scoresby .. .. .	5,715	
Potato Research Station, Healesville .. .. .	13,551	
Vegetable Research Station, Frankston .. .. .	5,121	
Other locations .. .. .	7,879	
	<hr/>	35,432
Electrical Installations, &c., various locations .. .. .	..	30,170
Furniture, various locations .. .. .	..	35,148
Fencing, various locations .. .. .	..	48,559
Roads, various locations .. .. .	..	2,606
	<hr/>	1,392,177

### Victoria Dock Cool Stores.

A profit of \$108,548 resulted from operations during the year ended 30th June, 1967. The following comparative statement summarizes transactions during each of the last three years :—

—	1964-65.		1965-66.		1966-67.	
	\$	\$	\$	\$	\$	\$
<i>Revenue.</i>						
Storage and Shipping Charges .. .. .	447,129		511,447		514,813	
Rental .. .. .	4,109		..		14,172	
	<hr/>	451,238	<hr/>	511,447	<hr/>	528,985
<i>Expenditure.</i>						
Salaries and Wages, &c. .. .. .	170,815		181,230		169,150	
Pay-roll Tax .. .. .	4,309		4,357		4,257	
Rent of Site .. .. .	5,416		5,416		5,416	
Agency and Commission .. .. .	20,593		23,393		20,645	
Maintenance .. .. .	35,585		16,554		25,582	
Electrical Energy .. .. .	39,226		40,145		42,044	
Other Charges (net) .. .. .	6,288		6,017		7,183	
Depreciation .. .. .	44,375		49,447		52,749	
Interest on Capital .. .. .	72,215		82,887		93,411	
	<hr/>	398,822	<hr/>	409,446	<hr/>	420,437
Net operating profit .. .. .		52,416		102,001		108,548

During the year, capital provided by the State was increased by \$166,248 (net). This amount was provided from Loan Fund and from Revenue for purposes of a programme of replacements and improvements of storage space and certain machinery and plant.

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 to Consolidated Revenue over working and other expenses provided therefrom is not treated as a contra to the capital provided by the State in arriving at the notional charge for interest.

ABRIDGED BALANCE-SHEET.		30.6.1966	30.6.1967
\$			\$
1,906,182	Capital provided by State .. .. .		2,072,430
149,392	Contribution by Commonwealth, &c. .. .. .		149,392
21,218	Sundry Creditors .. .. .		15,464
5,921	Reserve .. .. .		5,921
			\$
1,108,661	Profit forward .. .. .		1,108,661
	<i>Plus</i> Net Operating Profit .. .. .		108,548
<u>3,191,374</u>			<u>1,217,209</u>
			<u>3,460,416</u>
	Fixed Assets at cost less depreciation :—		
1,204,127	Buildings .. .. .		1,317,141
278,463	Machinery, Plant, &c. .. .. .		299,370
26,157	Roads and Railway Sidings .. .. .		25,711
<u>1,508,747</u>			<u>1,642,222</u>
7,459	Stores on hand .. .. .		7,774
257,397	Sundry Debtors .. .. .		203,000
1,417,771	Excess of payments to Consolidated Revenue over working and other expenses provided therefrom .. .. .		1,607,420
<u>3,191,374</u>			<u>3,460,416</u>

## CHIEF SECRETARY.

The accounts of a number of sub-departments and branches administered by the Chief Secretary are discussed hereunder.

### Police.

#### POLICE SERVICES.

The net cost to revenue of these services was \$21,484,555. In the following statement, net cost includes 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. Expenditure and revenue for the year are compared hereunder with corresponding figures for the previous year :—

	1965-66.	1966-67.
	\$	\$
<i>Expenditure—</i>		
Salaries and Allowances* .. .. .	17,810,035	19,819,981
Overtime and Penalty Rates .. .. .	246,237	303,193
Payments in lieu of Long Service Leave .. .. .	198,542	147,621
Payroll Tax .. .. .	446,526	492,705
Travelling and Subsistence .. .. .	562,545	554,545
Office Requisites and Equipment, Printing, &c. .. .. .	223,453	222,710
Postal and Telephone Expenses .. .. .	458,399	426,513
Motor Vehicles, Purchase and Running Expenses .. .. .	842,539	859,826
Fuel, Light, Power and Water .. .. .	223,621	214,959
Maintenance and Rent of Buildings .. .. .	52,505	41,198
Police Service Board .. .. .	7,126	7,978
Workers Compensation Insurance .. .. .	133,040	128,047
Pensions and Superannuation .. .. .	543,582	623,552
Other Expenditure .. .. .	414,599	410,729
	22,162,749	24,253,557
<i>Revenue—</i>		
Police Services .. .. .	855,724	1,100,103
Firearms and other Licences .. .. .	9,368	10,498
Recoup of administrative expenses—Motor Registration Branch, &c. .. .. .	1,421,793	1,658,401
	2,286,885	2,769,002
<i>Net Cost to Revenue</i> .. .. .	19,875,864	21,484,555
Expenditure on Police Buildings and Residences Financed from Loan Fund .. .. .	905,704	750,020

\* Includes \$51,738 in 1965-66 and \$4,285 in 1966-67 by way of *ex-gratia* payments under authority of Treasury Vote—Division 48A.

#### 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*. In addition, the Branch is required to collect surcharges in respect of contracts of third-party insurance and stamp duty payable on the registration or acquisition of a motor car or trailer.

Collections arising from the above functions were, by statutory direction, credited as set out hereunder :—

1965-66.		1966-67.		
\$		\$	\$	\$
	<i>Country Roads Board Fund—</i>			
24,642,890	Motor Fees .. .. .	25,980,429		
714,522	Drivers' Licence Fees (one-quarter) .. .. .	676,829		
1,504,500	Additional Registration Fees (two-thirds) .. .. .	1,586,906		
8,203	Examiners' Licences .. .. .	8,406		
			28,252,570	
	<i>Level Crossings Fund—</i>			
752,249	Additional Registration Fees (one-third) .. .. .		793,452	
	<i>Municipalities Assistance Fund—</i>			
714,524	Drivers' Licence Fees (one-quarter) .. .. .		676,829	
	<i>Transport Regulation Fund—</i>			
11,583	Omnibus Registration Fees .. .. .		11,772	
	<i>Roads (Special Projects) Fund—</i>			
7,636,856	Increase in Registration Fees .. .. .		8,184,977	
	<i>Consolidated Revenue—</i>			
1,421,251	Drivers' Licence Fees (one-half) .. .. .		1,356,412	
<u>37,406,578</u>	Total Fees under Motor Car Act .. .. .			39,276,012
	<i>Third-party Insurance—</i>			
17,833,049	Premiums on behalf of Approved Insurers .. .. .		22,194,900	
160,380	Hospitals and Charities Fund .. .. .		580,457	
1,800,664	Consolidated Revenue—Insurance Surcharges .. .. .		1,944,446	
				24,719,803*
	<i>Stamp Duty—Consolidated Revenue—</i>			
4,843,835	Duty on registration or acquisition of a motor car or trailer .. .. .			4,895,514
<u>62,044,506</u>	Total Collections .. .. .			<u>68,891,329</u>

\* Excludes collections by authorized insurers.

As indicated above, fees collected by the Branch under the Motor Car Act increased by \$1,869,434. The higher collections from this source in 1966-67 were due mainly to the greater number of motor cars registered—1,184,913 compared with 1,136,180 in 1965-66.

Third Party insurance premiums collected on behalf of authorized insurers also increased substantially due mainly to the effect in a full year of :—

- (i) increased premiums charged from 1st October, 1965 ; and,
- (ii) extension from seven to fourteen days of the period in which late payment may be accepted by the Branch.

The *Motor Car (Hospitals and Charities Contributions) Act* 1966, which came into operation on 1st March, 1967, provided that the sum of \$1.40 or such greater amount not exceeding five per cent of the total premium paid as is prescribed by the Governor in Council shall be deducted from each premium collected and paid to the credit of the Hospitals and Charities Fund.

Prior to the passing of this legislation, the sum of 18 cents was deducted from the amount of each premium paid and credited to the Motor Car (Hospital Payments) Fund. In accordance with the provisions of the amending legislation, moneys credited in the year to the Motor Car (Hospital Payments) Fund were transferred to the Hospitals and Charities Fund.

Costs of collection in respect of fees under the Motor Car Act are apportioned between the participating funds, including Consolidated Revenue, with the exception that, in respect of amounts credited to the Level Crossings Fund and the Roads (Special Projects) Fund, the relevant costs of collection are borne by the Country Roads Board Fund. The costs of collection of stamp duty under the Stamps (Motor Car) Act are also borne by the Country Roads Board Fund.



### Social Welfare.

This Branch is established on the basis of six divisions. The statement below shows the expenditure, revenue, net cost to Consolidated Revenue and Loan Expenditure of the Branch for the past three years.

Division.	1964-65.		1965-66.		1966-67.	
<i>Expenditure.</i>	\$	\$	\$	\$	\$	\$
Administration and Research and Statistics .. .. .	260,328		291,202		317,312	
Family Welfare .. .. .	3,048,150		3,163,808		3,367,532	
Youth Welfare .. .. .	1,079,328		1,385,961		1,625,970	
Prisons .. .. .	2,690,266		2,569,991		2,910,651	
Training .. .. .	75,694		96,583		98,278	
Probation and Parole .. .. .	234,474		263,974		288,479	
	7,388,240		7,771,519		8,608,222	
 <i>Revenue.</i> 						
Prisons .. .. .	335,718		274,330		278,381	
Other Divisions .. .. .	200,442		256,662		245,589	
	536,160		530,992		523,970	
<i>Net Cost to Consolidated Revenue</i> ..	6,852,080		7,240,527		8,084,252	
Loan Expenditure .. .. .	1,395,132		1,901,059		1,548,874	

Reasons for significant variations in costs of the various divisions are briefly discussed below.

An increase in salary costs amounting to \$156,696 (head office \$64,914 and institutions \$91,782) was the prime reason for expenditure of the Family Welfare Division in 1966-67 exceeding that of the previous year by \$203,724. The increase was largely due to a rise in salary rates, the opening of a new institution and the filling of vacant positions. An increase of \$40,763 in payments on account of state wards boarded out in children's homes and foster homes was due to an increase in the number of child days paid for in 1966-67 and an increase in the number of payments made in respect of children (non wards) pending adoption.

In the case of the Youth Welfare Division, the overall increase of \$240,009 included a rise in salary costs of \$102,410 (\$11,053 on account of head office personnel and \$91,357 for those related to departmental institutions) due to basic wage and margins increases; a reduction in the carryover of unpaid accounts at the end of the year which resulted in an increase in the cost of provisions of \$18,946; and a \$74,782 increase in payments on account of trainees in non-departmental institutions resulting from a change in the method of reimbursing maintenance deficiencies of two institutions and an increase in rates from 1st July, 1966, for other institutions.

The cost of the Prisons Division exceeded that for the previous year by \$340,660, and of this amount, \$203,895 was accounted for by salary increases and the filling of vacant positions. Overtime and penalty rates also rose by \$22,762. Stores, provisions, equipment, &c., cost an additional \$80,617 due to a reduction in outstanding claims at the end of the year, price rises in general and an increase in the number of prisoners. The cost of material for manufacture rose by \$30,542 as the result of the expansion of present industries and the opening of a new one, a rise in prices generally and a reduction in unpaid accounts at the close of the period.

Salary increases in the Probation and Parole Division resulted in expenditure on salaries increasing by \$24,675 and overtime and penalty rates by \$4,184. Other minor variations reduced the overall increase in the cost of the Division to \$24,505.

## State Insurance Offices.

## State Accident Insurance Office.

Operations of this Office for the year resulted in a net profit of \$3,056,608. This profit has been appropriated, as at 30th June, 1967, in terms of Section 68 of the *Workers Compensation Act 1958*.

Comparative analyses of Income and Expenditure and relevant details of the Appropriation Account for the past three years are furnished below :—

## INCOME AND EXPENDITURE.

	1964-65.	1965-66.	1966-67.
Income—	\$	\$	\$
Premiums Earned .. .. .	6,615,844	8,506,030	8,703,741
Interest .. .. .	483,946	498,312	536,049
Rents (Net) .. .. .	32,876	33,405	149,719
Surplus—Sale of Property .. .. .	6	..	..
	7,132,672	9,037,747	9,389,509
Expenditure—			
Claims .. .. .	5,372,080	6,948,948	5,679,507
Management .. .. .	335,096	363,307	466,149
Agents' Commission .. .. .	114,352	194,454	185,040
Loss—Sale of Property .. .. .	..	63	2,205
	5,821,528	7,506,772	6,332,901
Net Profit .. .. .	1,311,144	1,530,975	3,056,608
	%	%	%
Loss ratio to earned premium income .. .. .	81·2	81·7	65·3

## APPROPRIATION ACCOUNT.

	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Net Profit .. .. .	1,311,144	1,530,975	3,056,608
Surplus on Sale of Offices—412 Collins-street, Melbourne .. .. .	..	..	169,068
Provision for depreciation written back .. .. .	..	..	47,846
	1,311,144	1,530,975	3,273,522
Transfer to General Reserve ( <i>vide</i> Act No. 7449) .. .. .	..	..	169,068
Appropriations—			
Bonus Equalization Reserve .. .. .	705,144	807,851	1,273,522
General Reserve .. .. .	..	..	630,932
Consolidated Revenue .. .. .	606,000	723,124	1,200,000
	1,311,144	1,530,975	3,273,522

Premiums in respect of policies issued to the Government and to semi-governmental bodies are treated in the accounts as fully earned irrespective of time of receipt. Other premiums due are apportioned between "earned", and "unearned" on a monthly "time" basis.

The increase in the net profit for the year under review compared with the years 1964-65 and 1965-66 was due mainly to a reduction in the value of incurred claims as at 30th June, 1967. The respective amounts of incurred claims for the last three years were arrived at as follows :—

	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Claims paid during the year .. .. .	4,446,348	5,035,208	5,711,106
Add Claims unpaid as at close of year .. .. .	10,436,932	12,350,672	12,319,073
	<hr/>	<hr/>	<hr/>
Less Claims unpaid brought forward from previous year ..	14,883,280	17,385,880	18,030,179
	9,511,200	10,436,932	12,350,672
	<hr/>	<hr/>	<hr/>
Incurred claims .. .. .	5,372,080	6,948,948	5,679,507

Higher benefits payable under the *Workers Compensation (Amendment) Act 1965*, operative as from 1st July, 1965, had the effect of increasing incurred claims for 1965-66 and the same factor was present in 1966-67. However, the increase in 1965-66 would have been greater had there not been a change of policy in relation to the assessment of liability which could arise in respect of claims relating to a particular category of heart case in government type employment. This, together with further changes in policy adopted by the Commissioner in relation to the assessment, as at 30th June, 1967, of liability in respect of heart claims generally (except claims under the old legislation) had a major influence in the lowering of the value of incurred claims for 1966-67.

The distribution, as at 30th June, 1966, of the profit for the year 1965-66 was determined in accordance with the provisions of Section 68 of the *Workers Compensation Act 1958*, subsequent to the presentation of the previous Report.

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

30.6.66.		30.6.67.
\$	Assets.	\$
	Current—	
14,018,044	Cash .. .. .	15,842,850
765,376	Sundry Debtors, <i>less</i> Bad Debts Provision .. .. .	915,096
		<hr/>
		16,757,946
4,771,760	Inscribed Stock .. .. .	4,771,760
..	Balance due <i>re</i> sale of Property—412 Collins-street, Melbourne .. .. .	363,125
	Fixed—	
202,447	Furniture, Office Machines, and Cars— <i>less</i> Depreciation .. .. .	218,443
233,028	Property (at cost)—Offices—412 Collins-street, Melbourne .. .. .	..
2,647,876	Offices—480-490 Collins-street, Melbourne .. .. .	2,852,646
		<hr/>
		3,071,089
<hr/>		<hr/>
22,638,531		24,963,920
	<i>Liabilities and Funds.</i>	
	Current—	
1,873,454	Unearned Premiums .. .. .	2,419,480
12,350,672	Claims Outstanding .. .. .	12,319,073
93,512	Sundry Creditors .. .. .	111,465
723,124	Provision for Contribution to Consolidated Revenue .. .. .	1,200,000
..	Provision for Reinsurance Premiums .. .. .	19,550
		<hr/>
		16,069,568
	Deferred—	
1,519,923	Bonus Equalization Reserve .. .. .	2,003,710
47,846	Building Depreciation and Maintenance Provision .. .. .	60,642
		<hr/>
		2,064,352
	Funds—	
6,000,000	General Reserve .. .. .	6,800,000
30,000	Building Improvement Reserve .. .. .	30,000
		<hr/>
		6,830,000
<hr/>		<hr/>
22,638,531		24,963,920

Under the authority of the *State Accident Insurance Office Land Act 1966*, the Offices at 412 Collins-street, valued at cost at \$233,028, were disposed of during the year. To comply with the Act, the net surplus of \$169,068 arising from the sale was carried to the General Reserve. Provision for depreciation, \$47,846, was written back to the Appropriation Account.

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 this 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, 1967, this Office has incurred an accumulated loss of \$2,650,490.

Operations for the year resulted in a loss of \$189,880 compared with a loss of \$785,410 in 1965-66.

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

	1965-66.			1966-67.		
	Third-Party.	Comprehensive.	Total.	Third-Party.	Comprehensive.	Total.
	\$	\$	\$	\$	\$	\$
Net Premiums earned .. ..	6,710,600	3,015,367	9,725,967	8,783,714	3,673,022	12,456,736
Stamp Duty recouped .. ..	..	168,272	168,272	..	196,547	196,547
	6,710,600	3,183,639	9,894,239	8,783,714	3,869,569	12,653,283
Claims .. ..	7,810,853	2,384,002	10,194,855	9,486,318	2,755,541	12,241,859
Management .. ..	240,776	530,186	770,962	309,722	710,351	1,020,073
Licence Fee .. ..	..	168,304	168,304	..	196,430	196,430
	8,051,629	3,082,492	11,134,121	9,796,040	3,662,322	13,458,362
Operating Profit .. ..	..	101,147	101,147	..	207,247	207,247
Operating Loss .. ..	1,341,029	..	1,341,029	1,012,326	..	1,012,326
Net Operating Loss .. ..	..	..	1,239,882	..	..	805,079
Interest—Fund at Treasury .. ..	..	..	454,382	..	..	616,754
Sale of Property .. ..	..	(Profit)	90	..	(Loss)	1,555
Net Loss .. ..	..	..	785,410	..	..	189,880
Loss ratio to earned premium income—			%			%
Third-party .. ..	..	..	116·4	..	..	108·0
Comprehensive .. ..	..	..	79·1	..	..	75·0

Rises in premium rates for Third Party Insurance as from 1st October, 1965 (which were operative for a full year in 1966-67) and 15th August, 1966, together with an increase of approximately 10 per cent. in the number of vehicles insured were responsible for the substantial increase in net premiums earned for the year under review.

In respect of Comprehensive Insurance, a new basis of rating was adopted from 1st February, 1967. Under the new scheme owners who have a consistently good claims record receive more liberal discounts while those who make a number of claims are subject to gradual premium loadings.

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

30.6.66.	<i>Assets.</i>								30.6.67.
\$									\$
	<i>Current—</i>								
10,321,282	Cash	..	..	..	..	..	..	..	14,139,924
1,197,279	Sundry Debtors—Premiums Due, &c.	..	..	..	..	..	..	..	1,445,945
<u>11,518,561</u>									<u>15,585,869</u>
	<i>Investments—</i>								
6,782,035	Government and Semi-Government Securities	..	..	..	..	..	..	..	7,984,859
	<i>Fixed—</i>								
45,318	Furniture and Office Machines <i>less</i> Depreciation	..	..	..	..	..	..	..	48,852
	<i>Profit and Loss Account—</i>								
2,460,609	Accumulated Loss	..	..	..	..	..	..	..	2,650,490
<u>20,806,523</u>									<u>26,270,070</u>
	<i>Liabilities and Provisions.</i>								
	<i>Current—</i>								
5,556,577	Unearned Premiums	..	..	..	..	..	..	..	6,655,129
15,133,750	Claims Outstanding	..	..	..	..	..	..	..	19,369,008
116,196	Sundry Creditors	..	..	..	..	..	..	..	101,683
..	Provision for Reinsurance Premiums	..	..	..	..	..	..	..	144,250
<u>20,806,523</u>									<u>26,270,070</u>

The estimated liability for outstanding claims has been calculated on the basis of a combination of “ case ” and “ average ” estimating and, to the sum so determined, there have been added amounts to provide for unknown and unforeseen liabilities.

## Workers Compensation Board.

In accordance with the provisions of the *Workers Compensation Act 1958*, the revenue of the Board consists of contributions by Authorized 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 empowered to recover any such amounts on behalf of the Fund. Certain costs and expenses of the Insurance Commissioner are met from the Fund.

Particulars of Income and Expenditure of the Fund for the years 1965-66 and 1966-67 are as follows :—

	1965-66	1966-67
	\$	\$
<i>Income—</i>		
Contributions from Insurers and others .. .. .	186,636	199,442
<i>Expenditure—</i>		
Salaries .. .. .	75,921	86,059
Rent .. .. .	63,316	63,278
General .. .. .	25,828	24,553
Claims on uninsured employers paid from the Fund (net) ..	22,978	52,593
	188,043	226,483
Excess of Expenditure over Income .. .. .	1,407	27,041

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 1965-66 and 1966-67 are summarized below :—

	1965-66	1966-67
	\$	\$
Receipts .. .. .	4,169,035	4,024,807
Payments .. .. .	3,252,344	3,193,883
Excess of receipts over payments .. .. .	916,691	830,924
Balance at beginning of year .. .. .	11,695,388	12,612,079
Balance at close of year .. .. .	12,612,079	13,443,003

Investments, &c., controlled by the Board at 30th June, 1967, are shown hereunder :—

		\$
<i>Common Fund—</i>		
Cash, State Savings Bank of Victoria .. .. .		652,315
Commonwealth Securities (face value) .. .. .		1,040,500
State Electricity Commission Debentures .. .. .		6,550,000
Melbourne and Metropolitan Board of Works Debentures ..		4,600,000
Geelong Waterworks and Sewerage Trust Debentures .. .. .		600,000
Temporary Advances .. .. .		188
		13,443,003
<i>Specific Investments—</i>		
Commonwealth Securities .. .. .		4,400
Melbourne and Metropolitan Board of Works Debentures ..		4,600
Geelong Waterworks and Sewerage Trust Debentures .. .. .		4,000
		13,000

### Other Branches.

The net costs of the remaining sub-departments and branches of the Chief Secretary's Department for 1966-67 compared with the previous year are as set out below :—

	1966-67.			1965-66.
	Expenditure.	Revenue.	Net Cost.	Net Cost.
	\$	\$	\$	\$
State Library, &c. .. .. .	2,325,354	5,203	2,320,151	2,036,411
Government Statist .. .. .	407,490	242,469	165,021	126,997
Fisheries and Wildlife .. .. .	703,377	242,988	460,389	528,654
Immigration .. .. .	98,468	610	97,858	81,597
Other Branches .. .. .	459,256	67,600	391,656	372,147
Administrative .. .. .	344,002	46,078	297,924	238,018
	4,337,947	604,948	3,732,999	3,383,824

The increase in the net cost of the State Library, &c. (\$283,740), was due mainly to higher salary costs and increased expenditure on subsidies to municipalities for free libraries.

The decrease in the net cost of the Fisheries and Wildlife Branch was due to a rise in receipts from the issue of licences (\$60,529). Higher fees for fishing licences and fishing boat registrations operated from 1st November, 1966.

Expenditure from loan funds during 1966-67 related to :—

	\$
State Library, La Trobe Library, National Gallery, National Museum and Institute of Applied Science.. .. .	87,138
Country Art Galleries .. .. .	20,000
Fisheries and Wildlife .. .. .	154,595

## COUNTRY ROADS BOARD.

The construction and maintenance of State highways, main roads, by-pass roads, forest roads and tourist 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.

### MAIN FUNDS ADMINISTERED BY THE BOARD.

*Country Roads Board Fund.*—The major revenue sources of the Fund in 1966–67 were :—

- (i) *Fees under the Motor Car Act.*—Receipts for the year under this Act amounted to \$28,455,396 and the cost of collection was shown to be \$2,583,907. The comparable figures in 1965–66 were, respectively, \$27,058,582 and \$2,368,352.

The substantial increase in 1966–67 with respect to the cost of collection of fees under the Motor Car Act, viz., \$215,555, was due mainly to :—

	\$
(a) increased costs of salaries and overtime at the Motor Registration Branch .. .. .	92,354
(b) the provision of new buildings at Geelong and Fishermen's Bend .. .. .	39,994
(c) removal costs to the new building in Carlton .. .. .	13,066
(d) costs of printing the initial issue of log books for the purposes of the <i>Motor Car (Hours of Driving) Act 1964</i> .. .. .	11,013
(e) provision of kitchen and cafeteria equipment at the new building, Carlton ; and .. .. .	13,123
(f) increased cost of new office equipment .. .. .	37,678

An amendment to the *Country Roads Act 1958*, cited as the *Country Roads (Collection Costs) Act 1965*, requires the Country Roads Board to pay to the Transport Regulation Board, in each year, from the amount received in respect of motor car registration fees, an amount equivalent to six per cent. of the total charges under Part II. of the *Commercial Goods Vehicles Act 1958* collected in the immediately preceding year. The payment is to reimburse the Transport Regulation Board for the cost incurred in collecting such charges.

Collections in 1965–66 amounted to \$6,378,508 and, in accordance with the legislation, the sum of \$382,710 was recouped to the Transport Regulation Board from the amount received in respect of motor car registration fees in 1966–67.

By direction of the Treasurer, the total cost of the construction of a new Motor Registration Branch building at Carlton, originally estimated to be \$2,764,228, and initially in course of being financed from Loan Fund, is to be recouped from the Country Roads Board Fund by quarterly instalments over a period of five years, as a cost of collection of fees under the Motor Car Act. In 1965–66, the Treasurer advised the Board that, due to the provision of two additional floors, the estimated cost of the building, excluding the architects' and consultants' fees payable in respect of the additional work, had been increased by \$386,678. Repayments by the Board, however, are not to be adjusted until 1967–68 when the actual final cost will be known. In 1966–67, the Loan Fund was recouped to the extent of \$552,840 bringing the total recoup on this account to \$1,658,520 at 30th June, 1967.

- (ii) *Special Contribution from the Loan Fund.*—Item 59 of the *Public Works Loan Application Act 1966* authorized payments to municipalities and other public bodies for or towards the cost of drainage and other works and purposes. Under this authority, an amount of \$714,920 was allocated to the Country Roads Board Fund from the Loan Fund for the general purposes of the Board.

Debt charges in respect of this contribution are borne by Consolidated Revenue.

- (iii) *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 \$6,732,314.

The moneys at credit of this Account are available to finance road maintenance expenditure only. Other receipts at credit of the Country Roads Board Fund are available to meet expenses of administration, debt charges and the cost of road works generally.



*Loan Fund.*—Under the authority of Section 31 of the *Country Roads Act 1958*, the Treasurer, in 1966–67, provided from Loan Fund the sum of \$833,520 for the purpose of permanent works as defined in that Act. This sum was allocated as follows :—

	\$
For permanent works on Main Roads .. .. .	398,299
Against Board's expenditure on certain permanent works on State Highways ..	435,221
	833,520

A further cash advance of \$35,000 made available by the Treasurer late in June, 1967, was not received by the Board until July and could not therefore be allocated to works in the year 1966–67.

*Commonwealth Aid Roads Act 1964.*—By direction of the *Commonwealth Aid Roads Act 1964* and subject to the conditions therein, the Commonwealth is paying to the States for the purpose of financial assistance for road construction and other works :—

- (i) basic annual sums—commencing at \$124,000,000 in 1964–65 and increasing by \$4,000,000 each year up to and inclusive of 1968–69, the final year in the statutory table ; and
- (ii) additional sums—commencing in 1964–65 at a maximum of \$6,000,000 and increasing by \$6,000,000 in each subsequent year of the statutory five-year period.

Victoria's share of the basic grant of \$132,000,000 for 1966–67 was \$25,909,539 and it received by way of additional assistance the maximum grant of \$3,533,119.

Eligibility for receipt of the additional assistance grant is based on the amount by which expenditure by the State on road construction from its own resources exceeds the amount specified opposite its name in the schedule to the Act, subject to a maximum as calculated in terms of the Act.

Of the total amount of \$29,442,658 received by Victoria in 1966–67, \$29,050,089 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 \$11,777,063, was to be reserved for works on roads in rural areas or for the purchase of road-making plant for use in those areas. The balance, \$392,569, as allowed under Section 5 of the Act, was allocated to the Public Works Department for expenditure on works, other than road works, directly connected with transport by road or water.

*Roads (Special Projects) Fund.*—Pursuant to the provisions of the *Roads (Special Projects) Act 1965*, the Treasurer authorized the Country Roads Board to expend, in 1966–67, a maximum of \$3,512,000 for the purposes of twelve projects approved by the Governor in Council.

Details are :—

Project No.	Project.	Expenditure Authorized 1966–67.	Expenditure 1966–67.	Total Expenditure.
		\$	\$	\$
2	Hume Highway (Craigieburn to Wallan) .. .. .	760,000	642,635	978,084
5	Western Highway (Westerly from Deer Park) .. .. .	681,000	681,000	1,004,430
6	Princes Highway East (Easterly from Doveton) .. .. .	237,000	236,512	365,473
7	Western Highway (Pykes Creek) .. .. .	421,000	392,892	665,037
8	Hume Highway (Tallarook) .. .. .	110,000	81,003	195,094
9	Princes Highway East (Moe By-Pass Road) .. .. .	481,000	470,829	711,326
10	"    "    " (Hospital Creek) .. .. .	110,000	99,441	288,767
11	Maroondah Highway (From Stirling-road to Brushy Creek)	10,000	10,000	15,029
12	Taylor Bay (Unclassified Tourists' Road) .. .. .	165,000	165,000	179,854
13	Nepean Highway (Extension of duplication beyond Old Mornington-road) .. .. .	375,000	375,000	401,952*
14	Marlo-Cape Conran Road (Unclassified Tourists' Road)	150,000	150,000	153,640
15	Jamieson-Licola Road (Construction of link-road—road clearing only) .. .. .	12,000	6,450	6,450
		3,512,000	3,310,762	4,965,136

\*A further \$256,244 has been expended from the Country Roads Board Fund in respect of this project.

Expenditure in respect of certain projects exceeded the amounts authorized by the Treasurer for the year and, at 30th June, 1967, a total of \$12,502 was charged to the Country Roads Board Fund pending the authorization of further funds in 1967–68.

