
REPORT

OF THE

AUDITOR-GENERAL

FOR THE YEAR ENDED

30th JUNE, 1970

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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, 1970.

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, 1970. 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.

After a general review in Part II. of the main features of the State finances, the Report, in Parts III., IV. and V., deals in turn with each of the three headings of the State's public accounts, namely, the Consolidated Revenue Fund, the Loan Fund, and the Trust Fund and Special Accounts. Comments on various individual departments, branches and authorities appear in Part VI. Part VII. contains information on general matters which must be reported to Parliament under specific provisions of the Audit Act or which otherwise warrant inclusion. Supporting statements and appendices complete the Report.

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, 1970. 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 1969-70—

		\$
The Consolidated Revenue brought to account was		726,899,895.97
The Expenditure charged to Revenue was		742,281,897.79
		15,382,001.82
The Deficit for the year was		15,382,001.82

The amount of the deficit, \$15,382,001.82, was arrived at after taking into account a special payment of \$10,000,000 by the Commonwealth to the State. At the time of preparation of this Report, the terms and conditions attaching to this payment had not been finally determined. In the State accounts, the \$10,000,000 has been paid into Consolidated Revenue and thus affects the year's Budget results.

The expenditure for the year, as recorded above, includes the sum of \$4,586,047.28 which had been charged to Treasurer's Advance pending the passing of the Supplementary Estimates for the year.

Departments and services other than railways showed a surplus of \$5,616,225.50 but this surplus was more than offset by a deficit in the railway accounts amounting to \$20,998,227.32. The following analysis shows separately the financial results for 1969-70 for railways and other departments and services respectively :—

	Revenue.	Expenditure.		\$
	\$	\$		\$
Railways	105,204,475.54	126,202,702.86	Deficit	20,998,227.32
Departments and Services—				
Other than Railways	621,695,420.43	616,079,194.93	Surplus	5,616,225.50
	726,899,895.97	742,281,897.79	Deficit	15,382,001.82

The Budget Estimates for 1969-70 provided for a deficit of \$20,378,776. Actual revenue was \$17,599,278 more than the estimate while the actual expenditure exceeded the estimate by \$12,602,504. As a result of these variations, the actual deficit was \$4,996,774 less than the estimate.

RECEIPTS TO REVENUE.

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

		\$
Probate Duty		3,577,113
Royalties—Submerged Lands		3,518,353
Land Tax		813,626

The main excesses of revenue over the Budget Estimates were :—

		\$
Commonwealth Special Payment		10,000,000
Commonwealth Financial Assistance Grants		8,642,622
Railways		3,002,476
Stamps Acts		1,780,606
Interest on Public Account		1,196,277

Receipts to Consolidated Revenue from all sources in 1969-70 amounted to \$726,899,896 which was \$62,716,454 higher than the 1968-69 total of \$664,183,442.

In 1969-70, State revenue from sources other than the Commonwealth totalled \$425,497,388 and revenue from Commonwealth sources amounted to \$301,402,508. Revenue from sources other than the Commonwealth was \$25,770,729 higher than in 1968-69 and constituted 58.5 per cent. of the State's gross revenue compared with 60.2 per cent. in the previous year. Revenue from Commonwealth sources was \$36,945,725 more than the 1968-69 total of \$264,456,783 and represented 41.5 per cent. of gross revenue compared with 39.8 per cent. in 1968-69.

The following summary shows, under broad headings, the major variations in revenue from sources other than the Commonwealth which contributed to the rise of \$25,770,729 in such revenue compared with 1968-69.

Increases—	\$	\$
Taxation—		
Stamps Acts	7,596,404	
Totalizator	1,601,435	
Land Tax	597,404	
Tattersall Duty	514,564	
Sundry Taxes (Net.)	496,412	
	<hr/>	10,806,219
Railways .. .. .	..	4,875,959
Fees and Charges for Departmental Services .. .. .	..	3,829,520
Recoveries of Debt Charges .. .. .	..	2,787,197
Land Revenue .. .. .	..	2,776,549
Business Undertakings .. .. .	..	1,142,532
Other State Sources (Net.) .. .. .	..	1,930,999
		<hr/>
		28,148,975
Decrease—		
Probate Duty .. .. .	..	2,378,246
		<hr/>
		25,770,729
		<hr/>

The collection of revenue under the Stamps Acts was adversely affected by High Court decisions during the year which had the effect of invalidating State receipt duty in respect of certain types of transactions and by the uncertainty as to the provision of a legal basis for the imposition of stamp duty on these transactions. More detailed reference is made on page 15 of this Report.

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

Commonwealth Grant or Contribution.	1968-69.	1969-70.	+ Increase - Decrease
	\$	\$	\$
Contribution pursuant to Commonwealth—States Financial Agreement	4,254,318	4,254,318	..
Financial Assistance Grants	253,561,850	283,642,622	+30,080,772
Special Payment .. .. .	..	10,000,000	+10,000,000
Tuberculosis Arrangement	3,228,246	3,162,535	- 65,711
Towards remissions and losses on Soldier Settlement	8,234	..	- 8,234
Advance—States Grants (Advanced Education)	3,194,302	166,695	- 3,027,607
Advance—States Grants (Water Resources)	159,400	162,800	+ 3,400
Other	50,433	13,538	- 36,895
	<hr/>	<hr/>	<hr/>
	264,456,783	301,402,508	+36,945,725

The item "Advance—States Grants (Advanced Education)" shows the amounts received in 1968-69 and 1969-70 from the Commonwealth towards the 1968-69 recurrent expenditure of colleges of advanced education. The total amount payable by the Commonwealth and the State in respect of each college in 1968-69 was met, in the first place, from State funds, and the Commonwealth contributions in respect of that year were paid into Consolidated Revenue. The amount of \$4,670,560 received for this purpose in respect of 1969-70 expenditure was paid into the State Grants (Advanced Education Recurrent) Trust Account and appears in the statement on page 8 of this Report.

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, was \$742,281,898 which exceeded the 1968-69 total of \$666,644,486 by \$75,637,412.

Railway expenditure (including debt charges) for 1969-70 accounted for \$126,202,703 of the total. Compared with the 1968-69 railway expenditure of \$117,959,111, this showed an increase of \$8,243,592.

Expenditure other than railway expenditure amounted to \$616,079,195 in 1969-70 compared with \$548,685,375 in 1968-69—an increase of \$67,393,820.

Increases in expenditure on education, debt charges and health services again constituted the major part of the rise in total expenditure compared with the previous year. The following statement provides a comparison of expenditure under these headings for the two years :—

	1968-69.	1969-70.	Increase.
	\$	\$	\$
Education	210,269,647	240,071,190	29,801,543
Debt charges	141,675,607	154,360,357	12,684,750
Health Services—Including transfers to Hospitals and Charities and Mental Hospitals Funds ..	86,509,402	98,125,569	11,616,167

Education.—The expenditure shown for education includes relevant expenditure from Revenue charged not only to the Education Vote but also to other Votes and to Special Appropriations. Against this expenditure there are revenue collections, recoups of expenditure, &c., amounting to \$4,719,770 in 1968-69 and \$2,082,831 in 1969-70.

The 1968-69 collections include an amount of \$2,968,622, being the portion applicable to the Education Department and the Victoria Institute of Colleges of the grant received from the Commonwealth in that year for recurrent expenditure of colleges of advanced education. In 1969-70, the method of accounting was changed and the Commonwealth grant in respect of 1969-70 was disbursed through a Trust Account. As a result, neither the Commonwealth grant nor the corresponding expenditure is included in the 1969-70 figures shown.

Detailed comment on the increase in the expenditure on education is made under that heading at page 66.

Debt Charges.—The following statement shows the composition of the debt charges figure of \$154,360,357 referred to above and gives a comparison of 1969-70 with the previous year :—

	1968-69.	1969-70.	Increase.
	\$	\$	\$
Debt charges on Public Debt	119,422,329	130,421,167	10,998,838
Interest and principal—Commonwealth—State Housing Agreement	21,623,939	23,309,851	1,685,912
Interest and principal—Commonwealth—State Soldier Settlement Account	629,339	629,339	..
	<u>141,675,607</u>	<u>154,360,357</u>	<u>12,684,750</u>

Debt charges on the Public Debt (which include interest and sinking fund payments) continue to increase substantially.

Total debt charges, \$154,360,357, were 20·8 per cent. of the total expenditure from Consolidated Revenue compared with 21·3 per cent. in 1968-69. However, 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. 4 appended to this Report contains a detailed statement of receipts and payments for the year 1969-70 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 1969-70, the net amount available from other sources was \$27,244,443 and the balance which had to be met from taxation and general revenues was \$95,685,580. These figures exclude railway debt charges, \$7,491,144, and interest and principal repayments in respect of advances from the Commonwealth for housing and for special assistance 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 1969-70, payments from Revenue in respect of housing loans amounted to \$23,309,851. 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. In 1969-70, these payments totalled \$629,339.

Health Services.—The following statement shows what may be considered to be the principal sources of finance for the expenditure from Consolidated Revenue on health services in 1968-69 and 1969-70 :—

<i>From—</i>	1968-69.		1969-70.	
	\$	\$	\$	\$
Commission—Totalizator Investments	12,462,183		14,063,618	
Tattersall Duty	5,989,851		6,504,415	
Commonwealth Recoup—Tuberculosis Arrangement	3,228,246		3,162,535	
Mental Hygiene Branch—Various Receipts ..	2,271,456		3,026,960	
Health Department—Miscellaneous Receipts ..	388,670		361,955	
	<u>24,340,406</u>		<u>27,119,483</u>	
<i>From the general revenues of the State—</i>				
Net Cost to Consolidated Revenue—				
Health Services (other than Mental Hygiene) ..	10,924,161		12,292,715	
Mental Hygiene Branch	20,103,835		21,521,525	
Transfers to Hospitals and Charities Fund—				
Special Appropriation (other than Totalizator and Tattersall receipts)	1,600,000		1,600,000	
Annual vote	29,541,000		35,591,846	
	<u>62,168,996</u>		<u>71,006,086</u>	
	<u>86,509,402</u>		<u>98,125,569</u>	

Loan Fund.

In 1969-70, expenditure from the Loan Fund on works and associated purposes amounted to \$161,392,623 compared with \$154,707,490 in 1968-69—an increase of \$6,685,133. In addition, in 1969-70, an amount of \$2,886,816 was applied from the Loan Fund to the funding of Consolidated Revenue deficits making the total loan expenditure \$164,279,439 in 1969-70 compared with the 1968-69 total of \$154,707,490. Loan moneys available to meet this expenditure were \$164,279,439 in 1969-70 and \$154,759,072 in 1968-69. The following statement shows under broad headings the major allocations of loan expenditure in these two years of the moneys available :—

	1968-69.		1969-70.	
	\$	Per cent. of available funds.	\$	Per cent. of available funds.
Social Expenditure—				
including expenditure on Education, Health, &c. ..	69,287,505	44·77	74,236,981	45·19
Services associated with Primary Production—				
including Agriculture, Forests, Country Water Supply, &c.	32,103,373	20·75	28,935,029	17·61
Advances to State Electricity Commission	15,750,000	10·18	19,250,000	11·72
Railways	16,901,101	10·92	16,160,453	9·84

This statement does not include loan expenditure under the Commonwealth-State Housing Agreement which, in 1968-69, amounted to \$36,038,313 and, in 1969-70, to \$36,732,500.

At 30th June, 1970, the State's net loan liability on account of its ordinary debt was \$2,230,055,846 which showed an increase of \$133,901,666 over the liability at 30th June, 1969, of \$2,096,154,180.

In addition, the State's liability at 30th June, 1970, to the Commonwealth under the Commonwealth-State Housing Agreement was \$515,422,988, for special assistance loans for soldier settlement, \$13,033,845, and, in respect of repayable loans made from funds provided for drought relief, \$5,077,184. The liabilities on account of these advances at 30th June, 1969, were \$483,438,721, \$13,169,334 and \$5,730,000 respectively.

Trust Fund.

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

Among these accounts are suspense accounts, many of which are for the recording of clearing entries for book-keeping purposes. Excluding the debits and credits to those suspense accounts used for clearing entries of this kind, the debits and credits to the accounts within the Trust Fund amounted to \$496,690,042 and \$506,456,161 respectively. The comparable figures in 1968-69 were \$416,590,965 and \$425,110,680.

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 debits and credits 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.	1968-69.			1969-70.		
	Total Credits (Including Balance Forward).	Total Debits.	Balance Forward.	Total Credits (Including Balance Forward).	Total Debits.	Balance Forward.
	\$	\$	\$	\$	\$	\$
EDUCATION :						
La Trobe University (Commonwealth Subsidy)	4,179,035	4,179,035	..	2,433,618	2,433,618	..
Melbourne University (Commonwealth Subsidy)	7,873,055	7,873,055	..	8,738,966	8,738,966	..
Monash University (Commonwealth Subsidy)	6,704,599	6,704,599	..	7,538,026	7,538,026	..
State Grants (Advanced Education)	2,681,964	2,401,328	280,636	2,109,146	1,937,206	171,940
State Grants (Advanced Education) 1970-72 .. .. .	..	..	..	1,061,950	550,796	511,154
State Grants (Advanced Education Recurrent) .. .. .	..	..	..	4,670,560	4,670,560	..
State Grants (Independent Schools)	..	..	..	3,951,790	3,951,505	285
State Grants (Pre-School Teachers Colleges)	20,000	20,000	..	3,000	3,000	..
State Grants (Science Laboratories)	3,642,466	2,919,001	723,465	4,760,165	3,976,467	783,698
State Grants (Secondary Schools Libraries)	500,000	..	500,000	2,725,000	1,578,836	1,146,164
State Grants (Teachers Colleges) ..	2,049,611	1,535,691	513,920	3,763,920	2,398,957	1,364,963
State Grants (Technical Training)	2,639,246	1,853,681	785,565	3,785,565	3,475,790	309,775
Other	1,026,751	1,014,898	11,853	581,033	574,220	6,813
	31,316,727	28,501,288	2,815,439	46,122,739	41,827,947	4,294,792
HEALTH :						
Commonwealth Pharmaceutical Benefits	5,307,163	5,171,845	135,318	6,135,318	6,041,473	93,845
Commonwealth-State Free Milk Scheme	2,852,989	2,610,924	242,065	2,892,065	2,595,032	297,033
Commonwealth-State Grants (Mental Institutions)	1,200,065	1,200,065	..	946,657	946,657	..
Other	57,073	54,215	2,858	65,172	61,305	3,867
	9,417,290	9,037,049	380,241	10,039,212	9,644,467	394,745
HOUSING :						
Aboriginal Housing	210,333	158,455	51,878	438,585	420,350	18,235
Commonwealth-State Housing	25,688,313	25,688,313	..	25,882,500	25,882,500	..
Home Builders	20,767,645*	20,696,264	71,381	22,396,687*	20,753,445	1,643,242
State Grants (Dwellings for Aged Pensioners) .. .. .	..	..	..	200,000	200,000	..
	46,666,291	46,543,032	123,259	48,917,772	47,256,295	1,661,477
PRIMARY PRODUCTION :						
Commonwealth Poultry Industry Assistance	1,878,191	1,878,191	..	2,595,931	2,595,931	..
Rural Rehabilitation	4,389,185	1,239	4,387,946	4,432,500	..	4,432,500
Other	2,215,350	1,879,462	335,888	2,209,114	1,868,215	340,899
	8,482,726	3,758,892	4,723,834	9,237,545	4,464,146	4,773,399
OTHER WORKS :						
Commonwealth Aid Roads	33,127,593	33,127,593	..	38,160,000	38,160,000	..
Other	996,218	909,718	86,500	1,781,075	1,523,606	257,469
	34,123,811	34,037,311	86,500	39,941,075	39,683,606	257,469
MISCELLANEOUS :						
Petroleum Products Subsidy	1,203,641	1,143,033	60,608	963,261	927,580	35,681
Commonwealth Grant—Drought Relief 1967	8,737,861	8,737,861	..	798,178	798,178	..
Other	46,931	37,878	9,053	42,715	28,322	14,393
	9,988,433	9,918,772	69,661	1,804,154	1,754,080	50,074
Total	139,995,278	131,796,344	8,198,934	156,062,497	144,630,541	11,431,956

* Includes repayment of advances and interest thereon 1968-69, \$10,374,669 ; 1969-70, \$11,475,306.

The items in the summary—State Grants (Advanced Education) 1970-72, State Grants (Advanced Education Recurrent), State Grants (Independent Schools) and State Grants (Dwellings for Aged Pensioners)—represent new accounts.

Expenditure from the Commonwealth Aid Roads Account for 1969-70 was in accordance with the provisions of the 1969 Commonwealth Act.

Several new Trust and Special Accounts for purely State purposes were opened by the Treasurer during the year.

New accounts 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, 1969, the debit balance in this Account was \$6,826,051. In 1969-70, the Account was debited with the 1968-69 deficit of \$2,461,044 and credited with \$2,886,816 applied from the Loan Fund towards the funding of deficits. The debit balance in the Account at 30th June, 1969, was thus \$6,400,279. This balance represented the amount of the net accumulated revenue deficit to 30th June, 1969, still standing as a charge against the Public Account.

Treasury Balances.

The following statement summarizes transactions relating to the Public Account during the year :—

	\$	\$
Balance represented by Cash and Investments at 1st July, 1969—		
Cash at credit of Public Account	65,968,745	
Investments of the Trust Fund	64,315,286	
	<u> </u>	Cr. 130,284,031
Consolidated Revenue Fund		
Receipts	726,899,896	
Expenditure	742,281,898	
	<u> </u>	Dr. 15,382,002
Loan Fund		
Net receipts from raisings and repayments	164,227,857	
Expenditure	164,279,439	
	<u> </u>	Dr. 51,582
Trust Fund		
Credits	778,189,830	
Debits	766,238,436	
	<u> </u>	Cr. 11,951,394
Advances from Public Account		
Balance 1st July, 1969	11,470,203	
Add Deficit for 1968-69 temporarily financed from Public Account in 1968-69	2,461,044	
	<u> </u>	
	13,931,247	
Balance 30th June, 1970	11,848,130	
	<u> </u>	Cr. 2,083,117
Balance represented by Cash and Investments at 30th June, 1970—		
Cash at credit of Public Account	58,906,799	
Investments of the Trust Fund	69,978,159	
	<u> </u>	Cr. 128,884,958

At 30th June, 1970, the balance at credit of the Trust Fund was \$156,115,090. There was no balance in the Loan Fund. The balance of \$156,115,090 was accounted for as follows :—

	\$	\$
Cash at credit of Public Account	58,906,799	
Investments held on behalf of Trust Fund	69,978,159	
	<u> </u>	128,884,958
Various advances—details of which are included in the summary on page 5 of the Treasurer's Finance Statement :—		
Consolidated Revenue Deficit Account	6,400,279	
Other	5,447,851	
	<u> </u>	11,848,130
Deficit for 1969-70 temporarily financed from Public Account		15,382,002
		<u> </u>
		156,115,090

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 summary of the Treasurer's statement of revenue appearing on pages 11–19 of the finance statement is given in the following tabular comparison for the purpose of showing the significant variations which provided the overall increase of \$62,716,454 for the year.

	1968–69. \$	1969–70. \$	+ Increase – Decrease \$
Commonwealth Payments to the State			
Financial Assistance Grants	253,561,850	283,642,622	+ 30,080,772
Special Payment .. .. .	..	10,000,000	+ 10,000,000
Contribution for Interest—Financial Agreement ..	4,254,318	4,254,318	..
Other Contributions and Recoups	6,640,615	3,505,568	– 3,135,047
	<u>264,456,783</u>	<u>301,402,508</u>	<u>+ 36,945,725</u>
State Taxes			
Direct	90,227,192	90,731,376	+ 504,184
Stamps Acts	82,764,202	90,360,606	+ 7,596,404
Licensing Fund Payment	10,275,389	10,658,362	+ 382,973
Other	3,367,200	3,311,612	– 55,588
	<u>186,633,983</u>	<u>195,061,956</u>	<u>+ 8,427,973</u>
Recoveries of Debt Charges			
Interest and Exchange	38,848,941	41,271,865	+ 2,422,924
Sinking Fund—Contributions and Special Payments	1,053,744	1,084,189	+ 30,445
Loan Conversion Expenses	9,395	7,671	– 1,724
Repayments	4,407,598	4,743,150	+ 335,552
	<u>44,319,678</u>	<u>47,106,875</u>	<u>+ 2,787,197</u>
Land Revenue			
Leases, Licences, Miners' Rights, etc.	2,733,956	3,031,759	+ 297,803
Brown Coal Royalties	563,018	561,644	– 1,374
Royalties—Submerged Lands	1,527	2,481,647	+ 2,480,120
	<u>3,298,501</u>	<u>6,075,050</u>	<u>+ 2,776,549</u>
Harbor Revenue			
Contribution—Melbourne Harbor Trust	1,500,489	1,558,998	+ 58,509
Westernport—Wharfage, Tonnage, Towage, etc.	1,112,417	1,061,719	– 50,698
Other	922,248	894,127	– 28,121
	<u>3,535,154</u>	<u>3,514,844</u>	<u>– 20,310</u>
Fees and Charges for Departmental Services			
Fees—Registrar General, Registrar of Titles, Government Statist, etc.	4,843,047	5,294,432	+ 451,385
Departmental Services—			
Public Works Department	4,419,241	4,871,061	+ 451,820
Government Printer	3,295,146	3,564,957	+ 269,811
Mental Hygiene	2,231,042	2,985,958	+ 754,916
Motor Registration Branch	1,995,859	2,756,525	+ 760,666
Agriculture Department	1,399,687	1,658,155	+ 258,468
Education Department	1,119,271	1,409,632	+ 290,361
Police	1,137,033	1,111,505	– 25,528
Insurance Offices	1,135,709	1,368,046	+ 232,337
Social Welfare	497,443	576,237	+ 78,794
Other	1,894,636	2,201,126	+ 306,490
	<u>23,968,114</u>	<u>27,797,634</u>	<u>+ 3,829,520</u>
Business Undertakings			
State Rivers and Water Supply Commission ..	12,358,855	13,284,353	+ 925,498
Forests Commission	5,596,001	5,962,667	+ 366,666
State Coal Mine	149,632	..	– 149,632
	<u>18,104,488</u>	<u>19,247,020</u>	<u>+ 1,142,532</u>

	1968-69.	1969-70.	+ Increase - Decrease
	\$	\$	\$
Other Revenue			
Statutory Corporations—Contributions	6,825,000	7,425,000	+ 600,000
Fines—Courts and Other Sources	5,016,940	5,168,989	+ 152,049
Interest on Public Account	2,830,312	4,166,277	+ 1,335,965
State Accident Insurance Office—Portion of Surplus	1,300,000	1,000,000	— 300,000
Rents and Hirings	1,124,749	1,114,619	— 10,130
Public Trustee—Surplus Interest	418,645	501,823	+ 83,178
Gas and Fuel Corporation—Dividends Preference			
Shares	288,474	291,222	+ 2,748
Sundry	1,734,104	1,821,603	+ 87,499
	<u>19,538,224</u>	<u>21,489,533</u>	<u>+ 1,951,309</u>
Railways	100,328,517	105,204,476	+ 4,875,959
Total Revenue	<u>664,183,442</u>	<u>726,899,896</u>	<u>+ 62,716,454</u>

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

COMMONWEALTH FINANCIAL ASSISTANCE GRANTS.

Commonwealth financial assistance grants to the States are calculated on a basis determined by the Commonwealth's *States Grants Act 1965-68*.

The grant to Victoria for 1969-70 in accordance with the statutory formula amounted to \$280,008,042 and was calculated in the following way :—

The basic figure, \$250,563,170, which was the equivalent of the amount of the State's financial assistance 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, 1969. As the next step, the resultant figure was increased by the percentage increase, from 31st March, 1969, to 31st March, 1970, in the average wages per person employed throughout Australia. 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 \$4,807,054 ; at the completion of the second step, by an additional amount of \$21,317,564 ; and at the completion of the third step, by a further \$3,320,254. On the combined result of the three steps, Victoria's grant for 1969-70 was \$29,444,872 higher than that for the previous year.

In 1969-70, Victoria also received from the Commonwealth a further grant of \$2,984,580 by way of special revenue assistance. This grant was received in accordance with Section 3 (a) of the *States Grants (Special Financial Assistance) Act 1970*, under which an amount of \$12,000,000 was made payable to the States in proportion to the amounts respectively payable to them during the year under the statutory formula in respect of financial assistance grants.

In addition to the sum payable under Section 3 (a) a further payment of \$650,000 was received in accordance with Section 4 of this Act for the estimated additional interest costs incurred up to 30th June, 1970, as a result of the removal of the Income Tax Rebate on Commonwealth Loan Interest in November, 1968. Special revenue assistance thus totalled \$3,634,580.

Commonwealth grants to Victoria in the nature of financial assistance grants from and inclusive of 1965-66 are shown hereunder :—

Year.		Grant.
		\$
1965-66	Financial Assistance Grant	191,921,804
1966-67	Financial Assistance Grant	207,527,292
	Additional Assistance Grant	1,262,925
1967-68	Financial Assistance Grant	228,253,518
	Special Revenue Assistance	4,836,599
1968-69	Financial Assistance Grant	250,563,170
	Special Revenue Assistance	2,998,680
1969-70	Financial Assistance Grant	280,008,042
	Special Revenue Assistance	3,634,580

In 1969-70, the State also received from the Commonwealth a special payment of \$10,000,000 to assist the State to meet budgetary difficulties.

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 Duty on Bookmakers' Certificates, &c., Turnover Tax on Bookmakers' Transactions, the sale of Betting Tickets, Duty on Insurance Business and Other Stamp Duty. 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 two years is compared hereunder :—

	Taxation.	1968-69.	1969-70.
		\$	\$
Direct	90,227,192	90,731,376
Stamps Acts	82,764,202	90,360,606
Registrations, &c.	1,170,523	1,146,158
Licences	12,472,066	12,823,816
Total Taxation	<u>186,633,983</u>	<u>195,061,956</u>

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

Direct Taxation.

Probate Duty.—Collections of Probate Duty in 1968-69 were \$46,801,133 and in 1969-70, \$44,422,887 ; a decrease of \$2,378,246.

Duty for 1969-70 amounting to \$43,668,248 was collected by the Commissioner of Probate Duties and \$754,639 by the Public Trustee. The aggregate value of new estates assessed decreased from \$304 million in 1968-69 to \$296 million in 1969-70. Payments to revenue in advance of the issue of an assessment as at 30th June, 1970, amounted to \$6,277,038 whereas at 30th June, 1969, the amount was \$1,357,127.

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

Duty assessed but uncollected—

As at 30.6.69—\$4,654,056 ; collected—\$4,113,872 in 1969-70.

As at 30.6.70—\$5,967,537 ; to be collected in 1970-71.

Land Tax.—Receipts from Land Tax in 1968-69 were \$21,838,970 and, in 1969-70, \$22,436,374 ; an increase of \$597,404.

The Land Tax (Rates) Act 1969 fixed rates of tax identical with those for the previous year. The Act directed the Commissioner, in respect of land used by the owner thereof as his principal residence, to use either the current valuation of the unimproved capital value thereof made by a rating authority within the meaning of the *Valuation of Land Act 1960* or the last valuation made by the Commissioner under the *Land Tax Act 1958* of the unimproved capital value of the land (whichever is the less). The application of this provision, which, in 1970, involved the use of municipal valuations for the first time, had the effect of delaying the issue of assessments. Therefore, of \$2,127,524 assessed but not collected as at 30th June, 1970, \$426,497 was not due and payable until July, 1970.

Motor Car Third-party Insurance.—In conformity with the requirements of the *Motor Car (Insurance Surcharge) Act 1959*, 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 1969-70 was \$2,734,771 compared with \$2,604,908 in the previous year.

Totalizator.—Part V. of the *Racing Act* 1958 requires that a commission, being a percentage of investments, be deducted from all totalizator pools. In 1969–70, the commission was thirteen per cent. except in the case of the off-course daily double on horse races and trotting races where the commission was fourteen per cent. Under the *Racing (Trotting Racing) Act* 1969, the commission in respect of these doubles on trotting races was raised from thirteen to fourteen per cent. as from 1st January, 1970.

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.

2. Off-course totalizators—

(i) Commission derived from all investments except daily doubles on horse races and, from 1st January, 1970, trotting races—

(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 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 daily doubles on horse races and, from 1st January, 1970, trotting races—

(a) to Consolidated Revenue—nineteen fifty-sixths ;

(b) to a Treasury Trust Account † (Totalizator Agency Board Trust Account) for application by the Treasurer for or towards recouping racing clubs expenses associated with the establishment of the Totalizator Agency Board and the financing of its operations—one fifty-sixth ;

(c) to the Race-courses Development Fund—one fourteenth ; and

(d) to the Totalizator Agency Board to be expended in terms of the *Racing Act* 1958—the remaining four sevenths.

The total credit to Consolidated Revenue is specially appropriated to the Hospitals and Charities Fund which is required to meet the cost of administration of totalizator inspection, &c. In 1969–70, the sum of \$14,063,618 was received into Consolidated Revenue and an equivalent amount paid out of Revenue to the Hospitals and Charities Fund. The costs of administration charged to the Fund were \$62,067.

* 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 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 fourteenths.

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

	1968-69.				1969-70.			
	Horse Races.	Trotting Races.	Dog Races.	Total.	Horse Races.	Trotting Races.	Dog Races.	Total.
	\$	\$	\$	\$	\$	\$	\$	\$
PERCENTAGES—								
<i>Win and Place—</i>								
Metropolitan ..	2,552,426	442,091	429,255	..	2,681,105	491,657	528,544	..
Country	1,113,025	460,830	8,802	..	1,143,037	515,441	10,997	..
Interstate	607,512	..	..	..	652,374	..	..	..
<i>Doubles and Quinella—</i>								
Metropolitan ..	581,520	153,315	153,885	..	618,405	169,712	176,710	..
Country	56,365	23,573	16,904	..	62,629	26,607	23,984	..
<i>Daily and Feature Doubles</i>	2,862,200	826,105	686,057	..	3,140,890	1,001,666	784,129	..
	7,773,048	1,905,914	1,294,903	10,973,865	8,298,440	2,205,083	1,524,364	12,027,887
FRACTIONS—								
<i>Win and Place—</i>								
Metropolitan ..	437,591	109,699	97,766	..	760,158	120,042	135,484	..
Country	323,118	131,456	3,823	..	357,690	139,046	4,972	..
Interstate	111,968	..	..	..	183,383	..	..	..
<i>Doubles and Quinella</i>								
Metropolitan ..	7,821	10,553	10,394	..	29,577	9,803	13,007	..
Country	5,868	2,500	1,886	..	5,923	1,938	2,923	..
<i>Daily and Feature Doubles</i>	77,166	38,816	27,781	..	94,685	44,361	35,776	..
	963,532	293,024	141,650	1,398,206	1,431,416	315,190	192,162	1,938,768
DIVIDENDS UNCLAIMED ..	..	..	..	90,112	..	..	..	96,963
CREDITS TO CONSOLIDATED REVENUE .. ..	..	..	..	12,462,183*	..	..	..	14,063,618*

* On-course—1968-69, \$3,587,895 ; 1969-70, \$4,291,943.

Off-course—1968-69, \$8,874,288 ; 1969-70, \$9,771,675.

In addition to the \$14,063,618 paid into Consolidated Revenue and specially appropriated to the Hospitals and Charities Fund, moneys were credited to accounts within the Treasury Trust Fund as follows :—

- (i) \$504,722 to the Totalizator Agency Board Trust Account—for distribution to racing clubs in terms of the *Racing (Totalizators Extension) Act 1960* ; and
- (ii) \$769,020 to the Race-courses Development Fund—to meet the cost and expenses incurred by the Race-courses Licences Board and to provide financial assistance to racing clubs.

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*.

Total subscriptions to consultations in each of the last three years were—1967-68, \$19,420,000 ; 1968-69, \$19,440,000 ; and 1969-70, \$21,400,000.

Duty equivalent to 31 per cent. of the total amount of subscriptions to each consultation is payable to the Treasurer within seven days after the drawing of the consultation. Duty amounting to \$6,504,415 was paid into Consolidated Revenue in 1969-70, compared with \$6,085,270 in 1967-68 and \$5,989,851 in 1968-69. Under the provisions of the Act, an amount equivalent to the duty paid is appropriated from Consolidated Revenue and apportioned between the Hospitals and Charities Fund and the Mental Hospitals Fund. In 1969-70, the Funds were credited with \$5,684,415 and \$820,000 respectively.

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 \$150,053 compared with \$141,624 in the previous year.

As at 30th June, 1970, the Tasmanian share of duty for consultations drawn late in May and in June amounted to \$17,624. This amount was paid to the Tasmanian Government after the close of the year.

A somewhat similar agreement existed with the Government of New Zealand from 1954 to 30th June, 1967. That agreement was superseded by another agreement, current until 30th June, 1970, which had the effect that the New Zealand Government, instead of receiving, as formerly, an amount equal to one half of the duty on New Zealand subscriptions, received an amount equal to two-thirds of that duty. Attention is being given to the negotiation of a further agreement.

Payments to the Government of New Zealand during the year amounted to \$267,926 compared with \$250,845 in 1968-69. As at 30th June, 1970, an amount of \$64,038, equivalent to \$64,334 (N.Z.) was due to the Government of New Zealand. This sum represented the amount due in respect of the last quarter of the financial year.

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 were fulfilled.

Unpaid prizes for consultations drawn during the period 1954-55 to 1966-67 (inclusive) amounted to \$245,946. 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.

Stamps Acts.

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

	1968-69.	1969-70.
	\$	\$
Other Stamp Duty	69,495,746	75,934,240
Duty on Insurance Business	9,837,650	10,793,177
Turnover Tax on Bookmakers' Transactions	3,117,496	3,301,249
Betting Tickets	224,642	239,460
Bookmakers' Certificates, etc.	88,668	92,480
Total	<u>82,764,202</u>	<u>90,360,606</u>

As indicated in the preceding statement, revenue from Other Stamp Duty was in excess of that for the previous year by \$6,438,494.

Major variations in receipt of duty, under the heading Other Stamp Duty, 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 records—were as follows :—

	\$
(i) duty on real estate dealings (increase)	2,109,093
(ii) duty on credit and rental business (registered persons) .. (increase)	1,289,521
(iii) duty on brokers' statements (increase)	792,693
(iv) duty on applications for registration and notices of acquisition of motor cars (increase)	712,149
(v) sale of adhesive stamps (increase)	577,066
(vi) printed duty on cheques (increase)	507,932

Collections on account of Bulk Receipt Duty, which is also included under the heading Other Stamp Duty, amounted to \$22,159,908 (gross) according to statistical records of the Stamps Office. This is a decrease of \$222,374 on 1968-69 collections. Factors which contributed to the decline in collections included :—

- (i) the decisions of the High Court of Australia in the cases of the State of Western Australia *v.* Hamersley Iron Pty. Ltd., the State of Western Australia *v.* Chamberlain Industries Pty. Ltd. and the State of Victoria *v.* I.A.C. (Wholesale) Pty. Ltd. which had the effect of invalidating duty imposed on certain transactions ;
- (ii) the rejection by the Commonwealth Parliament in June 1970 of a Bill to complement State receipt duty legislation by imposing duty on these transactions on behalf of the States ; and
- (iii) uncertainty as to the provision of a legal basis for the imposition of duty on these transactions, which adversely affected both collection of duty and follow up action which, in other circumstances, would normally be taken in relation to outstanding duty.

Licences.

The Licensing Fund Payment.—The revenue of The Licensing Fund consists mainly of fees charged to hotelkeepers (\$8,026,443), wholesale and retail liquor merchants (\$2,414,903), and clubs (\$488,962).

In accordance with the provisions of the *Liquor Control Act* 1968, the surplus of receipts over payments for 1969–70 was transferred to Consolidated Revenue.

The *Municipalities (Commutation of Licensing Payments) Act* 1968, provides for payments to municipalities in substitution for the payments previously made from The Licensing Fund. Under this Act, each municipality is to receive, in or before February, 1972, a lump sum capital payment (which must be paid in the month of February) equal to seventeen times the amount paid to that municipality in March, 1968, under the relevant Part of the *Licensing Act* 1958. Until the lump sum capital payment is made to the municipality, the municipality is to continue to receive an annual payment equal to the amount it received in March, 1968, from The Licensing Fund. All payments made under the commutation Act are to be charged to the Loan Fund.

Annual payments amounted to \$110,744 in 1968–69 and \$75,107 in 1969–70. Capital payments in 1969–70 were \$605,836.

A comparative statement of receipts and payments of The Licensing Fund covering the period 1st July, 1968, to 30th June, 1970, is given hereunder :—

	1968–69.	1969–70.
	\$	\$
Balance 1st July	661,471	661,471
Receipts—		
Licences	10,460,687	11,170,343
Permits	134,257	164,514
Fees and Fines	65,811	65,294
Interest on Investments	20,104	20,104
Miscellaneous	827	551
Total Receipts for the Year	10,681,686	11,420,806
Payments—		
Salaries and other Administrative Expenses	233,526	269,293
Cost of Policing Act	154,171	156,891
Compensation	18,600	336,260
Total Payments for the Year.. .. .	406,297	762,444
Transfer to Consolidated Revenue	10,275,389	10,658,362
Balance 30th June	661,471	661,471
Percentage of Revenue Transfer to Total Receipts	96.2	93.3

Compensation was paid in respect of one hotel in 1968–69 and twenty-one in 1969–70.

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 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, \$149,652, net collections credited to Consolidated Revenue on this account, in 1969–70, amounted to \$1,424,158.

COMPARISON WITH BUDGET.

The following statement shows the variations of Revenue Receipts from the Budget Estimate in 1969-70.

