
REPORT

OF THE

AUDITOR-GENERAL

FOR THE YEAR ENDED

30th JUNE, 1971

TABLE OF CONTENTS.

PART.		PAGE.
I. ..	INTRODUCTION	3
II. ..	REVIEW	4
III. ..	THE CONSOLIDATED FUND—	
	Receipts	9
	Expenditure	18
	Treasurer's Advance	20
	Variations of Annual Appropriations	20
	Loan Transactions	21
	Synopsis	21
	Loan Raisings	21
	Works and Housing Programme	23
	Public Debt under the Financial Agreement	24
	National Debt Sinking Fund	25
IV. ..	TRUST FUND AND SPECIAL ACCOUNTS—	
	Synopsis	26
	New Funds and Accounts	26
	Accounts Closed	27
	Current Funds and Accounts	28
	Securities Lodged with the Treasurer	40
V. ..	DEPARTMENTS, BRANCHES AND AUTHORITIES—	
	Aboriginal Affairs	41
	Agriculture	42
	Chief Secretary	44
	Police	44
	State Accident Insurance Office	46
	State Motor Car Insurance Office	48
	Workers Compensation Board	49
	Other Branches	50
	Country Roads Board	51
	Education	55
	Forests Commission	68
	Government Printer	71
	Health	72
	Hospitals and Charities Commission	76
	Labour and Industry	77
	Lands and Survey	78
	Law	80
	Local Government	81
	Milk Board	82
	Mines	83
	Public Works	84
	Railways	87
	Social Welfare	93
	State Development	94
	State Rivers and Water Supply Commission	98
	Transport Regulation Board	103
VI. ..	GENERAL—	
	Guarantees	105
	State's Debtors	106
	Disallowances and Surcharges	107
	Treasurer's Acquittance	107
	Defalcations and Irregularities	108
	Acknowledgment	111
STATEMENTS—		
No. 1..	Expenditure—Comparative Statement	112
„ 2..	Loan Transactions	113
„ 3..	Trust Fund	114
„ 4..	Debt Charges Account	115
„ 5..	Railways—Receipts and Expenditure	117
„ 6..	Country Water Supply—Receipts and Expenditure	119
APPENDICES—		
A. ..	Agricultural Colleges and Research Institutions	120
B-1 ..	Endowments and Grants	122
2 ..	Cultural Development Allocations	124
C. ..	Education Department—Comparative Analysis	126
D. ..	Stores	128
E. ..	Transfers—Section 25 Audit Act	129
INDEX	.. .. .	134

REPORT OF THE AUDITOR-GENERAL OF VICTORIA

UPON

THE TREASURER'S STATEMENT OF THE FINANCES FOR THE YEAR
ENDED 30TH JUNE, 1971.

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 Fund and the Trust Fund for the financial year ended 30th June, 1971. 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.

The *Public Account Act* 1970 amended the *Public Account Act* 1958 as from 1st July, 1970. The amendments had the effect of eliminating the long established concept of three distinct areas of public funds within the Treasury system and necessitated a reconstruction of the Treasurer's accounts.

By the legislation, the Consolidated Revenue Fund and the Loan Fund were absorbed in one Fund known as the Consolidated Fund. Henceforth, this latter Fund is to receive all amounts which, formerly, would have been credited to Consolidated Revenue or to Loan Fund, and the moneys available in the new Consolidated Fund are to be applied in accordance with appropriations by Parliament.

In addition, the legislation established within the Trust Fund a new trust account, the Works and Services Account. This Account is financed by appropriations from the Consolidated Fund and the moneys to the credit of the Works and Services Account may be applied only by authority of appropriations by Parliament. To date, appropriations of the Works and Services Account have been for purposes which, in the past, would, generally, have been met from Loan Fund.

The changed form of presentation of the Treasurer's accounts has, in turn, necessitated complete revision of the form of presentation of many statements normally included in my Report. In assembling figures for the various statements, I have regarded expenditure from the Consolidated Fund as including expenditure from the Works and Services Account, in that I have treated that part of the moneys appropriated from the Consolidated Fund to the Works and Services Account and expended through the Works and Services Account as being, in fact, expenditure from the Consolidated Fund. Where, in the Report, expenditure through the Works and Services Account in 1970-71 is compared with that of a prior year, I have used, as the comparable figure for the prior year, the expenditure in that year from the Loan Fund.

The arrangement of this Report follows closely that of previous years. A general review of the main features of the State finances is given in Part II. and in Parts III. and IV. the receipts and payments of the Consolidated Fund and the Trust Fund are discussed in some detail. Comments on various departments, branches and authorities appear in Part V., and in Part VI., the Report provides information on matters which I am required to report 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 Fund for the year such amounts as had been expended but in respect of which no appropriation had been made on or before 30th June, 1971. 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.

In the Budget for 1970-71, the Treasurer estimated that the total receipts to the Consolidated Fund would be \$982,588,318. The actual result for the year was a total of \$1,011,378,662 and this amount was appropriated in full to the service of the year.

In broad terms, the receipts to the Consolidated Fund were derived from the following sources and compare with Budget Estimates and with those of the previous year as shown :—

	Budget 1970-71 \$	Actual 1970-71 \$	Actual 1969-70 \$
State Taxation	213,966,000	202,789,553	195,061,956
Other State Sources exc. Railways	148,103,000	150,283,808	125,230,956
Railway Income	106,014,000	108,000,211	105,204,476
Commonwealth Sources exc. Loan Raisings	385,785,318	423,809,410	303,270,992
	853,868,318	884,882,982	728,768,380
Loan Raisings and Repayments	128,720,000	126,495,680	162,617,762
	982,588,318	1,011,378,662	891,386,142

Payment from the Consolidated Fund of the total receipts to the Fund related to the following broad headings of expenditure and compares with Budget Estimates and with that of the previous year as shown :—

	Budget 1970-71 \$	Actual 1970-71 \$	Actual 1969-70 \$
Special Appropriation—Debt Charges, Salaries, Pensions, General Expenses, &c.	208,350,675	205,347,331	187,695,195
Annual Vote—Departmental Services exc. Railways	472,488,888	503,497,363	428,384,000
Railway Operating Expenses	130,113,046	137,751,844	126,202,703
	810,952,609	846,596,538	742,281,898
Special Appropriation—Works and Services Account	171,635,709	164,782,124	164,486,246
	982,588,318	1,011,378,662	906,768,144

In addition to receipts required to be credited to the Consolidated Fund, the Treasurer received in the year and credited to accounts within the Trust Fund a total of \$1,068,137,153. Included in these receipts are amounts to a total of \$172,580,664 received from the Commonwealth as recoups of expenditure, as conditional grants to the State and as advances for disbursement by the State. A broad classification of the purposes for which these amounts were received from the Commonwealth is as follows :—

	\$
Education	54,806,647
Health	10,634,610
Housing (inc. Home Builders, repayments and interest)	54,517,610
Primary Production	5,481,682
Road and Other Works	45,494,664
Other	1,645,451
	172,580,664

Payments from Trust Fund totalled \$1,042,697,836 and may be classified under the following broad headings :—

	\$
Commonwealth	171,800,394
Commonwealth-State	1,076,623
Compensation and Insurance	75,133,383
Deposit	848,982
Depreciation	3,424,076
Social, Health and Welfare	81,039,708
Superannuation and Pension	5,432,732
Suspense	300,879,597
Works and Development	231,829,532
Other	171,232,809
	<u>1,042,697,836</u>

More detailed comment in respect of trust account transactions, including those in respect of new accounts, is given at page 26 et seq.

The overall effect on the Public Account of the transactions relating to the Consolidated Fund and the Trust Fund as mentioned above is shown in the following statement which summarizes the movements within the Public Account for the year.

	\$	\$
Balance at credit of Public Account 1st July, 1970 ..		128,884,958
Receipts—		
Consolidated Fund	1,011,378,662	
Trust Fund	1,068,137,153	
In Reduction of Advances	410,156	
	<u>2,079,925,971</u>	
		<u>2,208,810,929</u>
Payments—		
Consolidated Fund	1,011,378,662	
Trust Fund	1,042,697,836	
	<u>2,054,076,498</u>	
Balance at credit of Public Account 30th June, 1971 ..		<u>154,734,431</u>

The balance of the Public Account is accounted for in the Treasurer's Statement as follows :—

	\$	\$
Trust Fund Balance		181,554,407
Less Advances from Public Account—		
For Deficits	21,782,281	
For Departmental and Other Purposes	5,037,695	
	<u>26,819,976</u>	
		<u>154,734,431</u>

The balance is represented by—

	\$	\$
Cash at Credit of Public Account	25,671,914	
Fixed Deposit Account	54,700,000	
	<u>80,371,914</u>	
Investments of the Trust Fund		74,362,517
		<u>154,734,431</u>

The net effect of the year's transactions was an increase in the balance to the credit of the Public Account of \$25,849,473 brought about by the rise of \$25,439,317 in the credit balance of the Trust Fund and by the reduction of \$410,156 in the total advances from the Public Account for deficits and other purposes.

The amount of the Consolidated Revenue Deficit Account financed from the Public Account and shown above, \$21,782,281, consists of the balance of \$6,400,279 at 30th June, 1970, and the Revenue Deficit for 1969-70, \$15,382,002, debited in 1970-71. No funding of any part of the accumulated deficit was effected during the year.

RECEIPTS—CONSOLIDATED FUND.

Total receipts to the Consolidated Fund, \$1,011,378,662, exceeded the Budget Estimate of \$982,588,318 by \$28,790,344.

The main excesses of receipts over the Budget Estimate were :—

	\$
Commonwealth Financial Assistance &c. Grants	37,266,765
Land Tax	2,442,372
Railways	1,986,211
Recoups—Departmental Services	1,735,131
Probate Duty	926,736

The main shortages in receipts compared with the Budget Estimate were :—

	\$
Stamp Duty—Other	15,286,291
Loan Repayments	1,152,703

The actual receipts to the Consolidated Fund exceeded those of the previous year, \$891,386,142, by \$119,992,520.

Receipts are capable of division into three main categories of those from—

	\$
Sources other than the Commonwealth	461,073,572
Commonwealth Sources	423,809,410
Loan Raisings and Repayments	126,495,680
	1,011,378,662

Receipts from sources other than the Commonwealth, \$461,073,572, were \$35,576,184 higher than the 1969-70 figure of \$425,497,388, and constituted 45·6 per cent. of the total receipts compared with 47·7 per cent. in the previous year. Those from Commonwealth sources, \$423,809,410, were \$120,538,418 more than in the previous year and represented 41·9 per cent. as against 34 per cent. for 1969-70. Loan raisings and repayments yielded \$36,122,082 less than the 1969-70 total of \$162,617,762 and provided 12·5 per cent. of the total receipts compared with 18·3 per cent. in 1969-70.

The following summary shows under broad headings the major variations in the last two years in the receipts from sources other than the Commonwealth.

Increases—

Taxation—	\$
Land Tax	6,005,998
Probate Duty	5,503,849
Totalizator	1,310,126
Recoveries of Debt Charges	3,130,187
Land Revenue	14,118,675
Fees and Charges for Departmental Services	3,530,245
Railways	2,795,735

Decreases—

Taxation—Stamps Acts	6,386,281
------------------------------	-----------

The substantial increase in Land Revenue was due almost entirely to the amount received from royalties payable in respect of oil and gas recovered from submerged lands adjacent to the coasts of the State. A proportionate part of royalties received from this source is payable to the Commonwealth. An amount of \$5,015,982 was paid in 1970-71.

The decrease in receipts from duty imposed under the Stamps Acts followed the operation of the legislation which abolished receipt duty on salaries and wages from 1st July, 1970, and on receipts for any money received after 1st October, 1970.

Details of the variations in the receipts from Commonwealth sources are :—

	1969-70.	1970-71.	+ Increase - Decrease
	\$	\$	\$
Financial Assistance Grants	283,642,622	361,583,947	+ 77,941,325
Special Payment	10,000,000	..	— 10,000,000
Capital Assistance Grant .. .. .	..	51,020,000	+ 51,020,000
Debt Charges Assistance Grant .. .. .	..	2,782,818	+ 2,782,818
Contribution for Interest—Financial Agreement	4,254,318	4,254,318	..
Tuberculosis Arrangement	3,604,362	3,293,868	— 310,494
Mental Hospitals—Recoups	946,657	797,544	— 149,113
Advance—States Grants (Water Resources)	162,800	29,467	— 133,333
Softwood Forestry Agreement	480,000	Nil*	— 480,000
Other	180,233	47,448	— 132,785
	<u>303,270,992</u>	<u>423,809,410</u>	<u>+120,538,418</u>

* \$815,000 received 1st July, 1971.

Later in this Report, detailed information is furnished in relation to the various items of financial assistance shown above.

Net receipts of \$126,495,680 to the Consolidated Fund from loan raisings and loan repayments (exclusive of Commonwealth contributions) were \$36,122,082 less than the comparable figure for 1969–70. The receipts consisted of the net proceeds of the loans raised under Victoria's share of the works programme of \$481,450,000 approved by the Loan Council, \$121,670,000, and repayments in respect of advances made by the State in this and prior years. In addition, the Commonwealth made available to the States an amount of \$200 million for the purpose of assistance in connection with expenditure of a capital nature. Victoria's share of the grant of \$200 million was \$51,020,000 and is shown in the above statement of credits to the Consolidated Fund from Commonwealth sources. The purpose of the grant was to provide capital funds on which debt charges will not be payable and for expenditure on what may be termed non-revenue producing capital works in respect of which debt charges are not normally recovered.

PAYMENTS—CONSOLIDATED FUND.

Section 5 of the *Public Account Act* 1958, as now amended, provides that the total of appropriations by Parliament from the Consolidated Fund and the amount specially appropriated under authority of the Act to the Works and Services Account following determination of such amount by the Treasurer shall not exceed the amount to the credit of the Consolidated Fund. As shown earlier in this review, the total credits to the Consolidated Fund aggregated \$1,011,378,662 and this amount was appropriated in full in the following manner :—

	\$
Special Appropriation—Debt Charges, Pensions, &c.	220,517,478
Special Appropriation—Works and Services Account	164,782,124
Annual Vote—Departmental &c. Services.. .. .	626,079,060
	<u>1,011,378,662</u>

The comparable figure for the previous year was \$906,768,144 which is \$104,610,518 less than the 1970–71 total.

Again this year, the biggest proportion of expenditure from the Consolidated Fund was of a social nature and related to education, health and welfare services. The amount expended on these services was \$484,082,951 and represented 47·87 per cent. of the total amount available in the Consolidated Fund. The items included in the expenditure of \$484,082,951 were Education \$320,016,974, Health and Welfare \$150,471,900, and other Social items \$13,594,077. These amounts exceeded those of the previous year by \$45,208,016 for Education and \$24,970,408 for Health and Welfare. Other Social expenditure was \$230,431 less than in 1969–70. More detailed information relating to these items of expenditure is given in the relevant departmental sections later in the Report.

Debt charges continue to absorb a substantial portion of the funds available in the Consolidated Fund and the amount paid in 1970–71 under this heading was \$165,560,346 which represents 16·37 per cent. of the total expenditure from Consolidated Fund and \$11,199,989 more than was required in 1969–70. Debt charges on the Public Debt accounted for \$139,773,928 of the year's expenditure and the balance related to interest and principal payments in respect of the Commonwealth–State Housing Agreement and the Commonwealth–State Soldier Settlement Account.

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 loan moneys and by interest received from various sources and credited to the Consolidated Fund. In addition, the Commonwealth provided this year an amount of \$2,782,818 as its first grant under the *States Grants (Debt Charges Assistance) Act 1970* to assist the State to meet its interest and sinking fund contributions.

Statement No. 4 appended to this Report shows in detail the year's receipts and payments on account of debt charges and gives an analysis over a period of years of the respective portions of the charges met from the general revenues of the State and from other sources.

TRUST FUND—WORKS AND SERVICES ACCOUNT.

The purpose for which this Account was established is outlined in Part 1 of this Report. Appropriations from the Consolidated Fund to the Account over the year totalled \$164,782,124 of which \$159,111,324 was applied to expenditure under the year's works programme and \$439,694 was needed for loan raising expenses. There was an unexpended balance of \$5,231,106 in the Account at 30th June, 1971. Details of expenditure from the Account are given on page 23.

Most of the matters briefly mentioned in this review are the subject of more detailed comment in the succeeding pages.

PART III.—THE CONSOLIDATED FUND.

RECEIPTS.

A summary of the Treasurer's statement of receipts appearing on pages 6-14 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 \$119,992,520 for the year.

	1969-70. \$	1970-71. \$	+ Increase - Decrease \$
Commonwealth Payments to the State			
Financial Assistance Grants	283,642,622	361,583,947	+ 77,941,325
Special Payment	10,000,000	..	- 10,000,000
Debt Charges Assistance Grant .. .. .	..	2,782,818	+ 2,782,818
Capital Assistance Grant .. .. .	..	51,020,000	+ 51,020,000
Contribution for Interest—Financial Agreement ..	4,254,318	4,254,318	..
Other Contributions and Recoups	3,505,568	3,096,710	- 408,858
	<u>301,402,508</u>	<u>422,737,793</u>	<u>+121,335,285</u>
State Taxes			
Direct	90,731,376	103,660,249	+ 12,928,873
Stamps Acts	90,360,606	83,974,325	- 6,386,281
Licensing Fund Payment	10,658,362	10,932,590	+ 274,228
Other	3,311,612	4,222,389	+ 910,777
	<u>195,061,956</u>	<u>202,789,553</u>	<u>+ 7,727,597</u>
Recoveries of Debt Charges			
Interest and Exchange	41,271,865	44,028,970	+ 2,757,105
Sinking Fund—Contributions and Special Payments	1,084,189	1,137,497	+ 53,308
Loan Conversion Expenses	7,671	8,026	+ 355
Repayments	4,743,150	5,062,569	+ 319,419
	<u>47,106,875</u>	<u>50,237,062</u>	<u>+ 3,130,187</u>
Land Revenue			
Leases, Licences, Miners' Rights, &c.	3,031,759	3,072,918	+ 41,159
Brown Coal Royalties	561,644	591,962	+ 30,318
Royalties—Submerged Lands	2,481,647	16,528,845	+ 14,047,198
	<u>6,075,050</u>	<u>20,193,725</u>	<u>+ 14,118,675</u>
Harbor Revenue			
Contribution—Melbourne Harbor Trust	1,558,998	1,577,211	+ 18,213
Westernport—Wharfage, Tonnage, Towage, &c.	1,061,719	1,888,455	+ 826,736
Other	894,127	1,030,880	+ 136,753
	<u>3,514,844</u>	<u>4,496,546</u>	<u>+ 981,702</u>
Fees and Charges for Departmental Services			
Fees—Titles Office, Registrar of Companies, Government Statist, &c.	5,294,432	6,130,057	+ 835,625
Departmental Services—			
Public Works Department	4,871,061	5,524,871	+ 653,810
Government Printer	3,564,957	3,668,886	+ 103,929
Mental Hygiene	2,985,958	3,851,703	+ 865,745
Motor Registration Branch	2,756,525	3,087,594	+ 331,069
Agriculture Department	1,658,155	2,109,114	+ 450,959
Education Department	1,409,632	1,227,477	- 182,155
Police	1,111,505	1,185,270	+ 73,765
Insurance Offices	1,368,046	1,524,656	+ 156,610
Social Welfare	576,237	659,002	+ 82,765
Other	2,201,126	2,359,249	+ 158,123
	<u>27,797,634</u>	<u>31,327,879</u>	<u>+ 3,530,245</u>
Forests Commission			
Royalties, &c.	5,962,667	6,454,313	+ 491,646
State Rivers and Water Supply Commission			
Rates and Charges, Recoups, &c.	13,284,353	14,396,552	+ 1,112,199

	1969-70.	1970-71.	+ Increase - Decrease
	\$	\$	\$
Other Revenue			
Statutory Corporations—Contributions	7,425,000	7,725,000	+ 300,000
Fines—Courts and Other Sources	5,168,989	5,474,853	+ 305,864
Interest on Public Account	4,166,277	4,670,958	+ 504,681
State Accident Insurance Office—Portion of Surplus	1,000,000	1,400,000	+ 400,000
Rents and Hirings	1,114,619	1,181,028	+ 66,409
Public Trustee—Surplus Interest	501,823	554,089	+ 52,266
Gas and Fuel Corporation—Dividends Preference			
Shares	291,222	293,178	+ 1,956
Sundry	1,821,603	1,878,625	+ 57,022
	<u>21,489,533</u>	<u>23,177,731</u>	<u>+ 1,688,198</u>
Railways	<u>105,204,476</u>	<u>108,000,211</u>	<u>+ 2,795,735</u>
Loan Receipts			
Proceeds of Loan Raisings	157,870,000	121,670,000	- 36,200,000
Loan Repayments	6,616,246	5,897,297	- 718,949
	<u>164,486,246</u>	<u>127,567,297</u>	<u>- 36,918,949</u>
Total Receipts	<u>891,386,142</u>	<u>1,011,378,662</u>	<u>+119,992,520</u>

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

COMMONWEALTH FINANCIAL ASSISTANCE GRANTS.

Commonwealth financial assistance grants to the States are calculated on bases determined by the Commonwealth's *States Grants Act 1970-71* and the *States Grants (Debt Charges Assistance) Act 1970*. Grants were also made in 1970-71 under the *States Grants (Capital Assistance) Act 1970*.

Grants to Victoria in accordance with the Acts were :—

	\$
Financial Assistance	361,583,947
Debt Charges Assistance	2,782,818
Capital Assistance	51,020,000

The Financial Assistance Grant of \$361,583,947 received under the provisions of the *States Grants Act 1970-71* comprised \$316,832,144 (normal Financial Assistance Grant under statutory formula) payable in accordance with Section 5 of the Act, \$9,900,240 (additional payment under statutory formula) in accordance with Section 6 (1), \$6,961,666 (additional \$2 per capita grant) in accordance with Section 8, \$10,559,897 (Special Revenue Assistance) in accordance with Section 6 (3) and \$17,330,000 (Receipt Duty Compensation) in accordance with Section 6 (2). These grants exceeded the Financial Assistance Grants paid in 1969-70 by \$77,941,325.

Mention was made in the 1969-70 Report of a special payment of \$10,000,000 to assist the State to meet budgetary difficulties. At the time of preparation of that Report, terms and conditions attaching to the payment had not been determined. It has now been decided that the special payment is to carry interest at the rate of 6.5 per cent. after the first year and is repayable by five annual instalments of \$2,000,000. By agreement with the Commonwealth, no such repayment was made in 1970-71.

The Debt Charges Assistance Grant of \$2,782,818 consisted of payments in accordance with the *States Grants (Debt Charges Assistance) Act 1970*, namely \$2,661,868 (Interest) provided for by Section 4 and \$120,950 (Sinking Fund Contributions) by Section 5.

STATE TAXES.

Classifications under Receipts, 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 the Consolidated Fund but also the payment made thereto from the Licensing Fund.

Under each of the four main classifications referred to, taxation receipts over the past two years are compared hereunder :—

	Taxation.	1969-70.	1970-71.
		\$	\$
Direct	90,731,376	103,660,249
Stamps Acts	90,360,606	83,974,325
Registrations, &c.	1,146,158	1,170,365
Licences	12,823,816	13,984,614
Total Taxation	<u>195,061,956</u>	<u>202,789,553</u>

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

Direct Taxation.

Probate Duty.—Collections of Probate Duty in 1969–70 were \$44,422,887 and in 1970–71, \$49,926,736 ; an increase of \$5,503,849.

Duty for 1970–71 amounting to \$48,909,499 was collected by the Commissioner of Probate Duties and \$1,017,237 by the Public Trustee. The aggregate value of new estates assessed increased from \$296 million in 1969–70 to \$361 million in 1970–71. Payments in advance of the issue of assessments as at 30th June, 1971, amounted to \$8,125,069 whereas at 30th June, 1970, the amount was \$6,277,038.

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 30.6.70—\$5,967,537 ; collected \$5,764,894 in 1970–71.

As at 30.6.71—\$7,197,888 ; to be collected in 1971–72.

Land Tax.—Receipts from Land Tax in 1969–70 were \$22,436,374 and, in 1970–71, \$28,442,372 ; an increase of \$6,005,998.

The *Land Tax Act* 1970 fixed rates of tax identical with those for the previous year and raised the exemption on land not used for primary production from \$6,000 to \$9,000.

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 1970–71 was \$2,915,152 compared with \$2,734,771 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 1970–71, 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.

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

1. On-course totalizators—

(i) at metropolitan meetings—

(a) to the Consolidated Fund—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 the Consolidated Fund—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 trotting races—

(a) to the Consolidated Fund—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 trotting races—

(a) to the Consolidated Fund—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 the Consolidated Fund is specially appropriated to the Hospitals and Charities Fund which is required to meet the cost of administration of totalizator inspection, &c. In 1970–71, the sum of \$15,373,744 was received into the Consolidated Fund and an equivalent amount paid out to the Hospitals and Charities Fund. The costs of administration charged to the Hospitals and Charities Fund were \$72,097.

* The Treasurer may, by notice published in the *Government Gazette*, certify that such payment is no longer necessary. Thereafter, the proportion payable to the Consolidated Fund 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 the Consolidated Fund would be five fourteenths.

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

	1969-70.				1970-71.			
	Horse Races.	Trotting Races.	Dog Races.	Total.	Horse Races.	Trotting Races.	Dog Races.	Total.
	\$	\$	\$	\$	\$	\$	\$	\$
PERCENTAGES—								
<i>Win and Place—</i>								
Metropolitan ..	2,681,105	491,657	528,544	..	2,880,485	605,463	665,000	..
Country ..	1,143,037	515,441	10,997	..	1,214,287	613,190	11,260	..
Interstate ..	652,374	..	..	..	715,738	..	..	..
<i>Doubles and Quinella—</i>								
Metropolitan ..	618,405	169,712	176,710	..	806,500	208,673	205,295	..
Country ..	62,629	26,607	23,984	..	69,446	32,952	29,790	..
<i>Daily and Feature Doubles</i>	3,140,890	1,001,666	784,129	..	3,440,419	1,207,690	849,400	..
	8,298,440	2,205,083	1,524,364	12,027,887	9,126,875	2,667,968	1,760,745	13,555,588
FRACTIONS—								
<i>Win and Place—</i>								
Metropolitan ..	760,158	120,042	135,484	..	493,631	146,629	149,553	..
Country ..	357,690	139,046	4,972	..	338,134	176,462	5,297	..
Interstate ..	183,383	..	..	..	139,258	..	..	..
<i>Doubles and Quinella</i>								
Metropolitan ..	29,577	9,803	13,007	..	26,826	14,523	19,143	..
Country ..	5,923	1,938	2,923	..	6,346	3,065	2,787	..
<i>Daily and Feature Doubles</i>	94,685	44,361	35,776	..	82,322	49,410	42,788	..
	1,431,416	315,190	192,162	1,938,768	1,086,517	390,089	219,568	1,696,174
DIVIDENDS UNCLAIMED ..	..	..	..	96,963	..	..	..	121,982
CREDITS TO THE CONSOLIDATED FUND ..	..	..	..	14,063,618*	..	..	..	15,373,744*

* On-course—1969-70, \$4,291,943 ; 1970-71, \$4,352,035.

Off-course—1969-70, \$9,771,675 ; 1970-71, \$11,021,709.