## 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.

1965-66.	<i>Principal Funds Available.</i>				1966-67.	
\$					\$	\$
	<i>Country Roads Board Fund—</i>					
9,447	Balance from previous year	..	..	..	1,079,532	
24,512,441	Net Taxes	..	..	..	25,488,779	
1,691,398	Municipal Contributions	..	..	..	1,823,958	
6,378,508	Road Charges—Commercial Goods Vehicles Act	..	..	..	6,732,314	
470,893	General Receipts	..	..	..	458,693	
768,000	Special Contribution—Public Works Loan Application Act	..	..	..	714,920	
500,000	Advance from Public Account	..	..	..	..	36,298,196
<u>34,330,687</u>						
	<i>Loan Moneys—</i>					
1,019,600	Act No. 6229—State Highways and Main Roads	..	..	..	..	833,520†
	<i>Commonwealth Aid Roads Act—</i>					
*16,172,093	For Roadworks Generally	..	..	..	17,273,026	
11,003,090	For Rural Roads	..	..	..	11,777,063	29,050,089
<u>27,175,183</u>						
	<i>Roads (Special Projects) Fund—</i>					
2,272,642	Expenditure authorized by the Treasurer	..	..	..	..	3,512,000
<u>64,798,112</u>						<u>69,693,805</u>
	<i>Expenditure.</i>					
	Principal items of expenditure by the Board may be classified as follows :—					
52,936,365	Construction and Maintenance of Roads, &c.	..	..	..	..	57,457,833
1,889,746	Payment of Interest (including exchange)	..	..	..	..	1,968,227
94,606	Sinking Fund Contributions and Loan Conversion Expenses	..	..	..	..	98,048
71,974	Repayment to Loan Fund	..	..	..	..	74,186
467,566	Transfer to Tourist Fund	..	..	..	..	493,805
123,194	Contribution—Australian Road Research Board	..	..	..	..	147,213
6,516,861	General Expenditure, including Administration, Stores, and Materials, &c.	..	..	..	..	6,953,456
1,000,000	Repayment of Advance from Public Account	..	..	..	..	..
<u>63,100,312</u>						<u>67,192,768</u>
	Unexpended at 30th June—Cash at Credit of the Country Roads Board Fund					
1,079,532					2,299,799	
618,268	Balance of Authority for expenditure from the Roads (Special Projects) Fund				201,238	
<u>1,697,800</u>						<u>2,501,037</u>
<u>64,798,112</u>						<u>69,693,805</u>

\* Includes unexpended balance of moneys provided under the *Commonwealth Aid Roads Act* 1959, \$60,425.

† Excludes cash advance of \$35,000 in transit at 30th June, 1967.

The unexpended balance shown in the above statement comprised—

- (i) the unexpended cash balance of the Country Roads Board Fund. The cash position of the Fund showed a substantial improvement compared with the position at 30th June, 1966. Claims against the fund unpaid at 30th June, 1967, however, were roundly \$298,000 as against similar claims amounting to approximately \$40,000 as at the close of the previous year; and
- (ii) the amount by which expenditure on special projects approved by the Governor in Council fell short of the total authorized by the Treasurer for expenditure in the year by the Board on these projects. In accordance with the direction of the Treasurer, unexpended allocations lapsed at 30th June, 1967, and fresh estimates have been submitted for approval in respect of the year 1967-68.

Moneys received under the Commonwealth Aid Roads Act and from the Loan Fund under Section 31 of the Country Roads Act were fully expended in the 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 (Special Projects) Fund.
			Roads Generally.	Rural Roads.		
	\$	\$	\$	\$	\$	\$
State Highways ..	19,673,672	8,313,833	8,406,135	..	435,221	2,518,483
Main Roads .. ..	16,765,499	12,755,133	3,612,067	..	398,299	..
By-pass Roads ..	5,171,558	2,468,264	2,232,465	..	..	470,829
Forest Roads .. ..	737,087	..	..	737,087	..	..
Tourists' Roads ..	2,311,522	873,445	750,000	688,077	..	..
Unclassified Roads ..	12,798,495	..	2,125,146	10,351,899	..	321,450
	*57,457,833	24,410,675	17,125,813†	11,777,063	833,520	3,310,762

\* Includes roundly \$4,880,000 in respect of the acquisition of land for roadworks.

† Excludes contribution to Australian Road Research Board, \$147,213.

#### GENERAL AND ADMINISTRATIVE EXPENDITURE.

The following statement summarizes the major items of expenditure under this head :—

1965-66.		1966-67.
\$		\$ \$
4,001,433	Salaries, Long Service Leave, Retiring Gratuities, &c. ..	4,367,782
527,902	Printing and Stationery, Office and Motor Car Expenses, &c.	557,700
237,725	Divisional Offices and Residences .. ..	267,935
11,640	Kew Office and Laboratory—Buildings .. ..	30,717
126,241	Kew Office and Laboratory—Building Services .. ..	122,584
95,360	Pay-roll Tax—Staff .. ..	104,562
1,148,855	Plant Purchase (net) .. ..	1,388,216
94,094 Cr.	Properties Acquired for Road Deviations.. ..	Cr. 372,360
243,077	Traffic Section Costs .. ..	237,349
200,886	Traffic Line Marking .. ..	211,748
140,133	Murray River Bridges and Punts .. ..	44,949
73,336	Contribution—Metropolitan Transportation Committee— Act No. 7003 .. ..	28,552
133,917 Cr.	Other—Net items (including credit balances on various absorption accounts) .. ..	36,890
<u>6,578,577</u>		<u>7,026,624</u>
61,716	Less—Recoup—Administrative Oncost .. ..	73,168
<u>6,516,861</u>		<u>6,953,456</u>

*Properties Acquired for Road Deviations, &c.*—Prior to 1964-65, the Board charged the costs of acquisition in respect of revenue producing properties acquired for road deviations, &c., to a general expenditure item within the Fund until such time as the properties concerned were required for the construction of the respective road works. From 1964-65, however, the Board has charged the costs of all such acquisitions direct to the road works concerned.

The credit balance in respect of this item, \$372,360, resulted from transfers of the costs of acquisition applicable to certain properties acquired prior to 1964-65 and taken over for road works in 1966-67.

#### CONTRIBUTIONS FROM 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 1966-67, these concessions amounted to \$1,756,415. Details are—

(a) *Permanent Works.*

Of the proportion charged to municipalities for permanent works on main roads, \$132,181, relief, as provided in Act No. 6229, was granted to the extent of \$37,567.

In respect of the interest on developmental roads assessed at \$3,938, the whole was remitted.

The total due by the respective municipalities, \$90,676, was collected by the Board prior to 30th June, 1967.

Clarification was sought on the provisions of the Country Roads Act relating to payments by municipalities to the Treasurer in reduction of their liability in respect of contributions towards the cost of permanent works on main roads. Advice was received from the Crown Solicitor that long standing practices followed in the calculation of such payments were not in accordance with the provisions of the Act.

The matter is currently under consideration by the Board.

(b) *Maintenance.*

Of the sum of \$3,454,770 apportioned to municipalities, being one-third of the cost of maintenance of main roads in respect of the year 1965-66, the Governor in Council remitted \$1,714,910 as excessive maintenance not due to local traffic. With the exception of a contribution due by one Shire amounting to \$6,577 the net amount due was paid to the Board prior to 1st July, 1967.

TOURIST FUND.

For particulars of the operation of this Fund see page 107.

The *Tourist Act* 1958 as amended by the *Tourist (Amendment) Act* 1960, No. 6682, requires that an amount equal to 2 per cent. of the amount of fees under the Motor Car Act credited to the Country Roads Board Fund in each financial year shall be paid from the Country Roads Board Fund to the Tourist Fund in the subsequent year. The amount so paid in 1966-67 was \$493,805.

WORKS CARRIED OUT FOR COMMONWEALTH AND STATE AUTHORITIES.

The *Country Roads Act* 1958 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 :—

	1966-67.
	\$
Commonwealth of Australia .. .. .	358,110
Rural Finance and Settlement Commission .. .. .	147,554
Department of Crown Lands and Survey .. .. .	57,183
Melbourne City Council .. .. .	78,586
State Rivers and Water Supply Commission .. .. .	212,475
Other .. .. .	9,377
	<hr/>
	863,285

The above-mentioned bodies made advances to the Board towards the cost of these works and the Board was, for the most part, enabled to defray the cost of the works without encroachment upon its own funds. However, in respect of the Rural Finance and Settlement Commission and the Commonwealth of Australia, the cost of works carried out exceeded the sum of the advances received and, at 30th June, 1967, amounts of \$44,148 and \$20,000 respectively were charged to a suspense account within the Country Roads Board Fund pending the receipt of further advances from those bodies.

At 30th June, 1967, an amount of \$36,946 was held in the 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. A further sum of \$1,474 was held in the Commonwealth Works Account on behalf of the Commonwealth Government.

## LOAN OPERATIONS.

Loan allocations amounting to \$868,520 during the year increased the Board's loan liability which, at 30th June, 1967, was as set out in the following statement :—

	Main Roads and State Highways.	Developmental Roads.	Total.
	\$	\$	\$
Net Loan Liability at 30th June, 1966 .. ..	23,128,077	7,115,990	30,244,067
Add—Discount and Expenses .. ..	9,659	1,984	11,643
Advances—Act No. 6229 .. ..	868,520*	..	868,520
	24,006,256	7,117,974	31,124,230
Less—Repayments .. ..	74,186	..	74,186
	23,932,070	7,117,974	31,050,044
Deduct—Increase in equity in National Debt Sinking Fund .. ..	271,206	207,780	478,986
Net Loan Liability at 30th June, 1967 .. ..	23,660,864	6,910,194	30,571,058

\* Includes advance \$35,000 in transit at 30th June, 1967.

## COAL CANAL BRIDGE.

The Board was 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 was borne as follows :—

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

The Act further provided 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.

This bridge was completed in 1965, and total expenditure by the State, for the purposes of the project, under the authority of various Loan Application Acts, amounted to \$459,638.

At the close of the year, the sum of \$175,174 had been recouped by the several statutory contributors and credited to Loan Fund.

Final contributions amounting to \$820 were received in July, 1967.

## MUNICIPALITIES FOREST ROADS IMPROVEMENT FUND.

This Fund was established during 1954–55, with an appropriation from Consolidated Revenue of \$100,000, 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 \$180,000 have been provided from loan moneys under the authority of various Public Works Loan Application Acts.

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 \$22,348 during the year and when added to those made in previous years brought the total charge to the Fund to \$277,074 up to and inclusive of 30th June, 1967. The amount at credit to the Fund unexpended at that date was \$2,926.

#### 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.

By direction of the Governor in Council, in terms of the Act, the expenses of the Committee are borne by the statutory bodies as set out hereunder :—

Statutory Body.	Share or proportion of cost.
	\$
(a) Melbourne City Council .. .. .	20,000
(b) Transport Regulation Board .. .. .	10,000
(c) Victorian Railways Commissioners ; Melbourne and Metropolitan Board of Works ; Country Roads Board ; and Melbourne and Metropolitan Tramways Board .. .. .	The balance of expenditure in equal proportions.

The Committee appointed a firm of consultants to carry out a survey of public transport in the metropolitan area and expenditure for the purposes of this survey, which was completed in 1965-66, amounted to \$986,178. The Committee subsequently authorized a continuing study, and expenditure in respect of this project amounted to \$91,706 at 30th June, 1967.

To 30th June, 1967, contributions by the statutory bodies amounted to \$1,071,951, and unallocated expenses amounting to \$5,933 remained a charge to Public Account.

## EDUCATION.

The total cost of education met from State funds during 1966-67 was \$190,598,820. The expenditure from Consolidated Revenue 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—		
Education .. .. .	138,940,220	
Treasury .. .. .	14,478,223	
Public Works .. .. .	298,059	
Agriculture .. .. .	70,000	
	153,786,502	
Special Appropriations.. .. .	..	4,624,857
		158,411,359
Less—		
Revenue Collections .. .. .	1,462,324	
Commonwealth Grant on account of recurrent expenditure by or on behalf of the Education Department for advanced education .. .. .	1,105,900	
Recoups of expenditure .. .. .	283,106	
	2,851,330	
Net Cost to Revenue .. .. .	..	155,560,029
Loan Fund .. .. .	..	35,038,791
		190,598,820
Total Cost of Education met from State Funds .. .. .		190,598,820

The following comparative statement sets out receipts and expenditure during 1966-67 and the two preceding years :—

	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Consolidated Revenue—			
Expenditure .. .. .	126,465,720	141,965,797	158,128,253
Receipts .. .. .	1,263,924	1,399,934	2,568,224
Net Cost Consolidated Revenue .. .. .	125,201,796	140,565,863	155,560,029
Loan Fund .. .. .	30,704,996	31,214,269	35,038,791
Forestry Fund—Chair of Forestry—University .. .. .	1,000	1,000	..
Public Account Advance .. .. .	..	3,571	..
	155,907,792	171,784,703	190,598,820
State Cost of Education .. .. .			

The above figures do not include the following items :—

- (a) interest and sinking fund charges on loans ;
- (b) expenditure in respect of specialized teaching institutions administered by the Department of Agriculture and the Forests Commission ;
- (c) grants to nursing and pharmacy colleges and to teaching institutions concerned with qualification in the field of ancillary services to the medical profession ; and
- (d) subsidies to the University of Melbourne for bacteriological and other services.

## ANALYSIS OF EXPENDITURE MET BY THE STATE.

Under broad headings, the principal divisions of expenditure and revenue in the past two years were :—

	1965-66.	1966-67.
	\$	\$
<i>Expenditure—</i>		
Salaries—Teachers (including pay-roll tax) .. .. .	89,623,957	99,071,169
Salaries—Administration and Clerical Assistance (including pay-roll tax)	2,888,938	3,295,146
Allowances to Students in Training .. .. .	9,574,614	10,550,155
Travelling Expenses, Office Requisites, Equipment, Text Books, Publications, &c. .. .. .	2,510,618	2,758,311
Workers Compensation Insurance .. .. .	502,918	589,626
School Cleaning and Services .. .. .	4,788,153	5,302,626
Conveyance of Pupils .. .. .	6,420,820	6,946,640
Bursaries, Scholarships, and Maintenance Allowances .. .. .	2,427,654	2,763,383
Operating Costs—Hostels and Residential Camps .. .. .	816,133	836,711
Domestic Arts and Manual Training .. .. .	535,602	548,327
Buildings and Residences—Capital .. .. .	24,478,819	27,488,601
Maintenance .. .. .	3,936,878	4,641,582
Buildings—Rentals .. .. .	55,735	73,396
Sites and Properties .. .. .	2,256,000	2,337,145
Fees—Universities and other .. .. .	472,765	532,802
Teachers Tribunal .. .. .	41,171	44,500
Grants .. .. .	18,882,317	22,035,935
Pensions, &c., to retired teachers and officers .. .. .	2,967,469	3,346,759
	<hr/>	<hr/>
	173,180,561	193,162,814
<i>Receipts (Net)—</i>		
Tuition Fees .. .. .	113,918	151,051
Rents .. .. .	406,801	415,013
Board—Students in training, &c. .. .. .	535,765	536,547
Broken Bond Payments .. .. .	153,785	112,754
Commonwealth Grant on account of recurrent expenditure by or on behalf of the Education Department for advanced education .. .. .	..	1,105,900
Miscellaneous .. .. .	185,589	242,729
	<hr/>	<hr/>
	1,395,858	2,563,994
	<hr/>	<hr/>
Total Cost of Education met from State Funds .. .. .	171,784,703	190,598,820

A detailed statement, including a comparative analysis of expenditure from loan and revenue moneys in respect of the various services provided, is given in Appendix "E".

Between the year under review and the previous year, there were marked variations in certain items. Most increases reflect the growing volume of the Department's activities. Particular reference is made to the following :—

*Salaries—Teachers.*—Expenditure under this head rose from \$89,623,957 to \$99,071,169, an increase of \$9,447,212. This was almost wholly attributable to the following factors :—

- (i) annual salary increments of teachers ;
- (ii) the award of 17th July, 1966, following the margins and total wage cases, 1966 ;
- (iii) the awards of 1st January, 1967, and 29th January, 1967 ;
- (iv) the cost of the salaries for a half-year of the graduates from Teachers' Colleges who, to the number of 2,284, were appointed to teaching positions on 1st January, 1967 ; and
- (v) the effect of a full year's cost of the salaries of the graduates from Teachers' Colleges appointed on 1st January, 1966.

*Allowances to Students in Training.*—The rise of \$975,541 was caused by increases in the number of students in training and in the rate of allowances.

*Buildings—Capital Expenditure.*—The increase of \$3,009,782 was the net result mainly of higher expenditure on loan works in respect of technical schools, universities and primary schools, offset by reductions in expenditure on high schools, teachers' colleges and other buildings.

*Grants.*—Expenditure rose from \$18,882,317 to \$22,035,935, an increase of \$3,153,618. This increase was the result of higher grants to technical schools and the three universities.



## TECHNICAL SCHOOLS.

Maintenance grants made available to technical schools from Consolidated Revenue and the Loan Fund are augmented by tuition fees and other revenue collected and retained by the schools, and the total of such funds is expended on salaries of full-time teachers employed by school councils, salaries of part-time instructors, salaries and wages of office and maintenance staffs, and the general costs incidental to the operating of the schools. Salaries of other technical school teachers, that is, those appointed under the *Teaching Service Act* 1958, are met from the Education Department salaries vote.

The following statement, to be read in conjunction with Appendix "E", combines Treasury and technical school accounts to show the application of the funds available for technical education.

1965-66.		1966-67.
\$	<i>Source of Funds—</i>	\$      \$
	State Funds—	
24,086,697	Consolidated Revenue (net) .. .. .	26,683,867
5,039,627	Loan Fund .. .. .	7,734,491
		<u>34,418,358</u>
	Funds provided by the Commonwealth—	
2,064,981	Science Laboratories and Technical Training .. .. .	2,794,243
..	Advanced Education (recurrent expenditure) .. .. .	1,085,295
..	Advanced Education (capital expenditure) .. .. .	647,854
		<u>4,527,392</u>
	Revenue collected by Technical Schools—	
1,707,038	Tuition Fees .. .. .	1,980,675
583,452	Other .. .. .	537,519
		<u>2,518,194</u>
33,481,795		41,463,944
220,236	<i>Plus</i> Deficit for Year (School Maintenance Accounts) .. .. .	..
		<u>41,463,944</u>
33,702,031	Total Available Funds	
	<i>Application of Funds—</i>	
	Salaries (including pay-roll tax)—	
19,980,725	Teachers and Part-time Instructors .. .. .	22,671,742
2,525,080	Administrative and Maintenance Staff .. .. .	2,848,803
		<u>25,520,545</u>
5,453,916	Erection and Maintenance of Buildings .. .. .	9,704,847
414,831	Purchase of Sites and Properties .. .. .	425,348
1,362,376	Equipment .. .. .	1,200,771
1,469,038	General Costs of Classes .. .. .	1,828,020
1,234,773	Administrative and Other Costs .. .. .	1,195,758
		<u>3,023,778</u>
1,303,717	Scholarship and Conveyance Allowances to Pupils .. .. .	1,419,686
		<u>41,294,975</u>
33,744,456		49,026
42,425	<i>Less</i> Rents, &c., Received by Education Department .. .. .	..
		<u>41,245,949</u>
33,702,031		217,995
..	<i>Plus</i> Surplus for Year (School Maintenance Accounts) .. .. .	..
		<u>41,463,944</u>
33,702,031	Total Funds Applied .. .. .	

## 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 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 three financial years, average per capita cost (excluding capital items and grants to the Kindergarten Training College) are based on the average number of students in training during each of those years :—

—	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Cost of conducting teachers' colleges .. .. .	11,579,338	13,264,016	14,882,615
Cost of conducting hostels for students in training ..	331,932	337,175	359,739
	11,911,270	13,601,191	15,242,354
Average number of students in hostels .. .. .	1,500	1,516	1,514
Average number of students accommodated privately ..	6,110	6,402	6,954
Average total number of students .. .. .	7,610	7,918	8,468
	\$	\$	\$
Average <i>per capita</i> cost of training per annum .. ..	1,521	1,675	1,757
Average additional <i>per capita</i> cost of training per annum for those students accommodated in hostels .. .. .	222	222	238

## 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 :—

—	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Allowances not exceeding 10c per day for eligible pupils attending primary schools .. .. .	177,414	177,914	183,108
Allowances to eligible pupils attending post-primary schools (covering travel by bicycle and/or public transport facilities)	674,728	796,392	864,923
Payments to contractors providing special bus transport services for pupils .. .. .	5,157,316	5,439,206	5,891,517
Allowances for eligible pupils under reciprocal arrangements with other States .. .. .	5,721	7,308	7,092
	6,015,179	6,420,820	6,946,640

## COMMONWEALTH CONTRIBUTIONS TO STATE EDUCATION.

Pursuant to the provisions of the various Commonwealth Acts relating to payments to the States specifically for education, the following grants were received by Victoria in 1966-67 :—

	\$
Subsidies to Universities .. .. .	15,039,521
Grants on account of Universities Medical School Projects .. .. .	130,282
Grants on account of Science Laboratories .. .. .	2,799,200
Grants on account of Technical Training .. .. .	2,928,943
Grants on account of recurrent expenditure by or on behalf of the Education Department for advanced education .. .. .	1,105,900
Grants for college building projects and equipment of a capital nature—advanced education	852,500
	<hr/>
	22,856,346
	<hr/>

Disbursements were as follows :—

## Universities—

Melbourne .. .. .	7,646,029
Monash .. .. .	5,077,161
La Trobe .. .. .	2,316,331
Medical School Projects .. .. .	130,282

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15,169,803

## Science Laboratories—

Registered Schools .. .. .	753,838
State Schools .. .. .	2,162,189

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2,916,027

## Technical Training—

School Buildings and Equipment .. .. .	2,543,567
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## Advanced Education—

Recurrent Expenditure—Payments to Consolidated Revenue .. .. .	1,105,900
Technical College Buildings, &c. .. .. .	647,854

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1,753,754

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22,383,151

Balance Unexpended .. .. . 

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473,195

The unexpended balance of \$473,195 is held in the various State Grants Trust Accounts in the Treasury, thereby increasing the amount so held from \$474,008 at the beginning of the year to \$947,203 at 30th June.

The above statement excludes payments to the State in connexion with the Commonwealth Scholarships Scheme, which is administered by the State on behalf of the Commonwealth, and certain other receipts and payments relating to specialized teaching institutions.

## The 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 and an annual audit of the accounts of the University.

Further use has been made of consultant services in the investigation of the University's accounting systems and procedures and a general speeding up in the payment of creditors' accounts has been noticed. However, the University continues its practice of allowing separate purchasing by departments.

Details of the income and expenditure for the calendar year 1966 compared with those of the previous two years are :—

	1964.		1965.		1966.	
<i>Income—</i>	\$	\$	\$	\$	\$	\$
State Government Grants—						
General purposes .. ..	3,546,798		5,103,862		5,351,399	
Special purposes .. ..	2,479,354		1,401,714		4,745,008	
	<u>6,026,152</u>		<u>6,505,576</u>		<u>10,096,407</u>	
Commonwealth Government Grants—						
General purposes .. ..	3,528,440		4,637,568		4,795,048	
Special purposes .. ..	2,060,020		2,175,600		3,314,684	
	<u>5,588,460</u>		<u>6,813,168</u>		<u>8,109,732</u>	
Fees .. .. .	3,215,670		3,585,684		3,649,642	
Donations and bequests .. ..	1,563,720		1,298,232		1,577,426	
Interest, dividends, rents .. ..	461,904		488,740		438,311	
Dental Hospital Building on account of Principal and Interest .. ..	613,190		211,582		211,646	
Other income .. .. .	533,822		641,300		916,894	
	<u>18,002,918</u>		<u>19,544,282</u>		<u>25,000,058</u>	
<i>Expenditure—</i>						
Salaries and Pay-roll Tax .. ..	9,607,090		12,539,406		13,034,042	
Apparatus and books .. .. .	1,471,766		1,845,906		2,165,993	
Buildings, land, grounds and vehicles .. .. .	4,393,154		3,184,908		4,662,321	
Examination expenses .. .. .	296,320		52,150		50,945	
Special grants, and fees to affiliated institutions .. .. .	439,146		639,860		617,597	
General expenses .. .. .	897,288		1,038,988		1,184,941	
Interest and Redemption—Dental Hospital loan .. .. .	214,606		211,644		211,644	
	<u>17,319,370</u>		<u>19,512,862</u>		<u>21,927,483</u>	
<i>* Balance—</i>						
General Account .. .. .	<i>Surplus</i> 245,612		25,324		2,854,887	
Trust Fund .. .. .	<i>Surplus</i> 437,936		6,096		217,688	
	<u>Gross Surplus 683,548</u>		<u>31,420</u>		<u>3,072,575</u>	

\* Takes into consideration inter-fund transfers.

In comparing the results of the three years, it should be noted that the Trust Fund is the holding account for donations and bequests pending expenditure therefrom on specific projects.

As in previous years, Government grants constituted the major proportion of the income of the University in 1966. State Government grants increased by \$3,590,831 compared with the previous year.

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. The comparative statement furnished hereunder shows how the annual balances on General Account have been arrived at :—

	1964.		1965.		1966.	
	\$	\$	\$	\$	\$	\$
Accumulated Deficit in General Fund at close of year .. .. .	..	614,068		586,846		754,786
Accumulated Deficit in General Fund at beginning of year .. .. .	..	629,802		614,068		586,846
		<hr/>		<hr/>		<hr/>
General Fund Annual Deficit .. .. .	..	..	..	..	..	167,940
Surplus .. .. .	..	15,734		27,222		..
<i>Add to Deficit—</i>						
Amount disbursed from Unexpended Grants on account of Salaries Appropriation Account .. .. .	..	..	..	..	..	40,180
Annual Deficit of Medical Expansion Fund (allowing for transfer of unspent amount to Special Funds) .. .. .	..	..	..	..	..	35,382
<i>Add to Surplus—</i>						
Excess of Annual Receipts over Expenditure On account of—Lady Northcote Fund .. .. .	..	254		66		..
Sundry Special Funds .. .. .	..	64,942		16,276		..
Sundry Research Funds .. .. .	..	170,694				..
Medical Expansion Fund .. .. .	..			43,424		..
Salaries Appropriation Account .. .. .	..			40,180		..
		<hr/>		<hr/>		<hr/>
General Account—						
Gross Annual Deficit .. .. .	..	..	..	..	..	243,502
Gross Annual Surplus .. .. .	..	251,624		127,168		..
<i>Deduct from Deficit—</i>						
Excess of Annual Receipts over Expenditure—						
On account of—Lady Northcote Fund .. .. .	..	..	..	..	255	
Murray Fund .. .. .	..	..	..	..	2,047	
Sundry Special Funds .. .. .	..	..	..	..	2,557,190	
Sundry Research Funds .. .. .	..	..	..	..	538,897	
					<hr/>	3,098,389
<i>Deduct from Surplus—</i>						
Amounts disbursed from Unexpended Grants—						
On account of—Murray Fund .. .. .	..	16		1,192		
Agriculture Fund .. .. .	..	4,198		3,734		
Meteorology Fund .. .. .	..	1,798				
Annual Deficit on Sundry Research Funds .. .. .	..			96,918		
		<hr/>		<hr/>		
		6,012		101,844		
General Account—						
Net Annual Surplus .. .. .	..	245,612		25,324		2,854,887
		<hr/>		<hr/>		<hr/>

The greatly increased surplus in General Account, \$2,854,887, was caused to a large extent by the requirements of the Commonwealth legislation regarding building grants. Specific State grants for individual projects were required to be paid to the University prior to the end of the triennium for which they were granted. Unexpended committed building grants constituted the major part of unexpended special funds.

The accumulated deficit on the General Fund increased to \$754,786. Expenditure in suspense pending recoup or adjustment increased from \$1,734,200 to \$1,935,137. Thus at 31st December, 1966, the amount overdrawn on General Fund together with the sum remaining in suspense amounted to \$2,689,923 compared with \$2,321,046 at the close of the previous year. The sources from which finance was provided to meet these sums and those of the year 1964 are shown hereunder:—

	1964.		1965.		1966.	
	\$	\$	\$	\$	\$	\$
<b>Unexpended Grants—</b>						
Funds for buildings other than those already purchased or erected ..	866,398		712,660		3,221,001	
Research Funds .. ..	586,066		603,940		1,158,450	
Apparatus Appropriation .. ..	81,540		121,658		119,729	
Other Funds .. ..	384,870		639,224		823,909	
	<u>1,918,874</u>		<u>2,077,482</u>		<u>5,323,089</u>	
Current Liabilities .. ..	1,163,884		1,084,600		1,158,152	
	<u>3,082,758</u>		<u>3,162,082</u>		<u>6,481,241</u>	
<b>Less—Current Assets—</b>						
Cash .. ..	1,096		203,360		4,145	
Sundry Debtors .. ..	840,826		637,676		775,173	
Investments—Fixed Deposits .. ..	..	..	..	..	1,000,000	
Short-term Loans .. ..	..	..	..	..	2,012,000	
	<u>841,922</u>		<u>841,036</u>		<u>3,791,318</u>	
	<u>2,240,836</u>		<u>2,321,046</u>		<u>2,689,923</u>	

## Monash University.

The particulars hereunder summarize the contents of the University's audited Statements of Income and Expenditure, excluding Receipts and Payments on Trust Account, for the past three calendar years :—

	1964.	1965.	1966.
	\$	\$	\$
<i>Income—</i>			
State Government Grants—			
General purposes .. .. .	3,056,184	4,380,190	4,832,748
Special purposes .. .. .	2,677,120	2,147,880	1,508,917
	5,733,304	6,528,070	6,341,665
Commonwealth Government Grants—			
General purposes .. .. .	1,929,356	2,923,194	3,358,000
Special purposes .. .. .	2,677,120	2,148,000	1,494,154
	4,606,476	5,071,194	4,852,154
Students' Fees including Union fees for operational purposes	580,688	1,128,864	1,525,454
Union fees for Union Development .. .. .	39,954	57,672	80,418
Grants and Donations including Public Appeals .. .. .	226,462	750,848	708,274
Other income .. .. .	190,204	86,556	132,552
	1,037,308	2,023,940	2,446,698
Total Income .. .. .	11,377,088	13,623,204	13,640,517
<i>Expenditure—</i>			
Salaries and Associated Expenditure .. .. .	3,020,768	5,182,954	6,495,834
Books, equipment, furniture, &c. .. .. .	1,673,588	1,488,490	1,866,442
Maintenance, &c., buildings, land, grounds, vehicles .. .. .	160,364	242,392	521,100
Student services .. .. .	71,332	161,512	183,561
General expenditure .. .. .	1,310,080	1,620,700	1,693,339
Site development .. .. .	326,432	305,236	309,190
New buildings .. .. .	4,133,964	3,658,062	1,554,374
Union development—Purchase of land, &c. .. .. .	171,350	142,656	229,983
Bookshop .. .. .	..	..	23,620
	10,867,878	12,802,002	12,877,443
<i>Balance—</i>			
	1964.	1965.	1966.
	\$	\$	\$
Recurrent Funds .. .. .	<i>Surplus</i> 414,560	<i>Surplus</i> 767,782	<i>Surplus</i> 72,020
Capital Funds .. .. .	<i>Surplus</i> 145,628	<i>Deficit</i> 186,860	<i>Surplus</i> 333,247
Research Funds .. .. .	<i>Surplus</i> 33,372	<i>Deficit</i> 46,842	<i>Surplus</i> 157,755
Grants and Donations .. .. .	<i>Surplus</i> 43,380	<i>Surplus</i> 406,900	<i>Surplus</i> 275,211
Other Funds .. .. .	<i>Deficit</i> 127,730	<i>Deficit</i> 119,778	<i>Deficit</i> 75,159
Net Surplus .. .. .	509,210	821,202	763,074

The accumulated balance as at 31st December, 1966, amounted to \$2,555,482. Details are:—

						\$	\$
Unexpended Capital Funds	..	..	..	..	..	905,603	
Grants and Donations	..	..	..	..	..	812,827	
Recurrent Funds	..	..	..	..	..	1,054,794	
Research Funds..	..	..	..	..	..	156,225	
						<u>2,929,449</u>	
<i>Less</i> —Accumulated Deficit on account of Other Funds	..	..			..		373,967
Net Credit	..	..	..	..	..		<u>2,555,482</u>

Government grants, Commonwealth and State, were the principal sources of income in each of the three years.