PART I.	Budget Estimate.	Revenue.	+ Excess — Deficiency
	\$	\$	\$
Taxation—			
Probate Duty	48,000,000	44,422,887	— 3,577,113
Land Tax	23,250,000	22,436,374	— 813,626
Entertainments Tax	540,000	569,311	+ 29,311
Motor Car Third-party Insurance—Surcharge	2,750,000	2,734,771	— 15,229
Totalizator	14,000,000	14,063,618	+ 63,618
Tattersall Duty	6,000,000	6,504,415	+ 504,415
Betting and Bookmakers' Turnover Tax	3,430,000	3,633,189	+ 203,189
Duty on Insurance Business	10,450,000	10,793,177	+ 343,177
Other Stamp Duty	74,700,000	75,934,240	+ 1,234,240
Registration Fees—Factories, Shops, &c.	1,150,000	1,146,158	— 3,842
Licensing Fund Payment	10,800,000	10,658,362	— 141,638
Auctioneers' and other Licences	2,141,000	2,165,454	+ 24,454
	197,211,000	195,061,956	— 2,149,044
Recoveries of Debt Charges—			
Country Roads Board	2,372,500	2,365,033	— 7,467
Home Builders' Account	4,714,000	4,734,777	+ 20,777
Housing Commission	18,677,250	18,700,059	+ 22,809
Rural Finance and Settlement Commission	1,407,000	1,376,606	— 30,394
Soldier Settlement	1,000,000	1,136,992	+ 136,992
State Electricity Commission	14,863,000	14,868,286	+ 5,286
Water and Sewerage Authorities	2,150,000	1,967,601	— 182,399
Other	1,919,250	1,957,521	+ 38,271
	47,103,000	47,106,875	+ 3,875
Land Revenue—			
Lands	2,569,000	2,665,623	+ 96,623
Mining	340,000	366,136	+ 26,136
Royalties—Brown Coal	600,000	561,644	— 38,356
Royalties—Submerged Lands	6,000,000	2,481,647	— 3,518,353
	9,509,000	6,075,050	— 3,433,950
Harbor Revenue—			
Harbor Trust Contribution	1,500,000	1,558,998	+ 58,998
Westernport	990,000	1,061,719	+ 71,719
Other	1,010,000	894,127	— 115,873
	3,500,000	3,514,844	+ 14,844
Fees and Charges for Departmental Services—			
Fees—Titles Office, Registrar-General, &c.	5,125,000	5,294,432	+ 169,432
Recoups—Departmental Services	22,310,000	22,516,741	+ 206,741
	27,435,000	27,811,173	+ 376,173
Business Undertakings—			
Forests Commission	5,764,000	5,962,667	+ 198,667
State Rivers and Water Supply Commission	13,000,000	13,284,353	+ 284,353
	18,764,000	19,247,020	+ 483,020
Miscellaneous Receipts—			
Fines	5,650,000	5,168,989	— 481,011
Interest on Public Account	2,970,000	4,166,277	+ 1,196,277
Rents and Hirings	1,080,000	1,114,619	+ 34,619
Commonwealth Advances—Water Resources	192,300	162,800	— 29,500
Statutory Corporation Payments	7,400,000	7,425,000	+ 25,000
Tuberculosis Arrangement—Commonwealth Payment	3,359,000	3,162,535	— 196,465
State Accident Insurance—Appropriation of Portion of Surplus	1,400,000	1,000,000	— 400,000
Other	2,271,000	2,781,342	+ 510,342
	24,322,300	24,981,562	+ 659,262

COMPARISON WITH BUDGET—*continued.*

	Budget Estimate.	Revenue.	+ Excess - Deficiency
	\$	\$	\$
PART I.—<i>continued.</i>			
Commonwealth Payments to State—			
Commonwealth and States Financial Agreement ..	4,254,318	4,254,318	..
States Grants Acts, &c.	275,000,000	293,642,622	+ 18,642,622
	<u>279,254,318</u>	<u>297,896,940</u>	<u>+ 18,642,622</u>
Total Revenue Part I.	<u>607,098,618</u>	<u>621,695,420</u>	<u>+ 14,596,802</u>
PART II.			
Railways	102,202,000	105,204,476	+ 3,002,476
Total Revenue Part II.	<u>102,202,000</u>	<u>105,204,476</u>	<u>+ 3,002,476</u>
Total Revenue	<u>709,300,618</u>	<u>726,899,896</u>	<u>+17,599,278</u>

Expenditure.

The expenditure charged against revenue was more than the outlay for 1968-69 by the amount of \$75,637,412. A comparison of the figures for the two years separated into annual appropriation and special appropriation is given in the following statement :—

ANNUAL APPROPRIATION.			
	1968-69.	1969-70.	+ Increase - Decrease
	\$	\$	\$
<i>Part I.—</i>			
Education	181,742,299	206,758,399	+25,016,100
Health	65,385,196	74,835,260	+ 9,450,064
Chief Secretary	43,384,881	48,914,624	+ 5,529,743
Treasurer	33,673,283	38,309,783	+ 4,636,500
Water Supply	12,477,095	13,827,213	+ 1,350,118
Public Works	8,949,441	9,714,457	+ 765,016
Agriculture	8,447,183	9,482,264	+ 1,035,081
Attorney-General	7,963,751	9,052,347	+ 1,088,596
Lands and Survey	3,936,220	4,327,149	+ 390,929
Forests	3,312,103	3,722,800	+ 410,697
Premier	3,203,615	3,831,156	+ 627,541
Labour and Industry	1,449,635	1,632,366	+ 182,731
Mines	1,251,546	1,401,545	+ 149,999
Local Government	789,885	1,349,875	+ 559,990
Parliament	804,606	666,979	- 137,627
Other	173,428	557,783	+ 384,355
State Coal Mine	405,896	..	- 405,896
	377,350,063	428,384,000	+51,033,937
<i>Part II.—</i>			
Railways	105,446,063	112,535,442	+ 7,089,379
	105,446,063	112,535,442	+ 7,089,379
Total Annual Appropriation	482,796,126	540,919,442	+58,123,316
SPECIAL APPROPRIATION.			
<i>Part I.—</i>			
Interest Including Exchange*	117,200,888	128,691,696	+11,490,808
National Debt Sinking Fund	20,029,165	20,906,126	+ 876,961
Repayment of Advances—Commonwealth—State Housing and Soldier Settlement	4,388,234	4,725,875	+ 337,641
Loan Expenses	57,320	36,660	- 20,660
	141,675,607	154,360,357	+12,684,750
Less Charged Railways (Part II.)	6,614,909	7,491,144	+ 876,235
	135,060,698	146,869,213	+11,808,515
Hospitals and Charities Fund (Totalizator)	12,462,183	14,063,618	+ 1,601,435
Pensions	9,038,710	10,523,460	+ 1,484,750
Hospitals and Charities and Mental Hospitals Funds (Tattersall)	5,989,851	6,504,415	+ 514,564
Endowments and Grants	5,098,645	5,549,284	+ 450,639
Other	3,685,225	4,185,205	+ 499,980
	171,335,312	187,695,195	+16,359,883
<i>Part II.—</i>			
Railways—Debt Charges	6,614,909	7,491,144	+ 876,235
Pensions	5,451,189	5,724,242	+ 273,053
Other	446,950	451,875	+ 4,925
	12,513,048	13,667,261	+ 1,154,213
Total Special Appropriation	183,848,360	201,362,456	+17,514,096
Total Expenditure Charged Against Revenue†	666,644,486	742,281,898	+75,637,412

* Additional interest voted in 1968-69, \$91,723, and in 1969-70, \$89,519.

† 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, but 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. Generally, throughout the Report, expenditure falling within this group is included in the figures of the related Department. Other details are provided in Appendices B 1-2.

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	665,597	656,109	9,488	10,870	666,979
Premier	3,683,789	3,569,912	113,877	261,244	3,831,156
Chief Secretary	48,588,885	48,322,230	266,655	592,394	48,914,624
Labour and Industry	1,679,264	1,626,646	52,618	5,720	1,632,366
Education	208,458,312	206,361,857	2,096,455	396,542	206,758,399
Attorney-General	8,873,645	8,800,151	73,494	252,196	9,052,347
Treasurer	37,283,194	36,679,795	603,399	1,629,988	38,309,783
Lands and Survey	4,333,540	4,299,542	33,998	27,607	4,327,149
Public Works	9,973,068	9,676,971	296,097	37,486	9,714,457
Local Government	1,365,908	1,330,497	35,411	19,378	1,349,875
Mines	1,433,334	1,391,427	41,907	10,118	1,401,545
Agriculture	9,565,626	9,392,216	173,410	90,048	9,482,264
Health	74,969,787	74,539,906	429,881	295,354	74,835,260
Aboriginal Affairs	350,000	350,000	..	..	350,000
Fuel and Power	52,997	50,949	2,048	1,260	52,209
Railway Construction	116,129	109,407	6,722	2,614	112,021
Transport	34,245	32,513	1,732	11,040	43,553
Forests	3,708,220	3,646,043	62,177	76,757	3,722,800
Water Supply	13,938,852	13,764,243	174,609	62,970	13,827,213
	429,074,392	424,600,414	4,473,978	3,783,586	428,384,000
<i>Annual Appropriation.—Part II.</i>					
Railways	111,732,984	111,732,981	3	802,461	112,535,442
Total Annual Appropriation	540,807,376	536,333,395	4,473,981	4,586,047	540,919,442
<i>Special Appropriation.—</i>					
Part I.	187,695,195	187,695,195	..	..	187,695,195
Part II.	13,667,261	13,667,261	..	..	13,667,261
Total Special Appropriation	201,362,456	201,362,456	..	..	201,362,456
Grand Total	742,169,832	737,695,851	4,473,981	4,586,047	742,281,898

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 remained as a charge to Treasurer's Advance at 30th June, 1970:—

Expenditure pending Parliamentary sanction to—	\$
Final Supplementary Estimates for 1969-70	4,586,047
Loan Application Acts	262,419
Total	4,848,466

On pages 25-70 and 74-75 of the finance statement, the Treasurer furnishes details of the amounts included in the charges to Treasurer's Advance of \$4,586,047 and \$262,419 respectively.

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 the Auditor-General shall annex or append to his 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 “ E ” to this Report.

PART IV.—LOAN FUND.

Synopsis.

The State incurred additional loan liability of \$157,870,000 on account of moneys raised for works and associated purposes during the year, compared with \$146,693,041 in the previous year—an increase of \$11,176,959. The sources of the funds were four 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 \$161,392,623 and the funding of revenue deficits to the extent of \$2,886,816.

These transactions may be summarized as follows :—

Liability—							\$	\$
Australian Loans	..	..	..	..	..	..	..	157,870,000
Less—								
Expenses of Flotation, &c.	..	..	..	..	..	..	..	258,389
								<u>157,611,611</u>
Repayments	..	..	..	..	..	..	..	6,616,246
Net Receipts—Raisings and Repayments	..	..	..	..	..	..	..	164,227,857
Balance forward 1st July, 1969	..	..	..	..	..	..	..	51,582
								<u>164,279,439</u>
Total Loan Cash Available	..	..	..	..	..	..	..	164,279,439
Works—								
Under Parliamentary Authority	..	..	..	..	..	..	161,130,204	
Charged to Treasurer's Advance Pending Authority	..	..	..	..	..	..	262,419	
							<u>161,392,623</u>	
Funding Revenue Deficits	..	..	..	..	..	..	2,886,816	
							<u>2,886,816</u>	164,279,439
Loan Cash on Hand at 30th June, 1970	..	..	..	..	..	..	..	<u>..</u>

Loan transactions for the year had the effect of increasing the State's liability under the Financial Agreement from \$2,096,154,180, at 30th June, 1969, to \$2,230,055,846 at 30th June, 1970. There is, however, additional liability to the Commonwealth of \$515,422,988 in respect of advances for housing purposes under the Commonwealth-State Housing Agreement, \$13,033,845 for special assistance loans for soldier settlement and \$5,077,184 in respect of repayable loans made by the Rural Finance and Settlement Commission from funds provided for drought relief.

Loan Raisings.

Details of the terms and conditions in respect of \$157,870,000, the Victorian proportion of raisings for works and associated purposes by way of public issues and the sale of Special Bonds, are as follows :—

Rate %	Maturity Date.	Price of Issue.	Loan No. 190.	Loan No. 192.	Loan No. 194.	Loan No. 195.	Special Bonds.	Total.
		\$	\$	\$	\$	\$	\$	\$
5.2	1.6.77	Par.	..	..	..	..	2,836,000	2,836,000
5.4	15.11.70	..	27,707,100	..	..	..	..	27,707,100
5.5	15.11.72	..	751,000	..	..	..	..	751,000
5.6	15.7.71	..	..	17,092,000	..	..	..	17,092,000
5.75	15.5.73	..	..	6,268,000	..	..	..	6,268,000
5.8	15.5.79	..	1,156,200	..	..	..	..	1,156,200
5.9	15.7.77	..	..	4,382,000	..	..	..	4,382,000
6	15.10.91	..	3,055,900	2,779,000	..	..	..	5,834,900
6	15.7.05	..	852,800	294,000	..	..	..	1,146,800
6.5	15.7.73	..	..	..	4,144,000	54,143,000	..	58,287,000
6.8	15.8.78	..	..	..	963,000	9,503,000	..	10,466,000
7	15.5.89	..	..	..	7,137,000	14,806,000	..	21,943,000
..	..	..	33,523,000	30,815,000	12,244,000	78,452,000	2,836,000	157,870,000

Expenses associated with the raising of loans for works purposes were met from the Loan Fund, a total amount of \$258,389 being so charged during the year. The expenses in respect of loan No. 194 and Special Bonds "T" 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 1969-70 are :—

Securities Dealt With.		Redeemed by Sinking Fund (a) Loan Fund (b).	Converted to—									
Rate and Maturity.	Amount.		5.4% 15.11.70 @ Par.	5.4% 15.5.72 @ Par.	5.5% 15.11.72 @ Par.	5.6% 15.7.71 @ Par.	5.75% 15.5.73 @ Par.	5.8% 15.5.79 @ Par.	5.9% 15.7.77 @ Par.	6% 15.10.91 @ Par.	6% 15.7.05 @ Par.	Special Bonds.
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
4.5 15.2.70	62,290,000	11,833,000(a) 21,500,000(b)	..	..	..	10,304,000	9,953,000	..	5,915,000	1,337,000	1,297,000	151,000
4.75 15.9.69	33,756,760	3,638,760(a) 3,100,000(b)	4,929,000	..	2,133,000	..	..	14,195,000	..	5,392,000	32,000	337,000
5 15.7.69	69,739,000	19,767,000(b)	..	18,868,000	..	..	..	8,339,000	..	11,410,000	10,943,000	412,000
5 15.9.69	36,577,000	2,653,000(a) 7,500,000(b)	3,140,000	..	17,180,000	..	..	663,000	..	581,000	4,605,000	255,000
5 1.10.69	7,258,940	2,773,940(b)	..	..	..	..	..	..	..	..	..	4,485,000
5 1.6.70	7,127,102	2,344,102(b)	..	..	..	..	..	..	..	..	..	4,783,000
	216,748,802	18,124,760(a) 56,985,042(b)	8,069,000	18,868,000	19,313,000	10,304,000	9,953,000	23,197,000	5,915,000	18,720,000	16,877,000	10,423,000
								141,639,000				

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

Issued for Redemption Purposes.				For Redemption of—					
Rate Per Cent.	Maturity Date.	Price of Issue.	Amount.	\$19,767,000 (5%—15.7.69).	\$1,395,868 (London) (3.25%— 1.8.69).	\$10,600,000 (4.75%—5% —15.9.69).	\$618,118 (New York) (3.75%— 1.12.69).	\$21,500,000 (4.5%— 15.2.70).	\$53,880,986 (Total Loans).
			\$	\$	\$	\$	\$	\$	\$
5.4	15.11.70	Par.	9,882,600	..	..	8,766,200	1,116,400	..	9,882,600
5.4	15.5.72	"	7,291,300	6,777,000	514,300	..	..	..	7,291,300
5.5	15.11.72	"	262,900	..	..	233,200	29,700	..	262,900
5.6	15.7.71	"	11,925,000	..	..	..	..	11,925,000	11,925,000
5.75	15.5.73	"	4,373,000	..	..	..	..	4,373,000	4,373,000
5.8	15.5.79	"	5,687,800	4,909,000	372,500	360,400	45,900	..	5,687,800
5.9	15.7.77	"	3,056,000	..	..	..	..	3,056,000	3,056,000
6	15.10.91	"	10,235,900	6,700,000	508,400	964,600	122,900	1,940,000	10,235,900
6	15.7.05	"	2,002,500	1,381,000	104,800	275,600	35,100	206,000	2,002,500
..	..	..	54,717,000	19,767,000	1,500,000	10,600,000	1,350,000	21,500,000	54,717,000

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 :—

Redeemed.				Funds Provided by—	
Series.	Maturing.	Face Value.	At Cost of—	Series "T".	Series "U".
		\$	\$	\$	\$
G	1.10.69	2,773,940	2,856,339	2,856,339	..
H	1.6.70	2,344,102	2,351,632	384,030	1,967,602
I	1.10.70	674,900	688,398	688,398	..
J	1.6.71	231,200	235,824	235,824	..
K	1.1.72	889,100	901,143	901,143	..
L	1.10.72	1,242,400	1,264,424	1,264,424	..
M	1.8.73	458,700	463,287	463,287	..
N	1.3.74	1,381,000	1,394,810	1,394,810	..
O	1.4.75	890,300	891,497	891,497	..
P	1.10.75	676,600	676,600	676,600	..
Q	1.4.76	334,300	334,300	334,300	..
R	1.7.76	1,416,700	1,416,700	1,416,700	..
S	1.3.77	115,200	115,200	115,200	..
	..	13,428,442	13,590,154	11,622,552	1,967,602

Loan Expenditure.

The net loan expenditure in the year 1969–70 according to Treasury records was \$164,279,439 compared with \$154,707,490 for 1968–69. Details of this loan expenditure together with advances under the Commonwealth–State Housing Agreement and certain drought relief advances from Commonwealth funds are shown below :—

	1968–69.	1969–70.
	\$	\$
School Buildings	32,112,941	34,346,094
Electricity Commission	15,750,000	19,250,000
Country Water and Sewerage Works	19,422,804	19,189,923
Railways	16,901,101	16,029,493
Hospitals	12,808,641	14,941,024
Melbourne and Metropolitan Board of Works .. .. .	..	6,210,000
Public Offices	2,800,138	4,783,850
Mental Hospitals including Alcoholism Services	4,343,305	4,160,023
Municipal Subsidies	2,579,873	3,518,704
Forests	3,019,983	3,365,000
Victoria Institute of Colleges and Colleges of Advanced Education	2,329,813	2,981,447
Universities—		
Monash	1,357,750	2,471,250
Melbourne	1,342,895	2,030,866
La Trobe	3,068,750	1,297,000
Vermin and Noxious Weeds	2,143,396	2,260,629
Land Settlement	1,927,483	2,249,957
National Art Gallery and Cultural Centre	2,046,000	2,050,000
Slum Reclamation	2,666,831	1,910,323
Country Roads	4,089,000	1,600,000
Social Welfare	1,458,065	1,526,957
Police Buildings and Equipment	1,595,364	1,398,200
Rural Finance	1,200,000	1,100,000
Agriculture	1,105,191	1,096,233
Court Houses	2,776,375	756,828
Sanatoria and General Health	633,640	755,552
Westernport Development and Harbor Facilities	3,096,345	699,473
Advances—Sundry	1,075,320	502,239
Soil Conservation	503,982	425,046
Drought Relief	3,330,619	158,880
Gas and Fuel Corporation—Share Capital	80,000	40,000
Other Public Works	7,141,885	8,287,632
In Aid of Revenue .. .. .	..	2,886,816
Total within Financial Agreement	154,707,490	164,279,439
Commonwealth–State Housing Agreement	36,038,313	36,732,500
Drought Relief	2,880,000	72,495
	<hr/>	<hr/>
	193,625,803	201,084,434

Public Debt under the Financial Agreement.

The Public Debt statement in the Treasurer's Finance Statement shows that the total indebtedness at 30th June, 1970, amounted to \$2,233,434,284. Of this, \$2,175,648,679 represented internal and \$57,785,605 external borrowing. After allowing for cash at credit of the National Debt Sinking Fund, the State's capital liability to the Commonwealth under the Financial Agreement was \$2,230,055,846, an increase of \$133,901,666 for the year. The capital liability 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 .. .. .	..	2,587,941,182
<i>Less—Exchange premium—</i>		
London	4,275,725	
New York	20,539,954	
Canada	2,058,613	
Switzerland	1,626,859	
Netherlands	690,001	
	<hr/>	29,191,152
		<hr/>
		2,558,750,030
<i>Less—Equity in National Debt Sinking Fund—Cancelled Securities</i>	..	325,315,745
		<hr/>
Total Indebtedness .. .. .	..	2,233,434,285
<i>Less—Share of Cash—National Debt Sinking Fund</i>	..	3,378,439
		<hr/>
State's Capital Liability to Commonwealth under the Financial Agreement ..		2,230,055,846
		<hr/>

As already mentioned, there is additional liability to the Commonwealth of \$515,422,988 for loans for housing purposes, \$13,033,845 for special assistance loans for soldier settlement and \$5,077,184 in respect of loans from drought relief funds.

The charges for the year on the Public Debt, including loan conversion expenses, were—

	\$
Interest—On Funded Debt	109,115,443
Loan Conversion and Management Expenses and Expenses of Paying Interest ..	399,598
	<hr/>
Total Interest and Expenses (excluding interest on Commonwealth advances for Housing and Soldier Settlement and interest paid on Deposits)	109,515,041
Sinking Fund—State's Contribution to National Debt Sinking Fund	20,906,126
	<hr/>
Total Debt Charges	130,421,167
	<hr/>
The comparable figure for the previous year was	119,422,329
	<hr/>

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, 1969 .. .. .	..	10,176,351
Contributions 1969-70—		
<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 ..	5,258,920	
	<u> </u>	5,599,792
<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	5,152,895	
4 per cent. per annum on deficit loans	1,610,704	
·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	338,836	
2 per cent. per annum on tourist resorts development ..	11,545	
Various, on discount and expenses overseas loans ..	25,189	
4·5 per cent. per annum on cancelled securities	12,942,882	
	<u> </u>	20,906,127
		<u> </u>
		36,682,270
Interest — temporary investment and repurchased securities ..		286,738
		<u> </u>
		36,969,008
Securities repurchased and redeemed, \$31,898,522, at a cost of		33,590,569
Balance of cash in Sinking Fund at 30th June, 1970		<u> </u>
		3,378,439

The total amount of securities repurchased or redeemed and cancelled on account of this State since the inception of the scheme is now \$325,315,745 at a cost, including exchange on overseas purchases, of \$344,282,150.

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 1969-70 aggregating \$766,238,436 and credits, \$778,189,830.

Statement No. 3 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.	1969-70.		Balance 30th June, 1970.
		Debits.	Credits.	
Bendigo Institute of Technology (Capital Projects) Trust Account	To receive the State's contributions from the Loan Fund to be applied towards the cost of the capital projects of the respective Colleges, approved pursuant to the Commonwealth's <i>States Grants (Advanced Education) Act 1967</i> , in respect of existing commitments at 31st December, 1969, the date of expiry of the Act, and to record the disbursement thereof	\$ 50,759	\$ 84,061	\$ 33,302
Caulfield Institute of Technology (Capital Projects) Trust Account		13,369	51,034	37,665
Dookie Agricultural College (Capital Projects) Trust Account		1,392	24,198	22,806
Footscray Institute of Technology (Capital Projects) Trust Account		175,017	175,017	Nil
School of Forestry (Capital Projects) Trust Account		43	2,644	2,601
Commonwealth Aid Roads 1969 No. 1 Account	Pursuant to Section 4 (1) of the <i>Commonwealth Aid Roads Act 1969</i> to record the receipt of financial assistance from the Commonwealth to the State for the purpose of constructing urban arterial roads	21,260,000	21,260,000	Nil
Commonwealth Aid Roads 1969 No. 2 Account	Pursuant to Section 4 (2) of the <i>Commonwealth Aid Roads Act 1969</i> to record the receipt of financial assistance from the Commonwealth to the State for the purpose of constructing rural arterial roads	2,420,000	2,420,000	Nil
Commonwealth Aid Roads 1969 No. 3 Account	Pursuant to Section 4 (3) of the <i>Commonwealth Aid Roads Act 1969</i> to record the receipt of financial assistance from the Commonwealth to the State for the purpose of constructing and maintaining rural roads, other than rural arterial roads	13,910,000	13,910,000	Nil
Commonwealth Aid Roads 1969 No. 4 Account	Pursuant to Section 4 (4) of the <i>Commonwealth Aid Roads Act 1969</i> to record the receipt of financial assistance from the Commonwealth to the State to be expended on road planning and research	570,000	570,000	Nil
Commonwealth—Port Incinerators Trust Account	To receive contributions from the Commonwealth to be applied towards the cost of establishing approved incinerators at Victorian ports, including expenditure on siteworks and services, and one-half of the cost of access roads	48,314	119,769	71,455
Emergency Relief and State Disaster Plan Account	To extend the scope of the former "Emergency Relief Account" in providing for certain categories of expenditure incurred in connexion with the State Disaster Plan where departmental appropriations are not available to meet the cost	1,916	2,931	1,015
Legal Aid Fund ..	Pursuant to Section 10 (1) of the <i>Legal Aid Act 1969</i> , to record the receipt of moneys in terms of the Act and the application of those moneys towards the cost of administering the scheme and of providing legal aid to assisted persons	10,751	115,402	104,651
Mildura Schools Fund ..	To record the receipt and disbursement of moneys in accordance with the provisions of the <i>Mildura College Lands Act 1916</i> as amended by the <i>Mildura College Lands (Amendment) Act 1970</i>	7,264	31,342	24,078
Poultry Research Grant Trust Account	To record the receipt and disbursement of funds made available to the Department of Agriculture by the Council of Egg Marketing Authorities of Australia for the purpose of poultry research	28,685	30,260	1,575
State Grants (Advanced Education) Trust Account 1970-72	To account for funds made available by the Commonwealth to the State pursuant to the Commonwealth's <i>States Grants (Advanced Education) Act 1969</i> for the period 1st January, 1970 to 31st December, 1972	550,796	1,061,950	511,154

TRUST FUND AND SPECIAL ACCOUNTS—*continued.*

Account or Fund.	Purpose for which Established.	1969-70.		Balance 30th June, 1970.
		Debits.	Credits.	
State Grants (Advanced Education Recurrent) Trust Account	To record moneys received by the State from the Commonwealth pursuant to the Commonwealth's <i>States Grants (Advanced Education) Act 1966</i> to meet recurrent expenditure of Colleges of Advanced Education	\$ 4,670,560	\$ 4,670,560	\$ Nil
State Grants (Dwellings for Aged Pensioners) Trust Account	To record the receipt and disbursement of Commonwealth grants pursuant to the Commonwealth's <i>States Grants (Dwellings for Aged Pensioners) Act 1969</i>	200,000	200,000	Nil
State Grants (Independent Schools) Grant Account	To account for advances from the Commonwealth pursuant to the Commonwealth's <i>States Grants (Independent Schools) Act 1969</i>	3,951,505	3,951,790	285
Timber Promotion Committee Trust Account	To account for moneys made available to the Timber Promotion Committee appointed pursuant to the Forests (Timber Promotion) Regulations 1969	33,703	98,169	64,466
Transfer of Land Act (Section 85) Account	To receive and hold in trust moneys collected pursuant to Section 85 of the <i>Transfer of Land Act 1958</i> which enables a mortgagor to discharge a mortgage by remitting to the Treasurer any moneys due thereon in instances where the mortgagee is absent from Victoria	..	2,161	2,161
Victorian Brown Coal Research Committee Trust Account	To receive contributions from State Funds and various organizations and to meet expenditure as approved by the Committee in respect of research into uses of brown coal for purposes other than combustion	20,000	20,000	Nil

Current Funds and Accounts.

For convenience in explaining the funds and accounts within the Trust Fund, the relevant figures for 1969-70 are set out under broad classifications in the table below :—

	Balance Forward. General Account. <i>Investments.</i>	1969-70.		Balance 30th June, 1970. General Account. <i>Investments.</i>
		Debits.	Credits.	
	\$	\$	\$	\$
Commonwealth	8,198,934	144,630,541	147,863,563	11,431,956
Commonwealth-State	689,729	453,943	507,012	742,798
Compensation and Insurance	32,614,050	68,969,367	69,764,407	33,409,090
	29,206,872	196,300	6,186,461	35,197,033
Deposit	1,211,975	623,061	510,162	1,099,076
	420,242	10,000	20,000	430,242
Depreciation	1,820,662	3,737,615	3,758,157	1,841,204
	1,506,000	..	..	1,506,000
Social, Health and Welfare	2,043,986	63,765,920	62,570,264	848,330
	684,699	5,310	1,200	680,589
Superannuation and Pension	403,769	1,770,498	1,828,802	462,073
	14,338,672	488,996	130,000	13,979,676
Suspense	15,750,908	271,204,550	273,256,224	17,802,582
Works and Development	13,470,875	67,834,641	68,354,297	13,990,531
	2,600	..	..	2,600
Other	5,277,522	142,516,736	143,382,505	6,143,291
	1,156,520	19,200	2,700	1,140,020
General Account	81,482,410	765,506,872	771,795,393	87,770,931
<i>Investments</i>	47,315,605	719,806	6,340,361	52,936,160

In addition, securities to a value of \$15,407,999 have been lodged with the Treasurer. Transactions in 1969-70 were debits \$11,758 and credits \$54,076. Further reference to these securities is made on page 44.

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 No.
Melbourne University (Commonwealth Subsidy) Account	University of Melbourne	70
La Trobe University (Commonwealth Subsidy) Account	La Trobe University	75
Monash University (Commonwealth Subsidy) Account	Monash University	73
Commonwealth Poultry Industry Assistance Account	Egg and Egg Pulp Marketing Board	See Supplementary Report
Commonwealth-State Housing Trust Account	Housing Commission	„ „ „

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

Fund.	Page Reference No.
Aboriginal Housing (Commonwealth) Trust Account	45
Commonwealth Aid Roads Accounts	59
Commonwealth-State Grants (Mental Institutions) Trust Fund	84
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 1968-69 and 1969-70 :—

	1968-69.	1969-70.
	\$	\$
Balance 1st July	1,147,163	135,318
Received from Commonwealth during the year	4,160,000	6,000,000
	<u>5,307,163</u>	<u>6,135,318</u>
Reimbursements to Public Hospitals, &c.	5,171,845	6,041,473
Balance 30th June	<u>135,318</u>	<u>93,845</u>

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 1968-69 and 1969-70 :—

	1968-69.	1969-70.
	\$	\$
Balance 1st July	130,084	242,065
Received from Commonwealth during the year	2,716,252	2,650,000
	<u>2,846,336</u>	<u>2,892,065</u>
Cost of milk supplied	2,573,563	2,567,772
Cost of straws and delivery thereof	26,025	22,390
Administrative expenses (Commonwealth proportion)	4,683	4,869
	<u>2,604,271</u>	<u>2,595,031</u>
Balance 30th June	<u>242,065</u>	<u>297,034</u>

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, 1970, amounted to \$108,520,000. The Commonwealth charges interest on these advances, and has varied the rate from time to time. During 1969-70, the rate charged was increased from 4.4 per cent. to 6 per cent.

The Home Builders' Account is also credited with moneys received from building societies, &c., for interest and repayment of principal in respect of loans made by the State under the Agreement. To 30th June, 1970, the moneys received for these purposes amounted to \$68,873,991.

As required, advances are made from the Public Account to the Home Builders' Account under the authority of the *Public Account Act* 1958. All such advances from the Public Account made during 1969-70 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. However, in the year under review, this interest was more than offset by interest received by the Home Builders' Account from the Public Account in respect of moneys received from the Commonwealth in advance of immediate requirements for home building purposes.

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, 1970, totalled \$145,988,040. All of this sum was made available to co-operative housing societies.

Interest charged to the societies for the year exceeded interest paid from the Home Builders' Account to the Commonwealth and the State by \$203,462. An amount of \$164,332 was charged against the accumulated interest surplus and credited to Consolidated Revenue. This charge was a recoup towards the State's administrative cost in respect, mainly, of the societies formed on or after 1st July, 1966, this being the date from which the 1956-1961 Housing Agreement was extended for a further period of five years. The accumulated interest surplus to 30th June, 1970, was \$2,088,290.

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

<i>Source of Funds—</i>						\$
Balance 1st July, 1969	..	..	..	..	..	71,381
Advanced by Commonwealth Government	..	..	..	..	..	10,850,000
Interest and Repayments of Principal	..	..	..	..	..	11,475,306
Interest—Public Account	..	..	..	..	..	30,664
Total Funds Available	..	..	..	..	..	<u>22,427,351</u>
 <i>Disbursement of Funds—</i>						
Advances to Registry	..	..	..	..	..	15,885,000
Commonwealth—Interest and Redemption	..	..	..	..	..	4,734,777
State of Victoria—Payment towards Administrative Cost	..	..	..	..	..	164,332
Total Disbursements	..	..	..	..	..	<u>20,784,109</u>
Balance 30th June, 1970	..	..	..	..	..	1,643,242
						<u>22,427,351</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 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 1969–70 totalled \$927,580.

State Grants (Advanced Education) Trust Accounts.

These accounts record transactions relating to grants of financial assistance to the State by the Commonwealth under the provisions of the States Grants (Advanced Education) Acts for advanced education college building projects, equipment of a capital nature and library material.

The following statement summarizes the transactions during 1969–70 :—

	Colleges of Advanced Education.			Total.
	Education Department and Victoria Institute of Colleges.	Agriculture Department.	Forests Commission.	
	\$	\$	\$	\$
Balance—1st July	319,034	Dr. 36,346	Dr. 2,052	280,636
Commonwealth Building and Equipment Grants	2,823,403	63,302	3,756	2,890,461
	3,142,437	26,956	1,704	3,171,097
Expenditure—Buildings	2,015,199	15,374	735	2,031,308
Equipment	452,899	..	..	452,899
Library Materials	..	2,830	965	3,795
	2,468,098	18,204	1,700	2,488,002
Balance—30th June	674,339	8,752	4	683,095

State Grants (Advanced Education Recurrent) Trust Account.

Pursuant to the provisions of the States Grants (Advanced Education) Acts, an amount of \$4,837,255 was received from the Commonwealth during 1969-70 in respect of recurrent expenditure of colleges of advanced education. Of this amount, \$4,670,560 was paid to the credit of the Trust Account and the balance, \$166,695, was credited to Consolidated Revenue as a recoup of expenditure by the State in 1968-69.

The following statement sets out the allocation of the total grant received on account of recurrent expenditure :—

	Colleges of Advanced Education.			Total.
	Education Department and Victoria Institute of Colleges.	Agriculture Department.	Forests Commission.	
	\$	\$	\$	\$
Commonwealth Grant on account of recurrent expenditure for advanced education	4,565,053	244,556	27,646	4,837,255

State Grants (Pre-School Teachers Colleges) Trust Account.

Pursuant to the provisions of the States Grants (Pre-School Teachers Colleges) Act, the Commonwealth provided financial assistance for building projects in connexion with pre-school teachers' colleges. A grant of \$3,000 was received during 1969-70. A payment of \$3,000 was made to the Melbourne Kindergarten Training College during the year.

State Grants (Science Laboratories) Trust Account.

Under the provisions of the States Grants (Science Laboratories) Acts, the Commonwealth granted financial assistance to the State for science laboratories and equipment in State schools and independent schools.

The following statement summarizes the transactions during 1969-70 :—

	State Schools.	Independent Schools.	Total.
	\$	\$	\$
Balance—1st July	381,988	341,477	723,465
Grants from Commonwealth	2,532,000	1,504,700	4,036,700
	2,913,988	1,846,177	4,760,165
Expenditure	2,430,537	1,545,930	3,976,467
Balance—30th June	483,451	300,247	783,698

State Grants (Secondary Schools Libraries) Trust Account.

Pursuant to the provisions of the States Grants (Secondary Schools Libraries) Act, a grant of \$2,225,000 was provided by the Commonwealth during 1969-70 towards establishing, stocking and equipping State and independent secondary school libraries.

The following statement summarizes the transactions during 1969-70 :—

	State Schools.	Independent Schools.	Total.
	\$	\$	\$
Balance—1st July	500,000	..	500,000
Grants from Commonwealth	1,250,000	975,000	2,225,000
	1,750,000	975,000	2,725,000
Expenditure	978,047	600,789	1,578,836
Balance—30th June	771,953	374,211	1,146,164

State Grants (Teachers Colleges) Trust Account.

Under the provisions of the States Grants (Teachers Colleges) Act, the Commonwealth granted financial assistance to the State towards approved building projects in connexion with teachers' colleges. At 1st July, 1969, \$513,920 was held in the Trust Account and during the financial year a further \$3,250,000 was received from the Commonwealth. Expenditure totalled \$2,398,957 and the balance held in the Trust Account at 30th June, 1970, was \$1,364,963.

State Grants (Technical Training) Trust Account.

Pursuant to the provisions of the States Grants (Technical Training) Acts, the Commonwealth made grants of financial assistance to the State for buildings and equipment for use in technical training in State schools as defined by these Acts. At 1st July, 1969, \$785,565 was held in the Trust Account and during 1969-70 grants totalling \$3,000,000 were received. Expenditure, which was on account of technical, agricultural and forestry school buildings and equipment, totalled \$3,475,790. The balance held in the Trust Account at 30th June, 1970, was \$309,775.

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 77.

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	88
Railway Accident and Fire Insurance Fund	101
State Accident Insurance Fund	52
State Motor Car Insurance Fund	54

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 totalled \$88,520 and claims paid amounted to \$25,115. The surplus of \$63,405 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.

This Fund was established pursuant to the *Special Funds Act* 1910, by the transfer of \$30,000 from the Assurance Fund. That Act provided for a yearly charge against Consolidated Revenue of \$4,000 and for the crediting of the Fund with interest on the balance of the Fund in excess of \$30,000. In 1942-43, the Fund was increased to \$200,000 and, until 1960-61, further contributions totalling \$1,294,000 were made from Consolidated Revenue.

Application of this Fund is restricted to Government buildings but, under a scheme known as the Government Buildings Fire Insurance Pool (an insurance contract negotiated by the State Accident Insurance Office with the Fire and Accident Underwriters Association of Victoria) insurance cover is provided in regard to buildings and other property and against fire and other risks to which the Fund is not applicable.