In addition to the \$15,373,744 paid into the Consolidated Fund and specially appropriated to the Hospitals and Charities Fund, moneys were credited to accounts within the Treasury Trust Fund as follows :—

- (i) \$568,362 to the Totalizator Agency Board Trust Account—for distribution to racing clubs in terms of the *Racing (Totalizators Extension) Act 1960* ; and
- (ii) \$972,653 to the Race-courses Development Fund—to meet costs 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—1968-69, \$19,440,000 ; 1969-70, \$21,400,000 ; and 1970-71, \$21,360,000.

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 \$6,435,660 was paid into the Consolidated Fund in 1970-71, compared with \$5,989,851 in 1968-69 and \$6,504,415 in 1969-70. Under the provisions of the Act, an amount equivalent to the duty paid is appropriated from the Consolidated Fund and apportioned between the Hospitals and Charities Fund and the Mental Hospitals Fund. In 1970-71, the Funds were credited with \$5,346,160 and \$1,089,500 respectively.

In terms of the agreement entered into with the Government of Tasmania in 1960, and extended for a further period of ten years in 1970, 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 \$162,180 compared with \$150,053 in the previous year.

As at 30th June, 1971, the Tasmanian share of duty for consultations drawn late in May and in June amounted to \$20,522. This amount was paid to the Tasmanian Government after the close of the year.

The agreement with the Government of New Zealand, particulars of which have been given in previous Reports, was renewed for a further period of three years from 1st July, 1970.

Payments to the Government of New Zealand during the year amounted to \$274,127 compared with \$267,926 in 1969-70. As at 30th June, 1971, an amount of \$70,361, equivalent to \$70,686 (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 1967-68 (inclusive) amounted to \$265,975. 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 :—

	1969-70.	1970-71.
	\$	\$
Other Stamp Duty	75,934,240	68,063,709
Duty on Insurance Business	10,793,177	12,049,573
Turnover Tax on Bookmakers' Transactions	3,301,249	3,531,755
Betting Tickets	239,460	237,359
Bookmakers' Certificates, etc.	92,480	91,929
Total	<u>90,360,606</u>	<u>83,974,325</u>

As indicated in the preceding statement, revenue from Other Stamp Duty was \$7,870,531 less than in the previous year. Major variations in this 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)	2,154,636
(ii) duty on credit and rental business (registered persons) .. (increase)	565,867
(iii) duty on applications for registration and notices of acquisition of motor cars (increase)	319,563
(iv) duty on share transactions (decrease)	462,177
(v) bulk receipt duty (decrease)	10,350,945

The decrease of \$10,350,945 in collections on account of Bulk Receipt Duty was the result of the operation of—

- (i) the *Stamps (Salary or Wages) Act* 1970 from 1st July, 1970, which abolished duty on salary or wages ; and
- (ii) the *Stamps (Receipt Duty Abolition) Act* 1970 which exempted from stamp duty receipt for any money received on or after 1st October, 1970.

Licences.

The Licensing Fund Payment.—The revenue of The Licensing Fund consists mainly of fees charged to hotelkeepers (\$8,153,019), wholesale and retail liquor merchants (\$2,634,282), and clubs (\$544,423).

In accordance with the provisions of the *Liquor Control Act* 1968, the surplus of receipts over payments for 1970–71 was transferred to the Consolidated Fund.

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 Works and Services Account.

Annual payments amounted to \$75,107 in 1969–70 and \$38,522 in 1970–71. Capital payments in 1969–70 were \$605,836, and in 1970–71, \$621,945.

A comparative statement of receipts and payments of The Licensing Fund for the past two years is given hereunder :—

	1969–70.	1970–71.
	\$	\$
Balance 1st July	661,471	661,471
Receipts—		
Licences	11,170,343	11,599,746
Permits	164,514	188,936
Fees and Fines	65,294	62,443
Interest on Investments	20,104	18,050
Miscellaneous	551	585
Total Receipts for the Year	11,420,806	11,869,760
Payments—		
Salaries and other Administrative Expenses	269,293	321,019
Cost of Policing Act	156,891	168,026
Compensation	336,260	448,125
Total Payments for the Year	762,444	937,170
Transfer to the Consolidated Fund	10,658,362	10,932,590
Balance 30th June	661,471	661,471
Percentage of Total Receipts Transferred	93.3	92.1

Compensation was paid in respect of twenty-one hotels in 1969–70 and twenty-four in 1970–71.

Motor Car Drivers' and Motor Driving Instructors' Licence Fees.—In the first half of 1970–71, collections from drivers' licence fees were apportioned, in terms of the relevant legislation, 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 the Consolidated Fund.

Amending legislation—the *Motor Car (Fees) Act* 1970—effective from 1st January, 1971, increased the triennial fee for a driver's licence from \$6 to \$12 and provided for one-eighth of these fees to be paid into the Drivers' Licence Suspense Account and for the proportion payable to the Country Roads Board Fund to be reduced by one-eighth. The proportion payable to the Consolidated Fund—one-half—remained undisturbed. Also, as a result of the amending legislation, one-half of the collections from motor driving instructors' licence fees was required to be paid into the Consolidated Fund. Prior to 1st January, 1971, motor driving instructors' licence fees were apportioned equally between the Country Roads Board Fund and the Municipalities Assistance Fund.

Costs of collection of fees are met by the participating funds.

After meeting the required proportion of the costs of collection, \$145,289, net collections credited to the Consolidated Fund on account of drivers' and motor driving instructors' licence fees, in 1970–71, amounted to \$2,237,066.

COMPARISON WITH BUDGET.

The following statement shows the variations of Receipts from the Budget Estimate in 1970-71.

	Budget Estimate.	Receipts.	+ Excess - Deficiency
	\$	\$	\$
Taxation—			
Probate Duty	49,000,000	49,926,736	+ 926,736
Land Tax	26,000,000	28,442,372	+ 2,442,372
Entertainments Tax	600,000	566,585	- 33,415
Motor Car Third-party Insurance—Surcharge ..	2,880,000	2,915,152	+ 35,152
Totalizator	15,500,000	15,373,744	- 126,256
Tattersall Duty	6,650,000	6,435,660	- 214,340
Betting and Bookmakers' Turnover Tax ..	3,700,000	3,861,044	+ 161,044
Duty on Insurance Business	11,900,000	12,049,573	+ 149,573
Other Stamp Duty	83,350,000	68,063,709	- 15,286,291
Registration Fees—Factories, Shops, &c. ..	1,150,000	1,170,365	+ 20,365
Licensing Fund Payment	11,000,000	10,932,590	- 67,410
Auctioneers' and other Licences	2,236,000	3,052,023	+ 816,023
	<u>213,966,000</u>	<u>202,789,553</u>	<u>- 11,176,447</u>
Recoveries of Debt Charges—			
Country Roads Board	2,438,000	2,426,570	- 11,430
Home Builders' Account	5,279,000	5,196,956	- 82,044
Housing Commission	20,079,000	20,089,256	+ 10,256
Rural Finance and Settlement Commission ..	1,499,000	1,484,658	- 14,342
Soldier Settlement	990,500	944,794	- 45,706
State Electricity Commission	16,000,000	15,820,288	- 179,712
Water and Sewerage Authorities	2,130,000	1,939,473	- 190,527
Other	2,859,500	2,335,067	- 524,433
	<u>51,275,000</u>	<u>50,237,062</u>	<u>- 1,037,938</u>
Land Revenue—			
Lands	2,702,000	2,728,536	+ 26,536
Mining	370,000	344,382	- 25,618
Royalties—Brown Coal	590,000	591,962	+ 1,962
Royalties—Submerged Lands	16,600,000	16,528,845	- 71,155
	<u>20,262,000</u>	<u>20,193,725</u>	<u>- 68,275</u>
Harbor Revenue—			
Harbor Trust Contribution	1,550,000	1,577,211	+ 27,211
Westernport	1,850,000	1,888,455	+ 38,455
Other	911,000	1,030,880	+ 119,880
	<u>4,311,000</u>	<u>4,496,546</u>	<u>+ 185,546</u>
Fees and Charges for Departmental Services—			
Fees—Titles Office, Registrar of Companies, &c. ..	6,135,000	6,130,057	- 4,943
Recoups—Departmental Services	23,510,000	25,245,131	+ 1,735,131
	<u>29,645,000</u>	<u>31,375,188</u>	<u>+ 1,730,188</u>
Forests Commission—			
Royalties, &c.	6,265,000	6,454,313	+ 189,313
State Rivers and Water Supply Commission—			
Rates and Charges, Recoups, &c.	13,900,000	14,396,552	+ 496,552
Miscellaneous Receipts—			
Fines	5,550,000	5,474,853	- 75,147
Interest on Public Account	4,000,000	4,670,958	+ 670,958
Rents and Hirings	1,150,000	1,181,028	+ 31,028
Statutory Corporation Payments	7,920,000	7,725,000	- 195,000
State Accident Insurance—Appropriation of Portion of Surplus	1,250,000	1,400,000	+ 150,000
Other	2,575,000	2,726,031	+ 151,031
	<u>22,445,000</u>	<u>23,177,870</u>	<u>+ 732,870</u>

COMPARISON WITH BUDGET—*continued.*

	Budget Estimate.	Receipts.	+ Excess - Deficiency
	\$	\$	\$
Railways	106,014,000	108,000,211	+ 1,986,211
Commonwealth Payments to State—			
Commonwealth and States Financial Agreement ..	4,254,318	4,254,318	..
States Grants Acts, &c.	327,100,000	364,366,765	+ 37,266,765
Tuberculosis Arrangement	3,020,000	3,019,795	- 205
Water Resources Measurement Act	391,000	29,467	- 361,533
	<u>334,765,318</u>	<u>371,670,345</u>	<u>+ 36,905,027</u>
Proceeds of Loan Raisings	121,670,000	121,670,000	..
Loan Repayments	7,050,000	5,897,297	- 1,152,703
Works Grant—Commonwealth Payment	51,020,000	51,020,000	..
Total Receipts	<u>982,588,318</u>	<u>1,011,378,662</u>	<u>+ 28,790,344</u>

EXPENDITURE.

The expenditure from the Consolidated Fund was more than that for 1969-70 by the amount of \$104,610,518. A comparison of the figures for the two years, separated into special and annual appropriations, is given in the following statement :—

SPECIAL APPROPRIATION.				
	1969-70.	1970-71.		+ Increase - Decrease
	\$	\$		\$
Interest including Exchange	121,530,731	130,013,542	+	8,482,811
National Debt Sinking Fund	20,575,947	21,914,788	+	1,338,841
Repayment of Advances—Commonwealth— State Housing and Soldier Settlement	4,725,875	5,041,024	+	315,149
Loan Expenses	36,660	54,010	+	17,350
	<u>146,869,213</u>	<u>157,023,364</u>	+	<u>10,154,151</u>
Hospitals and Charities Fund (Totalizator)	14,063,618	15,373,744	+	1,310,126
Pensions	10,523,460	12,029,041	+	1,505,581
Hospitals and Charities and Mental Hospitals Funds (Tattersall)	6,504,415	6,435,660	-	68,755
Endowments and Grants	5,549,284	10,261,680	+	4,712,396
Other	4,185,205	4,223,842	+	38,637
	<u>187,695,195</u>	<u>205,347,331</u>	+	<u>17,652,136</u>
Railways—Debt Charges	7,491,144	8,536,982	+	1,045,838
Pensions	5,724,242	6,176,365	+	452,123
Other	451,875	456,800	+	4,925
	<u>13,667,261</u>	<u>15,170,147</u>	+	<u>1,502,886</u>
Works and Services Account	164,486,246*	164,782,124	+	295,878
Total Special Appropriation	<u>365,848,702</u>	<u>385,299,602</u>	+	<u>19,450,900</u>
ANNUAL APPROPRIATION.				
Education	206,758,399	239,665,038	+	32,906,639
Health	74,835,260	96,677,706	+	21,842,446
Chief Secretary	48,914,624†	41,081,951	-	7,832,673
Treasurer	38,309,783	44,648,596	+	6,338,813
Water Supply	13,827,213	15,262,846	+	1,435,633
Social Welfare .. .. .	..	14,164,005	+	14,164,005
Public Works	9,714,457	10,917,458	+	1,203,001
Agriculture	9,482,264	10,920,285	+	1,438,021
Attorney-General	9,052,347	10,037,429	+	985,082
Lands and Survey	4,327,149	4,696,486	+	369,337
Forests	3,722,800	4,301,231	+	578,431
Premier	3,831,156‡	4,149,635	+	318,479
Labour and Industry	1,632,366	1,818,834	+	186,468
Mines	1,401,545	1,617,359	+	215,814
Local Government	1,349,875	1,653,545	+	303,670
Parliament	666,979	964,431	+	297,452
State Development .. .. .	..	320,620	+	320,620
Other	557,783	599,908	+	42,125
	<u>428,384,000</u>	<u>503,497,363</u>	+	<u>75,113,363</u>
Railways	112,535,442	122,581,697	+	10,046,255
Total Annual Appropriation	<u>540,919,442</u>	<u>626,079,060</u>	+	<u>85,159,618</u>
Total Payments §	<u>906,768,144</u>	<u>1,011,378,662</u>	+	<u>104,610,518</u>

* Receipts of the Loan Fund in 1969-70.

† Includes Social Welfare.

‡ Includes State Development.

§ 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—</i>					
Parliament	765,639	757,541	8,098	206,890	964,431
Premier	4,264,748	4,124,036	140,712	25,599	4,149,635
Chief Secretary	41,281,078	40,646,967	634,111	434,984	41,081,951
State Development	333,399	309,626	23,773	10,994	320,620
Social Welfare	13,120,523	13,079,667	40,856	1,084,338	14,164,005
Labour and Industry	1,801,988	1,792,128	9,860	26,706	1,818,834
Education	244,317,859	239,536,121	4,781,738	128,917	239,665,038
Attorney-General	9,858,834	9,774,527	84,307	262,902	10,037,429
Treasurer	38,601,511	38,270,845	330,665	6,377,751	44,648,596
Lands and Survey	4,740,070	4,677,292	62,778	19,194	4,696,486
Public Works	11,001,123	10,861,278	139,845	56,180	10,917,458
Local Government	1,655,389	1,627,942	27,447	25,603	1,653,545
Mines	1,706,133	1,607,287	98,847	10,072	1,617,359
Agriculture	10,836,358	10,730,437	105,921	189,848	10,920,285
Health	96,927,833	95,744,482	1,183,351	933,224	96,677,706
Aboriginal Affairs	380,000	372,400	7,600	..	372,400
Fuel and Power	60,244	58,559	1,685	..	58,559
Railway Construction	136,929	117,589	19,340	1,838	119,427
Transport	48,182	48,180	2	1,342	49,522
Forests	4,091,250	4,088,070	3,180	213,161	4,301,231
Water Supply	15,025,700	14,896,888	128,812	365,958	15,262,846
Railways	118,944,701	118,944,698	3	3,636,999	122,581,697
Total Annual Appropriation	619,899,491	612,066,560	7,832,931	14,012,500	626,079,060
<i>Special Appropriation—</i>					
Debt Charges and Other Services	205,347,331	205,347,331	..	..	205,347,331
Railways (including Debt Charges)	15,170,147	15,170,147	..	..	15,170,147
Works and Services Account ..	164,782,124	164,782,124	..	..	164,782,124
Total Special Appropriation	385,299,602	385,299,602	..	..	385,299,602
Grand Total	1,005,199,093	997,366,162	7,832,931	14,012,500	1,011,378,662

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.

At 30th June, 1971, expenditure charged to Treasurer's Advance pending Parliamentary sanction was \$15,263,369 which represents an excess approval to expenditure from the Advance of \$9,263,369. This excess arose almost entirely from the need, following the High Court judgment of May, 1971, to charge the year, in its closing stages, with the amount of pay roll tax for which the State became liable and in respect of which an appropriation had not been sought in the year.

It must be pointed out, however, that approval to expenditure from Treasurer's Advance beyond the statutory limit of \$6 million constitutes a departure from the principle of control by Parliament over the expenditure of public moneys.

On pages 25 to 74 and 100 to 101 of the Treasurer's Statement, details are given of the amounts included in the total of \$15,263,369.

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.

LOAN TRANSACTIONS.

SYNOPSIS.

The State incurred additional loan liability of \$121,693,436 on account of moneys raised for works and associated purposes during the year, compared with \$157,870,000 in the previous year—a decrease of \$36,176,564. The sources of the funds were four loans in Australia and the proceeds of the sale of Special Bonds.

Loan receipts comprising moneys received from the proceeds of loans raised, less provision for discounts, and the repayments of advances totalled \$127,567,297 which, together with the Commonwealth works grant of \$51,020,000, provided a credit to the Consolidated Fund of \$178,587,297.

Loan transactions may be summarized as follows :—

Liability—	\$
Australian Loans	121,693,436
<i>Less—</i>	
Discounts Capitalized	23,436
	121,670,000
Repayments	5,897,297
	127,567,297
Net Receipts to the Consolidated Fund—Raisings and Repayments	127,567,297
Commonwealth Capital Assistance Grant	51,020,000
	178,587,297

Appropriations during the year from the Consolidated Fund to the Works and Services Account totalled \$164,782,124 and allowed for the implementation through this Account of a programme of works and services costing \$159,111,324 and the payment of loan raising expenses, \$439,694. Unexpended appropriations held in the Works and Services Account at 30th June, 1971, amounted to \$5,231,106.

Loan transactions for the year had the effect of increasing the State's liability under the Financial Agreement from \$2,230,055,846, at 30th June, 1970, to \$2,325,375,462 at 30th June, 1971. There is, however, additional liability to the Commonwealth of \$550,423,591 in respect of advances for housing purposes under the Commonwealth-State Housing Agreement, \$12,893,275 for special assistance loans for soldier settlement, \$4,351,873 for repayable loans made by the Rural Finance and Settlement Commission from funds provided for drought relief and \$10,000,000 in respect of the special payment to the State in 1969-70 to meet budgetary difficulties.

LOAN RAISINGS.

Details of the terms and conditions in respect of \$121,693,436, 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. 196.	Loan No. 198.	Loan No. 203.	Loan No. 205.	Special Bonds.	Total.
		\$	\$	\$	\$	\$	\$	\$
6.4	15.5.72	Par.	..	10,774,000	..	..	..	10,774,000
6.4	15.5.74	99.9	..	..	10,611,000	12,825,000	..	23,436,000
6.4	1.4.78	Par.	..	..	..	..	9,385,365	9,385,365
6.4	1.10.78	"	..	..	..	..	9,035,265	9,035,265
6.5	15.7.73	"	4,227,000	..	..	..	..	4,227,000
6.6	15.5.75	"	..	331,000	..	..	..	331,000
6.6	15.4.76	"	..	..	8,043,000	1,673,806	..	9,716,806
6.8	15.8.78	"	277,000	..	..	..	..	277,000
6.8	15.8.79	"	..	1,781,000	..	..	..	1,781,000
6.8	15.11.80	"	..	..	15,200,000	4,103,000	..	19,303,000
7	15.5.89	"	6,047,000	4,212,000	5,306,000	5,511,000	..	21,076,000
7	15.2.01	"	..	..	8,687,000	3,664,000	..	12,351,000
..	..	..	10,551,000	17,098,000	47,847,000	27,776,806	18,420,630	121,693,436

Expenses associated with the raising of loans for works purposes were met from the Works and Services Account, a total amount of \$439,694 being paid during the year. The expenses in respect of loan No. 203 and Special Bonds " V " 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 1970-71 are :—

Securities Dealt With.		Redeemed by Sinking Fund (a) Loan Raisings (b).	Converted to—						Price of Issue.	Date of Maturity.
Rate and Maturity.	Amount.		6·4 Per Cent.	6·5 Per Cent.	6·6 Per Cent.	6·8 Per Cent.	7 Per Cent.	Special Bonds.		
4·5 15.8.70	\$ 30,886,000	\$ 2,001,000(a) 3,763,000(b)	..	860,000	..	..	..	..	Par.	15.7.73
..	..	..	..	..	..	13,279,000	..	..	..	15.8.78
..	..	..	..	..	..	..	10,734,000	..	..	15.5.89
..	..	..	..	..	..	..	..	249,000	..	1.4.78
4·5 15.11.70	20,056,790	4,183,290(a) 7,500,000(b)	7,740,000	..	70,000	..	..	..	..	15.5.72
..	..	..	..	..	..	265,000	..	..	..	15.5.75
..	..	..	..	..	..	..	178,500	..	..	15.8.79
..	..	..	..	..	..	..	..	120,000	..	15.5.89
..	..	..	..	..	..	..	..	..	..	1.10.78
4·5 1.6.71	2,806,102	1,159,102(b)	..	..	..	..	..	1,647,000	..	1.10.78
..
4·75 1.10.70	10,413,520	4,109,520(b)	..	..	..	..	..	6,304,000	Par.	1.4.78
..
4·8 15.2.71	66,794,000	5,376,000(a) 48,700,000(b)	..	8,374,000	..	..	..	..	Par.	15.11.72
..	..	..	..	..	..	1,481,000	..	..	..	15.8.79
..	..	..	..	..	..	..	1,116,000	..	..	15.2.86
..	..	..	..	..	..	..	1,165,000	..	..	15.2.01
..	..	..	..	..	..	..	..	582,000	..	1.10.78
4·9 15.5.71	40,316,000	3,594,000(a)	16,986,000	..	11,304,000	..	..	..	99·9	15.5.74
..	..	..	..	..	..	..	..	..	Par.	15.4.76
..	..	..	..	..	..	2,685,000	..	..	..	15.11.80
..	..	..	..	..	..	..	2,925,000	..	..	15.5.89
..	..	..	..	..	..	..	2,682,000	..	..	15.2.01
..	..	..	..	..	..	..	..	140,000	..	1.10.78
5·25 15.8.70	29,050,000	5,318,000(a) 5,018,000(b)	..	9,678,000	..	..	..	..	..	15.7.73
..	..	..	..	..	..	3,452,000	..	..	..	15.8.78
..	..	..	..	..	..	..	4,704,000	..	..	15.5.89
..	..	..	..	..	..	..	..	880,000	..	1.4.78
5·4 15.11.70	45,658,700	2,544,700(a)	26,217,000	..	8,238,000	..	..	..	..	15.5.72
..	..	..	..	..	..	..	..	..	..	15.5.75
..	..	..	..	..	..	8,230,000	..	..	..	15.8.79
..	..	..	..	..	..	..	330,000	..	..	15.5.89
..	..	..	..	..	..	..	..	99,000	..	1.10.78
	245,981,112	23,016,990(a) 70,249,622(b)	50,943,000	18,912,000	19,612,000	29,392,000	23,834,500	10,021,000	..	..
										\$152,714,500

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.	\$8,781,000 (4·5%—5·25% —15·8·70).	\$7,500,000 (4·5%—15·11·70).	\$48,700,000 (4·8%—15·2·71).	\$64,981,000 (Total Loans).
			\$	\$	\$	\$	\$
6·4	15.5.72	Par.	4,726,000	..	4,726,000	..	4,726,000
6·5	15.11.72	..	30,141,000	..	..	30,141,000	30,141,000
6·5	15.7.73	..	3,518,000	3,518,000	..	..	3,518,000
6·6	15.5.75	..	145,000	..	145,000	..	145,000
6·8	15.8.78	..	230,000	230,000	..	..	230,000
6·8	15.8.79	..	3,206,000	..	781,000	2,425,000	3,206,000
7	15.2.86	..	6,068,000	..	..	6,068,000	6,068,000
7	15.5.89	..	6,881,000	5,033,000	1,848,000	..	6,881,000
7	15.2.01	..	10,066,000	..	..	10,066,000	10,066,000
..	..	..	64,981,000	8,781,000	7,500,000	48,700,000	64,981,000

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 :—

Series.	Redeemed.			Funds Provided by—	
	Maturing.	Face Value.	At Cost of—	Series "U".	Series "V".
		\$	\$	\$	\$
I	1.10.70	4,109,520	4,231,089	4,150,656	80,433
J	1.6.71	1,159,102	1,163,766	140,760	1,023,006
K	1.1.72	1,448,100	1,477,062	843,948	633,114
L	1.10.72	1,972,700	2,012,154	1,159,026	853,128
M	1.8.73	760,300	774,378	463,584	310,794
N	1.3.74	2,604,700	2,635,366	1,539,846	1,095,520
O	1.4.75	1,572,600	1,588,326	983,538	604,788
P	1.10.75	1,177,900	1,185,809	633,339	552,470
Q	1.4.76	474,000	474,478	275,900	198,578
R	1.7.76	2,058,000	2,058,000	1,318,800	739,200
S	1.3.77	380,200	380,200	246,300	133,900
T	1.6.77	4,424,300	4,424,300	2,989,800	1,434,500
U	1.4.78	243,600	243,600	..	243,600
	..	22,385,022	22,648,528	14,745,497	7,903,031

WORKS AND HOUSING PROGRAMME.

Expenditure under the works programme in the year 1970-71 amounted to \$159,111,324, compared with \$164,279,439 in 1969-70. Details of this expenditure together with advances under the Commonwealth-State Housing Agreement are shown below :—

	1969-70.	1970-71.
	\$	\$
School Buildings	34,346,094	41,199,000
Electricity Commission	19,250,000	5,000,000
Country Water and Sewerage Works	19,189,923	18,042,045
Railways	16,029,493	15,888,794
Hospitals	14,941,024	15,438,753
Melbourne and Metropolitan Board of Works	6,210,000	10,000,000
Public Offices	4,783,850	5,356,923
Mental Hospitals including Alcoholism Services	4,160,023	3,485,593
Municipal Subsidies	3,518,704	3,788,262
Forests	3,365,000	3,515,996
Victoria Institute of Colleges and Colleges of Advanced Education	2,981,447	4,618,842
Melbourne and Metropolitan Tramways Board .. .. .	..	2,150,000
Universities—		
Monash	2,471,250	1,719,430
Melbourne	2,030,866	1,157,667
La Trobe	1,297,000	2,147,000
Vermin and Noxious Weeds	2,260,629	2,591,727
Land Settlement	2,249,957	1,326,975
National Art Gallery and Cultural Centre	2,050,000	..
Slum Reclamation.. .. .	1,910,323	2,615,034
Country Roads	1,600,000	1,170,550
Social Welfare	1,526,957	1,337,327
Police Buildings and Equipment	1,398,200	1,047,683
Rural Finance	1,100,000	835,000
Agriculture	1,096,233	1,891,541
Court Houses	756,828	653,942
Sanatoria and General Health	755,552	386,621
Westernport Development and Harbor Facilities	699,473	2,261,608
Advances—Sundry.. .. .	502,239	1,489,425
Soil Conservation	425,046	428,073
Drought Relief	158,880	..
Gas and Fuel Corporation—Share Capital	40,000	100,000
Other Public Works	8,287,632	7,467,513
In Aid of Revenue	2,886,816	..
Total within Financial Agreement	164,279,439	159,111,324
Commonwealth-State Housing Agreement	36,732,500	40,047,914
	201,011,939	199,159,238

Public Debt under the Financial Agreement.

The Public Debt statement in the Treasurer's Finance Statement shows that the total indebtedness at 30th June, 1971, amounted to \$2,328,541,149. Of this, \$2,274,719,487 represented internal and \$53,821,662 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 \$2,325,375,462, an increase of \$95,319,616 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 loan raisings .. .. .	..	2,710,289,762
<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/>
		2,681,098,610
<i>Less—Equity in National Debt Sinking Fund—Cancelled Securities ..</i>		352,557,461
		<hr/>
Total Indebtedness		2,328,541,149
<i>Less—Share of Cash—National Debt Sinking Fund</i>		3,165,687
		<hr/>
State's Capital Liability to Commonwealth under the Financial Agreement ..		2,325,375,462
		<hr/>

As already mentioned, there is additional liability to the Commonwealth for loans for housing and other special purposes.