The increase in students' fees reflects the growth of the University over the three years. Student numbers increased from 2,774 in 1964 to 4,283 in 1965 and to 5,924 in 1966. Increased expenditure on salaries is consistent with the growth in full time staff which over the three years was 925, 1,201 and 1,623.

The 1966 accounts incorporate for the first time the results of the University Bookshop. These cover the period 1st September, 1965, to 31st December, 1966. The item of \$23,620 shown under expenditure represents the Bookshop deficit on a cash basis. After adjustments on account of depreciation and purchase of furniture, &c., the deficit on a commercial accrual basis is \$10,576.

Bookshop final accounts were prepared as at 30th September, 1966, and stock was taken for this purpose. When the accounts were prepared as at 31st December, 1966, stock was not taken but the stock figures used at this date were based on a calculated projection of the 30th September, 1966, stock-take. Under this procedure, the December stock figure was dependent upon the sundry creditors figure which, in the absence of supporting material, could not be verified by the audit.



## La Trobe University.

The Council appointed in accordance with Section 7 of the *La Trobe University Act* 1964, No. 7189, first met on 19th December, 1966, replacing the Interim Council constituted in accordance with Sections 44 and 45 of the Act. Initial professional and other teaching appointments were made in 1966.

The statement below gives details of the income and expenditure of the University for the calendar years 1965 and 1966. As the first students did not attend the University until 1967, the years 1965 and 1966 were formative years only.

	1965.		1966.	
<i>Income—</i>	\$	\$	\$	\$
<i>State Government Grants—</i>				
General Purposes .. .. .	194,000		402,000	
Special Purposes .. .. .	376,000		1,501,700	
	570,000		1,903,700	
<i>Commonwealth Government Grants—</i>				
General Purposes .. .. .	106,000		218,000	
Special Purposes .. .. .	376,000		1,501,700	
	482,000		1,719,700	
Grants and Donations .. .. .	—		—	18,080
Other Income .. .. .	—		—	19,103
	1,052,000		3,660,583	
<i>Expenditure—</i>				
Salaries and Associated Expenditure .. .. .		60,958		400,109
Books, Equipment and Furniture .. .. .		179,708		265,580
Maintenance, &c.—Buildings, Land, Grounds, Vehicles .. .. .		9,614		26,764
General Expenditure .. .. .		43,482		178,900
Site Development .. .. .		163,936		706,805
New Buildings .. .. .		78,378		1,832,256
Residential Colleges .. .. .		—		3,737
Acquisitions .. .. .		—		51,403
		536,076		3,465,554
<i>Balance—</i>				
Recurrent Funds .. .. .	<i>Surplus</i>	6,238	<i>Deficit</i>	195,964
Building Funds .. .. .	<i>Surplus</i>	509,686	<i>Surplus</i>	408,953
Research Vote .. .. .			<i>Surplus</i>	1,194
Grant and Funds .. .. .			<i>Surplus</i>	16,897
Other Funds .. .. .			<i>Deficit</i>	36,051
	<i>Surplus</i>	515,924	<i>Surplus</i>	195,029
Accumulated Funds at 31st December, 1966, totalled \$710,953 and were as detailed below :—				
Building Funds .. .. .		<i>Surplus</i>	918,639	
Research Vote .. .. .		<i>Surplus</i>	1,194	
Grant and Donations .. .. .		<i>Surplus</i>	16,897	
			936,730	
Recurrent Funds .. .. .		<i>Deficit</i>	189,726	
Other .. .. .		<i>Deficit</i>	36,051	
			225,777	
			710,953	

### Victoria Institute of Colleges.

The *Victoria Institute of Colleges (Council) Act* 1966, No. 7415, amended the *Victoria Institute of Colleges Act* 1965, No. 7291, to extend the period of office of the Interim Council by one year to 9th June, 1967. A foundation Vice-President and other officers and employees were appointed in 1966. The Income and Expenditure account for the calendar year 1966 is detailed below :—

<i>Income—</i>	1966. \$
State Government Grants .. .. .	46,000
Other Income .. .. .	60
	46,060
<i>Expenditure—</i>	
Salaries and Associated Expenditure .. .. .	21,272
Books, Equipment and Furniture .. .. .	5,863
Maintenance—Offices, Vehicles, &c. .. .. .	7,823
Office Expenditure .. .. .	6,968
Travelling, &c. .. .. .	3,327
General Expenditure .. .. .	979
	46,232
<i>Balance—</i>	<i>Deficit</i> 172

Accumulated Funds as at 31st December, 1966, amounted to \$526.

## FORESTS COMMISSION.

### EXPENDITURE.

In the year under review, expenditure, excluding Debt Charges, amounted to \$8,278,244. Under broad headings, the principal divisions of expenditure in the past two years were :—

	1965-66.	1966-67.
	\$	\$
<b>Appropriations—</b>		
Salaries and Payments in the nature of Salary* .. .. .	1,965,119	2,175,058
Pay-roll Tax .. .. .	50,834	56,177
Pensions .. .. .	96,511	112,980
School of Forestry .. .. .	35,000	35,000
Other Administrative Expenses .. .. .	163,895	169,695
Utilization Forest Produce .. .. .	801,902	817,837
Business Undertakings .. .. .	114,969	5,775
Contribution to the National Sirex Fund .. .. .	41,700	41,700
Sundry .. .. .	27,740	36,209
	3,297,670	3,450,431
<b>Forestry Fund—</b>		
Forests .. .. .	1,917,228	2,149,169
Plantations .. .. .	39,991	49,730
Nurseries .. .. .	53,176	61,525
General .. .. .	162,797	415,397
	2,173,192	2,675,821
<b>Loan Fund—</b>		
Land .. .. .	76,123	179,459
Fire Protection .. .. .	454,751	364,994
General Operations .. .. .	171,941	209,398
Extraction Roads .. .. .	312,692	264,397
Plantations .. .. .	929,641	1,015,469
Buildings .. .. .	113,095	87,692
Plant and Machinery .. .. .	18,689	11,025
Advances—Farm Forestry .. .. .	—	19,558
	2,076,932	2,151,992

\* Includes amount charged to Treasury Vote—Division 48A, \$2,516, 1965-66 and \$4,810, 1966-67.

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

	1965-66.		1966-67.	
	\$	%	\$	%
Appropriations .. .. .	3,297,670	43·7	3,450,431	41·7
Forestry Fund .. .. .	2,173,192	28·8	2,675,821	32·3
Loan Fund .. .. .	2,076,932	27·5	2,151,992	26·0

The figures shown in the preceding summary of expenditure under Appropriations for salaries and payments in the nature of salary do not include amounts charged to Utilization Vote, Forestry Fund, Loan Fund and Stores Suspense Account in respect of the salaries of forest overseers and others. In 1965-66 these totalled \$514,546 and in 1966-67, \$541,866.

The decrease in appropriation expenditure on business undertakings compared with 1965-66 is the result of the cessation of the Forests Commission's operation of the Erica Sawmill.

In the financial year 1961-62, a National Sirex Fund was created to which the Commonwealth and the States agreed to contribute on a \$1 for \$1 basis. Contributions have also been made to the Fund by private forest owners. To 30th June, 1967, Victoria had contributed as its share the sum of \$208,500. From the Fund, Victoria had received, up to 30th June, 1967, a total of \$1,377,100 to finance the expenditure incurred by the State in its efforts to control and eradicate the sirex wasp.

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, 1967, amounted to \$1,250,679 and the balance then remaining in the Account was \$126,421.

The increase in the General expenditure from the Forestry Fund was caused mainly by the use of funds to the extent of \$226,551 to meet expenditure of a nature which, if loan moneys had been available, might have been met from Loan Fund. Included in the gross amount of \$2,151,992 charged to Loan Fund was an allocation of \$811,434 for the special project of Plantation Expansion.

Also included are the first advances for Farm Forestry which amounted to \$19,558. These advances are made under the *Forests Act* 1958, which provides for amounts to be advanced to property owners for the purposes of planting softwood trees. The maximum advance is \$5,000 repayable over 25 years with repayments commencing 12½ years after the advance is made. The advances are interest-free for the first twelve years and thereafter bear interest at the rate of 5 per cent. per annum.

Since the inception of the use of loan funds for forestry purposes, the sum of \$48,615,293 has been so applied. After allowing for discount, expenses and amounts redeemed or repaid, the Loan Liability at 30th June, 1967, was \$41,966,903, towards which there was an equity of \$3,843,466 in the National Debt Sinking Fund.

#### RECEIPTS.

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

	1965-66.	1966-67.
	\$	\$
Territorial—		
Rents .. .. .	120,672	115,615
Royalties .. .. .	4,518,076	4,739,662
Miscellaneous .. .. .	2,293	1,725
Fees .. .. .	557	410
State Sawmill .. .. .	130,099	38,448
Departmental .. .. .	892,306	876,408
Recoup of Salaries—Sirex Personnel .. .. .	26,683	24,659
Miscellaneous .. .. .	82,339	82,786
	<u>5,773,025</u>	<u>5,879,713</u>

Between the two years, there was a net rise of \$106,688 in collections which was attributable mainly to increases under the heading of Royalties. The increase in Royalties arose from :—

- (i) a higher royalty rate on all types of logs from 1st September, 1966 ; and
- (ii) a larger volume of logs harvested.

The overall increase in collections has been offset in part by the reduction in revenue from the State Sawmill, now sold.

#### NET COST.

The net cost of the Commission for 1966-67, based on receipts and expenditure in the Consolidated Revenue Account, was \$1,988,459.

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

1965-66.	Receipts.	1966-67.	1965-66.	Expenditure.	1966-67.
\$		\$	\$		\$
5,773,025	As detailed .. .. .	5,879,713	28,121	Commissioners' Salaries .. .. .	28,241
1,676,999	Net Cost .. .. .	1,988,459	3,173,038	Votes .. .. .	3,309,210
			96,511	Pensions .. .. .	112,980
			2,320,521	Grants to the Forestry Fund .. .. .	2,428,501
			1,735,215	Interest and Exchange on Loans .. .. .	1,886,529
			547	Loan Conversion Expenses .. .. .	1,834
			96,071	National Debt Sinking Fund .. .. .	100,877
<u>7,450,024</u>		<u>7,868,172</u>	<u>7,450,024</u>		<u>7,868,172</u>

## TRUST ACCOUNTS.

*Forests Stores Suspense Account.*—The terms of operation of the Stores Suspense Account are set out in Section 31 of the *Forests Act 1958*.

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 or other allocation debited.

Costs of repairs to 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 at credit of the Forests Stores Suspense Account in the Treasurer's books at 30th June, 1967, was \$167,030.

*Forests Plant and Machinery Fund.*—Section 32 of the *Forests Act 1958* 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 for the year :—

	\$
Balance at 1st July, 1966 .. .. .	244,334
Plant Hire .. .. .	183,896
Sale of Plant .. .. .	5,735
	<hr/>
	433,965
<i>Less Expenditure on Renewals</i> .. .. .	184,819
	<hr/>
Balance at 30th June, 1967 .. .. .	249,146
	<hr/>

*Forests Equipment Hire Account.*—Under the authority of Section 8 of the *Public Account Act 1958*, the Treasurer established in the Treasury in 1964–65 a Trust Account called the “ Forests Equipment Hire Account ”.

This Account was opened with an initial credit of \$2,000 which was provided under Division 65–3–8 of the Appropriation Act for 1964–65. It facilitates accounting when the Forests Commission carries out work for other Government Departments, Public Authorities and private individuals.

Credits to the Account during the year amounted to \$74,125 and expenditure charged totalled \$76,056. At the close of the year, the balance at credit of the Account was \$54,129.

*Bennison Roding Trust Account.*—Contributions amounting to \$192,000 were received up to 10th July, 1961, from the Heyfield Sawmillers Logging Company Pty. Ltd. and credited to the Bennison Roding Trust Account. These contributions were made on behalf of millers in the Macalister Forest District towards the provision of special roading in that district. The special roading project was completed during the year and the unexpended balance of the Account was returned to the Company.

## STATE SAWMILL, ERICA.

As stated in the previous Report, the State Sawmill, together with associated plant and buildings, was sold by tender. Under a lease issued in accordance with Section 134 of the *Land Act* 1958 the purchaser was given possession on 1st July, 1966.

Trading by the mill as a State owned business undertaking under the control of the Forests Commission ceased on 30th June, 1966.

Transactions for the year ended 30th June, 1967, relate to the realization of all current assets and the payment of creditors. Details are as follows :—

						\$	\$
Proceeds—Stock on hand	..	..	..	..	..	..	15,461
Sundry debtors	..	..	..	..	..	23,099	
<i>Less</i> discount ..	..	..	..	..	..	46	
						<hr/>	23,053
							<hr/>
							38,514
<i>Less</i> payments to creditors—listed at 30th June, 1966	..	..			..	5,325	
not listed at 30th June, 1966	..	..			..	450	
						<hr/>	5,775
							<hr/>
Net amount paid to Treasury	..	..	..	..	..	..	32,739
							<hr/>

The proceeds from the sale of the fixed assets are included in the consideration paid to the Department of Crown Lands and Survey for the lease referred to previously.

## GOVERNMENT PRINTER.

Income from printing, sales of publications, &c., for the year amounted to \$3,161,626 compared with \$2,909,821 in 1965-66.

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 \$104,136 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 and it indicates trends in costs and turnover. However, 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 State Tender Board ; and
- (v) the practice of valuing publications on hand at marked selling prices without due allowance for discount on subsequent purchases by agents.

	1965-66.	1966-67.
	\$	\$
<i>Item.</i>		
Materials .. .. .	934,149	952,488
Salaries and Wages (including Pay-roll Tax) .. .. .	1,438,483	1,663,461
Insurance—Workers Compensation .. .. .	5,997	5,809
Insurance—Fire .. .. .	3,238	3,924
Power, Fuel and Light .. .. .	36,377	37,892
Repairs to Buildings and Plant .. .. .	32,210	31,904
Sundry Charges .. .. .	55,293	52,682
Postage and Incidentals .. .. .	24,650	25,232
Depreciation on Plant and Machinery .. .. .	91,085	96,462
Work Done by Other than Government Printer .. .. .	222,203	187,636
	2,843,685	3,057,490
Profit .. .. .	66,136	104,136
Turnover .. .. .	2,909,821	3,161,626

The total cost of plant and machinery met from loan funds to 30th June, 1967, was \$1,324,047. 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 1966-67, the balance in the Fund at 30th June, 1967, remained at \$237,470.

**HEALTH.**

The Department of Health 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, 1967, excluding that of the Mental Hygiene Branch and the contributions to the Hospitals and Charities Fund, which are discussed elsewhere in the Report, was \$12,911,738.

This expenditure consists of the following charges :—

	\$	\$
Departmental Votes—		
Health—Salaries, General Expenses, &c. .. .. .		12,206,230
Treasury—Pay-roll Tax .. .. .	47,651	
Treasury—Workers Compensation Insurance .. .. .	19,934	
Treasury—Salary increases by way of Ex-gratia Payments— Division 48A .. .. .	6,317	
	<hr/>	73,902
Public Works—Maintenance, Rents, &c. .. .. .		73,526
Special Appropriations—Salary of Director of Tuberculosis, and Pensions ..		558,080
		<hr/>
		12,911,738

Receipts (excluding those of the Mental Hygiene Branch) totalled \$3,485,667, and the net cost of health services to revenue was \$9,426,071, an increase of \$808,846 compared with the previous year.

For the purpose 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 :—

	1964-65	1965-66	1966-67
	\$	\$	\$
Registration and other Fees .. .. .	80,628	87,774	90,941
Other Receipts .. .. .	23,498	15,701	21,069
	<hr/>	<hr/>	<hr/>
	104,126	103,475	112,011

Expenditure in the same period was :—

(a) From Revenue—	\$	\$	\$
Central Administration .. .. .	648,714	702,718	789,966
Cancer Institute .. .. .	1,600,000	1,700,000	1,830,000
Infectious Diseases .. .. .	330,536	302,641	286,357
Venereal Diseases .. .. .	51,542	66,719	66,002
Inspection of Buildings, Food Supervision, &c. ..	613,770	628,271	700,805
Miscellaneous Grants .. .. .	359,400	447,900	596,795
Subsidies—Home Help Scheme, Clubs for Elderly People, &c. .. .. .	790,364	850,908	882,152
	<hr/>	<hr/>	<hr/>
	4,394,326	4,699,157	5,152,077
(b) From Loan—			
Cancer Institute .. .. .	190,398	226,275	145,974
Other* .. .. .	606,484	1,014,634	633,856
	<hr/>	<hr/>	<hr/>
	796,882	1,240,909	779,830

\* Expenditure on "Lincoln House" school for ancillary medical services increased from \$226,951 in 1964-65 to \$696,241 in 1965-66 and fell to \$210,246 in 1966-67.



### Tuberculosis Branch.

Receipts of this Branch over the past three years were :—

	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Commonwealth recoup under Health Act 1958 .. .. .	2,738,844	3,010,388	3,220,252
Other receipts .. .. .	123,726	139,398	139,388
	2,862,570	3,149,786	3,359,640

Expenditure for the same period is compared thus :—

	\$	\$	\$
<i>(a) From Revenue—</i>			
Operation of sanatoria, tuberculosis wards, bureaux, mass X-ray services, &c. .. .. .	3,357,540	3,597,010	3,831,345
<i>(b) From the Government Buildings Fire Insurance Fund—</i>			
Gresswell Sanatorium .. .. .	Cr. 32	..	..
<i>(c) From Loan—</i>			
State sanatoria and clinics, &c. .. .. .	311,816	340,080	235,715

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 was :—

	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Loan .. .. .	192,196	136,877	25,693
Revenue .. .. .	110,776	25,935	49,848
	302,972	162,812	75,541

A progress payment of \$72,758 on account of 1966-67 was received in June, 1967, and reimbursement of the balance is in course.

Progress payments to 30th June by the Commonwealth on account of 1966-67 maintenance expenditure amounted to \$3,113,247. Reimbursement of the balance outstanding at 30th June, 1967, 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.

Net revenue expenditure for the last three years was as follows :—

	1964-65.	1965-66.	1966-67.
	\$	\$	\$
<i>Expenditure—</i>			
School Medical and Dental Services, &c. .. .. .	1,349,620	1,446,802	1,593,286
Subsidies .. .. .	1,966,108	2,139,510	2,335,030
	3,315,728	3,586,312	3,928,316
<i>Revenue</i> .. .. .	11,368	11,993	14,017
<i>Net expenditure</i> .. .. .	3,304,360	3,574,319	3,914,299

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 ..	320,000	320,000	350,000
Other .. .. .	3,260	6,992	7,637
	323,260	326,992	357,637

### Mental Hygiene Branch.

The cost of the services provided by this Branch was, in 1966-67, defrayed from revenue. Gross expenditure for non-capital purposes was \$19,487,906, and after taking into consideration receipts of \$1,905,305, the net cost of mental health services was \$17,582,601. The gross expenditure comprised charges to—

	\$	\$
Departmental Votes—		
Health—Salaries and payments in the nature of salary ..	14,226,533	
General Expenses .. .. .	5,050,850	
	19,277,383	
Treasury—Workers' Compensation Insurance .. .. .		74,553
Public Works—Maintenance and Rents .. .. .		135,970
		19,487,906

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

	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Maintenance of patients—principally Commonwealth payments on account of pensioners in Training Centres and repatriation patients .. .. .	1,087,612	1,159,156	1,268,280
Deduction from Salaries for Accommodation and Meals	447,284	475,897	463,982
Commonwealth Pharmaceutical Benefits* .. .. .	237,100	279,636	110,481
Sales of produce .. .. .	16,904	25,154	25,086
Other .. .. .	37,502	44,719	37,476
	1,826,402	1,984,562	1,905,305

\* The amount of \$279,636 received in 1965-66 included \$55,878 on account of 1964-65, while the lower amount received in 1966-67 was caused by the adjustment of claims overpaid in 1965-66, \$23,194, and the late submission of claims for that year.

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

Item.	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Salaries .. .. .	10,054,054	10,988,015	12,209,747
Overtime and penalty rates .. .. .	1,626,006	2,046,603	1,904,997
Payments in lieu of long service leave .. .. .	110,640	81,901	111,789
Total Payments in Nature of Salary ..	11,790,700	13,116,519	14,226,533
Provisions and extra articles .. .. .	1,945,994	2,105,047	2,158,778
Clothing, bedding, &c. .. .. .	433,370	408,796	423,654
Stores, &c. .. .. .	392,518	392,568	411,125
Fuel, light, and water .. .. .	719,940	739,995	766,000
Drugs and medicines .. .. .	509,970	519,999	535,999
Repairs, maintenance and rents .. .. .	161,706	173,186	135,970
Boarded-out patients .. .. .	209,980	205,000	187,360
Other .. .. .	544,732	598,179	642,487
Total .. .. .	16,708,910	18,259,289	19,487,906

Expenditure from the Loan Fund during 1966-67 on buildings and equipment of State institutions amounted to \$4,898,038. 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 .. .. .	14,000	
Other Institutions—Grants for Maintenance .. .. .	393,374	
	<hr/>	407,374
Loan Fund—		
Other Institutions—Grants for Capital Works .. .. .	..	186,115
		<hr/>
		593,489
		<hr/>

In connexion with expenditure from loan moneys on buildings and equipment of State institutions and by way of grants for capital works to other institutions, the Commonwealth's *States Grants (Mental Health Institutions) Act* 1964 provides that the Commonwealth shall pay to the State a sum equivalent to one-third of the amounts expended by the State during the period 1st July, 1964, to 30th June, 1967, on projects approved in terms of the Act. Pursuant to this authority, the State received in the year under review the sum of \$1,192,374 which, in effect, was part recoup of the sums expended by the State during the year from its Loan Fund on mental health projects.

## HOSPITALS AND CHARITIES COMMISSION.

The Hospitals and Charities Commission, constituted under the *Hospitals and Charities Act* 1958, is responsible for the administration of the Hospitals and Charities Fund out of which subsidies are granted to hospitals, benevolent societies and other institutions in accordance with procedures prescribed in the Act. Among its other duties, the Commission is also required to supervise the administration and management of subsidized institutions and benevolent societies.

Subject to administrative and other costs, a total of \$41,686,345 was available in the Hospitals and Charities Fund for distribution. This amount was provided by:—

	\$
Special Appropriation, Act No. 6274 .. .. .	1,600,000
Special Appropriation, Act No. 6353—Totalizator Receipts .. .. .	10,184,296
Special Appropriation, Act No. 6390—Tattersall Receipts .. .. .	5,999,811
Annual Appropriation, Division 74 .. .. .	22,683,894
Deductions from Premiums—Motor Car Third Party Insurance .. .. .	678,695
	41,146,696
Balance forward from 1965-66 .. .. .	539,649
	41,686,345

The item “Deductions from Premiums—Motor Car Third Party Insurance” represents receipts from deductions which, pursuant to the *Motor Car (Hospitals and Charities Contributions) Act* 1966, were, as from and inclusive of 1st July, 1966, credited to the Hospitals and Charities Fund. Previously, receipts from this source were credited to the Motor Car (Hospital Payments) Fund. (Refer page 48 of this Report.)

Expenditure from the Fund, particulars of which are shown in the statement hereunder, totalled \$41,000,759, leaving a balance in the Fund of \$685,586.

	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Maintenance—			
Hospitals .. .. .	28,998,444	31,088,321	35,194,121*
Benevolent Homes & Hospitals for the Aged .. .. .	1,869,976	2,135,493	2,718,954
Children's Homes .. .. .	337,894	333,698	377,117
Foundling Homes and Refuges .. .. .	179,836	179,433	245,109
Philanthropic Organizations .. .. .	140,352	177,513	264,383
Ladies' Benevolent Societies .. .. .	11,590	11,000	11,300
Medical Dispensaries .. .. .	41,162	41,840	47,331
Ambulance Services .. .. .	589,724	621,414	641,054
Hostels for the Aged .. .. .	104,002	118,133	137,014
Other Institutions .. .. .	326,734	367,144	435,672
Public Risk Insurance .. .. .	48,054	45,751	65,208
Hospitals Superannuation Board .. .. .	..	27,500	22,896
	32,647,768	35,147,240	40,160,159†
Less refund from Commonwealth Blood Transfusion Service .. .. .	128,612	144,124	276,089
	32,519,156	35,003,116	39,884,070
Other—			
Transfer of Patients to Country Hospitals .. .. .	6	..	..
Costs Associated with Totalizator Receipts .. .. .	28,374	31,285	37,547
Training of Officers .. .. .	19,560	29,098	26,238
Recruitment and Training of Nurses .. .. .	74,054	81,443	74,095
Preliminary Schools for Nurses .. .. .	271,490	319,790	419,216
Post-graduate Training of Nurses .. .. .	31,408	36,000	33,610
Administration Costs .. .. .	447,178	495,812	524,048
Hospital Magazine .. .. .	8,774	3,453	1,935
	33,400,000	35,999,997	41,000,759

\*Includes an amount of \$533,017 paid to certain hospitals from receipts provided by “Deductions from Premiums—Motor Car Third Party Insurance”.

†Includes an amount of \$1,000,000 (Hospitals, \$976,800 ; Hospitals for the Aged, \$21,200 ; and Ambulance Services, \$2,000) paid by way of grant towards reduction of accumulated deficits.

Details of payments to individual institutions are given on pages 74 to 76 of the Treasurer's Finance Statement.

In addition to the assistance provided to hospitals and other institutions shown in the statement of expenditure, payments have been made to many of these bodies under 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 \$12,521,129, which included \$155,000 representing State Government donations to building appeals of certain of the institutions.

Details of payments from loan moneys to individual institutions are shown in the Treasurer's Finance Statement, pages 166 to 169.

## LANDS AND SURVEY.

The Department of Crown Lands and Survey 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 \$3,948,339 compared with \$3,901,392 in the previous year. Details are as set out hereunder :—

	1965-66.	1966-67.
	\$	\$
Territorial Revenue—		
Fees for various licences and leases, &c. . . . .	1,770,596	1,846,806
Proceeds of sales of land . . . . .	526,480	402,070
	<u>2,297,076</u>	<u>2,248,876</u>
Revenue from similar sources for credit to the Mallee Land Account . . . . .	83,692	83,579
Repayments of principal by settlers under the Closer Settlement Acts . . . . .	261,959	301,325
Interest payments by settlers on Loan Liabilities under the Closer Settlement Acts . . . . .	103,051	97,532
Repayments of principal—Other Advances . . . . .	4,719	2,311
Interest on Other Advances . . . . .	734	673
Licences to occupy water frontages—for credit to the Rivers and Streams Fund . . . . .	95,487	94,157
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 . . . . .	385,677	358,005
Miscellaneous Revenue including rental Ballarat Guncotton Factory, admission to Buchan Caves, sales of government property and rentals of departmental houses . . . . .	112,067	262,187
Survey Fees, &c. . . . .	37,748	34,344
Premiums for credit to the Insurance Fund . . . . .	24,564	22,329
Moneys for specific purposes including funds made available by Wool and Wheat Research Committees, &c., for credit to Treasury Trust Accounts . . . . .	61,340	65,152
Collections on account of North West Mallee Water Rates and Wire Netting Cash Sales . . . . .	36,063	32,265
Road Loading Charges—Improvement Purchase Leases . . . . .	10,448	12,827
Receipts on account of Assurance Fund . . . . .	1,324	2,031
Net transactions through Lands Suspense Account comprising mainly deductions from pay for Group Tax, Superannuation, Insurance, &c. . . . .	385,443	330,746
	<u>3,901,392</u>	<u>3,948,339</u>

The overall collections compared with the previous year increased by \$46,947.

Reduced collections in respect of Territorial Revenue were due primarily to a reduction of \$124,410 in proceeds from land sales which, in the previous year, included a sale to the Commonwealth of land at Parkville for \$116,500.

Miscellaneous Revenue increased by \$150,120. The main items contributing to this increase were a fire damage claim of \$50,950, part payment for the sale of the State Sawmill at Erica, \$30,300, and an increase in rental from the Ballarat Guncotton Factory, \$20,811.

## EXPENDITURE.

The amount provided from Consolidated Revenue to meet departmental administrative costs and expenses and part of the functional expenditure of the Vermin and Noxious Weeds Branch was \$3,517,640 compared with \$3,272,818 in the previous year.

## LOAN EXPENDITURE.

Expenditure from Loan Fund, \$2,171,253, was in excess of that for the previous year by \$215,426. Comparative details are :—

	1965-66.	1966-67.
	\$	\$
Vermin and Noxious Weeds Branch—		
Functional Expenditure .. .. .	1,542,594	1,777,579
Purchase of Equipment, Tools, &c. .. .. .	176,188	194,120
	<u>1,718,782</u>	<u>1,971,699</u>
North West Mallee—Compensation and interest thereon in respect of certain occupiers of land who surrendered to the Crown their interest in such land—Under authority of Loan Application Acts No. 7186 and No. 7330 .. .. .	111,121	24,140
	<u>111,121</u>	<u>24,140</u>
Construction of Roads—		
Under Part V. of <i>Land Act</i> 1958 in South Western Mallee ..	49,255	50,000
Other—Under <i>Land Act</i> 1958 .. .. .	8,521	7,625
	<u>57,776</u>	<u>57,625</u>
Survey Branch—Purchase of Vehicles, Machines, Equipment, &c. ..	35,990	54,999
Tostaree Pilot Farm—		
Establishment of farm and expenditure incidental thereto ..	19,284	3,985
Buchan Caves—Remodelling, &c. .. .. .	6,000	5,999
Other Expenditure .. .. .	6,874	52,806
	<u>68,158</u>	<u>62,790</u>
Total .. .. .	<u>1,955,827</u>	<u>2,171,253</u>

Disbursements by the Department from Treasury Trust Funds included :—

(i) \$68,579 from joint Commonwealth/Industry Research Funds, viz. :—

	\$
Vermin (Rabbit) Control .. .. .	34,959
Skeleton Weed Control .. .. .	23,623
Blackberry Control .. .. .	9,997
	<u>68,579</u>

(ii) \$9,709 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 \$1,786,150 after taking into account an amount of \$247,912 written back in respect of depreciation. The accumulated deficit on account of the settlement scheme, the subject of the provisions of that Act, was, as a result, increased to \$117,258,521.

*Closer Settlement Insurance Fund*—This 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, in respect of buildings and improvements, by Closer Settlement lessees ; by farmers who have received advances for improvements ; and by 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 :—

Receipts.		Payments.	
	\$		\$
Balance at 1st July, 1966	665,848	Claims paid .. .. .	4,199
Premiums received ..	22,329	Administration expenses ..	5,510
	<u>688,177</u>	Balance at 30th June, 1967 ..	678,468
			<u>688,177</u>

**LAW.**

Within this Department, which is administered by the Attorney General, are grouped the following Offices and functions :—

Crown Law Offices ;  
 Crown Solicitor's Office ;  
 Courts ;  
 Office of the Public Trustee ;  
 Titles Office ; and  
 Companies Registration Office.

**EXPENDITURE.**

Expenditure from Consolidated Revenue on the several activities of the Department for 1966–67 amounted to \$7,796,767. The necessary funds were provided principally from the votes of the Attorney General and from special appropriations.