Neither of the above schemes applies to property owned by the Railways Commissioners for which separate provision is made in the Railway Accident and Fire Insurance Fund.

Transactions of the Government Buildings Fire Insurance Fund during 1968-69 and 1969-70 are summarized below :—

	1968-69.	1969-70.
	\$	\$
Balance, 1st July	625,508	649,983
Special Appropriation	4,000	4,000
Income from Investment	21,119	36,719
	<hr/>	<hr/>
	650,627	690,702
Expenditure	644	59
Balance, 30th June	<hr/>	<hr/>
	649,983	690,643
Which included Investments of	<hr/>	<hr/>
	625,000	675,000

DEPOSIT.

Items under this heading comprise securities lodged by Insurance and Trustee Companies, \$150,000 ; Contractors' and Timber Cutters' deposits, \$649,189 ; Municipalities Loan Repayment Account, \$585,233, which includes investments totalling \$280,242 ; Sundry Investments and Interest Account, \$84,896 ; and Law Department—Sureties Trust Account, \$60,000.

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	109
Forests Plant and Machinery Fund	79
Irrigation Districts Maintenance Equalization and Renewals Account ..	106
Printing Machinery Depreciation Fund	80
Public Works Plant and Machinery Fund	97
Railway Renewals and Replacements Fund	99
Water Supply Plant and Machinery Depreciation Fund	107
Water Supply Works Depreciation Fund	107

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 :—

	Page Reference No.
Aboriginal Affairs Fund	45
Hospitals and Charities Fund	85
Workers Compensation Board Fund	56

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, may 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 :—

	1968-69.	1969-70.
	\$	\$
<i>Source of Funds—</i>		
Balance from Previous Year	452	632
<i>Government Contributions :—</i>		
Special Appropriation—Act No. 6240	50,000	50,000
Departmental Vote—Education	139,565	150,341
<i>Fees and Proceeds :—</i>		
Classes, Lectures and Discussion Groups	164,237	198,445
Schools and Conferences	33,934	24,275
Community Arts Service	1,674	1,062
Miscellaneous	2,803	2,517
	392,665	427,272

<i>Disbursement of Funds—</i>	1968–69.	1969–70.
	\$	\$
Administration—Salaries	119,031	134,646
Administration—General Expenses	63,274	74,434
	<hr/>	<hr/>
	182,305	209,080
Classes, Lectures and Discussion Groups	162,464	172,173
Schools and Conferences	38,303	24,741
Community Arts Service	7,828	7,660
Russell-street Centre—Maintenance and Operating Costs	797	1,152
Miscellaneous	336	9,129
	<hr/>	<hr/>
	392,033	423,935
<i>Balance at End of Year</i>	632	3,337
	<hr/>	<hr/>
	392,665	427,272

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 1969–70, duty paid amounted to \$6,504,415. The sum of \$820,000 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, 1970 :—

<i>Receipts.</i>	During the Year.	Total.
	\$	\$
Balance 1st July, 1969	5,957	..
Special Appropriations— <i>Tattersall Consultations Act 1958</i>	820,000	9,624,346
	<hr/>	<hr/>
	825,957	9,624,346
	<hr/>	<hr/>
<i>Payments.</i>		
Capital Works .. .. .	..	622,000
Maintenance Works .. .. .	..	300,000
General Expenditure (State Institutions) .. .. .	..	3,360,216
Maintenance Grants (Other Institutions)	808,720	4,510,727
Mental Health Research (University of Melbourne)	14,000	204,000
Capital Grants (Other Institutions) .. .. .	..	624,166
	<hr/>	<hr/>
	822,720	9,621,109
	<hr/>	<hr/>
Balance 30th June, 1970.. .. .	3,237	3,237

SUPERANNUATION AND PENSION.

The funds included in this group are the Police Pensions Fund, Police Superannuation Fund, Port Phillip Pilot Sick and Superannuation Fund and Superannuation Trust Fund. The Superannuation Fund, the Pensions Supplementation Fund, the Married Women's Superannuation Fund and the Parliamentary Contributory Superannuation Fund do not form part of the Public Account and reference to these latter funds will be found in my Supplementary Report.

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 1969-70, the additional contribution amounted to \$280,000.

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

								1968-69.	1969-70.
								\$	\$
<i>Receipts.</i>									
Deductions from pay .. .. .	..	..	..	..	..	..	52,646	54,391
Contributions from Consolidated Revenue .. .. .	..	..	..	..	..	..	380,000	380,000
Interest on Investments .. .. .	..	..	..	..	..	..	685,044	685,238
Balance in hand—1st July .. .. .	..	..	..	..	..	..	13,575,863	13,151,369
								<u>14,693,553</u>	<u>14,270,998</u>
<i>Disbursements.</i>									
Pensions .. .. .	..	..	..	..	..	..	1,477,681	1,495,812
Gratuities .. .. .	..	..	..	..	..	..	47,684	28,183
Deductions refunded—on resignation .. .. .	..	..	..	..	..	..	16,608	11,692
State Superannuation Fund :—									
Act No. 7081, Section 9 .. .. .	..	..	..	..	..	..	211	306
								<u>1,542,184</u>	<u>1,535,993</u>
Balance, 30th June .. .. .	..	..	..	..	..	..	13,151,369	12,735,005
Represented by :—									
Investments .. .. .	..	..	..	..	..	..	13,115,500	12,665,500
Cash .. .. .	..	..	..	..	..	..	35,869	69,505
								<u>13,151,369</u>	<u>12,735,005</u>

At 30th June, 1970, the investments of the Fund comprised Commonwealth Government Inscribed Stock, \$9,815,500, 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 \$12,665,500.

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.

Income of the Fund was \$5,289 which comprised the State's contribution of \$4,000 and fines amounting to \$1,289. Pension payments from the Fund totalled \$13,125 which was \$4,434 less than the corresponding figure for the previous year.

In my 1968-69 report, I stated that the balance of the Police Superannuation Fund as at 30th June, 1968, \$32,854, was not paid to the Pensions Supplementation Fund, administered by the State Superannuation Board of Victoria, as provided by the *Pensions Supplementation Act* 1966 because the income of the Police Superannuation Fund was insufficient to meet the liability for pensions. I also reported that the Treasury had advised that steps were being taken to have the matter resolved by the introduction of amending legislation.

Section 12 of the *Superannuation (Amendment) Act* 1969, which came into operation on 19th December, 1969, provided that, where in any financial year the funds in the Police Superannuation Fund are insufficient to cover pensions payable, the amount required to pay such pensions shall be transferred from the Pensions Supplementation Fund to the Police Superannuation Fund. However, the amending legislation did not validate the retention in the Police Superannuation Fund of the balance as at 30th June, 1968, \$32,854.

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 out of the Pilots' Salary Fund (which receives all moneys paid for pilotage rates) there is payable to the Port Phillip Pilot Sick and Superannuation Fund, at intervals prescribed by the Governor in Council, 6 per cent. of the amount at credit of the Pilots' 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 1968-69 and 1969-70 :—

							1968-69.	1969-70.
							\$	\$
<i>Receipts.</i>								
Deductions from Earnings	..	..	..	..	..	..	66,052	86,893
Interest on Investments	..	..	..	..	..	..	69,397	69,685
Balance, 1st July	..	..	..	..	..	..	1,193,902	1,262,987
							<u>1,329,351</u>	<u>1,419,565</u>
<i>Payments.</i>								
Pensions	..	..	..	..	..	..	66,364	84,111
Triennial Valuation Report	..	..	..	..	..	..	..	345
							<u>66,364</u>	<u>84,456</u>
Balance, 30th June	..	..	..	..	..	..	1,262,987	1,335,109
Represented by :—								
Investments	..	..	..	..	..	..	1,223,172	1,314,176
Cash	..	..	..	..	..	..	39,815	20,933
							<u>1,262,987</u>	<u>1,335,109</u>

Investments comprised inscribed stock of the Commonwealth Government, \$100,300, the State Electricity Commission, \$696,500, the Melbourne and Metropolitan Board of Works, \$251,600, the Melbourne Harbor Trust, \$40,000, the Grain Elevators Board, \$68,000, a Registered First Mortgage over the Pilot Vessel "Akuna", \$52,776, and Gas and Fuel Corporation debenture stock, \$105,000.

SUSPENSE.

The Trust Fund includes accounts which are in the nature of suspense accounts. Certain of these accounts are governed by 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	79
Public Works Stores Suspense Account	96
Railway Charges in Suspense Account	102
Railway Stores Suspense Account	102
Tourist Bureaux Trust Account	94
Water Supply Stores Suspense Account	107

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.
Country Roads Board Fund	58
Country Roads Board Special Works Account	63
Forest Equipment Hire Account	79
Forestry Fund	77
Municipalities Forest Roads Improvement Fund	64
State Rivers and Water Supply Commission Agency Trust Account	108
Timber Promotion Committee Trust Account	79
Tourist Fund	92

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

Decentralization Fund.

The major portion of the year's expenditure of \$199,996 consisted of subsidies in respect of freight costs.

Credits to the Fund have been :—

	\$	\$
To 30th June, 1969 .. .. .	..	4,000,995
During the year—		
From Consolidated Revenue	100,000	
Treasurer's Advance pending appropriation from Loan	100,000	200,000
	<hr/>	<hr/>
		4,200,995

The Fund has been utilized as follows :—

Expenditure to 30th June, 1969 .. .. .	..	4,000,991
During the year—		
Power and Light Subsidies	2,675	
Freight Subsidies	170,830	
Removal of Plant, Machinery, Furniture, &c.	11,211	
Miscellaneous	15,280	
	<hr/>	<hr/>
		199,996
		<hr/>
		4,200,987
The balance at 30th June, 1970, was .. .. .	..	8
		<hr/>
		4,200,995

Amounts advanced from the Decentralization Fund and still to be repaid at 30th June, 1970, are shown hereunder :—

—	Advanced to 30th June, 1970.	Repaid.	Outstanding 30th June, 1970.	Arrears.	
				Interest.	Principal.
	\$	\$	\$	\$	\$
Brickworks	10,551	1,833	8,718	3,681	8,718
Textile Industries	84,000	62,046	21,954	..	..
Foundries and Other Industries	103,143	41,413	61,730	26,939	43,397
	*197,694	105,292	92,402	30,620	52,115

* 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.

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 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 :—

	1968-69.		1969-70.	
	\$	\$	\$	\$
Balance 1st July	1,229,814		610,610	
Receipts—				
Additional Registration Fees	924,282		1,017,184	
		2,154,096		1,627,794
Expenditure—				
By Railway Department	866,932		1,032,572	
By Country Roads Board	676,554		296,317	
		1,543,486		1,328,889
Balance 30th June		610,610		298,905

Municipalities Assistance Fund.

Reference is made under the Local Government section of this Report to subsidies of \$1,238,486 made from loan moneys to municipalities and other public bodies. Funds are also made available to municipalities through the Municipalities Assistance Fund.

The authority for this Fund is in the *Local Government Act* 1958 which provides that to the credit of the Fund there shall be paid one-quarter of all motor drivers' licence fees and one-half of all driving instructors' licence fees paid under the *Motor Car Act* 1958 less cost of collection in each case.

The Fund has these 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.

During the year, an amount of \$1,300,000 was contributed to the Fund from Loan Fund.

Following is a summary of operations in the Fund :—

	1968-69.		1969-70.	
	\$	\$	\$	\$
Balance, 1st July		96,909		183,628
Contribution—Loan Fund		750,000		1,300,000
Receipts from Fees—Motor Car Drivers' and Instructors' Licences	809,063		789,646	
Less Costs of Collection	76,807		74,903	
		<u>732,256</u>	<u>714,743</u>	
		<u>1,579,165</u>	<u>2,198,371</u>	
Expenditure—				
Contribution to Country Fire Authority		1,037,630		1,225,416
Contribution to Casual Fire Fighters Compensation Fund		1,101		..
Subsidies to Municipalities for Works ..		356,806		499,998
		<u>1,395,537</u>		<u>1,725,414</u>
Balance, 30th June		183,628		472,957
		<u>1,579,165</u>		<u>2,198,371</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, 1970, is given hereunder :—

	\$	\$
Balance, 1st July, 1969		1,600
Receipts—		
From Consolidated Revenue	108,500	
Loan Fund	404,879	
Rentals, other contributions, &c.	54,934	
		<u>568,313</u>
		<u>569,913</u>
Payments—		
Grants to Committees of Management of National Parks and Advances for Works to the Public Works Department and Forests Commission, &c.	444,092	
Administration Costs	119,591	
		<u>563,683</u>
Balance, 30th June, 1970		<u>6,230</u>

In addition to the balance of \$6,230 at credit of the Fund, unexpended advances to the Public Works Department and the Forests Commission for works amounted to \$18,945 as at 30th June, 1970.

Roads (Special Projects) Fund.

This Fund, established under the provisions of the *Roads (Special Projects) Act 1965*, is credited with a proportion of certain fees prescribed under the Motor Car Act.

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 of the Fund for the years 1968-69 and 1969-70 are set out below :—

	1968-69.		1969-70.	
	\$	\$	\$	\$
Balance, 1st July	6,089,804		7,627,489	
Receipts—				
Registration Fees	13,978,860		14,708,016	
	<u> </u>	20,068,664	<u> </u>	22,335,505
Expenditure—				
By Country Roads Board	3,054,544		3,532,586	
By Melbourne and Metropolitan Board of Works	9,386,631		9,140,773	
	<u> </u>	12,441,175	<u> </u>	12,673,359
Balance, 30th June		<u> </u>	<u> </u>	<u> </u>
		7,627,489		9,662,146

A statement of expenditure by the Country Roads Board on specific projects is given in Part VI. 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 1968 and 1969.

1968.			1969.	
\$			\$	\$
	Income—			
35,710	Contributions		23,163	
3,165	Other		3,849	
<u> </u>			<u> </u>	27,012
38,875				
	Expenditure—			
4,317	Allowances, Board Members		4,393	
9,874	Salaries, Office Staff		10,392	
15,331	Inspection and Grading		16,852	
9,527	General Expenses		8,803	
<u> </u>			<u> </u>	40,440
39,049				
<u> </u>	Deficit for Year		<u> </u>	<u> </u>
174				13,428

At 30th June, 1970, the balance at credit of the Fund in the Treasury amounted to \$65,998 and comprised cash \$1,998 and investments \$64,000.

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. The account was last called upon for this purpose in 1966-67. At 30th June, 1970, the balance at credit of the Account was \$311,505.

Milk Board Fund.

The Board's operations in 1969-70 resulted in a revenue surplus of \$120,029, a decrease of \$17,622 on the comparable figure for 1968-69.

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 1969-70 are subject to audit.

1968-69. \$						1969-70. \$	\$
	<i>Revenue.</i>						
613,966	Milk Trading Revenue	..	..	..	..	657,394	
30,268	Milk Shop Licence Fees	..	..	..	..	35,872	
8,000	Rentals	..	..	..	..	8,000	
<u>652,234</u>							<u>701,266</u>
	<i>Expenditure.</i>						
168,903	Salaries	..	..	..	..	197,956	
4,078	Pay-roll Tax	..	..	..	..	4,687	
2,304	Rental of Premises	..	..	..	..	2,112	
15,513	Travelling Expenses	..	..	..	..	20,926	
18,627	General Expenses	..	..	..	..	24,704	
291,494	Publicity Account—Appropriation	..	..	..	..	314,660	
6,000	Improving Quality of Milk—Paid to Department of Agriculture	..	..	..	..	6,000	
5,197	Building Maintenance	..	..	..	..	8,659	
643	Interest	..	..	..	..	311	
1,824	Depreciation	..	..	..	..	1,222	
<u>514,583</u>							<u>581,237</u>
137,651	Surplus for the Year	..	..	..	..		<u>120,029</u>

The item—Publicity Account—Appropriation, \$314,660—is the provision from revenue to meet publicity costs incurred in promoting the consumption of milk. Expenditure for publicity purposes charged to the Account in the year amounted to \$247,768.

The Board's balances as at 30th June, 1969, and 30th June, 1970, were :—

30.6.69. \$						30.6.70. \$	\$
2,927,902	Sundry Creditors—Trade	..	..	..	..	3,145,933	
39,429	Sundry Creditors—Other	..	..	..	..	51,895	
14,120	Milk Shop Licences Paid in Advance (Net)	..	..	..	..	19,683	
<u>2,981,451</u>							<u>3,217,511</u>
	Accumulated Funds—						
	Accumulation Fund—						
1,343,660	Balance Brought Forward	..	..	..	..	1,481,311	
137,651	Revenue Surplus for the Year	..	..	..	..	120,029	
<u>1,481,311</u>						<u>1,601,340</u>	
269,702	Publicity Account	..	..	..	..	336,595	
<u>1,751,013</u>							<u>1,937,935</u>
<u>4,732,464</u>							<u>5,155,446</u>
1,332,492	Milk Board Fund—Balance at Treasury	..	..	..	..	1,503,432	
2,976,966	Sundry Debtors—Trade	..	..	..	..	3,203,260	
8,604	Office Equipment, Furniture, and Fittings less Depreciation	..	..	..	..	10,392	
12,535	Motor Vehicles less Depreciation	..	..	..	..	16,623	
337,226	Land and Buildings at Cost	..	..	..	..	348,954	
63,545	Publicity Plant and Equipment less Depreciation	..	..	..	..	72,139	
1,096	Publishing Stocks on Hand	..	..	..	..	646	
<u>4,732,464</u>							<u>5,155,446</u>

Trade debtors and creditors, for the most part, resulted from trading operations for the month of June, 1970.

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

<i>Account</i>	Page Reference No.
The Licensing Fund	16
Race-courses Development Fund	13
Totalizator Agency Board Trust Account	13
Traffic Commission Fund	63
Transport Regulation Fund	110

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*, \$15,313,854, and to a Geelong Harbor Trust debenture securing the outstanding balance of an advance, \$83,819.

PART VI.—DEPARTMENTS, BRANCHES AND AUTHORITIES.

ABORIGINAL AFFAIRS.

The *Aboriginal Affairs Act* 1967 established the Ministry of Aboriginal Affairs for the purpose of promoting the social and economic advancement of aborigines. Moneys appropriated by Parliament for the purposes of the Act and all other moneys received by the Ministry are paid into the Aboriginal Affairs Fund. The Minister is authorized to apportion, distribute, apply or lend any money in the Fund for the purposes of the Act.

Transactions during 1969–70 in relation to this Fund were :—

	\$	\$
Balance 1st July, 1969		5,990
Receipts—		
Loan Fund Contribution	380,000	
Consolidated Revenue Contribution	350,000	
Commonwealth Grants—Education, Health, Employment	91,000	
Repayment of Loans	8,344	
Revenue from Operations (Cattle Sales, &c.)	15,646	
Rent	16,028	
Donations	2,438	
Miscellaneous	1,763	
	865,219	
		871,209
Payments—		
Assistance to Aborigines	514,957	
Administration, &c., Costs	355,799	
	870,756	
Balance 30th June, 1970		453
		871,209

ABORIGINAL HOUSING (COMMONWEALTH) TRUST ACCOUNT.

In 1969–70, grants totalling \$347,000 were paid to the State by the Commonwealth, of which \$256,000 was allocated for housing, and the balance of \$91,000 for education, health and employment. Conditions attaching to the housing grants require that they be paid into a special account. In Victoria, the Aboriginal Housing (Commonwealth) Trust Account has been established in the Treasury for this purpose. Rents received from dwellings acquired with the assistance of moneys in the Account, less 40 per cent. thereof as a contribution towards administration and maintenance, and the proceeds of sales of any such dwellings are also required to be paid into the Account. Moneys in the Account are available to meet the cost of purchase of residential land for aboriginal housing and the purchase or construction of dwellings and hostel accommodation.

Amounts paid into the Account during the year totalled \$256,904 representing the housing allocation of \$256,000 and rent and loan repayments of \$904. Expenditure for the year, on the erection of the hostel at Morwell and the purchase and construction of dwellings, amounted to \$290,547. At 30th June, 1970, the balance in the Account was \$18,235.

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 \$9,628,138, against which there were departmental receipts of \$1,309,508, resulting in a net cost to revenue of \$8,318,630, compared with \$7,449,214 for the previous year. Details of expenditure and receipts for the two years are :—

	1968-69.	1969-70.
<i>Expenditure.</i>		
Vote—	\$	\$
Department of Agriculture	8,447,183	9,482,264
Treasurer—Workers Compensation Insurance	51,058	45,758
Treasurer—Pay-roll Tax	154,549	180,866
Public Works—Maintenance and Rent of Buildings	52,011	54,038
Special Appropriations	100,000	100,000
	<hr/>	<hr/>
	8,804,801	9,862,926
<i>Less Business Undertaking—Victoria Dock Cool Stores</i>	<i>172,101</i>	<i>234,788</i>
	<hr/>	<hr/>
	8,632,700	9,628,138
 <i>Receipts.</i>		
Departmental	1,399,686	1,658,155
<i>Less Victoria Dock Cool Stores</i>	<i>344,218</i>	<i>461,230</i>
	<hr/>	<hr/>
	1,055,468	1,196,925
Licences—Dairies, Dairy Farms, Dairy Produce Factories, &c.	128,018	112,583
	<hr/>	<hr/>
	1,183,486	1,309,508
Net outgoing (excluding interest, sinking fund, and Government contribution to superannuation)	7,449,214	8,318,630
	<hr/>	<hr/>

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 \$1,096,233.

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 "A" to this Report.

The receipts shown in Appendix "A", amounting to \$865,129, were credited to Consolidated Revenue. Payments amounting to \$3,681,160 were made from Consolidated Revenue and Loan Fund on account of general maintenance and capital items.

The capital items were :—

	\$	\$
Buildings—		
Agricultural College, Dookie	35,271	
Dairy College, Glenormiston	98,523	
Gilbert Chandler Institute of Dairy Technology, Werribee ..	18,765	
Dairy Research Station, Ellinbank	25,973	
Research Station, Scoresby	7,467	
Research Station, Rutherglen	8,220	
Research Farm, Werribee	25,068	
Pastoral Research Station, Hamilton	19,719	
Veterinary Diagnostic Laboratory, Hamilton	291,368	
Other Locations	31,206	
	<hr/>	561,580
Plant and Equipment—		
Agricultural College, Longerenong	14,246	
S.S. Cameron Laboratory, Werribee	13,048	
Research Station, Scoresby	10,383	
Research Station, Tatura	10,631	
Research Station, Rutherglen	11,433	
Research Farm, Werribee	15,624	
Pastoral Research Station, Hamilton	12,474	
Other Locations	71,390	
	<hr/>	159,229
Water Reticulation—		
Agricultural College, Dookie	15,059	
Potato Research Station, Healesville	4,793	
Research Farm, Werribee	10,438	
Mallee Research Station, Walpeup	5,002	
Other Locations	10,881	
	<hr/>	46,173
Other Permanent Improvements—		
Agricultural College, Dookie	15,642	
Dairy College, Glenormiston	19,069	
Research Station, Mildura	26,612	
Veterinary Diagnostic Laboratory, Hamilton	17,222	
Other locations	20,681	
	<hr/>	99,226
Properties .. .. .	..	15,375
Furniture .. .. .	..	26,660
Fencing .. .. .	..	23,653
Roads .. .. .	..	28,140
		<hr/>
		960,036

Victoria Dock Cool Stores.

Operations during the year ended 30th June, 1970, resulted in a loss of \$14,470. In the comparative statement hereunder, which summarizes transactions during each of the last two years, and in the abridged balance sheet, the 1969-70 figures are subject to audit.

	1968-69.		1969-70.	
	\$	\$	\$	\$
<i>Revenue.</i>				
Storage and Shipping Charges, &c.	171,313		271,820	
Rental	187,537		191,412	
		358,850		463,232
<i>Expenditure.</i>				
Salaries and Wages, &c.	133,864		175,224	
Pay-roll Tax	3,233		4,530	
Rent of Site	2,708		5,395	
Agency and Commission	17,007		23	
Maintenance	19,344		36,001	
Electrical Energy	41,530		56,028	
Other Charges (net)	8,371		8,837	
Depreciation	63,495		60,858	
Interest on Capital	115,165		130,806	
		404,717		477,702
Result for year	Loss	45,867	Loss	14,470

During the year, capital provided by the State was increased by \$43,765. This amount was provided from Loan Fund and was expended mainly on the construction of office buildings and on 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 offset against the capital provided by the State in arriving at the notional charge for interest.

ABRIDGED BALANCE-SHEET.

30.6.69.		30.6.70.
\$		\$
2,375,816	Capital provided by State	2,419,581
149,392	Contribution by Commonwealth, &c.	149,392
7,743	Sundry Creditors	11,109
5,921	Reserve	5,921
16,932	Provision for Accrued Agency Commission.. .. .	..
7,155	Accrued Expenses	605
		\$
	Profit forward	1,062,311
	Less Net Operating Loss	14,470
1,062,311		<u>1,047,841</u>
<u>3,625,270</u>		<u>3,634,449</u>
	Fixed Assets at cost less depreciation :—	
1,475,046	Buildings	1,465,742
335,376	Machinery, Plant, &c.	327,830
24,819	Roads and Railway Sidings	24,373
<u>1,835,241</u>		<u>1,817,945</u>
6,489	Stores on hand	6,369
159,143	Sundry Debtors	162,253
192	Prepaid Expenses .. .. .	..
1,624,205	Excess of payments to Consolidated Revenue over working and other expenses provided therefrom	1,647,882
<u>3,625,270</u>		<u>3,634,449</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 \$28,011,597. 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 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 :—

	1968-69.	1969-70.
	\$	\$
<i>Expenditure—</i>		
Salaries and Allowances	22,725,593	25,699,448
Overtime and Penalty Rates	285,413	530,994
Payments in lieu of Long Service Leave	282,992	349,868
Payroll Tax	588,454	635,419
Travelling and Subsistence	610,659	629,645
Office Requisites and Equipment, Printing, &c.	235,995	236,972
Postal and Telephone Expenses	540,815	587,875
Motor Vehicles, Purchase and Running Expenses	984,796	1,054,431
Fuel, Light, Power and Water	245,496	249,997
Maintenance and Rent of Buildings	34,716	37,390
Police Service Board	7,739	9,477
Workers Compensation Insurance	296,563	217,130
Pensions and Superannuation	777,364	876,798
Other Expenditure	533,771	572,401
	<u>28,150,366</u>	<u>31,687,845</u>
<i>Revenue—</i>		
Police Services	1,349,706	1,340,755
Firearms and other Licences	10,469	30,796
Recoup of administrative expenses—Motor Registration Branch	1,995,859	2,304,697
	<u>3,356,034</u>	<u>3,676,248</u>
<i>Net Cost to Revenue</i>	<u>24,794,332</u>	<u>28,011,597</u>
Expenditure on Police Buildings and Residences financed from Loan Fund	1,595,364	1,398,200

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 are shown below :—

1968-69.						1969-70.
\$						\$
49,375,071	Fees under the Motor Car Act	..	..	..	..	52,076,777
33,113,610*	Third Party Insurance Premiums	..	..	..	..	35,273,328*
5,975,582	Stamp Duty	..	..	..	..	6,687,731
<u>88,464,263</u>						<u>94,037,836</u>

In accordance with statutory direction these collections were credited to :—

\$					\$	\$
	<i>Country Roads Board Fund—</i>					
29,382,521	Motor Fees and Examiners' Licences	..	..	..	31,153,901	
809,063	Drivers' Licence Fees (one-quarter)	..	..	..	789,646	
1,848,566	Additional Registration Fees (two-thirds)	..	..	..	2,034,370	
<u>32,040,150</u>					<u>33,977,917</u>	
	<i>Level Crossings Fund—</i>					
924,282	Additional Registration Fees (one-third)	..	..	..	..	1,017,184
	<i>Municipalities Assistance Fund—</i>					
809,063	Drivers' Licence Fees (one-quarter)	..	..	..	..	789,646
	<i>Transport Regulation Fund—</i>					
10,184	Omnibus Registration Fees	..	..	..	..	10,204
	<i>Roads (Special Projects) Fund—</i>					
13,978,860	Increase in Registration Fees	..	..	..	..	14,708,016
	<i>Hospitals and Charities Fund—</i>					
1,542,629	Contributions—Third Party Insurance Premiums	..	..	..	..	1,634,441
	<i>Consolidated Revenue—</i>					
1,612,532	Drivers' Licence Fees (one-half)	..	..	..	..	1,573,810
2,189,224	Insurance Surcharges	..	..	..	..	2,319,364
5,975,582	Stamp Duty	..	..	..	..	6,687,731
						<u>10,580,905</u>
	<i>Approved Third Party Insurers—</i>					
29,381,757	Net Premiums collected on their behalf	..	..	..	..	31,319,523
<u>88,464,263</u>						<u>94,037,836</u>

*Excludes collections by authorized insurers.

Fees under the Motor Car Act.—Fees collected by the Branch under the Motor Car Act increased by \$2,701,681. The higher collections from this source were due, mainly, to the greater number of motor vehicles registered—1,359,513 compared with 1,296,806 in 1968-69.

Third Party Insurance.—An increase of \$2,159,718 in the total premiums collected on behalf of authorized insurers was indicative of the greater volume of transactions handled by the Branch in 1969-70.

The *Motor Car (Hospitals and Charities Contributions) Act* 1966 provided that the sum of \$1.40 or such greater amount as is prescribed by the Governor in Council, not exceeding five per cent. of the total premium paid, shall be deducted from each premium collected and paid to the credit of the Hospitals and Charities Fund. The amount so credited to the Fund for 1969-70, including collections by authorized insurers, was \$1,929,415.

Costs of Collection.—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 two years.

Division.	1968-69.		1969-70.	
<i>Expenditure.</i>				
	\$	\$	\$	\$
Administration and Research and Statistics	389,079		419,186	
Family Welfare	4,237,158		4,860,466	
Youth Welfare	1,953,816		2,200,267	
Prisons	3,541,130		3,963,541	
Training	125,331		164,225	
Probation and Parole	359,655		419,777	
	10,606,169		12,027,462	
<i>Revenue.</i>				
Prisons	335,078		361,824	
Other Divisions	162,364		253,475	
		497,442		615,299
<i>Net Cost to Consolidated Revenue</i>		10,108,727		11,412,163
<i>Loan Expenditure</i>		1,495,345		1,540,075

The prime reasons for expenditure of the Family Welfare Division exceeding that of 1968-69 by \$623,308 were an increase of \$306,390 in salary costs and additional expenditure of \$270,779 on account of payments to assisted mothers, children in necessitous circumstances and subsidies in connexion with State wards. The higher expenditure in connexion with assisted mothers, &c., was a result of the participation by the State, from 2nd April, 1970, in the Commonwealth *States Grants (Deserted Wives) Act* 1968 and an increase in the number of children assisted.

An increase in salary costs of \$236,199 was the major component in the rise of \$246,451 in relation to the Youth Welfare Division.

Prisons Division expenditure for 1969-70 exceeded that of 1968-69 by \$422,411. An increase in salary payments of \$377,717 was the most significant part of the increase.

State Accident Insurance Office.

The financial transactions of this Office are conducted through the State Accident Insurance Fund.

Operations of the Office for the year resulted in a net profit of \$2,631,767. This profit has yet to be appropriated, as at 30th June, 1970, 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.

	1967-68.	1968-69.	1969-70.
Income—	\$	\$	\$
Premiums Earned	9,625,952	9,934,162	9,733,275
Interest	596,439	653,048	687,331
Rents (Net)	220,384	226,544	193,825
	10,442,775	10,813,754	10,614,431
Expenditure—			
Claims	7,079,366	8,203,580	7,227,530
Management	481,602	497,999	549,136
Agents' Commission	190,789	193,025	205,820
Loss—Sale of Property	1,058	747	178
	7,752,815	8,895,351	7,982,664
Net Profit	2,689,960	1,918,403	2,631,767
	%	%	%
Loss ratio to earned premium income	73.5	82.6	74.3

APPROPRIATION ACCOUNT.

	1967-68.	1968-69.	1969-70.
	\$	\$	\$
Net Profit	2,689,960	1,918,403	2,631,767
Adjustment of provision for Unearned Premiums, previous years .. .. .	..	..	1,018,716
	2,689,960	1,918,403	3,650,483
Appropriations—			
Bonus Equalization Reserve	889,960	748,403	Yet to
General Reserve	500,000	170,000	be
Consolidated Revenue	1,300,000	1,000,000	determined
	2,689,960	1,918,403	3,650,483

Premiums earned in 1969-70 in respect of all policies were related to the expired portion of the insurance cover for the year.

Since 1954-55, the procedure for the assessment of unearned premiums, and thus earned premiums, other than on governmental insurances, had been based on half-monthly periods and calculated manually. In 1969-70, the use of electronic data processing has made possible a change in procedure involving the calculation of all unearned premiums on a daily basis, thus enabling a more accurate assessment of earned and unearned premiums for the year. As a result, an amount of \$1,018,716, being the sum found to be over-provided on account of non-governmental type policies as at 30th June, 1969, in respect of previous years, was transferred to the Appropriation Account.

A reduction in the value of incurred claims was the major reason for the increase of \$713,364 in the net profit for the year under review compared with 1968-69. The amounts shown as incurred claims for the past three financial years were determined as follows :—

	1967-68.	1968-69.	1969-70.
	\$	\$	\$
Claims paid during the year	5,924,701	7,076,044	6,990,611
Add Claims unpaid as at close of year	13,473,738	14,601,274	14,838,193
	<u>19,398,439</u>	<u>21,677,318</u>	<u>21,828,804</u>
Less Claims unpaid brought forward from previous year ..	12,319,073	13,473,738	14,601,274
Incurred claims	<u>7,079,366</u>	<u>8,203,580</u>	<u>7,227,530</u>

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

30.6.69.		30.6.70.
\$	Assets.	\$
	Current—	
17,000,556	Cash at Treasury	18,373,715
956,709	Sundry Debtors, less Bad Debts Provision	886,259
		<u>19,259,974</u>
6,071,740	Inscribed Stock and Debentures	6,071,740
314,708	Balance due re sale of Property—412 Collins-street, Melbourne	290,500
	Fixed—	
181,555	Furniture, Office Machines, and Cars—less Depreciation	163,253
2,933,328	Property (at cost)—Offices—480-490 Collins-street, Melbourne	2,969,106
		<u>3,132,359</u>
<u>27,458,596</u>		<u>28,754,573</u>
	Liabilities and Funds.	
	Current—	
1,925,296	Unearned Premiums	933,592
14,601,274	Claims Outstanding	14,838,193
56,485	Sundry Creditors	45,189
1,000,000	Provision for Contribution to Consolidated Revenue .. .. .	..
96,531	Provision for Reinsurance Premiums	258,954
		<u>16,075,928</u>
	Deferred—	
2,092,520	Bonus Equalization Reserve	1,277,622
186,490	Building Depreciation and Maintenance Provision	250,540
		<u>1,528,162</u>
	Funds—	
7,470,000	General Reserve	7,470,000
30,000	Building Improvement Reserve	30,000
..	Appropriation Account	3,650,483*
		<u>11,150,483</u>
<u>27,458,596</u>		<u>28,754,573</u>

* Yet to be dealt with in accordance with Section 68 of the Workers Compensation Act 1958.

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.

The financial transactions of this Office are conducted through the State Motor Car Insurance Fund.

As this Report takes final form, it is not possible to report the overall financial result of the operations of the State Motor Car Insurance Office for 1969-70 as the preparation of the Profit and Loss Account and the Balance Sheet has not yet been completed by the Insurance Office. The non-availability of the final accounts for the year is due to the fact that the assessment by the Insurance Commissioner of the liability for Third Party Claims outstanding at 30th June, 1970, has not yet been finalized.

In respect of Comprehensive Insurance, an operating loss of \$387,378 was incurred in 1969-70 compared with a profit of \$80,792 in 1968-69. This loss was due mainly to the increased cost of incurred claims.

The following financial summary shows the overall income and expenditure of the Office for 1968-69 together with such financial details relating to 1969-70 as are available, at this stage, subject to the preparation of the final statement of accounts and the subsequent completion of the audit :—

	1968-69.			1969-70.		
	Third-Party.	Comprehensive.	Total.	Third-Party.	Comprehensive.	Total.
	\$	\$	\$	\$	\$	\$
Net Premiums earned	11,790,737	4,616,419	16,407,156	13,811,797	4,983,978	18,795,775
Stamp Duty recouped .. ..	..	239,405	239,405	..	257,459	257,459
	11,790,737	4,855,824	16,646,561	13,811,797	5,241,437	19,053,234
Claims	12,053,010	3,670,954	15,723,964	*	4,328,439	*
Management	376,136	864,420	1,240,556	429,176	1,042,736	1,471,912
Licence Fee .. ..	..	239,658	239,658	..	257,640	257,640
	12,429,146	4,775,032	17,204,178	*	5,628,815	*
Operating Profit .. ..	..	80,792	80,792	..	..	..
Operating Loss	638,409	..	638,409	*	387,378	*
Net Operating Loss .. ..	..	..	557,617	..	..	*
Interest—Fund at Treasury .. ..	..	..	1,198,122	..	..	1,570,211
Net Profit or Loss .. ..	..	(Profit)	640,505	..	..	*
Loss ratio to earned premium income—			%			%
Third-party .. ..	..	..	102.2	..	..	*
Comprehensive .. ..	..	..	79.5	..	..	86.8

* Not available.

Premium rates have not changed in respect of Third Party Insurance since 1st July, 1968, and in respect of Comprehensive Insurance since 1st February, 1969. Earned premiums have been calculated on the "time" basis, using the monthly method of apportionment.

As explained on the preceding page, the preparation of the Balance Sheet as at 30th June, 1970, has not yet been completed by the Insurance Office. It is not possible, therefore, to present a statement of Assets and Liabilities as at that date in this Report.

Workers Compensation Board.

In accordance with the provisions of the *Workers Compensation Act 1958*, the revenue of the Board consists of contributions by Approved Insurers, the Victorian Railways Commissioners and employers who operate certified schemes of compensation. All such 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.