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

	\$
Interest—On Funded Debt	117,073,839
Loan Conversion and Management Expenses and Expenses of Paying Interest ..	420,453
	<hr/>
Total Interest and Expenses (excluding interest on Commonwealth advances for Housing and Soldier Settlement)	117,494,292
Sinking Fund—State's Contribution to National Debt Sinking Fund.. .. .	22,279,636
	<hr/>
Total Debt Charges	139,773,928
	<hr/>
The comparable figure for the previous year was	130,421,167
	<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, 1970 .. .. .	..	3,378,439
Contributions 1970-71—		
<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 ..	5,585,387	
	<hr/>	5,926,259
<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 ..	5,479,362	
4 per cent. per annum on deficit loans	1,484,584	
·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 ..	11,534	
Various, on discount and expenses overseas loans ..	25,189	
4·5 per cent. per annum on cancelled securities	14,116,055	
	<hr/>	22,279,636
		<hr/>
		31,584,334
Interest — temporary investment and repurchased securities .. ..	..	64,103
		<hr/>
		31,648,437
Securities repurchased and redeemed, \$27,241,716, at a cost of .. ..	..	28,482,750
		<hr/>
Balance of cash in Sinking Fund at 30th June, 1971 .. .. .	..	3,165,687
		<hr/>

The total amount of securities repurchased or redeemed and cancelled on account of this State since the inception of the scheme is now \$352,557,461 at a cost, including exchange on overseas purchases, of \$372,764,900.

PART IV.—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 1970-71 aggregating \$1,042,697,836 and credits, \$1,068,137,153.

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.	1970-71.		Balance 30th June, 1971.
		Debits.	Credits.	
Commonwealth Child Migrant Education Trust Account	To record moneys received by the State from the Commonwealth pursuant to the Commonwealth's <i>Immigration (Education) Act 1971</i> for the purpose of providing facilities for the instruction of child and adult migrants in the English language	\$ 682,596	\$ 750,017	\$ 67,421
Commonwealth-State Eradication of Brucellosis and Tuberculosis Account	To record the receipt and disbursement of moneys made available by the Commonwealth in respect of a national campaign to eradicate brucellosis and tuberculosis	605,514	611,714	6,200
Drivers' Licence Suspense Account	Pursuant to Section 2 of the <i>Motor Car (Fees) Act 1970</i> to record the receipt and disbursement of certain fees payable under the <i>Motor Car Act 1958</i>	300,000	364,940	64,940
Drug Education Programme Trust Account	To record the receipt and disbursement of moneys made available by the Commonwealth to the Department of Health for the purpose of developing and implementing an effective drug education programme	62,286	68,050	5,764
Farm Produce Merchants and Commission Agents Guarantee Fund	Pursuant to Section 19 (1) of the <i>Farm Produce Merchants and Commission Agents (Amendment) Act 1969</i> to record the receipt of licence fees, contributions, etc. and the application of such moneys to meet claims and refunds of fees and contributions as provided by the Act	7,060	81,024	73,964
Industrial Development Fund	Pursuant to Section 20 of the <i>State Development Act 1970</i> to record the receipt of moneys in terms of the Act and the application of those moneys towards the cost of assisting in the establishment and expansion of secondary industries in certain areas of the State	111,785	111,972	187
Pay-roll Tax Suspense Account	To account for moneys set aside from the Consolidated Fund for payment to the Commonwealth of Pay-roll Tax withheld during 1970-71 pending sanction by Parliament	214,702	8,971,660	8,756,958
Shepparton Preserving Company Loan—Commonwealth Loan to Victoria 1970 Trust Account	To record the transactions relative to a loan made by the Commonwealth to the State for on-lending to the Shepparton Preserving Company Ltd. as an agency loan pursuant to Section 35 of the <i>Rural Finance Act 1958</i>	4,000,000	4,000,000	Nil
State Grants (Teachers Colleges) Trust Account 1970-73	To account for funds made available by the Commonwealth to the State pursuant to the Commonwealth's <i>States Grants (Teachers Colleges) Act 1970</i> for the period 1st July, 1970 to 30th June, 1973	922,086	1,250,000	327,914
Traffic Authority Fund	To record the receipt and disbursement of moneys in accordance with the provisions of the <i>Road Traffic Act 1958</i> as amended by the <i>Road Traffic (Road Safety and Traffic Authority) Act 1970</i>	148,051	313,180	165,129
Works and Services Account	To record the receipt of moneys appropriated from the Consolidated Fund and the disbursement thereof as provided by the <i>Public Account Act 1970</i>	159,551,018	164,782,124	5,231,106

Accounts Closed.

By direction of the Treasurer under the authority of sub-sections (4) and (5) of Section 8 of the *Public Account Act* 1958, two Trust Funds, in respect of which appropriate particulars are given hereunder, were closed during the financial year 1970-71.

Account.	Balance at date of closing.	Remarks.
Surplus Revenue, Acts Nos. 5047 and 5093	\$ 32,359	This Account held the unexpended balance of moneys appropriated under the <i>Surplus Revenue Act</i> 1944 and the <i>Surplus Revenue Act</i> 1945 as amended by the <i>Surplus Revenue (Unexpended Balances) Act</i> 1950. The amount at credit of the Account, \$32,359, was transferred to the Consolidated Fund.
Victorian Bush Fires Relief Account (1962)	20,588	This Account was established in 1961-62 to record the transactions in respect of funds raised by a public appeal and supplemented by contributions from the State and the Commonwealth for the relief of victims of the bush fires which occurred in Victoria early in 1962. As the purpose for which the Account was established ceased to exist, an amount of \$10,294 was repaid to the Commonwealth and the remaining \$10,294 was transferred to the Consolidated Fund.

Current Funds and Accounts.

For convenience in explaining the funds and accounts within the Trust Fund, the relevant figures for 1970-71 are set out under broad classifications in the table below :—

	Balance Forward.	1970-71.		Balance 30th June, 1971.
		Debits.	Credits.	
	\$	\$	\$	\$
Commonwealth	11,431,956	171,800,394	172,580,664	12,212,226
Commonwealth-State	742,798	1,076,623	1,036,756	702,931
Compensation and Insurance	68,606,123	75,133,383	82,405,154	75,877,894
Deposit	1,529,318	848,982	753,716	1,434,052
Depreciation	3,347,204	3,424,076	3,622,736	3,545,864
Social, Health and Welfare	1,528,919	81,039,708	80,949,694	1,438,905
Superannuation and Pension	14,441,749	5,432,732	4,662,893	13,671,910
Suspense	17,802,582	300,879,597	314,327,962	31,250,947
Works and Development	13,993,131	231,829,532	236,809,976	18,973,575
Other	7,283,311	171,226,502	170,903,174	6,959,983
Total	140,707,091	1,042,691,529	1,068,052,725	166,068,287

In addition, securities to a value of \$15,486,120 have been lodged with the Treasurer. Transactions in 1970-71 were debits \$6,307 and credits \$84,428. Further reference to these securities is made on page 40.

Details of investments held on account of the Trust Fund and included in the balances of the various Funds and Accounts at 30th June, 1971, are shown in the Treasurer's Finance Statement at pages 79 and 85.

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	61
La Trobe University (Commonwealth Subsidy) Account	La Trobe University	65
Monash University (Commonwealth Subsidy) Account	Monash University	63
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	41
Commonwealth Aid Roads Accounts	52
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 1969-70 and 1970-71 :—

	1969-70.	1970-71.
	\$	\$
Balance 1st July	135,318	93,845
Received from Commonwealth during the year	6,000,000	7,228,749
	<u>6,135,318</u>	<u>7,322,594</u>
Reimbursements to Public Hospitals, &c.	6,041,473	7,046,953
Balance 30th June	<u>93,845</u>	<u>275,641</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 1969-70 and 1970-71:—

	1969-70.	1970-71.
	\$	\$
Balance 1st July	242,065	297,034
Received from Commonwealth during the year	2,650,000	2,350,000
	<u>2,892,065</u>	<u>2,647,034</u>
Expenditure (provision of free milk, &c.)	2,595,031	2,642,634
Balance 30th June	<u>297,034</u>	<u>4,400</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, 1971, amounted to \$119,470,000. The Commonwealth charges interest on these advances, and has varied the rate from time to time. During 1970-71, the rate charged was 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, 1971, the moneys received for these purposes amounted to \$81,027,453.

When 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 1970-71 were repaid in the year. The Home Builders' Account is charged interest on these advances at the same rate as that received by the State on the Public Account. In calculating this interest, no allowance has been made for credits in the Public Account arising from repayments by the building societies, &c.

The moneys in the Home Builders' Account, after allowing for the amounts required for the payment of principal and interest to the Commonwealth and interest to the State, are available for the financing of home building by means of loans to building societies (including co-operative housing societies) and to other institutions as may be approved, at the request of the State, by the responsible Commonwealth Minister. These moneys are administered by the Registry of Co-operative Housing Societies, advances being made to the Registry from the Account as required. Loans made to 30th June, 1971, totalled \$164,301,001. 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 \$252,530. An amount of \$209,690 was charged against the accumulated interest surplus and credited to the Consolidated Fund. 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, 1971, was \$2,340,820.

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

<i>Source of Funds—</i>	\$	\$
Balance 1st July, 1970		1,643,242
Advanced by Commonwealth Government		10,950,000
Interest and Repayments of Principal		12,153,461
Total Funds Available		24,746,703
 <i>Disbursement of Funds—</i>		
Advances to Registry		18,319,000
Commonwealth—Interest and Redemption		5,196,956
State of Victoria—Payment towards Administrative Cost ..	209,690	
Interest on Advances from Public Account..	3,008	212,698
Total Disbursements		23,728,654
Balance 30th June, 1971		1,018,049
		24,746,703

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 1970–71 totalled \$830,768.

State Grants (Advanced Education) Trust Accounts—Capital.

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 1970–71 :—

	Colleges of Advanced Education.				Total.
	Victoria Institute of Colleges and Affiliated Colleges.	Under departmental control and not affiliated with the Victoria Institute of Colleges.			
		Education Department.	Agriculture Department.	Forests Commission.	
	\$	\$	\$	\$	\$
Balance—1st July	671,144	3,194	8,752	4	683,094
Commonwealth—Building and Equipment Grants ..	4,815,736	1,920	16,858	1,692	4,836,206
Library Materials Grants ..	62,685	500	2,300	300	65,785
	5,549,565	5,614	27,910	1,996	5,585,085
Expenditure—Buildings	4,484,139	5,114	11,307	476	4,501,036
Equipment	517,062	..	20,005	..	537,067
Library Materials	62,685	500	52	168	63,405
	5,063,886	5,614	31,364	644	5,101,508
Balance—30th June	485,679	..	Dr. 3,454	1,352	483,577

State Grants (Advanced Education Recurrent) Trust Account.

Pursuant to the provisions of the States Grants (Advanced Education) Acts, an amount of \$6,191,043 was received from the Commonwealth during 1970-71 in respect of recurrent expenditure of colleges of advanced education. Of this amount, \$6,190,904 was paid to the credit of the Trust Account and the balance, \$139, was credited to the Consolidated Fund as a recoup of expenditure by the State.

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

	Colleges of Advanced Education.				Total.
	Victoria Institute of Colleges and Affiliated Colleges.	Under departmental control and not affiliated with the Victoria Institute of Colleges.			
		Education Department.	Agriculture Department.	Forests Commission.	
	\$	\$	\$	\$	\$
Commonwealth Grant on account of recurrent expenditure for advanced education	5,766,231	115,034	280,784	28,994	6,191,043

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

By authority of its 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 \$1,000 was received during 1970-71. A payment of \$1,000 was made to the Melbourne Kindergarten Training College during the year.

State Grants (Science Laboratories) Trust Account.

Under the provisions of its 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 1970-71 :—

	State Schools.	Independent Schools.	Total.
	\$	\$	\$
Balance—1st July, 1970	483,451	300,247	783,698
Grants from Commonwealth	2,041,000	1,504,700	3,545,700
	<u>2,524,451</u>	<u>1,804,947</u>	<u>4,329,398</u>
Expenditure	1,733,367	1,804,823	3,538,190
Balance—30th June, 1971	<u>791,084</u>	<u>124</u>	<u>791,208</u>

State Grants (Secondary Schools Libraries) Trust Account.

Pursuant to the provisions of the States Grants (Secondary Schools Libraries) Act, a grant of \$3,199,343 was provided by the Commonwealth during 1970-71 towards establishing, stocking and equipping State and independent secondary school libraries.

The following statement summarizes the transactions during 1970-71 :—

	State Schools.	Independent Schools.	Total.
	\$	\$	\$
Balance—1st July, 1970	771,953	374,211	1,146,164
Grants from Commonwealth	2,450,000	749,343	3,199,343
	<u>3,221,953</u>	<u>1,123,554</u>	<u>4,345,507</u>
Expenditure	2,301,373	860,709	3,162,082
Balance—30th June, 1971	<u>920,580</u>	<u>262,845</u>	<u>1,183,425</u>

State Grants (Teachers Colleges) Trust Accounts.

Under the provisions of its States Grants (Teachers Colleges) Acts, the Commonwealth granted financial assistance to the State towards approved building projects in connexion with teachers' colleges. At 1st July, 1970, \$1,364,963 was held in the Trust Accounts and during the financial year a further \$1,250,000 was received from the Commonwealth. Expenditure totalled \$2,108,078 and the balance held in the Trust Accounts at 30th June, 1971, was \$506,885.

State Grants (Technical Training) Trust Account.

Pursuant to the provisions of its 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, 1970, \$309,775 was held in the Trust Account and during 1970-71 grants totalling \$3,912,400 were received. Expenditure on account of technical, agricultural and forestry school buildings and equipment totalled \$3,115,912. The balance held in the Trust Account at 30th June, 1971, was \$1,106,263.

State Grants (Independent Schools) Trust Account.

Pursuant to the provisions of its States Grants (Independent Schools) Act, the Commonwealth provided assistance to schools, other than those conducted by the State or for the profit of individuals, which provide full-time primary or full-time secondary education. The amounts payable to each school are calculated at the rate of \$35 per annum for each primary school pupil and \$50 per annum for each secondary school pupil. At 1st July, 1970, \$285 was held in the Trust Account and during the financial year \$7,832,398 was received from the Commonwealth. Expenditure totalled \$7,830,775 and the balance held in the Trust Account at 30th June, 1971, was \$1,908.

COMMONWEALTH-STATE.

The major accounts classified under this head are the Commonwealth-State Sirex Trust Account, the Tobacco Experimental Works Account, the Drug Education Programme Trust Account and the Commonwealth-State Eradication of Brucellosis and Tuberculosis Account. The Commonwealth-State Sirex Trust Account is discussed under "Forests Commission" at page 69.

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	79
Railway Accident and Fire Insurance Fund	90
State Accident Insurance Fund	46
State Motor Car Insurance Fund	48

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 \$98,951 and claims paid amounted to \$53,360. The surplus of \$45,591 on the year's operations was transferred, in terms of the legislation, to the Consolidated Fund 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. That Act provided for a yearly charge against the Consolidated Fund of \$4,000 and for the crediting of the Fund with interest on the balance of the Fund in excess of \$30,000.

Application of this Fund is restricted to Government buildings but, under a contract of insurance negotiated by the Insurance Commissioner through the Fire and Accident Underwriters Association of Victoria, a pool of insurers, known as the Government Fire Insurance Pool, provides insurance cover in regard to buildings and other property 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 1969-70 and 1970-71 are summarized below :—

	1969-70.	1970-71.
	\$	\$
Balance, 1st July	649,983	690,643
Special Appropriation	4,000	4,000
Income from Investment.. .. .	36,719	40,730
	<u>690,702</u>	<u>735,373</u>
Expenditure	59	..
Balance, 30th June	<u>690,643</u>	<u>735,373</u>
Which included Investments of	<u>675,000</u>	<u>690,000</u>

In terms of the Act establishing the Fund, the cash balance in excess of \$30,000 is required to be invested.

DEPOSIT.

Items under this heading comprise securities lodged by Insurance and Trustee Companies, \$170,000 ; Contractors' and Timber Cutters' deposits, \$548,541 ; Municipalities Loan Repayment Account, \$501,691, which includes investments totalling \$440,242 ; Sundry Investments and Interest Account, \$88,820 ; and Law Department—Sureties Trust Account, \$125,000.

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	102
Forests Plant and Machinery Fund	70
Irrigation Districts Maintenance Equalization and Renewals Account	99
Printing Machinery Depreciation Fund	71
Public Works Plant and Machinery Fund	86
Railway Renewals and Replacements Fund	88
Water Supply Plant and Machinery Depreciation Fund	100
Water Supply Works Depreciation Fund	100

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	41
Hospitals and Charities Fund	76
Workers Compensation Board Fund	49

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 the Consolidated Fund 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 :—

	1969-70.	1970-71.
	\$	\$
<i>Source of Funds—</i>		
Balance from Previous Year	632	3,337
<i>Government Contributions :—</i>		
Special Appropriation—Act No. 6240	50,000	50,000
Departmental Vote—Education	150,341	164,265
Works and Services Account .. .. .	..	7,952
<i>Fees and Proceeds :—</i>		
Classes, Lectures and Discussion Groups	198,445	207,086
Schools and Conferences	24,275	21,926
Community Arts Service	1,062	1,206
Miscellaneous	2,517	1,511
	427,272	457,283
	1969-70.	1970-71.
	\$	\$
<i>Disbursement of Funds—</i>		
Administration—Salaries	134,646	158,113
General Expenses	74,434	72,357
	209,080	230,470
Classes, Lectures and Discussion Groups	172,173	160,746
Schools and Conferences	24,741	33,430
Community Arts Service	7,660	6,191
Russell-street Centre—Maintenance and Operating Costs	1,152	1,443
East Melbourne Centre—Maintenance and Operating Costs .. .. .	..	13,276
Miscellaneous	9,129	1,084
	423,935	446,640
<i>Balance at End of Year</i>	3,337	10,643
	427,272	457,283

Mental Hospitals Fund.

The *Tattersall Consultations Act 1958* provides, in respect of each financial year, for the payment from the Consolidated Fund 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 1970-71, duty paid amounted to \$6,435,660. The sum of \$1,089,500 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, 1971 :—

	During the Year.	Total.
	\$	\$
<i>Receipts.</i>		
Balance 1st July, 1970	3,237	..
Special Appropriations— <i>Tattersall Consultations Act 1958</i>	1,089,500	10,713,846
	1,092,737	10,713,846
<i>Payments.</i>		
Capital Works .. .. .	..	622,000
Maintenance Works .. .. .	..	300,000
General Expenditure (State Institutions) .. .. .	..	3,360,216
Maintenance Grants (Other Institutions)	1,075,416	5,586,143
Mental Health Research (University of Melbourne)	14,000	218,000
Capital Grants (Other Institutions) .. .. .	..	624,166
	1,089,416	10,710,525
Balance 30th June, 1971.. .. .	3,321	3,321

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.

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. Prior to the operation of the *Superannuation (Amendment) Act* 1970, the State's contribution to the Fund was fixed at \$100,000 annually, together with such additional amount as was certified by the Government Statist. The *Superannuation (Amendment) Act* 1970, effective from 15th December, 1970, repealed those provisions of the *Police Regulation Act* 1958 relating to annual contributions by the State and provided for payments to be made from the Consolidated Fund to the Police Pensions Fund only when the moneys available in the Police Pensions Fund are insufficient to meet pensions, gratuities and allowances payable under Division 2 of the *Police Regulation Act* 1958 or any amount payable into the Pensions Supplementation Fund under the *Pensions Supplementation Act* 1966.

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

		1969-70.	1970-71.
		\$	\$
<i>Receipts.</i>			
Deductions from pay		54,391	55,961
Contributions from the Consolidated Fund		380,000	..
Interest on Investments		685,238	631,768
Balance in hand—1st July		13,151,369	12,735,005
		<u>14,270,998</u>	<u>13,422,734</u>
<i>Disbursements.</i>			
Pensions		1,495,812	1,518,662
Gratuities		28,183	56,948
Deductions refunded—on resignation		11,692	14,803
State Superannuation Fund :—			
Act No. 7081, Section 9		306	..
		<u>1,535,993</u>	<u>1,590,413</u>
Balance, 30th June		12,735,005	11,832,321
Represented by :—			
Investments		12,665,500	11,740,500
Cash		69,505	91,821
		<u>12,735,005</u>	<u>11,832,321</u>

At 30th June, 1971, the investments of the Fund comprised Commonwealth Government Inscribed Stock, \$8,100,900, and securities of the Melbourne and Metropolitan Board of Works, \$1,800,000, State Electricity Commission, \$150,000, Gas and Fuel Corporation, \$810,000, the Melbourne Harbor Trust, \$90,000, and the State Savings Bank of Victoria, \$789,600—a total of \$11,740,500.

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 \$4,971 which comprised the State's contribution of \$4,000 and fines amounting to \$971. Pension payments from the Fund totalled \$10,918 which was \$2,207 less than the corresponding figure for the previous year.

Mention was made in the Reports for 1968–69 and 1969–70 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.

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, but it did not validate the retention in the Police Superannuation Fund of the balance as at 30th June, 1968, \$32,854. This matter has not yet been resolved.

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 1969–70 and 1970–71 :—

								1969–70.	1970–71.
								\$	\$
<i>Receipts.</i>									
Deductions from Earnings	..	..	..	..	..	..	86,893	97,394	
Interest on Investments	..	..	..	..	..	..	69,685	70,787	
Balance, 1st July	..	..	..	..	..	..	1,262,987	1,335,109	
								<u>1,419,565</u>	<u>1,503,290</u>
<i>Payments.</i>									
Pensions	..	..	..	..	..	..	84,111	82,141	
Triennial Valuation Report	..	..	..	..	..	..	345	..	
								<u>84,456</u>	<u>82,141</u>
Balance, 30th June	..	..	..	..	..	..	1,335,109	1,421,149	
Represented by :—									
Investments	..	..	..	..	..	..	1,314,176	1,345,008	
Cash	..	..	..	..	..	..	20,933	76,141	
								<u>1,335,109</u>	<u>1,421,149</u>

Investments comprised inscribed stock of the Commonwealth Government, \$81,300, the State Electricity Commission, \$696,500, the Melbourne and Metropolitan Board of Works, \$321,600, the Grain Elevators Board, \$68,000, a Registered First Mortgage over the Pilot Vessel "Akuna", \$32,608, Gas and Fuel Corporation debenture stock, \$105,000, and Victorian Pipelines Commission debentures, \$40,000.

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	69
Drivers' Licence Suspense Account	15, 45
Public Works Stores Suspense Account	86
Railway Charges in Suspense Account	90
Railway Stores Suspense Account	91
Tourist Bureaux Trust Account	95
Water Supply Stores Suspense Account	100

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	51
Forest Equipment Hire Account	70
Forestry Fund	69
Industrial Development Fund	96
Municipalities Forest Roads Improvement Fund	54
National Parks Fund	96
State Rivers and Water Supply Commission Agency Trust Account	101
Timber Promotion Committee Trust Account	70
Tourist Fund	94
Works and Services Account	8

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

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 :—

	1969-70.		1970-71.	
	\$	\$	\$	\$
Balance 1st July	610,610		298,905	
Receipts—				
Additional Registration Fees	1,017,184		1,056,086	
	<u> </u>	1,627,794	<u> </u>	1,354,991
Expenditure—				
By Railway Department	1,032,572		1,136,597	
By Country Roads Board	296,317		136,686	
	<u> </u>	1,328,889	<u> </u>	1,273,283
Balance 30th June		<u>298,905</u>		<u>81,708</u>

Municipalities Assistance Fund.

In addition to subsidies provided from the Consolidated Fund to municipalities, funds are 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 part of all motor drivers' licence fees and 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 Municipalities Assistance Fund is at any time insufficient to meet the sums and contributions authorized to be paid out of the Fund, moneys may be issued and applied from the Consolidated Fund to meet such insufficiency.

During the year, an amount of \$850,000 was contributed to the Fund from the Works and Services Account.

Following is a summary of operations in the Fund :—

	1969-70.		1970-71.	
	\$	\$	\$	\$
Balance, 1st July		183,628		472,957
Contribution—Works and Services Account ..		1,300,000		850,000
Receipts from Fees—Motor Car Drivers' and Instructors' Licences	789,646		1,192,832	
Less Costs of Collection	74,903		72,696	
		<u>714,743</u>	<u>72,696</u>	<u>1,120,136</u>
		<u>2,198,371</u>		<u>2,443,093</u>
Expenditure—				
Contribution to Country Fire Authority		1,225,416		1,309,235
Contribution to Casual Fire Fighters Compensation Fund .. .. .		..		10,395
Subsidies to Municipalities for Works ..		499,998		499,999
		<u>1,725,414</u>		<u>1,819,629</u>
Balance, 30th June		472,957		623,464
		<u>2,198,371</u>		<u>2,443,093</u>

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 1969-70 and 1970-71 are set out below :—

	1969-70.		1970-71.	
	\$	\$	\$	\$
Balance, 1st July	7,627,489		9,662,146	
Receipts—				
Registration Fees	14,708,016		15,557,533	
		<u>22,335,505</u>		<u>25,219,679</u>
Expenditure—				
By Country Roads Board	3,532,586		7,760,785	
By Melbourne and Metropolitan Board of Works	9,140,773		7,038,512	
		<u>12,673,359</u>		<u>14,799,297</u>
Balance, 30th June		9,662,146		10,420,382
		<u>9,662,146</u>		<u>10,420,382</u>

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 1969 and 1970.

1969.								1970.			
\$								\$	\$		
Income—											
23,163	Contributions	..	..	..	..	..	..	40,995	
3,849	Other	..	..	..	..	..	..	3,886	
<u>27,012</u>								<u>44,881</u>			
Expenditure—											
4,393	Allowances, Board Members	..	..	..	..	..	..	4,470	
10,392	Salaries, Office Staff	..	..	..	..	..	..	9,693	
16,852	Inspection and Grading	..	..	..	..	..	..	20,445	
8,803	General Expenses	..	..	..	..	..	..	8,908	
<u>40,440</u>								<u>43,516</u>			
13,428	Deficit						Result for Year	Surplus	<u>1,365</u>

At 30th June, 1971, the balance at credit of the Fund in the Treasury amounted to \$61,790 and comprised cash \$90 and investments \$61,700.

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

<i>Account</i>	Page Reference No.
The Licensing Fund	15
Race-courses Development Fund	12, 13
Totalizator Agency Board Trust Account	12, 13
Traffic Authority Fund	53
Transport Regulation Fund	103

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*, \$15,398,282, and to a Geelong Harbor Trust debenture securing the outstanding balance of an advance, \$77,512.

PART V.—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 1970–71 in relation to this Fund were :—

	\$	\$
Balance 1st July, 1970		453
Receipts—		
The Consolidated Fund—		
Vote	372,400	
Works and Services Account	369,000	
	741,400	741,400
Commonwealth Grants—Education, Health, Employment		70,000
Repayment of Loans		8,972
Revenue from Operations (Cattle Sales, &c.)		29,595
Rent		18,466
Donations		1,508
Miscellaneous		3,274
		873,668
Payments—		
Assistance to Aborigines	478,812	
Administration, &c., Costs	393,924	
	872,736	872,736
Balance 30th June, 1971		932
		873,668

ABORIGINAL HOUSING (COMMONWEALTH) TRUST ACCOUNT.