The following statement, under broad headings, compares the expenditure for the past two years :—

	1965–66.		1966–67.	
	\$	\$	\$	\$
Crown Law Offices and Crown Solicitor's Office ..		1,948,712		2,077,046
<b>Courts—</b>				
Administration .. .. .	2,310,140		2,564,577	
Allowances to Witnesses .. .. .	101,011		127,604	
Payments to Jurors .. .. .	334,174		331,546	
Professional Assistance .. .. .	132,948		135,261	
Court Reporting .. .. .	120,000		144,004	
Other Costs .. .. .	178,431		222,055	
		<u>3,176,704</u>		<u>3,525,047</u>
Office of the Public Trustee .. .. .		503,648		540,937
Titles Office .. .. .		1,331,135		1,454,687
Companies Registration Office .. .. .		169,784		199,050
		<u>7,129,983</u>		<u>7,796,767</u>

**RECEIPTS.**

Moneys collected by Clerks of Courts throughout the State are paid into Consolidated Revenue or otherwise allocated according to law.

Collections in other branches of the Department included fees due on account of registrations, etc., jurors fees and, to a lesser extent, receipts in the nature of recoups of costs. The major items of revenue, with the exception of fees and commissions collected in the Office of the Public Trustee, have been the subject of comment in this Report under the heading—Revenue. The accounts of the Public Trustee will be dealt with in my Supplementary Report.

**EXPENDITURE FROM LOAN.**

Expenditure from Loan Fund for the year amounted to \$1,277,570 representing the cost of erection of, and alterations and improvements to, buildings and properties under the control of the Department. This amount included \$721,341 in respect of the Civil and Criminal Courts building in course of construction at William Street.



## 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.

### EXPENDITURE FROM REVENUE.

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

	1965-66.	1966-67.
	\$	\$
Local Government—		
Salaries and Allowances .. .. .	230,551	263,973
Salaries— <i>ex gratia</i> payments (Division 48A) .. .. .	217	423
Overtime and Penalty Rates .. .. .	6,619	7,197
Travelling (including Motor Vehicles) .. .. .	14,384	15,872
Fees and Expenses—Boards and Committees .. .. .	14,276	19,995
Other Administrative Expenses .. .. .	42,380	33,172
Town and Country Planning Board—		
Salaries and Allowances .. .. .	91,726	99,427
Other Administrative Expenses .. .. .	11,143	19,182
Weights and Measures—		
Salaries and Allowances .. .. .	117,363	133,068
Salaries— <i>ex gratia</i> payments (Division 48A) .. .. .	118	252
Overtime and Penalty Rates .. .. .	1,784	1,111
Travelling (including Motor Vehicles) .. .. .	22,401	24,383
Materials and Equipment .. .. .	5,338	10,867
Other Administrative Expenses .. .. .	4,807	5,036
	563,107	633,958

### REVENUE.

Revenue for the year amounted to \$102,212 compared with \$58,438 in the previous year. Fees under the Weights and Measures Regulations were revised with effect from 15th August, 1966, and revenue from this source increased from \$55,695 in 1965-66 to \$89,543 in 1966-67.

### LOAN EXPENDITURE.

Payments to municipalities and other public bodies amounting to \$1,058,893 were made from loan funds during 1966-67 for the purposes shown hereunder :—

	\$
Drainage Works .. .. .	325,396
Small Drains .. .. .	172,704
Swimming Pools and Accessories .. .. .	185,250
Traffic Signals .. .. .	40,000
Sale-yards, Markets, &c. .. .. .	80,350
Public Halls and Amenities .. .. .	79,150
Beach Cleaning .. .. .	53,516
Metropolitan Clearways .. .. .	59,999
Other Capital Works .. .. .	62,528
	1,058,893

## MINES.

The principal functions of the Mines 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 and for the issue of licences for the manufacture, transportation, storage and sale of explosives.

The net cost to Consolidated Revenue for the year under review was \$802,406, which compares with \$783,694 for 1965-66.

## COLLECTIONS.

Details of departmental receipts for the past two years are :—

	1965-66.	1966-67.
	\$	\$
Gold Buyers' Licences .. .. .	291	294
Mining Leases, Rents, &c. .. .. .	120,857	173,155
Assays .. .. .	681	396
Sundries .. .. .	1,444	2,553
Magazine Licences .. .. .	313	391
Boring and Crushing Fees .. .. .	42,868	46,616
Sale of Government Property .. .. .	17,313	23,566
Factory Fees—Boiler Attendants, &c. .. .. .	759	868
Repayment of Loans .. .. .	28,660	1,871
Explosives Licences and Fees .. .. .	13,267	15,690
Total Collections .. .. .	<u>226,453</u>	<u>265,400</u>

## EXPENDITURE.

Payments from revenue in those years were :—

	\$	\$
<i>Administration—</i>		
Salaries .. .. .	557,013	621,566
Salaries— <i>ex gratia</i> payments (Division 48A) .. .. .	659	1,137
Overtime and Penalty Rates .. .. .	2,650	2,459
Travelling and Subsistence .. .. .	21,173	15,780
Motor Vehicles—Purchase and Running Expenses .. .. .	26,347	25,639
Other Administrative Expenses .. .. .	56,449	66,767
	<u>664,291</u>	<u>733,348</u>
<i>Miscellaneous—</i>		
Maintenance, &c., State Batteries .. .. .	3,282	3,683
Boring for Water, Coal and other Minerals, &c. .. .. .	257,992	263,952
Geological Survey .. .. .	11,999	11,991
Laboratory Expenses .. .. .	7,200	5,386
Covering Abandoned Shafts .. .. .	14,380	11,011
Surveys for Mineral Deposits .. .. .	31,003	26,935
Advances for Gold Mining .. .. .	10,000	1,500
Contribution to Coal Utilization Research Trust Account .. .. .	10,000	10,000
Total Expenditure .. .. .	<u>1,010,147</u>	<u>1,067,806</u>

Included in the departmental payments from revenue in 1966-67 is expenditure, estimated to be \$570,930, incurred in the investigation and measurement of underground water resources. In respect of this expenditure, the State is eligible for recoup by the Commonwealth in terms of the *States Grants (Water Resources) Act 1964*.

## PUBLIC WORKS.

This Department is the principal design and construction authority for Government Departments other than Railways, Water Supply and Forests. Its functions include the maintenance, fitting and furnishing of buildings and the renting of accommodation. It is also responsible for harbor works and improvements not under the control of harbor trusts or municipalities.

### EXPENDITURE FROM REVENUE.

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

	1965-66.	1966-67.
	\$	\$
Public Works Administration—		
Salaries .. .. .	3,085,166	3,379,494
Salaries— <i>ex gratia</i> payments (Division 48A) .. .. .	3,205	6,356
Overtime and Penalty Rates .. .. .	92,156	81,280
Travelling and Subsistence .. .. .	177,355	177,999
Other Administrative Expenses .. .. .	346,716	334,751
Total Administration .. .. .	3,704,598	3,979,880
Works and Buildings—Maintenance, Repairs, &c. .. .. .	999,255	999,970
Rents and Allowances .. .. .	701,849	696,944
Other Services .. .. .	707,514	738,917
	6,113,216	6,415,711
Ports and Harbors Administration—		
Salaries .. .. .	405,533	229,528
Salaries— <i>ex gratia</i> payments (Division 48A) .. .. .	409	720
Overtime and Penalty Rates .. .. .	81,672	3,405
Travelling and Subsistence .. .. .	39,056	33,200
Other Administrative Expenses .. .. .	25,741	13,539
Total Administration .. .. .	552,411	280,392
Wharves and Jetties—Maintenance, Repairs, &c. .. .. .	99,999	105,341
Contribution to Portland Harbor Trust .. .. .	576,000	615,000
Westernport—Operating Expenses .. .. .	59,805	343,353
Other Services .. .. .	103,473	109,089
	1,391,688	1,453,175
Total Public Works Department .. .. .	7,504,904	7,868,886

The reduction during 1966-67 in expenditure from Consolidated Revenue on Ports and Harbors Administration was caused by the direct charging of amounts totalling \$336,051 to the Loan Item, Dredging and Blasting, in respect of salaries and overtime, &c., of public servants employed on the Ports and Harbors Floating Plant and at the Dredging Depot. In previous years such expenditure had been charged to vote.

The increase in Westernport—Operating Expenses is largely attributable to the port being operative, for the first time, for a full financial year.

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 to cover the departmental expenses involved in the design, supervision and administration of the works at the rate of 11·66 per cent. except that, in some instances, where the circumstances warranted it, the percentage rate was slightly lower. Recoups to Consolidated Revenue on the basis of these and other charges amounted to \$3,874,429. The comparable figure for 1965-66 was \$3,658,653 when the rate charged for design, supervision and administration was 11·99 per cent.

Expenditure from Loan Fund amounted to \$44,886,741, and from Trust and Special Funds \$6,206,286, a total of \$51,093,027, compared with a total of \$45,788,796 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.

Loan moneys were applied to works associated with the activities of the Public Works Department itself as shown hereunder :—

Buildings, Works, &c.—	\$
Public Offices .. .. .	4,359,475
Foreshore Protection, Wharves, and Jetties .. .. .	167,489
Dredging, Blasting, and Navigational Aids .. .. .	851,515
Vessels for Dredging .. .. .	977,152
Works & Services— <i>Westernport (Oil Refinery) Act 1963</i> .. .. .	999,151
Plant for departmental purposes .. .. .	63,969

*Public Offices* (\$4,359,475).—This expenditure includes progress payments made to the contractor and professional fees paid to consultants amounting in all to \$3,165,438 on account of the State Offices in course of erection in the Treasury Reserve. Also included are amounts totalling \$340,938 paid in connexion with the State Offices Car Park and New State Laboratories. These projects were undertaken by the contractor already engaged on the construction of the main State Offices in the Treasury Reserve. Reference was made in my previous Report to payments made, with the approval of the Governor in Council, while there was no formal agreement with the contractor. Approvals by the Governor in Council, as provided for in the Public Accounts and Stores Regulations 1958, for the acceptance of offers by the contractor without public tenders being invited and without a contract being taken totalled \$160,000.

Legal opinion held by the Department indicated that the works concerned were not of a character proper for variation of the existing contract on account of the State Offices in course of erection in the Treasury Reserve and recommended that a new contract, either complete in itself or supplementary to the existing contract, be entered into with the contractor. The opinion further stated that there appeared to be no necessity to call for tenders as the contractor already had possession of the site or adjoining site and appeared to be willing to carry out the works.

Subsequently, supplementary contracts were entered into with the contractors on the basis of negotiated tenders, namely :—

	\$
Car Park .. .. .	513,169.64
State Laboratories Building .. .. .	1,168,392.00
	1,681,561.64

*Vessels for Dredging* (\$977,152).—This refers to expenditure in connexion with the construction of the sea-going dredge *Matthew Flinders* at Maryborough, Queensland, for the Ports and Harbors Branch. Total expenditure in respect of this dredge up to and inclusive of 30th June, 1967, including charges by the Department for design, supervision and administration, amounted to \$2,983,532. The contract price for the dredge is \$2,543,070, but the cost of the project is subject to certain variation clauses and, as indicated, the addition of departmental charges.

*Works and Services—Westernport (Oil Refinery) Act 1963* (\$999,151).—Details of expenditure in terms of this Act are :—

	\$
B.P. port development .. .. .	757,345
Dredging and shipping channels .. .. .	18,101
Pilotage vessels and sea-going tugs .. .. .	128,052
Bunding walls and jetty extension .. .. .	68,928
Residences .. .. .	5,396
Consultant fees .. .. .	10,552
Charges for design, supervision and administration .. .. .	10,777
	999,151

The total expenditure on this project up to the close of the year was \$6,553,316.

Harbor services were provided for the complete period of 1966–67. In accordance with the provisions of the agreement between B.P. Refinery (Westernport) Proprietary Limited and the State as embodied in the *Westernport (Oil Refinery) Act 1963*, the Company is required to reimburse the State annually for so much of the cost of the operation, maintenance, repair and insurance of the harbor services as is not recovered by the State from the users or insurers of the same.

The cost of these services is determined on the basis of appropriate information furnished by the Department. Such information is subject to the verification and certification of the Auditor-General in accordance with the provisions of clause 6 (e) (5) of the agreement. In respect of the interim period to 30th June, 1966, the amount of such costs not recovered and, therefore, reimbursed by the Company was \$78,336. As yet, statements incorporating appropriate expenditure and revenue during 1966-67 have not been submitted to me for verification and certification.

#### TRUST AND SPECIAL ACCOUNTS.

As already indicated, various services and projects of the Department were financed from certain Trust and Special Accounts. The major accounts within this group are :—

*State Grants for Science Laboratories, Technical Training and Advanced Education.*—In terms of the Commonwealth legislation, the Public Works Department incurred expenditure as under :—

	\$	\$
(i) Science Laboratories and Equipment .. .. .	.. .. .	1,564,033
(ii) Technical Training and Equipment .. .. .	.. .. .	2,042,499
(iii) Advanced Education (1965 Act) .. .. .	645,854	
"    "    (1966 Act) .. .. .	60,500	706,354
	<hr/>	<hr/>
		4,312,886

Particulars of total expenditure from the above accounts are shown at page 31.

*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 Acts of past years and the current Act—the *Commonwealth Aid Roads Act 1964*—certain funds have been made available for expenditure on works, other than road works, directly connected with transport by road or water. The particular projects are determined by the Minister.

From the allocation of \$392,569 in 1966-67 in terms of the *Commonwealth Aid Roads Act 1964*, and a balance of \$55,534, carried forward from the previous year, the State disbursed \$416,946, making a total of \$6,689,827 expended since 1st July, 1947, when Commonwealth aid was first provided for the purposes mentioned.

*Public Works Stores Suspense Account.*—This Account was established under the provisions of Loan Act No. 5240 of 1947. An amount of \$50,000 was provided under that Act, and subsequent authorities increased the amount to \$650,000. The allocation under these authorities to the 30th June, 1967, was \$648,000. 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 when charged are credited to the Account.

During 1966-67, stores issued amounted to \$713,098 of which \$75,338 was pending recoupment at 30th June, 1967. Cash funds available and held by the Treasury at 30th June, 1967, amounted to \$306,450.

*Public Works Plant and Machinery Fund.*—This Fund was established under the provisions of Loan Act No. 5199 of 1946. 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, namely, Renewals and Replacements, and Cost of Operating, Maintenance, &c., to each of which an appropriate allocation of the hire charges is made. At 30th June, 1967, the net balance of the Fund was \$379,790.

*Agency and Other Trust Funds.*—Expenditure on projects from this source amounted to \$847,817. Major works carried out by the Department as agent included projects for :—

	\$
Horsham Wheat Research Institute .. .. .	379,928
Mount Dandenong Observatory Reserve .. .. .	151,422
Oakleigh High School .. .. .	50,449
Caulfield High School .. .. .	44,000
Rutherglen Research Station Laboratory .. .. .	40,000
Royal Brighton Yacht Club .. .. .	20,303
Lakes Entrance Footbridge Reconstruction .. .. .	19,522
Karingal High School .. .. .	17,000

## RAILWAYS AND STATE COAL MINE.

### Railways.

In the year under review, railway operating expenses exceeded railway income by \$3,461,423.

The *Railways Act* 1958 provides for an account called the Railway Equalization Account to be kept in the Treasury Trust Fund. In any year in which railway income exceeds railway operating expenses, the amount of the excess is to be paid into the Account from Consolidated Revenue. In any year in which railway income falls short of railway operating expenses, railway income is to be supplemented from any moneys standing to the credit of the Account. As there was no balance in the Account, the deficit for 1966-67 remains as a charge to Consolidated Revenue.

#### REVENUE ACCOUNT.

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

	\$	\$
Working Expenses, &c. .. .. .	..	98,086,300
Renewals and Replacements Fund .. .. .	..	400,000
Pensions and Superannuation Contributions .. .. .	..	5,073,276
Interest, Sinking Fund, Exchange .. .. .	..	4,891,191
Total Expenditure .. .. .	..	108,450,767
This was provided by—		
Railway Income .. .. .	..	104,471,018
General Revenue—		
For country freight charge concessions .. .. .	286,000	
For concessions to pensioners .. .. .	200,000	
For losses on Kerang-Koondrook line .. .. .	32,326	
	518,326	
Deficit charged to Consolidated Revenue .. .. .	..	3,461,423
		108,450,767

The amount of the deficit in the Treasury accounts was affected by transfers between Income and Advances as explained later under "Advances from the Public Account". As at 30th June, 1967, Income was overstated by an amount of \$20,513.

According to the accounts in the Railway books, there was a deficit of \$3,871,590. The Department's accounts and the Treasury accounts for railway expenditure are kept on an accrual basis, but the Treasury accounts for income are mainly cash records. The differing net financial results for the year, as disclosed by the two accounting systems, are reconciled in the following statement :—

	\$	\$
Deficit, as shown in Treasury books .. .. .	..	3,461,423
Revenue outstanding (net) at—		
30th June, 1966 .. .. .	4,395,307	
30th June, 1967 .. .. .	3,985,140	
	410,167	
Deficit, as shown in Railway books .. .. .	..	3,871,590

Railway operating expenses, comprising working expenses, superannuation contributions, pensions and debt charges as defined in the Railways Act, amounted to \$108,450,767. This sum was less than the Budget estimate by \$1,242,290 and, on a comparable basis, in excess of the previous year by \$3,268,967.

*Working Expenses, &c.*

*Depreciation.*—The provision for the year was assessed at \$6,879,983, but the amount charged to working expenses was only \$585,611, leaving \$6,294,372 under-provided in the charge against the revenue account and bringing the accumulated sum of the under-provisions to \$67,379,671. However, the total receipts from sales of materials, &c., used for renewals and replacements to 30th June, 1967, amounted to \$5,844,773, which includes \$612,053 for the year ended 30th June, 1967. Further, loan allocations specifically applied to replacement (rehabilitation) works total \$119,193,184.

*Accrued Leave.*—Accrued leave increased by 370 days in 1966–67 and the estimated liability increased from \$3,947,147 as at 30th June, 1966, to \$4,214,678 as at 30th June, 1967. 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.

*Repairs.*—Approximately \$171,000 was charged against working expenses for repairs to locomotives involved in a collision at Broadford in January, 1967.

The estimated cost (\$140,000) of repairs to the other rolling stock involved, mostly owned by New South Wales, has not been included in the year's accounts.

*Purchase on Terms.*—Included in working expenses for the year is the sum of \$300,000, being instalments of principal and interest in connexion with the purchase of locomotives on terms. No part of this expenditure has been capitalized and included in the Balance Sheet.

In other instances in which liabilities to contractors are being met over extended periods by regular instalments including principal and interest, the instalments are being charged to Loan Fund and, in conformity with usual railway practice, capitalized and included in the Railway Balance Sheet.

*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 \$400,000 and any other amounts provided by Parliament, in addition to the net proceeds from the sale of materials.

A summary of the 1966–67 transactions through the Fund is as under :—

	\$
Special Appropriation—Act No. 6355 .. .. .	400,000
Depreciation on rail motors and road motors, &c. .. .. .	185,611
Sundry sales and abolitions, &c. .. .. .	612,053
	<hr/>
	1,197,664
Less renewals and replacements during the year .. .. .	1,197,664
	<hr/>
Balance at 30th June, 1967 .. .. .	Nil
	<hr/>

*Interest, Sinking Fund and Exchange.*

Under current legislation, the Railways Commissioners are liable for interest, sinking fund payments and exchange only in respect of moneys borrowed by the State for railway purposes from and including 1st July, 1960.

*Railway Income.*

Collections on account of Railway Income amounted to \$104,989,344 which was \$1,339,256 less than the Budget estimate, but \$5,316,478 higher than the result for 1965–66.

The following dissection of earnings on an accrual basis serves to show the trend under the principal heads in the past three years :—

	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Passengers .. .. .	27,389,834	27,763,000	30,098,425
Parcels, &c. .. .. .	2,715,924	2,735,088	3,176,661
Mails .. .. .	658,248	893,096	956,158
Miscellaneous .. .. .	86,866	162,681	88,122
Goods and livestock, &c. .. .. .	63,361,526	61,441,529	63,322,683
Rents and general miscellaneous .. .. .	1,826,676	1,913,684	2,089,289
Dining car and refreshment rooms services .. .. .	3,058,208	3,345,424	3,464,285
Advertising .. .. .	208,234	211,279	227,628
Bookstalls .. .. .	919,542	1,053,593	1,053,314
Road motor services .. .. .	73,274	68,925	70,286
	100,298,332	99,588,299	104,546,851

Treasury recoups—\$27,528 in 1964-65, \$30,583 in 1965-66 and \$32,326 in 1966-67 in accordance with the *Kerang and Koondrook Tramway Act 1951* are not included in the above earnings.

#### LOAN EXPENDITURE.

The following statement outlines expenditure under Railway Loan Application Acts for the past three years :—

Description of Works	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Way and Works .. .. .	8,203,254	9,021,020	8,780,140
Rolling-stock, Equipment, &c. .. .. .	6,878,742	7,358,253	7,636,497
Construction of new lines .. .. .	277,218	58,987	52,635
	15,359,214	16,438,260	16,469,272

*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 1966* a sum of \$75,000. Under this and prior authorities, sums amounting to \$353,446 had been expended up to and inclusive of 30th June, 1967.

*Princes Gate.*—Advantage was taken of this developmental project to modernize signalling equipment in the area. Departmental expenditure on such improvements and other incidental works was recorded as \$307,900 to 30th June, 1967. Other railway expenditure in connexion with this project is being met by the contractors.

*Melbourne Yard Rearrangement.*—Expenditure during the year amounted to \$1,783,683 bringing the total recorded to date to \$3,810,193. The year's expenditure included a sum of \$5,220 as fees to a retired railways officer engaged as consultant on the project.



## BALANCE-SHEET.

An abridged statement of the balances in the Railway accounts as at 30th June, 1966 and 1967 is as under :—

	1966.	1967.
	\$	\$
Rolling-stock, Plant, &c., at cost less depreciation provided ..	396,795,233	413,626,921
Stores and Materials .. .. .	7,005,591	7,228,866
Partly-manufactured Articles .. .. .	433,133	532,988
Refreshment Services, Stock and Equipment less provision for losses	762,656	690,856
Discounts and Expenses on Loans .. .. .	5,399,091	5,547,914
Deferred Renewals, Replacements, and Maintenance Works ..	1,050,000	1,050,000
Funds at Treasury—		
Railway Accident and Fire Insurance Fund .. .. .	200,000	200,000
Railway Charges in Suspense Account .. .. .	4,557,592	4,835,552
Railways Stores Suspense Account .. .. .	2,805,240	2,888,063
Railways Repayment Account .. .. .	33,128	2,444
Advances to Agent-General .. .. .	18,011	36,551
Trust Securities .. .. .	3,848,307	3,135,781
Cash at Stations and in Transit .. .. .	415,762	487,672
Cash Advances .. .. .	592,316	1,285,282
Revenue Debtors .. .. .	4,591,972	4,204,444
Sundry Debtors .. .. .	1,551,181	1,124,661
Accumulated loss .. .. .	138,842,054	142,713,644
	<u>568,901,267</u>	<u>589,591,639</u>
	1966.	1967.
	\$	\$
Loan Liability* .. .. .	315,486,334	328,900,252
Funds for—		
Uniform Railway Gauge Works .. .. .	31,112,647	31,016,810
Level Crossings Fund—Act No. 6229 .. .. .	4,838,134	5,235,275
Other Special Purposes .. .. .	11,903,129	11,903,129
Special Works—Commonwealth Grant .. .. .	1,172,000	1,172,000
National Debt Sinking Fund Reserve .. .. .	47,311,375	50,479,429
Uniform Railway Gauge Sinking Fund Reserve .. .. .	487,353	583,190
Railway Accident and Fire Insurance Reserve .. .. .	200,000	200,000
Advances from the Public Account .. .. .	1,566,334	1,174,456
Sundry Creditors .. .. .	7,705,164	9,090,089
Trust Securities .. .. .	3,881,435	3,138,224
Consolidated Revenue, &c. .. .. .	143,237,362	146,698,785
	<u>568,901,267</u>	<u>589,591,639</u>

\* After deduction of the equity in the National Debt Sinking Fund.

*Discounts and Expenses on Loans.*—The amount, \$5,547,914, at which these capitalized costs of loan flotations appear among the debit balances, is higher than the previous year by \$148,823. This is part of the loan liability but 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 \$200,000. 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 \$200,000 by appropriation from revenue of \$1,441,336 to meet the following expenditure in 1966–67. The expenditure in 1964–65 and 1965–66 is also shown :—

	1964–65.	1965–66.	1966–67.
	\$	\$	\$
Damages recovered by non-employees at law .. .. .	73,904	67,733	28,871
Damages paid to non-employees without legal action .. .. .	5,396	5,873	25,283
Compensation for injuries to employees .. .. .	1,063,466	943,645	816,282
Compensation for goods lost or damaged .. .. .	269,958	221,279	303,401
Compensation for losses by fires caused by railway operations	1,458	9,839	15,931
Losses by fire to railway property .. .. .	118,648	66,257	251,568
	<u>1,532,830</u>	<u>1,314,626</u>	<u>1,441,336</u>

*Railway Charges in Suspense Account.*—At 30th June, 1967, there was a credit balance of \$4,835,552. Details are :—

Credits—		\$
Salaries and Wages accrued .. .. .		2,835,450
Taxation Deductions, &c. .. .. .		647,229
Sundry Creditors for various services .. .. .		1,166,843
Revenue rebates and refunds due .. .. .		762,826
Amounts received in advance for works .. .. .		262,156
		<u>5,674,504</u>
Debits—		\$
Expenditure on works for other bodies, &c. .. .. .		648,465
Sundry Debtors for sales and services .. .. .		169,974
		<u>818,439</u>
		4,856,065
Deduct—Amount transferred to Income .. .. .		20,513
		<u>4,835,552</u>

*Railways Stores Suspense Account.*—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. As at 30th June, 1967, the allocation from the Loan Fund for the purpose of the Account was \$9,000,000 which was represented by the following items :—

		\$
Stock on hand .. .. .		7,228,866
<i>Less</i> Creditors for stores purchased .. .. .		1,394,454
		<u>5,834,412</u>
Railways equity in the stock .. .. .		252,090
Stores sold and proceeds not collected .. .. .		25,435
Advances to the Agent-General, London .. .. .		<u>6,111,937</u>
		2,888,063
Balance held at Treasury .. .. .		<u>9,000,000</u>

The balance held at the Treasury takes into account credits for the item, Material Charged Out In Advance, \$76,177, as at 30th June, 1967.

The item, Stock on hand, \$7,228,866, 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 the stores are to be used.

Within the framework of the authorized account for the purchase and issue of railway stores, the Department has created an account known as the "Stores Stock Equalization Account". This account is used 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 .. .. .		30,252	..
Costing adjustments—			
Losses .. .. .		48,031	..
Profits .. .. .		..	52,941
Other credits .. .. .		..	26,012
Balance 30th June, 1967 .. .. .		670	..
		<u>78,953</u>	<u>78,953</u>

*Debtors.*—The amounts outstanding at 30th June, 1965, 1966 and 1967, are shown :—

	1965.	1966.	1967.
	\$	\$	\$
Revenue services rendered .. .. .	4,437,876	4,591,972	4,204,444
Works .. .. .	1,072,990	980,059	648,465
Sales of general stores .. .. .	138,068	395,388	252,090
Sundry sales and services .. .. .	101,074	109,162	169,974
Sales of land .. .. .	23,316	66,572	54,132
	<u>5,773,324</u>	<u>6,143,153</u>	<u>5,329,105</u>

Revenue services rendered to other State departments to April, 1967, and unpaid as at 30th June, amounted to \$61,659.

The item, “Works” includes a number of accounts which have been outstanding for more than two years.

*Level Crossings Fund.*—Moneys in the fund are applied towards, “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 \$397,141 in the year 1966–67, was \$5,235,275 to 30th June, 1967. This latter amount is in the balance-sheet as part of the total expenditure on capital works.

*Advances from the Public Account, \$1,174,456.*—Periodically, adjustments are made between Railway Income and Treasury Advances by means of the retention at the Railways of collections to the extent necessary for the purpose. During the year, adjustments of this nature resulted in the payment into the Railway’s Advance Account from Railway Income of a total sum of \$643,300. Actually, as at the close of the year, Railway Income was over credited by \$20,513. In the Treasury, this amount was offset by a debit of a like amount to Railway Charges in Suspense Account.

*Creditors.*—A classification under broad headings at 30th June, 1965, 1966 and 1967, is shown :—

	1965.	1966.	1967.
	\$	\$	\$
Stores purchased for railways .. .. .	1,314,454	1,224,006	1,394,454
Stores purchased for refreshment services .. .. .	53,122	58,061	77,500
Salaries and wages accrued .. .. .	2,156,544	2,390,525	2,835,450
Income Tax Commissioner, &c. .. .. .	499,974	559,841	647,228
Accounts for various services .. .. .	1,079,942	970,806	1,166,843
Revenue rebates and refunds .. .. .	1,025,170	1,096,530	762,826
Payments in advance for works .. .. .	393,436	606,496	262,156
Payments in advance for revenue services, &c. .. .. .	626,292	612,427	706,975
Cash accounts overdrawn .. .. .	1,323,486	186,472	1,236,657
	<u>8,472,420</u>	<u>7,705,164</u>	<u>9,090,089</u>

The item “Salaries and Wages accrued” largely comprises payrolls accrued from 18th to 30th June, 1967. The basis of computation of these accruals is not uniform between Branches within the Department and is not consistent from year to year.

### 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 three years as shown in the books of the Mine.

—	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Expenditure—			
Working Expenses .. .. .	764,104	702,631	660,312
Contributions to Pension Funds .. .. .	64,422	85,707	95,888
Contribution to Accident Fund .. .. .	244	205	175
Pay-roll Tax .. .. .	15,632	14,195	12,333
Depreciation .. .. .	4,900	4,900	4,900
	849,302	807,638	773,608
Revenue .. .. .	448,950	381,811	360,095
Loss for year .. .. .	400,352	425,827	413,513

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

—	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Sale of Coal .. .. .	260,800	193,086	207,002
Electric Light and Power .. .. .	153,376	159,226	118,119
Miscellaneous .. .. .	34,774	29,499	34,974
	448,950	381,811	360,095

Operations in 1966-67 resulted in a loss of \$413,513 compared with the loss of \$425,827 in 1965-66.

The deficit on a cash basis in the Treasury was \$402,664. The difference of \$10,849 between the Treasury and the Mine's books at 30th June, represents unpaid accounts, coal on hand, &c.

On 3rd February, 1967, power generation at the Mine ceased and the supply of power to the area became the responsibility of the State Electricity Commission which has also undertaken to purchase coal that would have otherwise been consumed at the power station.