Amounts shown herein in respect of the financial year 1969-70 are submitted subject to audit. Particulars of Income and Expenditure of the Fund for the years 1968-69 and 1969-70 are as follows :—

	1968-69.	1969-70.
<i>Income—</i>	\$	\$
Contributions from Insurers and others	216,835	219,235
<i>Expenditure—</i>		
Salaries, including pay in lieu of long service leave ..	104,358	109,422
Rent	63,289	63,289
General	28,793	28,067
Claims on uninsured employers paid from the Fund (net) ..	10,721	16,308
	207,161	217,086
Excess of Income over Expenditure	9,674	2,149

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. Interest on the investments is equitably apportioned over all the constituent accounts.

Receipts and Payments of the Common Fund for the years 1968-69 and 1969-70 are summarized below :—

	1968-69.	1969-70.
	\$	\$
Receipts	6,063,629	6,212,773
Payments	3,662,259	4,157,698
Excess of receipts over payments	2,401,370	2,055,075
Balance at beginning of year	15,607,268	18,008,638
Balance at close of year	18,008,638	20,063,713

Investments, &c., controlled by the Board at 30th June, 1970, are shown hereunder :—

	\$
Common Fund—	
Cash, State Savings Bank of Victoria	613,630
Frankston Sewerage Authority Debentures	700,000
Geelong Waterworks and Sewerage Trust Debentures ..	1,550,000
Melbourne and Metropolitan Board of Works Debentures ..	7,000,000
Mornington Sewerage Authority Debentures	200,000
Mount Eliza Sewerage Authority Debentures	100,000
Orbost Waterworks Trust Debentures	100,000
Port Fairy Sewerage Authority Debentures	200,000
Shepparton Sewerage Authority Debentures	200,000
State Electricity Commission Debentures	9,400,000
Temporary Advances	83
	20,063,713

Other Branches.

The net costs of the remaining sub-departments and branches of the Chief Secretary's Department for 1969-70 compared with the previous year are as set out below :—

	1969-70.			1968-69.
	Expenditure.	Revenue.	Net Cost.	Net Cost.
	\$	\$	\$	\$
State Library, &c.	2,728,863	5,670	2,723,193	2,491,803
National Gallery	771,429	..	771,429	651,645
Government Statist	543,297	258,910	284,387	252,194
Fisheries and Wildlife	1,046,564	328,599	717,965	563,743
Immigration	120,070	385	119,685	112,990
Other Branches	263,101	86,642	176,459	498,647
Administrative	455,438	83,666	371,772	318,525
	5,928,762	763,872	5,164,890	4,889,547

Expenditure from loan funds during 1969-70 related to :—

	\$
Contribution to National Art Gallery and Cultural Centre Trust Fund ..	2,050,000
State Library, La Trobe Library, National Gallery, National Museum, Institute of Applied Science and Country Art Galleries	195,515
Fisheries and Wildlife	504,733

COUNTRY ROADS BOARD.

The construction and maintenance of State highways, main roads, freeways, 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 to carry out construction and maintenance works on selected unclassified roads under their care and management.

MAIN FUNDS ADMINISTERED BY THE BOARD.

Country Roads Board Fund.

The principal sources of revenue of the Fund in 1969-70 were :—

- (i) *Fees under the Motor Car Act.*—Receipts for the year under this Act amounted to \$34,263,086 and the costs of collection were shown to be \$3,394,921. The comparable figures in 1968-69 were, respectively, \$32,300,257 and \$3,411,662.

The increase in collections, \$1,962,829, was due, mainly, to the greater number of motor vehicles registered in Victoria—1,359,513 compared with 1,296,806 in 1968-69.

Costs of collecting fees under the Motor Car Act decreased by \$16,741 during 1969-70. Factors which affected the costs of collection were :—

- (a) the balance of the cost of erection of the Motor Registration Branch building at Carlton, \$890,846, was charged as a cost of collection in 1968-69 whereas there was no comparable cost in 1969-70 ;
- (b) following a review by an interdepartmental committee of the basis of assessment of the costs of collection of fees under the Motor Car Act, additional police costs totalling \$451,828 were recouped from the Country Roads Board Fund. These costs represented a category of expenditure not previously charged as a cost of collection ;
- (c) a rise in salaries, overtime, tea money, &c., paid to administrative personnel at the Motor Registration Branch and police personnel at various testing stations—\$292,387 ;
- (d) expenses incurred in the construction of the new Motor Registration Branch Licence Testing Centres—at Carlton \$198,424, and Bendigo \$29,379.

In addition to the costs of collection under the Motor Car Act shown above, \$3,394,921, the Board was required to reimburse the Transport Regulation Board, from the amount received in respect of motor car registration fees, the costs of collecting road charges under Part II. of the *Commercial Goods Vehicles Act 1958*. The amount paid in the year was \$470,505 compared with \$434,855 in 1968-69.

- (ii) *Special Contribution from Loan Fund.*—Item 68 of the *Public Works Loan Application Act 1968* 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 \$700,000 was allocated to the Country Roads Board Fund from the Loan Fund for the general purposes of the Board.

An additional \$149,000 was provided towards :—

	\$
(a) Costs of road lighting, Albert Park.. .. .	2,500
(b) Costs of improvements to roads to serve Westernport area	100,000
(c) Works, &c., in connexion with Yarra Boulevard ..	16,500
(d) Access road to Point Hicks	30,000

Debt charges in respect of these contributions 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 \$8,555,278. The amount credited to the Fund in 1968–69 was \$7,841,757—an increase of \$713,521 for the current period.

Moneys at credit of this Account are available to finance road maintenance expenditure only.

Loan Fund.

Under the authority of Section 31 of the *Country Roads Act 1958*, the Treasurer in 1969–70 provided from Loan Fund the sum of \$900,000 for the purpose of permanent works as defined in that Act. This sum was allocated as follows :—

	\$
For permanent works on Main Roads	31,631
Against Board's expenditure on certain permanent works on State Highways ..	868,369
	<u>900,000</u>

Commonwealth Aid Roads Acts.

The *Commonwealth Aid Roads Act 1964* expired on 30th June, 1969.

By direction of the *Commonwealth Aid Roads Act 1969*, and subject to the conditions therein, the Commonwealth is paying to the States, for the purpose of financial assistance for road construction and maintenance and for road planning and research, annual sums—commencing at \$180,000,000 in 1969–70 and increasing to \$310,000,000 in 1973–74, the final year in the statutory table. Victoria's share of the grant of \$180,000,000 for 1969–70 was \$38,160,000.

Eligibility for receipt of the full amount of the grant is dependent on expenditure by the State on road works, including road planning and research, from its own resources being not less than the amount specified opposite its name in the schedule to the Act, adjusted each year according to the number of motor vehicles registered in the State in terms of the Act.

In 1969–70, Victoria received the maximum grant of \$38,160,000 and this was expended by the Board during the year, as follows :—

	Urban Arterial.	Rural Arterial.	Rural Other.	Planning and Research.	Total.
	\$	\$	\$	\$	\$
State Highways	2,327,845	1,607,274	..	..	3,935,119
Main Roads	2,079,021	2,284	2,309,550	..	4,390,855
By-pass Roads—					
Lower Yarra Crossing ..	5,779,974	..	..	..	5,779,974
Other	5,084,108	547,252	..	..	5,631,360
Forest Roads .. .. .	..	..	658,209	..	658,209
Tourists' Roads	361,928	..	..	..	361,928
Unclassified Roads	3,878,907	18,418	10,246,372	..	14,143,697
Planning and Research ..	..	..	..	570,000	570,000
Management and Operating Expenditure	1,748,217	244,772	695,869	..	2,688,858
	21,260,000	2,420,000	13,910,000	570,000	38,160,000

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 1969-70, a maximum of \$4,305,000 for the purposes of seventeen projects approved by the Governor in Council.

Details are :—

Project No.	Project.	Expenditure Authorized 1969-70.	Expenditure 1969-70.	Total Expenditure.
		\$	\$	\$
2	Hume Highway (Craigieburn to Wallan)	240,000	317,502†	2,077,807
5	Western Highway (Westerly from Deer Park)	700,000	658,008	2,131,469
6	Princes Highway East (Easterly from Doveton)	10,000	25,584†	866,207
7	Western Highway (Pykes Creek)	120,000	148,774†	1,359,318
8	Hume Highway (Tallaroek)	850,000	583,616	1,183,380
9	Princes Highway East (Moe By-pass Road)	10,000	29,226†	1,481,798
11	Maroondah Highway (From Stirling-road to Brushy Creek)	70,000	114,967†	1,103,981
13	Nepean Highway (Extension of duplication beyond Old Mornington-road)	10,000	51,733†	882,957*
15	Jamieson-Licola Road (Construction of link-road—road clearing only)	25,000	31,346†	387,101
16	Western Highway (East of Gordon to East of Ballarat) ..	500,000	288,627	288,627
18	Peterborough—Childers Cove (Tourists')	100,000	60,968	60,968
19	Mt. Abrupt (Tourists')	300,000	212,009	212,009
27	Mulgrave By-pass (Stud-road to Eumemmerring By-pass)	600,000	6,482	143,063
28	Eumemmerring By-pass (Princes Highway East to Mulgrave By-pass)	200,000	355,976†	357,670
29	Mornington Peninsula By-pass (Nepean Highway to Eastbourne-road)	400,000	646,219†	821,478
30	Western Highway (Pentland Hills Improvements) .. ..	..	1,549†	1,549
31	Calder Highway (Realignment at Porcupine Hill)	20,000	..	..
33	Princes Highway East (Realignment and new Bridge at Snowy River, Orbost)	150,000	..	..
		4,305,000	3,532,586	13,359,382

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

† Authority to vary expenditure approvals between the various projects is being sought from the Treasurer.

AVAILABLE FUNDS AND EXPENDITURE.

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

1968-69.		1969-70.
\$	<i>Principal Funds Available.</i>	\$
	<i>Country Roads Board Fund—</i>	
1,369,276	Balance from previous year	3,049,304
28,453,740	Net Taxes	30,397,660
1,931,449	Municipal Contributions	1,903,641
7,841,757	Road Charges—Commercial Goods Vehicles Act ..	8,555,278
519,513	General Receipts	498,345
785,500	Special Contribution—Public Works Loan Application Act	849,000
40,901,235		45,253,228
	<i>Loan Fund—</i>	
3,389,000	Act No. 6229—State Highways and Main Roads	900,000
..	<i>Commonwealth Aid Roads, 1969</i>	
	Urban Arterial Roads	21,260,000
	Rural Arterial Roads	2,420,000
	Rural Roads—Other	13,910,000
	Planning and Research	570,000
32,723,465	<i>Commonwealth Aid Roads, 1964</i>	38,160,000
	<i>Roads (Special Projects) Fund—</i>	
3,799,000	Expenditure authorized by the Treasurer	4,305,000
80,812,700		88,618,228

Expenditure.

1968-69. \$		1969-70. \$
64,692,365	Construction and Maintenance of Roads, &c.	73,565,311
2,127,910	Payment of Interest (including exchange)	2,256,900
100,303	Sinking Fund Contributions and Loan Conversion Expenses	108,132
77,829	Repayment to Loan Fund	78,384
536,107	Transfer to Tourist Fund	577,772
270,671	Transfer to Traffic Commission Fund	288,886
175,304	Contribution—Australian Road Research Board	199,500
9,038,451	General Expenditure, including Administration, Stores, and Materials, &c.	9,569,691
<hr/> 77,018,940		<hr/> 86,644,576
	Unexpended at 30th June—Cash at Credit of the Country	\$
3,049,304	Roads Board Fund ..	1,201,238
744,456	Balance of Authority for expenditure from the Roads (Special Projects) Fund ..	772,414
<hr/> 3,793,760		<hr/> 1,973,652
<hr/> 80,812,700		<hr/> 88,618,228

The unexpended balance shown in the above statement comprised—

- (i) the unexpended cash balance of the Country Roads Board Fund. Claims against the Fund unpaid at 30th June, 1970, were roundly \$63,000 as against similar claims amounting to approximately \$196,000 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, 1970, and fresh estimates have been submitted for approval in respect of the year 1970-71.

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 :—

—	Country Roads Board Fund.	Commonwealth Aid Roads Act 1969	Loan Fund.	Roads (Special Projects) Fund.	Total.
	\$	\$	\$	\$	\$
State Highways	15,083,942	3,935,119	868,369	2,190,360	22,077,790
Main Roads	13,360,508	4,390,855	31,631	..	17,782,994
By-pass Roads—					
Lower Yarra Crossing .. ..	..	5,779,974	..	..	5,779,974
Other	989,731	5,631,360	..	1,037,903	7,658,994
Forest Roads	139,653	658,209	..	..	797,862
Tourists' Roads	2,750,037	361,928	..	..	3,111,965
Unclassified Roads	1,907,712	14,143,697	..	304,323	16,355,732
	<hr/> 34,231,583	<hr/> 34,901,142†	<hr/> 900,000	<hr/> 3,532,586	<hr/> 73,565,311*

* Includes roundly \$4,014,000 in respect of the acquisition of land for roadworks.

† Excludes Management and Operating Expenditure, \$2,688,858, and expenditure on Planning and Research, \$570,000.

GENERAL EXPENDITURE.

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

1968-69.		1969-70.
\$		\$ \$
5,469,222	Salaries, Long Service Leave, Retiring Gratuities, &c. ..	5,816,212
652,658	Printing and Stationery, Office and Motor Car Expenses, &c.	695,374
371,588	Divisional Offices and Residences	244,771
59,480	Kew Office and Laboratory—Buildings	49,336
142,326	Kew Office and Laboratory—Building Services	159,723
129,029	Pay-roll Tax—Staff	143,213
1,582,807	Plant Purchase (net)	1,818,046
91,488 Cr.	Properties Acquired for Road Deviations.. .. .	Cr. 240
266,629	Traffic Section Costs	308,359
270,396	Traffic Line Marking	319,437
85,790	Murray River Bridges and Punts	112,216
18,593	Contribution—Metropolitan Transportation Committee— Act No. 7003	21,369
10,000	Contribution—Institute of Transportation Research ..	10,000
..	Contribution—Australian Institute of Urban Studies ..	3,330
177,745	Other—Net items (including credit balances on various absorption accounts)	15,800
<hr/>		<hr/>
9,144,775		9,716,946
106,324	Less—Recoup—Administrative Oncost	147,255
<hr/>		<hr/>
9,038,451		9,569,691
<hr/>		<hr/>

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 1969-70, these concessions amounted to \$1,674,459. Details are—

(a) *Permanent Works.*

Of the proportion charged to municipalities for permanent works on main roads, \$135,769, relief was granted, as provided in Act No. 6229, to the extent of \$28,416.

In respect of the interest on developmental roads, assessed at \$240, the whole was remitted.

The total due by the respective municipalities was \$107,353. Apart from \$1,650, the balance was collected by the Board prior to 30th June, 1970.

In 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. Amending validating legislation has since been passed.

(b) *Maintenance.*

Of the sum of \$3,466,123 apportioned to municipalities, being one-third of the cost of maintenance of main roads in respect of the year 1968-69, the Governor in Council remitted \$1,645,803 as excessive maintenance not due to local traffic. The net amount received by the Board in 1969-70, \$1,797,938, included arrears of \$895. Contributions by two municipalities amounting to \$23,277 were received in July, 1970.

TOURIST FUND.

The *Tourist Act* 1958, as amended by the *Tourist (Amendment) Act* 1960, 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 be paid from the Country Roads Board Fund to the Tourist Fund in the subsequent year. The amount so paid in 1969-70 was \$577,772

For particulars of the operation of this Fund see page 92.

TRAFFIC COMMISSION FUND.

The *Road Traffic Act* 1958, as amended by the *Motor Car (Trailers) Act* 1966, provided for the establishment of the "Traffic Commission Fund" into which is paid, from the Country Roads Board Fund, an amount equal to one per cent. of the total amount paid into the Country Roads Board Fund pursuant to the *Motor Car Act* 1958 during the last preceding year. The amount so paid in 1969-70 was \$288,886.

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 :—

	1969-70.
	\$
Rural Finance and Settlement Commission	23,778
State Rivers and Water Supply Commission	25,368
Melbourne and Metropolitan Board of Works	44,052
Public Works Department	23,761
Forests Commission	10,627
Ministry of Tourism	27,201
Lower Yarra Crossing Authority	219,858
Other	6,135
	380,780

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

At 30th June, 1970, an amount of \$2,075 was held in the Country Roads Board Special Works Account—representing unexpended balances of advances made by State government departments and State authorities for works to be carried out by the Board. A further sum of \$19,999 was held in the Commonwealth Works Account on behalf of the Commonwealth Government.

LOAN OPERATIONS.

Loan allocations amounting to \$900,000 during the year increased the Board's loan liability which, at 30th June, 1970, was as set out in the following statement :—

	Main Roads and State Highways.	Developmental Roads.	Total.
	\$	\$	\$
Net Loan Liability at 30th June, 1969	27,276,974	6,435,418	33,712,392
<i>Add</i> —Discount and Expenses	16,356	3,519	19,875
Advances—Act No. 6229	900,000	..	900,000
	28,193,330	6,438,937	34,632,267
<i>Less</i> —Repayments	78,384	..	78,384
	28,114,946	6,438,937	34,553,883
Deduct—Increase in equity in National Debt Sinking Fund	361,014	267,582	628,596
Net Loan Liability at 30th June, 1970	27,753,932	6,171,355	33,925,287

MUNICIPALITIES FOREST ROADS IMPROVEMENT FUND.

This Fund was established 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.

Recoups to municipalities for the purposes stated are made from the Fund in accordance with allocations approved by the Minister of Public Works after consideration of joint recommendations of the Forests Commission and the Country Roads Board. Total recoups to municipalities covering the period from the inception of the Fund to 30th June, 1970, amounted to \$379,541. The amount at credit to the Fund at 30th June, 1970, was \$458.

THE METROPOLITAN TRANSPORTATION COMMITTEE.

This Committee was established by the *Metropolitan Transportation Committee Act 1963* to advise the Governor in Council on matters relating to the planning, development, co-ordination, &c., of transport facilities within the metropolitan area.

Expenses incurred by the Committee in discharging the above functions are met from contributions received from statutory bodies in the manner and proportions determined by the Governor in Council in terms of the Act.

Expenditure for the year amounted to \$113,617 of which \$21,369 was apportioned to the Country Roads Board. Unallocated expenses of \$41,172 remained a charge to the Public Account.

EDUCATION.

The total cost of education met from State Funds during 1969-70 was \$282,561,064. This figure does not include interest and sinking fund charges on loans ; expenditure and grants in respect of specialized teaching institutions administered by the Forests Commission, Department of Agriculture and certain other departments ; and expenditure on sundry cadetships, bursaries, scholarships and subsidies provided from the votes of departments other than the Education Department and Treasury. The following statement shows the heads of expenditure contributing to the cost of education to the State :—

	\$
Departmental Votes—	
Education	206,758,399
Treasury	26,597,676
Public Works	493,930
Agriculture	70,000
	233,920,005
Special Appropriations	6,151,185
	240,071,190
<i>Less—Recoups of Expenditure &c.</i>	357,326
	239,713,864
<i>Less—Revenue Collections</i>	1,725,505
	237,988,359
Net Cost to Consolidated Revenue	237,988,359
Loan Fund	44,571,705
Forestry Fund	1,000
	282,561,064

Receipts and expenditure during 1968-69 and 1969-70 on the preceding basis were :—

	1968-69.	1969-70.
	\$	\$
Consolidated Revenue—		
Expenditure	210,193,638	239,713,864
Receipts	4,643,761	1,725,505
	205,549,877	237,988,359
Net Cost to Consolidated Revenue	205,549,877	237,988,359
Loan Fund	41,173,921	44,571,705
Forestry Fund	1,000	1,000
	246,724,798	282,561,064
Total Cost of Education met from State Funds	246,724,798	282,561,064

ANALYSIS OF COST OF EDUCATION MET BY THE STATE.

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

	1968-69. \$	1969-70. \$
Expenditure—		
Salaries, &c.—Teaching Service	127,712,582	142,952,023
Salaries, &c.—General Administration and Clerical Assistance ..	2,851,298	3,519,341
Pay-Roll Tax	3,297,442	3,809,871
Allowances to Students in Training	13,405,963	15,461,965
Workers Compensation Insurance	986,574	891,697
Travelling Expenses and Allowances, &c.	549,189	602,285
Libraries—Grants and Subsidies	423,537	464,110
School and Office Equipment and Requisites	2,055,464	2,223,100
Text Books, Publications, Examination Expenses, Postage and Telephone Expenses, Incidentals	742,117	918,024
School Cleaning and Services	7,058,975	8,149,198
Conveyance of Pupils	8,030,383	8,608,708
Bursaries, Scholarships and Maintenance Allowances	2,998,208	3,068,248
Operating Costs—Hostels and Residential Camps	930,804	972,812
Buildings and Residences—Capital Works	26,182,058	30,085,546
—Maintenance	5,644,494	4,829,345
Sites and Properties	2,422,391	2,498,673
Grants, &c.	41,065,834	49,439,097
Fees—Universities and Other	719,460	847,143
Pensions—Retired Teachers and Officers.. .. .	4,291,786	4,945,383
	<hr/>	<hr/>
	251,368,559	284,286,569
Receipts (Net)—		
Tuition Fees	205,878	223,235
Rents	524,649	539,263
Board—Students in Training, &c.	567,186	558,852
Broken Bond Debts	165,309	162,020
Commonwealth Grant on account of recurrent expenditure for Advanced Education	2,968,622	..
Recoups from Registered Schools—Equipment	50,225	44,090
Miscellaneous	161,892	198,045
	<hr/>	<hr/>
	4,643,761	1,725,505
	<hr/>	<hr/>
Total Cost of Education met from State Funds.	246,724,798	282,561,064

A detailed statement providing a comparative analysis of expenditure from loan and revenue moneys and of receipts in respect of the various services is given in Appendix "C".

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

Salaries, &c.—Teaching Service.—Expenditure under this head increased by \$15,239,441. The following factors contributed to the increase :—

- (i) the third phase of the Teachers Tribunal determination in respect of equal pay, operative from 1st January, 1970 ;
- (ii) a Teachers Tribunal determination, operative from 28th December, 1969 ;
- (iii) the cost of the salaries for a half-year of 2,791 graduates from Teachers' Colleges who were appointed to teaching positions on 1st January, 1970 ;
- (iv) the effect of a full year's cost of salary movements which occurred during 1968-69 ; and
- (v) the annual salary increments of teachers.

Overpayments and underpayments continued to occur in respect of teachers' salaries. The high incidence of error resulted substantially from faulty and delayed communication of information, within the Department and from schools, as to changes affecting salary entitlement. Existing arrangements provide for the processing of teachers' salaries at the Public Service Data Processing Centre to commence in 1970-71. This should have the effect of reducing materially the number of overpayments and underpayments resulting from incorrect computation but it will not eliminate all the errors arising from faulty communication. Action by the Department is currently in course to obtain the services of management consultants with a view to overcoming this problem. However, the Teaching Service is a large Service and many difficulties associated with numbers and the application of variations introduced by new salary determinations will still be encountered.

Allowances to Students in Training.—The rise of \$2,056,002 was caused by increases in the number of students in training and in the rate of allowances. As from 1st January, 1970, a new scheme of recruitment was introduced under which persons who had completed or partly completed tertiary educational courses were given teacher training and were paid allowances at special rates. The cost of the scheme during 1969-70 was approximately \$340,000 and involved 291 students.

School Cleaning and Services.—The increase of \$1,090,223 resulted mainly from wage increases and greater areas to be cleaned.

Grants, etc.—Expenditure rose from \$41,065,834 to \$49,439,097, an increase of \$8,373,263. This resulted mainly from higher grants to the three Universities and to Colleges of Advanced Education. Capitation grants to certain independent schools, as provided in the *Educational Grants Act 1967*, increased by \$1,290,465.

Broken Bond Debts.—Collections on account of these debts during 1969–70 amounted to \$162,020 and, during the same period, debts totalling \$655,637 on account of 432 ex-students were written off with the approval of the Treasurer. The total debt due at 30th June, 1970, was \$2,259,895.

Commonwealth Grant on account of recurrent expenditure for Advanced Education.—In 1968–69, the Commonwealth grant on account of recurrent expenditure was paid into Consolidated Revenue and expenditure was charged to the departmental vote for advanced education. In 1969–70, the system of accounting for this grant was altered so that it was paid into the State Grants (Advanced Education Recurrent) Trust Account. The disbursement of the Commonwealth grant was made from the Trust Account.

TECHNICAL SCHOOLS AND COLLEGES.

Funds provided from Consolidated Revenue and the Loan Fund for technical schools and colleges are augmented by receipts from tuition fees and other forms of revenue. In addition, the Commonwealth makes funds available towards meeting the costs of technical training and courses in advanced education and towards providing libraries and science laboratories and equipment.

The total of such funds is expended on salaries of technical teachers appointed under the Teaching Service Act and of teachers employed by school and college councils, salaries and wages of office and maintenance staffs, other operating costs and capital items.

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

1968–69.		1969–70.
\$	<i>Source of Funds—</i>	\$ \$
	State Funds—	
36,535,349	Consolidated Revenue (net)	43,490,466
9,818,265	Loan Fund	10,355,882
		53,846,348
	Funds provided by the Commonwealth—	
2,087,323	Science Laboratories and Technical Training	2,855,591
2,620,130	Advanced Education—Recurrent expenditure	4,140,540
2,152,847	—Capital expenditure	2,135,610
58,500	—Library materials .. .. .	..
	Secondary School Libraries	109,779
		9,241,520
	Revenue collected by Schools and Colleges—	
2,657,717	Tuition Fees	2,788,055
754,769	Other	773,882
		3,561,937
56,684,900	Total Available Funds	66,649,805
	<i>Application of Funds—</i>	
	Salaries (including pay-roll tax)—	
31,129,575	Teachers and Part-time Instructors	36,922,863
3,558,423	Administrative and Maintenance Staff	4,886,935
		41,809,798
12,931,539	Erection and Maintenance of Buildings	14,648,518
559,568	Purchase of Sites and Properties	320,489
2,472,496	Equipment	2,075,056
3,448,935	General Costs of Classes and Administrative Costs, &c.	5,500,214
1,613,920	Scholarship, Maintenance and Conveyance Allowances to Pupils	1,715,329
		66,069,404
55,714,456	<i>Less</i> Rents, &c., Received by Education Department	60,732
59,237		66,008,672
55,655,219	<i>Plus</i> Surplus for Year (Maintenance Accounts)	641,133
1,029,681		66,649,805
56,684,900	Total Funds Applied	66,649,805

TRAINING OF TEACHERS.

Allowances paid to students in training represent approximately two-thirds of the cost of operating teachers' colleges. The Department conducts 33 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 fully cover the cost of operation. The following figures for 1968-69 and 1969-70 show average *per capita* costs (excluding capital items and grants to the Kindergarten Training College) based on the average number of students in training :—

	1968-69.	1969-70.
	\$	\$
Cost of conducting teachers' colleges	19,596,979	22,772,152
Cost of conducting hostels for students in training	459,660	532,501
	<hr/>	<hr/>
	20,056,639	23,304,653
	<hr/>	<hr/>
Average number of students in hostels	1,501	1,420
Average number of students accommodated privately	8,839	10,083
	<hr/>	<hr/>
Average total number of students	10,340	11,503
	<hr/>	<hr/>
	\$	\$
Average annual <i>per capita</i> cost of training (exclusive of accommodation) ..	1,895	1,980
Average additional annual <i>per capita</i> cost of training for those students accommodated in hostels	306	375

CONVEYANCE OF PUPILS.

Following is a comparative analysis of expenditure on school bus services and pupils' travelling allowances :—

	1968-69.	1969-70.
	\$	\$
Payments for contractors providing special bus transport services for pupils	6,820,966	7,376,416
Allowances not exceeding 10c per day for eligible pupils attending primary schools	185,962	195,604
Allowances for eligible pupils attending post-primary schools	1,014,940	1,027,651
Allowances for eligible pupils under reciprocal arrangements with other States	8,515	9,037
	<hr/>	<hr/>
	8,030,383	8,608,708
	<hr/>	<hr/>

COMMONWEALTH CONTRIBUTIONS TO STATE EDUCATION.

Pursuant to the provisions of the various Commonwealth Acts relating to payments to the States specifically for education, grants were received by Victoria in 1969-70 for the following purposes :—

	\$
Universities, Affiliated Residential Colleges and Teaching Hospitals—recurrent and capital expenditure	18,450,357
Universities—research projects	829,268
Advanced Education—recurrent expenditure	4,565,053
Advanced Education—building projects and equipment of a capital nature	2,823,403
Science Laboratories—buildings and equipment	4,036,700
Technical Training—buildings and equipment	2,905,277
Teachers' Colleges—building projects	3,250,000
Secondary School Libraries—buildings and equipment	2,225,000
Independent Schools—recurrent expenditure	3,951,790
Pre-school Training Centres—building projects	2,000
	<hr/>
	43,038,848

Disbursements were as follows :—

	\$	\$
Universities—		
Melbourne	9,040,703	
Monash	7,784,684	
La Trobe	2,454,238	
	<hr/>	19,279,625
Advanced Education—		
Recurrent Expenditure	4,565,053	
Technical College Buildings, &c.	2,468,098	
	<hr/>	7,033,151
Science Laboratories—		
State Schools	2,430,537	
Independent Schools	1,545,930	
	<hr/>	3,976,467
Technical Training—		
School Buildings and Equipment .. .. .	..	3,381,067
Secondary School Libraries—		
State Schools	978,047	
Independent Schools	600,789	
	<hr/>	1,578,836
Independent Schools—		
Recurrent Expenditure .. .. .	..	3,951,505
Teachers' Colleges—		
College Buildings and Equipment	2,398,957	
Pre-school Training Centre	3,000	
	<hr/>	2,401,957
		<hr/>
		41,602,608
		<hr/>
Balance Unexpended .. .. .	..	1,436,240

The above statement excludes certain receipts and payments relating to specialized teaching institutions administered by the Forests Commission and the Department of Agriculture.

The amount of \$1,436,240, together with the unexpended balances from prior years, is held in the various State Grants Trust Accounts in the Treasury. At 30th June, 1970, the total held in these accounts was \$4,269,979.

The University of Melbourne.

Particulars of the University's income and expenditure for the calendar year 1969 compared with those of the previous year are shown in the following statement :—

	1968.		1969.	
<i>Income—</i>	\$	\$	\$	\$
<i>State Government Grants—</i>				
General Purposes	7,048,626		7,492,053	
Building Purposes	1,559,496		3,568,499	
Special Purposes	762,301		868,078	
	<u>9,370,423</u>		<u>11,928,630</u>	
<i>Commonwealth Government Grants—</i>				
General Purposes	5,763,000		6,032,000	
Building Purposes	1,796,869		1,676,290	
Special Purposes	1,679,121		1,408,285	
	<u>9,238,990</u>		<u>9,116,575</u>	
Students' Fees		4,181,330		4,377,788
Donations and Bequests		1,399,297		1,345,122
Interest, Dividends, Rents		583,408		686,595
Dental Hospital Building on Account of Principal and Interest		220,249		203,036
Other Income		1,034,827		1,331,192
Total Income		<u>26,028,524</u>		<u>28,988,938</u>
<i>Expenditure—</i>				
Salaries and Associated Expenditure		15,578,625		16,423,030
Apparatus and Books		2,244,338		2,428,390
Maintenance, &c., Buildings, Land, Grounds and Vehicles		1,434,675		1,546,559
Examination Expenses		61,520		55,705
Special Grants and Fees to Affiliated Institutions		676,236		839,945
Other Expenses		1,916,571		2,189,729
Interest and Redemption—Dental Hospital Loan		220,247		203,040
Buildings—Erection, Purchase and Major Alteration		3,826,547		3,366,700
Total Expenditure		<u>25,958,759</u>		<u>27,053,098</u>
<i>* Balance—</i>				
General Account	<i>Deficit</i>	147,547	<i>Surplus</i>	1,880,544
Trust Fund	<i>Surplus</i>	217,312	<i>Surplus</i>	55,296
	<i>Surplus</i>	<u>69,765</u>	<i>Surplus</i>	<u>1,935,840</u>

* Takes into consideration inter-fund transfers.

The substantial surplus on General Account for the year was due largely to the requirements of the Commonwealth legislation regarding building grants. This legislation required the State to pay to the University, prior to the end of the 1967-69 Triennium, the total amount of its grants for individual projects in relation to that Triennium. As a result, the total of State Government grants for building purposes received by the University in 1969 was substantially in excess of the sum made available in 1968 and also substantially in excess of current requirements to meet building expenditure.

In 1969, as in previous years, Government grants constituted the major proportion of the income of the University.

The Commonwealth, under the provisions of the *Universities (Financial Assistance) Act 1966-67*, provided the sum of \$6,032,000, the maximum assistance available in 1969 under the legislation, towards meeting the recurrent expenses of the University. To attract the maximum Commonwealth assistance, it was a requirement of the legislation that the sum of State Government contributions for recurrent purposes and certain students' fees total at least \$11,159,000. In 1969, State Government contributions amounted to \$7,859,390 and the relevant students' fees \$3,904,761, a total of \$11,764,151.

The overall surplus of \$1,935,840 comprises a surplus of \$1,880,544 in the General Account and a surplus of \$55,296 in the Trust Fund.

The balance of the General Account is a composite figure. It embodies the annual surpluses and deficits of several funds including the General Fund and a number of Research and Special funds. The statement furnished hereunder shows how the balance of the General Account for the year 1969 has been arrived at :—

Excess of Annual Income over Expenditure on account of—

	\$	\$
Building Funds	2,312,529	
Research Funds	257,035	
Bachelor of Science—Education Fund	13,327	
	<hr/>	2,582,891

Deduct—Excess of Annual Expenditure over income on account of—

Medical Faculty Expansion Fund	98,893	
General Fund	14,472	
Conservatorium Fund	1,500	
Lady Northcote Fund	410	
Other Special Funds	587,072	
	<hr/>	702,347

General Account—

Net Surplus for the Year	<hr/>	1,880,544
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Although operations on the General Fund for the year resulted in a deficit of \$14,472, the balance of the 1968 surplus, \$39,472, brought forward to meet 1969 expenditure, enabled the deficit to be met and a sum of \$25,000 to be appropriated to reduce the accumulated deficit. Also, the deficit in the General Fund was arrived at after writing off the sum of \$185,343 from the deficits incurred in previous years in respect of certain special funds, the appropriation of \$257,414 to the Departmental Vote Appropriation Fund to meet future expenditure considered to have been committed at 31st December, 1969, and the transfer back to the General Fund of \$782,745 set aside in previous years.

At 31st December, 1969, the accumulated deficit on the General Fund was \$729,809 compared with \$757,828 at the close of the previous year. The relevant transactions are summarized hereunder :—

	\$	\$
Accumulated Deficit at Beginning of Year		757,828
Less—Appropriation from General Fund	25,000	
Reversion of amount previously transferred to the Teaching Hospitals Trust Account	3,019	
	<hr/>	28,019
Accumulated Deficit at end of Year		<hr/> 729,809

Expenditure in suspense pending allocation of funds, recoup or adjustment, was reduced by \$320,667 to \$1,174,367. Thus at 31st December, 1969, the amount overdrawn on General Fund together with the sum remaining in suspense amounted to \$1,904,176 compared with \$2,252,862 at the close of the previous year. The sources from which finance was provided to meet these sums are shown hereunder :—

	1968.		1969.	
	\$	\$	\$	\$
Unexpended Balances—				
Funds for Buildings Other than Those Already Purchased or Erected	572,011		2,737,197	
Research Funds	852,485		951,428	
Departmental Vote Appropriation Fund ..	180,807		257,414	
Departmental Budgets Appropriation Fund	247,230		..	
1969 Appropriation Fund	370,800		..	
Other Funds	823,564		674,845	
Income and Expenditure Account	39,472		..	
	<hr/>		<hr/>	
		3,086,369		4,620,884
Current Liabilities		1,738,594		1,311,591
		<hr/>		<hr/>
		4,824,963		5,932,475
 Less—Current Assets—				
Cash	1,760		8,664	
Sundry Debtors and Prepayments	1,270,341		1,119,635	
Investments—Fixed Deposits	1,000,000		2,500,000	
Short-term Loans	300,000		400,000	
	<hr/>		<hr/>	
		2,572,101		4,028,299
		<hr/>		<hr/>
		2,252,862		1,904,176
		<hr/>		<hr/>

At 31st December, 1969, expenditure held in suspense on account of University properties amounted to \$915,020. Of this sum, a large proportion, \$786,003, related to the cost of the acquisition of a number of properties in the vicinity of the University for which specific funds had not been allocated. This expenditure has been carried forward in suspense for a number of years but is now being gradually reduced by transfer from the General Fund of a notional rental on properties being used for general University purposes. The amount so transferred in 1969 was \$24,756.

Monash University.

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

	1968.	1969.
	\$	\$
<i>Income—</i>		
State Government Grants—		
General Purposes	6,269,928	6,766,523
Building Purposes	1,380,315	2,931,717
Special Purposes	147,977	151,721
	<u>7,798,220</u>	<u>9,849,961</u>
Commonwealth Government Grants—		
General Purposes	4,580,253	4,981,747
Building Purposes	1,380,315	2,931,717
Special Purposes	253,611	320,271
	<u>6,214,179</u>	<u>8,233,735</u>
Students' Fees including Union Fees for Operational Purposes ..	2,451,541	2,711,893
Union Fees for Union Development	115,791	126,526
Grants and Donations including Public Appeals	754,653	626,464
Book Shop	1,027	16,976
Other Income	466,248	493,958
	<u>3,789,260</u>	<u>3,975,817</u>
Total Income	17,801,659	22,059,513
<i>Expenditure—</i>		
Salaries and Associated Expenditure	9,633,778	10,450,020
Books, Equipment, Furniture, &c.	1,708,937	1,740,017
Maintenance, &c., Buildings, Land, Grounds, Vehicles	596,550	760,565
Student Services	320,450	387,324
General Expenditure	2,457,287	3,165,223
Site Development	685,711	303,655
New Buildings	3,296,490	3,936,809
Union Development—Purchase of Land, &c.	19,925	359,004
	<u>18,719,128</u>	<u>21,102,617</u>
	1968.	1969.
	\$	\$
<i>Balance—</i>		
Recurrent Funds	158,970	428,371
Capital Funds	1,133,882	1,700,860
Research Funds	75,576	28,142
Grants and Donations	29,571	9,878
Other Funds	162,590	277,573
	<u>917,469</u>	<u>956,896</u>
	<i>Net Deficit</i>	<i>Net Surplus</i>
	917,469	956,896

The accumulated balance as at 31st December, 1969, amounted to \$2,875,758. Details are :—

	\$	\$
<i>Surpluses—</i>		
Grants and Donations	859,501	
Recurrent Funds	853,591	
Research Funds	46,091	
Capital Funds	1,315,069	
	<hr/>	3,074,252
<i>Less</i> Accumulated Deficit on account of Other Funds .. .. .	..	198,494
	..	<hr/>
Net Surplus .. .. .	..	2,875,758
		<hr/>

Government Grants, State and Commonwealth, were the principal sources of income in each year. The major reasons for the increase in grants for special purposes were the payment by the State, prior to 31st December, 1969, of the balance of Capital Funds allocated to the University for the 1967–69 Triennium and the inclusion of an amount accrued from the Commonwealth to match this payment.