In 1970–71, grants totalling \$367,000 were paid to the State by the Commonwealth. Of this amount, \$285,000 was allocated for housing and the balance, \$82,000, 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 \$287,871 representing the housing allocation of \$285,000 and rent and loan repayments of \$2,871. Expenditure for the year on the purchase and construction of dwellings amounted to \$224,449. At 30th June, 1971, the balance in the Account was \$103,656.

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.

COST TO THE CONSOLIDATED FUND.

The expenditure of the Department from the Consolidated Fund for the year was \$13,312,293, against which there were departmental receipts of \$2,213,906, resulting in a net outgoing of \$11,098,387 compared with \$9,188,421 for the previous year. Details of the expenditure and receipts for the two years are :—

<i>Expenditure.</i>	1969-70.	1970-71.
	\$	\$
Special Appropriation—Agricultural Colleges	100,000	100,000
Vote—		
Agriculture—Salaries, Expenses, Other Services	9,482,264	10,920,285
Treasurer—Workers Compensation Insurance, Payroll Tax	226,624	275,712
Public Works—Maintenance and Rent of Buildings	54,038	126,060
Works and Services Account—Acquisition of Properties, Construction of Works, &c.	1,096,233	1,890,236
	10,959,159	13,312,293
<i>Receipts.</i>		
Departmental Services	1,658,155	2,109,114
Licences—Dairies, Dairy Farms, Dairy Produce Factories, &c.	112,583	104,792
	1,770,738	2,213,906
Net outgoing (excluding interest, sinking fund and Government contribution to superannuation)	9,188,421	11,098,387

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 \$859,806, were credited to the Consolidated Fund. Payments amounting to \$4,576,037 were made from the Consolidated Fund for general maintenance purposes and capital items.

The capital items were Buildings \$1,306,942, Plant and Equipment \$141,122, Water Reticulation \$46,139, other Permanent Improvements \$45,180, and Purchase of Properties, Furniture, Fencing and Roads \$140,427.

Victoria Dock Cool Stores.

In the following statements, the accounting transactions of the Cool Stores are presented on a commercial basis and show that, for the year ended 30th June, 1971, a profit of \$47,948 was earned. This compares with a loss of \$14,333 for the previous year. Handling and storage rates were increased during 1970-71, but the main reason for the improved result was a marked increase in the volume of produce handled.

The 1970-71 figures are subject to audit.

	1969-70.		1970-71.	
<i>Revenue.</i>	\$	\$	\$	\$
Storage and Shipping Charges, &c.	271,820		415,192	
Rental	191,412		160,618	
		463,232		575,810
<i>Expenditure.</i>				
Salaries and Wages, &c.	175,133		228,721	
Pay-roll Tax	4,530		5,561	
Rent of Site	5,395		2,724	
Agency and Commission	23		..	
Maintenance	35,955		20,574	
Electrical Energy	56,028		59,576	
Other Charges (net)	8,837		10,540	
Depreciation	60,858		62,212	
Interest on Capital	130,806		137,954	
		477,565		527,862
Result for year	Loss	14,333	Profit	47,948

ABRIDGED BALANCE-SHEET.

30.6.70.		30.6.71.
\$		\$
2,419,581	Capital provided by State	2,473,510
149,392	Contribution by Commonwealth, &c.	149,392
10,972	Sundry Creditors	9,622
5,921	Reserve	5,921
605	Accrued Expenses	1,346
		\$
	Profit forward	1,047,978
	Plus Net Operating Profit	47,948
1,047,978		1,095,926
<u>3,634,449</u>		<u>3,735,717</u>
	Fixed Assets at cost less depreciation :—	
1,465,742	Buildings	1,431,854
327,830	Machinery, Plant, &c.	353,213
24,373	Roads and Railway Sidings	23,928
1,817,945		1,808,995
6,369	Stores on hand	5,463
162,253	Sundry Debtors	199,825
..	Prepaid Expenses	117
1,647,882	Excess of payments to the Consolidated Fund over working and other expenses provided therefrom	1,721,317
<u>3,634,449</u>		<u>3,735,717</u>

During the year, capital provided by the State was increased by \$53,929. This amount was expended mainly on 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 the Consolidated Fund 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.

CHIEF SECRETARY.

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

Police.

COST TO THE CONSOLIDATED FUND.

The net cost of police services was \$31,468,594. 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 and expenditure from the Works and Services Account. Expenditure and receipts for the year are compared hereunder with corresponding figures for the previous year :—

				<i>Expenditure.</i>	
				1969-70.	1970-71.
				\$	\$
Special Appropriation—					
Pensions and Superannuation, &c.	..	..	..	878,800	599,665
Vote—					
Police—					
Salaries and Allowances	..	..	..	25,706,820	28,104,864
Overtime and Penalty Rates	..	..	..	530,994	725,155
Payments in lieu of Long Service Leave			..	349,868	360,954
General Expenses	..	..	..	3,331,424	3,747,859
Treasurer—					
Workers Compensation Insurance, Payroll Tax	..		..	852,549	934,760
Public Works—					
Maintenance and Rent of Buildings	..	..	..	37,390	28,617
Works and Services Account—					
Police Buildings and Residences	..	..	..	1,398,200	1,047,683
				<u>33,086,045</u>	<u>35,549,557</u>
<i>Receipts.</i>					
Departmental Services	..	..	..	1,340,755	1,423,891
Firearms and other licences	..	..	..	30,796	69,478
Recoup of administrative expenses—Motor Registration Branch	..		..	2,304,697	2,587,594
				<u>3,676,248</u>	<u>4,080,963</u>
Net cost of police services				<u>29,409,797</u>	<u>31,468,594</u>

The decrease in expenditure on Pensions and Superannuation was caused by the application of the *Superannuation (Amendment) Act 1970*. This amending Act repealed the provisions of the *Police Regulation Act 1958* which had required the annual payment of certain sums from the Consolidated Fund to the Police Pensions Fund. In future, payments will be made from the Consolidated Fund to the Police Pensions Fund only when the moneys available in the Police Pensions Fund are insufficient to pay—

- (a) pensions, gratuities and allowances payable under Division 2 of the *Police Regulation Act 1958*, or
- (b) any amount payable into the Supplementation Fund under the *Pensions Supplementation Act 1966*.

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 :—

1969-70.		1970-71.
\$		\$
52,076,777	Fees under the Motor Car Act	55,755,104
35,273,328*	Third Party Insurance Premiums	39,219,877*
6,687,731	Stamp Duty	7,007,293
94,037,836		101,982,274

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

\$	<i>Country Roads Board Fund—</i>	\$	\$
31,153,901	Motor Fees and Examiners' Licences	32,251,579	
789,646	Drivers' Licence and Motor Driving Instructors' Licence Fees..	808,385	
2,034,370	Additional Registration Fees	2,112,175	
33,977,917			35,172,139
1,017,184	<i>Level Crossings Fund—</i> Additional Registration Fees		1,056,086
789,646	<i>Municipalities Assistance Fund—</i> Drivers' Licence Fees and Motor Driving Instructors' Licence Fees ..		1,192,832
10,204	<i>Transport Regulation Fund—</i> Omnibus Registration Fees		9,711
14,708,016	<i>Roads (Special Projects) Fund—</i> Increase in Registration Fees		15,557,533
1,634,441	<i>Hospitals and Charities Fund—</i> Contributions—Third Party Insurance Premiums		1,735,838
1,573,810	<i>Consolidated Fund—</i> Drivers' Licence and Motor Driving Instructors' Licence Fees..	2,382,355	
2,319,364	Insurance Surcharges	2,464,302	
6,687,731	Stamp Duty	7,007,293	
		11,853,950	
	<i>Drivers' Licence Suspense Account—</i> Drivers' Licence Fees		384,448
31,319,523	<i>Approved Third Party Insurers—</i> Net Premiums collected on their behalf		35,019,737
94,037,836			101,982,274

*Excludes collections by authorized insurers.

Fees under the Motor Car Act.—Fees collected by the Branch under the Motor Car Act increased by \$3,678,327. The higher collections from this source were due, mainly, to the greater number of motor vehicles registered—1,435,885 compared with 1,359,513 in 1969-70.

Third Party Insurance.—An increase of \$3,946,549 in the total premiums collected on behalf of authorized insurers was indicative of the greater volume of transactions handled by the Branch in 1970-71.

The *Motor Car (Hospitals and Charities Contributions) Act* 1966 provides 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 deducted in 1970-71 was at the rate of \$1.40 per premium and the total amount credited to the Fund, including collections by authorized insurers, was \$2,061,724.

Costs of Collection.—Costs of collection in respect of fees under the Motor Car Act are apportioned between the participating funds, including the Consolidated Fund, 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.

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 \$3,160,513. This profit has yet to be appropriated, as at 30th June, 1971, 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.

—	1968-69.	1969-70.	1970-71.
Income—	\$	\$	\$
Premiums Earned	9,934,162	9,733,275	11,659,351
Interest	653,048	687,331	816,413
Rents (Net)	226,544	193,825	208,860
	10,813,754	10,614,431	12,684,624
Expenditure—			
Claims	8,203,580	7,227,530	8,747,640
Management	497,999	549,136	529,915
Agents' Commission	193,025	205,820	245,517
Loss—Sale of Property	747	178	1,039
	8,895,351	7,982,664	9,524,111
Net Profit	1,918,403	2,631,767	3,160,513
	%	%	%
Loss ratio to earned premium income	82.6	74.3	75.0

APPROPRIATION ACCOUNT.

—	1968-69.	1969-70.	1970-71.
\$	\$	\$	
Net Profit	1,918,403	2,631,767	3,160,513
Adjustment of provision for Unearned Premiums, previous years .. .. .	..	1,018,716	..
Adjustment of Licence Fees in Advance for previous years .. .. .	..	..	98,321
	1,918,403	3,650,483	3,258,834
Appropriations—			
Bonus Equalization Reserve	748,403	1,000,483	Yet to
General Reserve	170,000	1,250,000	be
Consolidated Fund	1,000,000	1,400,000	determined
	1,918,403	3,650,483	3,258,834

Premiums in respect of policies issued to government and semi-government bodies are treated in the accounts as fully earned irrespective of time of receipt. Other premiums due are apportioned between earned and unearned on a time basis related to the period of cover.

Under the *Workers Compensation Act 1970*, operative from 1st October, 1970, increases in benefits were provided. In turn, rises in premium rates were effected from that date.

The substantial increase in income from premiums earned, although partly absorbed by a rise in the value of incurred claims, was the main reason for the increase of \$528,746 in the net profit for the year under review.

The procedure for the calculation of the licence fee shown to be in advance as at the close of financial years from 1965-66 has resulted in the amount accounted for being overstated by \$98,321. This amount has been transferred to the Appropriation Account.

The amounts shown as incurred claims for the past three financial years were determined as follows:—

	1968-69.	1969-70.	1970-71.
	\$	\$	\$
Claims paid during the year	7,076,044	6,990,611	7,045,636
Add Claims unpaid as at close of year	14,601,274	14,838,193	16,540,197
	<u>21,677,318</u>	<u>21,828,804</u>	<u>23,585,833</u>
Less Claims unpaid brought forward from previous year	13,473,738	14,601,274	14,838,193
Incurred claims	<u>8,203,580</u>	<u>7,227,530</u>	<u>8,747,640</u>

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

30.6.70.		30.6.71.
\$	Assets.	\$
	Current—	
18,373,715	Cash at Treasury	18,159,429
886,259	Sundry Debtors, less Bad Debts Provision	1,478,234
		<u>19,637,663</u>
6,071,740	Inscribed Stock and Debentures	7,679,140
290,500	Balance due re sale of Property—412 Collins-street, Melbourne	266,292
	Fixed—	
163,253	Furniture, Office Machines, and Cars—less Depreciation	139,121
2,969,106	Property (at cost)—Offices—480-490 Collins-street, Melbourne	3,581,824
		<u>3,720,945</u>
<u>28,754,573</u>		<u>31,304,040</u>
	Liabilities and Funds.	
	Current—	
933,592	Unearned Premiums	1,054,267
14,838,193	Claims Outstanding	16,540,197
45,189	Sundry Creditors	45,297
1,400,000	Provision for Contribution to Consolidated Fund .. .. .	..
258,954	Provision for Reinsurance Premiums	217,387
		<u>17,857,148</u>
	Deferred—	
2,278,105	Bonus Equalization Reserve	1,122,290
250,540	Building Depreciation and Maintenance Provision	315,768
		<u>1,438,058</u>
	Funds—	
8,720,000	General Reserve	8,720,000
30,000	Building Improvement Reserve	30,000
..	Appropriation Account	3,258,834*
		<u>12,008,834</u>
<u>28,754,573</u>		<u>31,304,040</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 comment on the overall financial result of the operations of the State Motor Car Insurance Office for 1970-71 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, 1971, has not been finalized.

It is expected that details of the overall financial operations of the Office for 1970-71 will be available for inclusion in my Supplementary Report.

In respect of Comprehensive Insurance, an operating profit of \$125,181 was made in 1970-71 compared with a loss of \$387,378 in 1969-70. The improved result was due mainly to increased premium income arising out of higher premium rates operative from 1st December, 1970.

The following financial summary shows the income and expenditure of the Office in respect of Comprehensive Insurance only, for the financial years 1969-70 and 1970-71:—

	1969-70.	1970-71.
	\$	\$
Net Premiums earned	4,983,978	5,497,654
Stamp Duty recouped	257,459	291,759
	5,241,437	5,789,413
Claims	4,328,439	4,269,803
Management	1,042,736	1,126,409
Licence Fee	257,640	268,020
	5,628,815	5,664,232
Operating Loss	387,378	
Operating Profit		125,181

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 1970-71 are submitted subject to audit. Particulars of the Income and Expenditure of the Fund for the years 1969-70 and 1970-71 are as follows :—

	1969-70.	1970-71.
	\$	\$
<i>Income—</i>		
Contributions from Insurers and others	219,235	219,172
<i>Expenditure—</i>		
Salaries, including pay in lieu of long service leave ..	108,839	125,681
Rent	63,289	63,289
General	28,067	32,425
Claims on uninsured employers paid from the Fund (net) ..	16,308	50,705
	216,503	272,100
Excess of Income over Expenditure	2,732	
Excess of Expenditure over Income		52,928

In 1970-71, an amount of \$12,660 was advanced from the Consolidated Fund to supplement the Workers Compensation Board Fund in accordance with sub-section 10 of Section 82 of the Act.

The increase in expenditure was due primarily to the higher costs involved in claims paid in respect of uninsured employers.

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 apportioned equitably over all the constituent accounts.

Receipts and Payments of the Common Fund for the years 1969-70 and 1970-71 are summarized below :—

	1969-70.	1970-71.
	\$	\$
Receipts	6,212,773	6,638,291
Payments	4,157,698	4,476,792
Excess of receipts over payments	2,055,075	2,161,499
Balance at beginning of year	18,008,638	20,063,713
Balance at close of year	20,063,713	22,225,212

Investments, &c., controlled by the Board at 30th June, 1971, are shown hereunder :—

Common Fund—	\$
Cash, State Savings Bank of Victoria	425,129
Dromana-Rosebud Sewerage Authority Debentures	100,000
Drouin Sewerage Authority Debentures	200,000
Frankston Sewerage Authority Debentures	850,000
Gas and Fuel Corporation Debentures	200,000
Geelong Waterworks and Sewerage Trust Debentures	1,750,000
Melbourne and Metropolitan Board of Works Debentures	7,150,000
Mornington Sewerage Authority Debentures	200,000
Mount Eliza Sewerage Authority Debentures	100,000
Orbost Waterworks Trust Debentures	100,000
Port Fairy Sewerage Authority Debentures	500,000
Shepparton Sewerage Authority Debentures	200,000
State Electricity Commission Debentures	10,050,000
West Moorabool Water Board Debentures	400,000
Temporary Advances	83
	22,225,212

Other Branches.

The cost to the Consolidated Fund of the remaining sub-departments and branches of the Chief Secretary's Department for 1970-71 compared with the previous year is set out below :—

	Receipts.	Payments.			Net Outgoing 1970-71.	Net Outgoing 1969-70.
		Vote.	Works and Services Account.	Total.		
	\$	\$	\$	\$	\$	\$
State Library, &c.	4,947	3,218,543	294,925	3,513,468	3,508,521	2,918,708
National Gallery .. ..	..	865,234	..	865,234	865,234	2,821,429
Government Statist	311,357	598,599	..	598,599	287,242	284,387
Fisheries and Wildlife	356,148	1,178,407	214,698	1,393,105	1,036,957	1,222,698
Immigration*	452	132,551	..	132,551	132,099	119,685
Other Branches	114,255	290,480	..	290,480	176,225	176,459
Administrative	94,696	591,114	..	591,114	496,418	371,772

* By authority of the *State Development Act 1970*, the administration of the Immigration Branch was transferred to the Department of State Development as from 15th March, 1971.

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.

FUNDS AVAILABLE TO THE BOARD.

(a) *Country Roads Board Fund.*

The principal sources of revenue of the Fund in 1970-71 were :—

- (i) *Fees under the Motor Car Act.*—Receipts for the year under this Act amounted to \$36,457,938 and the costs of collection were shown to be \$3,563,400. The comparable figures in 1969-70 were, respectively, \$34,263,086 and \$3,394,921.

The increase in collections, \$2,194,852, was due, mainly, to the greater number of motor vehicles registered in Victoria—1,435,885 compared with 1,359,513 in 1969-70.

Costs of collecting fees under the Motor Car Act increased by \$168,479 during 1970-71.

In addition to the costs of collection of fees under the Motor Car Act, 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 \$513,317 compared with \$470,505 in 1969-70.

- (ii) *Municipal Contributions.*—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 annual contributions in respect of the funds expended. In 1969-70 these contributions totalled \$1,903,641, and increased to \$2,017,914 in 1970-71. In certain circumstances, the required contribution may be reduced or waived, and, for 1970-71, these concessions amounted to \$1,721,714.

- (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 \$8,902,790, compared with \$8,555,278 in 1969-70.

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

- (iv) *Special Contributions from the Works and Services Account.*—A total of \$782,550 was provided from the Works and Services Account to the Country Roads Board as Special Contributions. Of this amount, \$679,000 was allocated for general road works, and the balance was available for expenditure of a more specified nature.

Debt charges in respect of these contributions are borne by the Consolidated Fund.

(b) *Works and Services Account.*

Under the authority of Section 31 of the *Country Roads Act* 1958, the Treasurer in 1970-71 provided from the Works and Services Account the sum of \$388,000 for the purpose of permanent works as defined in that Act. This sum was expended as follows :—

		\$
On permanent works on — Main Roads	.. .. .	4,500
State Highways	.. .. .	383,500
		388,000

The net liability of the Board at 30th June, 1971, in respect of moneys provided under Loan Application and Works and Services Acts was \$33,565,285.

(c) Commonwealth Aid Roads Act.

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 \$205,000,000 for 1970-71 was \$43,460,000 of which \$41,425,000 was allocated to the Country Roads Board and \$2,035,000 to the Melbourne and Metropolitan Board of Works. The sum allocated to the Country Roads Board was expended in full. Expenditure by the Melbourne and Metropolitan Board of Works amounted to \$443,348, leaving an unexpended balance at 30th June, 1971, of \$1,591,652.

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.

(d) 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 1970-71, a maximum of \$7,936,000 for the purposes of twenty-three projects approved by the Governor in Council.

Cash expenditure for the year was \$7,760,785, leaving an unexpended allocation at 30th June, 1971, of \$175,215. In accordance with the direction of the Treasurer, the unexpended allocation lapsed at 30th June, 1971.

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.

1969-70.					1970-71.	
\$	<i>Principal Funds Available.</i>				\$	\$
	<i>Country Roads Board Fund—</i>					
3,049,304	Balance from previous year .. .. .	..	..	..	1,201,238	
30,397,660	Net Fees, Motor Car Act .. .. .	..	..	..	32,381,222	
1,903,641	Municipal Contributions .. .. .	..	..	..	2,017,914	
8,555,278	Road Charges—Commercial Goods Vehicles Act ..	..	..	..	8,902,790	
498,345	General Receipts .. .. .	..	..	..	543,336	
849,000	Special Contributions—Works and Services Account ..	..	..	..	782,550	
<u>45,253,228</u>					<u>45,829,050</u>	
	<i>Works and Services Account—</i>					
900,000	Act No. 6229—State Highways and Main Roads ..	..	..	..	388,000	
<u>900,000</u>						
	<i>Commonwealth Aid Roads Act—</i>					
21,260,000	Urban Arterial Roads .. .. .	..	..	..	23,295,000	
2,420,000	Rural Arterial Roads .. .. .	..	..	..	2,880,000	
13,910,000	Rural Roads—Other .. .. .	..	..	..	14,600,000	
570,000	Planning and Research .. .. .	..	..	..	650,000	
<u>38,160,000</u>					<u>41,425,000</u>	
	<i>Roads (Special Projects) Fund—</i>					
4,305,000	Expenditure authorized by the Treasurer .. .. .	..	..	..	7,936,000	
<u>4,305,000</u>					<u>7,936,000</u>	
<u>88,618,228</u>					<u>95,578,050</u>	

Expenditure.

1969-70. \$		1970-71. \$
73,565,311	Construction and Maintenance of Roads, &c.	79,490,750
	Payments to the Consolidated Fund—	
2,256,900	Interest (including exchange)	2,317,496
108,132	Sinking Fund Contributions and Loan Conversion Expenses	109,074
78,384	Loan Repayments	77,558
577,772	Transfer to Tourist Fund	617,363
288,886	Transfer to Traffic Authority Fund	308,682
199,500	Contribution—Australian Road Research Board ..	199,129
9,569,691	General Expenditure, including Administration, Stores and Materials, &c.	12,204,783
<hr/>		<hr/>
86,644,576		95,324,835
1,201,238	Unexpended at 30th June—Cash at Credit of the Country Roads Board Fund ..	\$ 78,000
772,414	Balance of Authority for expenditure from the Roads (Special Projects) Fund ..	175,215
<hr/>		<hr/>
88,618,228		253,215
<hr/>		<hr/>
		95,578,050

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 were :—

	Country Roads Board Fund.	Commonwealth Aid Roads Act.	Works and Services Account.	Roads (Special Projects) Fund.	Total.
	\$	\$	\$	\$	\$
State Highways	14,401,246	5,670,297	383,500	9,459	20,464,502
Main Roads	14,549,384	4,819,465	4,500	..	19,373,349
Freeways	355,461	11,012,189	..	7,501,268	18,868,918
Forest Roads	307,497	594,789	..	..	902,286
Tourists' Roads	2,332,756	331,764	..	..	2,664,520
Unclassified Roads	2,125,921	14,841,196	..	250,058	17,217,175
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	34,072,265	37,269,700*	388,000	7,760,785	79,490,750

* Excludes Management and Operating Expenditure, \$3,505,300, and expenditure on Planning and Research, \$650,000.

TOURIST FUND.

The *State Development Act* 1970 requires that an amount equal to 2 per cent. of the amount credited to the Country Roads Board Fund under paragraph (d) of sub-section (1) of Section 38 of the *Country Roads Act* 1958 in respect of the previous financial year shall be paid into the Tourist Fund. The amount so paid in 1970-71 was \$617,363.

For particulars of the operation of this Fund see p. 94.

TRAFFIC AUTHORITY FUND.

The *Road Traffic Act* 1958, as amended by the *Motor Car (Trailers) Act* 1966, established in the Treasury the Traffic Commission Fund and directed that 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 financial year was to be paid out of the Country Roads Board Fund into the Traffic Commission Fund. The *Road Traffic (Road Safety and Traffic Authority) Act* 1970, operative from 3rd February, 1971, in effect, changed the name of the Fund to the Traffic Authority Fund. The amount paid in 1970-71, \$308,682, represented one per cent. of the fees collected under the provisions of the Motor Car Act and paid into the Country Roads Board Fund during 1969-70 and purported to be the amount required to be so paid in terms of the legislation.

The only amounts paid into the Country Roads Board Fund pursuant to the Motor Car Act consist of two-thirds of the additional registration fees collected under Section 8 of that Act. All other fees collected under the provisions of the Motor Car Act and paid into the Country Roads Board Fund are so paid because of the requirements of Section 38 of the *Country Roads Act* 1958.

If it were intended that the calculation of the amount to be paid into the Traffic Authority Fund was to be based on the full amount of the fees collected pursuant to the provisions of the Motor Car Act and paid into the Country Roads Board Fund, then amending legislation appears necessary.

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 for Local Government 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, 1971, amounted to \$459,598. The amount at credit to the Fund at 30th June, 1971, was \$12,500.

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 \$116,115 of which \$30,545 was apportioned to the Country Roads Board. Unallocated expenses of \$20,845 remained a charge to the Public Account.

EDUCATION.

The cost of education met from State Funds during 1970-71 was \$328,858,751. 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 :—

	\$	\$
Special Appropriations		7,062,749
Departmental Votes—		
Education	239,665,038	
Treasury	32,240,793	
Public Works	576,870	
Agriculture	70,000	
	272,552,701	
<i>Less—Recoups of Expenditure, &c.</i>	149,067	
	272,403,634	
Works and Services Account		51,212,656
		330,679,039
<i>Less—Receipts</i>		1,821,288
		328,857,751
Trust Fund—Forestry Fund		1,000
Cost of Education met from State Funds		328,858,751

Receipts and expenditure during 1969-70 and 1970-71 on the preceding basis were :—

	1969-70. \$	1970-71. \$
Consolidated Fund—		
Expenditure	284,285,569	330,679,039
Receipts	1,725,505	1,821,288
	282,560,064	328,857,751
Trust Fund—Forestry Fund	1,000	1,000
Cost of Education met from State Funds	282,561,064	328,858,751

ANALYSIS OF THE COST OF EDUCATION MET BY THE STATE.

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

	1969-70.	1970-71.
	\$	\$
<i>Expenditure—</i>		
Salaries, &c.—Teaching Service	142,952,023	165,265,157
Salaries, &c.—General Administration and Clerical Assistance ..	3,519,341	4,222,672
Pay-Roll Tax	3,809,871	4,279,099
Allowances to Students in Training	15,461,965	17,545,378
Workers Compensation Insurance	891,697	1,208,406
Travelling Expenses and Allowances, &c.	602,285	671,215
Libraries—Grants and Subsidies	464,110	223,809
School and Office Equipment and Requisites	2,223,100	2,138,552
Text Books, Publications, Examination Expenses, Postage and Telephone Expenses, Incidentals	918,024	867,038
School Cleaning and Services	8,149,198	8,751,728
Conveyance of Pupils	8,608,708	9,473,009
Bursaries, Scholarships and Maintenance Allowances	3,068,248	3,287,940
International Teaching Fellowships .. .. .	..	466,253
Operating Costs—Hostels and Residential Camps	972,812	991,470
Buildings, Sites, &c.—Capital Works	29,644,289	34,238,500
—Maintenance	4,774,185	5,224,431
Grants, &c.	52,434,187	65,005,756
Fees—Universities and Other	847,143	973,018
Pensions—Retired Teachers and Officers.. .. .	4,945,383	5,846,608
	<hr/>	<hr/>
	284,286,569	330,680,039
<i>Receipts (Net)—</i>		
Tuition Fees	223,235	245,807
Rents	539,263	559,327
Board—Students in Training, &c.	558,852	559,847
Broken Bond Debts	162,020	215,373
Recoups from Independent Schools—Equipment	44,090	42,722
Miscellaneous	198,045	198,212
	<hr/>	<hr/>
	1,725,505	1,821,288
	<hr/>	<hr/>
	282,561,064	328,858,751

A detailed statement providing a comparative analysis of expenditure and 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—Teaching Service.—Expenditure under this head increased by \$22,313,134. The following factors contributed to the increase :—

- (i) the final phase of the Teachers Tribunal determination of 15th December, 1967, in respect of equal pay, operative from 1st January, 1971 ;
- (ii) a Teachers Tribunal determination, operative from 1st January, 1971 ;
- (iii) a Teachers Tribunal determination, operative from 10th January, 1971 ;
- (iv) the effect of a full year's cost of salary movements which occurred during 1969-70 ; and
- (v) the annual salary increments of teachers.