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 1964 to 1967 are shown hereunder :—

	1964-65.	1965-66.	1966-67.
	tons	tons	tons
Railway Department .. .. .	8,445	4,174	2,532
Electricity Commission .. .. .	15,863	15,581	19,804
Employees .. .. .	1,773	1,600	1,340
Public .. .. .	3,105	1,286	1,599
Used in Mine's Works .. .. .	13,070	13,297	8,228
	42,256	35,938	33,503

## BALANCE-SHEET.

A statement of the State Coal Mine balances at 30th June, 1966, and 1967, appears hereunder:—

	1966.	1967.
	\$	\$
Works, Machinery, and Plant at cost, less depreciation ..	584,661	569,789
Stores and Materials .. .. .	37,084	18,453
Coal Stocks .. .. .	4,651	1,867
Discounts and Expenses on Loans .. .. .	1,282	1,282
Funds at Treasury—		
Depreciation Fund .. .. .	173,139	186,616
Trust Fund—Charges in Suspense .. .. .	19,390	6,567
Cash .. .. .	10,554	1,901
Deposits on Contracts .. .. .	4,762	509
Sundry Debtors .. .. .	36,184	32,605
Accumulated Loss .. .. .	10,439,409	10,852,922
	<u>11,311,116</u>	<u>11,672,511</u>
National Recovery Loan (non-interest bearing) .. .. .	49,000	49,000
Advances from Public Account .. .. .	33,571	18,295
Sundry Creditors .. .. .	52,926	22,033
Depreciation Fund Interest Reserve .. .. .	222,970	227,870
Sinking Fund .. .. .	708,000	708,000
Advances from Consolidated Revenue .. .. .	10,244,649	10,647,313
	<u>11,311,116</u>	<u>11,672,511</u>

The item, Works, Machinery, and Plant (\$569,789), shown above represents the balance of the capitalized expenditure on such assets after provision for depreciation. Included in this item is the book value of power generation and distribution assets which are being disposed of because of the assumption of the responsibility for power supply by the State Electricity Commission. The electricity distribution assets have been taken over by the Commission and compensation (to a total of \$9,000) is being made at the rate of \$370 a month by way of offsets against charges for electricity supplied to the Mine. When disposal action is complete, adjustments will be necessary to provide for any losses on realization.

## STATE RIVERS AND WATER SUPPLY COMMISSION.

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. As well as country water supply within the constituted districts, it has other duties such as investigations and research, and the 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 1964-67, 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.		
	\$	\$	\$	\$	\$
1964-65 .. ..	2,359,861	5,536,810	8,993,615	7,712,898	1,280,717
1965-66 .. ..	2,379,709	6,467,591	10,128,017	8,895,699	1,232,318
1966-67 .. ..	2,482,526	6,983,269	10,698,113	9,405,065	1,293,048

Apart from several increases in drainage rates and some minor exceptions, the rates remained unchanged from the previous year. The increase in revenue is therefore due mainly to the increase in consumers and water consumption. Waterworks Districts supplied from the Wimmera-Mallee System were rated on an area basis in place of the valuation basis previously used.

The Carrum Drainage District was transferred to the Dandenong Valley Authority as from 1st July, 1966.

Of the total collectable sum, 87·9 per cent. was received during the year, compared with 87·8 per cent. in the previous year. As amounts due for water sales do not bear interest until a date some months after the close of the year, consumers tend to defer payment of such amounts until late in the interest-free period. This affects the calculated percentage of collection. Using a different basis, that is, a comparison of the sum of the collection of current rates and charges (which do not include water sales) with the total amount assessed under those heads, the percentage of collection was 94·4 per cent. in 1966-67 compared with 94·3 per cent. in 1965-66.

A dissection of the collectable sum and the amount thereof owing at 30th June, 1967, is given in the statement hereunder :—

	Total Collectable Sum.	Arrears 30.6.67.
	\$	\$
Irrigation Districts .. ..	5,471,643	658,903
Waterworks Districts .. ..	1,385,933	82,007
Urban Districts .. ..	2,368,160	441,029
Flood Protection Districts .. ..	97,063	9,041
Coliban Districts .. ..	707,024	77,121
Sundries .. ..	668,290	24,947 (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 :—

	1964-65.	1965-66.	1966-67.
	\$	\$	\$
From Oncost—			
On loan expenditure at 10 per cent. on \$10,621,174 in 1964-65 and on \$9,859,544 in 1965-66; and at 9 $\frac{1}{11}$ per cent. on \$10,309,189 in 1966-67 .. ..	1,062,118	978,252	944,901*
At various rates (1 to 6 per cent.) on loan expenditure : \$1,178,458 in 1964-65; \$2,206,364 in 1965-66; and \$1,659,977 in 1966-67 .. ..	67,546	127,734	74,542
On other funds .. ..	57,730	25,521	94,616
From Repayments on account of works temporarily financed from Consolidated Revenue .. ..	265,732	234,807	232,742
From Salary recoups—River Murray Commission and other funds .. ..	1,017,402	1,077,806	1,164,702
	2,470,528	2,444,120	2,511,503

\* \$7,702, not charged in 1965-66, adjusted in the financial year 1966-67.

## 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 1964-67 is given in the table hereunder :—

—	Receipts, Including Recoups.	Expenditure.			Cash Deficit.	Loan Expenditure.
		General.	Debt Charges.	Total.		
	\$	\$	\$	\$	\$	\$
1964-65 .. ..	11,538,002	9,478,646	14,507,376	23,986,022	12,448,020	17,424,174
1965-66 .. ..	12,777,139	9,971,428	15,616,019	25,587,447	12,810,308	17,692,875
1966-67 .. ..	13,428,611	10,644,309	16,891,366	27,535,675	14,107,064	17,178,826

As the summary indicates, there was, in 1966-67, an increase in expenditure of \$1,948,228 (including an increase of \$1,275,347 in debt charges) offset by an increase in revenue of \$651,472. Thus the net increase in the cash deficit between 1965-66 and 1966-67 was \$1,296,756.

Included in the departmental payments from revenue and loan in 1966-67, shown above, is expenditure estimated to have amounted to \$337,008 incurred in the investigation and measurement of the discharge of rivers and the investigation and measurement of underground water resources. In respect of this and certain expenditure by other government authorities, the State has received from the Commonwealth an advance of \$77,300 in terms of the *States Grants (Water Resources) Act 1964*.

Also included in the loan expenditure for the year 1966-67 shown in the foregoing statement, is a sum of \$12,988,609 in respect of works undertaken by the Commission. The main items were :—

Irrigation Districts .. ..	Principally the remodelling and construction of main channels and drainage works .. ..	\$ 3,690,091
Nillahcootie Dam .. ..	Construction of a storage on the Broken River to serve irrigation and urban needs in the Broken River Valley .. ..	2,197,173
Tarago Dam .. ..	Construction of a storage to supply users in the Mornington Peninsula .. ..	1,775,162
Mornington Peninsula System..	The extension of pipelines and reticulation .. ..	1,207,429

## OTHER FUNDS AND ACCOUNTS.

*Irrigation Districts Maintenance Equalization and Renewals Account.*—The main purpose of this Account is 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. Pursuant to the provisions of Section 68 of the *Water (Irrigation) Act 1959*, No. 6582, 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 1966-67, the necessary sum, \$860,134, was provided from Loan Fund.

*Stores Suspense Account.*—Up to and inclusive of 30th June, 1967, loan moneys amounting to \$2,412,000 have been made available for the purpose of financing this Account.

In the Treasurer's Trust Fund statement, as at 30th June, 1967, the balance at credit of the Water Supply Stores Suspense Account is shown as \$742,553. This amount is represented in the Commission's books by :—

Balance available for purchases of stores, &c. .. ..	\$ 343,285
<i>Plus Credit Balances of Plant Operating Accounts—</i>	
Hire Plant Accounts.. ..	256,266
Plant and Machinery Administrative Adjustment Account .. ..	143,002
	<u>399,268</u>
Balance—Water Supply Stores Suspense Account .. ..	<u>742,553</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 allocations.

As at 30th June, 1966, the aggregate of the balances at credit of the several "Hire Plant" Accounts was \$530,385 compared with \$256,266 as at the close of the year under review.

According to Commission records, the book values of plant, tools and general stores at 30th June, 1967, were :—

	Plant.	Tools and Stores.
	\$	\$
At Construction Works .. .. .	222,417	444,851
Stores Suspense Accounts (Depots) .. .. .	221,406	1,561,395
At Central Plant Workshops (Suspense Accounts) .. .. .	20,111	222,551
At Central Plant Workshops pending transfer or disposal.. .. .	32,202	72,580

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.

At 30th June, 1966, an amount of \$51,651 in respect of losses on the sale of surplus stores was held in an Account titled "Loss on Sale of Surplus Stores" within the Stores Suspense Account. During the year, \$4,318 of the loss was written off against expenditure from Consolidated Revenue and further losses on sales of surplus stores amounting to \$2,989 were charged to this Account, leaving the balance at 30th June, 1967, \$50,322.

*Water Supply Plant and Machinery Depreciation Fund.*—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 \$178,996. The capital liability at 30th June, 1967, in respect of this class of plant and machinery was \$3,568,527.

Under the provisions of the Water Act, the cost of this plant and machinery is not charged directly to any district, but, when such plant and machinery is 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, 1967, the balance in the Fund for the replacement of hire plant and machinery was \$2,094,707.

*Depreciation—Works—Water Supply Works Depreciation Fund and Account.*—Pursuant to the provisions of Section 83 of the *Water Act* 1958, 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 forming part of 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 1966–67 was \$473,184. However, in recent years, no payment has been made to the Fund and, as at 30th June, 1967, no balance was held in the Fund. At the same date, the balance of the Account was \$4,240,776.

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

Payments into the Fund totalled \$134,141 and expenditure amounted to \$175,910. The balance at the close of the year was \$176,094.

#### OTHER ACTIVITIES.

*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 in 1966–67 on these works amounting to \$255,936.



In 1966-67, under the authority of Water Supply Loan Application Acts Nos. 7326 and 7513, Victoria contributed \$645,000 for the construction of works, bringing the State's total contribution for construction as at 30th June, 1967, to \$12,881,390. In addition, under the authority of Act No. 7513, loan moneys amounting to \$28,500 were contributed for maintenance works. The contribution from Consolidated Revenue for maintenance and administrative expenses amounted to \$227,000.

The books and accounts of the River Murray Commission are subject to audit by the Commonwealth Auditor-General. In connexion with this audit, revenue received and expenditure incurred by the State Rivers and Water Supply Commission on behalf of the River Murray Commission are verified by my officers.

*The 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 \$348,598 and expenditure, including refunds of contributions, amounted to \$503,278. The balance in the Account at the close of the year was \$215,206.

*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 \$36,631.

In 1966-67, advances to various Trusts by the State amounted to \$2,296,137. Repayments by Trusts on account of advances amounted to \$115,876, and certain Trusts were relieved of liability to the extent of \$657,457. This sum, by direction of the Governor in Council, is to be borne by the State. In addition, fourteen Trusts were relieved of liability by amounts totalling \$276,432 by write off under Act No. 7549. The net increase during the year in the Trusts' indebtedness for State loans was \$1,246,372.

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 17·5 cents in the dollar of net annual valuation. No subsidies were paid under this authority in 1966-67.

*River Improvement Trusts.*—To 30th June, 1967, twenty-three River Improvement Trusts and four 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 1966-67 for this purpose was \$3,339.

Advances by the State in 1966-67 totalled \$440,000. Repayments in respect of advances amounted to \$1,958 and the Trusts were relieved of liability to the extent of \$429,028 which the Governor in Council directed to be borne by the State, so that the net increase in the Trusts' indebtedness for State loans was \$9,014.

*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 \$915,069.

Advances by the State in 1966-67 totalled \$688,440. Repayments in respect of advances amounted to \$41,086 and the Authorities were relieved of liability to the extent of \$444,604 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 \$202,750.

In addition, the State advanced \$500,000 to the Latrobe Valley Water and Sewerage Board for works for the supply of water and the treatment or disposal of waste.

*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 \$499,810 of which \$207,600 only was allocated as the capital liability of the sewerage district.

Rates and miscellaneous charges levied in 1966–67 totalled \$13,707 of which \$13,499 or 98·5 per cent. was paid during the year. Costs chargeable to the district amounted to \$10,885 plus depreciation \$1,996.

During the year the amount of \$15,968 was transferred from Consolidated Revenue to the Eildon Sewerage District Depreciation Fund representing the amounts raised in the Water Supply Works Depreciation Account up to 30th June, 1966. A further \$1,996, being the amount of depreciation provided in 1966–67, was also transferred to the Fund.

## TOURIST DEVELOPMENT AUTHORITY.

Under the *Tourist Act* 1958, 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 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 cent. 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.

### TOURIST FUND.

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

1965-66		1966-67.	
\$	<i>Credits.</i>	\$	\$
583,296	Balance forward .. .. .	..	458,839
467,566	Contribution from Country Roads Board Fund ..	..	493,805
120,000	Contribution under Public Works Loan Application Acts ..	..	50,000
	Contributions by Municipalities, &c.—		
6,000	On account of works .. .. .	1,600	
3,024	On account of motor boating facilities .. ..	366	
		—————	1,966
11,724	Interest on Loans to certain Bodies .. .. .	..	14,168
15,681	Loan Repayments by certain Bodies .. .. .	..	16,947
116,118	Motor Boat Registration Fees and Fines (Net) ..	205,299	
	Less Costs and Expenses of Collection and Administration ..	96,615	
		—————	108,684
86	Miscellaneous .. .. .	..	..
	Tourist Bureaux operations—		
151,080	Commissions, &c., received .. .. .	147,567	
	From Consolidated Revenue—Share of cost of operations—		
245,000	Premier's Vote .. .. .	298,500	
190,000	Railway Working Expenses .. .. .	175,200	
		—————	621,267
			—————
			1,306,837
1,909,575			1,765,676
	<i>Disbursements.</i>		
394,793	Developmental and Maintenance works authorized under the Act .. .. .	..	421,030
167,068*	Advances to Public Works Department—Mt. Dandenong Project .. .. .	..	12,123*
65,350	Publicity—net (excluding Tourist Bureaux advertising, &c.) ..	..	96,800
49,447	Loans to certain Bodies .. .. .	..	30,024
88,810	Provision of motor boating facilities .. .. .	..	187,183
	Costs and administrative expenses—		
58,138	Head Office .. .. .	66,791	
627,130	Tourist Bureaux .. .. .	660,442†	
		—————	727,233
			—————
			1,474,393
458,839	Balance at the close of the year — General .. .. .	..	201,125
	Motor Boating .. .. .	..	90,158
			—————
			291,283
1,909,575			1,765,676

\*\$27,769 unexpended as at 30th June, 1967, on account of advances in 1965-66 and 1966-67.

†Includes \$11,850 for purchase of a departmental residence at Ballarat.

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. 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. 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, 1966 (held in Tourist Fund) .. .. .	..	168,291
<i>Add</i> —Registration Fees .. .. .	192,907	
Fines .. .. .	12,614	
	<u>205,521</u>	
<i>Less</i> —Refunds .. .. .	222	
	<u>205,299</u>	
<i>Add</i> —Municipal Contributions towards provision of boating facilities ..	..	366
		<u>373,956</u>
<i>Less</i> —Expenditure—	\$	
Provision of boating facilities—Grants .. .. .	130,703	
Loan .. .. .	56,480	
	<u>187,183</u>	
Costs of Administration—		
Transport Regulation Board .. .. .	28,919	
Chief Secretary's Department .. .. .	49,611	
Other .. .. .	335	
	<u>78,865</u>	
Purchase of search and rescue boat .. .. .	17,750	
	<u>283,798</u>	
Credit at 30th June, 1967 (held in Tourist Fund) .. .. .	..	90,158

## CASH COLLECTIONS.

Apart from the moneys credited to the Tourist Fund, cash collections by the Authority on account of railway bookings are paid into the Treasury by the Authority and allocated 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 1965–66 and 1966–67 and shows the accounts in the Treasury to which the collections for 1966–67 were credited:—

Location.	Account Credited—1966–67.						1965–66 Total Collections.
	Railway Income.	Tourist Bureaux Trust Account.	Tourist Fund.	Revenue—No. 9—Miscel- laneous.	Treasury Trust— Unclaimed Moneys &c.	Total Collections.	
	\$	\$	\$	\$	\$	\$	\$
Head Office ..	..	160,448	231,036	641	505	392,630	389,861
Tourist Bureaux—							
Melbourne ..	1,321,763	1,177,726	..	478	..	2,499,967	2,612,595
Sydney ..	64,402	93,963	..	..	..	158,365	155,707
Adelaide ..	69,151	159,368	..	..	..	228,519	220,156
Brisbane ..	26,043	47,546	..	..	..	73,589	61,666
Ballarat ..	28,478	116,140	..	..	..	144,618	142,735
Bendigo ..	30,083	174,488	..	..	..	204,571	194,617
Geelong ..	42,895	165,930	..	..	..	208,825	217,146
Mildura ..	10,156	33,400	..	..	..	43,556	40,035
	<u>1,592,971</u>	<u>2,129,009</u>	<u>231,036</u>	<u>1,119</u>	<u>505</u>	<u>3,954,640</u>	<u>4,034,518</u>

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 Railway Department on the debtors concerned.

## TRANSPORT REGULATION BOARD.

The 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 1 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, 1967, was \$200,178.

### TRANSPORT REGULATION FUND.

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

1965-66.		1966-67.
\$		\$      \$
	<i>Receipts.</i>	
790,947	Balance of Transport Regulation Fund at 1st July .. ..	74,925
709,739	Licence Fees and Additional Fees on Licences .. ..	736,673
68,624	Licence Transfer Fees .. ..	144,907
832,773	Permits—Goods and Passenger .. ..	849,750
17,951	Drivers' Certificates .. ..	15,080
11,583	Metropolitan Omnibus Registration Fees .. ..	11,771
184,478	Fines .. ..	219,927
21,698	Miscellaneous Receipts .. ..	21,781
		1,999,889
2,637,793		2,074,814
	<i>Payments.</i>	
1,273,359	Salaries and Overtime (Including Pay-roll Tax, &c.) .. ..	1,447,106
300,216	Other Administrative Expenses .. ..	346,677
20,198	Payment for Police Services .. ..	28,127
1,169	Contribution towards erection of Bus Shelters, &c. .. ..	7,303
66,161	Amounts distributed to Municipalities .. ..	59,319
1,104,910	New Head Office, Land and Building—Carlton .. ..	412,581
2,766,013		2,301,113
	<i>Less—Recoups—</i>	\$
25,356	Costs of Collection—Motor Boat Registrations .. ..	28,919
177,789*	Road Charges (Commercial Goods Vehicles Act) .. ..	382,710
..	Sale of Building and Furniture — Exhibition Office .. ..	14,848
		426,477
2,562,868		1,874,636
74,925	Balance of Fund at 30th June .. ..	200,178

\*In respect of the period 1st January to 30th June only.

During the year the Board moved to a new headquarters building in Carlton. Expenditure in relation to this building, to 30th June, 1967, totalled \$2,948,434 of which \$188,700 was provided temporarily from the Loan Fund. In 1966-67, the Treasurer made available a maximum of \$500,000 from this source on the understanding that the Board would make every effort to liquidate the total amount advanced within a maximum period of five years from the date of the first advance.

A building erected by the Board on land vested in the Exhibition Trustees was no longer required and was transferred to the latter body for the sum of \$30,000 payable in three annual instalments of \$10,000. The first instalment was received during the year under review.

*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 1966–67 was \$6,732,314 compared with \$6,378,508 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.

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

The registration fees collected by the Board during 1966–67 amounted to \$192,907. The costs of collection and administration were recouped to the extent of \$28,919.

*Log Books.*—*The Motor Car (Hours of Driving) Act* 1964 which came into operation from 15th May, 1967, requires the driver of a commercial vehicle weighing more than two tons unladen to record his hours of driving in an authorized log book. These log books are available from the Transport Regulation Board and certain police stations for a prescribed fee of sixty cents.

Receipts from this source in 1966–67 totalling \$5,060 were credited to the Country Roads Board Fund as required by Section 38 of the Country Roads Act. The cost of printing the log books is being met from that Fund as a cost of collection of fees under the Motor Car Act.

## PART VII—GENERAL.

## 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 current at 30th June, 1967, and not authorized by statute showing the contingent liability of the State under each guarantee at that date.

	Guarantee.	Contingent Liability.
	\$	\$
Ballarat Agricultural and Pastoral Society .. .. .	7,000	7,000
Ballaarat City Council .. .. .	20,000	20,000
Bendigo City Council .. .. .	20,000	20,000
Exhibition Trustees .. .. .	360,000	60,000
Olympic Park Committee of Management .. .. .	420,000	230,000
Royal Agricultural Society of Victoria .. .. .	1,040,000	590,355
A. V. Page Pty. Ltd., Wonthaggi .. .. .	50,000	44,347
College of Pharmacy .. .. .	36,000	36,000

The reasons for the guarantees mentioned above have been given in the Reports for previous years.

Set out below are details of guarantees authorized by statute, together with contingent liabilities at 30th June, 1967.

	Guarantee.	Contingent Liability.
	\$	\$
Co-operative Housing Societies .. .. .	184,733,000	110,510,873
Co-operative Housing Societies .. .. .	..	*75,331,567
Co-operative Societies .. .. .	2,501,018	1,390,278
Home Finance Trust .. .. .	22,727,067	19,466,249
Melbourne Cricket Club .. .. .	100,000	100,000
Victorian Inland Meat Authority .. .. .	150,000†	150,000

\* State's liability to the Commonwealth on account of advances to Societies from the Home Builders' Account.

† Pursuant to Sections 19 and 20 of *Victorian Inland Meat Authority Act* 1958.

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 (Financial) Act* 1966, now provides a limit of \$200,000,000 to the aggregate liability which may be incurred by the State under this heading. At 30th June, 1967, 780 guarantees were current in support of loans made or to be made.

The Principal Act, as amended by the *Co-operative Housing Societies (Indemnities) Act* 1967, 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 cent. of the value of the member's security; and that the amount of such advance, subject to certain deductions, does not exceed \$7,500, or in the case of a member having five or more dependent children, does not exceed \$8,900. At 30th June, 1967, there were 2,353 indemnities in force, the contingent liability in respect of which was \$1,073,841.

The *Co-operation Act* 1958, as amended by Act No. 7374, provides a limit of \$8,000,000 to the liability which the State might incur under guarantees given in respect of societies registered under this Act. To 30th June, 1967, 266 guarantees to the extent of \$2,501,018 had been given in relation to the borrowings of a number of societies, and the contingent liability under the guarantees amounted to \$1,390,278.

The activities of the societies registered under the Co-operation 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.

It is provided in the *Home Finance Act* 1962 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 Home Finance 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 Trust or in favour of any bank lending money by way of overdraft to the Trust. At 30th June, 249 guarantees amounting to \$427,067 in respect of loans beyond the specified maxima, and 92 guarantees totalling \$22,300,000 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 341 guarantees was \$19,466,249. The accounts of the Trust are subject to audit by this Office, and are discussed in further detail in my Supplementary Report.

The *Melbourne Cricket Ground (Guarantees) Act* 1966 authorizes the Treasurer to guarantee the repayment of loans made to the Committee of the Melbourne Cricket Club to effect certain improvements at the Melbourne Cricket Ground provided that the total liability under the guarantees does not, in the aggregate, exceed the amount of \$3,000,000. Up to and inclusive of 30th June, 1967, one guarantee amounting to \$100,000 had been given.

The *Building Societies Act* 1958, as amended by the *Building Societies (Amendment) Act* 1961 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 \$200,000. Up to and inclusive of 30th June, 1967, 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.

	1965.	1966.	1967.
	\$	\$	\$
Railways and State Coal Mine .. .. .	4,485,304	4,425,903	4,009,719
Taxation—			
Income .. .. .	910	910	910
Unemployment Relief .. .. .	344	344	344
Land .. .. .	1,974,678	1,814,920	1,313,793
Probate Duty .. .. .	1,804,982	2,167,287	1,337,696
Water Supply .. .. .	1,280,717	1,232,318	1,293,048
Lands Department .. .. .	122,984	368,591	419,406
Rural Finance and Settlement Commission .. .. .	375,550	420,039	370,628
Forests Commission .. .. .	585,440	485,388	665,358
Government Printer (excluding amounts due from State Departments) .. .. .	67,168	86,685	99,635
Other Departments .. .. .	146,356	59,767	130,545
Trading Activities—			
Victoria Dock Cool Stores .. .. .	120,384	257,397	203,000
Erica Sawmill .. .. .	14,270	23,143	..
Miscellaneous .. .. .	138,288	152,093	174,903
	11,117,375	11,494,785	10,018,985

The arrears of Probate Duty for 1967 do not include the amount of \$2,043,319 which represents assessments issued during June, but not due and payable until after 30th June.



Land Tax in arrears as at 30th June, 1967, as disclosed in the preceding statement, is composed of amounts due in respect of several assessment years. Relevant details are :—

Assessment year.	Amount. \$
1963 and prior years .. .. .	28,216
1964 .. .. .	66,650
1965 .. .. .	91,868
1966 .. .. .	150,870
1967 .. .. .	976,189
	1,313,793

Collections during July, 1967, reduced these arrears by \$527,706.

Miscellaneous, \$174,903, represents cash in transit to the Treasury from various departmental branches throughout the State as at the close of the year 1966-67 and includes—from the City Court, \$18,664; the Marine Board, \$20,926; and the Companies Registration Office, \$8,959.

Amounts due to the Social Welfare Branch 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, ETC.

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, \$897,454; and from the Tourist Fund, \$330,074. To 30th June, 1967, repayments on account of these advances amounted to \$417,447 and \$84,548, 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.

	1964-65.	1965-66.	1966-67.
	\$	\$	\$
Corporations and other Bodies .. .. .	2,712,000	3,048,326	1,834,147
Settlers .. .. .	826	133	1,324
Various .. .. .	172,900	124,055	283,118
Total .. .. .	2,885,726	3,172,514	2,118,589

Advances made during these years 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 \$218,610. 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, 1967.			Overdue at 30th June, 1967.				
	Loan.	Revenue.	Total.	Redemption.			Interest.	Total
				Loan.	Revenue.	Total.		
	\$	\$	\$	\$	\$	\$	\$	\$
Municipalities .. .. .	2,719,675	..	2,719,675	21,602	..	21,602	58,356	79,958
Corporations and other bodies	35,469,122	..	35,469,122	13,331	..	13,331	74,837	88,168
Unemployment Relief Advances	180,522	..	180,522	31,471	..	31,471	..	31,471
Advances to Settlers .. .. .	14,227	..	14,227	7,367	..	7,367	1,708	9,075
Various .. .. .	2,073,012	509	2,073,521	6,375	509	6,884	3,054	9,938
Total .. .. .	40,456,558	509	40,457,067	80,146	509	80,655	137,955	218,610

Included in the total of \$218,610 overdue, is an amount of \$1,708 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 was 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.

The net expenditure charged to the Loan Fund has amounted to \$8,600,930. According to the Treasurer's accounts, the sum still to be repaid by the municipalities concerned, as at 30th June, 1967, was \$2,719,675.

*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 \$9,908,936 from loan and \$8,000 from revenue. Repayments and amounts written off or transferred have left a balance to be repaid, at 30th June, of \$6,032,489. Instalments of redemption and interest charges overdue at the same date totalled \$11,499.

*Sewerage Authorities.*—Advances of \$7,295,713 have been made from loan for capital works of country sewerage authorities, but \$4,045,720 of this amount has been transferred to the Capital Expenditure Borne by the State Account. Repayments amount to \$379,000 and the balance of liability at 30th June was \$2,870,993.

*Mildura Trusts.*—Loan advances to the First Mildura Irrigation Trust and the Mildura Urban Water Trust amount to \$4,344,433 of which there has been repaid \$144,560. Liability to the extent of \$3,029,311 has been transferred to the State and \$36,831 has been written off, leaving the balance of advances at 30th June, \$1,133,731.

*Waterworks Trusts.*—Of advances of \$34,021,459 from loan and \$67,249 from revenue, \$23,176,931 was still to be repaid at 30th June. At the same date, 61 trusts between them owed \$70,470 for redemption and interest charges. Further reference is made to waterworks trusts 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 \$5,094 transferred from a Waterworks Trust, amounted to \$5,032,927, but liability to the extent of \$4,299,619 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 \$4,956,064, of which \$1,678,884 has since been treated as a grant and \$58,088 has been written off. The balance of advances at 30th June, was \$180,522 including \$31,471 overdue instalments of redemption.

### Disallowances and Surcharges.

In conformity with the provisions of Section 47 (1) (a) (v) of the *Audit Act* 1958, I furnish hereunder particulars of disallowances and surcharges still unsatisfied.

Date.	Department, &c.	Amount.	Disallowance or Surcharge.	Particulars.
		\$		
2.8.1967	Council of Adult Education	307.26	Disallowance	Use of public moneys for a purpose for which they were not legally available
3.10.1967	Chief Secretary—Library Council of Victoria	3,000.00	Surcharge ..	Misappropriation of "Stores" under the custody of the Library Council of Victoria

### Unsatisfied Audit Queries, &c.

#### 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	..	..	..	..	..	..	..	8,278
1960-61	..	..	..	..	..	..	..	3,194
1963-64	..	..	..	..	..	..	..	129,800
1964-65	..	..	..	..	..	..	..	135,088
1965-66	..	..	..	..	..	..	..	186,435
1966-67	..	..	..	..	..	..	..	1,260

Advances to Departments, &c., not adjusted at 30th June, 1967, amounted to \$860,459. In respect of these advances and of other expenditure from advances which were adjusted by the Departments or Authorities concerned prior to 30th June, 1967, the Treasurer has not been acquitted to the extent of \$2,692,778.

## Defalcations and Irregularities.

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:—

### AGRICULTURE DEPARTMENT.

The employment of a former temporary Horticultural Inspector was terminated in January, 1966. His name was retained on the payroll in error and he was, consequently, overpaid an amount of \$1,610. Restitution is being made by him in monthly instalments.

An Inspector of Stock was suspended from duty and was charged with offences under the Public Service Act. The hearing of those charges by the Public Service Board was postponed pending the outcome of proceedings at the Court of General Sessions at Kerang, where he was tried on three charges of false pretences, two of embezzlement as a servant and three of affixing his signature to statutory declarations knowing them to be false. The jury acquitted him on all counts. The charges under the Public Service Act, together with further charges laid since the acquittal, have been investigated by the Public Service Board. They included two charges of failure to account for moneys, amounting to \$8.30, two charges of acceptance of presents or remuneration for services performed by him in connection with his official position and several charges of misconduct. The officer was reduced in classification.

### CHIEF SECRETARY'S DEPARTMENT.

*Library Council of Victoria.*—When collections were being paid by the Lending Library to Central Administration, a deficiency of \$9.50 was discovered. Departmental enquiries failed to determine responsibility. Collection procedures have since been improved.

An officer of the Council was charged with misappropriation of "Stores", valued at \$3,000, under the control of the Council. The officer, who pleaded not guilty, was committed for trial at the Melbourne Court of General Sessions. Subsequent to 30th June, 1967, he was surcharged with the amount of \$3,000. His appointment with the Council has been annulled.

#### *Police Department.*

*Criminal Investigation Branch—Sunshine.*—A sum of \$212.92 was stolen from the safe at this station. Police enquiries are continuing.

*Sub-station, Newborough.*—A first constable collected amounts on the execution of five Warrants of Distress and, in three of those cases, involving \$74, retained the moneys until Warrants of Commitment had been issued. In the other two cases, involving \$17, the Warrants of Commitment had not been issued at the time of the investigation and restitution was made of the moneys held. The first constable was charged on five counts of embezzlement. He was convicted on all charges and was placed on probation for twelve months.

*Police Station, Richmond South.*—A constable failed to account for moneys received on the execution of warrants amounting to \$276.50. The constable concerned has been committed for trial before the Melbourne Court of General Sessions on six counts of embezzlement. Proceedings pursuant to Section 36 of the *Audit Act* 1958 are in course.