Student numbers increased from 8,466 in 1968 to 9,542 in 1969. Full-time staff numbered 1,951 in 1968 and 2,110 in 1969.

La Trobe University.

The statement below gives details of the income and expenditure of the University for the calendar years 1968 and 1969. Students enrolled were 1,163 in 1968, and 2,052 in 1969. Staff numbers increased from 405 at the end of 1968 to 537 at the end of 1969.

		1968.	1969.
		\$	\$
<i>Income—</i>			
State Government Grants—			
General Purposes		1,446,476	1,939,876
Building Purposes		2,350,000	1,850,750
Special Purposes .. .. .		..	16,500
		3,796,476	3,807,126
Commonwealth Government Grants—			
General Purposes		924,000	1,275,000
Building Purposes		2,690,000	2,800,750
Special Purposes		82,255	54,782
		3,696,255	4,130,532
Academic Fees		262,524	455,241
Grants and Donations		56,885	66,542
Other Income		52,221	83,805
Residential Colleges (Net) .. .. .		..	24,704
		371,630	630,292
Total Income		7,864,361	8,567,950
<i>Expenditure—</i>			
Salaries and Associated Expenditure		1,912,888	2,728,485
Books, Equipment and Furniture		218,549	363,426
Maintenance, &c.—Buildings, Land, Grounds, Vehicles		111,691	151,623
General Expenditure		338,975	476,194
Site Development		847,026	571,243
New Buildings		4,508,099	3,592,666
Residential Colleges (Net)		18,270	..
		7,955,498	7,883,637
Total Expenditure		7,955,498	7,883,637
<i>Balance—</i>			
		1968.	1969.
		\$	\$
Recurrent Funds	<i>Surplus</i>	185,536	<i>Surplus</i> 69,013
Building Funds	<i>Deficit</i>	308,955	<i>Surplus</i> 865,829
Research Vote	<i>Deficit</i>	7,596	<i>Surplus</i> 15,688
Grants and Donations	<i>Surplus</i>	29,604	<i>Surplus</i> 26,818
Other Funds	<i>Surplus</i>	10,274	<i>Deficit</i> 293,035
	<i>Deficit</i>	91,137	<i>Surplus</i> 684,313
<p>The Accumulated Funds at 31st December, 1969, showed a net surplus of \$435,055. Details are :—</p>			
<i>Surpluses—</i>			
		\$	\$
Building Funds		825,074	
Grants and Donations		82,591	
Research Vote		9,346	
		917,011	
<i>Less Deficits—</i>			
Recurrent Funds		8,681	
Other Funds		473,275	
		481,956	
Net Surplus		435,055	

Victoria Institute of Colleges.

The Institute's Income and Expenditure accounts for the calendar years 1968 and 1969 are detailed below :—

	1968.	1969.
	\$	\$
<i>Income—</i>		
Government Grants—		
State	92,600	131,110
Commonwealth	50,060	70,870
Other	2,641	4,531
	145,301	206,511
<i>Expenditure—</i>		
Salaries and Associated Expenditure	100,266	149,719
Books, Equipment and Furniture	4,675	11,220
Maintenance—Offices, Vehicles, &c.	17,977	19,783
Office Expenditure	11,124	17,482
Travelling, &c.	3,802	5,240
General	3,221	4,905
	141,065	208,349
<i>Balance—</i>	<i>Surplus</i> 4,236	<i>Deficit</i> 1,838

Accumulated Funds at 31st December, 1969, amounted to \$19,693 and were composed of Recurrent Funds, \$16,777, Gifts and Donations, \$421 and Other Funds, \$2,495.

FORESTS COMMISSION.

EXPENDITURE.

In the year under review, expenditure, excluding Debt Charges, amounted to \$9,864,052. Under broad headings, the principal divisions of expenditure in the past two years were :—

	1968-69.	1969-70.
	\$	\$
Appropriations—		
Salaries and Payments in the nature of Salary.. ..	2,417,498	2,706,573
Pay-roll Tax	62,328	69,458
Pensions	167,945	207,524
School of Forestry	40,300	51,000
Other Administrative Expenses	166,460	159,751
Utilization Forest Produce	567,806	648,185
Contribution to the National Sirex Fund	41,700	37,530
Contribution—Timber Promotion Committee .. ..	..	61,422
Sundry	49,311	25,115
	<u>3,513,348</u>	<u>3,966,558</u>
Forestry Fund—		
Forest Protection	472,346	400,064
Silvicultural.. ..	26,590	29,872
Road Works	303,490	368,712
Plantations and Nurseries	94,560	117,232
Maintenance of Buildings	32,529	100,759
Purchase and Maintenance Motor Vehicles and Equipment	527,027	545,689
Utilization	106,546	124,968
Supervision	325,687	357,840
Operating and Other Expenses	475,876	450,936
Contribution—Timber Promotion Committee .. ..	..	36,422
	<u>2,364,651</u>	<u>2,532,494</u>
Loan Fund—		
Land	53,474	49,987
Fire Protection	452,884	459,260
General Operations	253,310	346,248
Extraction Roads	349,371	314,938
Plantations	1,746,313	2,010,404
Buildings	136,188	149,929
Plant and Machinery	9,571	19,903
Advances—Farm Forestry	18,872	14,331
	<u>3,019,983</u>	<u>3,365,000</u>

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

	1968-69.		1969-70.	
	\$	%	\$	%
Appropriations	3,513,348	39.5	3,966,558	40.2
Forestry Fund	2,364,651	26.6	2,532,494	25.7
Loan Fund	3,019,983	33.9	3,365,000	34.1

Appropriations.

The figures shown in the preceding summary of expenditure under Appropriations for salaries and payments in the nature of salary do not include certain amounts for salaries charged to other votes and funds. In 1968-69, these amounts totalled \$576,182 and in 1969-70, \$743,564.

The figure shown for School of Forestry for 1969-70 is the net expenditure after taking into account a credit of \$27,471 representing contributions received from the Commonwealth towards recurrent expenditure of the School pursuant to the Commonwealth's States Grants (Advanced Education) Acts.

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, 1970, Victoria had contributed as its share the sum of \$329,430. From the Fund, Victoria had received, up to 30th June, 1970, a total of \$1,877,100 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, 1970, amounted to \$1,810,227 and the balance then remaining in the Account was \$66,873.

Forestry Fund.

The overall increase of \$167,843 in expenditure from the Forestry Fund for the current year was the net result of various increases and decreases in the component items, the main variations being increases in Road Works and Maintenance of Buildings, and a decrease in Forest Protection.

Loan Fund.

The increased expenditure on Plantations was caused by the preparation and planting of additional acreage.

The Commonwealth, under its *Softwood Forestry Agreements Act 1967*, may advance money for the purpose of increasing the rate of softwood planting in Australia during the succeeding thirty-five years. The Schedule to the Act contains the programme of planting by this State until 30th June, 1971, the terms on which the advances are made, the interest payable and the terms of repayment. Expenditure by the State in 1969-70 amounted to \$1,491,331, and is included under Plantations in the statement of expenditure. The scheme is now in its fourth year of planting under the Agreement and total expenditure to 30th June, 1970, amounted to \$4,333,558.

Farm forestry advances are made under the *Forests Act 1958* which provides for amounts to be advanced to property owners for the planting of 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. Advances of \$14,331 were made during the current year and total advances to 30th June, 1970, amounted to \$77,024.

Since the inception of the use of loan funds for forestry purposes, a sum of \$57,759,377 has been so applied from this source. After allowing for discount, expenses and amounts redeemed or repaid, the loan liability at 30th June, 1970, was \$51,249,631, towards which there was an equity of \$5,008,332 in the National Debt Sinking Fund.

RECEIPTS.

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

	1968-69.	1969-70.
	\$	\$
Rents, etc.	133,061	153,613
Royalties	4,710,735	4,969,105
Sale of Forest Produce	627,708	708,451
Other	124,497	131,498
	<u>5,596,001</u>	<u>5,962,667</u>

Between the two years, there was a net rise of \$366,666 in collections, which was attributable mainly to increases under the heading of Royalties. The increase in Royalties arose from a higher royalty rate on all types of logs from 1st October, 1969.

NET COST.

The net cost for 1969-70, based on receipts and expenditure in the Consolidated Revenue Account, was \$3,004,526 as shown in the following statement of receipts and expenditure for the past two years :—

1968-69.	<i>Receipts.</i>	1969-70.	1968-69.	<i>Expenditure.</i>	1969-70.
\$		\$	\$		\$
5,596,001	As detailed	5,962,667	33,300	Commissioners' Salaries	36,234
2,614,832	Net Cost	3,004,526	3,312,103	Votes	3,722,800
			167,945	Pensions	207,524
			2,421,898	Grants to the Forestry Fund	2,561,359
			2,164,040	Interest	2,321,919
			1,250	Loan Conversion Expenses	1,250
			110,297	National Debt Sinking Fund	116,107
<u>8,210,833</u>		<u>8,967,193</u>	<u>8,210,833</u>		<u>8,967,193</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 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, 1970, was \$61,902.

Forests Plant and Machinery Fund.

Section 32 of the *Forests Act 1958* provides for a *Forests Plant and Machinery Fund*. Where certain plant specified by the Minister is engaged on the construction or maintenance of any works of the Commission, charges are to be made, against the works, of such sums as the Minister determines are proper to be charged in the circumstances for—

- (a) renewals and replacements of the plant and machinery; and
- (b) costs of operating, maintaining and repairing the plant or machinery and other incidental expenses.

Section 32 requires that the sums charged for renewals and replacement be credited to the *Forests Plant and Machinery Fund*. The other component of the charge for plant hire, that is, the part relating to costs of operation, maintenance and repair, etc., is credited to a *Repairs to Plant Account*, which is a subdivision of the *Stores Suspense Account*.

The following statement summarizes operations within the *Plant and Machinery Fund* for the year :—

	\$
Balance 1st July, 1969	240,438
Plant Hire	273,646
Sale of Plant	38,749
	<hr/>
	552,833
Less Expenditure on Renewals	258,777
	<hr/>
Balance 30th June, 1970	294,056
	<hr/>

Forest Equipment Hire Account.

This Account 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 \$134,609 and expenditure charged totalled \$165,223. At the close of the year, the balance at credit of the Account was \$30,113.

Timber Promotion Committee Trust Account.

The *Forests (Amendment) Act 1968* amended the *Principal Act* to provide for the Governor in Council to make regulations for the establishment of a body comprising representatives of the Commission and of the timber industry to promote the use of timber and prescribing and regulating the powers and functions of the body and of the Commission in relation to that body. Pursuant to this legislation, the *Forests (Part V.—Timber Promotion) Regulations 1969* were made by the Governor in Council on 19th August, 1969, establishing a *Timber Promotion Committee* and prescribing its powers and functions.

The Treasurer approved the establishment of a *Timber Promotion Committee Trust Account* for the purpose of recording the financial transactions of the Committee.

Amounts paid into the Account comprised appropriations from Consolidated Revenue totalling \$61,422 and a contribution from the *Forestry Fund* of \$36,422. Expenditure to 30th June, 1970, amounted to \$33,378 leaving a balance in the Account at that date of \$64,466.

Certain questions raised in a *Crown Solicitor's Opinion* as to the validity of parts of the *Regulations* and as to the powers which the *Regulations* purport to confer on the *Committee* are under consideration.

GOVERNMENT PRINTER.

Income from printing, sales of publications, &c., for the year amounted to \$3,787,784 compared with \$3,311,637 in 1968-69.

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 \$150,801 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.

	1968-69.	1969-70.
	\$	\$
<i>Item.</i>		
Materials	1,148,784	1,196,204
Salaries and Wages (including Pay-roll Tax)	1,634,250	1,866,502
Insurance—Workers Compensation	9,848	9,299
Insurance—Fire	2,691	2,822
Power, Fuel and Light	42,288	39,493
Repairs to Buildings and Plant	30,119	38,512
Sundry Charges	50,007	58,888
Postage and Incidentals	38,466	37,768
Depreciation on Plant and Machinery	82,022	81,572
Work—Other than by Government Printer	229,249	293,182
Management Consultant's Fees .. .. .	..	12,741
	3,267,724	3,636,983
Profit	43,913	150,801
Turnover	3,311,637	3,787,784

A review of the Government Printing Office being conducted by a management consultant company was suspended as from 22nd May, 1970. The item, "Management Consultant's Fees \$12,741", represents one-third of the fees paid in 1969-70 to this company. A further third of the fees so paid is to be shown as an item of expense in the trading statement in each of the years 1970-71 and 1971-72.

The total cost of plant and machinery met from loan funds to 30th June, 1970, was \$1,429,991. 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 1969-70, the balance in the Fund at 30th June, 1970, 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, 1970, excluding that of the Mental Hygiene Branch and the contributions to the Hospitals and Charities Fund, which are discussed elsewhere in the Report, was \$15,817,205.

This expenditure consists of the following charges :—

	\$	\$
Departmental Votes—		
Health—Salaries, General Expenses, &c.		14,876,644
Treasury—Pay-roll Tax	57,609	
Treasury—Workers Compensation Insurance	24,217	
	<hr/>	81,826
Public Works—Maintenance, Rents, &c.		83,816
Special Appropriations—Salary of Director of Tuberculosis, and Pensions ..		774,919
		<hr/>
		15,817,205

Receipts (excluding those of the Mental Hygiene Branch) totalled \$3,524,490, and the net cost of health services to revenue was \$12,292,715, an increase of \$1,368,554 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, and to food standards, safety of buildings, &c.

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

	1968-69.	1969-70.
	\$	\$
Rentals—Lincoln House	98,000	98,000
Registration and other Fees	118,682	116,150
Other Receipts	14,405	16,318
	<hr/>	<hr/>
	231,087	230,468

Expenditure in the same period was :—

	\$	\$
(a) <i>From Revenue—</i>		
Central Administration	975,605	1,073,437
Cancer Institute	1,970,000	2,281,740
Infectious Diseases	305,269	456,021
Venereal Diseases	75,333	86,340
Inspection of Buildings, Food Supervision, &c.	774,511	901,515
Miscellaneous Grants	711,130	739,313
Subsidies—Home Help Scheme, Clubs for Elderly People, &c.	935,137	992,528
	<hr/>	<hr/>
	5,746,985	6,530,894
(b) <i>From Loan—</i>		
Cancer Institute	350,000	257,332
Other	518,628	437,815
	<hr/>	<hr/>
	868,628	695,147

Tuberculosis Branch.

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

	1968-69.	1969-70.
	\$	\$
Commonwealth recoup under Health Act 1958	3,228,246	3,162,535
Other receipts	141,603	119,475
	3,369,849	3,282,010

Expenditure for the same period is compared thus :—

	1968-69.	1969-70.
	\$	\$
<i>(a) From Revenue—</i>		
Operation of sanatoria, tuberculosis wards, bureaux, mass X-ray services, &c.	3,830,970	3,754,925
<i>(b) From Loan—</i>		
State sanatoria and clinics, &c.	443,960	694,405

Progress payments to 30th June by the Commonwealth on account of 1969-70 maintenance expenditure amounted to \$3,053,270. Reimbursement of the balance outstanding at 30th June, 1970, is in course.

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 the past two years was :—

	1968-69.	1969-70.
	\$	\$
Loan	227,420	241,330
Revenue	16,413	57,818
	243,833	299,148

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 two years was as follows :—

	1968-69.	1969-70.
	\$	\$
<i>Expenditure—</i>		
School Medical and Dental Services, &c.	1,716,505	1,895,386
Subsidies	3,246,617	3,636,000
	4,963,122	5,531,386
<i>Revenue</i>	15,980	12,012
<i>Net Expenditure</i>	4,947,142	5,519,374

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 ..	400,000	397,185
Other	89,988	31,272
	489,988	428,457

Mental Hygiene Branch.

Gross expenditure by this Branch for non-capital purposes was \$24,548,485, and after taking into consideration receipts of \$3,026,960, the net cost of mental health services was \$21,521,525. The gross expenditure comprised charges to—

	\$	\$
Departmental Votes—		
Health—Salaries and payments in the nature of salary ..	18,869,616	
General Expenses.. .. .	5,407,954	
Child Endowment Transfer	89,199	
	24,366,769	
Treasury—Workers Compensation Insurance		100,628
Public Works—Maintenance and Rents		81,088
		24,548,485

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

	1968-69.	1969-70.
	\$	\$
Maintenance of patients—principally Commonwealth payments on account of pensioners in Training Centres and repatriation patients	1,604,101	2,361,353
Deduction from Salaries for Accommodation and Meals	236,927	245,059
Sales of Meal Tickets	76,227	78,215
Commonwealth Pharmaceutical Benefits	300,557	283,392
Sales of produce	13,229	17,906
Other	40,415	41,035
	2,271,456	3,026,960

A change in Commonwealth policy allowed invalid pensions to be paid on account of formerly debarred mental patients who are considered likely to be successfully rehabilitated and who are treated in open wards. As a result, pensions received from the Social Services Department rose from \$709,216 in 1968-69 to \$1,484,697 in 1969-70.

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

	1968-69.	1969-70.
	\$	\$
Salaries	14,139,584	16,198,225
Overtime and penalty rates	2,417,120	2,526,531
Payments in lieu of long service leave	108,216	144,860
	16,664,920	18,869,616
Provisions and extra articles	2,154,559	2,094,774
Clothing, bedding, &c.	483,469	480,482
Stores, &c.	477,914	553,184
Fuel, light, and water	910,311	909,999
Drugs and medicines	624,274	625,000
Repairs, maintenance and rents	85,875	81,088
Boarded-out patients	198,000	208,000
Other	641,182	637,143
Transfer to Intellectually Handicapped Children's Amenities Account ..	† 134,787	†89,199
	22,375,291	24,548,485

† These amounts represent child endowment moneys received by the State Treasury since 1st July, 1967, on account of inmates of the Kew Cottages, Janefield, St. Nicholas, Stawell, Travencore and Sandhurst Hospitals. The purpose of the transfers is to enable a committee directly representing the children, such as parents or close relatives, to act, in consultation with officers of the Mental Health Authority, in the purchase of amenities which would not otherwise be provided by the Authority.

Expenditure from the Loan Fund during 1969–70 on buildings and equipment of State institutions amounted to \$4,160,023. In addition, moneys were provided for other institutions from the Funds and for the purposes shown hereunder :—

	\$	\$
Mental Hospitals Fund—		
University of Melbourne—Mental Health Research	14,000	
Other Institutions—Grants for Maintenance	808,720	
	<hr/>	822,720
Loan Fund—		
Other Institutions—Grants for Capital Works .. ..	.. ..	356,163
		<hr/>
		1,178,883
		<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 1967* provided that the Commonwealth would pay to the State a sum equal to one third of the amounts expended by the State during the period 1st July, 1967 to 30th June, 1970, on projects approved in terms of the Act. In 1969–70, under these provisions, the State received \$946,657 which was credited to the Commonwealth–State Grants (Mental Institutions) Trust Fund. This amount 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 required to supervise the administration and management of subsidized institutions and benevolent societies.

Subject to administrative and other costs, a total of \$60,259,245 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	14,063,618
Special Appropriation, Act No. 6390—Tattersall Receipts	5,684,415
Annual Appropriation, Division 72	35,591,846
Deductions from Premiums—Motor Car Third Party Insurance	1,929,415
	58,869,294
Balance forward from 1968-69	1,389,951
	60,259,245

Particulars of expenditure for 1968-69 and 1969-70 are shown in the following statement:—

	1968-69.	1969-70.
	\$	\$
Maintenance—		
Hospitals	43,051,151	52,272,140
Benevolent Homes and Hospitals for the Aged	3,462,953	3,348,759
Children's Homes	425,023	635,475
Foundling Homes and Refuges	264,743	335,143
Philanthropic Organizations	368,950	458,622
District Nursing Societies	266,967	334,300
Medical Dispensaries	55,697	62,771
Ambulance Services	830,000	978,881
Hostels for the Aged	159,274	149,460
Training Schools (Nursing, &c.)	536,330	614,613
Other Institutions	244,717	308,892
Public Risk Insurance	103,453	106,575
Hospitals Superannuation Board	33,169	59,196
	49,802,427	59,664,827
Less Refund from Commonwealth Blood Transfusion Service	193,348	224,817
	49,609,079	59,440,010
Other—		
Costs Associated with Totalizator Receipts	57,308	62,067
Training of Officers	18,499	28,342
Recruitment and Training of Nurses	76,992	54,434
Post-graduate Training of Nurses	26,635	30,525
Administration Costs	590,134	643,867
	50,378,647	60,259,245

The balance in the Fund at 30th June, 1970, was Nil.

Details of payments from the Fund to individual institutions are given on pages 195 to 197 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 \$14,941,024.

Details of payments from loan moneys to individual institutions are shown in the Treasurer's Finance Statement, pages 191 to 194.

LABOUR AND INDUSTRY.

This Department functions under the authority of the *Labour and Industry Act 1958* and is responsible for the supervision and regulation of factories, shops and other premises. Various Wages Boards, the Apprenticeship Commission, the Industrial Appeals Court, the Industrial Safety Advisory Council and the Consumers Protection Council are also administered within the Department.

Expenditure, including rentals and maintenance charges paid by the Public Works Department, during the last two years is compared hereunder :—

		1968-69.	1969-70.
		\$	\$
Salaries and Payments in the nature of Salaries		1,116,550	1,299,973
General Expenses		258,757	250,514
Other Services		74,328	81,879
Pay Roll Tax		26,574	32,044
Workers Compensation Insurance		8,063	7,005
Maintenance		11,014	11,538
Rentals		44,465	46,022
		1,539,751	1,728,975

Revenue received during the corresponding two years was as follows :—

		\$	\$
Registration and Inspection Fees—			
Factories and Shops, Lifts and Cranes, &c.		898,434	907,818
Boilers		272,089	238,340
Other		16,559	18,640
		1,187,082	1,164,798

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 \$3,869,817 compared with \$3,622,600 in the previous year. Details are as set out hereunder :—

	1968-69.	1969-70.
	\$	\$
Land Revenue—		
Fees for various licences and leases, &c.	1,908,904	2,073,776
Proceeds of sales of land	490,420	564,636
	2,399,324	2,638,412
Revenue from similar sources for credit to the Mallee Land Account ..	96,738	89,720
Repayments of principal by settlers under the Closer Settlement Acts ..	202,629	154,090
Interest payments by settlers on Loan Liabilities under the Closer Settlement Acts	89,460	84,390
Repayments of principal—Other Advances	2,054	1,351
Interest on Other Advances	1,474	1,573
Licences to occupy water frontages—for credit to the Rivers and Streams Fund	97,953	100,453
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	406,314	468,286
Miscellaneous Receipts including rental Ballarat Guncotton Factory, admission to Buchan Caves, sales of government and other property and rentals of departmental houses, etc.	154,850	170,214
Survey Fees, &c.	46,994	42,859
Premiums for credit to the Closer Settlement Insurance Fund	17,358	19,017
Moneys for specific purposes including funds made available by Wool and Wheat Research Committees, &c., for credit to Treasury Trust Accounts	71,770	63,574
Collections on account of North West Mallee Water Rates and Wire Netting Cash Sales	23,985	22,118
Road Loading Charges—Improvement Purchase Leases	10,359	12,133
Receipts on account of Assurance Fund	1,338	1,627
	3,622,600	3,869,817

The two most significant differences between the two years were an increase in Land Revenue of \$239,088, and an increase in recoups on account of services, &c., of \$61,972.

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 \$4,276,606 compared with \$3,893,560 in the previous year.

LOAN EXPENDITURE.

Expenditure from Loan Fund, \$2,386,035, was in excess of that of the previous year by \$156,523. Comparative details are :—

	1968-69.	1969-70.
	\$	\$
Vermin and Noxious Weeds Branch—		
Functional Expenditure	1,901,314	2,036,587
Purchase of Equipment, Tools, &c.	186,357	181,241
	<u>2,087,671</u>	<u>2,217,828</u>
Construction of Roads—		
Under Part V. of <i>Land Act</i> 1958 in South Western Mallee ..	50,000	..
Other—Under <i>Land Act</i> 1958	2,988	1,650
	<u>52,988</u>	<u>1,650</u>
Survey Branch—Purchase of Vehicles, Machines, Equipment, &c. ..	49,999	58,997
Tostaree Pilot Farm—		
Establishment of Farm and Expenditure incidental thereto ..	1,810	1,295
Buchan Caves—Remodelling, &c.	35,098	54,542
Botanic Gardens—Purchase of Equipment .. .. .	..	4,515
Purchase of Land for Public Purposes .. .. .	..	18,881
Purchase of Land—Cranbourne Native Plants Annexe .. .. .	..	28,225
Other Expenditure	1,946	102
Total	<u>2,229,512</u>	<u>2,386,035</u>

TRUST FUND EXPENDITURE.

Disbursements by the Department from Treasury Trust Funds included :—

(i) \$61,108 from joint Commonwealth—Industry Research Funds, namely :—

	\$
Vermin (Rabbit) Control	31,066
Skeleton Weed Control	4,264
Fox and Dingo Control	25,778
	<u>61,108</u>

(ii) \$13,277 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 \$2,023,451 and the accumulated deficit on account of the settlement scheme, the subject of the provisions of that Act, was, as a result, increased to \$123,401,156.

Closer Settlement Insurance Fund.

This Fund provides the finance in respect of contracts of insurance covering risks of fire, storm and tempest which must be made, in respect of buildings and improvements, by (i) Closer Settlement lessees, (ii) farmers who have received advances for improvements and (iii) purchasers under contracts of sale. Improvements on vacant land are also covered by the Fund.

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

<i>Receipts.</i>	\$	<i>Payments.</i>	\$
Balance at 1st July, 1969 ..	681,995	Claims paid	7,606
Premiums received ..	19,017	Administration expenses ..	5,671
	<u>701,012</u>	Balance at 30th June, 1970 ..	687,735
	<u>701,012</u>		<u>701,012</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 1969-70 amounted to \$9,586,020. 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 :—

	1968-69.		1969-70.	
	\$	\$	\$	\$
Crown Law Offices and Crown Solicitor's Office ..		2,048,817		1,420,935
Courts—				
Administration	2,961,149		3,919,545	
Allowances to Witnesses	134,227		158,953	
Payments to Jurors	436,381		525,863	
Professional Assistance	209,215		274,166	
Court Reporting	188,000		204,794	
Other Costs	229,984		225,504	
		4,158,956		5,308,825
Office of the Public Trustee		709,140		743,029
Titles Office		1,620,851		1,807,028
Companies Registration Office		261,293		306,203
		8,799,057		9,586,020

During 1969-70, certain salaries and expenses that had previously been regarded as costs of the Crown Law Offices were included under Courts Administration.

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 include fees due on account of registrations, &c., jurors' fees and, to a lesser extent, receipts in the nature of recoups of costs. Major items of revenue for 1968-69 and 1969-70, with the exception of fees and commissions collected in the Office of the Public Trustee, were :—

	1968-69.	1969-70.
	\$	\$
Fees, Titles Office	2,377,304	2,507,312
Fees, Registrar of Companies	1,759,787	2,150,810
Fees, Registrar-General	142,803	160,148

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 \$756,828 representing the cost of erection of, and alterations and improvements to, buildings and properties under the control of the Department. This amount included \$346,384 in respect of the Civil and Criminal Courts building 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 :—

	1968-69.	1969-70.
	\$	\$
Local Government—		
Salaries and Allowances	310,113	700,511
Overtime and Penalty Rates	9,653	11,499
Travelling (including Motor Vehicles)	19,524	61,496
Fees and Expenses—Boards and Committees	34,968	55,783
Other Administrative Expenses	42,998	71,880
Town and Country Planning Board—		
Salaries and Allowances	151,648	209,071
Other Administrative Expenses	23,134	28,493
Weights and Measures—		
Salaries and Allowances	159,658	188,236
Overtime and Penalty Rates	638	798
Travelling (including Motor Vehicles)	38,829	39,921
Materials and Equipment	7,277	6,386
Other Administrative Expenses	9,962	7,051
	808,402	1,381,125

The increased expenditure of \$390,398 on Salaries and Allowances under the head of Local Government resulted from the expansion of the staff of the Valuer-General's Office.

REVENUE.

Revenue for the year amounted to \$167,896 compared with \$103,520 in the previous year. Details are shown in the following statement :—

	1968-69.	1969-70.
	\$	\$
Charges for Departmental Services—		
Municipal Auditors Board Fees, &c.	2,212	3,258
Weights and Measures Branch	88,788	104,632
	91,000	107,890
Sale of Property Sales Information	11,249	59,160
Miscellaneous	1,271	846
	103,520	167,896

LOAN EXPENDITURE.

Payments to municipalities and other public bodies amounting to \$1,238,486 were made from Loan Fund during 1969-70 for works and other purposes as shown hereunder :—

Drainage Works		\$ 412,248
Small Drains		196,349
Swimming Pools and Accessories		184,249
Sale-yards, Markets, &c.		80,233
Public Halls and Amenities		139,574
Beach Cleaning		87,247
Special Grants for Fire Roads, &c.		93,379
Other Capital Works, &c.		45,207
		1,238,486

In addition to the above expenditure, loan moneys totalling \$283,518 were applied towards :—

<i>Ex-gratia</i> Payments to Municipalities—Private Street Construction adjacent to buildings owned by State authorities		\$ 249,997
Weights and Measures Branch—Equipment, &c.		33,521
		283,518

MINES.

The principal functions of the Mines Department include the administration of mining, quarrying and petroleum 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 issue of licences for the manufacture, transportation, storage and sale of explosives.

The *Petroleum (Submerged Lands) Act* 1967, proclaimed to operate from 1st April, 1968, provided for the exploration and exploitation of the petroleum resources of certain submerged lands adjacent to the coasts of the State. Royalties received by the State during 1969-70 are shown below.

COLLECTIONS.

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

	1968-69.	1969-70.
	\$	\$
Land Revenue—		
Royalties—Submerged Lands .. .. .	.. .. .	2,481,647
Mining Leases, Rents, &c.	193,841	197,365
Extractive Industries, &c.	122,767	147,115
Other	2,003	20,807
	<hr/>	<hr/>
	318,611	2,846,934
Boring and Crushing Fees	48,625	50,306
Explosives Licences and Fees	34,250	37,798
Sale of Government Property	22,423	16,833
Repayment of Loans	21,349	21,907
Sundries	5,517	10,157
	<hr/>	<hr/>
Total Collections	450,775	2,983,935

EXPENDITURE.

Payments from revenue in those years were :—

	\$	\$
<i>Administration—</i>		
Salaries	743,072	872,431
Overtime and Penalty Rates	2,496	3,488
Travelling and Subsistence	20,656	28,714
Motor Vehicles—Purchase and Running Expenses	35,856	36,097
Other Administrative Expenses	82,268	87,148
	<hr/>	<hr/>
	884,348	1,027,878
<i>Miscellaneous—</i>		
Maintenance, &c., State Batteries	3,496	3,304
Boring for Water, Coal and other Minerals, &c.	266,366	304,995
Geological Survey	15,000	17,447
Laboratory Expenses	5,699	5,733
Covering Abandoned Shafts	14,986	14,772
Surveys for Mineral Deposits	29,994	645
Advances for Gold Mining	10,000	3,000
Contribution to Coal Utilization Research	10,000	10,000
	<hr/>	<hr/>
Total Expenditure	1,239,889	1,387,774

Included in the departmental payments in 1969-70 is expenditure, estimated by the Department to be \$805,105, incurred in the investigation and measurement of underground water resources. In respect of this expenditure, the State is eligible for a contribution by the Commonwealth in terms of the *States Grants (Water Resources Measurement) Act* 1967.

In addition to the expenditure from Consolidated Revenue, loan funds totalling \$253,674 were applied towards the cost of Drilling Plant, &c.

MINISTRY OF TOURISM.

The *Tourist Act* 1958 was repealed from 8th February, 1970, the date proclaimed by the Governor in Council for the coming into operation of the *Tourist Act* 1969, No. 7930. Under the new legislation, the Tourist Development Authority was abolished and the Ministry of Tourism established. All rights, assets and liabilities of the Authority, together with certain real property vested in the Crown or the Public Trustee for the purpose of the *Tourist Act* 1958, were to be taken over by the Ministry. The moneys held in the Tourist Fund established under the *Tourist Act* 1958 were paid into the Tourist Fund established under the *Tourist Act* 1969.

Subject to the Act, the Minister is empowered generally to take whatever steps he considers necessary or desirable for the promotion and development of the tourist industry in Victoria. Included in the specific powers of the Minister under the Act is one authorizing him to operate and administer tourist bureaux in any part of the world. Of the eight tourist bureaux operated by the Ministry at present, five are located within Victoria and three in interstate capital cities.

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; allocations from Loan Fund under the authority of certain Public Works Loan Application Acts; and fees and fines under the *Motor Boating Act* 1961.

Moneys to the credit of the Tourist Fund are to be applied to the payment of expenses of the Ministry and the administration of the Act. For all or any of the purposes of the Act, the Minister may apportion, distribute, apply or lend any money in the Fund.

TOURIST FUND.

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

1968-69.						1969-70.		
\$	<i>Credits.</i>					\$	\$	\$
194,273	Balance forward	..	..	..	..	..	..	291,140
	Contributions—							
536,107	From—	Country Roads Board Fund	..	..	..	..	577,772	
		Consolidated Revenue—						
341,000		Premier's Department Vote	..	..	..	363,000		
190,000		Railway Working Expenses	..	..	..	190,000		
						553,000		
53,000	Under Public Works Loan Application Acts	..	..	..	..	..	125,000	
714	By Municipalities towards cost of motor boating facilities	..	..	..	..	..	2,820	
							1,258,592	
168,025	Commissions, &c. received from Tourist Bureaux operations	..	..	..	..	..	..	170,454
129,919	Motor Boat Registration Fees and Fines (Net)	..	..	..	..	..	270,318	
	Less Costs and Expenses of Collection and Administration	..	..	..	..	..	132,857	
							137,461	
20,437	Interest on Loans to certain Bodies	..	..	..	..	..	..	20,124
21,658	Loan Repayments	..	..	..	..	..	..	21,702
							1,899,473	
1,655,133								1,899,473
	<i>Disbursements.</i>							
372,057	Developmental and Maintenance works authorized under the Act	..	..	..	..	..	..	286,809
5,725	Advances to Public Works Department—Mt. Dandenong Project*	..	..	..	..	..	..	2,688
58,506	Publicity—net (excluding Tourist Bureaux advertising, &c.)	..	..	..	..	..	..	88,267
35,118	Loans to certain Bodies	..	..	..	..	..	..	16,024
84,550	Provision of motor boating facilities	..	..	..	..	..	..	150,461
	Costs and administrative expenses—							
59,394	Head Office	..	..	..	..	..	73,093	
748,643	Tourist Bureaux	..	..	..	..	..	791,177	
							864,270	
							1,408,519	
291,140	Balance at the close of the year—General	..	..	..	..	..	332,257	
	Motor Boating	..	..	..	..	..	158,697	
							490,954	
1,655,133								1,899,473

* \$3,754 unexpended as at 30th June, 1970 on account of advances in 1969-70 and prior years.

Motor Boating.

The statement of the credits to and disbursements from the Tourist Fund includes, in a summarized form, receipts from motor boat registration fees and fines, related 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 Ministry of Tourism 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, 1969 (held in Tourist Fund) .. .. .	...	164,667
<i>Add—Registration Fees</i>	253,902	
Fines	16,610	
	<hr/>	
	270,512	
<i>Less—Refunds</i>	194	
	<hr/>	
	270,318	
<i>Add—Municipal Contributions towards provision of boating facilities</i>	..	2,820
Instalments account repayment of Loan—Redemption	1,511	
Interest	2,699	
	<hr/>	
	4,210	
	<hr/>	
	442,015	
<i>Less—Expenditure—</i>	\$	
Provision of boating facilities—Grants and Subsidies ..	150,461	
Cost of Administration—		
Transport Regulation Board	35,641	
Chief Secretary's Department	79,485	
Purchase of motor boats and equipment (net)	17,731	
	<hr/>	
	132,857	
	<hr/>	
	283,318	
Credit at 30th June, 1970 (held in Tourist Fund) .. .. .	..	158,697

Tourist Bureaux.

Operations of the several Victorian Government Tourist Bureaux resulted in a net cost of \$620,723 for the financial year 1969–70 compared with \$580,618 in 1968–69. In respect of the year under review, the net cost was financed mainly by \$190,000 from a Railway Working Expenses Vote and \$351,000 out of the contribution from a Premier's Department Vote. A statement of the income and expenditure of the Tourist Bureaux for each of the past two years is given hereunder :—

1968-69.		1969-70.
\$	<i>Income—</i>	\$ \$
150,226	Commission	150,324
12,084	Margins on Tours	14,330
5,715	Telephone Charges	5,800
<hr/>		<hr/>
168,025		170,454
	<i>Less Expenditure—</i>	
500,246	Salaries, Overtime, Long Service Leave and Pay Roll Tax ..	550,232
13,049	Travelling Allowances	7,956
71,007	Rentals (net)	60,249
31,089	Rates, Maintenance and Cleaning	33,218
39,090	Printing, Advertising and Window Displays	47,206
46,496	Postage, Telephone and Telex	58,330
8,678	Stores and Incidentals	10,152
12,446	Light and Power	11,765
2,511	Miscellaneous	1,396
24,031	Furniture, Fittings and Renovations	10,673
<hr/>		<hr/>
748,643		791,177
<hr/>		<hr/>
580,618	Net Cost for the Year	620,723

CASH COLLECTIONS.