Comments on various matters relating to the payment of salaries and allowances are given hereunder :—

(a) *Overpayments and underpayments of salaries.*

Overpayments and underpayments of teachers' salaries continued to occur. From 1st November, 1970, the Department commenced to process the salaries of teachers at the Public Service Board Electronic Data Processing Centre. The change to this computer-based operation failed to eliminate the high incidence of error in the payment of teachers' salaries apparent in 1969-70. Reasons for this failure were :—

- (i) insufficient training to familiarize Education Department staff with the new procedures required ;
- (ii) faulty communication within all areas of responsibility ;
- (iii) incorrect preparation of data for input to the computer ;
- (iv) the lack of sound internal control procedures ; and
- (v) difficulties resulting from certain deficiencies and limitations in the actual operation of the computer-based system.

Presently, management consultants are reviewing the procedures leading to the processing of teachers' salaries. A major objective of the review is to ensure that the necessary information for calculation of teachers' salaries and allowances is accurate and presented promptly.

An examination carried out by my officers has shown the necessity for a review of the whole system and the establishment of sound internal control procedures. A report of this examination is with the Treasury.

(b) Deductions from teachers' salaries on account of unauthorized absences from duty.

During 1970–71, there were several lengthy unauthorized absences of teachers at certain schools and, in addition, there were other absences of shorter duration involving a large number of teachers. The salary deductions consequent on these latter absences were not effected for a considerable time after the absences occurred partly because of delayed reporting, in many instances, by the schools concerned and partly because of lack of promptitude within the Department in handling such reports as were received. The likelihood of over expenditure of public funds arising from the tardy reporting of absences has been brought to the notice of the Treasury.

(c) Cheques for salaries and allowances returned to the Department.

The attention of the Department has been drawn to the lack of security in respect of returned cheques awaiting processing. On one occasion during the year, 2,279 cheques totalling \$233,986 in value were held by the Department pending repayment to the Consolidated Fund. The failure to rebank these cheques promptly is a contravention of the Public Accounts and Stores Regulations and, in addition, any lack of security in respect of their custody introduces a danger of fraudulent mis-handling.

Allowances to Students in Training.—An increase of \$2,083,413 in students' allowances was due mainly to :—

- (i) a Teachers Tribunal determination increasing allowances from 1st January, 1971;
- (ii) an increase in the number of students in training;
- (iii) the effect over a full year of the increased allowances granted by the Teachers Tribunal during 1969–70;
- (iv) an increase in the number of graduates and under-graduates being awarded studentships and paid allowances at special rates ; and
- (v) the annual increments in allowances to students.

Grants, &c.—Expenditure rose from \$52,434,187 to \$65,005,756, an increase of \$12,571,569. The payment of higher grants to the Universities, Colleges of Advanced Education, independent schools and a new scheme of direct grants to State schools contributed mainly to the increase in this item.

In 1970–71, a direct grants scheme was instituted in State schools. The subsidy system in respect of equipment, library books and buildings, grounds and furniture (excluding specific building grants) was abolished and schools were provided on a non-matching basis with amounts equivalent to these former subsidy entitlements. At the same time, the opportunity was taken to include in the grants provision for various payments formerly made by the Department for works and buildings allowances, minor requisites, telephone rentals, &c. In addition, \$1,000,000 in excess of the 1969–70 subsidy costs was provided. The total cost of the scheme of direct grants in 1970–71 was \$3,194,999.

Conveyance of Pupils.—This cost increased by \$864,301 during 1970–71. The rise was attributable mainly to the following factors :—

- (i) adjustments to school bus contract rates because of increased operating costs;
- (ii) the provision of additional transport services ; and
- (iii) an increase in the number of students receiving conveyance allowances.

Conveyance allowances were paid to students at certain Colleges of Advanced Education affiliated with the Victoria Institute of Colleges. Prior to the operation of the Victoria Institute of Colleges Act, these Colleges were regarded as State schools for the purpose of the regulation under which conveyance allowances were paid. The regulation authorizes payment to secondary pupils at State schools, including technical schools, and the term "secondary" has been interpreted liberally by the Department to include all post-primary classes. It is doubtful whether statutory authority exists for the payment of these allowances to students who are completing courses of a tertiary nature at Colleges of Advanced Education.

Broken Bond Debts.—Collections on account of these debts during 1970–71 amounted to \$215,373 and, during the same period, debts totalling \$444,945 on account of 322 ex-students were written off with the approval of the Treasurer. The total debt due at 30th June, 1971, was \$2,437,140 on account of 1,630 ex-students. In relation to this amount, 266 ex-students indebted to the Department for a period in excess of 12 months had made no reduction in their original liability despite attempts to recover by the Department.

TECHNICAL SCHOOLS AND COLLEGES.

Funds provided from the Consolidated 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 towards providing libraries, science laboratories and equipment.

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

	1970–71.	
	\$	\$
<i>Source of Funds—</i>		
Funds provided by the State—		
The Consolidated Fund		51,496,351
Funds provided by the Commonwealth—		
Science Laboratories	565,765	
Secondary School Libraries	481,337	
Technical Training	3,067,315	
	<hr/>	4,114,417
Receipts collected by Schools and Colleges—		
Tuition Fees	1,735,237	
Other	717,509	
	<hr/>	2,452,746
		<hr/>
Total Available Funds		58,063,514
		<hr/>
<i>Disbursement of Funds—</i>		
Salaries (including pay-roll tax)—		
Teachers and Part-time Instructors	35,973,085	
Administrative and Maintenance Staff	3,757,099	
	<hr/>	39,730,184
Erection and Maintenance of Buildings, &c.		11,106,050
Equipment		1,126,159
General Cost of Classes and Administrative Costs, &c.		4,261,464
Scholarships, Maintenance and Conveyance Allowances to Pupils		1,946,714
		<hr/>
		58,170,571
Less Rents, &c., received by Education Department		57,678
		<hr/>
		58,112,893
Less Deficit for Year (Maintenance Accounts)		49,379
		<hr/>
Total Funds Disbursed		58,063,514
		<hr/>

TRAINING OF TEACHERS.

Allowances paid to students in training represent approximately two-thirds of the cost to the Consolidated Fund of operating teachers' colleges. The Department conducts 30 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 1969-70 and 1970-71 show average *per capita* costs (excluding capital items and grants to the Kindergarten Training College) based on the average number of students in training :—

	1969-70.	1970-71.
	\$	\$
Cost of conducting teachers' colleges	22,772,152	27,103,610
Cost of conducting hostels for students in training	532,501	510,857
	<hr/>	<hr/>
	23,304,653	27,614,467
	<hr/>	<hr/>
Average number of students in hostels	1,420	1,332
Average number of students accommodated privately	10,083	11,160
	<hr/>	<hr/>
Average total number of students	11,503	12,492
	<hr/>	<hr/>
	\$	\$
Average annual <i>per capita</i> cost of training (exclusive of accommodation) ..	1,980	2,170
Average additional annual <i>per capita</i> cost of training for those students accommodated in hostels	375	384

CONVEYANCE OF PUPILS.

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

	1969-70.	1970-71.
	\$	\$
Payments to contractors providing special bus transport services for pupils	7,376,416	8,014,052
Allowances not exceeding 10c per day for eligible pupils attending primary schools	195,604	205,312
Allowances for eligible pupils attending post-primary schools	1,027,651	1,243,125
Allowances for eligible pupils under reciprocal arrangements with other States	9,037	10,520
	<hr/>	<hr/>
	8,608,708	9,473,009
	<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 1970-71 for the following purposes :—

	\$
Universities, Affiliated Residential Colleges and Teaching Hospitals—recurrent and capital expenditure	22,232,883
Universities—research projects	914,237
Advanced Education—recurrent expenditure	5,881,265
building projects and equipment of a capital nature	4,817,656
library materials	63,185
Science Laboratories—buildings and equipment	3,545,700
Technical Training—buildings and equipment	3,813,804
Teachers' Colleges—building projects	1,250,000
Secondary School Libraries—buildings and equipment	3,199,343
Independent Schools—recurrent expenditure	7,832,398
Child Migrant Education—salaries of teachers, equipment, &c.	750,017
Pre-school Training Centres—building projects	1,000
	54,301,488

Disbursements from these grants and from the balances held in the various State Grants Trust Accounts at the beginning of the year were as follows :—

	\$	\$
Universities—		
Melbourne	10,258,819	
Monash	8,663,991	
La Trobe	4,224,310	
		23,147,120
Advanced Education—		
Recurrent Expenditure	5,881,265	
College Buildings, &c.	5,006,316	
Library Materials	63,185	
		10,950,766
Science Laboratories—		
State Schools	1,733,367	
Independent Schools	1,804,823	
		3,538,190
Technical Training—		
School Buildings and Equipment .. .. .	..	3,017,316
Secondary School Libraries—		
State Schools	2,301,373	
Independent Schools	860,709	
		3,162,082
Independent Schools—		
Recurrent Expenditure .. .. .	..	7,830,775
Child Migrant Education—		
Salaries, Equipment, &c. .. .. .	..	682,596
Teachers' Colleges—		
College Buildings and Equipment	2,108,078	
Pre-school Training Centre	1,000	
		2,109,078
		54,437,923

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

The unexpended balances held in the various State Grants Trust Accounts in the Treasury at 30th June, 1971, were \$4,140,687.

The University of Melbourne.

Particulars of the University's income and expenditure for the calendar year 1970 compared with those of the previous year are shown in the following statement :—

Income—	1969.	1970.
\$	\$	\$
State Government Grants—		
General Purposes	7,578,053	9,489,628
Building Purposes	3,568,499	444,321
Special Purposes	782,078	694,688
	11,928,630	10,628,637
Commonwealth Government Grants—		
General Purposes	6,032,000	7,108,600
Building Purposes	1,676,290	1,417,071
Special Purposes	1,408,285	2,136,680
	9,116,575	10,662,351
Students' Fees	4,377,788	4,515,617
Donations and Bequests	1,345,122	1,607,570
Interest, Dividends, Rents	686,595	734,204
Dental Hospital Building on Account of Principal and Interest	203,036	208,679
Other Income	1,331,192	1,696,078
Total Income	28,988,938	30,053,136
Expenditure—		
Salaries and Associated Expenditure	16,423,030	19,167,361
Apparatus and Books	2,428,390	2,901,984
Maintenance, &c., Buildings, Land, Grounds and Vehicles	1,546,559	1,574,783
Examination Expenses	55,705	70,257
Special Grants and Fees to Affiliated Institutions	839,945	800,797
Other Expenses	2,189,729	2,405,056
Interest and Redemption—Dental Hospital Loan	203,040	208,681
Buildings—Erection, Purchase and Major Alteration	3,366,700	3,621,685
Total Expenditure	27,053,098	30,750,604
*Balance—		
	1969.	1970.
	\$	\$
Recurrent Funds	<i>Deficit</i> 14,472	<i>Surplus</i> 25,000
Building Funds	<i>Surplus</i> 2,312,529	<i>Deficit</i> 1,456,757
Research Funds	<i>Surplus</i> 257,035	<i>Surplus</i> 133,264
Other Funds	<i>Deficit</i> 674,548	<i>Surplus</i> 312,706
Trust Funds	<i>Surplus</i> 55,296	<i>Surplus</i> 288,319
	<i>Net Surplus</i> 1,935,840	<i>Net Deficit</i> 697,468

* Takes into consideration inter-fund transfers.

The accumulated balance at 31st December, 1970, amounted to \$9,734,428 and was held on account of the following Funds :—

	\$	\$
Research Funds.. .. .	958,638	
Building Funds	365,419	
Other Funds	1,013,079	
	<hr/>	2,337,136
less Accumulated Deficit on account of Recurrent Funds .. .. .	.. .. .	704,809
Net Surplus on account of General Fund .. .. .	.. .. .	1,632,327
Trust Funds .. .. .	.. .. .	8,102,101
	<hr/>	<hr/>
Accumulated balance .. .. .	.. .. .	9,734,428
	<hr/>	<hr/>

The deficit of \$1,456,757 on account of Building Funds in 1970 as against a surplus of \$2,312,529 in 1969 was due to the fact that State contributions received in 1969 were not expended until 1970.

In 1970, as in previous years, Government grants constituted the major portion of the income of the University.

Receipts on account of Recurrent Funds in 1970 exceeded expenditure by \$249,286. This sum together with \$62,572 transferred from the Departmental Votes Appropriation Fund in respect of commitments for outstanding orders (net) was applied as follows :—

	\$
Appropriated to reduce Accumulated Deficit on account of Recurrent Funds	25,000
Appropriated to liquidate certain Special Advances made to meet expenditure in earlier years	49,038
Appropriated to meet expenditure in the final two years of the 1970-72 triennium.. .. .	237,820
	<hr/>
	311,858
	<hr/>

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 :—

	1969.	1970.
	\$	\$
<i>Income—</i>		
State Government Grants—		
General Purposes	6,766,523	8,320,107
Building Purposes	2,931,717	1,293,502
Special Purposes	151,721	238,400
	9,849,961	9,852,009
Commonwealth Government Grants—		
General Purposes	4,981,747	5,878,000
Building Purposes	2,931,717	1,293,502
Special Purposes	320,271	504,544
	8,233,735	7,676,046
Students' Fees including Union Fees for Operational Purposes ..	2,711,893	2,845,637
Union Fees for Union Development	126,526	134,584
Grants and Donations including Public Appeals	626,464	795,691
Book Shop	16,976	31,126
Other Income	493,958	560,346
	3,975,817	4,367,384
Total Income	22,059,513	21,895,439
<i>Expenditure—</i>		
Salaries and Associated Expenditure	10,450,020	12,602,458
Books, Equipment, Furniture, &c.	1,740,017	1,851,801
Maintenance, &c., Buildings, Land, Grounds, Vehicles	760,565	1,956,669
Student Services	387,324	486,267
General Expenditure	3,165,223	3,080,169
Site Development	303,655	295,825
New Buildings	3,936,809	2,721,662
Union Development—Purchase of Land, &c.	359,004	31,212
	21,102,617	23,026,063
<i>Balance—</i>		
Recurrent Funds	428,371	272,250
Capital Funds	1,700,860	542,457
Research Funds	28,142	69,432
Grants and Donations	9,878	309,488
Other Funds	277,573	75,861
	956,896	1,130,624
	<i>Net Surplus</i>	<i>Net Deficit</i>

The accumulated balance as at 31st December, 1970, amounted to \$1,745,134. Details are :—

	\$	\$
<i>Surpluses—</i>		
Grants and Donations	550,013	
Recurrent Funds	581,341	
Research Funds	115,523	
Capital Funds	772,612	
	<hr/>	2,019,489
<i>Less</i> Accumulated Deficit on account of Other Funds .. .. .	..	274,355
		<hr/>
Net Surplus .. .. .	..	1,745,134
		<hr/>

Government Grants, State and Commonwealth, were the principal sources of income in each year. The major reasons for the decrease in grants for building 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 in 1969 of an amount accrued from the Commonwealth to match this payment.

Student numbers increased from 9,542 in 1969 to 11,034 in 1970. Full-time staff numbered 2,110 in 1969 and 2,319 in 1970.

La Trobe University.

The statement below gives details of the income and expenditure of the University for the calendar years 1969 and 1970. Students enrolled were 2,052 in 1969, and 2,519 in 1970. Staff numbers increased from 537 at the end of 1969 to 666 at the end of 1970.

	1969. \$	1970. \$
<i>Income—</i>		
State Government Grants—		
General Purposes	1,939,876	2,618,878
Building Purposes	1,850,750	1,233,000
Special Purposes	16,500	..
	3,807,126	3,851,878
Commonwealth Government Grants—		
General Purposes	1,275,000	1,711,000
Building Purposes	2,800,750	1,233,000
Special Purposes	54,782	69,794
	4,130,532	3,013,794
Academic Fees	455,241	546,216
Grants and Donations	66,542	115,262
Other Income	83,805	123,526
Residential Colleges (Net)	24,704	..
	630,292	785,004
Total Income	8,567,950	7,650,676
<i>Expenditure—</i>		
Salaries and Associated Expenditure	2,728,485	3,895,867
Books, Equipment and Furniture	363,426	447,986
Maintenance, &c.—Buildings, Land, Grounds, Vehicles	151,623	177,352
General Expenditure	476,194	677,995
Site Development	571,243	789,376
New Buildings	3,592,666	2,287,885
Residential Colleges (Net) .. .. .	..	34,932
Book Shop .. .. .	..	15,934
	7,883,637	8,327,327
Total Expenditure	7,883,637	8,327,327
<i>Balance—</i>		
	1969. \$	1970. \$
Recurrent Funds	<i>Surplus</i> 69,013	<i>Deficit</i> 105,052
Building Funds	<i>Surplus</i> 865,829	<i>Deficit</i> 444,310
Research Vote	<i>Surplus</i> 15,688	<i>Deficit</i> 397
Grants and Donations	<i>Surplus</i> 26,818	<i>Surplus</i> 14,466
Other Funds	<i>Deficit</i> 293,035	<i>Deficit</i> 141,358
	<i>Net Surplus</i> 684,313	<i>Net Deficit</i> 676,651
The Accumulated Funds at 31st December, 1970, showed a net deficit of \$241,596. Details are :—		
<i>Surpluses—</i>		
Building Funds	380,764	\$
Grants and Donations	97,057	\$
Research Vote	8,949	\$
	486,770	486,770
<i>Less Deficits—</i>		
Recurrent Funds	113,733	\$
Other Funds	614,633	\$
	728,366	728,366
Net Deficit .. .. .	..	241,596

Victoria Institute of Colleges.

The Institute's Income and Expenditure for the calendar years 1969 and 1970 are detailed below :—

	1969. \$	1970. \$
<i>Income—</i>		
Government Grants—		
State	131,110	206,140
Commonwealth	70,870	111,420
Other	4,531	4,515
	206,511	322,075
<i>Expenditure—</i>		
Administrative and General Overhead—		
Salaries	143,456	194,627
Other Administrative Expenditure	24,418	39,761
Library—		
Salaries	2,772	3,796
Books, Publications, &c.	1,143	1,134
Buildings and Grounds	31,049	28,901
Miscellaneous	5,511	7,225
	208,349	275,444
<i>Balance—</i>	<i>Deficit</i> 1,838	<i>Surplus</i> 46,631

Accumulated Funds at 31st December, 1970, amounted to \$66,324 and were composed of Recurrent Funds, \$61,074, Gifts and Donations, \$81 and Other Funds, \$5,169.

The funds were represented by the following assets :—

	\$
Investments	30,000
Sundry Debtors	20,382
Cash	17,103
	67,485
<i>Less Sundry Creditors</i>	<i>1,161</i>
	66,324

Colleges of Advanced Education.

Funds provided from the Consolidated Fund for Colleges of Advanced Education are supplemented by receipts from tuition fees and other revenue collected by the Colleges. The Commonwealth also augments these funds under the provisions of its States Grants (Advanced Education) Acts. The Acts in force in the years under review, the 1967-1969 and 1969-1970 Acts, provide that the Commonwealth will augment funds in the following manner :—

- (i) For Recurrent purposes, on the basis of \$1 for every \$1.85 of the total of grants from the State and fees as defined in the Acts received by the Colleges.
- (ii) For Capital purposes, on the basis of \$1 for every \$1 granted by the State.
- (iii) For library acquisitions, an unmatched grant, i.e. a grant not dependent on receipt of moneys from the State or any other source.

The following statement, prepared from information supplied by the Victoria Institute of Colleges and the various Colleges, compares the sources and disbursement of funds for the past two calendar years.

1969. \$	1970. \$
<i>Sources of Funds—</i>	
Grants—	
9,291,652	14,047,603
4,219,893	7,982,538
34,850	..
1,517,668	1,608,688
34,853	42,201
15,098,916	23,681,030
<i>Disbursement of Funds—</i>	
Recurrent—	
7,435,001	10,122,413
1,019,822	1,397,483
457,208	685,016
117,716	146,224
1,555,129	2,516,939
437,433	590,353
11,022,309	15,458,428
Capital—	
2,955,971	6,960,324
253,730	75,421
1,010,192	946,793
4,219,893	7,982,538
34,850	..
15,277,052	23,440,966
178,136	240,064
Deficit	Surplus
Result for Year	240,064

FORESTS COMMISSION.

The expenditure of the Department from the Consolidated Fund for the year was \$13,539,918 against which there were receipts of \$6,476,700, resulting in a net outgoing of \$7,063,218 compared with \$5,871,227 for the previous year. Details of expenditure and receipts for the two years are :—

<i>Expenditure.</i>							1969-70.	1970-71.
							\$	\$
Special Appropriation—								
Salaries and Pensions	..	..	..	..	..	243,758	267,589
Grants to the Forestry Fund	..	..	..	..	..	2,561,359	2,773,062
Debt Charges	..	..	..	..	..	2,439,276	2,682,040
							5,244,393	5,722,691
Vote—								
Salaries and Payments in the nature of Salary	..	..	..	..	..	2,670,339	3,172,462
Pay-roll Tax	..	..	..	..	..	69,458	78,617
School of Forestry	..	..	..	..	..	51,000	53,385
Other Administrative Expenses	..	..	..	..	..	159,751	157,568
Utilization Forest Produce	..	..	..	..	..	648,185	718,439
Contribution to the National Sirex Fund	..	..	..	..	..	37,530	22,500
Contribution—Timber Promotion Committee	..	..	..	..	..	61,422	72,725
Sundry	..	..	..	..	..	25,115	25,535
							3,722,800	4,301,231
Works and Services Account—								
Plantations	..	..	..	..	..	2,010,404	2,067,504
Extraction Roads	..	..	..	..	..	314,938	433,921
Fire Protection	..	..	..	..	..	459,260	426,597
General Operations, &c.	..	..	..	..	..	566,067	565,811
Advances—Farm Forestry	..	..	..	..	..	14,331	22,163
							3,365,000	3,515,996
Total Expenditure	..	..	..	..	..	12,332,193	13,539,918
<i>Receipts.</i>								
Rents, &c.	..	..	..	..	..	153,613	155,169
Royalties	..	..	..	..	..	4,969,105	5,390,954
Sale of Forest Produce	..	..	..	..	..	708,451	763,203
Loan Repayments	..	..	..	..	..	498,299	22,387
Other	..	..	..	..	..	131,498	144,987
							6,460,966	6,476,700
Total Receipts	..	..	..	..	..	6,460,966	6,476,700
Net Outgoing	..	..	..	..	..	5,871,227	7,063,218

The figures shown in the preceding summary of expenditure from the vote for salaries and payments in the nature of salary do not include certain amounts for salaries charged direct to other votes and funds in the summary. In 1969-70, these amounts totalled \$743,564 and in 1970-71, \$768,960.

The figure shown for School of Forestry for 1970-71 is the net expenditure after taking into account a credit of \$28,855 representing contributions received from the Commonwealth towards recurrent expenditure of the School pursuant to the Commonwealth's States Grants (Advanced Education) Acts.

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 1970-71 amounted to \$1,611,937, and is included under Plantations in the statement of expenditure from the Works and Services Account. The year 1970-71 was the fifth and final year of planting under the Agreement and total expenditure to 30th June amounted to \$5,945,495. Advances received from the Commonwealth to that date totalled \$1,280,000. A further advance of \$815,000 was received on 1st July, 1971.

TRUST ACCOUNTS.

Forestry Fund.

The following statement sets out in summary form the transactions of the Forestry Fund for the past two years :—

	1969-70.	1970-71.
	\$	\$
Balance 1st July	79,620	108,485
Grants from the Consolidated Fund	2,561,359	2,773,062
Fines .. .. .	..	61
	<u>2,640,979</u>	<u>2,881,608</u>
Expenditure—		
Forest Protection	400,064	491,932
Silvicultural Works	29,872	28,500
Road Works	368,712	387,583
Plantations and Nurseries	117,232	108,500
Maintenance of Buildings	100,759	45,601
Purchase and Maintenance Motor Vehicles and Equipment..	545,689	565,796
Utilization	124,968	146,659
Supervision	357,840	361,636
Operating and Other Expenses	450,936	593,835
Contribution—Timber Promotion Committee	36,422	47,725
	<u>2,532,494</u>	<u>2,777,767</u>
Balance 30th June	108,485	103,841

The overall increase of \$245,273 in expenditure from the Forestry Fund for the year was the net result of various increases and decreases in the component items, the main variations being increases in Forest Protection and Operating and Other Expenses, and a decrease in Maintenance of Buildings.

Commonwealth—State Sirex Trust Account.

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, 1971, Victoria contributed as its share the sum of \$351,930. From the Fund, Victoria received, to 30th June, 1971, a total of \$1,977,100 to finance the expenditure incurred by the State in its efforts to control and eradicate the siren wasp.

Expenditure charged to the Account to 30th June, 1971, amounted to \$1,962,246 and the balance then remaining in the Account was \$14,854.

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, 1971, was \$107,452.

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, &c., 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, 1970	294,056
Plant Hire	230,055
Sale of Plant	9,781
	<hr/>
	533,892
<i>Less</i> Expenditure on Renewals	81,489
	<hr/>
Balance 30th June, 1971	452,403
	<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 \$127,369 and expenditure charged totalled \$136,015. At the close of the year, the balance at credit of the Account was \$21,467.

Timber Promotion Committee Trust Account.

Amounts paid into the Account comprised appropriations from the Consolidated Fund totalling \$72,725 and a contribution from the Forestry Fund of \$47,725. Expenditure in 1970-71 amounted to \$84,450. At 30th June, 1971, the balance in the Account was \$100,466.

Reference was made in the Report for 1969-70 to certain questions raised in a Crown Solicitor's Opinion as to the validity of parts of the *Forests (Part V.—Timber Promotion) Regulations* 1969 and as to the powers which the Regulations purport to confer on the Committee. The questions referred to are receiving the consideration of the Commission.

GOVERNMENT PRINTER.

Income from printing, sales of publications, &c., for the year amounted to \$3,724,353 compared with \$3,787,784 in 1969-70.

Most of the work for the State is for the purpose of meeting the requirements of Departments, and charges for these services are met from departmental votes. The statement below shows a profit of \$93,004 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.

<i>Item.</i>	1969-70.	1970-71.
	\$	\$
Materials	1,196,204	1,028,069
Salaries and Wages (including Pay-roll Tax)	1,866,502	2,017,092
Insurance—Workers Compensation	9,299	11,685
Insurance—Fire	2,822	2,822
Power, Fuel and Light	39,493	44,328
Repairs to Buildings and Plant	38,512	25,060
Sundry Charges	58,888	54,200
Postage and Incidentals	37,768	68,973
Depreciation on Plant and Machinery	81,572	79,557
Work—Other than by Government Printer	293,182	286,822
Management Consultant's Fees	12,741	12,741
	3,636,983	3,631,349
Profit	150,801	93,004
Turnover	3,787,784	3,724,353

The total cost of plant and machinery met from loan funds to 30th June, 1971, was \$1,456,745. 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 appropriations to the Depreciation Fund were made 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 1970-71, the balance in the Fund at 30th June, 1971, remained at \$237,470.