*Police Station, South Melbourne.*—An amount of \$100 deposited as bail at the Station Watch-house could not be accounted for. Police enquiries failed to establish responsibility for the loss. The first constable who had received the money in the first instance was charged before the Police Discipline Board with neglect in the discharge of his duties and the charge was found proven. The enquiry was adjourned to a date to be fixed not exceeding 31st October, 1967.

#### *Social Welfare Branch.*

*Prisons, &c.*—It has been alleged that \$200 was lodged at Pentridge as part bail and that this sum has not been properly accounted for. Police and audit investigations are in course. At Langi Kal Kal two escapees stole \$148 from the safe. \$134 was recouped from Revenue.

### COUNTRY ROADS BOARD.

*Head Office.*—The sum of \$80.25, part of a payroll delivery received from Mayne Nickless Ltd., was missing when the pay envelopes were made up. Police enquiries failed to establish responsibility for the loss and the amount involved was recovered from the company under the terms of its contract with the State Treasury.

*Warrnambool Divisional Office.*—During the course of paying workmen in the Lismore area it was discovered that one pay envelope containing the sum of \$146.26 was missing. Police enquiries failed to establish responsibility for the loss and the shortage was recovered from the Board's insurers.

### EDUCATION DEPARTMENT.

*Head Office.*—Three pay envelopes containing an aggregate amount of \$370.30 were stolen from the Cashier's Office. A temporary assistant, who subsequently resigned, admitted the theft. Further investigations disclosed that a postal order for \$8, on account of a broken bond payment, was not brought to account. Full restitution was made. Court proceedings are in course.

*Schools.*—Irregularities involving comparatively small amounts were detected in Official Accounts at six Primary Schools. Suitable disciplinary action was taken by the Department in all instances and police action is current in two of the cases. Arrangements are in course for full restitution of any shortages involved.

#### HEALTH DEPARTMENT.

*Division of Chest X-Ray Surveys.*—An audit of the Advance Account of the Division disclosed a deficiency of \$93.20. The officer concerned made restitution promptly and was fined \$30 under the provisions of the Public Service Act.

##### *Mental Hygiene Branch.*

*Carmel Hostel, Preston.*—An amount of \$126 was stolen from the Hostel. Police enquiries failed to establish responsibility for the theft.

#### HOSPITALS.

*Dandenong and District Hospital.*—Cash shortages totalling \$1,714.15 were disclosed in relation to the collection of fees at the hospital. An officer of the hospital, whose services were terminated, pleaded guilty before the Melbourne Court of General Sessions to a charge of larceny as a servant and was placed on a good behaviour bond for two years.

*Tawonga and Seymour Hospitals.*—A former Manager/Secretary of the Tawonga Hospital, between July, 1961 and February, 1964, prepared salary sheets in such a manner that he was overpaid to the extent of \$1,081.

The accounts of the Seymour Hospital, at which the officer commenced employment as Manager/Secretary in April, 1965, were also audited and irregularities of a similar nature were disclosed.

The reports of the audits have been forwarded to the Honorable the Treasurer and the Hospitals and Charities Commission.

#### LAW DEPARTMENT.

*Sheriff's Office.*—On 31st January, 1967, it was discovered that a pay envelope had disappeared, and a fresh payment was made. Neither police nor audit investigations could establish responsibility for the disappearance.

*Mooroopna, Shepparton, Rushworth and Murchison Courts.*—The former Clerk of Petty Sessions at Mooroopna was also an assistant Clerk at Shepparton, Rushworth and Murchison Courts. In these capacities, between May, 1965 and April, 1967, he failed to properly account for various sums which an audit investigation showed to total \$873. Restitution was made to the extent of \$250, and the former Clerk was convicted of embezzlement of \$661 and sentenced to imprisonment.

*Public Trustee.*—Irregular practices and deficiencies in respect of a cash advance resulted in an officer being charged by the Permanent Head with misconduct. The officer was reprimanded and a penalty of \$20 imposed.

*Legal Aid Committee.*—A sum of \$12.12 was stolen from the office safe. Police enquiries failed to establish responsibility for the theft. The amount involved was recovered from the Committee's insurers.

#### PREMIER'S DEPARTMENT.

*National Parks Authority.*—Stamps to the value of \$53 were found to be missing from the office of the Authority. Police enquiries failed to establish personal responsibility for the loss.

*Tourist Development Authority.*—An officer of the Victorian Government Tourist Bureau, Adelaide, pleaded guilty to the misappropriation of \$1,230.64 from the Bureau's revenue collections. The officer, who was sentenced to eight months imprisonment, has been dismissed from the State Public Service by the Public Service Board. Proceedings pursuant to Section 36 of the *Audit Act 1958* are in course.

#### PUBLIC WORKS DEPARTMENT.

Irregularities concerning a sub-advance and totalling \$500 resulted in police action being taken. An officer of the Department was subsequently found guilty on seven counts of larceny as a public servant and sentenced to imprisonment. Proceedings pursuant to Section 36 of the *Audit Act 1958* are in course.

#### RAILWAY DEPARTMENT.

Forty-five officers and employees were found guilty of offences in respect of loss or theft of money or other property. With the exception of five instances involving sums of \$702, \$574, \$386, \$339 and \$234, the cash and other deficiencies were comparatively small.

Thirty-five of the charges were heard by the courts and ten were dealt with by the Railways Board of Discipline.

## STATE ELECTRICITY COMMISSION.

All losses or thefts of stores or materials reported during the year were investigated by officers of the Commission and referred to the police for enquiry. Several Commission personnel were involved in minor cases of theft of tools and materials, and services were terminated where guilt was established.

## TREASURY.

*Housing Commission.*

*Head Office.*—A sum of \$194 was illegally obtained by means of a cheque drawn on a fraudulent refund voucher. Police enquiries have been unable to establish individual responsibility.

*Maidstone District Office.*—An estate officer withheld \$300 from cash collections. Restitution was made and the officer resigned.

*Sandringham District Office.*—An estate officer misappropriated \$19. Restitution was made and the officer concerned was reprimanded and transferred to other duties at Head Office.

## STORES DEFICIENCIES (OTHER).

In the year under review, there were other instances of loss or theft of stores. Particulars of these are furnished below.

Department or Authority.	Location.	Items Lost or Stolen.	Value.	Remarks.
			\$	
Agriculture Department ..	Burnley College ..	Camera ..	106	} Insurance claimed
	Frankston ..	Tools, Equipment ..	124	
	Scoresby ..	Electric Heater ..	20	
	Euston ..	Electric Stove ..	32	
	In Transit ..	Water Meter ..	70	
Country Roads Board ..	Mt. Baw Baw ..	2 Chain Saws ..	393	} Police Notified
	Bacchus Marsh ..	Traffic Meter ..	60	
	Lorne ..	Traffic Meter ..	60	
Egg Board ..	Port Melbourne ..	540 dozen eggs ..	340	Loss disclosed by Board's records
Melbourne and Metropolitan Board of Works	Various ..	Tools, Equipment ..	7,586	} Written off
		Copper Power Cable ..	3,827	
Mental Health Authority	Ararat ..	Electric Jug ..	} 100	} Investigated by Police
		Motor Mower ..		
	Mont Park ..	2 Wall Heaters ..	} 200	
	Plenty ..	Tool Kits ..		
		Sewing Machine ..	} 80	
		Typewriter ..		
Police Force ..	Highton, Geelong ..	Radio Transmitter and Receiver ..	240	Investigated by Criminal Investigation Branch
Public Works Department	Port Melbourne Store ..	Equipment ..	221	} Police notified in instances of suspected theft
	Exhibition Street ..	Toilet Roll Holders ..	12	
	Kew Mental Hospital ..	Lead and Piping ..	20	
	Custodians and Day Labor Gangs ..	Tools, Equipment ..	450	
Social Welfare Branch ..	"Turana" ..	Tools, Equipment ..	1,139	} Police notified
	"Turana" ..	Personal Property of a Trainee ..	69	
		Malmsbury Centre ..	One Pig ..	40
	Head Office ..	Electric Fan ..	40	
State Rivers and Water Supply Commission ..	Survey Division ..		26	} Police notified in instances of suspected theft
	Cohuna ..		96	
	Pyke's Creek ..		139	
	Kerang ..		211	
	Maffra ..		251	
	Frankston ..		613	
	Nillahcootie Dam ..	Tools, Equipment ..	792	
			83	} Lost in flood
	Numurkah ..		27	
	Mystic Park ..		161	} Police notified in instances of suspected theft
	Swan Hill ..		34	
Tatura ..		48		
Various ..		200		

**Acknowledgment.**

Mr. W. J. Duncan retired from the office of Assistant Auditor-General on 2nd June, 1967, after many years of valuable service to the Audit Office. He was succeeded by Mr. E. S. Knight, Senior Auditor. To both of these officers I extend my thanks for their active and loyal support.

Because of the extent of my statutory and extra-statutory responsibilities in relation to the limited number of staff at my disposal, the demands made on the staff of the Audit Office during the year were heavy.

I record my appreciation of the sustained effort by the members of my staff in responding to these demands.

I also express my thanks to officers of the Treasury and other Departments for their ready co-operation.

A. J. A. GARDNER,  
Auditor-General.

Melbourne, 14th November, 1967.

STATEMENT No. 1.

RECEIPTS AND EXPENDITURE FOR THE YEAR 1966-67.

Statement of the Receipts and Expenditure of the Consolidated Revenue, Loan Moneys and Advances on account of Loan Moneys\*.

<b>Receipts.</b>		<b>Expenditure.</b>	
	\$		\$
<i>Balance brought forward—</i>		<i>Revenue Expenditure—</i>	
Loan Fund .. .. .	975,559.62	Under Parliamentary Authority .. .. .	556,022,053.25
		From Treasurer's Advance .. .. .	3,572,830.44
			<u>559,594,883.69†</u>
Revenue for the year .. .. .	559,594,883.69	<i>Loan Expenditure—</i>	
<i>Proceeds of Loans raised for Works, &amp;c. . .</i>	132,520,000.00	Under Parliamentary Authority .. .. .	141,518,243.65
Less Flotation Expenses, &c. .. .. .	242,102.82	From Treasurer's Advance .. .. .	43,258.80
	<u>132,277,897.18</u>		<u>141,561,502.45</u>
<i>Loan Repayments</i> .. .. .	8,899,829.31	<i>Total Expenditure for the year</i> .. .. .	701,156,386.14
	<u>141,177,726.49</u>		
		<i>Balance carried forward—</i>	
		Loan Fund .. .. .	591,783.66
			<u>701,748,169.80</u>

\* Does not include \$32,959,761 advances from Commonwealth Government for Housing

† 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 1966-67 with that in the previous year.  
1965-66. 1966-67.

Revenue.	Loan.		Total.	Nature of Expenditure.	Revenue.		Loan.		Total.
	Percentage of Gross Revenue.	Percentage of Loan Funds Available.			Percentage of Gross Revenue.	Percentage of Loan Funds Available.			
—	—	—	—		—	—	—	—	—
\$	%	%	\$		\$	%	\$	%	\$
210,747,831	41.44	43.35	267,897,602	Social— Education, Health, Welfare, Payments to Hospitals and Charities Fund, &c. ..	234,289,932	41.87	60,938,306	42.87	295,228,238
96,305,922	18.94	12.37	112,605,557	Railways— *Working Expenses and Loan Expenditure	98,580,045	17.61	16,466,489	11.58	115,046,534
4,944,573	.97	..	4,944,573	Pensions .. .. .	5,073,276	.91	..	..	5,073,276
96,569,003	18.99	..	96,569,003	†Debt Charges .. .. .	103,629,148	18.52	..	..	103,629,148
25,729,700	5.06	18.98	50,748,522	Primary Production— Agriculture, Lands, Soldier Settlement, Forests, Country Water Supply, &c. ..	27,603,064	4.93	27,193,025	19.13	54,796,089
28,406,589	5.59	2.07	31,134,323	Law and Order— Law, Police, Prisons, &c. ..	31,239,247	5.58	3,024,157	2.13	34,263,404
16,550,043	3.25	..	16,550,043	Commonwealth-State Housing (Interest and Repayments) .. .. .	18,131,541	3.24	..	..	18,131,541
..	..	11.38	15,000,000	Advances to State Electricity Commission ..	..	..	15,500,000	10.90	15,500,000
..	..	8.09	10,669,299	Other Public Works .. .. .	..	..	11,520,678	8.11	11,520,678
6,277,626	1.23	..	6,277,626	Pensions (excluding Railways) .. .. .	7,037,585	1.26	..	..	7,037,585
31,157,945	6.13	3.02	35,140,627	Other Expenditure .. .. .	34,011,046	6.08	2,918,847	2.05	36,929,893
..	..	..	..	In Aid of Revenue .. .. .	..	..	4,000,000	2.81	4,000,000
516,689,232	101.60	99.26	647,537,175	Total Expenditure from Consolidated Revenue and Loan .. .. .	559,594,884	100.00	141,561,502	99.58	701,156,386
..	..	.74	975,560	Loan Funds carried forward .. .. .	..	..	591,784	.42	591,784
8,135,380	1.60	..	8,135,380	Revenue Deficit .. .. .	..	..	..	..	..
508,553,852	100.00	100.00	640,377,355	Total Revenue and Loan Proceeds available to meet Expenditure .. .. .	559,594,884	100.00	142,153,286	100.00	701,748,170

\* Excludes Railway Debt Charges, 1965-66, \$4,030,673 ; 1966-67, \$4,891,191.

† Includes Railway Debt Charges 1965-66 \$4,030,673 ; 1966-67 \$4,891,191 ; Interest on Deposits, 1965-66, \$77,899 ; 1966-67, \$79,846.



## STATEMENT No. 4.

## TRUST FUND.

The Treasurer's liability on account of the Trust Fund, at 30th June, 1967, was :—

<i>Various funds as per Treasurer's Statement—</i>							\$
Amounts lodged and invested	..	..	..	..	..	..	47,218,629
General Account balances	..	..	..	..	..	..	79,494,508
							<u>126,713,137</u>
<i>Represented by :</i>							
Stocks and Securities—							
Blue Moon Fruit Co-operative Ltd.—Shares	..	..	..	..	..	..	20
Camperdown—Glenormiston Dairying Co. Ltd.—Shares	..	..	..	..	..	..	140
City of Melbourne Inscribed Stock	..	..	..	..	..	..	42,000
Colonial Gas Holdings Ltd. Registered Debenture Stock	..	..	..	..	..	..	1,000
Commonwealth Government Inscribed Stock, &c.	..	..	..	..	..	..	24,956,779
Gas and Fuel Corporation Registered Debenture Stock	..	..	..	..	..	..	973,700
Gas and Fuel Corporation of Victoria—Shares	..	..	..	..	..	..	15,123,074
Geelong Harbor Trust Debenture	..	..	..	..	..	..	118,408
Geelong Waterworks and Sewerage Trust Inscribed Stock	..	..	..	..	..	..	100,000
Grain Elevators Board Inscribed Stock	..	..	..	..	..	..	68,000
Home Finance Trust	..	..	..	..	..	..	290,000
Kyabram Co-operative Fruit Preserving Co. Ltd.—Shares	..	..	..	..	..	..	8,566
Melbourne Harbor Trust Inscribed Stock	..	..	..	..	..	..	130,000
Melbourne and Metropolitan Board of Works Inscribed Stock	..	..	..	..	..	..	2,556,900
Melbourne and Metropolitan Tramways Board Inscribed Stock	..	..	..	..	..	..	475,000
National Art Gallery and Cultural Centre Registered Debenture Stock	..	..	..	..	..	..	593,430
Pilot Vessel <i>Akuna</i> —Registered Mortgage Debenture	..	..	..	..	..	..	105,152
State Electricity Commission Inscribed Stock	..	..	..	..	..	..	2,029,060
State Savings Bank Deposit Stock	..	..	..	..	..	..	1,211,400
							<u>48,782,629*</u>
Cash Advanced—							\$
For Consolidated Revenue Deficit	..	..	..	..	..	..	8,032,418
For Other Advances	..	..	..	..	..	..	3,845,817
							<u>11,878,235</u>
Cash as per Treasurer's Statement	..	..	..	..	..	..	66,644,057
<i>Deduct—</i>							
Loan Fund Credit Balance	..	..	..	..	..	..	591,784
							<u>66,052,273</u>
							<u>126,713,137</u>

\* Includes balances invested under Section 9 of the *Public Account Act* 1958—\$1,564,000.

## DEBT CHARGES ACCOUNT.

The following particulars have been compiled from the Treasurer's Statements with the object of indicating the portion of the Revenue, other than Railway Income, which may be regarded as available for the payment of Interest, Sinking Fund Contributions, &c., that is, the amounts received to meet the Debt Charges paid for the year 1966-67.

<b>Receipts.</b>		\$	<b>Payments.</b>		\$
<i>Paid to Revenue on account of Interest and Sinking Fund on Advances from the State's Loan Fund.</i>			<i>On Funded Debt—</i>		
State Electricity Commission .. .. .	11,965,188.40		<i>Interest</i>		
Country Roads Board .. .. .	2,066,275.03		Melbourne .. .. .	78,450,062.19	
Water Trusts and Corporations, &c. .. .	1,170,591.65		Overseas .. .. .	4,753,922.64	
Rural Finance and Settlement Commission .. .	1,167,935.05				
Land Settlement .. .. .	1,070,321.61		<i>Less—</i> Rebate State Savings Bank .. .. .	500,000.00	
Latrobe Valley Water and Sewerage Board .. .	511,257.53				
Gas and Fuel Corporation .. .. .	502,909.95		Expenses .. .. .	82,703,984.83	
King-street Bridge .. .. .	147,734.06				
Grain Elevators Board .. .. .	105,432.76		<i>Exchange on Overseas Interest</i> .. .. .	..	83,018,982.38
Sewerage Authorities .. .. .	79,385.67		<i>Sinking Fund Contributions</i> .. .. .	..	2,238,140.08
Melbourne and Metropolitan Board of Works .. .	70,842.74		<i>Loan Conversion Expenses</i> .. .. .	..	17,601,815.97
Miscellaneous .. .. .	467,278.12	19,325,152.57			61,024.67
			<i>Less—</i>		102,919,963.10
<i>Paid to Revenue—Other Interest and Sinking Fund Receipts.</i>			Amount chargeable to Railway Operating Expenses .. .. .	..	4,891,191.47
Interest on Public Account .. .. .	2,480,082.71				
Recoup Sinking Fund—Mallee Land Account .. .	1,697,771.76	4,177,854.47	<i>Debit to Consolidated Revenue (Part I.) on account of Debt Charges on Public Debt</i> .. .. .	..	98,028,771.63
			<i>On Other Loans—</i>		
<i>Paid to Revenue—Recoup of Interest Other Loans.</i>			<i>Interest—</i>		
Commonwealth—State Housing Agreement—			Commonwealth—State Housing Agreement .. .. .	14,486,320.24	
Housing Commission .. .. .	11,795,880.15		Commonwealth Special Assistance Loans for Soldier Settlement .. .. .	508,017.01	
Home Builders' Account .. .. .	2,690,440.09	14,994,337.25	Deposits .. .. .	79,845.73	
					15,074,182.98
Commonwealth—Special Assistance Loans for Soldier Settlement .. .. .	508,017.01				
<i>Balance—Amount which had to be met from Taxation and other sources</i> .. .. .	..	74,605,610.32			
					113,102,954.61

## STATEMENT NO. 5—continued.

## DEBT CHARGES.

## STATISTICAL ANALYSIS.

Year.	Loan Liability (Average for each Year).*	Debt Charges Paid in each Year.	Net Amount Available 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.
	\$	\$	\$	\$	\$	\$	\$
1957-58 ..	1,000,031,344	47,836,904	9,792,142	38,044,762	4·7835	·9792	3·8043
1958-59 ..	1,073,224,490	52,431,388	10,415,700	42,015,688	4·8854	·9705	3·9149
1959-60 ..	1,149,133,834	59,291,014	11,391,970	47,899,044	5·1596	·9914	4·1682
1960-61 ..	1,227,130,594	63,985,424	12,631,804	51,353,620	5·2142	1·0294	4·1848
1961-62 ..	1,307,485,994	70,531,858	14,240,528	56,291,330	5·3944	1·0891	4·3053
1962-63 ..	1,390,729,746	77,586,808	15,273,250	62,313,558	5·5788	1·0982	4·4806
1963-64 ..	1,480,024,702	82,770,468	16,999,080	65,771,388	5·5925	1·1486	4·4439
1964-65 ..	1,579,273,942	85,833,012†	17,639,432	68,193,580	5·4349	1·1169	4·3180
1965-66 ..	1,682,641,760	91,831,091‡	20,039,004	71,792,087	5·4575	1·1909	4·2666
1966-67 ..	1,792,718,520	98,028,772‡	23,423,162	74,605,610	5·4680	1·3065	4·1615

\* Excludes advances from Commonwealth Government for Housing and certain advances for Soldier Settlement.

† Excludes \$2,557,054 provided by Railway Income and from Railway Equalization Account and \$596,170 from Mallee Land Account.

‡ Excludes Railway Debt Charges, Special Appropriations, Part II.

## 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.
	\$	\$	\$	\$	\$	\$	\$
1957-58 ..	196,081,366	8,529,426	802,260	7,727,166	4·3499	·4091	3·9408
1958-59 ..	209,729,386	9,280,380	645,312	8,635,068	4·4249	·3077	4·1172
1959-60 ..	223,711,778	10,126,740	479,742	9,646,998	4·5267	·2145	4·3122
1960-61 ..	238,460,892	10,967,294	537,864	10,429,430	4·5992	·2256	4·3736
1961-62 ..	254,222,860	12,106,722	1,228,236	10,878,486	4·7622	·4831	4·2791
1962-63 ..	269,723,278	13,001,894	1,431,980	11,569,914	4·8204	·5309	4·2895
1963-64 ..	285,735,140	13,599,286	1,984,894	11,614,392	4·7594	·6947	4·0647
1964-65 ..	302,903,282	14,507,376	2,059,356	12,448,020	4·7894	·6799	4·1095
1965-66 ..	320,477,253	15,616,019	2,805,711	12,810,308	4·8727	·8755	3·9972
1966-67 ..	338,248,720	16,891,366	2,784,302	14,107,064	4·9938	·8232	4·1706



## STATEMENT NO. 6—continued.

The Expenditure charged to Revenue for the last three years and the deficiency in the Railway Receipts are shown in the following statement :—

Expenditure.	1964-65.	Per cent. of Revenue.	1965-66.	Per cent. of Revenue.	1966-67.	Per cent. of Revenue.
	\$		\$		\$	
Working Expenses .. .. .	92,629,816	} 92·8	94,452,353	} 94·8	96,603,263	} 92·1
Commissioners' Salaries .. .. .	36,600		39,575		41,700	
Railway Accident, &c., Fund .. .. .	1,532,830	1·5	1,314,626	1·3	1,441,337	1·4
Renewals and Replacements Fund .. .. .	400,000	·4	400,000	·4	400,000	·4
Pensions and Gratuities .. .. .	4,870,490	4·9	4,944,573	5·0	5,073,276	4·8
National Debt Sinking Fund .. .. .	136,548	·2	175,707	·2	213,186	·2
Interest .. .. .	2,918,358	2·9	3,725,966	3·7	4,545,712	4·3
Exchange on Interest Payments in London..	130,724	·1	129,000	·1	132,293	·1
Railway Equalization Account .. .. .	..	..	..	..	..	..
	102,655,366	102·8	105,181,800	105·5	108,450,767	103·3
Receipts .. .. .	99,857,190	100·0	99,672,866	100·0	104,989,344	100·0
Railway Equalization Account .. .. .	2,169,600	2·2	..	..	..	..
Deficiency .. .. .	628,576	·6	5,508,934	5·5	3,461,423	3·3

## COUNTRY WATER SUPPLY.

## RECEIPTS AND EXPENDITURE 1966-67.

Receipts.		Expenditure.		State Development Account.	Country Water Supply.	Total.
	\$			\$	\$	\$
<i>Debt Charges—</i>						
Water Trusts and Other Corporations, &c.	1,550,086					
	..					
<i>Rates, &amp;c.—</i>						
Coliban ..	637,239				5,547,260	
Waterworks Districts ..	1,357,607				1,226,267	
Irrigation Districts ..	5,070,257				194,990	
Urban Districts ..	1,936,068				2,254,171	
Flood Protection ..	89,234				915,013	
Miscellaneous ..	314,981				68,141	
	<u>9,405,386</u>				<u>10,309,841</u>	
<i>Recoups of Amounts paid from Revenue</i>	2,473,139				33,950	
	<u>11,878,525</u>				<u>300,518</u>	
Total Revenue ..	..			672,159	153,071	10,644,309
	<u>13,428,611</u>			<u>12,093,800</u>	<u>3,572,667</u>	<u>825,230</u>
<i>Loan—</i>						
<i>Country Water Supply—</i>						
Applied from the Loan Fund ..	3,375,483			13,662,109	3,112,566	
<i>State Development Account—</i>						
Applied from the Loan Fund ..	13,803,343			138,259	178,996	
	<u>17,178,826</u>			<u>2,975</u>	<u>83,921</u>	
Net Cost to Taxation and Revenue from Other Sources ..	..	Total Revenue Expenditure ..		13,803,343	3,375,483	17,178,826
	<u>14,107,064</u>			..	..	<u>44,714,501</u>
	<u>44,714,501</u>					



## APPENDIX A.

## TREASURER'S ADVANCE 1966-67.

The following amounts were charged to Treasurer's Advance at 30th June, 1967, pending the passing of the appropriate Loan Application Act:—

<i>Public Works—</i>	\$
Monash University Religious Centre Appeal .. .. .	20,000.00
Royal Agricultural Society of Victoria .. .. .	20,000.00
Tostaree Pilot Farm .. .. .	3,258.80
	<hr/>
	43,258.80
	<hr/>

Act 6345, Section 16.—\$488,083.37.

The last day of the final fortnightly pay period for 1966-67 was 1st July, 1967, and under Treasury direction the portion of the pay in respect of that day was charged to Treasurer's Advance in 1966-67, to be transferred subsequently by Journal Entry to the appropriate items of expenditure in the 1967-68 Estimates.

The amount concerned is \$488,083.37.

## APPENDIX B.

STATEMENT OF STORES HELD FOR ISSUE BY GOVERNMENT DEPARTMENTS  
AND PUBLIC AUTHORITIES.

Department or Public Authority.	Nature of Stores.	Value as at 30th June, 1967.
<b>1. Departments—</b>		<b>\$</b>
Agriculture .. .. .	Machinery and Equipment Parts, Fuel, Seed, Publications	188,835
Chief Secretary		
(a) Police Branch .. .. .	Radio and Vehicle Parts, Clothing, Office Requisites	288,776
(b) Social Welfare Branch .. .. .	Clothing, Bedding, Hardware, Materials for Manufacture	486,824
(c) Fisheries and Wildlife Branch .. .. .	Publications, Motor Tyres, Field Equipment ..	13,507
Crown Lands and Survey .. .. .	Implements, Equipment, Plans, Photographic Materials	679,818
Education .. .. .	School Requisites, Books, Equipment, Office Requisites	989,976
Forests .. .. .	Vehicle Parts, Tools, Fuel .. .. .	374,003
Health (including Mental Health Authority) ..	Bedding, Hardware, Instruments, Clothing, Drugs ..	768,100
Mines .. .. .	Machinery, Tools, Tubing, Chemicals .. .. .	386,023
Public Works .. .. .	Mechanical and Electrical Equipment, Spare Parts, Furniture, Building Materials	829,407
Railways (including State Coal Mine) ..	Engineering, Refreshment Services, General Stores ..	8,475,414
Treasurer—Government Printer .. .. .	Paper, Stationery, Publications .. .. .	1,115,525
Water Supply .. .. .	Machinery Parts, Tools, General Stores .. .. .	2,301,377
<b>2. Public Authorities—</b>		
Cancer Institute .. .. .	Medical, Technical and General Stores .. .. .	56,582
Council of Adult Education .. .. .	Theatrical Equipment .. .. .	8,100
Country Fire Authority .. .. .	Fire Appliances, Hose, Spare Parts, Uniforms ..	176,041
Country Roads Board .. .. .	Vehicle Parts and Accessories, Camping Equipment, General Stores	1,001,960
Egg and Egg Pulp Marketing Board .. .. .	Eggs, Packing Materials, Spare Parts .. .. .	622,298
Gas and Fuel Corporation .. .. .	Gas Appliances, Fittings, General Stores .. .. .	4,255,762
Geelong Harbor Trust .. .. .	Engineering and Maintenance Stores .. .. .	46,362
Housing Commission .. .. .	Building Materials, Spare Parts .. .. .	534,106
Latrobe Valley Water and Sewerage Board ..	Construction Materials, Pipes, Spare Parts ..	30,725
Melbourne and Metropolitan Board of Works	Engineering Stores, Spare Parts, Pipes, Meters ..	3,133,800
Melbourne and Metropolitan Tramways Board	Engineering Stores and Parts, Uniforms, Stationery ..	770,035
Melbourne Harbor Trust .. .. .	Maintenance and Engineering Stores .. .. .	887,526
Metropolitan Fire Brigades Board .. .. .	Fire Appliances, Electrical and Engineering Stores, Uniforms	210,000
Monash University .. .. .	Building Materials, Stationery, Books .. .. .	311,382
Portland Harbor Trust .. .. .	Maintenance and Engineering Stores .. .. .	54,433
Rural Finance and Settlement Commission ..	Constructional and General Stores .. .. .	46,566
State Electricity Commission .. .. .	Electrical, Maintenance and Constructional Stores ..	8,417,411
State Relief Committee .. .. .	Clothing, Bedding, Hardware, Provisions .. .. .	65,422
Transport Regulation Board .. .. .	Stationery and Office Requisites .. .. .	38,228
University of Melbourne .. .. .	Building Materials, Stationery, Chemicals, Glassware	62,644
Victorian Inland Meat Authority .. .. .	Livestock, Meat, Packing Materials, General Stores	97,045
	Total .. .. .	37,724,013

## APPENDIX C-1

## ENDOWMENTS AND GRANTS.

	1965-66.	1966-67.	Increase + Decrease -
	\$	\$	\$
<b>Social—</b>			
Alcoholism Foundation of Victoria .. .. .	2,900	10,000	+ 7,100
Alexander Miller Memorial Homes Trust .. .. .	5,000	5,000	..
Australia Day Council .. .. .	2,500	2,500	..
Australian Association for United Nations .. .. .	1,000	1,000	..
Australian Red Cross Society for After-care Treatment of Poliomyelitis Sufferers .. .. .	32,000	32,000	..
Ballarat Youth Centre .. .. .	1,600	1,600	..
Boys' Employment Movement .. .. .	2,400	2,400	..
Boy Scouts Association .. .. .	4,000	4,000	..
Bush Nursing .. .. .	323,000	356,000	+ 33,000
Children's Welfare Association of Victoria .. .. .	500	500	..
Father and Son Welfare Movement .. .. .	1,200	1,200	..
Girl Guides Association .. .. .	4,000	4,000	..
Lord Mayor's Children's Camp Fund .. .. .	10,000	10,000	..
Marriage Guidance Council of Victoria .. .. .	2,000	2,000	..
National Fitness Council .. .. .	40,000	42,500	+ 2,500
National Safety Council .. .. .	30,000	30,000	..
Occupational Therapy School .. .. .	4,000	4,000	..
Old People's Welfare Council of Victoria .. .. .	2,000	2,000	..
Over Fifty Association .. .. .	800	800	..
Playgrounds and Recreation Association of Victoria .. .. .	12,000	12,000	..
Probation Officers' Association .. .. .	800	800	..
Rotary Youth Club at Bendigo .. .. .	1,000	1,000	..
Royal Humane Society .. .. .	200	200	..
Royal Life Saving Society .. .. .	14,000	14,000	..
St. John Ambulance Brigade .. .. .	8,000	8,000	..
Salvation Army .. .. .	1,000	1,000	..
Science and Technology Careers Bureau .. .. .	3,656	3,240	- 416
State Relief Committee .. .. .	52,000	52,000	..
Surf Life Saving Association of Australia .. .. .	16,000	16,000	..
Victorian Amateur Swimming Association .. .. .	2,000	2,000	..
Victorian Council of Social Services .. .. .	4,000	4,000	..
Victorian Family Council .. .. .	1,000	1,000	..
Victorian Nursing Council .. .. .	24,000	24,000	..
Walter and Eliza Hall Research Institute .. .. .	36,000	72,000	+ 36,000
Young Christian Workers Movement .. .. .	2,000	2,000	..
Young Farmers' Clubs Association .. .. .	32,000	39,000	+ 7,000
Young Men's Christian Association .. .. .	4,000	4,000	..
<b>Cultural—</b>			
Bands .. .. .	4,800	4,800	..
Children's Free Libraries .. .. .	10,000	10,000	..
Country Art Galleries .. .. .	24,000	28,500	+ 4,500
Country Free Libraries .. .. .	18,000	18,000	..
Cultural Development .. .. .	137,468	174,580	+ 37,112
Municipal and Regional Libraries .. .. .	940,892	1,097,873	+ 156,981
Orchestral Concerts .. .. .	32,460	28,870	- 3,590
Victorian Symphony Orchestra .. .. .	65,000	85,000	+ 20,000
<b>Sundry—</b>			
Australian Association of Neurologists .. .. .	..	10,000	+ 10,000
Animal Welfare League .. .. .	1,000	1,000	..
Australian Publicity Council .. .. .	10,000	10,000	..
Ballarat Fish Acclimatization Society .. .. .	2,400	2,400	..
British Commonwealth Day Movement .. .. .	500	500	..
British Commonwealth Youth Sunday .. .. .	6,000	6,000	..
British Memorial Foundation .. .. .	200	200	..
Cemeteries, Improvement and Maintenance .. .. .	14,000	14,000	..
Commonwealth Parliamentary Association—Victoria Branch .. .. .	18,495	14,288	- 4,207
Guide Dog Owners and Friends Association .. .. .	1,000	1,000	..
Kerang Agricultural Research Farm .. .. .	1,000	1,000	..