Apart from the moneys credited to the Tourist Fund, cash collections by the Tourist Bureaux on account of railway bookings are paid into the Treasury by the Ministry 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 at Head Office and at the several Tourist Bureaux during the years 1968-69 and 1969-70 and shows the accounts in the Treasury to which the collections for 1969-70 were credited :—

Location.	Account Credited—1969-70.					Total Collections.	1968-69 Total Collections.
	Railway Income.	Tourist Bureaux Trust Account.	Tourist Fund.	Revenue—Miscellaneous.	Treasury Trust—Unclaimed Moneys, &c.		
Head Office ..	\$..	\$ 146,832	\$ 302,068	\$ 637	\$ 176	\$ 449,713	\$ 443,547
Tourist Bureaux—							
Melbourne ..	1,254,698	1,222,311	..	..	..	2,477,009	2,571,780
Sydney ..	61,676	132,921	..	..	..	194,597	165,032
Adelaide ..	63,275	181,189	..	..	..	244,464	258,827
Brisbane ..	31,230	78,296	..	..	..	109,526	82,673
Ballarat ..	28,397	196,626	..	..	..	225,023	176,364
Bendigo ..	26,288	202,182	..	..	..	228,470	223,746
Geelong ..	33,293	169,671	..	..	..	202,964	183,287
Mildura ..	12,929	60,803	..	..	..	73,732	55,781
	1,511,786	2,390,831	302,068	637	176	4,205,498	4,161,037

The value of rail travel for which tickets were issued by the Tourist Bureaux 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.

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 :—

	1968-69.	1969-70.
	\$	\$
Public Works Administration—		
Salaries	3,781,555	4,191,463
Overtime and Penalty Rates	94,189	92,602
Travelling and Subsistence	211,840	203,677
Other Administrative Expenses	416,308	431,926
Total Administration	4,503,892	4,919,668
Works and Buildings—Maintenance, Repairs, &c.	1,150,000	1,299,991
Rents and Allowances	903,783	945,619
Other Services	993,430	973,519
	<u>7,551,105</u>	<u>8,138,797</u>
Ports and Harbors Administration—		
Salaries	286,444	361,303
Overtime and Penalty Rates	11,936	15,480
Travelling and Subsistence	39,218	43,343
Other Administrative Expenses	17,670	31,384
Total Administration	355,268	451,510
Wharves and Jetties—Maintenance, Repairs, &c.	106,322	106,500
Contribution to Portland Harbor Trust	616,000	649,800
Westernport—Operating Expenses	367,943	409,195
Other Services	118,924	130,472
	<u>1,564,457</u>	<u>1,747,477</u>
Total Public Works Department	9,115,562	9,886,274

Included in the item, Public Works—Other Administrative Expenses, \$431,926, is expenditure in respect of a firm of Management Consultants amounting to \$45,783 for fees, &c., covering Phases I and II of an approved project for the review and reorganization of this Department. Expenditure to 30th June, 1970, totalled \$94,455 against an estimate for the complete project of \$108,000.

Works financed from Loan Fund or from Trust or Special Funds and carried out under the supervision of the Department were subject to an oncost charge, approved by the Treasury, to cover the departmental expenses involved in the design, supervision and administration of the works. The approved rate was 11·51 per cent. but, in some instances, a lower rate was applied.

The use of this lower rate on specific schemes or, as is also the practice, the total exclusion from the oncost calculation of certain projects subject to outside consultants, tends to increase the range of fluctuation, from year to year, in the rate needed to recover, over the remaining works, the incurred costs. Recoups to Consolidated Revenue on the basis of these and other charges amounted to \$4,536,703. The comparable figure for 1968-69 was \$4,664,836 when the rate charged for design, supervision and administration was 12·92 per cent.

Expenditure from Loan Fund amounted to \$49,196,056, and from Trust and Special Funds \$10,912,786, a total of \$60,108,842, compared with a total of \$60,735,417 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.

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	4,753,410
Foreshore Protection, Wharves and Jetties	735,104
Dredging, Blasting and Navigational Aids	1,176,846
Vessels for Dredging	237,887
Works and Services—Westernport	699,473
Plant for departmental purposes	148,357

Public Offices (\$4,753,410).—Major items of expenditure were :—

	\$
State Offices Complex—Treasury Reserve	769,034
Public Offices—Horsham	347,117
Lands Department Depot—Maribyrnong	220,317
Acquisition of building—235–243 Queen Street	1,182,700
Public Service Board Computer	621,896

Works and Services—Westernport (\$699,473).—In terms of the *Westernport Development Act 1967*, Hematite Petroleum Pty. Ltd. and Esso Exploration and Production Australia Inc. were, at the cost of the State not exceeding \$3,500,000, to carry out preliminary investigations, jetty construction and dredging, at Westernport. An amount of \$460,663 was expended on dredging for this project during 1969–70, bringing the total expenditure on the project, at 30th June, 1970, to \$3,500,000.

The remainder of this item, \$238,810 was for :—

	\$
Navigational Aids	692
Reconstruction of Berthing Dolphin	209,010
Sea Bed Investigations and Harbor Facilities	29,108

Expenditure during the year on the replacement of the No. 1 berthing dolphin (B.P. Jetty), which was extensively damaged during the berthing of an 80,000 D.W.T. tanker, amounted to \$209,010, bringing the total cost of replacement to \$258,120. Liability under the State's insurance cover has been admitted and, to 30th June, 1970, the sum of \$227,399 has been recovered.

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 Technical Training, Advanced Education, &c.

In terms of the Commonwealth legislation, the Public Works Department incurred expenditure as under :—

	\$
(i) Technical Training and Equipment	2,980,204
(ii) Advanced Education	448,654
(iii) Science Laboratories and Equipment	2,112,747
(iv) Teachers' Colleges	2,299,799
(v) Secondary School Libraries	821,324
	8,662,728

Particulars of total expenditure from the above accounts are shown in Part V.

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 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.

As at 30th June, 1970, the position of this Account was :—

	\$
Cash funds available—held by Treasury	317,862
Value of stores on hand	293,317
Issues pending recoupment	36,653
	647,832
Funds made available by Treasury	647,832
Amount retained by Treasury to meet expenses, &c.	2,168
	650,000
Amount authorized by Legislation	650,000

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, 1970, the net balance of the Fund was \$530,357.

Agency Trust Funds.

Expenditure on projects from this source amounted to \$814,833. Major works carried out by the Department as agent included projects for :—

	\$
Milk Board	43,439
Buchan " Fairy " Caves	26,150
High School Assembly Halls	199,160
Technical School Assembly Halls.. .. .	117,994

RAILWAYS AND STATE COAL MINE.

Railways.

In the year under review, railway operating expenses exceeded railway income by \$20,998,227.

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 1969-70 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. 5 appended to this Report and, for the purpose of ready reference, revenue receipts and expenditure are summarized hereunder :—

						\$	\$
Working Expenses, &c.	..	..	..	..	..		112,587,317
Renewals and Replacements Fund	..	..	..	..	..		400,000
Pension Contributions	..	..	..	..	..		5,724,242
Interest, Sinking Fund and Exchange	..	..	..	..	..		7,491,144
Total Expenditure	..	..	..	..	..		126,202,703
This was provided by—							
Ordinary Income	..	..	..	..	..		104,709,647
Payments by Treasury—							
For country freight charge concessions	..	..	..	..	..	286,000	
For fares concessions to pensioners	..	..	..	..	..	200,000	
For loss on Kerang-Koondrook line	..	..	..	..	..	8,829	
						494,829	
Total Income..	..	..	..	..	..		105,204,476
Deficit charged to Consolidated Revenue	..	..	..	..	..		20,998,227
							126,202,703

Railway records show a deficit of \$21,083,603. 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 on a cash basis. 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 Accounts	..	..	..	..	..		20,998,227
Reduction during year in Sundry Debtors	...	...	..	..	..		85,376
Deficit, as shown in Railway Accounts	..	..	..	..	..		21,083,603

Railway operating expenses, including working expenses, pension contributions, and debt charges as defined in the Railways Act, amounted to \$126,202,703. This sum exceeded the Budget estimate by \$3,581,609 and, on a comparable basis, was in excess of the previous year by \$8,243,592.

Working Expenses, &c.

Depreciation.—The depreciation for 1969–70 was assessed at \$7,756,106, but only \$560,171 was charged against working expenses. The latter sum, plus \$1,124,053 received for the year from sales of materials, &c., was expended on renewals and replacements.

For 1969–70, depreciation assessed but not provided for by charges against the Revenue Account amounted to \$7,195,935. The accumulated sum of depreciation under provided in the Railways accounts amounted to \$87,979,849 as at 30th June, 1970.

However, renewals and replacements provided over the years from the sales of materials totalled \$7,677,227 to 30th June, 1970. In addition, during the period 1950–51 to 1963–64, loan allocations amounting to \$119,193,184 were specifically applied to replacement (rehabilitation) works.

Accrued Leave.—Accrued leave decreased by 45,949 days in 1969–70 and the estimated liability decreased from \$5,068,532 as at 30th June, 1969 to \$5,024,088 as at 30th June, 1970. 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.

Violet Town Collision.—In connexion with the collision between the Southern Aurora and a goods train near Violet Town on 7th February, 1969, working expenses were charged during the year with further amounts totalling \$15,000 for repairs, &c. bringing total chargings to \$122,000 at 30th June, 1970.

Claims paid during the year amounted to \$79,609 for loss of life, medical expenses, luggage and goods which brings the total of claims paid from the Railway Accident and Fire Insurance Fund in respect of this collision to \$160,546 at 30th June, 1970.

Other claims, including claims in respect of loss of life, are pending.

Costs related to the restoration and replacement of rolling stock are being charged against loan funds. In connexion with a contract for the rebuilding of two locomotives for \$480,000 plus insurance, &c., expenditure amounting to \$489,387 was incurred during 1969–70. Payments totalling \$253,085 were also made during the year under a contract for \$935,000 for the construction of new carriages.

Management Consultants.

During 1969–70, management consultants were engaged to examine the administrative structure of the Railways Department. Fees amounting to \$10,500 were paid during the year and charged to Working Expenses.

Railway Renewals and Replacements Fund.

Section 115 of the *Railways Act* 1958 requires that there shall be paid annually into the Fund the sum of \$400,000, any other amounts provided by Parliament, and the net proceeds from the sale or disposal of certain materials.

A summary of the transactions for 1969–70 is set out hereunder :—

	\$
Special Appropriation—Act No. 6355	400,000
Depreciation on rail motors and road motors, &c.	160,171
Sales of materials &c.	1,124,053
	<hr/>
	1,684,224
Less Expenditure on renewals and replacements	1,684,224
	<hr/>
Balance at 30th June, 1970	Nil
	<hr/>

Interest, Sinking Fund and Exchange.

Under current legislation, the Railways Commissioners are charged with 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 \$105,204,476 which was \$3,002,476 greater than the Budget estimate and \$4,875,959 more than the result for 1968–69.

The following dissection of earnings, on an accrual basis, illustrates variations under the principal heads in the past two years :—

	1968-69.	1969-70.
	\$	\$
Passengers	30,452,230	31,695,797
Parcels, &c.	2,915,958	3,031,087
Mails	1,097,608	1,087,825
Miscellaneous	234,940	104,069
Goods and livestock, &c.	58,527,854	61,766,036
Rents and general miscellaneous	2,511,049	2,556,719
Dining car and refreshment rooms services	3,467,119	3,460,945
Advertising	233,777	246,088
Bookstalls	1,061,209	1,096,189
Road motor services	62,378	65,516
	<hr/>	<hr/>
	100,564,122	105,110,271
	<hr/>	<hr/>

LOAN EXPENDITURE.

The following statement summarizes expenditure under Railway Loan Application Acts for the past two years :—

	1968-69.	1969-70.
	\$	\$
Way and Works	10,679,956	9,848,034
Rolling-stock, Equipment, &c.	5,813,574	6,091,069
Construction of new lines &c.	332,866	90,390
	<hr/>	<hr/>
	16,826,396	16,029,493
	<hr/>	<hr/>

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 1969* a sum of \$50,000. Under this and prior authorities, sums amounting to \$447,646 had been expended up to and inclusive of 30th June, 1970.

Melbourne Yard Rearrangement.—Expenditure during the year amounted to \$3,380,420 bringing the total recorded to date to \$12,967,364. The year's expenditure included a sum of \$7,800 as fees to retired railways officers engaged as consultants on the project.

Boom Barriers.—A special three-year programme, operative as from 1st July, 1968, was authorized for the installation of boom barriers at level crossings on an annual priority basis. The Commissioners were nominated as the constructing authority with costs to be shared on the following basis :—

Loan Fund	33½
Municipalities	33½
Level Crossings Fund	23½
Railways (from Loan allocation)	10

Expenditure from Loan Fund was \$130,960 for the year and totalled \$205,665 to 30th June, 1970. This latter amount, together with expenditure by the Commissioners from the Level Crossings Fund and the Railways Loan allocation, is included in the balance-sheet as part of the total expenditure on capital works.

BALANCE-SHEET.

An abridged statement of the balances in the Railway accounts as at 30th June, 1969 and 1970 is as under :—

	1969.	1970.
	\$	\$
Rolling-stock, Plant, &c., at cost less depreciation provided ..	449,274,177	466,370,882
Stores and Materials	8,448,104	8,648,347
Partly-manufactured Articles	810,737	753,424
Refreshment Services, Stock and Equipment less provision for losses	736,033	744,048
Discounts and Expenses on Loans	6,938,928	7,159,328
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	5,797,517	6,126,579
Railways Stores Suspense Account	1,827,937	1,079,931
Railways Repayment Account	15,412	6,541
Advances to Agent-General	44,935	16,372
Trust Securities	4,125,877	4,076,015
Cash at Stations and in Transit	458,450	436,260
Cash Advances	2,619,115	2,466,310
Revenue Debtors	5,008,009	4,937,673
Sundry Debtors	1,244,159	2,124,298
Accumulated Loss	171,638,984	192,722,587
	<u>660,238,374</u>	<u>698,918,595</u>
	1969.	1970.
	\$	\$
Loan Liability*	356,136,170	368,159,426
Funds for—		
Uniform Railway Gauge Works	30,825,136	30,729,299
Level Crossings Fund—Act No. 6229	6,801,361	7,833,933
Commonwealth Grant—Drought Relief	647,111	647,111
Boom Barriers	74,704	205,665
Special Works—Commonwealth Grant	1,172,000	1,172,000
Other Special Purposes	11,903,129	11,903,129
National Debt Sinking Fund Reserve	57,972,374	62,080,117
Uniform Railway Gauge Reserve	774,864	870,701
Railway Accident and Fire Insurance Reserve	200,000	200,000
Advances from the Public Account	2,501,279	3,151,975
Sundry Creditors	10,595,200	10,390,699
Trust Securities	4,141,290	4,082,556
Consolidated Revenue, &c.	176,493,756	197,491,984
	<u>660,238,374</u>	<u>698,918,595</u>

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

Discounts and Expenses on Loans.

The amount, \$7,159,328, at which these capitalized costs of loan flotations appear above, is higher than the previous year by \$220,400. 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 \$1,812,761 charged against working expenses to meet the following expenditure in 1969-70. The expenditure in 1968-69 is also shown :—

	1968-69.	1969-70.
	\$	\$
Damages recovered by non-employees at law	17,724	142,801
Damages paid to non-employees without legal action	63,116	39,712
Compensation for injuries to employees	1,123,562	1,052,068
Compensation for goods lost or damaged	353,766	431,488
Compensation for losses by fires caused by railway operations ..	78,330	1,479
Losses by fire to railway property	479,325	145,213
	<u>2,115,823</u>	<u>1,812,761</u>

Railway Charges in Suspense Account.

This account, established in 1929, operates as a holding account to enable expenditure to be reimbursed by the Treasury prior to the analysis of detailed costs.

As at 30th June, 1970, there was a credit balance of \$6,126,579 consisting in the main of liabilities incurred and charged against Treasury accounts by journal entry, but not yet paid by the Department. Details are :—

Credits—							\$
Salaries and Wages accrued .. .. .	..	..	..	..	..	..	4,329,120
Taxation Deductions, &c. .. .. .	..	..	..	..	..	..	957,002
Sundry Creditors for various services .. .. .	..	..	..	..	..	..	1,246,480
Revenue rebates and refunds due .. .. .	..	..	..	..	..	..	968,154
Amounts received in advance for works .. .. .	..	..	..	..	..	..	260,097
							<u>7,760,853</u>
Debits—							\$
Expenditure on works for other bodies, &c. .. .. .	..	..	..	..	..	..	1,491,223
Sundry Debtors for sales and services .. .. .	..	..	..	..	..	..	125,143
							<u>1,616,366</u>
							6,144,487
Less—Amount transferred to Income .. .. .	..	..	..	..	..	..	17,908
							<u>6,126,579</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, 1970, 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 .. .. .	..	..	..	..	..	..	8,648,347
Less Creditors for stores purchased .. .. .	..	..	..	..	..	..	1,231,988
							<u>7,416,359</u>
Railways equity in the stock .. .. .	..	..	..	..	..	..	491,611
Stores sold and proceeds not collected .. .. .	..	..	..	..	..	..	12,099
Advances to the Agent-General, London .. .. .	..	..	..	..	..	..	<u>7,920,069</u>
							1,079,931
Balance held at Treasury .. .. .	..	..	..	..	..	..	<u>9,000,000</u>

The item, Stock on hand, \$8,648,347, represents stock financed from the Suspense Account pending issues for works or purposes the expenditure on which is chargeable to Parliamentary appropriations.

The application of electronic data processing to the inventory records was continued during the year. As at 30th June, 1970, the records of all major storehouses were being processed by a leased computer. Operation of the system revealed some practical weaknesses which are still in the course of being remedied. Consequently, the values placed on a number of stores items at 30th June, 1970, will require adjustment.

The balance held at the Treasury includes an amount of \$203,672 representing credits to the Stores Suspense Account in anticipation of future issues of stores.

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 in this Account 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 on reduction of values of stores	..	..	..	..	7,529	..
Costing adjustments—manufactured items	..	..	..	..	7,492	..
Losses on sales of safety footwear	..	..	..	..	12,340	..
Sales of materials—profits	..	..	..	..	..	21,294
Amount charged to Working Expenses (Net)	..	..	..	..	—	6,067
Adjustments—Stores invoices	..	..	..	..	25,162	..
Balance carried forward	..	..	..	..	..	25,162
					<u>52,523</u>	<u>52,523</u>

Debtors.

The amounts outstanding at 30th June, 1969 and 1970, are shown :—

					1969.	1970.
					\$	\$
Revenue services rendered	..	..	..	..	5,008,009	4,937,673
Works	..	..	..	..	928,223	1,491,223
Sales of general stores	..	..	..	..	133,087	491,034
Sundry sales and services	..	..	..	..	150,554	125,143
Sales of land	..	..	..	..	32,295	16,898
					<u>6,252,168</u>	<u>7,061,971</u>

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 “works calculated to improve the flow of traffic across or to reduce the danger at level crossings”. The relevant legislation—Section 115 of the *Country Roads Act 1958*—does not exempt the Commissioners “from any liability to pay for any such works in so far as moneys are not applied thereto from the said fund”.

The amount expended by the Commissioners from the Fund, including \$1,032,572 in the year 1969–70, was \$7,833,933 to 30th June, 1970. This latter amount is included in the balance-sheet as part of the total expenditure on capital works.

Sundry Creditors.

A classification under broad headings at 30th June, 1969 and 1970, is shown :—

					1969.	1970.
					\$	\$
Stores purchased for railways	..	..	..	..	1,440,023	1,231,988
Stores purchased for refreshment services	..	..	..	..	145,057	177,139
Salaries and wages accrued	..	..	..	..	3,758,317	4,329,120
Income Tax Commissioner, &c.	..	..	..	..	824,692	957,002
Accounts for various services	..	..	..	..	1,257,179	1,246,480
Revenue rebates and refunds	..	..	..	..	733,330	968,154
Payments in advance for works	..	..	..	..	310,023	260,097
Payments in advance for revenue services, &c.	..	..	..	..	611,687	604,537
Cash accounts overdrawn	..	..	..	..	1,514,892	616,182
					<u>10,595,200</u>	<u>10,390,699</u>

The item, “Salaries and wages accrued”, largely comprises pay accrued from 14th to 30th June, 1970.

State Coal Mine—Wonthaggi.

The *State Coal Mines (Winding Up) Act 1968* made provision for the closing of the State Coal Mine at Wonthaggi as on and from 1st January, 1969, and for the disposal of the property used for coal mine purposes. Operations at Wonthaggi finally ceased on 21st March, 1969.

In accordance with the provisions of the above Act, the Coal Mines Depreciation Fund has continued to be maintained in the Treasury to enable payments to be made of costs and expenses in relation to the mine closure and to receive the net proceeds from the sale or disposal of assets, &c., used for coal mine purposes.

STATEMENT OF BALANCES.

A statement of the State Coal Mine balances as at 30th June, 1970, extracted from the relevant records, is set out hereunder :—

	\$
Realization Account	510,863
Discount and Expenses on Loans	1,282
Sundry Debtors	15,728
Cash on hand	17,848
Accumulated Loss	11,746,994
	12,292,715
National Recovery Loan (non-interest bearing)	49,000
Depreciation Fund Interest Reserve	237,831
Sinking Fund	708,000
Advances from Consolidated Revenue	11,297,884
	12,292,715

Accounts for the realization of mine property and the formal closing of the accounting records are still in course of finalization.

Cash.

At 30th June, 1970, cash at credit of the Coal Mines Depreciation Fund account at the Treasury was \$17,848.

Sundry Creditors.

At 30th June, 1970, an amount of \$85,275 was still unpaid, being a premium payable under Employers' Indemnity Insurance (Workers Compensation) up to the date of the mine closure.

This amount is not included in the above statement of balances.

Sundry Debtors.

Included in the sum of \$15,728 outstanding at 30th June, 1970, are several accounts where collection of the amounts owing appears doubtful.

Consultant's Fees.

Fees amounting to \$650 were paid to the former general manager of the mine for services rendered as a consultant for the sale of surplus material and for other duties.

STATE RIVERS AND WATER SUPPLY COMMISSION.

The State Rivers and Water Supply Commission, in its function of administering 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. It is also a constructing authority for the carrying out of works for the River Murray Commission.

In addition, pursuant to the provisions of the *State Rivers and Water Supply Commission (Special Projects) Act 1969*, the Commission, with the consent of the Governor in Council, may enter into an agreement with any government or developmental agency, including any specialized agency of the United Nations Organization, to carry out developmental works in any country, State or Territory outside Victoria.

CASH SUMMARY.

Details of the cost to the State in connexion with Country Water Supply are set out in Statement No. 6 appended to this Report. A summary prepared on a cash basis for the period 1967-70 is given in the table hereunder :—

—	Receipts, Including Recoups.	Expenditure.			Cash Deficit.	Loan Expenditure.
		General.	Debt Charges.	Total.		
	\$	\$	\$	\$	\$	\$
1967-68	13,812,341	11,235,522	17,905,928	29,141,450	15,329,109	16,954,634
1968-69	14,245,602	11,561,797	18,901,443	30,463,240	16,217,638	18,096,803
1969-70	15,012,975	12,815,198	20,042,364	32,857,562	17,844,587	18,283,504

As the summary indicates, there was, in 1969-70, an increase in expenditure of \$2,394,322 (including an increase of \$1,140,921 in debt charges) offset by an increase in revenue of \$767,373. Thus the net increase in the cash deficit between 1968-69 and 1969-70 was \$1,626,949.

REVENUE.

A summary of the revenue from rates and charges for the supply of water for the period 1967-70, 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.		
	\$	\$	\$	\$	\$
1967-68	2,256,660	7,142,905	10,697,688	9,497,238	1,200,450
1968-69	2,360,559	7,414,075	10,975,084	9,594,000	1,381,084
1969-70	2,876,422	7,565,451	11,822,956	10,260,147	*1,562,809

* Subject to adjustment in 1970-71.

Variation in rates had little effect on revenue compared with the previous year. The Camperdown Urban district was taken over by the Town of Camperdown as from 1st July, 1969. The resultant decrease in urban assessment for 1969-70 was offset by increases in the assessment of other urban districts.

During 1969-70, sales of water increased by \$515,863 and this accounted for a large portion of the increase of \$181,725 in arrears at 30th June, 1970.

The following statement of the percentage of total current assessment received during the year indicated the degree of effectiveness of district collections compared with the previous year. Sundry Head Office collections are excluded.

	1968-69.	1969-70.
	%	%
Coliban Districts	87	89
Irrigation Districts	89	89
Waterworks Districts	92	89
Urban Districts	82	81
Flood Protection Districts	93	89

A dissection of the total collectable sum and the amount thereof owing at 30th June, 1970, is given in the statement hereunder :—

	Total Collectable Sum.	Arrears 30.6.70.
	\$	\$
Coliban Districts	805,750	84,712
Irrigation Districts	5,826,292	646,966
Waterworks Districts	1,685,947	174,990
Urban Districts	2,888,341	584,129
Flood Protection Districts	104,386	14,864
Sundries	512,240	57,148
	<u>11,822,956</u>	<u>1,562,809</u>

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

These recoups were obtained as follows :—

	1967-68.	1968-69.	1969-70.
	\$	\$	\$
From Oncost—			
On loan expenditure at 10 per cent. on \$10,584,351 in 1967-68 ; at 10 per cent. on \$10,088,269 in 1968-69 ; and at 10 per cent. on \$10,250,276 in 1969-70 ..	1,058,435	1,008,828	1,025,029
At various rates (1 to 6 per cent.) on loan expenditure : \$1,033,878 in 1967-68 ; \$1,629,767 in 1968-69 ; and \$2,012,725 in 1969-70	57,099	82,845	88,209
On other funds	199,172	175,284	239,905
From Repayments on account of works temporarily financed from Consolidated Revenue	267,794	291,757	295,907
From Salary recoups—River Murray Commission and other funds	1,184,836	1,212,360	1,376,414
	<u>2,767,336</u>	<u>2,771,074</u>	<u>3,025,464</u>

EXPENDITURE.

Included in the departmental payments from revenue and loan in 1969-70 is expenditure estimated to have amounted to \$435,885 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 \$162,800 in terms of the *States Grants (Water Resources Measurement) Act 1967*.

Also included in the loan expenditure for the year 1969-70 is a sum of \$13,363,809 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 ..	3,833,532
Lake Mokoan Diversion weir on Broken River, channel to the Winton Swamp, and construction of storage reservoir at that site, on Hollands Creek ..	3,559,989
Mornington Peninsula System The extension of pipelines and reticulation ..	1,944,627

In addition to that shown above, expenditure was incurred on works financed by the Commonwealth as follows :—

	\$
<i>Victoria Grant (River Murray Salinity) Act 1968</i>	185,399
<i>Victoria Grant (King River Dam) Act 1969</i>	1,287,164

OTHER FUNDS AND ACCOUNTS.

Irrigation Districts Maintenance Equalization and Renewals Account.

The main purpose of this Account is to provide moneys to defray 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 Act 1958*, 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 1969-70, the necessary sum, \$624,296, was provided from Loan Fund.

Stores Suspense Account.

Up to and inclusive of 30th June, 1970, 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, 1970, the balance at credit of the Water Supply Stores Suspense Account is shown as \$527,043. This amount is represented in the Commission's accounts by :—

	\$
Balance available for purchases of stores, &c.	349,991
Plus Credit Balances of Hire Plant Accounts	177,052
Balance—Water Supply Stores Suspense Account	<u>527,043</u>

The balances of Hire Plant Accounts, which can fluctuate from year to year, result from credits from plant hire charges made against works expenditure authorities, together with amounts from Plant and Machinery Adjustment Account which are cleared within each financial year.

According to Commission records, the book values of plant, tools and general stores at 30th June, 1970, were :—

	Plant. \$	Tools and Stores. \$
At Construction Works	202,243	374,904
Stores Suspense Accounts (Depots)	233,735	1,620,926
At Central Plant Workshops (Suspense Accounts)	38,092	228,568
At Central Plant Workshops pending transfer or disposal.. .. .	45,742	107,189

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.

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 \$203,063. The capital liability at 30th June, 1970, in respect of this class of plant and machinery was \$3,903,795.

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, 1970, the balance in the Fund for the replacement of hire plant and machinery was \$1,952,108.

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 1969-70 was \$476,430. However, in recent years, no payment has been made to the Fund and, at 30th June, 1970, no balance was held in the Fund. At the same date, the balance of the Account was \$6,010,455.

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 1969-70 on these works amounting to \$437,904.

In 1969-70, under the authority of Water Supply Loan Application Acts Nos. 7743 and 7908, Victoria contributed \$300,500 for the construction of works, bringing the State's total contribution for construction as at 30th June, 1970, to \$13,898,115. The contribution from Consolidated Revenue for maintenance and administrative expenses amounted to \$250,000.

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 \$487,671 and expenditure, including refunds of contributions, amounted to \$496,719. The balance in the Account at the close of the year was \$409,407.

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 from loans raised under the provisions of the Act. In terms of the Water Act, interest in excess of 3 per cent. on loans raised by the Trusts is recouped by the State. Expenditure under this heading for the year was \$83,232.

In 1969-70, advances to various Trusts by the State amounted to \$2,707,976. Repayments on account of advances amounted to \$124,487, and certain Trusts were relieved of liability to the extent of \$1,192,343. This sum, by direction of the Governor in Council, is to be borne by the State. The net increase during the year in the Trusts' indebtedness for State loans was \$1,391,146.

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. In 1969-70, five Waterworks Trust were so assisted and the amount involved was \$5,670.

River Improvement Trusts.

To 30th June, 1970, twenty-five 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 loans raised by the Trusts is recouped by the State. The amount provided by the State in 1969-70 for this purpose was \$2,435.

Advances by the State in 1969-70 totalled \$501,331. Repayments in respect of advances amounted to \$2,624 and certain Trusts were relieved of liability to the extent of \$412,846 which the Governor in Council directed be borne by the State, so that the net increase in the Trusts' indebtedness for State loans was \$85,861.

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 \$1,480,111.

Advances by the State in 1969-70 totalled \$800,000. Repayments in respect of advances amounted to \$23,253 and certain Authorities were relieved of liability to the extent of \$1,120,581 which the Governor in Council directed be borne by the State, so that the net decrease in the Authorities' indebtedness for State loans was \$343,834.

In addition, the State advanced \$150,000 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.

Rates and miscellaneous charges levied in 1969-70 totalled \$13,232 of which \$12,039 or 91 per cent. was paid during the year. Costs chargeable to the district amounted to \$11,415 plus depreciation, \$1,996. During the year, this amount of \$1,996 was transferred from Consolidated Revenue to the Eildon Sewerage District Depreciation Fund. At 30th June, 1970, the balance of the Fund was \$17,371.

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, 1970, was \$706,011.

TRANSPORT REGULATION FUND.

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

1968-69.		1969-70.
\$		\$ \$
	<i>Receipts.</i>	
258,033	Balance of Transport Regulation Fund at 1st July	605,780
772,246	Licence Fees and Additional Fees on Licences	796,539
94,942	Licence Transfer Fees	98,107
892,271	Permits—Goods and Passenger	932,905
17,833	Drivers' Certificates	22,143
10,184	Metropolitan Omnibus Registration Fees	10,204
264,324	Fines	269,801
24,325	Miscellaneous Receipts	25,995
		<hr style="width: 100%;"/>
2,334,158		2,155,694
		<hr style="width: 100%;"/>
	<i>Payments.</i>	
1,635,536	Salaries and Overtime (Including Pay-roll Tax, &c.)	1,939,472
431,203	Other Administrative Expenses	445,287
55,361	Payment for Police Services .. .. .	..
7,608	Contributions towards Bus Shelters, Comfort Stations, Information Centre, &c.	24,547
45,708	Amounts distributed to Municipalities	43,011
31,281	Capital Expenditure	109,292
		<hr style="width: 100%;"/>
2,206,697		2,561,609
	<i>Less—Recoups—</i>	
		\$
33,464	Costs of Collection—Motor Boat Registrations	35,641
	Road Charges (Commercial Goods Vehicles Act)	470,505
434,855		
10,000	Sale of Building and Furniture — Exhibition Office .. .. .	..
		<hr style="width: 100%;"/>
1,728,378		506,146
		<hr style="width: 100%;"/>
605,780	Balance of Fund at 30th June	706,011
		<hr style="width: 100%;"/>

Included in the capital expenditure of \$109,292 is an amount of \$98,388 for the acquisition of land at various locations in the metropolitan area for the purpose of building vehicle inspection centres.

No payments were made during the year for police services as the accounts were not received by the Board from the Victoria Police. At 30th June, 1970, the amount due was approximately \$39,000.

Road Charges.—Part II. of the *Commercial Goods Vehicles Act* 1958 requires the owners of commercial goods vehicles with a load capacity in excess of four tons 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 1969–70 was \$8,555,278 compared with \$7,841,757 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 1969–70 amounted to \$253,902. The costs of collection and administration were recouped to the extent of \$35,641.

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, 1970, 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	50,000	50,000
Bendigo City Council	20,000	20,000
Olympic Park Committee of Management	220,000	170,000
Royal Agricultural Society of Victoria	1,040,000	599,110

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

Set out below are details, as at 30th June, 1970, of cases where guarantees have been given by the Treasurer under the authority of statute and where there is a contingent liability. This statement does not include instances where Parliament has included in legislation a Government guarantee of borrowings of Government instrumentalities and other bodies.

	Guarantee.	Contingent Liability.
	\$	\$
Co-operative Housing Societies	193,077,000	105,878,004
Co-operative Housing Societies .. .. .	..	*104,641,553
Co-operative Societies	7,951,815	3,205,179
Home Finance Trust	27,476,441	23,275,702
Melbourne Cricket Club	2,550,000	2,518,513
Trustees of the Sisters of Charity of Australia	2,125,000	2,125,000
Victorian Inland Meat Authority	300,000	300,000

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

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, 1970, 824 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. Such an agreement may be entered into only in respect of advances which do not exceed amounts specified in the Act. At 30th June, 1970, there were 2,773 indemnities in force, the contingent liability in respect of which was \$1,410,670.

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, 1970, 465 guarantees to the extent of \$7,951,815 had been given in relation to the borrowings of a number of societies, and the contingent liability under the guarantees amounted to \$3,205,179.

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 the Auditor-General, 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, 252 guarantees amounting to \$426,441 in respect of loans beyond the specified maxima, and 129 guarantees totalling \$27,050,000 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 381 guarantees was \$23,275,702. 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, 1970, eleven guarantees amounting to \$2,550,000 had been given.

The *St. Vincent's Private Hospital (Guarantees) Act* 1969 authorizes the Treasurer to guarantee the repayment of loans made to the Trustees of the Sisters of Charity of Australia to build a private hospital on the site formerly occupied by Mt. St. Evin's Hospital provided that the total liability under the guarantees does not, in the aggregate, exceed the amount of \$4,500,000. Up to and inclusive of 30th June, 1970, five guarantees amounting to \$2,125,000 had been given.

The *Cabrini Private Hospital (Guarantees) Act* 1970 authorizes the Treasurer to guarantee the repayment of loans made to The Cabrini Property Association to build and equip extensions to the St. Francis Xavier Cabrini Hospital provided that the total liability under the guarantees does not, in the aggregate, exceed the amount of \$750,000. Up to and inclusive of 30th June, 1970, no such guarantee 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, 1970, 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 two financial years in respect of the major State activities.

	1969.	1970.
	\$	\$
Railways and State Coal Mine	4,872,687	4,769,396
Taxation—		
Income	906	906
Unemployment Relief	342	342
Land	785,840	1,701,027
Probate Duty	2,950,303	2,775,757
Water Supply	1,381,084	1,562,809
Lands Department	468,721	442,298
Rural Finance and Settlement Commission	657,882	538,134
Forests Commission	739,667	594,196
Government Printer (excluding amounts due from State Departments) ..	186,940	166,896
Other Departments	151,805	155,532
Trading Activities—		
Victoria Dock Cool Stores	159,143	162,253
Miscellaneous	268,201	490,393
	12,623,521	13,359,939

The arrears of Probate Duty and Land Tax for 1970 do not include amounts of \$3,191,780 and \$426,497, respectively, which represent assessments issued during June, but not due and payable until after 30th June.

Land Tax in arrears as at 30th June, 1970, as disclosed in the preceding statement, is composed of amounts due in respect of several assessment years. Relevant details are:—

	\$
1966 and prior years	65,510
1967	796
1968	2,014
1969	21,899
1970	1,610,808
	<u>1,701,027</u>

Collections during July, 1970, reduced these arrears by \$957,750.

Miscellaneous, \$490,393, represents cash in transit to the Treasury from various departmental branches throughout the State as at the close of the year 1969-70 and includes—from the City Court, \$23,809; the Marine Board, \$19,615; the Companies Registration Office, \$12,058; the Public Trustee, \$69,132; the Motor Registration Branch, \$44,018; and the Stamps Office, \$158,729.

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, \$557,267. To 30th June, 1970, repayments on account of these advances amounted to \$463,594 and \$144,566 respectively. Further references to these Funds are made under appropriate headings in this Report.

Set out below is a summary of advances made during the last two years by means of special items in Loan Application Acts or from Treasurer's Advance.