HEALTH.

Total expenditure from the Consolidated Fund upon health services for the year ended 30th June, 1971, excluding that of the Mental Hygiene Branch and the contributions to the Hospitals and Charities Fund, which are discussed later, was :—

	\$	\$
Special Appropriation—Salary of Director of Tuberculosis, and Pensions* ..		894,177
Vote—		
Health—Salaries, General Expenses, &c.	16,117,818	
Treasury—Workers Compensation Insurance, Payroll Tax ..	100,582	
Public Works—Maintenance, Rents, &c.	78,079	
	<hr/>	16,296,479
Works and Services Account—Capital Items, &c.		1,304,118
		<hr/>
		18,494,774

Receipts (excluding those of the Mental Hygiene Branch) totalled \$3,675,671, so that the net cost of health services to the Consolidated Fund was \$14,819,103, an increase of \$1,156,206 compared with the previous year.

For the purpose of this Report, departmental finances are dealt with under the four branch headings, General Health, Tuberculosis, Maternal and Child Welfare and Mental Hygiene. Central administrative costs are included under General Health Branch.

Departmental analyses have been used in the preparation of the following statements which 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.

Expenditure for the past two years is shown in the following table :—

	1969-70.	1970-71.
	\$	\$
Special Appropriation and Vote—		
Central Administration (including pensions*)	1,073,437	1,233,036
Cancer Institute	2,281,740	2,773,200
Infectious Diseases	456,021	367,065
Venereal Diseases	86,340	107,149
Inspection of Buildings, Food Supervision, &c. ..	901,515	1,062,061
Miscellaneous Grants	739,313	795,087
Subsidies—Home Help Scheme, Clubs for Elderly People, &c. ..	992,528	1,114,056
Works and Services Account—		
Cancer Institute	257,332	111,587
Other	437,815	481,407
	<hr/>	<hr/>
	7,226,041	8,044,648
Receipts in the same period were :—		
Rentals—Lincoln House	98,000	98,000
Registration and other Fees	116,150	129,148
Other Receipts	16,318	24,001
	<hr/>	<hr/>
	230,468	251,149
The net cost to the Consolidated Fund was	<hr/>	<hr/>
	6,995,573	7,793,499

* Includes Mental Hygiene Pensions.

Tuberculosis Branch.

Expenditure of this Branch over the past two years was :—

	1969-70.	1970-71.
Special Appropriation and Vote—	\$	\$
Operation of sanatoria, tuberculosis wards, bureaux, mass X-ray services, &c. 	3,754,925	3,597,449
Works and Services Account—		
State sanatoria and clinics, &c. 	694,405	305,358
	4,449,330	3,902,807
Receipts for the same period are compared thus :—		
Commonwealth recoup under <i>Health Act</i> 1958—Maintenance ..	3,162,535	3,019,795
Capital ..	441,827	274,073
Other	119,475	109,589
	3,723,837	3,403,457
The net cost to the Consolidated Fund was	725,493	499,350

Progress payments to 30th June received from the Commonwealth to recoup 1970-71 maintenance and capital expenditure amounted to \$3,053,302. Reimbursement of the balance outstanding at 30th June, 1971, \$251,845, is in course.

Maternal and Child Welfare Branch.

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

Expenditure from the Consolidated Fund for the last two years was as follows :—

	1969-70.	1970-71.
Vote—	\$	\$
School Medical and Dental Services, &c. 	1,895,386	2,086,360
Subsidies—infant welfare centres, kindergartens, pre-school centres, creches, &c. 	3,636,000	4,055,194
Works and Services Account—		
Subsidies—capital expenditure on pre-school centres, &c. ..	397,185	360,057
Other	31,272	45,709
	5,959,843	6,547,320
Receipts for the corresponding periods were	18,012	21,066
The net cost to the Consolidated Fund was	5,941,831	6,526,254

Mental Hygiene Branch.

Gross expenditure by this Branch from the Consolidated Fund was \$31,537,030, and after taking into consideration receipts of \$4,694,817, the net cost of mental health services was \$26,842,213.

The gross expenditure comprised charges to :—

Vote—	\$	\$
Health—Salaries and Payments in the nature of Salary ..	22,266,007	
General Expenses	5,383,985	
Child Endowment Transfer	96,057	
	27,746,049	
Treasury—Workers Compensation Insurance .. .. .	..	134,127
Public Works—Maintenance and Rents .. .. .	..	44,086
Works and Services Account .. .. .	..	3,612,768
		31,537,030

Receipts credited to the Branch in the same period were :—

	1969-70. \$	1970-71. \$
Maintenance of patients—principally Commonwealth payments on account of pensioners in Training Centres and repatriation patients	2,361,353	3,236,361
Commonwealth Contribution—Buildings and equipment for State institutions and grants for capital works to other institutions ..	946,657	797,545
Deduction from Salaries for Accommodation and Meals ..	245,059	259,648
Sales of Meal Tickets	78,215	72,831
Commonwealth Pharmaceutical Benefits	283,392	274,456
Sales of Produce	17,906	8,407
Other	41,035	45,569
	3,973,617	4,694,817

In 1969-70, the Commonwealth approved the payment of invalid pensions on account of mental patients who are considered likely to be successfully rehabilitated and who are treated in open wards. Receipts from this source increased substantially in 1970-71 and contributed largely to the increase in amounts received for the maintenance of patients.

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

Vote—	Item.	1969-70. \$	1970-71. \$
Salaries		16,198,225	19,194,256
Overtime and penalty rates		2,526,531	2,794,186
Payments in lieu of long service leave		144,860	277,565
		18,869,616	22,266,007
Total Payments in nature of Salary			
Provisions and extra articles		2,094,774	2,139,904
Clothing, bedding, &c.		480,482	473,412
Stores, &c.		553,184	501,599
Fuel, light and water		909,999	899,997
Drugs and medicines		625,000	594,976
Repairs, maintenance and rents		81,088	44,086
Boarded-out patients		208,000	225,000
Other		637,143	683,224
Transfer to Intellectually Handicapped Children's Amenities Account ..		89,199	96,057
		24,548,485	27,924,262
Works and Services Account—			
Buildings and equipment of State institutions		4,160,023	3,485,593
Grants for Capital Works—Other institutions		356,163	127,175
Total		29,064,671	31,537,030

In connexion with expenditure from the Works and Services Account 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* 1970 provides that the Commonwealth will pay to the State a sum equal to one-third of the amount expended by the State during the period 1st July, 1970 to 30th June, 1973, on projects approved in terms of the Act. In 1970-71, under these provisions, the State received \$797,545 as part recoup of the sums expended during the year.

In addition to the expenditure as set out above, moneys were provided from the Mental Hospitals Fund for the purposes shown hereunder :—

					\$
University of Melbourne—Mental Health Research .. .. .	..	..	..	..	14,000
Other Institutions—Grants for maintenance .. .. .	..	..	..	..	1,075,416
					<hr/>
					1,089,416
					<hr/>

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. Also, 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 \$77,195,467 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	15,373,744
Special Appropriation, Act No. 6390—Tattersall Receipts	5,346,160
Annual Appropriation, Division 75	52,813,839
Deductions from Premiums—Motor Car Third Party Insurance	2,061,724
	77,195,467
Balance forward from 1969-70	Nil
	77,195,467

Particulars of expenditure for 1969-70 and 1970-71 are shown in the following statement:—

	1969-70.	1970-71.
	\$	\$
Maintenance—		
Hospitals	52,272,140	66,861,431
Benevolent Homes and Hospitals for the Aged	3,348,759	4,894,183
Children's Homes	635,475	678,380
Foundling Homes and Refuges	335,143	342,292
Philanthropic Organizations	458,622	499,272
District Nursing Societies	334,300	413,302
Medical Dispensaries	62,771	65,824
Ambulance Services	978,881	1,295,000
Hostels for the Aged	149,460	186,788
Training Schools (Nursing, &c.)	614,613	650,540
Other Institutions	308,892	328,177
Public Risk Insurance	106,575	150,837
Hospitals Superannuation Board	59,196	69,385
	59,664,827	76,435,411
Less Refund from Commonwealth Blood Transfusion Service	224,817	251,290
	59,440,010	76,184,121
Other—		
Costs Associated with Totalizator Receipts	62,067	72,097
Training of Officers	28,342	43,631
Recruitment and Training of Nurses	54,434	73,009
Post-graduate Training of Nurses	30,525	43,294
Administration Costs	643,867	717,591
	60,259,245	77,133,743

The balance in the Fund at 30th June, 1971, was \$61,724.

Details of payments from the Fund to individual institutions are given on pages 89 to 91 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 from the Works and Services Account 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 \$15,438,753 of which \$1,900,000 was applied to supplement maintenance payments to hospitals. Details of payments from the Works and Services Account to individual institutions are shown in the Treasurer's Finance Statement, pages 125 to 127.

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 Consumer Affairs Council are also administered within the Department.

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

Vote—	1969–70.	1970–71.
	\$	\$
Labour and Industry—Salaries, General Expenses, &c. ..	1,632,366	1,818,834
Treasurer—Workers Compensation Insurance, Pay-roll Tax ..	39,049	46,874
Public Works—Maintenance and Rent of Buildings ..	57,560	57,232
	1,728,975	1,922,940

Receipts during the corresponding two years were as follows :—

Registration and Inspection Fees—	\$	\$
Factories and Shops, Lifts and Cranes, &c.	907,818	937,498
Boilers	238,340	232,866
Other	18,640	21,541
	1,164,798	1,191,905

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 \$3,869,502 compared with \$3,869,817 in the previous year. Details are as set out hereunder :—

	1969-70.	1970-71.
	\$	\$
Land Revenue—		
Fees for various licences and leases, &c.	2,073,776	2,169,900
Proceeds of sales of land	564,636	550,967
	<u>2,638,412</u>	<u>2,720,867</u>
Land Revenue for credit to the Mallee Land Account	89,720	78,825
Repayments of principal by settlers under the Closer Settlement Acts	154,090	114,608
Interest payments by settlers on Loan Liabilities under the Closer Settlement Acts	84,390	74,944
Repayments of principal—Other Advances	1,351	2,654
Interest on Other Advances	1,573	746
Licences to occupy water frontages—for credit to the Rivers and Streams Fund	100,453	98,450
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	468,286	481,349
Miscellaneous Receipts including rental Ballarat Guncotton Factory, admission to Buchan Caves, sales of government and other property and rentals of departmental houses, &c.	170,214	145,525
Survey Fees, &c.	42,859	45,073
Premiums for credit to the Closer Settlement Insurance Fund	19,017	16,966
Moneys for specific purposes including funds made available by Wool and Wheat Research Committees, &c., for credit to Treasury Trust Accounts	63,574	62,212
Collections on account of North West Mallee Water Rates and Wire Netting Cash Sales	22,118	16,205
Road Loading Charges—Improvement Purchase Leases	12,133	9,075
Receipts on account of Assurance Fund	1,627	2,003
	<u>3,869,817</u>	<u>3,869,502</u>

EXPENDITURE FROM THE CONSOLIDATED FUND.

The amount provided from the Consolidated Fund to meet departmental administrative costs and expenses and part of the functional expenditure of the Vermin and Noxious Weeds Branch was \$7,495,060 compared with \$6,835,191 in the previous year. Details are :—

	1969-70.	1970-71.
	\$	\$
Vote—		
Lands and Survey—Salaries, Expenses, Other Services	4,276,606	4,646,902
Treasurer—Workers Compensation Insurance, Payroll Tax	159,692	180,386
Public Works—Maintenance and Rent of Buildings	12,858	12,891
Works and Services Account—		
Vermin and Noxious Weeds, Surveys, &c.	2,386,035	2,654,881
	<u>6,835,191</u>	<u>7,495,060</u>

TRUST FUND EXPENDITURE.

Disbursements by the Department from Treasury Trust Funds included :—

(i) \$65,298 from joint Commonwealth—Industry Research Funds, namely :—

			\$
Vermin (Rabbit) Control	..	..	36,189
Skeleton Weed Control	..	..	8,802
Fox and Dingo Control	..	..	20,307
			<hr/>
			65,298
			<hr/>

(ii) \$7,687 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 \$2,042,005 and the accumulated deficit on account of the settlement scheme, the subject of the provisions of that Act, was, as a result, increased to \$125,443,161.

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, 1970	..	687,735	Claims paid	.. ..	1,243
Premiums received	..	16,966	Administration expenses	..	6,444
			Balance at 30th June, 1971	..	697,014
		<hr/>			<hr/>
		704,701			704,701
		<hr/>			<hr/>

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 FROM THE CONSOLIDATED FUND.

Expenditure on the several activities of the Department for 1970-71 amounted to \$11,757,601. 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 :—

	1969-70.		1970-71.	
	\$	\$	\$	\$
Crown Law Offices and Crown Solicitor's Office ..		1,420,935		1,570,098
Courts—				
Administration	3,919,545		4,778,014	
Allowances to Witnesses	158,953		159,972	
Payments to Jurors	525,863		524,975	
Professional Assistance	274,166		212,998	
Court Reporting	204,794		292,999	
Other Costs, including expenditure of a capital nature	982,332		960,312	
		<u>6,065,653</u>		<u>6,929,270</u>
Office of the Public Trustee		743,029		833,557
Titles Office		1,807,028		1,972,108
Companies Registration Office		306,203		452,568
		<u>10,342,848</u>		<u>11,757,601</u>

RECEIPTS.

Moneys collected by Clerks of Courts throughout the State are paid into the Consolidated Fund 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 1969-70 and 1970-71, with the exception of fees and commissions collected in the Office of the Public Trustee, were :—

	1969-70.	1970-71.
	\$	\$
Fees, Titles Office	2,507,312	2,927,721
Fees, Registrar of Companies	2,150,810	2,442,597
Fees, Registrar-General	160,148	212,008

The accounts of the Public Trustee will be dealt with in my Supplementary Report.

LOCAL GOVERNMENT.

This Department was constituted under the provisions of the *Local Government Department Act 1958* for the better administration of the laws relating to local government in this State.

EXPENDITURE FROM THE CONSOLIDATED FUND.

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

	1969-70.	1970-71.
	\$	\$
Local Government—		
Salaries and Allowances	270,032	340,139
Overtime and Penalty Rates	10,373	10,966
Travelling (including Motor Vehicles)	20,192	25,347
Fees and Expenses—Boards and Committees	55,163	85,985
Other Administrative Expenses	31,029	54,583
Works and Services Account—Subsidies to Municipalities, &c.	1,488,483	1,743,561
Total Local Government	1,875,272	2,260,581
Town and Country Planning Board—		
Salaries and Allowances	209,071	289,443
Other Administrative Expenses	33,659	49,355
Total Town and Country Planning Board	242,730	338,798
Weights and Measures—		
Salaries and Allowances	188,236	221,812
Overtime and Penalty Rates	798	926
Travelling (including Motor Vehicles)	39,921	42,164
Materials and Equipment	6,386	4,352
Other Administrative Expenses	11,821	14,316
Works and Services Account—Equipment, &c.	33,521	3,489
Total Weights and Measures	280,683	287,059
Valuer-General—		
Salaries and Allowances	430,479	476,783
Overtime and Penalty Rates	1,126	546
Travelling (including Motor Vehicles)	41,304	43,037
Fees and Expenses—Boards and Committees	620	1,188
Other Administrative Expenses	30,915	34,442
Total Valuer-General	504,444	555,996
Total Local Government Department	2,903,129	3,442,434

In the Report for 1969-70, expenditure incurred by the Valuer-General's Office was included under the heading of Local Government.

RECEIPTS.

Receipts for the year amounted to \$201,077 compared with \$167,896 in the previous year. Details are shown in the following statement :—

	1969-70.	1970-71.
	\$	\$
Charges for Departmental Services—		
Municipal Auditors Board Fees, &c.	3,258	9,998
Weights and Measures Branch	104,632	123,234
	107,890	133,232
Sale of Property Sales Information	59,160	67,154
Miscellaneous	846	691
	167,896	201,077

MILK BOARD.

This Board functions under the authority of the *Milk Board Act 1958* and is responsible for administering the supply, sale and distribution of milk in the proclaimed milk districts of the State.

The Board's operations in 1970-71 resulted in a revenue surplus of \$129,900, an increase of \$9,912 on the comparable figure for 1969-70.

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 1970-71 are subject to audit.

1969-70.						1970-71.		
\$						\$	\$	
	<i>Revenue.</i>							
657,393	Milk Trading Revenue	..	..	..	..	774,784	
35,872	Milk Shop Licence Fees	..	..	..	..	39,221	
8,000	Rentals	..	..	..	..	8,000	
<hr/>						<hr/>		
701,265							822,005	
<hr/>								
	<i>Expenditure.</i>							
197,956	Salaries	..	..	..	..	257,620	
4,687	Pay-roll Tax	..	..	..	..	5,390	
2,153	Rental of Premises	..	..	..	..	1,622	
20,926	Travelling Expenses	..	..	..	..	16,660	
24,703	General Expenses	..	..	..	..	37,208	
314,660	Publicity Account—Appropriation	..	..	..	..	355,413	
6,000	Improving Quality of Milk—Paid to Department of Agriculture	..	..	..	..	6,000	
8,659	Building Maintenance	..	..	..	..	8,154	
311	Interest	..	..	..	..	140	
1,222	Depreciation	..	..	..	..	3,898	
<hr/>						<hr/>		
581,277							692,105	
<hr/>								
119,988	Surplus for the Year	..	..	..	..		129,900
<hr/>							<hr/>	

The item—Publicity Account—Appropriation, \$355,413—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 \$295,598.

The Board's balances as at 30th June, 1970, and 30th June, 1971, were :—

30.6.70.						30.6.71.		
\$						\$	\$	
3,145,933	Sundry Creditors—Trade	..	..	..	..	3,460,207	
51,936	Sundry Creditors—Other	..	..	..	..	37,018	
19,682	Milk Shop Licences Paid in Advance (Net)	..	..	..	..	21,531	
<hr/>						<hr/>		
3,217,551							3,518,756	
<hr/>								
	Accumulated Funds—							
	Accumulation Fund—							
1,481,311	Balance Brought Forward	..	..	..	..	1,601,299	
119,988	Revenue Surplus for the Year	..	..	..	..	129,900	
<hr/>						<hr/>		
1,601,299						1,731,199		
336,595	Publicity Account	..	..	..	..	396,410	
<hr/>						<hr/>		
1,937,894							2,127,609	
<hr/>								
5,155,445							5,646,365	
<hr/>								
1,503,432	Milk Board Fund—Balance at Treasury	..	..	..	..	1,365,770	
3,203,259	Sundry Debtors—Trade	..	..	..	..	3,820,200	
10,392	Office Equipment, Furniture and Fittings <i>less</i> Depreciation	..	..	..	..	10,243	
16,623	Motor Vehicles <i>less</i> Depreciation	..	..	..	..	27,078	
348,954	Land and Buildings at Cost	..	..	..	..	349,017	
72,139	Publicity Plant and Equipment <i>less</i> Depreciation	..	..	..	..	73,677	
646	Publishing Stocks on Hand	..	..	..	..	380	
<hr/>						<hr/>		
5,155,445							5,646,365	
<hr/>							<hr/>	

Trade debtors and creditors, for the most part, resulted from trading operations for the month of June, 1971.

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.

RECEIPTS.

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

	1969-70.	1970-71.
	\$	\$
Land Revenue—		
Royalties—Submerged Lands	2,481,647	16,528,845
Mining Leases, Rents, &c.	197,365	209,184
Extractive Industries, &c.	147,115	134,561
Other	20,807	22,238
	<u>2,846,934</u>	<u>16,894,828</u>
Boring and Crushing Fees	50,306	48,371
Explosives Licences and Fees	37,798	43,708
Sale of Government Property	16,833	20,100
Repayment of Loans	21,907	13,825
Sundries	10,157	9,149
Total Receipts	<u>2,983,935</u>	<u>17,029,981</u>

The *Petroleum (Submerged Lands) Act 1967* provides for the exploration and exploitation of the petroleum resources of certain submerged lands adjacent to the coasts of the State.

The Act provides that royalty is payable at certain percentages of the value at the well-head of the oil and gas recovered. The State has been negotiating with the two producing companies in an endeavour to arrive at agreement as to what is the value at the well-head of the oil and gas recovered, but agreement has not yet been reached. In the meantime, the State has been receiving royalties on the basis of a temporary agreement, with provision for later adjustment, if necessary.

Royalties received by the State during 1970-71 in respect of oil and gas recovered amounted to \$16,528,845. Of the royalties payable to the State, a certain proportion, based on a formula set out in the Act, is required to be paid to the Commonwealth. During 1970-71, the sum of \$5,015,982 was so paid.

EXPENDITURE FROM THE CONSOLIDATED FUND.

	1969-70.	1970-71.
	\$	\$
Special Appropriation—		
Payments to Commonwealth	475,492	5,015,982
Vote—		
Administration—		
Salaries	872,431	1,028,752
Overtime and Penalty Rates	3,488	3,919
Travelling and Subsistence	28,714	33,897
Motor Vehicles—Purchase and Running Expenses	36,097	35,070
Other Administrative Expenses	87,148	86,710
	<u>1,027,878</u>	<u>1,188,348</u>
Miscellaneous—		
Maintenance, &c., State Batteries	3,304	3,419
Boring for Water, Coal and other Minerals, &c.	304,995	328,829
Geological Survey	17,447	17,115
Laboratory Expenses	5,733	5,632
Covering Abandoned Shafts	14,772	14,030
Surveys for Mineral Deposits	645	25,183
Advances for Gold Mining	3,000	..
Contribution to Coal Utilization Research	10,000	10,000
Works and Services Account—		
Drilling Plant, &c.	253,674	281,709
Total Expenditure	<u>2,116,940</u>	<u>6,890,247</u>

Included in the departmental payments in 1970-71 is expenditure, estimated by the Department to be \$874,474, 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 1970*.

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 THE CONSOLIDATED FUND.

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

	1969-70.	1970-71.
	\$	\$
Public Works Administration—		
Vote—		
Salaries	4,191,463	4,698,548
Overtime and Penalty Rates	92,602	77,869
Travelling and Subsistence	203,677	222,000
Other Expenses	431,926	477,316
Total Administration	4,919,668	5,475,733
Works and Buildings, Maintenance, Repairs &c.	1,299,991	1,429,486
Rents and Allowances	945,619	1,113,196
Other Services	973,519	980,603
	8,138,797	8,999,018
Works and Services Account—Buildings, &c.	4,710,124	5,309,886
	12,848,921	14,308,904
Ports and Harbors Administration—		
Vote—		
Salaries	361,303	479,287
Overtime and Penalty Rates	15,480	15,912
Travelling and Subsistence	43,343	42,511
Other Administrative Expenses	31,384	34,212
Total Administration	451,510	571,922
Wharves and Jetties, Maintenance, Repairs, &c.	106,500	106,458
Contribution to Portland Harbor Trust	649,800	691,880
Westernport—Operating Expenses	409,195	627,279
Other Services	130,472	128,999
	1,747,477	2,126,538
Works and Services Account—Capital Items	3,040,953	4,570,803
	4,788,430	6,697,341
Total Expenditure	17,637,351	21,006,245

Works financed from the Works and Services Account 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 12·15 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 the Consolidated Fund on the basis of these and other charges amounted to \$5,578,563. The comparable figure for 1969-70 was \$4,536,703 when the rate charged for design, supervision and administration was 11·51 per cent.

Expenditure from the Works and Services Account amounted to \$55,282,672, and from Trust and Special Funds \$10,424,124, a total of \$65,706,796, compared with a total of \$60,108,842 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 provision of services for various Departments.

Moneys which were applied from the Works and Services Account to works associated with the activities of the Public Works Department itself were as shown hereunder:—

	\$	\$
<i>Public Works—</i>		
Public Offices		5,309,886
<i>Ports and Harbors—</i>		
Public Offices	47,037	
Foreshore Protection, Wharves and Jetties.. .. .	726,849	
Dredging, Blasting and Navigational Aids	1,312,067	
Vessels for Dredging	65,299	
Westernport Works, &c.	2,261,608	
Plant	157,943	
	<hr/>	4,570,803
		<hr/>
		9,880,689
		<hr/>

Public Offices (\$5,309,886).—Major items of expenditure were:—

	\$
State Offices Complex—Treasury Reserve—	
Construction and associated expenditure, including furniture	1,001,379
Public Offices—Shepparton	407,801
Remodelling of Building—436 Lonsdale-street	923,793
Purchase and Adaptation of premises—232 Victoria-parade	941,107

Westernport—Works &c. (\$2,261,608).—In terms of the *Westernport Development Acts* 1967 and 1970, Hematite Petroleum Pty. Ltd. and Esso Exploration and Production Australia, Inc. were to carry out preliminary investigations, jetty construction and dredging at Westernport at the cost of the State not exceeding \$6,050,000. An amount of \$1,838,197 was expended on jetty construction for this project during 1970–71, bringing the total expenditure on the project, at 30th June, 1971, to \$5,338,197.

Other items of Westernport expenditure were:—

	\$
Dredging and land reclamation in terms of the <i>Western Port (Steel Works) Act</i> 1970	345,533
Reconstruction of Berthing Dolphin	15,599
Pollution Studies	13,784
Long Island Jetty—Repairs to Fenders	2,086
Sea Bed Investigation and Harbor Facilities	46,409
	<hr/>
	423,411
	<hr/>

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	2,619,536
(ii) Advanced Education	162,254
(iii) Science Laboratories and Equipment	1,507,981
(iv) Teachers' Colleges	1,866,847
(v) Secondary School Libraries	1,877,557
	<hr/>
	8,034,175
	<hr/>

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

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, 1971, the position of this Account was :—

	\$
Cash funds available—held by Treasury	208,044
Value of stores on hand	394,240
Issues pending recoupment	45,548
	<hr/>
Funds made available by Treasury	647,832
Amount retained by Treasury to meet expenses, &c.	2,168
	<hr/>
Amount authorized by Legislation	650,000
	<hr/>

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, 1971, the net balance of the Fund was \$543,960.

Agency Trust Funds.

Expenditure on projects from this source amounted to \$824,232. Major works carried out by the Department as agent included projects for :—

	\$
Mt. Dandenong Observatory Reserve Restaurant	163,772
Cancer Institute—Green's Building	67,006
Werribee Research Station	46,648
Buchan " Fairy " Caves	36,813
High School Assembly Halls	100,624
Technical School Assembly Halls	65,255

RAILWAYS.

In the year under review, railway operating expenses exceeded railway income by \$29,751,633.

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 the Consolidated Fund. 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 1970-71 was borne by the Consolidated Fund.

RECEIPTS AND EXPENDITURE.

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		122,638,497
Contribution to Renewals and Replacements Fund		400,000
Pension Contributions		6,176,365
Interest, Sinking Fund and Exchange		8,536,982
		<hr/>
Total Expenditure		137,751,844
		<hr/>
This was provided by—		
Ordinary Income		107,465,131
Payments by Treasury—		
For country freight charge concessions	286,000	
For fares concessions to pensioners	200,000	
For loss on Kerang-Koondrook line	49,080	
		<hr/>
		535,080
		<hr/>
Total Receipts		108,000,211
		<hr/>
Deficit for year		29,751,633
		<hr/>

Railway records show a deficit of \$28,992,983. 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 recorded in the two accounting systems, are reconciled in the following statement :—

	\$
Deficit, based on Treasury Accounts	29,751,633
Increase during year in Sundry Debtors	758,650
	<hr/>
Deficit, as shown in Railway Accounts	28,992,983
	<hr/>

Railway operating expenses amounted to \$137,751,844. This sum exceeded the Budget estimate by \$7,638,798 and, on a comparable basis, was in excess of the previous year by \$11,549,141.