ENDOWMENTS AND GRANTS—*continued.*

	1965-66.	1966-67.	Increase + Decrease -
	\$	\$	\$
<i>Sundry—continued</i>			
Macalister Research Farm Co-operative Ltd. .. ..	2,000	2,000	..
Melbourne Medical Post-Graduate Committee .. ..	4,000	4,000	..
National Association of Testing Authorities .. ..	700	700	..
National Council of Women of Victoria .. ..	2,000	2,000	..
National Trust of Australia (Victoria) .. ..	12,000	12,000	..
Phillip Island Koala Reserve Committee of Management..	3,000	3,000	..
Royal Institute of Public Administration .. ..	500	500	..
Royal Society for the Prevention of Cruelty to Animals	1,500	1,500	..
Save the Forests Campaign .. ..	10,000	10,000	..
Standards Association of Australia .. ..	3,000	3,000	..
Trustees, Shrine of Remembrance .. ..	2,000	2,000	..
Victorian Breeders Co-operative Society Ltd. .. ..	10,000	10,000	..
Victorian Field and Game Association .. ..	1,200	1,200	..
Victorian Piscatorial Council .. ..	2,850	2,514	- 336
Victorian Rural Fire Brigades Association .. ..	2,000	2,000	..
War Nurses Memorial Centre .. ..	4,000	4,000	..
Water Research Foundation of Australia Ltd. .. ..	10,000	10,000	..
Women's Prison Council .. ..	100	100	..
Zoological Board of Victoria .. ..	23,000	23,000	..
<b>Total .. ..</b>	<b>2,063,621</b>	<b>2,369,265</b>	<b>+ 305,644</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, 1966-67.

	\$
All Nations Together Society .. .. .	100
Astra Chamber Orchestral Society .. .. .	1,200
Australian Boys' Choir .. .. .	200
Australian Elizabethan Theatre Trust .. .. .	80,000
Australian National Theatre Limited .. .. .	29,000
Australian Society for Education Through Art .. .. .	400
Bacchus Marsh Players .. .. .	100
Ballarat Ballet Guild .. .. .	100
Ballarat Begonia Festival Committee .. .. .	2,000
Ballarat Calisthenic College .. .. .	200
Ballarat Choral Society .. .. .	100
Ballarat Civic Male Choir .. .. .	100
Ballarat Music Lovers' Club .. .. .	100
Ballarat Orchestra Association .. .. .	500
Balmoral Drama Group .. .. .	50
Beamaris Art Group .. .. .	100
Beamaris Players Club .. .. .	100
Bendigo Competitions Society .. .. .	1,400
Bendigo Music Advancement Society .. .. .	500
Bendigo Music Lovers' Club .. .. .	150
Bendigo Operatic Society .. .. .	200
Bendigo Shakespeare Literary Society .. .. .	50
Berwick Drama Group .. .. .	50
Boort Music, Literature and Arts Society .. .. .	100
Bright Music and Drama Group .. .. .	50
Brunswick City Choral Society .. .. .	50
Camberwell City Philharmonic Society .. .. .	200
Camperdown Musical Society .. .. .	300
Camperdown Repertory Society .. .. .	200
"Carols by Candlelight", Melbourne .. .. .	1,000
Caulfield Players .. .. .	100
Children's Theatre Guild .. .. .	1,000
City of Nunawading Festival of Arts .. .. .	100
Colac Music Lovers' Club .. .. .	150
Contemporary Art Society of Australia .. .. .	300
Croydon Drama Group .. .. .	50
Dandenong Dramatic Club .. .. .	50
Dandenong Festival of Music and Art for Youth .. .. .	2,500
Daylesford Highland Gathering Committee .. .. .	1,000
Debaters' Association of Victoria .. .. .	200
Donald Music, Literature and Art Society .. .. .	50
Echuca Music Group .. .. .	100
Essendon Society of Arts .. .. .	100
Fellowship of Australian Writers .. .. .	400
Fern Tree Gully Arts Society .. .. .	200
Fern Tree Gully, Knox and Mountain District Music and Arts Festival .. .. .	300
Frankston Theatre Group .. .. .	300
Garrick Repertory Company .. .. .	100
Geelong Association of Music and Art .. .. .	1,000
Geelong Society of Operatic and Dramatic Art .. .. .	500
Gilbert and Sullivan Society of Victoria .. .. .	100
Golden Square Choral Society .. .. .	100
Goulburn Valley Drama Association .. .. .	100
Hamilton Arts Council .. .. .	600
Hamilton Light Opera Company .. .. .	50
Hamilton Music Club .. .. .	100
Hartwell Eisteddfod Committee .. .. .	200
Heathcote Musical Society .. .. .	50
Heidelberg City Repertory Group .. .. .	400
Horsham Arts Council .. .. .	400
Horsham Music Club .. .. .	50
Kerang Music Society .. .. .	50
Kew Philharmonic Society .. .. .	150
Kyabram Dramatic Society .. .. .	50
Kyneton Choral Society .. .. .	100
Latrobe Light Opera Society .. .. .	100
Latrobe Valley Eisteddfod .. .. .	600
Library Week Committee .. .. .	200
Malvern Arts Council .. .. .	100
Maryborough Arts Society .. .. .	500

## APPENDIX C-2—continued.

	\$
Melba Memorial Conservatorium of Music .. .. .	1,500
Metropolitan Choristers .. .. .	50
Mildura Little Theatre .. .. .	50
Moe City Choir .. .. .	50
Moomba Festival .. .. .	20,000
Moorabbin City Arts Festival .. .. .	250
Moorabbin City Theatre Group .. .. .	100
Mordialloc City Philharmonic Society .. .. .	200
Mordialloc Eisteddfod .. .. .	100
Mornington Eisteddfod .. .. .	200
Morwell Art Group .. .. .	50
Morwell Male Choir .. .. .	50
Morwell Players .. .. .	100
Mount Beauty Drama Group .. .. .	50
National Theatre Movement (Ballarat Branch) .. .. .	600
National Theatre Movement (Swan Hill Branch) .. .. .	600
Newtown and Chilwell Highland Gathering Committee .. .. .	200
Nhill Musical and Drama Society .. .. .	50
Northcote Dramatic Society .. .. .	100
Oriana Madrigal Choir .. .. .	100
Peninsula Arts Society .. .. .	100
Pilgrim Theatre .. .. .	150
Portland Council for the Encouragement of Music and the Arts .. .. .	200
"Q" Theatre Guild .. .. .	400
Ringwood Arts and Crafts Society .. .. .	100
Rochester Music and Drama Circle .. .. .	50
Royal South Street Society .. .. .	3,000
St. Arnaud Drama Group .. .. .	100
St. Arnaud Society for the Enjoyment of the Arts .. .. .	50
St. John's Competitions, Ballarat .. .. .	250
Sale Arts Festival .. .. .	600
Sale Eisteddfod Society .. .. .	400
Sale Repertory Group .. .. .	100
Sandringham Symphony Orchestra .. .. .	200
Seymour Music Club .. .. .	100
Shepparton Dramatic Society .. .. .	100
Shepparton Musical Advancement Society .. .. .	800
Shepparton Symphony Orchestra .. .. .	430
South Gippsland Eisteddfod .. .. .	100
South Melbourne City Philharmonic Society .. .. .	50
Stawell Choral Society .. .. .	100
Strathmore Orchestral Society .. .. .	50
Strathmore Theatrical Arts Group .. .. .	100
Thespians (Yallourn) Dramatic Society .. .. .	50
Thorpdale Drama Group .. .. .	50
Toora Drama Group .. .. .	50
Traralgon Music, Drama and Art Society .. .. .	300
Victorian Artists Society .. .. .	1,000
Victorian Ballet Guild .. .. .	2,500
Victorian Drama League .. .. .	1,500
Victorian Highland Pipe Band Association .. .. .	1,500
Victorian Opera Company .. .. .	500
Victorian Public Galleries Group .. .. .	1,000
Wangaratta Arts Council .. .. .	1,000
Wangaratta Eisteddfod Society .. .. .	50
Wangaratta Players .. .. .	100
Warragul Choral Society .. .. .	50
Warrnambool Camera Club .. .. .	400
Warrnambool City Musical Society .. .. .	100
Warrnambool Theatre Group .. .. .	200
Wendouree Arts Council .. .. .	50
Western District Eisteddfod .. .. .	500
Western Philharmonic Society .. .. .	100
Williamstown Little Theatre Movement .. .. .	300
Williamstown Orchestral Society .. .. .	50
Yallourn Orchestral and Choral Society .. .. .	200
<b>TOTAL .. .. .</b>	<b>174,580</b>

## APPENDIX D.

## SUMMARY OF RECEIPTS AND PAYMENTS FOR YEAR ENDED 30TH JUNE, 1967, 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.	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Victorian Plant Research Institute, &c., Burnley	5,782	..	1,049	6,831	92,035	20,872	12,000	124,907	118,076
Agricultural College, Dookie ..	69,570	46,582	26,892	143,044	331,793	145,539	54,282	531,614	388,570
Agricultural College, Dookie, Stock Trading Account ..	..	24,894	..	24,894	..	33,106	..	33,106	8,212
Agricultural College, Longerenong ..	35,243	45,395	14,031	94,669	183,239	73,853	46,580	303,672	209,003
Agricultural College, Longerenong, Stock Trading Account ..	..	898	..	898	..	3,266	..	3,266	2,368
Dairy College, Glenormiston ..	..	18,658	1,196	19,854	24,744	16,281	16,548	57,573	37,719
Dairy College, Glenormiston, Stock Trading Account ..	..	18,762	..	18,762	..	12,560	..	12,560	Cr. 6,202
Gilbert Chandler Institute of Dairy Technology, Werribee ..	..	917	2,035	2,952	11,842	9,021	714,550	735,413	732,461
Dairy Research Station, Ellinbank ..	..	16,482	2,914	19,396	60,835	20,943	57,719	139,497	120,101
Dairy Research Station, Ellinbank, Stock Trading Account ..	..	4,130	..	4,130	..	1,314	..	1,314	Cr. 2,816
Research Station, Mildura ..	..	7,408	69	7,477	12,038	7,107	43,785	62,930	55,453
Research Station, Scoresby ..	..	10,072	360	10,432	53,734	24,332	70,880	148,946	138,514
Research Station, Tatura ..	..	50,437	6,338	56,775	49,647	36,175	17,491	103,313	46,538
Potato Research Station, Healesville ..	..	953	539	1,492	34,455	17,756	27,853	80,064	78,572
Healesville Stock Trading Account ..	..	5,984	..	5,984	..	3,154	..	3,154	Cr. 2,830
Viticultural Station, Rutherglen ..	..	9,419	390	9,809	25,599	4,154	4,468	34,221	24,412
Research Station, Rutherglen ..	..	18,486	3,737	22,223	67,036	29,866	89,497	186,399	164,176
Research Station, Rutherglen, Stock Trading Account ..	..	37,406	..	37,406	..	16,332	..	16,332	Cr. 21,074
Research Farm, &c., Werribee ..	..	20,681	26,149	46,830	191,620	113,219	44,939	349,778	302,948
Research Farm, &c., Werribee, Stock Trading Account ..	..	41,561	..	41,561	..	17,997	..	17,997	Cr. 23,564
Mallee Research Station, Walpeup ..	..	10,068	7,578	17,646	42,405	19,575	5,827	67,807	50,161
Mallee Research Station, Walpeup, Stock Trading Account ..	..	7,220	..	7,220	..	225	..	225	Cr. 6,995
Tobacco Research Station, Myrtleford ..	..	..	401	401	12,341	2,771	1,024	16,136	15,735
Tobacco Research Station, Myrtleford, Stock Trading Account ..	..	4,677	..	4,677	..	1,822	..	1,822	Cr. 2,855
Pastoral Research Station, Hamilton ..	..	1,385	1,103	2,488	30,048	25,466	125,531	181,045	178,557
Pastoral Research Station, Hamilton, Stock Trading Account ..	..	56,000	..	56,000	..	28,395	..	28,395	Cr. 27,605
Irrigation Research Station, Kyabram ..	..	12,072	970	13,042	32,981	13,306	26,607	72,894	59,852
Irrigation Research Station, Kyabram, Stock Trading Account ..	..	13,251	..	13,251	..	5,871	..	5,871	Cr. 7,380
Veterinary Research Institute "Attwood", Broadmeadows ..	..	249	148	397	4,485	2,376	10,253	17,114	16,717
Vegetable Research Station, Frankston ..	..	..	..	..	6,990	3,203	22,343	32,536	32,536
Wheat Research Institute, Horsham ..	..	..	..	..	..	13	..	13	13
	110,595	484,047	95,899	690,541	1,267,867	709,870	1,392,177	3,369,914	2,679,373

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 \$123,939 for the Tobacco Research Station at Myrtleford. Relevant expenditure from the Trust Funds amounted to \$769,507, which figure does not include a contribution of \$20,000 from the Victorian Wheat Industry Account towards the cost of a laboratory at Rutherglen Research Station.

Agricultural Colleges, Dookie and Longerenong, Stock Trading Accounts—The above statement does not include payments to Consolidated Revenue amounting to \$52,000 (Dookie, \$40,000, Longerenong, \$12,000), being surplus funds in these Stock Trading Accounts (Act No. 6194, Section 9A (5) (b) as amended).

APPENDIX E.

EDUCATION DEPARTMENT

Comparative Analysis of Expenditure from Loan and Revenue, &c.

NOTE:—1966-67 shown in heavy type.  
1965-66 shown in light type.

	Administration	Central Schools and Classes	Correspondence Schools	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	Teachers' Colleges Hostels	Universities	Victoria Institute of Colleges.	Miscellaneous	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>EXPENDITURE.</b>																	
Salaries—Teachers (including Pay-roll Tax)	365,163	463,770	28,139,333	125,372	44,586,116	1,493,375	17,500,537	3,051,315	1,493,375	3,051,315	17,500,537	2,942,026	58,933	5,088,834	90,000	..	99,071,169
Salaries—Administration and Clerical Assistance (including Pay-roll Tax)	372,984	984,027	24,315,897	110,140	41,918,159	1,323,260	15,100,393	2,574,878	1,323,260	2,574,878	15,100,393	2,540,965	..	..	..	..	89,623,957
Allowances to Students in Training	13,176	13,116	753,773	..	9,373	9,546	1,075	49,927	8,241	49,927	1,075	106,606	58,933	..	..	..	3,295,146
Travelling Expenses, Office Requisites, Equipment, Text-Books, Publications &c.	11,994	11,330	473,156	3,635	595,302	35,830	232,860	243,404	35,830	243,404	232,860	9,574,614	..	..	..	..	10,550,155
Workers' Compensation	2,448	2,783	169,470	755	254,713	8,762	96,581	17,311	8,762	17,311	96,581	17,512	4,534	..	..	..	2,758,311
School Cleaning and Services	52,364	34,582	2,097,483	10,874	2,842,097	65,237	9,669	14,016	65,237	14,016	9,669	169,517	..	..	..	229,457	2,510,618
Conveyance of Pupils	12,224	70,637	2,432,888	36,236	2,021,591	134,129	966,316	9,444	134,129	9,444	966,316	..	..	..	..	..	589,626
Bursaries, Scholarships, and Maintenance Allowances	6,475	22,046	1,082,215	3,029	8,854	1,760	453,370	500	1,760	500	453,370	5,781	..	24,336	..	..	5,302,626
Operating Costs—Hostels and Residential Camps	..	55,137	949,258	5,267	5,532	1,266,083	408,595	218	1,266,083	218	408,595	498	..	22,886	..	..	6,946,640
Domestic Arts and Manual Training	579	15,581	495,192	3,171	22,249	9,852	..	548	9,852	548	..	1,155	..	..	..	..	6,420,820
Buildings and Residences—Capital Expenditure	1,129	40,527	454,390	4,923	24,613	7,187	590	542	7,187	542	..	1,523	..	..	..	..	548,327
Buildings and Residences—Maintenance Expenditure	3,330	363,304	7,150,316	1,322	7,455,669	4,005	6,139,241	403	4,005	403	6,139,241	826,562	28,754	5,508,834	..	..	535,602
Buildings—Rentals	2,183	89,034	843,063	300	2,840,261	9,691	3,623,466	233	9,691	233	3,623,466	1,026,031	47,201	4,759,890	..	..	27,488,601
Sites and Properties—Purchase of	..	2,622	4,492	..	28,125	..	34,574	..	..	..	34,574	3,583	..	..	..	..	4,641,582
Fees—Universities and Other	..	10,875	666,172	..	1,078,686	..	14,094	..	..	..	14,094	4,610	..	..	..	..	3,936,878
Teachers' Tribunal	44,500	..	..	..	..	..	425,348	..	..	..	425,348	155,945	..	..	..	..	2,337,145
Grants	175,300	..	3,083	..	1,656,507	..	414,831	..	..	..	414,831	1,116	..	..	..	..	2,256,000
Pensions &c. to Retired Teachers and Officers	2,821,654	1,099,680	44,300,636	184,494	61,744,421	1,815,895	35,552,679	3,460,340	1,815,895	3,460,340	35,552,679	15,816,818	887,315	18,146,370	90,000	..	22,035,935
<b>Total Expenditure</b>	2,821,654	1,517,228	39,615,975	169,624	58,243,177	1,677,555	29,176,222	2,958,888	1,677,555	2,958,888	29,176,222	14,404,175	879,793	15,446,376	18,000	3,346,759	193,162,814





## APPENDIX F.

Statement setting out briefly the effect of every Order-in-Council issued under the provisions of sub-section (1) of Section 25 of the *Audit Act* 1958.

Vote.			Particulars.	Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase - Decrease	
Division.	Sub-Division.	Item.				\$	\$
<b>PARLIAMENT.</b>							
2	2	1	<i>Legislative Assembly—</i>				
		3	Travelling and subsistence .. .. .	1,350	1,450	+	100
		3	Books and publications, other incidental expenses .. .. .	4,600	4,500	-	100
3	1	1	<i>Legislative Council and Legislative Assembly House Committee—</i>				
		2	Salaries and allowances .. .. .	35,263	35,406	+	143
		2	Overtime and penalty rates .. .. .	2,700	2,557	-	143
5	2	1	<i>Parliament Library—</i>				
		4	Travelling and subsistence .. .. .	280	285	+	5
		4	Postal and telephone expenses .. .. .	50	45	-	5
6	1	2	<i>Parliamentary Debates—</i>				
		3	Salaries and allowances .. .. .	71,991	71,986	-	5
		3	Overtime and penalty rates .. .. .	300	305	+	5
	2	1	Travelling and subsistence .. .. .	700	730	+	30
		2	Office requisites and equipment, printing and stationery .. .. .	500	550	+	50
		3	Books and publications, other incidental expenses .. .. .	200	138	-	62
		4	Postal and telephone expenses .. .. .	40	22	-	18
<b>PREMIER.</b>							
7	2	1	<i>Governor's Office—</i>				
		3	Travelling and subsistence .. .. .	30	23	-	7
		4	Books and publications, other incidental expenses .. .. .	700	694	-	6
		4	Postal and telephone expenses .. .. .	1,400	1,362	-	38
		5	Motor vehicles—Purchase and running expenses .. .. .	10,050	10,101	+	51
8	2	1	<i>Premier's Office—</i>				
		2	Travelling and subsistence .. .. .	10,950	15,673	+	4,723
		3	Office requisites and equipment, printing and stationery .. .. .	5,800	6,560	+	760
		3	Books and publications, other incidental expenses .. .. .	12,700	7,299	-	5,401
		4	Postal and telephone expenses .. .. .	5,900	5,815	-	85
		5	Motor vehicles—Purchase and running expenses .. .. .	35,500	30,911	-	4,589
		6	Publicity .. .. .	4,000	3,991	-	9
		7	Expenses of entertainment of visitors, etc., late sittings of Parliament, funerals, memorials, etc. .. .. .	22,000	26,101	+	4,101
		8	Air travel of Members of Parliament, Ministers, etc., fares over Commonwealth Railways .. .. .	9,000	9,500	+	500
9	1	1	<i>State Film Centre—</i>				
		2	Salaries and allowances .. .. .	67,184	67,305	+	121
		2	Overtime and penalty rates .. .. .	3,000	2,879	-	121
	2	1	Travelling and subsistence .. .. .	2,250	2,380	+	130
		2	Office requisites and equipment, printing and stationery .. .. .	4,000	5,450	+	1,450
		3	Books and publications, other incidental expenses .. .. .	3,550	2,100	-	1,450
		4	Postal and telephone expenses .. .. .	3,200	2,570	-	630
		5	Motor vehicles—Purchase and running expenses .. .. .	2,430	2,930	+	500
10	2	2	<i>Soil Conservation Authority—</i>				
		3	Office requisites and equipment, printing and stationery .. .. .	5,100	5,900	+	800
		4	Books and publications, other incidental expenses .. .. .	14,700	12,500	-	2,200
		4	Postal and telephone expenses .. .. .	11,250	12,650	+	1,400
11	2	1	<i>State Development—</i>				
		2	Travelling and subsistence .. .. .	2,000	1,769	-	231
		3	Office requisites and equipment, printing and stationery .. .. .	1,900	1,949	+	49
		3	Books and publications, other incidental expenses .. .. .	1,660	1,644	-	16
		5	Motor vehicles—Purchase and running expenses .. .. .	800	698	-	102
		6	Regional Committees .. .. .	5,000	5,300	+	300
13	1	1	<i>Public Service Board—</i>				
		2	Salaries and allowances .. .. .	354,883	354,562	-	321
		2	Overtime and penalty rates .. .. .	2,100	2,421	+	321
	2	2	Office requisites and equipment, printing and stationery .. .. .	10,000	9,600	-	400
		4	Postal and telephone expenses .. .. .	1,260	1,660	+	400
14	1	1	<i>Audit Office—</i>				
		3	Salaries and allowances .. .. .	464,133	458,976	-	5,157
		3	Payments in lieu of long service leave .. .. .	11,981	17,138	+	5,157
	2	1	Travelling and subsistence .. .. .	16,200	16,300	+	100
		3	Books and publications, other incidental expenses .. .. .	720	690	-	30
		4	Postal and telephone expenses .. .. .	340	370	+	30
		5	Motor vehicles—Purchase and running expenses .. .. .	1,400	1,300	-	100
<b>CHIEF SECRETARY.</b>							
15	2	1	Travelling and subsistence .. .. .	3,000	2,495	-	505
		2	Office requisites and equipment, printing and stationery .. .. .	19,100	20,217	+	1,117
		3	Books and publications, other incidental expenses .. .. .	3,000	2,957	-	43
		4	Postal and telephone expenses .. .. .	1,660	1,658	-	2
		5	Motor vehicles—Purchase and running expenses .. .. .	4,500	3,933	-	567
	3	1	Commissions and Boards of Enquiry .. .. .	5,000	5,542	+	542
		2	Expenses in connexion with censorship of films .. .. .	700	614	-	86
		3	<i>Building Societies (Amendment) Act 1961, No. 6765—Expenses</i> .. .. .	550	208	-	342
		4	<i>Premiums Committee—(Motor Car Act 1958, No. 6325)—Expenses</i> .. .. .	330	241	-	89
		5	Allowances to ex-members and dependants of ex-members of the Police Force .. .. .	930	905	-	25
16	2	1	<i>Totalizator Administration—</i>				
		2	Travelling and subsistence .. .. .	4,600	5,427	+	827
		3	Office requisites and equipment, printing and stationery .. .. .	400	373	-	27
		3	Books and publications, other incidental expenses .. .. .	2,600	1,800	-	800
21	2	1	<i>Fisheries and Wildlife—</i>				
		2	Travelling and subsistence .. .. .	37,000	34,900	-	2,100
		3	Office requisites and equipment, printing and stationery .. .. .	7,750	9,000	+	1,250
		3	Books and publications, other incidental expenses .. .. .	8,400	10,000	+	1,600
		4	Postal and telephone expenses .. .. .	8,900	9,600	+	700
		5	Motor vehicles—Purchase and running expenses .. .. .	47,550	50,900	+	3,350
		6	Fuel, light, power and water .. .. .	4,850	6,150	+	1,300
		7	Fish hatcheries—Operating expenses .. .. .	35,000	30,100	-	4,900
		8	Publicity .. .. .	2,500	1,300	-	1,200
22	2	1	<i>Government Shorthand Writer—</i>				
		2	Travelling and subsistence .. .. .	600	558	-	42
		4	Office requisites and equipment, printing and stationery .. .. .	550	595	+	45
		4	Postal and telephone expenses .. .. .	150	147	-	3
23	1	1	<i>Government Statist—</i>				
		2	Salaries and allowances .. .. .	319,417	319,925	+	508
		2	Overtime and penalty rates .. .. .	13,500	12,992	-	508
	2	2	Office requisites and equipment, printing and stationery .. .. .	38,490	38,003	-	487
		3	Books and publications, other incidental expenses .. .. .	2,300	2,787	+	487
24	1	1	<i>Social Welfare Administration and Research and Statistics—</i>				
		2	Salaries and allowances .. .. .	163,249	162,549	-	700
		2	Overtime and penalty rates .. .. .	5,150	5,850	+	700
	2	1	Travelling and subsistence .. .. .	1,500	1,684	+	184
		2	Office requisites and equipment, printing and stationery .. .. .	8,500	6,433	-	2,067
		4	Postal and telephone expenses .. .. .	21,500	23,400	+	1,900
		5	Motor vehicles—Purchase and running expenses .. .. .	430	413	-	17