	1968-69.	1969-70.
	\$	\$
Corporations and other Bodies	2,213,220	1,457,988
Settlers	1,947	101
Various	262,071	144,396
	<u>2,477,238</u>	<u>1,602,485</u>

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, 1970, instalments of redemption and interest charges due and unpaid amounted to \$159,927. 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, 1970.			Overdue at 30th June, 1970.				
	Loan.	Revenue.	Total.	Redemption.			Interest.	Total.
				Loan.	Revenue.	Total.		
	\$	\$	\$	\$	\$	\$	\$	\$
Municipalities	2,543,718	..	2,543,718	..	..	..	..	..
Corporations and other bodies	41,368,621	..	41,368,621	13,869	..	13,869	75,978	89,847
Unemployment Relief Advances	157,362	..	157,362	31,471	..	31,471	..	31,471
Advances to Settlers	11,209	..	11,209	5,203	..	5,203	1,673	6,876
Various	1,977,640	509	1,978,149	23,079	509	23,588	8,145	31,733
Total	46,058,550	509	46,059,059	73,622	509	74,131	85,796	159,927

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 \$8,637,132. According to the Treasurer's accounts, the sum still to be repaid by the municipalities concerned, as at 30th June, 1970, was \$2,543,718.

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 \$10,531,029 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 \$6,465,628.

Sewerage Authorities.—Advances of \$9,677,963 have been made from loan for capital works of country sewerage authorities, but \$6,352,304 of this amount has been transferred to the Capital Expenditure Borne by the State Account. Repayments amount to \$444,315 and the balance of liability at 30th June was \$2,881,344.

Mildura Trusts.—Loan advances to the First Mildura Irrigation Trust and the Mildura Urban Water Trust amount to \$5,084,580 of which there has been repaid \$156,950. Liability to the extent of \$3,575,393 has been transferred to the State and \$36,831 has been written off, leaving the balance of advances at 30th June, \$1,315,406.

Waterworks Trusts.—Of advances of \$41,719,326 from loan and \$67,249 from revenue, \$28,199,577 was still to be repaid at 30th June. At the same date, 28 trusts between them owed \$71,627 for redemption and interest charges. Further reference is made to waterworks trusts in the section relating to the 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 \$6,474,258, but liability to the extent of \$5,511,517 has been borne by the State. Further reference is made to these trusts in the section relating to the 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 \$157,362 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 unsatisfied at 30th June, 1970.

Date.	Department, &c.	Amount.	Disallowance or Surcharge.	Particulars.
		\$		
27.2.70	Health—Mental Hygiene Branch	184.40	Surcharge ..	Deficiency of trust moneys, Lakeside Hospital, Ballarat. Amount since recovered in full.
25.3.70	Chief Secretary—Social Welfare Branch	2,489.74	Surcharge ..	Failure to account for moneys received at Pentridge Prison. Amount since recovered in full.
11.5.70	Chief Secretary—Motor Registration Branch	50,507.04	Surcharge ..	Failure to account for moneys received.

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 the public moneys spent 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 respect of moneys disbursed from the Public Account in 1969-70, the Treasurer has not been acquitted to the extent of \$5,434,270 which includes an amount of \$2,716,509, being advances to Departments, &c., not adjusted prior to 30th June, 1970.

Defalcations and Irregularities.

As required by Section 47 of the *Audit Act* 1958, particulars 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 are shown hereunder :—

CHIEF SECRETARY'S DEPARTMENT.

Police Department.

City Morgue.—Cash, \$7.90, and property on a body taken to the City Morgue could not be located when the property was to be handed over. Police inquiries were inconclusive.

Preston East Police Station.—Two instances of breaking and entering occurred at this Police Station and property to the value of \$1,302.60 was stolen. Police inquiries failed to establish responsibility for the theft.

Springvale Motor Registration Office.—There was a shortage of \$109.10 in the collections at this office on 15th July, 1969. Police inquiries proved inconclusive and the shortage was met from funds provided by the Treasury.

Social Welfare Branch.

Pentridge Prison.—A total of \$2,489.74 was not properly accounted for in the Bails and Fines Account. Criminal proceedings have been instituted against a former prison officer and a notice of surcharge under Section 36 of the *Audit Act* 1958 for the amount involved has been served on the same person.

State Accident Insurance Office.

False petty cash vouchers were used to obtain payment of amounts totalling \$97.10. Criminal proceedings against an officer are in course. Full restitution has been made.

EDUCATION DEPARTMENT.

Primary Schools.—Irregularities were detected in the accounts at five primary schools. Police action was taken in each instance.

Technical College.—There was a shortage of \$35 in collections of the Gordon Institute of Technology for the period 3rd to 9th February, 1970. An investigation by the Institute could not establish responsibility for the shortage.

HEALTH DEPARTMENT.

Head Office.—An audit disclosed a deficiency of \$1,740.18 in the advance provided for salary payments. Proceedings were taken against one officer and another resigned. Except for \$80, for which responsibility could not, with certainty, be established, the advance has since been restored.

Gresswell Sanatorium.—Two members of the staff were charged with theft of stores and provisions. One was convicted and released on a \$100 good behaviour bond for two years and the other was placed on twelve months probation. The services of both were terminated.

Mental Hygiene Branch.

Lakeside Hospital.—A shortage of \$184.40 was discovered in the Patients' Trust Account. An officer of the Hospital was proceeded against and subsequently convicted and released on a bond. The amount was recovered in full following the issue of a notice of surcharge under Section 36 of the *Audit Act* 1958.

Royal Park Hospital.—Proceeds from the sale of meal tickets to a value of \$274.50 had not been brought to account at the time of audit. The officer responsible for the tickets subsequently accounted for the amount in full.

LAW DEPARTMENT.

Magistrates' Court, Brunswick.—A shortage of \$20 in collections occurred on 28th October, 1969. Police inquiries proved inconclusive and the loss to Consolidated Revenue was written off.

Public Trustee's Office.—A check of the petty cash advance showed a shortage of \$30.80. Responsibility for the shortage could not be established and the amount involved was restored by the officer in charge of the advance.

LOCAL GOVERNMENT DEPARTMENT.

A net shortage of \$15 occurred in collections of the Weights and Measures Branch. Individual responsibility for the shortage could not be established and restitution of the amount was made by branch staff.

MINISTRY OF TOURISM.

An amount of \$803 was misappropriated from the collections of the Geelong Tourist Bureau. Full restitution was made and criminal proceedings were taken against the officer responsible for the misappropriation.

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 \$950, \$413, \$316, \$135 and \$108, the cash and other deficiencies were comparatively small.

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

STATE ELECTRICITY COMMISSION.

Losses and thefts of cash, stores and materials during the year were investigated by officers of the Commission and referred to the police for inquiry. Where Commission personnel were involved and guilt was established, services were terminated. Cash losses and deficiencies were comparatively small except at Camperdown District Office where \$782 was stolen. This amount was recovered from the Commission's insurers.

Thefts of non-ferrous metals, mainly copper and copper conductor from erected lines, stores, depots and other field locations amounted to \$15,400. These losses were serious but less in value than in the previous year.

TREASURY.

Stamp Duties Office.—Amounts totalling \$13.28 were removed from envelopes in the mail. A female officer admitted responsibility for \$10 and made restitution of this amount.

LOSSES AND THEFTS OF STORES.

In the year under review, other instances of loss and theft of stores were reported. Particulars of these are furnished below :—

Department or Authority.	Location.	Items Lost or Stolen.	Value.	Remarks.
			\$	
Agriculture	Royal Agricultural Society Showgrounds	Portable Saw ..	49	} Reported to police. Insurance claimed where applicable
		Power Hand Saw ..	92	
	Fruit Fly Depot ..	Tools and Equipment	48	
	Head Office	Tape Writing Machine	11	
	Rosedale Field Station	Electric Motor, Tools and Equipment ..	300	
	Werribee Research Farm	500 Cartridges } 4 Knives } Water Fittings ..	38 153	
Country Roads Board ..	Altona	Tools and Equipment	70	} Police notified of thefts
	Omeo Highway ..	Tools and Equipment	250	
	Murray Valley Highway	Tools	329	
	Western Highway ..	3 Gas Cylinders ..	30	
	Bellarine Highway ..	7 Lamps and Road Sign	180	
	Ouyen	Tools	62	
	Harcourt	Tools and Fuel ..	45	
	Faraday	Chain Saw	192	
	Gisborne	Chain Saw	165	
Tambo Crossing ..	Chain Saw	192		
Education	Various Primary and Secondary Schools	Equipment of Schools..	16,221	Items stolen and /or damaged
Forests Commission ..	Newport	3 Down Pipes, Light Holder	18	} Police notified
	Various Country Centres	Tools and Equipment ..	789	
Melbourne and Metropolitan Board of Works	Various	Tools and Equipment..	12,087	Written off
Mental Health Authority..	Mont Park Hospital ..	2 Garden Seats, Clothing	60	} Investigated, Police informed of thefts
		Steam Iron	10	
	Plenty Hospital	4 Medical Instruments	40	
		Stereogram and Amplifier	100	
		Portable Drill	20	
	Larundel Hospital ..	4 Tools	10	
		Mantel Radio	10	
		Tarpaulin	20	
		2 Communication Units	50	
	Royal Park Hospital ..	7 Fire Extinguishers ..	35	
		Tools	27	
Pleasant View Hospital	2 Lamps	10		
	Electric Jug	5		
Ernest Jones Clinic ..	Portable Record Player	20		
	Radiogram	60		
Parkville Unit	2 Electric Sewing Machines	50		
Monash University	Anatomy Department ..	3 Microscopes	474	} Police notified. Insurance claimed
		Physics Department ..	2 Multimeters .. ..		116
	Zoology Department ..	Oscilloscope	100	
		Avometer	60	
		Stereo Microscope ..	300	
		2 Floor Polishers ..	300	
Central Services	Steam Cleaner	535		
Public Works	Port Melbourne General Store	10½ cwt. Copper Wire	588	} Police notified of thefts
		4 Car Tyres	88	
		Tools and Equipment	170	
	Queenscliff Buoy Depot	Minilube	25	
		Drum Pump	5	
	Flemington	2 Barrows	26	
		Tools	19	
	Warrnambool	Tools	19	
	Windsor State School	Painting Equipment ..	184	
	Ashwood State School	Painting Equipment ..	140	
	Research Laboratory ..	Electric Adding Machine	60	
		Electric Sewing Machine	89	
		Compressor	150	
2 Flashing Lamps ..		23		
Kyneton High School	Tools and Equipment ..	1,896		
Various Job Sites ..				
Rural Finance and Settlement Commission	Heytesbury	2 Tractor Batteries ..	10	Police notified
Social Welfare Branch ..	"Turana"	Tools	42	} Police informed
		2 Wheels	45	
State Rivers and Water Supply Commission	Various Country Centres and Works	Tools and Equipment	641	Written off

Acknowledgment.

On 23rd November, 1969, Mr. E. S. Knight retired from the office of Assistant Auditor-General after nearly forty-nine years of capable and valuable service in the Victorian Public Service, most of them as an officer of the Audit Office. Mr. Knight was succeeded as Assistant Auditor-General by Mr. Bruce Hamilton. To both of these officers, I express my thanks for their loyal and efficient support.

The heavy work load in the Audit Office and the continual growth in pressures created by the increasing number of audits and the expanding volume of business in individual audits imposed severe burdens on the limited staff of the Office during the year. I record my appreciation of the willing response of the staff to the demands made on them.

I also thank the officers of the Treasury and other Departments and the Government Printer for their ready co-operation.

A. J. A. GARDNER.

Auditor-General.

Melbourne, 11th November, 1970.

STATEMENT No. 1.

Comparison, on a monetary and proportional basis, of expenditure from Consolidated Revenue and Loan in 1969-70 with that in the previous year.
1968-69. 1969-70.

Revenue.		Loan.		Nature of Expenditure.	Revenue.		Loan.		Total.	
—	Percentage of Gross Revenue.	—	Percentage of Loan Funds Available.		—	Percentage of Gross Revenue.	—	Percentage of Loan Funds Available.	—	Percentage of Total.
\$	%	\$	%		\$	%	\$	%	\$	%
298,174,041	44.89	69,287,505	44.77	Social— Education, Health, Welfare, Payments to Hospitals and Charities Fund, &c. ..	339,897,977	46.76	74,236,981	45.19	414,134,958	46.47
141,675,607	21.33	..	..	*Debt Charges— Interest, Sinking Fund, Repayments, (including Housing and Soldier Settlement)	154,360,357	21.24	..	..	154,360,357	17.32
105,992,063	15.96	16,901,101	10.92	Railways— †Working Expenses and Loan Expenditure	113,099,338	15.56	16,160,453	9.84	129,259,791	14.50
5,451,189	.82	..	..	Pensions	5,724,242	.79	..	..	5,724,242	.64
32,410,882	4.88	32,103,373	20.75	Primary Production— Agriculture, Lands, Soldier Settlement, Forests, Country Water Supply, &c. ..	36,027,967	4.96	28,935,029	17.61	64,962,996	7.29
36,086,265	5.44	4,858,062	3.14	Law and Order— Law, Police, Prisons, &c. ..	40,855,399	5.62	2,694,370	1.64	43,549,769	4.89
..	..	15,750,000	10.18	State Electricity Commission— Advances from Loan .. .. .	..	..	19,250,000	11.72	19,250,000	2.16
..	..	12,908,619	8.34	Other Public Works— Loan Works and Advances .. .. .	..	..	16,754,227	10.20	16,754,227	1.88
9,049,861	1.36	..	..	Pensions— Retired Officers, Officers' Widows, &c., excluding Railways	10,547,760	1.45	..	..	10,547,760	1.18
37,804,578	5.69	2,898,830	1.87	Other Expenditure	41,768,858	5.74	3,361,563	2.04	45,130,421	5.07
..	..	..	..	In Aid of Revenue .. .. .	..	..	2,886,816	1.76	2,886,816	.32
666,644,486	100.37	154,707,490	99.97	Total Expenditure from Consolidated Revenue and Loan	742,281,898	102.12	164,279,439	100.00	906,561,337	101.72
2,461,044	.37	51,582	.03	Loan Funds carried forward	15,382,002	2.12	..	..	15,382,002	1.72
664,183,442	100.00	154,759,072	100.00	Total Revenue and Loan Proceeds available to meet Expenditure	726,899,896	100.00	164,279,439	100.00	891,179,335	100.00

* Includes Railway Debt Charges, 1968-69, \$6,614,909; 1969-70, \$7,491,144.
† Excludes Railway Debt Charges, 1968-69, \$6,614,909; 1969-70, \$7,491,144.

STATEMENT No. 2.

LOAN FUND.

ABSTRACT OF TRANSACTIONS FOR THE YEAR 1969-70.

				\$	\$
<i>Balance</i> of Loan Fund at 30th June, 1969	..	..	..	..	51,582
<i>Receipts—</i>					
Proceeds of Loans Raised—					
For Works, &c.	..	..	..	157,870,000	
For Redemption	..	..	..	210,080,703	
Loan Repayments	..	..	..	6,616,246	
				<u>374,566,949</u>	
					<u>374,618,531</u>
<i>Disbursements—</i>					
Works, &c., Under Parliamentary Authority	..	..		161,130,204	
Works, &c., From Treasurer's Advance	..	..		262,419	
				<u>161,392,623</u>	
Funding Revenue Deficits				2,886,816	
Moneys applied to Redemption	..	..	..	210,080,703	
Flotation Expenses	..	..	..	258,389	
				<u>374,618,531</u>	
<i>Balance</i> Loan Cash on Hand at 30th June, 1970	..	..	..	..	<u>..</u>

LIABILITY FOR LOANS.

				\$	\$
Liability to Commonwealth at 30th June, 1969	..	..	..	..	2,106,330,531
Loans raised in 1969-70—					
For Works, &c.	..	..	..	157,870,000	
For Redemption	..	..	..	210,080,703	
				<u>367,950,703</u>	
					<u>2,474,281,234</u>
<i>Less</i> Loans Repurchased or Redeemed—					
By Redemption Loans	..	..	..	208,948,427	
By National Debt Sinking Fund	..	..	..	31,898,522	
				<u>240,846,949</u>	
Liability to Commonwealth at 30th June, 1970	..	..	..	..	2,233,434,285
<i>Less</i> Cash at credit of National Debt Sinking Fund	..	..	..	..	<u>3,378,439</u>
Net Liability for Loans at 30th June, 1970	..	..	..	..	<u>*2,230,055,846</u>
Net Liability for Loans at 30th June, 1969	..	..	..	..	<u>2,096,154,180</u>
Increase in Net Liability for the year	..	..	..	..	<u>133,901,666</u>

* Does not include liability in respect of advances by the Commonwealth for Housing purposes, \$515,422,988, for special assistance for Soldier Settlement, \$13,033,845, and for Drought Relief, \$5,077,184.

STATEMENT No. 3.

TRUST FUND.

The Treasurer's liability on account of the Trust Fund, at 30th June, 1970, was :—

<i>Various funds as per Treasurer's Statement—</i>						\$
Amounts lodged and invested	..	..	..	..	..	68,344,159
General Account balances	..	..	..	..	..	87,770,931*
						<u>156,115,090</u>
<i>Represented by :</i>						
Stocks and Securities—						
Blue Moon Fruit Co-operative Ltd.—Shares	..	..	..	..	..	20
Camperdown—Glenormiston Dairying Co. Ltd.—Shares	..	..	..	..	..	140
Colonial Gas Holdings Ltd.—Registered Debenture Stock	..	..	..	..	..	1,000
Commonwealth Government Inscribed Stock, &c.	..	..	..	..	..	25,117,879
Gas and Fuel Corporation Registered Debenture Stock	..	..	..	..	..	3,798,700
Gas and Fuel Corporation of Victoria—Shares	..	..	..	..	..	15,313,854
Geelong Harbor Trust Debenture	..	..	..	..	..	83,819
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	..	..	..	..	..	1,505,000
Melbourne and Metropolitan Board of Works Inscribed Stock	..	..	..	..	..	4,330,360
Melbourne and Metropolitan Tramways Board Inscribed Stock	..	..	..	..	..	475,000
National Art Gallery and Cultural Centre Registered Debenture Stock	..	..	..	..	..	825,485
Pilot Vessel <i>Akuna</i> —Registered Mortgage Debenture	..	..	..	..	..	52,776
State Electricity Commission Inscribed Stock	..	..	..	..	..	2,490,560
State Savings Bank Deposit Stock	..	..	..	..	..	1,567,000
Victorian Pipelines Commission—Debenture Stock..	..	..	..	..	..	14,050,000
						<u>69,978,159*</u>
Cash Advanced—						\$
For Consolidated Revenue Deficit	..	..	..	..	..	6,400,279
For Other Advances	..	..	..	..	..	5,447,851
						<u>11,848,130</u>
For Revenue Deficit 1969–70	..	..	..	..	..	15,382,002
						<u>27,230,132</u>
Cash as per Treasurer's Statement	..	..	..	..	..	58,906,799
						<u>156,115,090</u>

* Includes balances invested under Section 9 of the *Public Account Act 1958*—\$1,634,000.

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 1969-70.

Receipts.	\$	Payments.	\$
<i>Paid to Revenue on account of Interest, Sinking Fund, etc. on Advances from the State's Loan Fund—</i>		<i>On Funded Debt—</i>	
State Electricity Commission	14,868,286	Interest—	
Country Roads Board	2,365,033	Melbourne	97,691,181
Water, Sewerage, &c. Authorities	1,967,601	Overseas	4,763,296
Rural Finance and Settlement Commission	1,376,606		
Land Settlement	1,369,038	Less—Rebate State Savings Bank	102,454,477
Gas and Fuel Corporation	515,644		500,000
King-street Bridge	138,768		
Grain Elevators Board	107,614	Expenses	101,954,477
Miscellaneous	459,095		362,937
	<u>23,167,685</u>		
<i>Paid to Revenue—Other Interest—</i>			
Interest on Public Account	4,166,277	<i>Sinking Fund Contributions</i> .. .. .	.. .. .
		<i>Loan Conversion Expenses</i> .. .. .	.. .. .
Less—Interest paid on Deposits	89,519		
	<u>4,076,758</u>	<i>Debit to Consolidated Revenue (Part I.) on account of Debt Charges on Public Debt</i>	122,930,023
		<i>Debit to Consolidated Revenue (Part II.) on account of Railways</i>	7,491,144
<i>Paid to Revenue—Recoup of Interest, Principal, &c.—Other Loans.</i>	<u>27,244,443</u>		<u>130,421,167</u>
Commonwealth—State Housing Agreement—		<i>On Other Loans—</i>	
Housing Commission	18,575,075	Interest and Principal—	
Home Builders' Account	4,734,776	Commonwealth—State Housing Agreement	23,309,851
	<u>23,309,851</u>	Commonwealth Special Assistance Loans for Soldier Settlement	629,339
Commonwealth—Special Assistance Loans for Soldier Settlement	629,339		
<i>Portion of Debt Charges to be met from Railway Income Balance—Amount which had to be met from Taxation and other sources</i>	23,939,190		23,939,190
	<u>7,491,144</u>		<u>154,360,357</u>
	<u>95,685,580</u>		
	<u>154,360,357</u>		

STATEMENT NO. 4—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.
	\$	\$	\$	\$	\$	\$	\$
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
1967-68 ..	1,912,095,008	104,939,508‡	22,771,414	82,168,094	5·4882	1·1909	4·2973
1968-69 ..	2,039,681,943	112,807,420‡	24,804,990	88,002,430	5·5306	1·2161	4·3145
1969-70 ..	2,169,882,408	122,930,023‡	27,244,443	95,685,580	5·6653	1·2556	4·4097

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

† 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.
	\$	\$	\$	\$	\$	\$	\$
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
1967-68 ..	356,728,987	17,905,928	2,547,458	15,358,470	5·0195	·7141	4·3054
1968-69 ..	375,105,065	18,901,443	2,683,805	16,217,638	5·0390	·7155	4·3235
1969-70 ..	392,969,625	20,042,364	2,197,777	17,844,587	5·1002	·5593	4·5409

STATEMENT No. 5.

RAILWAY ACCOUNTS.

Statement of Railway Receipts and Expenditure, 1969-70, including Revenue and Loan Moneys.

Receipts.		\$	Expenditure.		\$
<i>Revenue—</i>			<i>Charged to Revenue—</i>		
Ordinary Income .. .. .	.. .. .	104,709,647	Working Expenses .. .. .	.. .. .	110,722,681
Treasury credit for concessions in certain Country Freight Charges	.. .. .	286,000	Commissioners' Salaries .. .. .	.. .. .	51,875
Recoup Pensioners' Fares Concessions .. .. .	.. .. .	200,000	Accident Fund .. .. .	.. .. .	1,812,761
Recoup Kerang-Koondrook Tramway Act .. .. .	.. .. .	8,829	Renewals and Replacements Fund .. .. .	.. .. .	400,000
		<u>105,204,476</u>	Pension Contributions .. .. .	.. .. .	5,724,242
					<u>118,711,559</u>
				\$	
			Interest .. .. .	.. .. .	7,062,334
			Sinking Fund Contribution .. .. .	.. .. .	330,179
			Exchange on Overseas Interest .. .. .	.. .. .	98,631
					<u>7,491,144*</u>
<i>Loan—</i>			<i>Charged to Loan—</i>		126,202,703
Applied from the Loan Fund .. .. .	.. .. .	16,029,493	Way and Works .. .. .	.. .. .	9,848,034
			Rolling-stock, Equipment, Machinery, and other Works .. .. .	.. .. .	6,091,069
			Construction of new lines, &c. .. .. .	.. .. .	90,390
					<u>16,029,493</u>
<i>Deficit—</i>			Total .. .. .	.. .. .	<u>142,232,196</u>
Charged to Consolidated Revenue .. .. .	.. .. .	20,998,227			
Total .. .. .	.. .. .	<u>142,232,196</u>			

* Charged in accordance with the Railways Act 1958 as amended by the Railways (Funds) Act 1964.

STATEMENT NO. 5—*continued.*

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

Expenditure.	1968-69.	Per cent. of Revenue.	1969-70.	Per cent. of Revenue.
	\$		\$	
Working Expenses	103,330,240	} 103·1	110,722,681	} 105·3
Commissioners' Salaries	46,950		51,875	
Railway Accident, &c., Fund	2,115,823	2·1	1,812,761	1·7
Renewals and Replacements Fund	400,000	·4	400,000	·4
Pension Contributions	5,451,189	5·4	5,724,242	5·4
National Debt Sinking Fund	288,214	·3	330,179	·3
Interest	6,221,177	6·2	7,062,334	6·7
Exchange on Interest Payments in London	105,518	·1	98,631	·1
Railway Equalization Account .. .. .	..	..	..	..
	117,959,111	117·6	126,202,703	119·9
Receipts	100,328,517	100·0	105,204,476	100·0
Railway Equalization Account .. .. .	..	..	..	..
Deficiency	17,630,594	17·6	20,998,227	19·9

APPENDIX A.

SUMMARY OF RECEIPTS AND PAYMENTS FOR YEAR ENDED 30TH JUNE, 1970, 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, etc., Burnley	7,588	..	1,032	8,620	123,973	34,332	8,406	166,711	158,091
Agricultural College, Dookie ..	69,198	52,315	16,682	138,195	427,460	202,336	80,586	710,382	572,187
Agricultural College, Dookie, Stock Trading Account ..	..	63,729	..	63,729	..	32,254	..	32,254	Cr. 31,475
Agricultural College, Longerenong ..	38,683	26,206	10,078	74,967	225,583	101,015	32,154	358,752	283,785
Agricultural College, Longerenong, Stock Trading Account ..	..	24,401	..	24,401	..	15,256	..	15,256	Cr. 9,145
Dairy College, Glenormiston ..	640	40,175	970	41,785	43,007	20,551	132,065	195,623	153,838
Dairy College, Glenormiston, Stock Trading Account ..	..	18,944	..	18,944	..	1,548	..	1,548	Cr. 17,396
Gilbert Chandler Institute of Dairy Technology, Werribee ..	969	2,589	2,310	5,868	50,294	46,833	23,969	121,096	115,228
S.S. Cameron Laboratory, Werribee ..	117	17,784	1,985	19,886	87,503	56,316	23,056	166,875	146,989
Dairy Research Station, Ellinbank ..	..	16,441	3,806	20,247	62,763	24,166	40,766	127,695	107,448
Dairy Research Station, Ellinbank, Stock Trading Account ..	..	13,071	..	13,071	..	17,843	..	17,843	4,772
Research Station, Mildura	..	12,381	..	12,381	25,253	12,236	58,831	96,320	83,939
Research Station, Scoresby ..	..	12,132	603	12,735	63,383	35,989	27,080	126,452	113,717
Research Station, Tatura	5,609	21,910	683	28,202	77,370	42,807	15,369	135,546	107,344
Potato Research Station, Healesville ..	..	Cr. 877	733	Cr. 144	41,040	17,444	19,212	77,696	77,840
Potato Research Station, Healesville, Stock Trading Account ..	..	4,224	..	4,224	..	3,484	..	3,484	Cr. 740
Viticultural Station, Rutherglen ..	..	5,230	420	5,650	37,070	5,134	3,516	45,720	40,070
Research Station, Rutherglen ..	2,156	29,342	3,115	34,613	86,295	30,685	40,983	157,963	123,350
Research Station, Rutherglen, Stock Trading Account ..	..	44,069	..	44,069	..	26,758	..	26,758	Cr. 17,311
Research Farm, Werribee	20,552	18,404	7,102	46,058	115,524	64,020	58,809	238,353	192,295
Research Farm, Werribee, Stock Trading Account ..	..	37,474	..	37,474	..	32,653	..	32,653	Cr. 4,821
Mallee Research Station, Walpeup ..	3,242	12,433	4,103	19,778	39,120	16,042	14,164	69,326	49,548
Mallee Research Station, Walpeup, Stock Trading Account ..	..	8,133	..	8,133	..	4,509	..	4,509	Cr. 3,624
Tobacco Research Station, Myrtleford ..	..	1,000	599	1,599	22,186	1,479	556	24,221	22,622
Tobacco Research Station, Myrtleford, Stock Trading Account ..	..	5,267	..	5,267	..	4,652	..	4,652	Cr. 615
Pastoral Research Station, Hamilton ..	8	..	1,729	1,737	62,357	40,011	39,673	142,041	140,304
Pastoral Research Station, Hamilton, Stock Trading Account ..	..	126,899	..	126,899	..	103,510	..	103,510	Cr. 23,389
Irrigation Research Station, Kyabram ..	..	31,000	1,265	32,265	41,565	15,089	9,576	66,230	33,965
Irrigation Research Station, Kyabram, Stock Trading Account ..	..	12,632	..	12,632	..	7,929	..	7,929	Cr. 4,703
Veterinary Research Institute, "Attwood", Broadmeadows ..	..	..	630	630	9,050	14,837	12,311	36,198	35,568
<i>Carried Forward.</i>	148,762	657,308	57,845	863,915	1,640,796	1,031,718	641,082	3,313,596	2,449,681

APPENDIX A.—continued.

	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.	
<i>Brought Forward.</i>	\$ 148,762	\$ 657,308	\$ 57,845	\$ 863,915	\$ 1,640,796	\$ 1,031,718	\$ 641,082	\$ 3,313,596	\$ 2,449,681
Vegetable Research Station, Frankston ..	..	634	580	1,214	17,020	8,105	9,726	34,851	33,637
Wheat Research Institute, Horsham ..	..	..	..	..	19,328	4,157	..	23,485	23,485
Veterinary Diagnostic Laboratory, Hamilton ..	..	..	..	..	..	..	309,228	309,228	309,228
	148,762	657,942	58,425	865,129	1,677,144	1,043,980	960,036	3,681,160	2,816,031

Receipts and Payments in respect of Trust Funds affecting the institutions have not been included in the above statement.

Potato Research Station Healesville—Sale of Produce 1968–69 was overstated by the Department to the extent of \$1,160, which should have been credited to Stock Trading for that year. The adjustment has been made in 1969–70.

The above Statement does not include payments to Consolidated Revenue of \$85,000, being surplus funds in the following Stock Trading Accounts:—Dairy College, Glenormiston \$24,000; Irrigation Research Station, Kyabram \$17,500; Research Station, Rutherglen \$24,000; Mallee Research Station, Walpeup \$8,500, Research Farm, Werribee \$10,000, and Tobacco Research Station, Myrtleford \$1,000.

APPENDIX B-1.

ENDOWMENTS AND GRANTS.

	1968-69.	1969-70.	+ Increase - Decrease
Social—	\$	\$	\$
Alcoholism Foundation of Victoria	10,000	13,730	+ 3,730
Alexander Miller Memorial Homes Trust	5,000	5,000	..
Australia Day Council	2,500	2,500	..
Australian Red Cross Society for After-care Treatment of Poliomyelitis Sufferers	32,000	20,000	- 12,000
Ballarat Youth Centre	1,600	1,600	..
Boys' Employment Movement	2,400	6,900	+ 4,500
Boy Scouts Association	4,000	4,000	..
Bush Nursing	404,000	404,000	..
Children's Welfare Association of Victoria	500	500	..
Family Life Movement of Australia	1,200	1,500	+ 300
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	44,500	44,500	..
National Safety Council	30,000	30,000	..
Old People's Welfare Council of Victoria	2,000	..	- 2,000
Over Fifties 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	9,000	9,000	..
Salvation Army	1,000	1,000	..
Science and Technology Careers Bureau	3,360	3,364	+ 4
State Relief Committee	57,000	60,000	+ 3,000
Surf Life Saving Association of Australia	16,000	16,000	..
United Nations Association of Australia	1,000	1,000	..
Victorian Amateur Swimming Association	2,000	2,000	..
Victorian Council of Social Services	9,000	10,000	+ 1,000
Victorian Cytology (Gynaecological) Service	121,500	125,000	+ 3,500
Victorian Family Council	3,500	3,000	- 500
Victorian Nursing Council	29,000	29,000	..
Walter and Eliza Hall Research Institute	72,000	72,000	..
Young Christian Workers Movement	2,000	2,000	..
Young Farmers' Clubs Association	44,600	47,800	+ 3,200
Young Men's Christian Association	4,000	4,000	..
Cultural—			
Bands	4,800	4,800	..
Children's Free Libraries	10,000	10,000	..
Country Art Galleries	52,455	59,463	+ 7,008
Country Free Libraries	18,000	17,999	- 1
Cultural Development	186,680	325,280	+ 138,600
Melbourne Symphony Orchestra	75,000	75,000	..
Municipal and Regional Libraries	1,247,501	1,327,143	+ 79,642
Orchestral Concerts	34,127	9,619	- 24,508
Sundry—			
Animal Welfare League	1,000	1,000	..
Australian Industrial Design Council	5,000	5,000	..
Australian Publicity Council	10,000	..	- 10,000
Ballarat Fish Acclimatization Society	2,400	2,400	..
British Commonwealth Day Movement	2,000	500	- 1,500
British Commonwealth Youth Sunday	6,000	6,000	..
British Memorial Foundation	200	200	..
Cemeteries, Improvement and Maintenance	14,000	14,000	..
Citizens' Advice Bureau	625	2,500	+ 1,875
Commonwealth Parliamentary Association—Victoria Branch	16,750	16,670	- 80
Gandhi Centenary Celebrations .. .. .	..	1,000	+ 1,000
Guide Dog Owners and Friends Association	1,000	1,000	..
Keep Australia Beautiful Council	20,000	20,000	..
Kerang Agricultural Research Farm	2,000	2,000	..

ENDOWMENTS AND GRANTS—*continued.*

	1968-69.	1969-70.	+ 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	3,000	3,000	..
National Trust of Australia (Victoria)	12,000	12,000	..
Natural Resources Conservation League	10,000	10,000	..
Nurses Memorial Centre	5,500	5,500	..
Royal Institute of Public Administration	500	500	..
Royal Society for the Prevention of Cruelty to Animals	1,500	1,500	..
Standards Association of Australia	5,500	5,500	..
Timber Promotion Committee	25,000	25,000	..
Trustees, Shrine of Remembrance	5,000	5,000	..
Victorian Field and Game Association	1,200	1,200	..
Victorian Piscatorial Council	2,630	2,630	..
Victorian Rural Fire Brigades Association	2,000	2,000	..
Victorian Urban Fire Brigades Association	2,000	2,000	..
Water Research Foundation of Australia Ltd.	12,500	12,500	..
Women's Prison Council	200	200	..
Zoological Board of Victoria	23,000	23,000	..
Total	2,787,228	2,983,998	+ 196,770

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 B-2.

APPENDIX B-2.

CULTURAL DEVELOPMENT ALLOCATIONS, 1969-70.

	\$
All Nations Together Society	100
Ararat Golden Gateway Festival	300
Ararat Music Club	200
Astra Chamber Music Society	1,500
Australian Elizabethan Theatre Trust	210,000
Australian National Theatre Limited	47,500
Bacchus Marsh Players	100
Ballarat Ballet Guild	100
Ballarat Begonia Festival Committee	2,400
Ballarat Calisthenic College	200
Ballarat Choral Society	100
Ballarat Civic Male Choir	100
Ballarat Light Opera Company	100
Ballarat Lyric Theatre	100
Ballarat Music Lovers' Club	100
Ballarat Orchestra Association	500
Balmoral Drama Group	50
Beaumaris Art Group	100
Beaumaris Players Club	100
Beechworth Music Group	100
Bendigo Competitions Society	1,750
Bendigo Music Advancement Society	500
Bendigo Music Lovers' Club	150
Bendigo Operatic Society	200
Bendigo Shakespeare Literary Society	50
Boort Music, Literature and Arts Society	100
Box Hill City Repertory Company	50
Brunswick City Choral Society	50
Camberwell City Philharmonic Society	200
Camperdown Musical Society	300
Camperdown Repertory Society	400
"Carols by Candlelight", Melbourne	1,000
Casterton Music Circle	100
Castlemaine Light Opera Company	100
Children's Theatre Guild	1,000
Cohuna Players	50
Colac Music Lovers' Club	150
Coleraine Choral Society	100
Contemporary Art Society of Australia	300
Croydon Drama Group	50
Dandenong Festival of Music and Art for Youth	2,750
Daylesford Highland Gathering Committee	1,000
Debaters' Association of Victoria	200
Donald Music, Literature and Art Society	50
Echuca Music Group	100
Eltham Little Theatre	150
Euroa Little Theatre	50
Fellowship of Australian Writers	1,000
Fern Tree Gully Arts Society	200
Fern Tree Gully, Knox and Mountain District Music and Arts Festival	300
Foster Film, Art, Music and Drama Association	150
Frankston Theatre Group	300
Geelong Association of Music and Art	1,000
Geelong Society of Operatic and Dramatic Art	500
Gilbert and Sullivan Society of Victoria	100
Hamilton Arts Council	600
Hamilton Light Opera Company	50
Hartwell Eisteddfod Committee	300
Heathcote Musical Society	50
Heidelberg City Choir	100
Heidelberg City Repertory Group	400
Horsham Arts Council	400
Horsham Orchestral Society	50

APPENDIX B-2—continued.

	\$
Kerang Music Society	50
Kew Philharmonic Society	150
Kyneton Choral Society	100
Kyneton Lions Club Music and Drama Festival	400
Latrobe Valley Eisteddfod	600
Library Week Committee	200
Malvern Arts Council	100
Maroondah Singers	50
Maryborough Arts Society	500
Melba Memorial Conservatorium of Music	5,000
Mentone—Mordialloc Art Group	50
Mildura Little Theatre	50
Mitcham Repertory Group	50
Moe City Choir	50
Moomba Festival	10,000
Moorabbin City Arts Festival	250
Mordialloc City Arts Festival	250
Mordialloc City Choral Society	200
Mordialloc Eisteddfod	100
Mornington Eisteddfod	200
Morwell Art Group	50
Morwell Male Choir	50
Morwell Players	100
Mount Beauty Drama Group	50
Musica Viva Society of Australia	4,000
National Theatre Movement (Ballarat Branch)	600
National Theatre Movement (Swan Hill Branch)	600
National Boys' Choir	200
Northern Theatre Company	100
Oriana Madrigal Choir	100
Peninsula Arts Society	100
Peninsula Light Operatic Society	200
Portland Council for the Encouragement of Music and the Arts	200
Pyalong Music and Dramatic Group	50
“ Q ” Theatre Guild	500
Red Cliffs Players	50
Ringwood Arts and Crafts	100
Rochester Music and Drama Circle	50
Royal South Street Society	3,000
St. Arnaud Drama Group	100
St. John's Eisteddfod, 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 Light Music Company	100
Shepparton Musical Advancement Society	300
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
Swan Hill and District Choir	50
Terang Dramatic Society	50
Thespians (Yallourn) Dramatic Society	100
Traralgon Music, Drama and Art Society	300
Victorian Artists Society	1,500
Victorian Ballet Guild	5,000
Victorian Drama League	1,500
Victorian Highland Pipe Band Association	1,500

APPENDIX C.