Operating Expenses.

Depreciation.—The depreciation for 1970–71 was assessed at \$8,484,032 but an amount of \$473,836 only was charged to operating expenses and credited to the Railway Renewals and Replacements Fund established under Section 115 of the *Railways Act* 1958. The amount of \$8,010,196 depreciation assessed but not charged against operating expenses brought the accumulated sum under-provided in the Railways accounts to \$95,990,045 at 30th June, 1971.

The total amount credited in the year to the Railway Renewals and Replacements Fund from depreciation charges and sales of materials &c., \$1,068,633, was expended in full. There was no balance to the credit of this Fund at 30th June, 1971.

To 30th June, 1971, renewals and replacements to a total of \$127,465,208 have been provided from the Fund and from allocations of loan moneys for rehabilitation works.

Accrued Leave.—Accrued leave increased by 9,145 days in 1970–71 and the estimated liability increased from \$5,024,088 as at 30th June, 1970 to \$5,358,891 as at 30th June, 1971. 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.

Management Consultants.

During 1970–71, firms of management consultants were engaged by the Department to submit reports on matters which included training and development of a research group, marketing and selling activities, storehouse procedures and inventory management.

Fees and expenses amounting to \$28,933 were paid during the year and charged to Working Expenses.

Interest, Sinking Fund and Exchange.

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. The amount chargeable in the year was \$8,536,982.

Railway Income.

Collections on account of Railway Income amounted to \$108,000,211 which was \$1,986,211 greater than the Budget estimate and \$2,795,735 more than the result for 1969–70.

As from 17th January, 1971, suburban fares were increased to enable the Railways Department to meet an annual payment of an amount determined by the Treasurer to the Melbourne Underground Rail Loop Authority. The amount paid to the Authority in 1970–71 was \$446,866.

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

	1969–70.	1970–71.
	\$	\$
Passengers	31,695,797	32,248,752
Parcels, &c.	3,031,087	2,984,054
Mails	1,087,825	1,110,286
Miscellaneous	104,069	112,069
Goods and livestock, &c.	61,766,036	64,596,567
Rents and general miscellaneous	2,556,719	2,675,526
Dining car and refreshment rooms services	3,460,945	3,583,280
Advertising	246,088	250,677
Bookstalls	1,096,189	1,084,560
Road motor services	65,516	64,009
	105,110,271	108,709,780

EXPENDITURE—WORKS AND SERVICES ACCOUNT.

The following statement summarizes expenditure under Railway Works and Services Acts :—

	1969-70.	1970-71.
	\$	\$
Way and Works	9,848,034	9,338,380
Rolling-stock, Equipment, &c.	6,091,069	6,442,507
Construction of new lines, &c.	90,390	107,907
	<hr/>	<hr/>
	16,029,493	15,888,794
	<hr/>	<hr/>

Violet Town Collision.—Included in the costs arising from this collision was an amount of \$1,098,402 for the construction of new carriages. The original price for this work was agreed at \$935,000 but claims by the contractor for additional costs in respect of labour, materials and design modifications were admitted by the Commissioners.

Certain of the additional costs are the subject of audit scrutiny.

Rail Tracks and Rolling Stock.—Expenditure for 1970-71 included \$5,831,474 associated with projects to provide additional rail tracks, new suburban electric trains and goods wagons.

Melbourne Yard Rearrangement.—Expenditure during the year amounted to \$1,410,661 bringing the total recorded to date to \$14,378,005.

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. With the passing of the *Melbourne Underground Rail Loop Act 1970*, responsibility for expenditure in relation to this project was transferred to the Melbourne Underground Rail Loop Authority.

Preliminary expenditure on this project, authorized by Parliament under Railway Loan Application and Works and Services Acts, has amounted to \$517,711 to 30th June, 1971.

BALANCE-SHEET.

An abridged statement of the balances in the Railway accounts as at 30th June, 1970 and 1971 is as under :—

	1970.	1971.
	\$	\$
Rolling-stock, Plant, &c., at cost less depreciation provided ..	466,370,882	483,204,750
Stores and Materials	8,648,347	7,782,009
Partly-manufactured Articles	753,424	781,457
Refreshment Services, Stock and Equipment less provision for losses	744,048	777,996
Discounts and Expenses on Loans	7,159,328	7,313,904
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	6,126,579	8,130,476
Railways Stores Suspense Account	1,079,931	2,764,648
Railways Repayment Account	6,541	3,544
Payroll Tax in Suspense Account .. .. .	..	1,857,467
Advances held by Agent-General—		
Capital Equipment	4,273	2,446
Stores	12,099	..
Trust Securities	4,076,015	4,569,664
Cash at Stations and in Transit	436,260	466,442
Cash Advances	2,466,310	3,152,014
Revenue Debtors	4,937,673	5,682,529
Sundry Debtors	2,124,298	2,130,302
Accumulated Loss	193,062,713	222,055,697
	<hr/>	<hr/>
	699,258,721	751,925,345
	<hr/>	<hr/>

	1970. \$	1971. \$
Loan Liability*	368,159,426	379,595,119
Funds for—		
Uniform Railway Gauge Works	30,729,299	30,633,462
Level Crossings Fund—Act No. 6229	7,833,933	8,970,530
Boom Barriers	205,665	247,240
Other Special Purposes	13,722,240	13,722,240
National Debt Sinking Fund Reserve	62,080,117	66,556,445
Uniform Railway Gauge Reserve	870,701	966,538
Railway Accident and Fire Insurance Reserve	200,000	200,000
Advances from the Public Account	3,151,975	3,083,898
Sundry Creditors	10,390,699	15,790,307
Outstanding Advance, Agent-General, Stores .. .. .	..	2,615
Trust Securities	4,082,556	4,573,208
Consolidated Fund, &c.	197,832,110	227,583,743
	<u>699,258,721</u>	<u>751,925,345</u>

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

Discounts and Expenses on Loans.

The amount, \$7,313,904, at which these capitalized costs of loan flotations appear above, is higher than the previous year by \$154,576.

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 the Consolidated Fund of \$1,497,063 charged against working expenses. Expenditure from the Fund for the past two years was :—

	1969-70. \$	1970-71. \$
Damages recovered by non-employees at law	142,801	32,885
Damages paid to non-employees without legal action	39,712	43,377
Compensation for injuries to employees	1,052,068	918,070
Compensation for goods lost or damaged	431,488	370,725
Compensation for losses by fires caused by railway operations	1,479	52,484
Losses by fire to railway property	145,213	79,522
	<u>1,812,761</u>	<u>1,497,063</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, 1971, liabilities incurred and charged against Treasury accounts by journal entry, but not yet paid by the Department were as follows :—

Credits—	\$
Salaries and Wages accrued	5,514,797
Taxation Deductions, &c.	261,761
Sundry Creditors for various services	3,968,201
Revenue rebates and refunds due	1,428,668
Amounts received in advance for works	659,219
	<u>11,832,646</u>
Debits—	\$
Expenditure on works for other bodies, &c.	1,699,000
Sundry Debtors for sales and services	139,202
	<u>1,838,202</u>
	9,994,444
Less—Amount transferred to Income	6,501
	<u>9,987,943</u>

This amount of \$9,987,943 has been included in the Treasurer's accounts as follows :—

	\$
Railway Charges in Suspense	8,130,476
Payroll Tax in Suspense	1,857,467
	<u>9,987,943</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. To 30th June, 1971, the total allocation from loan moneys for the purpose of the Account amounted to \$9,000,000 and was represented by the following items :—

	\$
Stock on hand	7,782,009
<i>Less</i> Creditors for stores purchased	1,715,458
	<hr/>
Railways equity in the stock	6,066,551
Stores sold and proceeds not collected	171,416
	<hr/>
	6,237,967
	<hr/>
<i>Less</i> amount due to the Agent-General, London.. .. .	2,615
	<hr/>
	6,235,352
	<hr/>
Balance held at Treasury	2,764,648
	<hr/>
	9,000,000
	<hr/>

The item, Stock on hand, \$7,782,009, represents stock financed from the Suspense Account pending issues for works or purposes the expenditure on which is chargeable to Parliamentary appropriations.

The inventory records of all major storehouses are being produced by electronic data processing methods. Operation of the system has revealed practical difficulties with the price rating structure when applied to the valuation of some stock items. Consequently, the values placed on certain stock items at 30th June, 1971, will require adjustment.

The balance held at the Treasury includes an amount of \$23,148, 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 but it has been possible to extract the following net figures from the Account :—

	\$
Losses on reduction of values of stores	67,405
Costing adjustments—manufactured items	7,138
Losses on sales of safety footwear	11,511
Sales of materials—profits	21,174
Amount charged to Working Expenses	64,880
Stores Invoice adjustments to be absorbed	34,993

Debtors.—Revenue and Sundry.

The total of \$7,812,831 for these items as shown in the balance-sheet consists of :—

	\$
Revenue services rendered	5,682,529
Works	1,699,000
Sales of general stores	171,625
Sundry sales and services	139,202
Sales of land	120,475
	<hr/>
	7,812,831
	<hr/>

The item, "Works", includes a number of accounts which have been outstanding for several 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 \$1,136,597 in the year 1970–71, was \$8,970,530 to 30th June, 1971. This latter amount is included in the balance-sheet as part of the total expenditure on Rolling Stock, &c.

Sundry Creditors.

Items included in the total of \$15,790,307 are :—

	\$
Stores purchased for railways	1,715,458
Stores purchased for refreshment services	160,179
Salaries and wages accrued	5,514,797
Taxation Deductions, &c.	261,761
Accounts for various services	3,968,202
Revenue rebates and refunds	1,428,668
Payments in advance for works	659,219
Payments in advance for revenue services, &c.	620,925
Cash accounts overdrawn	1,461,098
	15,790,307

The item, “Salaries and wages accrued”, largely comprises pay accrued from 13th to 30th June, 1971.

State Coal Mine—Wonthaggi.

In accordance with the provisions of the *State Coal Mines (Winding Up) Act 1968*, the Coal Mines Depreciation Fund has continued to be maintained in the Treasury to meet 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.

At 30th June, 1971, cash at credit of the Coal Mines Depreciation Fund Account at the Treasury was \$24,878.

SOCIAL WELFARE.

This Department which was formerly a branch of the Chief Secretary's Department was established by the *Social Welfare Act 1970*. The statement below shows the expenditure from the Consolidated Fund in respect of the Divisions of the Department for the past two years.

—	Administration, Research, Statistics.	Family Welfare.	Youth Welfare.	Prisons.	Training, Probation and Parole.
	\$	\$	\$	\$	\$
<i>Expenditure—1970-71</i>					
Vote	479,837	6,437,596	2,477,272	4,311,017	656,008
Works and Services Account ..	..	512,922	457,394	329,350	49,551
Total	479,837	6,950,518	2,934,666	4,640,367	705,559
<i>Expenditure—1969-70</i>	419,186	5,415,156	2,646,309	4,468,138	618,748

The revenue of the Department increased from \$615,299 in 1969-70 to \$690,549 in 1970-71.

The expenditure of the Family Welfare Division for 1970-71 exceeded that for 1969-70 by \$1,535,362. The prime reasons for this were an increase in salary costs of \$328,130 and increased payments of \$1,164,571 in relation 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 for a full year in the scheme of assistance under the Commonwealth's *States Grants (Deserted Wives) Act 1968* and also because of an increase in the number of children assisted.

STATE DEVELOPMENT.

This Department was established by the *State Development Act* 1970 which became operative from 15th March, 1971. Under the legislation, the Department is responsible for the control of State activities in the fields of Tourism, National Parks, Industrial Development and Immigration.

TOURISM.

The State Development Act provides that moneys to the credit of the Tourist Fund established under the *Tourist Act* 1969 shall be applied to the administration of the State Development Act in so far as that Act relates to tourism. For this purpose, the Minister may make payments from and apportion, distribute, apply or lend any moneys in the Tourist Fund.

Credits to the Fund include a statutory levy on the Country Roads Board Fund, appropriations from the Consolidated Fund under the votes for the Premier's Department and the Railways Department, a contribution from the Works and Services Account and fees and fines under the *Motor Boating Act* 1958.

The receipts and payments of the Tourist Fund for the past two years are summarized below :—

1969-70.				1970-71.	
\$		<i>Receipts.</i>		\$	\$
291,140	Balance forward				490,954
	Contributions—				
577,772	From— Country Roads Board Fund			617,363	
	Consolidated Fund—				
363,000	Premier's Department Vote			403,000	
190,000	Railway Working Expenses			190,000	
				<hr/>	593,000
125,000	From Works and Services Account			100,000	
2,820	By Municipalities towards cost of motor boating facilities			1,300	
				<hr/>	1,311,663
170,454	Commissions, &c. received from Tourist Bureaux operations .. .. .			..	228,042
137,461	Motor Boat Registration Fees and Fines (Net)			295,306	
	Less Costs and Expenses of Collection and Administration			122,270	
				<hr/>	173,036
20,124	Interest on Loans to certain Bodies .. .. .			..	19,847
21,702	Loan Repayments .. .. .			..	25,237
<hr/>					<hr/>
1,899,473					2,248,779
					<hr/>
		<i>Payments.</i>			
286,809	Developmental and Maintenance works authorized under the Act .. .. .			..	369,588
2,688	Advances to Public Works Department—Mt. Dandenong Project .. .. .			..	170,920
88,267	Publicity—net (excluding Tourist Bureaux advertising, &c.) .. .. .			..	200,315
16,024	Loans to certain Bodies .. .. .			..	2,500
150,461	Provision of motor boating facilities .. .. .			..	160,325
	Costs and administrative expenses—				
73,093	Head Office			95,826	
791,177	Tourist Bureaux			891,322	
				<hr/>	987,148
					<hr/>
490,954	Balance at the close of the year—General			181,065	
	Motor Boating			176,918	
				<hr/>	357,983
<hr/>					<hr/>
1,899,473					2,248,779
					<hr/>

In addition to the balance of \$357,983 at credit of the Fund, unexpended advances to the Public Works Department for works at 30th June, 1971, amounted to \$43,211, of which \$11,741 was in respect of motor boating.

Motor Boating.

Under the provisions of the *Motor Boating Act* 1961, the net credit in the Tourist Fund in respect of motor boating activities is to be applied to the provision of facilities for motor boating in Victorian waters. The following statement shows the receipts and payments included in the transactions of the Tourist Fund in respect of motor boating :—

	\$	\$
Credit at 1st July, 1970 (held in Tourist Fund) .. .. .	..	158,697
<i>Add</i> —Registration Fees	281,491	
Fines	14,051	
	<hr/>	295,542
<i>Less</i> —Refunds	236	
	<hr/>	295,306
<i>Add</i> —Municipal Contributions towards provision of boating facilities ..		1,300
Loan Instalments—Redemption	1,587	
Interest	2,623	
	<hr/>	4,210
		<hr/>
		459,513
<i>Less</i> —Expenditure—	\$	
Provision of boating facilities—Grants and Subsidies ..	160,325	
Cost of Administration—		
Transport Regulation Board	39,378	
Chief Secretary's Department	77,591	
Purchase of motor boats and equipment (net) ..	5,301	
	<hr/>	122,270
	<hr/>	282,595
Credit at 30th June, 1971 (held in Tourist Fund) .. .. .	..	176,918
		<hr/>

Tourist Bureaux.

The power to operate and administer tourist bureaux in any part of the world as provided in the *Tourist Act* 1969 was continued in the *State Development Act* 1970. Under this authority, five bureaux are operated in Victoria and three in interstate capital cities.

The net cost of operating the bureaux for the year was \$663,280 compared with \$620,723 for the previous year. The cost of salaries and other administrative expenses, rents, maintenance and items of a capital nature, was \$891,322 against which the bureaux earned commission and other income to a total of \$228,042.

Apart from moneys received at the head office of the Director of Tourism, cash collections at the bureaux in respect of railway and other bookings and reservations are substantial. Of cash collections remitted to the Treasury in 1970–71, \$4,588,051, the bureaux collected \$3,993,055, of which, \$1,579,366 was credited to Railway Income and \$2,413,689 to the Tourist Bureaux Trust Account. Collections in the previous year totalled \$4,205,498.

NATIONAL PARKS.

On the coming into operation of the *State Development Act 1970* and the *National Parks Act 1970*, responsibility for the administration of the National Parks Fund moved from the National Parks Authority, which was abolished, to the Minister for State Development.

The Fund is credited with any moneys appropriated by Parliament and with any gifts, bequests or other moneys received by the Minister. The Fund is required to meet the costs and expenses of exercising the functions and powers contained in the *National Parks Act 1970* or the *State Development Act 1970*.

A summary of the operations of the National Parks Fund for the year ended 30th June, 1971, is given hereunder :—

	\$	\$
Balance, 1st July, 1970		6,230
Receipts—		
From Vote	117,000	
Works and Services Account	287,852	
Rentals, &c.	56,840	
	<hr/>	461,692
		<hr/>
		467,922
Payments—		
Grants to Committees of Management of National Parks and Advances for Works to the Public Works Department and Forests Commission, &c.	339,483	
Administration Costs	125,982	
	<hr/>	465,465
		<hr/>
Balance, 30th June, 1971		2,457
		<hr/>

In addition to the balance of \$2,457 at credit of the Fund, unexpended advances to the Public Works Department and the Forests Commission for works amounted to \$46,903 as at 30th June, 1971.

INDUSTRIAL DEVELOPMENT.

Under the provisions of the *State Development Act 1970*, there was established in the Treasury as part of the Trust Fund the Industrial Development Fund and to that Fund was transferred the balance to the credit of the Decentralization Fund. Any liabilities of the Decentralization Fund are to be met from the Industrial Development Fund which is to be applied towards assisting in the establishment and expansion of secondary industries in certain areas of Victoria, outside the metropolis, as specified in the Act.

A consolidated statement of credits and disbursements in the Industrial Development Fund, including transactions in the Decentralization Fund to the date of its transfer to the former Fund is set out hereunder.

	\$	\$
Credits to the Fund have been :—		
To 30th June, 1970		4,200,995
During the year—		
From the Consolidated Fund—		
Vote	100,000	
Works and Services Account	91,400	
	<hr/>	191,400
		<hr/>
		4,392,395
		<hr/>
The Fund has been utilized as follows :—		
Expenditure to 30th June, 1970		4,200,987
During the year—		
Power and Light Subsidies	3,354	
Freight Subsidies	152,709	
Removal of Plant, Machinery, Furniture, &c.	8,816	
Miscellaneous	26,342	
	<hr/>	191,221
		<hr/>
		4,392,208
		<hr/>
The balance at 30th June, 1971, was		187
		<hr/>
		4,392,395
		<hr/>

Amounts advanced from the Fund and still to be repaid at 30th June, 1971, are shown hereunder :—

—	Advanced to 30th June, 1971.	Repaid.	Outstanding 30th June, 1971.	Arrears.	
				Interest.	Principal.
	\$	\$	\$	\$	\$
Brickworks	10,551	1,833	8,718	3,931	8,718
Textile Industries	84,000	68,642	15,358	..	..
Foundries and Other Industries	103,143	45,079	58,064	26,939	43,397
	*197,694	115,554	82,140	30,870	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.

IMMIGRATION.

The *State Development Act 1970* provides for the appointment of a Director of Immigration who, subject to the general direction of the Minister for State Development, is responsible for encouraging migrants to settle in Victoria.

Responsibility for the administration of this activity was assumed by the Minister for State Development on the 15th March, 1971. As the greater part of the year's transactions relate to the administration by the Chief Secretary's Department, the figures for the receipts and expenditure in respect of Immigration have been shown with Other Branches of the Chief Secretary's Department on page 50.

STATE RIVERS AND WATER SUPPLY COMMISSION.

The State Rivers and Water Supply Commission, in its function of administering the Water Act, is responsible for the construction and maintenance of country water supply works. As well as country water supply within the constituted districts, it has other duties such as investigations and research, and the supervision of works for other bodies and persons. 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 Consolidated Fund in connexion with country water supply are set out in Statement No. 6 appended to this Report. A summary of receipts and payments for the period 1968-71 is given in the table hereunder :—

	Receipts, including Recoups.	Payments.				Net Outgoing.
		General.	Debt Charges.	Works and Services Account.	Total.	
	\$	\$	\$	\$	\$	\$
1968-69	14,739,718	11,561,797	18,901,443	18,096,803	48,560,043	33,820,325
1969-70	15,571,769	12,815,198	20,042,364	18,283,504	51,141,066	35,569,297
1970-71	16,843,559	14,103,653	21,467,868	17,008,339	52,579,860	35,736,301

As the summary indicates, there was, in 1970-71, an increase in expenditure of \$1,438,794 (including an increase of \$1,425,504 in debt charges) offset by an increase in receipts of \$1,271,790. Thus the net increase in the cash outgoing between 1969-70 and 1970-71 was \$167,004.

REVENUE.

A summary of the revenue from rates and charges for the supply of water for the period 1968-71, 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.		
	\$	\$	\$	\$	\$
1968-69	2,360,559	7,414,075	10,975,084	9,594,000	1,381,084
1969-70	2,877,962	7,566,018	11,825,064	10,260,148	1,564,916
1970-71	3,382,140	8,188,488	13,135,544	11,174,196	* 1,961,348

* Subject to adjustment in 1971-72.

Variation in rates and charges had little effect on revenue compared with the previous year. The only significant increase was in respect of irrigation charges in gravitation districts—from \$2 to \$2.35 per acre foot.

Arrears in irrigation districts increased from \$646,966 at 30th June, 1970, to \$1,098,241 at 30th June, 1971, and this was largely responsible for the increase in total arrears of \$396,432.

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

	1969-70.	1970-71.
	%	%
Coliban Districts	89	95
Irrigation Districts	89	83
Waterworks Districts	89	91
Urban Districts	81	83
Flood Protection Districts	89	91

A dissection of the total collectable sum and the amount thereof owing at 30th June, 1971, is given in the statement hereunder :—

	Total Collectable Sum.	Arrears 30.6.71.
	\$	\$
Coliban Districts	815,052	39,674
Irrigation Districts	6,722,367	1,098,241
Waterworks Districts	1,713,720	178,565
Urban Districts	3,097,412	553,110
Flood Protection Districts	110,993	12,818
Sundries	676,000	78,940
	<u>13,135,544</u>	<u>1,961,348</u>

Other receipts are obtained by way of oncost and by direct recoup from other funds. These receipts were obtained as follows :—

	1968-69.	1969-70.	1970-71.
	\$	\$	\$
From oncost at varying rates to a maximum of 11 per cent...	1,266,957	1,353,143	1,454,057
„ repayments on account of works temporarily financed from Consolidated Fund	291,757	295,907	297,688
„ salary recoups—River Murray Commission and various funds	1,212,360	1,376,414	1,519,290
	<u>2,771,074</u>	<u>3,025,464</u>	<u>3,271,035</u>

PAYMENTS.

Payments from the Consolidated Fund in 1970-71 on account of country water supply totalled \$52,579,860 and comprised salaries and payments in the nature of salary \$7,840,498 debt charges \$21,467,868, general expenses and other services \$6,263,155 and Works and Services Account \$17,008,339.

Expenditure from the Works and Services Account included the sum of \$12,292,914 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 ..	3,369,977
Mornington Peninsula System The extension of pipelines and reticulation ..	2,139,484
Lake Mokoan Diversion weir on Broken River, channel to the Winton Swamp, and construction of storage reservoir at that site, on Hollands Creek ..	1,944,108

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>	74,611
<i>Victoria Grant (King River Dam) Act 1969</i>	2,072,877
<i>States Grants (Water Resources Measurement) Act 1970</i>	428,443

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. The amount of surpluses so certified in 1970-71 was \$582,453 and this sum was provided from the Works and Services Account.

Stores Suspense Account.

Up to and inclusive of 30th June, 1971, 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, the balance at credit of the Water Supply Stores Suspense Account is shown as \$451,447. This amount is represented in the Commission's accounts by :—

	\$
Balance available for purchases of stores, &c.	140,203
Credit Balances of Hire Plant Accounts	311,244
	<hr/>
	451,447
	<hr/>

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, 1971, were :—

	Plant. \$	Tools and Stores. \$
At Construction Works	178,057	331,830
Stores Suspense Accounts (Depots)	249,798	1,785,368
At Central Plant Workshops (Suspense Accounts)	35,514	233,859
At Central Plant Workshops pending transfer or disposal.. .. .	16,098	123,122

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 the Works and Services Account 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 \$147,717. The capital liability at 30th June, 1971, in respect of this class of plant and machinery was \$3,892,582.

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, 1971, the balance in the Fund for the replacement of hire plant and machinery was \$1,956,664.

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 moneys, by means of annual rates and charges, 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 for depreciation in the annual rates and charges are to be paid into the Consolidated Fund 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 1970-71 was \$480,907. However, in recent years, no payment has been made to the Fund and, at 30th June, 1971, no balance was held in the Fund. At the same date, the balance of the Account was \$6,641,609.

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 1970-71 on these works amounting to \$208,977.

In 1970-71, under the authority of Water Supply Loan Application Act No. 7908 and Water Supply Works and Services Act No. 8031, Victoria contributed \$310,300 for the construction of works, bringing the State's total contribution for construction as at 30th June, 1971, to \$14,208,415. The contribution from the Consolidated Fund 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 \$538,622 and expenditure, including refunds of contributions, amounted to \$420,206. The balance in the Account at the close of the year was \$527,822.

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 \$148,739.

In 1970-71, advances to various Trusts by the State amounted to \$2,558,651. Repayments on account of advances amounted to \$126,471, and certain Trusts were relieved of liability to the extent of \$742,986. 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 \$1,689,194.

River Improvement Trusts.

To 30th June, 1971, twenty-six River Improvement Trusts and four Drainage Trusts had been constituted under the River Improvement Act. The accounts of the Trusts are subject to audit by my officers, as required by the provisions of the *River Improvement Act* 1958 and the *Water Act* 1958.

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 1970-71 for this purpose was \$1,672.

Advances by the State in 1970-71 totalled \$583,522. Repayments in respect of advances amounted to \$2,861 and certain Trusts were relieved of liability to the extent of \$482,908 which the Governor in Council directed be borne by the State, so that the net increase in the Trusts' indebtedness for State loans was \$97,753.

Country Sewerage.

In addition to its function of administering the Water Act, the Commission exercises general supervision over Sewerage Authorities. The accounts of the Authorities are not subject to my audit.

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 \$1,678,985.

Advances by the State in 1970-71 totalled \$807,224. Repayments in respect of advances amounted to \$24,918 and certain Authorities were relieved of liability to the extent of \$807,224 which the Governor in Council directed be borne by the State. At 30th June, 1971, Authorities' indebtedness for State loans was \$3,139,636.

In addition, the State advanced \$228,195 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 1970-71 totalled \$12,266 of which \$12,134 or 99 per cent. was paid during the year. Costs chargeable to the district amounted to \$12,875 plus depreciation, \$1,996. During the year, this amount of \$1,996 was transferred from the Consolidated Fund to the Eildon Sewerage District Depreciation Fund. At 30th June, 1971, the balance of the Fund was \$18,924.

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, 1971, was \$462,318.

TRANSPORT REGULATION FUND.