## APPENDIX F.—continued.

Vote.			Particulars.	Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase — Decrease
Division.	Sub- Division.	Item.				
<b>CHIEF SECRETARY—continued.</b>						
				\$	\$	\$
25	1	1	<i>Family Welfare—</i>			
		1	Salaries and allowances .. .. .	933,627	934,044	+ 417
		3	Payments in lieu of long service leave .. .. .	2,077	1,660	- 417
	2	1	Travelling and subsistence .. .. .	26,950	27,797	+ 847
		2	Office requisites and equipment, printing and stationery .. .. .	5,000	4,997	- 3
		4	Postal and telephone expenses .. .. .	12,250	12,163	- 87
		5	Motor vehicles—Purchase and running expenses .. .. .	10,840	10,833	- 7
		9	Maintenance of migrant children .. .. .	1,700	950	- 750
	3	1	Family Welfare Advisory Council—Fees and travelling expenses .. .. .	2,100	1,394	- 706
		2	Rail travel for parents visiting wards in institutions .. .. .	4,000	4,706	+ 706
26	2	1	<i>Youth Welfare—</i>			
		2	Travelling and subsistence .. .. .	11,100	12,358	+ 1,258
		3	Office requisites and equipment, printing and stationery .. .. .	4,900	4,894	- 6
		4	Books and publications, other incidental expenses .. .. .	1,900	779	- 1,121
		5	Postal and telephone expenses .. .. .	7,600	11,600	+ 4,000
		6	Motor vehicles—Purchase and running expenses .. .. .	9,500	13,100	+ 3,600
		7	Fuel, light, power and water .. .. .	42,000	50,000	+ 8,000
		9	Stores, provisions, plant, equipment and other expenses of governmental institutions, homes and hostels .. .. .	280,000	259,609	- 20,391
		9	Allowances to trainees .. .. .	40,000	44,660	+ 4,660
	3	1	Youth Advisory Council—Fees and travelling expenses .. .. .	850	828	- 22
		2	Rail travel for parents visiting trainees in Youth Training Centres .. .. .	850	872	+ 22
27	1	1	<i>Prisons—</i>			
		2	Salaries and allowances .. .. .	1,476,682	1,481,809	+ 5,127
		3	Overtime and penalty rates .. .. .	320,000	313,660	- 6,340
		3	Payments in lieu of long service leave .. .. .	6,651	7,864	+ 1,213
	2	1	Travelling and subsistence .. .. .	15,800	17,213	+ 1,413
		2	Office requisites and equipment, printing and stationery .. .. .	4,500	3,788	- 712
		3	Books and publications, other incidental expenses .. .. .	2,500	2,490	- 10
		4	Postal and telephone expenses .. .. .	12,000	11,930	- 70
		5	Motor vehicles—Purchase and running expenses .. .. .	26,500	25,897	- 603
		6	Fuel, light, power and water .. .. .	92,000	91,982	- 18
28	2	4	<i>Training—</i>			
		6	Postal and telephone expenses .. .. .	1,175	1,475	+ 300
		6	Training equipment and materials .. .. .	13,000	12,700	- 300
29	2	1	<i>Probation and Parole—</i>			
		4	Travelling and subsistence .. .. .	18,000	17,730	- 270
		4	Postal and telephone expenses .. .. .	2,300	2,570	+ 270
30	2	1	<i>Police—</i>			
		2	Travelling and subsistence .. .. .	512,000	514,343	+ 2,343
		3	Office requisites and equipment, printing and stationery .. .. .	212,000	222,710	+ 10,710
		3	Books and publications, other incidental expenses .. .. .	136,000	135,957	- 43
		5	Motor vehicles—Purchase and running expenses .. .. .	877,000	859,826	- 17,174
		7	Personal equipment, uniforms, clothing and bedding .. .. .	98,000	101,510	+ 3,510
		8	Radio, photographic and scientific equipment and materials, including installation of communications relative to D.24 .. .. .	67,000	66,977	- 23
		11	Training equipment and materials .. .. .	500	490	- 10
		12	Burials .. .. .	6,000	5,980	- 20
		13	Provision for police hospital .. .. .	5,500	5,499	- 1
		14	Allowance to the Medical Officer of the Police Force .. .. .	4,824	5,544	+ 720
		15	Police Long Service and Good Conduct Medals .. .. .	200	188	- 12
32	..	..	<i>State Library, National Gallery, National Museum and Institute of Applied Science Administration—</i>			
	2	1	Travelling and subsistence .. .. .	30	38	+ 8
		4	Postal and telephone expenses .. .. .	8,200	8,192	- 8
36	..	..	<i>Institute of Applied Science—</i>			
	1	1	Salaries and allowances .. .. .	67,210	67,239	+ 29
		2	Overtime and penalty rates .. .. .	450	421	- 29
	2	1	Travelling and subsistence .. .. .	250	256	+ 6
		4	Postal and telephone expenses .. .. .	160	159	- 1
		5	Motor vehicles—Purchase and running expenses .. .. .	325	320	- 5
38	..	..	<i>Immigration—</i>			
	1	1	Salaries and allowances .. .. .	55,731	56,409	+ 678
		2	Overtime and penalty rates .. .. .	4,150	3,472	- 678
	2	3	Books and publications, other incidental expenses .. .. .	600	940	+ 340
		5	Motor vehicles—Purchase and running expenses .. .. .	960	620	- 340
<b>LABOUR AND INDUSTRY.</b>						
39	1	2	Salaries and allowances .. .. .	952,232	954,761	+ 2,529
		4	Payments in lieu of long service leave .. .. .	20,426	17,897	- 2,529
	3	1	Apprenticeship Commission—Fees and allowances .. .. .	1,800	2,086	+ 286
		2	Industrial Appeals Court—Remuneration of President, Deputy President, Members and Deputy Members .. .. .	1,600	1,344	- 256
		4	Industrial Safety Advisory Council—Fees of members .. .. .	600	450	- 150
		5	Fusion Welders' Board—Fees and other expenses .. .. .	1,550	1,785	+ 235
		6	Subsidies to apprentices attending continuous courses of instruction remote from place of residence or work .. .. .	18,000	17,885	- 115
<b>EDUCATION.</b>						
40	1	3	Overtime and penalty rates .. .. .	51,000	90,825	+ 39,825
		4	Payments in lieu of long service leave .. .. .	1,280,000	1,240,175	- 39,825
	2	1	Travelling and subsistence .. .. .	377,000	375,955	- 1,045
		2	Books and publications, other incidental expenses .. .. .	359,000	372,454	+ 13,454
		3	Postal and telephone expenses .. .. .	204,000	203,903	- 97
		5	School and office equipment (including subsidies) and school and office requisites, including equipment, etc., for registered schools (to be recouped), printing and stationery .. .. .	1,140,000	1,102,045	- 37,955
		6	School maintenance—Towards cleaning, fuel, light, postage and other minor items, sanitary and other rates .. .. .	1,502,600	1,542,646	+ 40,046
		7	Visual Education .. .. .	96,000	95,047	- 953
		8	Domestic Arts .. .. .	424,000	410,816	- 13,184
		10	Libraries and subsidies for libraries .. .. .	236,500	231,519	- 4,981
		11	Expenses in connexion with examinations .. .. .	133,100	138,102	+ 5,002
		12	Refund of school fees, rents, etc. .. .. .	4,250	4,231	- 19
		13	Allowances to school cleaners, groundsmen and boilermen .. .. .	3,585,000	3,584,732	- 268
	3	1	Scholarships and bursaries (fees and allowances) and allowances for maintenance and requisites .. .. .	2,784,500	2,750,296	- 34,204
		2	Subsidies to holders of free places and senior scholarships (University and Technical) .. .. .	11,600	11,759	+ 159
		3	Allowances to students in training .. .. .	11,004,000	11,036,492	+ 32,492
		4	Provision of bus services and pupils' travelling allowances .. .. .	6,940,000	6,939,549	- 451
		5	Expenses in connexion with hostels attached to Teachers' Colleges, Training Centres or Special Schools .. .. .	806,000	805,978	- 22
		6	Subsidies to hostels established in connexion with Country High and Technical Schools and Special Schools .. .. .	10,700	10,687	- 13
		7	Students attending school under reciprocal arrangements with other States—Maintenance and allowances .. .. .	8,940	8,421	- 519
	10	10	Expenses in connexion with residential group activities of students in training and pupils at Somers and elsewhere .. .. .	49,850	49,865	+ 15

## APPENDIX F.—continued.

Vote.			Particulars.	Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase - Decrease
Division.	Sub-Division.	Item.				
EDUCATION—continued.						
				\$	\$	\$
40	3	11	Minor repairs to inspectors' residences, buildings, grounds and equipment where there is no school committee	1,200	1,140	- 60
		22	Adult Education Fund—To supplement annual appropriation	112,500	116,560	+ 4,060
		23	Expenses in connexion with the provision of emergency temporary accommodation for pupils of "Christ the King" School, Braybrook, destroyed by fire	6,440	5,351	- 1,089
		24	Towards expenses of conducting a school by the Victorian Committee for the promotion of Oral Education of the Deaf	10,000	9,632	- 368
41			<i>Teachers' Tribunal—</i>			
	2	1	Travelling and subsistence	500	552	+ 52
		2	Office requisites and equipment, printing and stationery	900	672	- 228
		3	Books and publications, other incidental expenses	1,000	895	- 105
		4	Postal and telephone expenses	600	881	+ 281
ATTORNEY—GENERAL.						
42			Salaries and allowances	1,449,186	1,449,217	+ 31
		3	Overtime and penalty rates	43,500	43,469	- 31
	2	1	Travelling and subsistence	44,000	48,236	+ 4,236
		4	Postal and telephone expenses	19,000	18,804	- 196
		6	Fuel, light, power and water	18,000	17,999	- 1
		7	Allowances to witnesses	13,200	12,614	- 586
		8	Payments to Jurors—Compensation and travelling expenses	335,000	331,547	- 3,453
	3	2	Contribution to special fund for superannuation allowances to Judges' Associates	2,200	2,309	+ 109
		3	Consumers Protection Council—Expenses including fees and travelling allowances to Chairman and Members	20,000	19,891	- 109
43			<i>Courts Administration—</i>			
	2	1	Travelling and subsistence	105,150	105,149	- 1
		2	Office requisites and equipment, printing and stationery	43,500	42,328	- 1,172
		3	Books and publications, other incidental expenses	70,000	70,143	+ 143
		4	Postal and telephone expenses	49,000	48,978	- 22
		5	Fuel, light, power and water	38,000	37,999	- 1
		7	Expenses in connexion with post mortem examinations	71,000	73,853	+ 2,853
		9	Refunds of fines	3,500	1,700	- 1,800
44			<i>Registrar-General and Registrar of Titles—</i>			
	1	1	Salaries and allowances	1,236,937	1,239,446	+ 2,509
		2	Overtime and penalty rates	45,250	42,741	- 2,509
	2	1	Travelling and subsistence	9,000	8,800	- 200
		5	Motor vehicles—Purchase and running expenses	2,000	2,200	+ 200
45			<i>Registrar of Companies—</i>			
	2	1	Travelling and subsistence	2,000	1,629	- 371
		2	Office requisites and equipment, printing and stationery	3,000	3,400	+ 400
		4	Postal and telephone expenses	7,000	6,971	- 29
46			<i>Rent Control—</i>			
	2	1	Travelling and subsistence	1,330	1,530	+ 200
		4	Postal and telephone expenses	1,200	1,000	- 200
47			<i>Public Trustee—</i>			
	1	1	Salaries and allowances	450,763	445,542	- 5,221
		2	Overtime and penalty rates	13,900	17,759	+ 3,859
		3	Payments in lieu of long service leave	12,290	13,652	+ 1,362
	2	1	Travelling and subsistence	2,350	2,770	+ 420
		2	Office requisites and equipment, printing and stationery	8,200	7,720	- 480
		3	Books and publications, other incidental expenses	6,000	6,103	+ 103
		4	Postal and telephone expenses	11,600	11,597	- 3
		5	Publicity	2,500	2,460	- 40
TREASURY.						
48			Salaries and allowances	268,728	268,747	+ 19
		3	Overtime and penalty rates	7,000	6,981	- 19
	2	3	Books and publications, other incidental expenses	900	1,401	+ 501
		4	Postal and telephone expenses	7,600	8,171	+ 571
		5	Motor vehicles—Purchase and running expenses	2,270	2,398	+ 128
		6	Refunds of moneys unclaimed over six years and transferred to Consolidated Revenue	2,000	800	- 1,200
	3	2	Payment to New Zealand Government in respect of subscriptions in New Zealand to Tattersall Consultations	225,000	225,916	+ 916
		3	Payment to Government of Tasmania in respect of subscriptions received by accredited representatives in Tasmania to Tattersall Consultations	150,000	145,805	- 4,195
		11	Towards cost of maintenance of <i>ex Guncotton</i> Factory Area at Ballarat	5,800	6,837	+ 1,037
		12	To supplement annual subsidy to the Royal Mint	440,000	420,000	- 20,000
		16	Allowances to sufferers from miners' phthisis and expenses in connexion therewith	53,000	53,516	+ 516
		18	Rail Passes to incapacitated and blinded ex-members of the Defence Forces	230,000	195,000	- 35,000
		22	Recoup to Railway Department in accordance with <i>Kerang and Koondrook Tramway Act 1951 No. 5591, Section 7 (2)</i>	30,600	32,326	+ 1,726
		30	Victorian Promotion Trust Fund—Contribution	140,000	175,000	+ 35,000
		31	For cultural development and grants in connexion therewith	140,000	174,580	+ 34,580
		39	Subsidies towards interest on moneys borrowed for the provision of secondary school buildings for registered schools	75,000	40,420	- 34,580
		42	Australian Broadcasting Commission—Grant towards cost of Melbourne Symphony Orchestra	65,000	85,000	+ 20,000
50			<i>Tender Board—</i>			
	1	1	Salaries and allowances	18,375	18,476	+ 101
		2	Overtime and penalty rates	400	299	- 101
	2	1	Travelling and subsistence	70	47	- 23
		2	Office requisites and equipment, printing and stationery	2,500	3,354	+ 854
		3	Books and publications, other incidental expenses	2,000	2,050	+ 50
		4	Postal and telephone expenses	280	258	- 22
		5	Transport and other cartage expenses including stacking, cooerage and bond storage charges	230,000	229,141	- 859
52			<i>Registry of Co-operative Housing Societies and Co-operative Societies and Home Finance Administration—</i>			
	2	1	Travelling and subsistence	4,400	3,400	- 1,000
		2	Office requisites and equipment, printing and stationery	3,500	4,150	+ 650
		3	Books and publications, other incidental expenses	320	470	+ 150
		4	Postal and telephone expenses	3,450	3,650	+ 200
53			<i>Taxation Office—</i>			
	1	1	Salaries and allowances	790,684	796,601	+ 5,917
		2	Overtime and penalty rates	5,200	-	- 5,200
		3	Payments in lieu of long service leave	6,236	5,519	- 717
	2	1	Travelling and subsistence	30,000	34,000	+ 4,000
		3	Books and publications, other incidental expenses	56,000	52,000	- 4,000
54			<i>Stamp Duties—</i>			
	1	1	Salaries and allowances	256,249	253,996	- 2,253
		2	Overtime and penalty rates	16,500	18,630	+ 2,130
		3	Payments in lieu of long service leave	2,520	2,643	+ 123
	2	2	Office requisites and equipment, printing and stationery	62,000	59,515	- 2,485
		3	Books and publications, other incidental expenses	4,500	6,165	+ 1,665
		6	Commission on sale of duty stamps, etc.	125,000	125,820	+ 820
55			<i>Government Printer—</i>			
	1	1	Salaries and allowances	1,341,890	1,364,365	+ 22,475
		2	Overtime and penalty rates	200,000	177,525	- 22,475

## APPENDIX F.—continued.

Vote.			Particulars.	Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase - Decrease
Division.	Sub- Division.	Item.				
56			<b>LANDS AND SURVEY.</b>			
				\$	\$	\$
	2	1	Travelling and subsistence .. .. .	209,000	209,471	+ 471
		2	Office requisites and equipment, printing and stationery .. .	40,000	39,999	- 1
		4	Postal and telephone expenses .. .. .	30,200	29,927	- 273
		5	Motor vehicles—Purchase and running expenses .. .. .	8,400	8,399	- 1
		7	Survey and photographic equipment .. .. .	54,000	60,880	+ 6,880
		8	Expenses in connexion with surveys of land other than staff surveys ..	16,000	8,986	- 7,014
		9	Fees for registration of powers of attorney and liens on crops, registration and discharge of mortgages, commission on sales of land, commission on royalties .. .. .	800	738	- 62
	3	2	Aerial survey—Purchase of instruments, machines, equipment and other expenses .. .. .	136,000	146,000	+ 10,000
		3	Rebates to purchasers of wire netting whose holdings adjoin unoccupied Crown lands .. .. .	8,000	8,245	+ 245
		5	Vermin and Noxious Weeds Destruction Board—Scholarship in Agricultural Science .. .. .	1,475	1,542	+ 67
		7	Payment to Committee of Management of the St. Kilda Foreshore Reserves of an amount equivalent to rents received from certain foreshore leases .. .. .	20,084	9,839	- 10,245
		9	Repairs, alterations and maintenance of Crown property (including cost of maintaining improvements on closer settlement land vacant or held under purely temporary lease) .. .. .	700	633	- 67
		10	Payment to municipal councils and other authorities in lieu of rates ..	8,000	6,040	- 1,960
		11	Costs and expenses of land utilization (including pay-roll tax) pending subdivision of properties and preparation of holdings for allotment to settlers .. .. .	27,000	28,960	+ 1,960
57			<i>Botanic and Domain Gardens and National Herbarium—</i>			
	1	1	Salaries and allowances .. .. .	203,211	203,253	+ 42
		3	Payments in lieu of long service leave .. .. .	1,300	1,258	- 42
58			<b>PUBLIC WORKS.</b>			
	1	2	Salaries and allowances .. .. .	3,304,865	3,315,584	+ 10,719
		3	Overtime and penalty rates .. .. .	92,000	81,281	- 10,719
	2	1	Travelling and subsistence .. .. .	170,000	170,507	+ 507
		2	Office requisites and equipment, printing and stationery .. .	120,000	117,726	- 2,274
		3	Books and publications, other incidental expenses .. .. .	32,800	29,806	- 2,994
		4	Postal and telephone expenses .. .. .	44,200	48,961	+ 4,761
	3	2	Rents and allowances in lieu thereof .. .. .	763,350	748,564	- 14,786
		3	Municipal and other authorities—Rates and charges .. .. .	300,000	308,833	+ 8,833
		4	Telephonic communications—Provision, maintenance and other expenses ..	185,500	191,453	+ 5,953
59			<i>Ports and Harbors—</i>			
	2	1	Travelling and subsistence .. .. .	28,500	33,305	+ 4,805
		3	Books and publications, other incidental expenses .. .. .	20,600	15,795	- 4,805
	3	1	Wharves, jetties, sheds and other harbor works—Repairs, maintenance and other expenses, including wharf managers' allowances .. .	102,000	105,550	+ 3,550
		3	Marine surveys—Expenses .. .. .	42,750	44,250	+ 1,500
		7	Westernport—Operating expenses .. .. .	396,000	390,950	- 5,050
60			<b>LOCAL GOVERNMENT.</b>			
	2	1	Travelling and subsistence .. .. .	7,250	6,950	- 300
		4	Postal and telephone expenses .. .. .	2,330	2,630	+ 300
61			<i>Weights and Measures—</i>			
	1	1	Salaries and allowances .. .. .	132,616	133,068	+ 452
		2	Overtime and penalty rates .. .. .	2,000	1,548	- 452
	2	2	Office requisites and equipment, printing and stationery .. .	1,320	1,619	+ 299
		3	Books and publications, other incidental expenses .. .. .	3,300	1,018	- 2,282
		5	Motor vehicles—Purchase and running expenses .. .. .	8,900	10,883	+ 1,983
62			<i>Town and Country Planning Board—</i>			
	2	1	Travelling and subsistence .. .. .	1,500	1,501	+ 1
		2	Office requisites and equipment, printing and stationery .. .	4,000	3,999	- 1
63			<b>MINES.</b>			
	1	2	Salaries and allowances .. .. .	545,201	544,295	- 906
		4	Payments in lieu of long service leave .. .. .	4,414	5,320	+ 906
	2	1	Travelling and subsistence .. .. .	9,500	13,500	+ 4,000
		5	Motor vehicles—Purchase and running expenses .. .. .	23,000	20,500	- 2,500
		6	Laboratory expenses—Chemicals, materials and other expenses .. .	6,000	4,500	- 1,500
66			<b>AGRICULTURE.</b>			
	1	2	Salaries and allowances .. .. .	766,349	768,822	+ 2,473
		3	Overtime and penalty rates .. .. .	9,900	7,427	- 2,473
	2	1	Travelling and subsistence .. .. .	4,200	3,850	- 350
		6	Fuel, light, power and water .. .. .	1,300	1,650	+ 350
	3	1	Victoria Dock Cool Stores—equipment and running expenses .. .	246,000	233,316	- 12,684
		2	State Agricultural Chemistry Laboratory—Equipment and running expenses ..	24,000	32,192	+ 8,192
		4	Agricultural Economics Branch .. .. .	7,650	2,484	- 5,166
		12	Expenses in connexion with Rain-making Operations in Victoria .. .	12,000	21,658	+ 9,658
67			<i>Agricultural Education—</i>			
	1	1	Salaries and allowances .. .. .	140,685	140,752	+ 67
		2	Overtime and penalty rates .. .. .	1,450	1,383	- 67
	3	1	State Agricultural Colleges, Dookie and Longerenong—To supplement the annual appropriation to meet costs and expenses of State Agricultural Colleges, including scholarships and payments in lieu of long service leave .. .. .	495,650	495,639	- 11
		3	Dairy College, Glenormiston—Equipment, live-stock and running expenses ..	33,175	33,161	- 14
		5	Agricultural Science Cadetship .. .. .	25,160	25,185	+ 25
68			<i>Agriculture—</i>			
	1	1	Salaries and allowances .. .. .	792,563	791,715	- 848
		2	Overtime and penalty rates .. .. .	1,700	2,548	+ 848
	2	1	Travelling and subsistence .. .. .	36,300	37,213	+ 913
		2	Office requisites and equipment, printing and stationery .. .	3,280	2,998	- 282
		3	Books and publications, other incidental expenses .. .. .	6,375	6,358	- 17
		4	Postal and telephone expenses .. .. .	1,700	1,127	- 573
		6	Fuel, light, power and water .. .. .	100	59	- 41
	3	8	Irrigated pasture experiments .. .. .	12,200	13,050	+ 850
		9	Agricultural experimental and extension work .. .. .	25,770	24,920	- 850
69			<i>Horticulture—</i>			
	1	1	Salaries and allowances .. .. .	972,885	973,067	+ 182
		2	Overtime and penalty rates .. .. .	45,500	43,273	- 2,227
		3	Payments in lieu of long service leave .. .. .	9,583	11,628	+ 2,045
	2	1	Travelling and subsistence .. .. .	49,380	46,367	- 3,013
		2	Office requisites and equipment, printing and stationery .. .	1,800	3,735	+ 1,935
		3	Books and publications, other incidental expenses .. .. .	13,000	14,061	+ 1,061
		4	Postal and telephone expenses .. .. .	3,900	4,625	+ 725
		5	Motor vehicles—Purchase and running expenses .. .. .	24,920	24,916	- 4
		6	Fuel, light, power and water .. .. .	1,910	1,848	- 62
		7	Stores, equipment, materials, and other expenses of inspectors and other personnel .. .. .	2,100	1,458	- 642

## APPENDIX F.—continued.

Vote.			Particulars.	Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase — Decrease
Division.	Sub- Division.	Item.				
<b>AGRICULTURE—continued.</b>						
				\$	\$	\$
69	3	1	Viticultural Station, Rutherglen and Wahgunyah Nursery—Equipment, plants, seeds, &c., and running expenses .. .. .	23,750	23,101	— 649
		2	Research Station, Tatura—Equipment, plants, seeds, &c., and running expenses .. .. .	57,600	57,595	— 5
		3	Research Station, Scoresby—Equipment, plants, seeds, &c., and running expenses .. .. .	48,650	50,020	+ 1,370
		4	Research Station, Mildura—Equipment, plants, seeds, &c., and running expenses .. .. .	12,450	12,653	+ 203
		5	Vegetable experimental and extension work .. .. .	7,800	7,799	— 1
		9	Market News Service—Expenses .. .. .	6,350	5,432	— 918
70			<i>Animal Health—</i>			
	1	1	Salaries and allowances .. .. .	459,514	455,043	— 4,471
		3	Payments in lieu of long service leave .. .. .	1,390	5,861	+ 4,471
		2	Books and publications, other incidental expenses .. .. .	475	1,625	+ 1,150
		8	Compensation under the <i>Cattle Compensation Act 1958</i> , No. 6216 .. .. .	50,000	46,350	— 3,650
		9	Compensation under the <i>Swine Act 1958</i> , No. 6389 .. .. .	10,000	12,500	+ 2,500
	3	1	Apiary experimental and extension work .. .. .	3,100	3,400	+ 300
		2	Veterinary scholarships and cadetships .. .. .	42,700	44,576	+ 1,876
		3	Research into facial eczema in sheep .. .. .	29,000	26,824	— 2,176
71			<i>Animal Industry—</i>			
	1	1	Salaries and allowances .. .. .	371,977	371,807	— 170
		2	Overtime and penalty rates .. .. .	2,300	2,144	— 156
		3	Payments in lieu of long service leave .. .. .	1,705	2,031	+ 326
72			<i>Dairying—</i>			
	1	2	Overtime and penalty rates .. .. .	600	132	— 468
		3	Payments in lieu of long service leave .. .. .	3,986	4,454	+ 468
73			<i>Extension Services—</i>			
	2	1	Travelling and subsistence .. .. .	950	350	— 600
		3	Books and publications, other incidental expenses .. .. .	250	480	+ 230
		5	Motor vehicles—Purchase and running expenses .. .. .	1,060	1,430	+ 370
<b>HEALTH.</b>						
74			<i>Health Administration—</i>			
	2	3	Books and publications, other incidental expenses .. .. .	17,960	17,420	— 540
		4	Postal and telephone expenses .. .. .	3,100	3,280	+ 180
		5	Motor vehicles—Purchase and running expenses .. .. .	2,900	3,260	+ 360
75			<i>General Health—</i>			
	1	1	Salaries and allowances .. .. .	724,007	723,169	— 838
		2	Overtime and penalty rates .. .. .	2,850	3,348	+ 498
		3	Payments in lieu of long service leave .. .. .	10,484	10,824	+ 340
	2	1	Travelling and subsistence .. .. .	24,440	23,640	— 800
		3	Books and publications, other incidental expenses .. .. .	7,690	7,190	— 500
		4	Postal and telephone expenses .. .. .	6,750	7,550	+ 800
		6	State Health Laboratories—Maintenance and other expenses .. .. .	3,550	4,050	+ 500
		9	Plumbers' and Gasfitters' Board—Expenses .. .. .	2,000	1,900	— 100
		10	Cinematograph Operators' Board—Expenses .. .. .	600	700	+ 100
	3	2	Subsidies to municipalities, etc., towards home help schemes (including direct assistance) .. .. .	720,000	719,000	— 1,000
		3	To meet cost of travel on State-owned transport for people of limited means requiring treatment at public hospitals .. .. .	83,000	84,000	+ 1,000
77			<i>Maternal and Child Welfare—</i>			
	1	1	Salaries and allowances .. .. .	1,081,520	1,081,531	+ 11
		2	Overtime and penalty rates .. .. .	350	339	— 11
	2	1	Travelling and subsistence .. .. .	24,000	21,840	— 2,160
		2	Office requisites and equipment, printing and stationery .. .. .	4,000	3,866	— 134
		3	Books and publications, other incidental expenses .. .. .	15,890	12,486	— 3,404
		4	Postal and telephone expenses .. .. .	5,760	5,677	— 83
		5	Motor vehicles—Purchase and running expenses .. .. .	7,500	7,368	— 132
		6	Ante-Natal Clinics—Sessional fees and expenses of medical officers and nurses .. .. .	14,090	14,215	+ 125
		7	School medical and dental expenses .. .. .	179,000	183,000	+ 4,000
		8	Medical, dental and pharmaceutical expenses in connexion with children under care of Social Welfare Branch of Chief Secretary's Department .. .. .	77,000	80,483	+ 3,483
		9	Expenses in connexion with infant welfare and pre-school scholarships .. .. .	80,000	77,788	— 2,212
		10	Department of Health Kindergarten and Infant Welfare Centre, Preston—Expenses .. .. .	300	297	— 3
		11	Rail passes etc., infant welfare nurses, pre-school directors, etc. .. .. .	2,750	3,270	+ 520
	3	2	Subsidies towards cost of maintaining creches and day nurseries .. .. .	169,600	168,890	— 710
		3	Consultative Council on Maternal Mortality—Fees and other expenses .. .. .	4,600	5,310	+ 710
78			<i>Mental Hygiene—</i>			
	1	2	Overtime and penalty rates .. .. .	2,036,000	2,024,211	— 11,789
		3	Payments in lieu of long service leave .. .. .	100,000	111,789	+ 11,789
	2	1	Travelling and subsistence .. .. .	107,000	108,989	+ 1,989
		2	Office requisites and equipment, printing and stationery .. .. .	44,000	47,000	+ 3,000
		3	Books and publications, other incidental expenses .. .. .	38,000	39,500	+ 1,500
		4	Postal and telephone expenses .. .. .	101,000	100,203	— 797
		7	Stores, provisions, clothing and bedding, plant and equipment and other expenses (including special expenses relating to patient therapy) of mental institutions and clinics and the medical and psychiatric clinic at Pentridge .. .. .	3,154,000	3,179,700	+ 25,700
		9	Committal of patients .. .. .	11,000	12,000	+ 1,000
		10	Expenses of accommodating patients outside mental institutions .. .. .	220,000	187,608	— 32,392
<b>FUEL AND POWER.</b>						
79						
	1	1	Salaries and allowances .. .. .	29,224	29,421	+ 197
		2	Overtime and penalty rates .. .. .	200	3	— 197
	2	1	Travelling and subsistence .. .. .	2,400	1,975	— 425
		3	Books and publications, other incidental expenses .. .. .	550	975	+ 425
<b>RAILWAY CONSTRUCTION.</b>						
80						
	1	1	Salaries and allowances .. .. .	78,479	78,558	+ 79
		2	Overtime and penalty rates .. .. .	525	446	— 79
	2	1	Travelling and subsistence .. .. .	600	575	— 25
		6	Pay-roll tax .. .. .	1,560	1,585	+ 25
<b>MINISTRY OF TRANSPORT.</b>						
81						
	2	1	Travelling and subsistence .. .. .	625	602	— 23
		3	Books and publications, other incidental expenses .. .. .	110	112	+ 2
		5	Motor vehicles—Purchase and running expenses .. .. .	300	321	+ 21
<b>FORESTS.</b>						
82						
	1	2	Overtime and penalty rates .. .. .	60,000	59,986	— 14
		3	Payments in lieu of long service leave .. .. .	30,000	30,014	+ 14
	3	1	Utilization of forests produce .. .. .	800,000	801,097	+ 1,097
		2	State Sawmill—Working expenses .. .. .	7,500	5,775	— 1,725
		5	Expenses in connexion with property at Kalorama known as "The Mountain Gallery" .. .. .	12,700	13,328	+ 628

## APPENDIX F.—continued.

Vote.			Particulars.	Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase — Decrease
Division.	Sub- Division.	Item.				
83			<b>WATER SUPPLY.</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
	1	1	Salaries and allowances .. .. .	5,470,926	5,451,279	— 19,647
		2	Overtime and penalty rates .. .. .	20,000	19,977	— 23
		3	Payments in lieu of long service leave .. .. .	100,000	119,670	+ 19,670
	2	1	Travelling and subsistence .. .. .	190,000	177,633	— 12,367
		2	Office requisites and equipment, printing and stationery .. .. .	60,000	61,696	+ 1,696
		4	Postal and telephone expenses .. .. .	51,000	50,496	— 504
		5	Fuel, light, power and water .. .. .	21,500	25,175	+ 3,675
		7	Rent .. .. .	3,600	3,387	— 213
		8	Contour surveys, private services, tapping mains, excavator hire and other recoverable expenses .. .. .	94,000	93,157	— 843
		9	River gaugings, investigations, soil surveys, etc. .. .. .	60,500	60,382	— 118
		11	Repairs and maintenance of buildings .. .. .	65,200	65,199	— 1
		12	Pay-roll tax .. .. .	248,000	256,675	+ 8,675
	3	1	Coliban—Materials and other expenses .. .. .	195,000	194,991	— 9
		2	Irrigation, water supply and drainage districts—Materials and other expenses .. .. .	2,027,500	2,027,172	— 328
		3	Waterworks districts and public tanks—Materials and other expenses .. .. .	920,000	923,250	+ 3,250
		4	Flood protection districts and Carrum Drainage District—Materials and other expenses .. .. .	71,400	68,141	— 3,259
		7	Subsidies to sewerage authorities in cases where the interest paid on capital liability is in excess of the rate 3 per cent. .. .. .	900,000	910,311	+ 10,311
		8	Subsidies to Waterworks Trusts, Local Governing Bodies and River Improvement Trusts where interest is in excess of 3 per cent. on loans raised under Act No. 6413 .. .. .	55,000	48,902	— 6,098
		9	Subsidies to Waterworks Trusts and Local Governing Bodies in certain cases where the effective water rate exceeds the equivalent of 17½ cents in the dollar, net annual valuation .. .. .	7,500	..	— 7,500
		10	Transfer to Eildon Sewerage District Depreciation Account .. .. .	13,413	15,968	+ 2,555
		12	Surveying Cadetship .. .. .	7,778	8,856	+ 1,078
84			<b>STATE COAL MINE.</b>			
	1	1	Salaries and allowances .. .. .	15,568	15,732	+ 164
		2	Payments in lieu of long service leave .. .. .	21,527	21,363	— 164
	2	1	Working expenses (including <i>ex-gratia</i> payments to certain employees) .. .. .	616,628	617,179	+ 551
		2	Pay-roll tax .. .. .	12,885	12,334	— 551
	3	1	Coal Miners' Accident Relief Fund—Contribution including fines, under Section 74 2 (a) <i>Coal Mines Act</i> 1958, No. 6221 .. .. .	190	176	— 14
		2	Coal Mine Workers' Pensions Fund—Contribution .. .. .	64,022	64,036	+ 14
85			<b>RAILWAYS.</b>			
	1	1	Traffic Branch and Commercial Branch .. .. .	29,964,000	30,049,875	+ 85,875
		3	Rolling-stock Branch .. .. .	29,908,000	29,619,527	— 288,473
		5	Stores Branch .. .. .	1,531,000	1,562,598	+ 31,598
		7	General Expenses .. .. .	4,989,000	5,146,952	+ 157,952
		10	Pay-roll tax .. .. .	1,839,000	1,852,048	+ 13,048

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