EDUCATION DEPARTMENT

Comparative Analysis of Expenditure from Loan and Revenue, &c.

NOTE:—1969-70 shown in heavy type.
1968-69 shown in light type.

	Administration	Teachers Tribunal	Primary Schools	Secondary Schools	Technical Schools and Colleges of Advanced Education	Special Schools and Hostels Attached Thereto	Correspondence Schools	Special Activities (Library, Music, Visual Education, &c.)	Teachers' Colleges	Teachers' Colleges Hostels	Universities	Independent Schools	Miscellaneous	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Expenditure														
Salaries &c.—Teaching Service	1,304,984 1,285,955	.. .. .	63,276,380 55,914,700	44,031,409 38,015,835	22,861,694 22,956,335	2,410,207 2,129,581	612,144 519,813	3,188,133 2,659,311	5,258,987 4,219,674	8,085 7,378	.. .. .	.. .. .	.. .. .	142,952,023 127,712,582
Salaries &c.—General Administration and Clerical Assistance	1,707,042 1,406,604	89,751 76,760	57,804 31,021	1,186,735 954,143	.. .. .	16,962 14,293	66,743 41,066	175,058 156,628	1,678,890 1,288,094	51,356 42,689	.. .. .	.. .. .	.. .. .	3,519,341 2,851,298
Pay-roll Tax	74,744 63,595	2,270 1,884	1,641,369 1,409,800	1,197,860 1,003,783	573,489 559,237	63,290 54,340	17,113 13,437	84,984 68,518	1,413,111 1,110,012	13,441 11,836	.. .. .	.. .. .	.. .. .	3,809,871 3,297,442
Workers' Compensation Insurance	15,865 17,301	482 512	348,398 383,560	254,257 273,093	121,727 152,148	13,434 14,784	3,632 3,655	18,039 18,641	113,010 119,660	2,853 3,220	.. .. .	.. .. .	.. .. .	891,697 986,574
Allowances—Students in Training .. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	15,461,965 13,405,963	.. .. .	.. .. .	.. .. .	.. .. .	15,461,965 13,405,963
Travelling Expenses and Allowances, &c.	129,607 110,746	1,142 3,716	75,462 76,895	53,674 47,787	154,452 154,361	15,804 12,382	1,579 1,600	126,480 103,457	42,864 36,894	.. .. .	1,221 1,351	.. .. .	.. .. .	602,285 549,189
Libraries—Grants and Subsidies .. .. .	.. .. .	.. .. .	210,164 110,106	111,987 110,633	40,369 39,608	1,877 3,183	51 29	18,942 3,978	80,700 65,000	.. .. .	.. .. .	.. .. .	.. .. .	464,110 423,537
School and Office Equipment and Requisites	198,934 198,828	3,247 1,339	505,567 457,911	867,082 897,006	72,598 46,527	38,514 33,262	76,519 44,997	206,645 140,576	217,567 176,378	.. .. .	.. .. .	36,427 58,640	.. .. .	2,223,100 2,055,464
Text Books, Publications, Examination Expenses, Postage and Telephone Expenses, Incidentals	182,716 177,654	23,054 6,817	89,590 46,951	42,872 30,072	143,283 139,857	5,419 3,868	10,213 9,370	381,002 285,829	39,875 41,699	.. .. .	.. .. .	.. .. .	.. .. .	918,024 742,117
School Cleaning and Services	2,424 2,277	.. .. .	4,116,293 3,572,293	3,613,874 3,092,843	13,312 11,150	119,131 97,672	11,067 4,372	15,842 15,219	257,255 263,149	.. .. .	.. .. .	.. .. .	.. .. .	8,149,198 7,058,975
Conveyance of Pupils .. .. .	.. .. .	.. .. .	2,510,067 2,328,982	3,160,214 2,943,502	1,190,262 1,098,485	167,997 157,280	.. .. .	8,652 7,626	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	8,608,708 8,030,383
Bursaries, Scholarships and Maintenance Allowances	1,677 2,503	.. .. .	3,338 4,364	1,315,933 1,248,009	525,067 515,434	1,812 1,587	265 185	2,076	1,705 6,028	.. .. .	22,973 24,011	1,562,479 1,485,994	9,037 8,514	3,068,248 2,998,208
Operating Costs—Hostels and Residential Camps .. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	23,372 26,553	.. .. .	53,990 51,980	.. .. .	895,450 852,271	.. .. .	.. .. .	.. .. .	972,812 930,804
Buildings and Residences—Capital Expenditure	1,154,993 696,188	.. .. .	8,878,452 8,105,921	9,446,488 8,092,236	9,397,204 8,119,324	99,510 417,878	21,132 18,077	31,220 6,218	989,484 668,399	67,063 57,817	.. .. .	.. .. .	.. .. .	30,085,546 26,182,058
Buildings and Residences—Maintenance Expenditure	8,118 5,181	.. .. .	2,746,383 3,185,651	1,192,150 1,331,836	570,680 807,039	18,127 15,801	40,739 17,736	7,684 3,567	160,785 206,680	84,679 71,003	.. .. .	.. .. .	.. .. .	4,829,345 5,644,494
Sites and Properties—Purchase of	15,600	.. .. .	1,279,564 987,249	820,421 668,157	320,489 559,568	61,694 88,756	.. .. .	.. .. .	905 118,479	.. .. .	.. .. .	.. .. .	.. .. .	2,498,673 2,422,391
Grants, &c.	211,882 201,107	.. .. .	183 183	2,996 2,386	18,725,608 14,592,305	22,460 18,514	.. .. .	32,574 30,299	149,000 105,000	.. .. .	26,028,033 23,215,977	4,266,361 2,900,063	.. .. .	49,439,097 41,065,834
Fees—Universities and other .. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	847,143 719,460	.. .. .	.. .. .	.. .. .	.. .. .	847,143 719,460

APPENDIX D.

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

Department or Public Authority.	Nature of Stores.	Value as at 30th June, 1969.	Value as at 30th June, 1970.
		\$	\$
Departments—			
Agriculture	Machinery and Equipment Parts, Fuel, Seed, Publications	218,337	246,180
Chief Secretary—			
(a) Police Branch	Radio and Vehicle Parts, Clothing, Office Requisites	285,684	287,614
(b) Social Welfare Branch	Clothing, Bedding, Hardware, Materials for Manufacture	397,943	354,083
(c) Fisheries and Wildlife Branch	Publications, Motor Tyres, Field Equipment ..	7,516	16,748
Crown Lands and Survey	Implements, Equipment, Plans, Photographic Materials	749,593	1,091,966
Education	School and Office Requisites, Books, Equipment	899,206	1,283,779
Forests	Vehicle Parts, Tools, Fuel	265,595	351,292
Health	Hardware, Instruments, Drugs	61,150	43,647
Mental Health Authority	Bedding, Hardware, Clothing	744,513	814,724
Mines	Bore Casing, Tools, Chemicals	347,696	397,592
Public Works	Mechanical and Electrical Equipment, Spare Parts, Furniture, Building Materials	675,894	1,003,440
Railways	Engineering, Refreshment Services, General Stores	9,995,776	10,134,098
Treasurer—Government Printer	Paper, Stationery, Publications	1,242,806	1,342,409
Water Supply	Machinery Parts, Tools, General Stores ..	2,288,065	2,331,587
Public Authorities—			
Cancer Institute	Medical, Technical and General Stores ..	72,968	73,767
Council of Adult Education	Theatrical Equipment	14,761	15,954
Country Fire Authority	Fire Appliances, Hose, Spare Parts, Uniforms	121,318	164,968
Country Roads Board	Vehicle Parts and Accessories, Camping Equipment, General Stores	885,811	950,471
Egg and Egg Pulp Marketing Board	Eggs, Packing Materials, Spare Parts ..	487,416	672,764
Gas and Fuel Corporation	Gas Appliances, Fittings, General Stores ..	5,736,024	4,975,757
Geelong Harbor Trust	Engineering and Maintenance Stores ..	34,271	19,979
Housing Commission	Building Materials, Spare Parts	499,850	514,559
La Trobe University	Stationery, Office Requisites	17,261	21,332
Latrobe Valley Water and Sewerage Board..	Construction Materials, Pipes, Spare Parts ..	18,399	14,753
Melbourne and Metropolitan Board of Works	Engineering Stores, Spare Parts, Pipes, Meters	3,345,600	3,626,600
Melbourne and Metropolitan Tramways Board	Engineering Stores and Parts, Uniforms, Stationery	656,615	662,634
Melbourne Harbor Trust	Maintenance and Engineering Stores ..	727,699	622,433
Metropolitan Fire Brigades Board.. .. .	Fire Appliances, Electrical and Engineering Stores, Uniforms	249,000	259,000
Monash University	Building Materials, Stationery, Books ..	242,780	316,808
Portland Harbor Trust	Maintenance and Engineering Stores ..	51,683	53,617
Rural Finance and Settlement Commission..	Constructional and General Stores	67,376	46,989
State Electricity Commission	Electrical, Maintenance and Constructional Stores	8,642,146	9,028,159
State Relief Committee	Clothing, Bedding, Hardware, Provisions ..	50,574	41,283
Transport Regulation Board	Stationery and Office Requisites	57,441	44,813
University of Melbourne	Building Materials, Stationery, Chemicals, Glassware	63,397	76,019
Victorian Inland Meat Authority	Meat, General Stores	522,308	344,662
	Total	40,744,472	42,246,480

APPENDIX E.

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.				
PART I.						
PARLIAMENT.						
				\$	\$	\$
2	2	1	<i>Legislative Assembly—</i>			
		2	Travelling and subsistence	2,450	2,278	— 172
		3	Office requisites and equipment, printing and stationery	1,800	1,799	— 1
		4	Books and publications, other incidental expenses	5,900	5,895	— 5
		5	Postal and telephone expenses	500	678	+ 178
3	1	1	<i>Legislative Council and Legislative Assembly House Committee—</i>			
		3	Salaries and allowances	42,183	42,091	— 92
		4	Payments in lieu of long service leave	910	1,002	+ 92
5	1	2	<i>Parliament Library—</i>			
		3	Salaries and allowances	29,515	29,583	+ 68
		4	Overtime and penalty rates	320	252	— 68
6	1	2	<i>Parliamentary Debates—</i>			
		3	Salaries and allowances	86,497	86,581	+ 84
		4	Overtime and penalty rates	330	246	— 84
	2	1	Travelling and subsistence	850	868	+ 18
		2	Office requisites and equipment, printing and stationery	770	743	— 27
		3	Books and publications, other incidental expenses	200	209	+ 9
PREMIER.						
7	2	1	<i>Governor's Office—</i>			
		2	Travelling and subsistence	35	11	— 24
		3	Office requisites and equipment, printing and stationery	2,580	2,702	+ 122
		4	Books and publications, other incidental expenses	805	719	— 86
		5	Postal and telephone expenses	1,600	1,588	— 12
8	1	2	<i>Premier's Office—</i>			
		4	Salaries and allowances	335,905	336,582	+ 677
		5	Payments in lieu of long service leave	2,458	1,781	— 677
	2	1	Travelling and subsistence	13,750	14,950	+ 1,200
		2	Office requisites and equipment, printing and stationery	6,900	7,182	+ 282
		3	Books and publications, other incidental expenses	8,000	6,800	— 1,200
		7	Expenses of entertainment of visitors, &c., late sittings of Parliament, funerals, memorials, &c.	37,000	36,125	— 875
		8	Air travel of Members of Parliament, Ministers, &c., fares over Commonwealth Railways	13,500	14,093	+ 593
9	1	1	<i>State Film Centre—</i>			
		2	Salaries and allowances	88,155	88,654	+ 499
		3	Overtime and penalty rates	5,500	5,001	— 499
	2	3	Books and publications, other incidental expenses	4,100	4,600	+ 500
		5	Motor vehicles—Purchase and running expenses	3,000	2,500	— 500
10	1	1	<i>Soil Conservation Authority—</i>			
		2	Salaries and allowances	604,646	604,868	+ 222
		3	Overtime and penalty rates	1,000	778	— 222
11	1	1	<i>State Development—</i>			
		2	Salaries and allowances	114,589	116,200	+ 1,611
		3	Overtime and penalty rates	3,350	1,739	— 1,611
	2	1	Travelling and subsistence	7,000	5,500	— 1,500
		2	Office requisites and equipment, printing and stationery	3,000	3,900	+ 900
		6	Regional Committees	6,260	6,860	+ 600
13	1	1	<i>Public Service Board—</i>			
		2	Salaries and allowances	410,220	410,280	+ 60
		3	Overtime and penalty rates	2,750	2,690	— 60
	2	1	Travelling and subsistence	7,000	6,800	— 200
		4	Postal and telephone expenses	1,380	1,980	+ 600
		5	Examination expenses—Including fees to examiners and supervisors	2,000	1,600	— 400
CHIEF SECRETARY.						
15	2	1	<i>Chief Secretary's Office—</i>			
		3	Travelling and subsistence	4,700	4,486	— 214
		4	Books and publications, other incidental expenses	7,000	7,214	+ 214
	3	1	Expenses in connexion with censorship of films	700	726	+ 26
		2	<i>Building Societies (Amendment) Act 1961, No. 6765—Expenses</i>	1,100	153	— 947
		3	<i>Premiums Committee—(Motor Car Act 1958, No. 6325)—Expenses</i>	250	240	— 10
		4	Allowances to ex-members and dependants of ex-members of the Police Force	586	585	— 1
		6	Country Art Galleries—Grant	57,900	58,832	+ 932
16	2	1	<i>Totalizator Administration—</i>			
		2	Travelling and subsistence	7,900	8,007	+ 107
		3	Office requisites and equipment, printing and stationery	650	634	— 16
		4	Books and publications, other incidental expenses	1,850	1,759	— 91
20	2	5	<i>Fisheries and Wildlife—</i>			
		6	Motor vehicles—Purchase and running expenses	50,500	56,800	+ 6,300
		7	Fuel, light, power and water	12,000	11,300	— 700
		8	Fish hatcheries—Operating expenses	30,000	24,400	— 5,600
22	3	1	<i>Government Statist—</i>			
		2	Allowance to Registrar of Friendly Societies	600	761	+ 161
		3	Registrar of Births and Deaths—Fees	2,600	2,439	— 161
23	2	1	<i>Social Welfare Administration and Research and Statistics—</i>			
		5	Travelling and subsistence	3,500	3,560	+ 60
		6	Motor vehicles—Purchase and running expenses	550	490	— 60
24	2	1	<i>Family Welfare—</i>			
		2	Travelling and subsistence	42,500	43,866	+ 1,366
		3	Office requisites and equipment, printing and stationery	7,500	7,081	— 419
		4	Books and publications, other incidental expenses	44,300	43,678	— 622
		5	Postal and telephone expenses	17,800	17,622	— 178
		6	Motor vehicles—Purchase and running expenses	14,400	14,420	+ 20
		7	Fuel, light, power and water	39,500	39,486	— 14
		8	Maintenance of migrant children	250	97	— 153
	3	1	Family Welfare Advisory Council—Fees and travelling expenses	1,500	1,956	+ 456
		2	Rail travel for parents visiting wards in institutions	6,500	6,044	— 456
25	2	1	<i>Youth Welfare—</i>			
		4	Travelling and subsistence	20,500	20,930	+ 430
		5	Postal and telephone expenses	16,150	18,130	+ 1,980
		7	Stores, provisions, plant, equipment and other expenses of governmental institutions, homes and hostels	320,000	317,590	— 2,410
26	2	1	<i>Prisons—</i>			
		2	Travelling and subsistence	24,500	25,910	+ 1,410
		3	Office requisites and equipment, printing and stationery	5,000	4,999	— 1
		4	Books and publications, other incidental expenses	1,000	660	— 340
		5	Postal and telephone expenses	18,000	19,682	+ 1,682
		6	Motor vehicles—Purchase and running expenses	46,500	46,459	— 41
		7	Fuel, light, power and water	125,000	129,090	+ 4,090
		8	Stores, provisions, equipment and other expenses of gaols, penal establishments and prison farms	450,000	449,969	— 31
		9	Allowance to working prisoners	260,000	253,231	— 6,769

APPENDIX E.—continued.

Vote.			Particulars.	Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase - Decrease
Division.	Sub-Division.	Item.				
CHIEF SECRETARY—continued.						
				\$	\$	\$
27	3	1	<i>Training—</i> Social Welfare Training Council—Fees and travelling expenses	1,250	975	- 275
		2	Bursaries to students in youth leadership and child care	17,450	17,468	+ 18
		3	Fees to lecturers in youth leadership and child care	5,000	5,257	+ 257
28	2	1	<i>Probation and Parole—</i> Travelling and subsistence	28,000	27,000	- 1,000
		2	Office requisites and equipment, printing and stationery	6,000	7,000	+ 1,000
		3	Advances to probationers	400	529	+ 129
		4	Youth Parole Board—Expenses and fees to members	2,500	2,371	- 129
29	2	1	<i>Police—</i> Travelling and subsistence	628,000	629,645	+ 1,645
		2	Office requisites and equipment, printing and stationery	237,000	236,973	- 27
		3	Books and publications, other incidental expenses	235,000	238,761	+ 3,761
		5	Motor vehicles—Purchase and running expenses	1,053,000	1,054,431	+ 569
		6	Fuel, light, power and water	250,000	249,998	- 2
		7	Personal equipment, uniforms, clothing and bedding	139,500	139,473	- 27
		8	Radio, photographic, scientific and training equipment and materials	70,000	69,988	- 12
		10	Transport of prisoners, search parties and traffic school—Travelling expenses, &c.	56,000	55,468	- 532
		11	Burials	12,000	9,207	- 2,793
		12	Provisions for police hospital	7,500	6,158	- 1,342
		13	Police Long Service and Good Conduct Medals	200	98	- 102
32	3	1	<i>State Library—</i> Library Training School—Scholarships, lecture fees and other expenses	8,000	5,381	- 2,619
		2	Archives section—Expenses	9,000	8,482	- 518
		5	Grants to rural municipalities and regional library centre developmental grant	50,000	51,344	+ 1,344
		6	Subsidies to municipalities towards municipal free libraries	1,271,100	1,272,893	+ 1,793
34	2	1	<i>Institute of Applied Science—</i> Travelling and subsistence	550	584	+ 34
		4	Postal and telephone expenses	200	420	+ 220
		5	Motor vehicles—Purchase and running expenses	350	324	- 26
		6	Furniture and fittings, display and other equipment, exhibits, &c.	12,000	11,772	- 228
36	1	1	<i>Immigration—</i> Salaries and allowances	74,024	74,246	+ 222
		2	Overtime and penalty rates	3,900	3,678	- 222
		3	Books and publications, other incidental expenses	1,050	460	- 590
		4	Postal and telephone expenses	3,650	4,090	+ 440
		5	Motor vehicles—Purchase and running expenses	500	650	+ 150
LABOUR AND INDUSTRY.						
37	1	2	<i>Labour and Industry—</i> Salaries and allowances	1,280,305	1,276,570	- 3,735
		4	Payments in lieu of long service leave	27,550	31,285	+ 3,735
	2	1	Travelling and subsistence	66,700	70,000	+ 3,300
		2	Office requisites and equipment, printing and stationery	108,600	107,885	- 715
		3	Books and publications, other incidental expenses	4,500	4,575	+ 75
		4	Postal and telephone expenses	42,000	42,640	+ 640
		5	Motor vehicles—Purchase and running expenses	12,000	8,700	- 3,300
		6	Apprenticeship Commission—Fees and allowances	4,500	5,005	+ 505
		6	Subsidies to apprentices attending continuous courses of instruction remote from place of residence or work	50,000	49,495	- 505
EDUCATION.						
38	1	3	<i>Education—</i> Overtime and penalty rates	80,000	113,963	+ 33,963
		4	Payments in lieu of long service leave	2,200,000	2,166,037	- 33,963
		2	Technical Schools—Grants	3,071,552	3,075,552	+ 4,000
		4	Bus services and pupils' travelling allowances	8,600,000	8,599,672	- 328
		5	Scholarships and bursaries (fees and allowances) and allowances for maintenance and requisites	3,080,000	3,055,806	- 24,194
		6	Hostels attached to Teachers' Colleges, Training Centres or Special Schools—Expenses	938,300	929,197	- 9,103
		10	Residential group activities of students in training and pupils at Somers and elsewhere	54,000	53,991	- 9
		11	Speech therapy and psychology tests, &c.—Travelling expenses of country children and parents	10,000	8,271	- 1,729
		12	Students attending schools under reciprocal arrangements with other States—Maintenance and allowances	12,000	10,249	- 1,751
		13	Subsidies to holders of free places and senior scholarships (University and Technical)	13,000	11,230	- 1,770
		14	Subsidies to hostels established in connexion with Country High and Technical Schools and Special Schools	11,000	10,610	- 390
		16	Adult Education Fund—To supplement annual appropriation	140,000	149,001	+ 9,001
		19	Melbourne Kindergarten Teachers' College—Grant	120,000	149,000	+ 29,000
		23	Expenses in connexion with the provision of emergency temporary accommodation for pupils of "Christ the King" School, Braybrook, destroyed by fire	4,900	2,198	- 2,702
		24	Towards expenses of conducting a school by the Victorian Committee for the promotion of Oral education of the Deaf	16,500	16,475	- 25
39	1	1	<i>Teachers Tribunal—</i> Salaries and allowances	25,584	26,024	+ 440
		2	Overtime and penalty rates	2,200	1,760	- 440
	2	2	Office requisites and equipment, printing and stationery	1,400	3,248	+ 1,848
		3	Books and publications, other incidental expenses	3,250	744	- 2,506
		4	Postal and telephone expenses	1,500	2,158	+ 658
ATTORNEY-GENERAL.						
40	1	2	<i>Attorney-General—</i> Salaries and allowances	1,025,840	1,026,435	+ 595
		3	Overtime and penalty rates	22,500	21,905	- 595
	2	1	Travelling and subsistence	13,900	16,300	+ 2,400
		2	Office requisites and equipment, printing and stationery	32,800	32,767	- 33
		3	Books and publications, other incidental expenses	27,700	27,646	- 54
		4	Postal and telephone expenses	8,700	8,595	- 105
		5	Motor vehicles—Purchase and running expenses	4,400	4,286	- 114
		6	Fuel, light, power and water	14,500	10,938	- 3,562
		7	Professional assistance	160,000	181,820	+ 21,820
		8	Costs payable by the Crown	15,000	3,593	- 11,407
		9	Refunds of Jury fees	40,000	31,263	- 8,737
		10	Refunds of fines	5,000	4,792	- 208
41	1	2	<i>Courts Administration—</i> Overtime and penalty rates	25,700	23,895	- 1,805
		3	Payments in lieu of long service leave	30,821	32,626	+ 1,805
	2	1	Travelling and subsistence	166,000	164,742	- 1,258
		2	Office requisites and equipment, printing and stationery	51,400	51,367	- 33
		3	Books and publications, other incidental expenses	103,000	102,997	- 3
		4	Postal and telephone expenses	110,000	109,384	- 616
		5	Motor vehicles—Purchase and running expenses	4,800	3,679	- 1,121
		6	Fuel, light, power and water	105,500	89,602	- 15,898

APPENDIX E.—continued.

Vote.			Particulars.	Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase - Decrease
Division.	Sub-Division.	Item.				
ATTORNEY-GENERAL—continued.						
				\$	\$	\$
41	2	7	<i>Courts Administration—continued.</i>			
		7	Materials and equipment for Coroner's Court and Country Mortuaries ..	8,300	8,294	- 6
		8	Expenses in connexion with post mortem examinations ..	80,000	93,450	+ 13,450
		9	Allowances to witnesses ..	138,000	143,485	+ 5,485
42	1	2	<i>Registrar-General and Registrar of Titles—</i>			
		2	Overtime and penalty rates ..	52,000	45,802	- 6,198
		3	Payments in lieu of long service leave ..	28,925	35,123	+ 6,198
43	1	1	<i>Registrar of Companies—</i>			
		1	Salaries and allowances ..	256,728	257,915	+ 1,187
		2	Overtime and penalty rates ..	8,000	6,813	- 1,187
		2	Travelling and subsistence ..	2,200	2,600	+ 400
		2	Office requisites and equipment, printing and stationery ..	18,000	17,600	- 400
45	1	2	<i>Public Trustee—</i>			
		2	Overtime and penalty rates ..	23,000	22,809	- 191
		3	Payments in lieu of long service leave ..	5,450	5,641	+ 191
TREASURER.						
46	2	1	<i>Treasury—</i>			
		1	Travelling and subsistence ..	4,200	4,587	+ 387
		2	Office requisites and equipment, printing and stationery ..	12,500	13,600	+ 1,100
		3	Books and publications, other incidental expenses ..	1,700	1,682	- 18
		4	Postal and telephone expenses ..	10,000	9,184	- 816
		5	Motor vehicles—Purchase and running expenses ..	1,500	840	- 660
		6	Refunds of moneys unclaimed over six years and transferred to the Consolidated Revenue ..	1,100	1,107	+ 7
	3	2	Payment to New Zealand Government in respect of subscriptions in New Zealand to Tattersall Consultations ..	250,000	267,926	+ 17,926
		3	Payment to Government of Tasmania in respect of subscriptions received by accredited representatives in Tasmania to Tattersall Consultations ..	145,000	150,054	+ 5,054
		8	Cost of cash deliveries by armoured car service ..	38,000	38,400	+ 400
		9	Towards cost of maintenance of ex-Guncotton Factory Area at Ballarat ..	5,800	6,015	+ 215
		10	To supplement annual subsidy to the Royal Mint ..	15,000	18,544	+ 3,544
		13	Allowances to sufferers from miners' phthisis and expenses in connexion therewith ..	45,000	47,400	+ 2,400
		28	For cultural development and grants in connexion therewith ..	320,000	325,280	+ 5,280
	3	35	For payment of capitation grants to registered schools ..	4,150,000	4,140,206	- 9,794
		37	Payment to State Accident Insurance Fund in respect of Workers Compensation Insurance for Government employees (excluding Railways Department, State Rivers and Water Supply Commission and Forests Commission) ..	1,500,000	1,492,146	- 7,854
		50	Commonwealth Parliamentary Association—Victoria Branch—Grant ..	15,700	16,670	+ 970
		62	Orchestral Concerts, Melbourne and country districts (including State Service Concert Orchestra \$4,840)—Grant towards expenses of providing concerts ..	31,000	12,859	- 18,141
48	2	2	<i>Tender Board—</i>			
		2	Office requisites and equipment, printing and stationery ..	4,000	4,750	+ 750
		5	Transport and other cartage expenses including stacking, cooperage and bond storage charges ..	265,000	264,250	- 750
49	2	1	<i>State Superannuation Board—</i>			
		1	Travelling and subsistence ..	3,200	4,200	+ 1,000
		2	Office requisites and equipment, printing and stationery ..	22,000	19,300	- 2,700
		4	Postal and telephone expenses ..	29,500	31,200	+ 1,700
50	1	1	<i>Registry of Co-operative Housing Societies and Co-operative Societies and Home Finance Administration—</i>			
		1	Salaries and allowances ..	157,766	159,843	+ 2,077
		2	Overtime and penalty rates ..	2,750	673	- 2,077
	2	1	Travelling and subsistence ..	4,500	3,900	- 600
		2	Office requisites and equipment, printing and stationery ..	3,300	3,900	+ 600
51	1	1	<i>Taxation Office—</i>			
		1	Salaries and allowances ..	688,247	688,783	+ 536
		3	Payments in lieu of long service leave ..	5,019	4,483	- 536
	2	1	Travelling and subsistence ..	1,000	500	- 500
		3	Books and publications, other incidental expenses ..	1,000	1,500	+ 500
52	2	2	<i>Stamp Duties—</i>			
		2	Office requisites and equipment, printing and stationery ..	78,000	66,310	- 11,690
		3	Books and publications, other incidental expenses ..	15,000	15,530	+ 530
		4	Postal and telephone expenses ..	50,000	49,470	- 530
		6	Commission on sale of duty stamps, &c. ..	102,000	113,690	+ 11,690
	1	1	<i>Government Printer—</i>			
		1	Salaries and allowances ..	1,603,120	1,616,069	+ 12,949
		2	Overtime and penalty rates ..	185,000	187,440	+ 2,440
		3	Payments in lieu of long service leave ..	50,000	34,611	- 15,389
	2	1	Travelling and subsistence ..	19,000	19,008	+ 8
		8	Working charges ..	63,500	63,492	- 8
LANDS AND SURVEY.						
54	1	3	<i>Lands and Survey—</i>			
		3	Overtime and penalty rates ..	28,700	26,332	- 2,368
		4	Payment in lieu of long service leave ..	42,123	44,491	+ 2,368
	2	1	Travelling and subsistence ..	261,000	262,000	+ 1,000
		2	Office requisites and equipment, printing and stationery ..	46,000	45,357	- 643
		3	Books and publications, other incidental expenses ..	22,500	23,185	+ 685
		5	Motor vehicles—Purchase and running expenses ..	30,100	29,919	- 181
		6	Fuel, light, power and water ..	11,300	10,558	- 742
	2	7	Survey photographic equipment, &c. ..	65,000	64,992	- 8
		8	Fees for registration of powers of attorney and liens on crops, registration and discharge of mortgages, commission on sales of land, commission on royalties ..	1,000	889	- 111
	3	2	Cadastral and aerial survey including the preparation of maps, &c. ..	126,000	130,082	+ 4,082
		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	140	- 560
		10	Surveying Cadetships ..	6,450	7,010	+ 560
		11	Expenses in connexion with Port Phillip Authority ..	36,600	32,518	- 4,082
55	1	1	<i>Botanic and Domain Gardens and National Herbarium—</i>			
		1	Salaries and allowances ..	247,082	242,999	- 4,083
		2	Overtime and penalty rates ..	5,550	9,385	+ 3,835
		3	Payments in lieu of long service leave ..	10,512	10,760	+ 248
	2	2	Office requisites and equipment, printing and stationery ..	4,500	3,300	- 1,200
		3	Books and publications, other incidental expenses ..	4,000	5,000	+ 1,000
		5	Motor vehicles—Purchase and running expenses ..	1,050	1,250	+ 200
PUBLIC WORKS.						
56	1	3	<i>Public Works—</i>			
		3	Overtime and penalty rates ..	105,000	92,603	- 12,397
		4	Payments in lieu of long service leave ..	52,714	65,111	+ 12,397
	3	3	Municipal and other authorities—Rates and charges ..	450,000	447,000	- 3,000
		7	Other public works ..	14,000	17,000	+ 3,000
57	1	1	<i>Ports and Harbours—</i>			
		1	Salaries and allowances ..	339,254	340,193	+ 939
		3	Payments in lieu of long service leave ..	2,693	1,754	- 939

APPENDIX E.—continued.

Vote.			Particulars.	Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase - Decrease
Division.	Sub-Division.	Item.				
HEALTH—continued.						
				\$	\$	\$
73	2	14	<i>General Health—continued.</i>			
		14	Clean Air—Expenses (including fees of members of Committee) ..	3,320	3,500	+ 180
		15	Poisons Information Centre—Expenses ..	2,240	2,230	- 10
		16	Poisons Control—Expenses (including fees to members of Committee) ..	10,150	8,981	- 1,169
	3	3	To meet cost of travel on State-owned transport for people of limited means requiring treatment at public hospitals ..	94,000	97,550	+ 3,550
		7	Australian Red Cross Society (Victorian Division)—Grant for after-care treatment of poliomyelitis sufferers ..	32,000	28,450	- 3,550
74	2	1	<i>Tuberculosis—</i>			
		2	Travelling and subsistence ..	1,270	1,302	+ 32
		3	Office requisites and equipment, printing and stationery ..	40	23	- 17
		2	Books and publications, other incidental expenses ..	50	35	- 15
	3	3	Preventive measures concerning tuberculosis—Publicity, bureaux maintenance, diagnostic facilities, research, &c. ..	750,000	763,000	+ 13,000
		3	Tuberculosis wards at hospitals and other institutions—Maintenance and other expenses, including payments to consultants, Australian Red Cross Society, &c., for visiting services and reimbursement of hospital charges in respect of tuberculosis patients in special cases ..	970,000	957,000	- 13,000
75	1	1	<i>Maternal and Child Welfare—</i>			
		2	Salaries and allowances ..	1,284,889	1,285,251	+ 362
		1	Overtime and penalty rates ..	550	188	- 362
	2	1	Travelling and subsistence ..	25,500	26,400	+ 900
		2	Office requisites and equipment, printing and stationery ..	4,450	5,185	+ 735
		3	Books and publications, other incidental expenses ..	20,500	14,085	- 6,415
		4	Postal and telephone expenses ..	7,100	7,390	+ 290
		5	Motor vehicles—Purchase and running expenses ..	7,000	6,935	- 65
		6	Ante Natal Clinics—Sessional fees and expenses of medical officers and nurses ..	15,150	14,220	- 930
		7	School medical and dental expenses ..	225,000	223,850	- 1,150
		8	Medical, dental and pharmaceutical expenses in connexion with children under care of Social Welfare Branch of Chief Secretary's Department ..	120,000	125,401	+ 5,401
		9	Expenses in connexion with infant welfare and pre-school scholarships ..	100,850	101,530	+ 680
		10	Rail passes, &c., infant welfare nurses, pre-school directors, &c. ..	2,750	3,304	+ 554
	3	1	Subsidies to various authorities towards cost of maintaining kindergartens and pre-school centres ..	2,604,450	2,605,340	+ 890
		2	Subsidies towards cost of maintaining creches and day nurseries ..	203,000	199,346	- 3,654
		3	Consultative Council on Maternal Mortality—Fees and other expenses ..	7,500	7,465	- 35
		4	Subsidies to municipalities, &c., towards infant welfare centres, dental clinics, &c. ..	735,500	741,100	+ 5,600
		6	Subsidies towards infant welfare schools and mothercraft training schools ..	76,000	73,705	- 2,295
		7	Dental Hospital—Subsidy towards cost of dental services to pre-school children ..	8,000	7,494	- 506
76	1	1	<i>Mental Hygiene—</i>			
		2	Salaries and allowances ..	16,461,242	16,274,711	- 186,531
		3	Overtime and penalty rates ..	2,340,000	2,526,531	+ 186,531
	2	2	Books and publications, other incidental expenses ..	52,000	57,400	+ 5,400
		4	Postal and telephone expenses ..	136,000	150,000	+ 14,000
		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 ..	3,260,000	3,234,600	- 25,400
		9	Committal of patients ..	12,000	13,000	+ 1,000
		10	Expenses of accommodating patients outside mental institutions ..	203,000	208,000	+ 5,000
FUEL AND POWER.						
78	2	1	<i>Ministry of Fuel and Power—</i>			
		2	Travelling and subsistence ..	1,350	1,034	- 316
		4	Office requisites and equipment, printing and stationery ..	3,400	4,140	+ 740
		5	Postal and telephone expenses ..	700	126	- 574
		5	Motor vehicles—Purchase and running expenses ..	350	500	+ 150
TRANSPORT.						
80	2	3	<i>Ministry of Transport—</i>			
		5	Books and publications, other incidental expenses ..	350	362	+ 12
		5	Motor vehicles—Purchase and running expenses ..	1,050	1,038	- 12
FORESTS.						
81	1	2	<i>Forests Commission—</i>			
		3	Overtime and penalty rates ..	60,000	57,945	- 2,055
		3	Payments in lieu of long service leave ..	64,932	66,987	+ 2,055
WATER SUPPLY.						
82	2	1	<i>State Rivers and Water Supply Commission—</i>			
		2	Travelling and subsistence ..	165,000	164,828	- 172
		3	Office requisites and equipment, printing and stationery ..	90,000	89,836	- 164
		4	Books and publications, other incidental expenses ..	96,000	100,500	+ 4,500
		5	Postal and telephone expenses ..	64,000	63,795	- 205
		6	Fuel, light, power and water ..	21,500	21,169	- 331
		7	Workers' Compensation Insurance ..	200,000	165,596	- 34,404
		8	Rent ..	7,250	7,112	- 138
		8	Contour surveys, private services, tapping mains, excavator hire and other recoverable expenses ..	85,000	97,790	+ 12,790
		9	River gaugings, investigations, soil surveys, &c. ..	82,000	88,300	+ 6,300
		10	Central workshops and storeyards ..	88,000	88,610	+ 610
		11	Repairs and maintenance of buildings ..	70,000	71,375	+ 1,375
		12	Pay-roll tax ..	295,850	305,689	+ 9,839
	3	1	Coliban—Materials and other expenses ..	210,000	213,638	+ 3,638
		2	Irrigation, water supply and drainage districts—Materials and other expenses ..	2,300,000	2,276,343	- 23,657
		3	Waterworks districts and public tanks—Materials and other expenses ..	1,110,000	1,133,657	+ 23,657
		6	Private diversions including headworks, Lake Corangamite Project and Eildon Sewerage District—Materials and other expenses ..	75,000	71,362	- 3,638
		9	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 ..	123,000	121,772	- 1,228
		10	Subsidies to Waterworks Trusts and Local Governing Bodies in certain cases where the effective water rate exceeds the equivalent of 17.5 cents in the dollar, net annual valuation ..	5,000	6,228	+ 1,228
PART II.						
RAILWAYS.						
83	1	1	<i>Railways—</i>			
		3	Traffic Branch and Commercial Branch ..	35,345,485	35,416,472	+ 70,987
		4	Rolling-stock Branch ..	30,451,120	30,624,290	+ 173,170
		5	Electrical Engineering Branch ..	4,834,520	4,683,305	- 151,215
		6	Stores Branch ..	1,782,000	1,670,296	- 111,704
		7	Refreshment and Advertising services ..	4,760,265	4,701,759	- 58,506
		8	General Expenses ..	6,513,150	6,723,065	+ 209,915
		9	Railway Accident and Fire Insurance Fund—Contribution ..	1,918,000	1,812,761	- 105,239
		10	Pay-roll Tax ..	2,152,800	2,125,392	- 27,408

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