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

1969-70. \$	<i>Receipts.</i>	1970-71. \$ \$	
605,780	Balance of Transport Regulation Fund at 1st July .. ..	..	706,011
796,539	Licence Fees and Additional Fees on Licences .. ..	..	809,468
98,107	Licence Transfer Fees .. ..	..	115,330
932,905	Permits—Goods and Passenger .. ..	..	932,668
22,143	Drivers' Certificates .. ..	..	21,663
10,204	Metropolitan Omnibus Registration Fees .. ..	..	9,711
269,801	Fines .. ..	..	262,287
25,995	Miscellaneous Receipts .. ..	..	37,708
<hr style="width: 100%;"/>		<hr style="width: 100%;"/>	2,188,835
2,761,474			2,894,846
	<i>Payments.</i>		
1,939,472	Salaries and Overtime .. ..	..	2,188,161
445,287	Other Administrative Expenses .. ..	..	510,093
..	Payment for Police Services .. ..	..	75,421
24,547	Contributions towards Bus Shelters, Comfort Stations, Information Centre, &c. .. ..	..	96,739
43,011	Amounts distributed to Municipalities .. ..	..	—
109,292	Capital Expenditure .. ..	..	114,809
<hr style="width: 100%;"/>		<hr style="width: 100%;"/>	2,985,223
2,561,609			
	<i>Less—Recoups—</i>	\$	
35,641	Costs of Collection—Motor Boat Registrations ..	39,378	
470,505	Road Charges (Commercial Goods Vehicles Act)	513,317	
<hr style="width: 100%;"/>		<hr style="width: 100%;"/>	552,695
2,055,463			2,432,528
<hr style="width: 100%;"/>			<hr style="width: 100%;"/>
706,011	Balance of Fund at 30th June .. ..	..	462,318

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 1970–71 was \$8,902,790 compared with \$8,555,278 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 1970–71 amounted to \$281,491. The costs of collection and administration were recouped to the extent of \$39,378.

PART VI.—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, 1971, 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	150,000
Royal Agricultural Society of Victoria	1,040,000	549,908

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, 1971, of cases where guarantees have been given by the Treasurer under the authority of statute and where there is a contingent liability. Details of the cases, including references to the statutory authority, have been given in previous Reports. The statement hereunder does not include instances where Parliament has included in legislation a Government guarantee of the borrowings of Government instrumentalities and other bodies.

	Guarantee.	Contingent Liability.
	\$	\$
Co-operative Housing Societies	196,327,000*	102,903,697*
Co-operative Housing Societies .. .. .	..	114,848,048†
Co-operative Societies	5,526,829	3,359,921
Home Finance Trust	29,019,153	24,676,644
Melbourne Cricket Club	2,550,000	2,494,283
Trustees of the Sisters of Charity of Australia	4,000,000	4,000,000
Victorian Inland Meat Authority	300,000	300,000
St. Francis Xavier Cabrini Hospital.. .. .	750,000	750,000

* Guarantees and Contingent Liability in relation to loans made by approved bodies to registered Co-operative Housing Societies.

† State's liability to the Commonwealth on account of advances from the Home Builders' Account to registered Co-operative Housing Societies.

The *Melbourne Underground Rail Loop Act 1970* authorizes the Treasurer to guarantee the payment of interest and the repayment of loans made to the Melbourne Underground Rail Loop Authority to enable that body to construct the underground rail loop. The total liability under the guarantee is not to exceed \$80,000,000. To 30th June, 1971, no such guarantee had been given.

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.

	1970.	1971.
	\$	\$
Railways	4,769,396	5,528,046
Taxation—		
Income	906	906
Unemployment Relief	342	342
Land	1,701,027	1,956,220
Probate Duty	2,775,757	4,918,719
Water Supply	1,562,809	1,961,348
Lands Department	442,298	591,214
Rural Finance and Settlement Commission	538,134	618,706
Forests Commission	594,196	676,956
Government Printer (excluding amounts due from State Departments)	166,896	167,064
Other Departments	155,532	123,337
Trading Activities—		
Victoria Dock Cool Stores	162,253	199,825
Miscellaneous	490,393	450,393
	<u>13,359,939</u>	<u>17,193,076</u>

The arrears of Probate Duty and Land Tax for 1971 do not include amounts of \$7,197,888 and \$181,945, respectively, which represent assessments issued during June, but not due and payable until after 30th June.

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 the Consolidated Fund have been provided from the Industrial Development (previously Decentralization) Fund, \$897,454, and from the Tourist Fund, \$559,767. To 30th June, 1971, repayments on account of these advances amounted to \$473,856 and \$169,804 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 and Works and Services Acts or from Treasurer's Advance. Advances made during these years related mainly to projects associated with water supply and sewerage in country districts.

	1969-70.	1970-71.
	\$	\$
Corporations and other Bodies	1,457,988	2,648,500
Settlers	101	..
Various	144,396	122,208
Total	<u>1,602,485</u>	<u>2,770,708</u>

In some cases, repayment of advances has not been in accordance with the agreed conditions and, at 30th June, 1971, instalments of redemption and interest charges due and unpaid amounted to \$173,932. Following is a concise statement of the balances of advances and amounts overdue :—

	Balance of Advances at 30th June, 1971.			Overdue at 30th June, 1971.				
	Loan Sources.	Revenue Sources.	Total.	Redemption.			Interest.	Total.
				Loan Sources.	Revenue Sources.	Total.		
	\$	\$	\$	\$	\$	\$	\$	\$
Municipalities	2,507,389	..	2,507,389	..	..	..	..	..
Corporations and other bodies	43,775,251	..	43,775,251	19,404	..	19,404	115,240	134,644
Unemployment Relief Advances	149,731	..	149,731	31,471	..	31,471	..	31,471
Advances to Settlers	10,308	..	10,308	5,157	..	5,157	1,901	7,058
Various	1,982,636	509	1,983,145	250	509	759	..	759
Total	<u>48,425,315</u>	<u>509</u>	<u>48,425,824</u>	<u>56,282</u>	<u>509</u>	<u>56,791</u>	<u>117,141</u>	<u>173,932</u>

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, 1971.

Date.	Department, &c.	Amount.	Disallowance or Surcharge.	Particulars.
		\$		
24.11.70	Social Welfare—Pentridge Prison	2,176.75	Surcharge ..	Failure to account for moneys received.
29.6.71	Law—Sheriff of the Supreme Court	561.28	Surcharge ..	Deficiency of trust moneys. Amount since recovered in full.

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 1970-71, the Treasurer has not been acquitted to the extent of \$4,786,914 which includes an amount of \$2,554,978, being advances to Departments, &c., not adjusted prior to 30th June, 1971.

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 :—

ABORIGINAL AFFAIRS, MINISTRY OF.

Receipts totalling \$162 were not brought to account. The shortage was restored by the persons responsible for the collection of revenue.

CHIEF SECRETARY'S DEPARTMENT.

Police Department.

Dandenong Police Station.—A constable misappropriated \$585.14. He was convicted of embezzlement and placed on a good behaviour bond for three years. Full restitution was made.

Mornington Police Station.—Disciplinary charges were preferred against a first constable in connection with a shortage of \$25 in the station's Trust Account and fines were imposed.

Stratford Police Station.—A first constable was convicted of fraudulent conversion of proceeds of warrants totalling \$2,932.59 and was sentenced to a term of imprisonment. Action under section 36 of the *Audit Act* 1958 is under consideration.

EDUCATION DEPARTMENT.

Frankston Teachers College.—A temporary female clerical assistant was convicted of stealing, forging and uttering cheques for \$250.00 and \$365.30. She was released on probation. The bank made good the loss.

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

Technical Schools.

Essendon.—In a case of breaking and entering an amount of \$813 was stolen. Investigations are in the hands of the police.

Geelong West.—Matters arising from an audit inspection are currently being investigated by the police.

EGG AND EGG PULP MARKETING BOARD.

At the Board's Port Melbourne premises a safe containing cash and cheques amounting to \$960.11 was stolen. The Board's insurers met the loss of cash \$593.98 and also paid \$80 compensation for the loss of the safe. Cheques totalling \$366.13 were replaced by the drawers.

FORESTS COMMISSION.

Dimboola.—In a case of breaking and entering a safe and contents were stolen. Loss of cash was \$56.65 of which \$8.65 was written off and \$48 recouped from vote.

Shepparton.—An amount of \$19.98 was stolen by breaking and entering. The offenders were convicted and losses recovered from them.

GRAIN ELEVATORS BOARD.

At Geelong Terminal there was a cash deficiency of \$1,413.85. From the audit inspection the person responsible could not be determined.

HEALTH DEPARTMENT.

Mental Hygiene Branch.

Head Office.—Donations of \$43.86 to the Mental Health Donations Trust Fund were not brought to account. The shortage was restored by the officer responsible for safe custody of the moneys.

Ernest Jones Clinic, Preston.—A deficiency of \$19.91 in the Occupational Therapy Account was made good by the officer who kept the account.

Larundel Hospital.—An amount of \$44.45 was stolen by breaking and entering. Police investigations failed to establish responsibility. The amount was written off.

Pleasant View Hospital.—An investigation of the Patients' Comfort Fund disclosed irregularities and a shortage of \$1,581.80. A charge against an officer was dismissed in a Magistrates' Court.

Sunbury Hospital.—A cheque for \$8.68 payable to a former temporary Farm Assistant was altered to \$80.68 and paid by the bank as the latter amount. The ex-employee was charged with uttering and is to stand trial.

LANDS DEPARTMENT.

Rural Finance and Settlement Commission.—An amount of \$18 was stolen from the office of the Heytesbury Settlement project following breaking and entering. Police investigations failed to establish responsibility.

Yarra Bend Park Trust.—Cash amounting to \$1,480.30 was stolen from a safe in the Secretary's office. Police investigations failed to establish responsibility.

LAW DEPARTMENT.

City Court.—Three instances of theft of cash occurred, the amounts involved being \$100, \$52 and \$74. Police investigations failed to locate the missing money or any person responsible for its theft.

Portland Magistrates' Court.—An amount of \$4 was not brought to account in a civil case. The person responsible had resigned prior to discovery of the irregularity.

Sheriff of the Supreme Court.—An audit investigation disclosed a deficiency of \$561.28 in the Sheriff's Trust Account. He was found guilty by the Public Service Board of offences under the Public Service Act and reduced in classification. The deficiency was recovered from him after surcharge under the Audit Act.

Titles Office.—Allegations that title searches were conducted without full payment of the appropriate fees were investigated by the police. No evidence was discovered on which to base action against any person.

LOCAL AUTHORITIES SUPERANNUATION BOARD.

An amount of \$353.85 was wrongly expended from Board funds and later repaid by the officer responsible.

RAILWAY DEPARTMENT.

Twenty-six 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 \$227, \$173, \$204, \$161 and \$129 the cash and other deficiencies were comparatively small.

Twenty-two of the charges were heard by the courts and four were dealt with by the Railways Board of Discipline.

SOCIAL WELFARE DEPARTMENT.

Allambie.—An amount of \$30 received by registered mail was not brought to account. Police inquiries were inconclusive.

Pentridge Prison.—Sums totalling \$2,176.75 received at "D" Division Office were not properly accounted for in the Bails and Fines Account. A notice of surcharge under Section 36 of the Audit Act 1958 has been served on a former prison officer. This officer had previously been served with a notice of surcharge in respect of a shortage of \$2,489.74 which occurred approximately one year before, and was referred to in my Report on the accounts of the year 1969-70. Criminal proceedings are in course in relation to both deficiencies.

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, the largest being a misappropriation of \$860 at the Ouyen District Office. Restitution of this amount is expected. An amount of \$300 stolen from the Southland Showroom was recovered from the Commission's insurers and \$66 withheld from tramway collections at Bendigo was subsequently received.

Thefts of non-ferrous metals, mainly copper and copper conductor from erected lines, stores, depots and other field locations amounted to \$9,916, which figure is considerably less than that of the previous year.

STATE RIVERS AND WATER SUPPLY COMMISSION.

Millewa Pumping Station.—Irregular payments amounting to \$520 occurred in connection with the purchase of firewood. Restitution was made and criminal proceedings were taken against the employee responsible.

Yallourn North Waterworks Trust.—There was a deficiency of \$3,580.89 in the accounts. Criminal proceedings were taken against the former Secretary and a term of imprisonment imposed.

TREASURY.

Stamp Duties Office.—A loss of duty stamps to the value of \$30 was written off with approval of the Treasurer.

UNIVERSITIES.

La Trobe.—There were five instances of theft from the Sports Union Office involving a total of \$53.10. Each case was investigated by the police. In respect of one theft a sum of \$12.10 was recovered when offenders were apprehended.

Melbourne.—A loss of petty cash, \$19.30, occurred in the Pathology Department. A claim was made on the insurers.

Monash.—An amount of \$23.42 was stolen from the Sports Administration Office. The loss was met by insurers.

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	Wodonga	Equipment	5	} Thefts reported to police	
	Burnley	Radiator, Drill	35		
	Fruit Fly Depot	Clothing, Equipment	30		
	Cool Stores	5 pairs Overalls	30		
	Scoresby Research Unit {	Fire Extinguisher,		9
			Recording Tape		
Numurkah	Brass Firefighter	17			
Dookie College	Motor Tools	600			
Country Roads Board	Princes Highway	Water Pump and Two	157	} Thefts reported to police	
	.. ..	Wheels		
	Maroondah	Laboratory Items	120		
	Northern	Wheelbarrow	29		
	Wedderburn	Gas Cylinder	50		
	Midland Highway	Grading Blade	220		
	Calder Highway	Tools	50		
	Mount Dandenong } Tourist Road	Explosives	67		
	Robley's Spur	Equipment, Fuel	130		
Various Sites	Equipment	270			
Crown Lands and Survey	Keilor Depot	Equipment	260	Stolen, police informed	
Education	Various Schools	Equipment	16,928	Stolen, lost and/or damaged	
Forests Commission	Beaufort	Tools and Equipment	24	} Thefts reported to police	
	.. ..	Radio Set	270	
	Creswick	Chain Saw	50		
	Broadford	2 Chain Saws	110		
	Beechworth	Tools and Equipment	34		
	Forrest	Safety Belt	15		
	Mansfield	Tent	50		
	Rennick	Petrol and Oil	16		
	Mirboo North	Tent and Petrol	56		
	Shepparton	Tools	54		
Yarram	Battery	15			
Health	Division of Chest X Rays	Camera and Enlarger	380	} Stolen, police notified	
		Camera, Film Holder	390		
.. ..	Bundoora Hospital	Photographic Accessories	380	} Written off	
		Cigarettes	4		
La Trobe University	Biology Department	Flash Unit	377	} Stolen, police notified	
	Sports Union	Squash Balls, Drinks	20		
	Physics Department	Coupling System	27		
	Chemistry Workshop	Equipment	322		
Melbourne and Metropolitan Board of Works	Various Locations	Tools and Equipment	12,722	Lost and/or stolen and written off	
Melbourne Harbor Trust	Williamstown Workshops	1,236 feet of Boiler Tubing	463	Written off, presumed to be stolen	
Mental Health Authority	Royal Park Hospital	Electric Iron	10	} Investigated by the Authority and written off	
		Portable Typewriter	30		
		Television Set	40		
	Medical Section	Tape Recorder and player	79		
	Mont Park Hospital	Microphone and amplifier	50		
		Radiogram	50		
		Television Camera, Tripod and Lens	583		
	.. ..	Polaroid Camera	200	
.. ..	Equipment	90			
Monash University	Various Locations	Teaching and Maintenance Equipment	3,531	Stolen, written off	
Police	St. Albans Station	Motor Mower	40	Investigated and written off	
Public Works	Various Locations	Tools and Equipment	3,935	Police notified of thefts	
Railways	Richmond Refreshment Stall	Stocks on hand	255	} Stolen, reported to police	
	Central Refreshment Services Store	Cigarettes and Tobacco	13,306		
State Rivers and Water Supply Commission	Various Centres and Job Sites	Tools and Equipment	1,079	Police notified of thefts	
University of Melbourne	Press Bookroom	Gramophone Records	1,034	Stolen, police notified	

Acknowledgment.

I was appointed to the office of Auditor-General in succession to Mr. A. J. A. Gardner on 16th November, 1970, on which date Mr. Gardner assumed the office of Chairman, Public Service Board.

Mr. Gardner brought to the position of Auditor-General a brilliant mind and a profound knowledge of all aspects of public finance and accounting and the benefit to the Audit Office and, indeed, to the State, arising from his five year term as Auditor-General will be felt for years hence.

The year saw no abatement of the pressure on the Audit Office staff caused by the heavy work load and the increasing volume of business to be covered in most audits. I acknowledge the willingness of the staff to accept the added burdens and record my appreciation of their loyal and efficient support throughout the year.

I also thank the officers of the Treasury and other Departments for their co-operation and I am particularly grateful for the service rendered by the Government Printer.

B. HAMILTON

Auditor-General.

Melbourne, 18th November, 1971.

STATEMENT No. 1.

A comparison, on a monetary and proportional basis, of expenditure from the Consolidated Fund in 1970-71 with that in the previous year is given below:—

Nature of Expenditure.	1969-70.		1970-71.	
	Amount.	Percentage of Funds Available.	Amount.	Percentage of Funds Available.
Social—	\$	%	\$	%
Education, Health, Welfare, Payments to Hospitals and Charities Fund, &c. ..	414,134,958	46·46	484,082,951	47·87
*Debt Charges—				
Interest, Sinking Fund, Repayments, (including Housing and Soldier Settlement) ..	154,360,357	17·32	165,560,346	16·37
Railways—				
†Working Expenses and Expenditure from Works and Services Account	129,259,791	14·50	139,088,294	13·75
Pensions	5,724,242	·64	6,176,365	·61
Primary Production—				
Agriculture, Lands, Soldier Settlement, Forests, Country Water Supply, &c.	64,962,996	7·29	67,588,155	6·68
Law and Order—				
Law, Police, Prisons, &c... ..	43,549,769	4·88	47,001,961	4·65
State Electricity Commission—				
Advances	19,250,000	2·16	5,000,000	·49
Melbourne and Metropolitan Board of Works—				
Advances	6,210,000	·69	10,000,000	·99
Other Public Works—				
Works and Advances	10,544,227	1·19	14,102,352	1·39
Pensions—				
Retired Officers, Officers' Widows, &c., excluding Railways	10,547,760	1·18	12,073,322	1·19
Other Expenditure	45,388,810	5·09	55,473,810	5·49
In Aid of Revenue	2,886,816	·32	..	..
Funds retained in the Works and Services Account .. .. .	..	..	5,231,106	·52
Total Expenditure from the Consolidated Fund	906,819,726	101·72	1,011,378,662	100·00
Revenue Deficit	15,382,002	1·72	..	..
Total Funds Available	891,437,724	100·00	1,011,378,662	100·00

* Includes Railway Debt Charges, 1969-70, \$7,491,144 ; 1970-71, \$8,536,982.

† Excludes Railway Debt Charges, 1969-70, \$7,491,144 ; 1970-71, \$8,536,982.

STATEMENT No. 2.

ABSTRACT OF LOAN TRANSACTIONS FOR THE YEAR 1970-71.

Receipts—

Proceeds of Loans Raised—					\$	\$
For Works, &c.	..	..	..	..	121,670,000	
For Redemption	..	..	..	..	240,718,680	
Loan Repayments	..	..	..	..	5,897,297	
					<u> </u>	<u>368,285,977</u>

Disbursements—

Paid to the Consolidated Fund	..	..	..	..	127,567,297	
Applied to Redemption	..	..	..	..	240,718,680	
					<u> </u>	<u>368,285,977</u>

LIABILITY FOR LOANS.

					\$	\$
Liability to Commonwealth at 30th June, 1970	..	..	..	..	..	2,233,434,285
Loans raised in 1970-71—						
For Works, &c.	..	..	..	..	121,693,436	
For Redemption	..	..	..	..	240,735,666	
					<u> </u>	<u>362,429,102</u>
						<u>2,595,863,387</u>
<i>Less Loans Repurchased or Redeemed—</i>						
By Redemption Loans	..	..	..	..	240,080,522	
By National Debt Sinking Fund	..	..	..	..	27,241,716	
					<u> </u>	<u>267,322,238</u>
Liability to Commonwealth at 30th June, 1971	..	..	..	..	..	2,328,541,149
<i>Less Cash at credit of National Debt Sinking Fund</i>	..	..	..	..	..	<u>3,165,687</u>
Net Liability for Loans at 30th June, 1971	..	..	..	..	..	<u>2,325,375,462</u>
Net Liability for Loans at 30th June, 1970	..	..	..	..	..	<u>2,230,055,846</u>
Increase in Net Liability for the year	..	..	..	..	..	<u>95,319,616</u>

The net liability to the Commonwealth at 30th June, 1971, of \$2,325,375,462 does not include the liability in respect of—

- (i) advances for housing, \$550,423,591 ;
- (ii) advances for special assistance for soldier settlement, \$12,893,275 ;
- (iii) advances for drought relief, \$4,351,873 ; and
- (iv) the special payment to the State in 1969-70 to meet budgetary difficulties, \$10,000,000.

STATEMENT No. 3.

TRUST FUND.

The Treasurer's liability on account of the Trust Fund, at 30th June, 1971, was :—

<i>Various funds as per Treasurer's Statement—</i>						\$
Amounts lodged and invested	..	..	..	..	..	72,622,517
General Account balances	..	..	..	..	..	108,931,890*
						<hr/>
						181,554,407
						<hr/>

Represented by :

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.	..	..	..	..	..	23,054,269
Gas and Fuel Corporation Registered Debenture Stock	..	..	..	..	..	4,277,700
Gas and Fuel Corporation of Victoria—Shares	..	..	..	..	..	15,398,282
Geelong Harbor Trust Debenture	..	..	..	..	..	77,512
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	..	..	..	..	..	1,465,000
Melbourne and Metropolitan Board of Works Inscribed Stock	..	..	..	..	..	7,909,860
Melbourne and Metropolitan Tramways Board Inscribed Stock	..	..	..	..	..	1,125,000
National Art Gallery and Cultural Centre Registered Debenture Stock	..	..	..	..	..	812,100
Pilot Vessel <i>Akuna</i> —Registered Mortgage Debenture	..	..	..	..	..	32,608
State Electricity Commission Inscribed Stock	..	..	..	..	..	2,657,160
State Savings Bank Deposit Stock	..	..	..	..	..	2,495,300
Victorian Pipelines Commission—Debentures	..	..	..	..	..	14,690,000
						<hr/>
						74,362,517*

Cash Advanced—

						\$
For Deficits incurred to 30th June, 1970	..	..	..	..	..	21,782,281
For Other Advances	..	..	..	..	..	5,037,695
						<hr/>
						26,819,976
Cash as per Treasurer's Statement	..	..	..	..	..	80,371,914
						<hr/>
						181,554,407
						<hr/>

* Includes balances invested on account of the Treasurer's Investment Account—General, \$1,740,000.

DEBT CHARGES ACCOUNT.

The following particulars have been compiled from the Treasurer's Statements with the object of indicating the portion of the Receipts, other than Railway Income, which may be regarded as having been available to meet the Debt Charges paid for the year 1970-71.

Receipts.		Payments.	
	\$		\$
<i>Paid to the Consolidated Fund on account of Interest, Sinking Fund, etc. on Advances from the State—</i>		<i>On Funded Debt—</i>	
State Electricity Commission	15,820,288	<i>Interest—</i>	
Country Roads Board	2,426,570	Melbourne	105,202,039
Water, Sewerage, &c. Authorities	1,939,473	Overseas	4,199,666
Rural Finance and Settlement Commission	1,484,658		<u>109,401,705</u>
Land Settlement	1,103,964	Less—Rebate State Savings Bank	500,000
Gas and Fuel Corporation	524,306		<u>108,901,705</u>
Melbourne and Metropolitan Board of Works	479,815	Expenses	366,443
Grain Elevators Board	109,125		<u>109,268,148</u>
Miscellaneous	562,445		
	<u>24,450,644</u>		
<i>Paid to the Consolidated Fund—Other Interest—</i>		<i>Sinking Fund Contributions</i> .. .. .	.. .. .
Interest on Public Account	4,670,958	<i>Loan Conversion Expenses</i> .. .. .	.. .. .
		<i>Debit to the Consolidated Fund on account of Debt Charges on Public Debt</i> .. .. .	.. .. .
Less—Interest paid on Deposits	76,385	<i>Debit to the Consolidated Fund on account of Railways</i> .. .. .	.. .. .
	<u>4,594,573</u>		<u>8,536,982</u>
			<u>131,236,946</u>
<i>Paid to the Consolidated Fund—Recoup of Interest, Principal, &c.—Other Loans.</i>			
Commonwealth—State Housing Agreement—			
Housing Commission	19,960,122		
Home Builders' Account	5,196,957		
	<u>25,157,079</u>		
Commonwealth—Special Assistance Loans for Soldier Settlement	629,339		
	<u>25,786,418</u>		
<i>Portion of Debt Charges met from Commonwealth Debt Charges Assistance Grant</i>	2,782,818		
<i>Portion of Debt Charges met from Railway Income..</i>	8,536,982		
<i>Balance—Amount which had to be met from Taxation and other sources</i>	99,408,911		
	<u>165,560,346</u>		
			<u>25,786,418</u>
			<u>165,560,346</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.
	\$	\$	\$	\$	\$	\$	\$
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
1970-71 ..	2,280,987,717	131,236,946‡	29,045,217§	99,408,911	5.7535	1.2734	4.3582

* 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.

§ Excludes \$2,782,818 Commonwealth Debt Charges Assistance Grant.

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.
	\$	\$	\$	\$	\$	\$	\$
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
1970-71 ..	410,157,424	21,467,868	2,739,906	18,727,962	5.2341	.6680	4.5660

STATEMENT No. 5.

RAILWAYS.

Statement of Railway Receipts and Expenditure, 1970-71.

Receipts.		\$	Expenditure.		\$
Ordinary Income .. .. .	.. .. .	107,465,131	Working Expenses .. .. .	.. .. .	121,084,634
Recoup for reductions in certain Country Freight Charges .. .. .	.. .. .	286,000	Commissioners' Salaries .. .. .	.. .. .	56,800
Recoup Pensioners' Fares Concessions .. .. .	.. .. .	200,000	Accident Fund .. .. .	.. .. .	1,497,063
Recoup Kerang-Koondrook Tramway Act .. .. .	.. .. .	49,080	Renewals and Replacements Fund .. .. .	.. .. .	400,000
		<u>108,000,211</u>	Pension Contributions .. .. .	.. .. .	6,176,365
					<u>129,214,862</u>
			Interest .. .. .	.. .. .	8,080,581
			Sinking Fund Contribution .. .. .	.. .. .	364,848
			Exchange on Overseas Interest .. .. .	.. .. .	91,553
					<u>8,536,982*</u>
Available from Appropriations to Works and Services Account		15,888,794	Way and Works .. .. .	.. .. .	9,338,380
			Rolling-stock, Equipment, Machinery, and other Works .. .. .	.. .. .	6,442,507
			Construction of new lines, &c. .. .. .	.. .. .	107,907
Deficit for year .. .. .	.. .. .	29,751,633			<u>15,888,794</u>
Total .. .. .	.. .. .	<u>153,640,638</u>	Total .. .. .	.. .. .	<u>153,640,638</u>

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

STATEMENT NO. 5—continued.

For purposes of comparison the receipts and expenditure (excluding expenditure through the Works and Services Account) for the past two years are shown in the following statement :—

Expenditure.	1969-70.	Per cent. of Receipts.	1970-71.	Per cent. of Receipts.
	\$		\$	
Working Expenses	110,722,681	} 105·3	121,084,634	} 112·2
Commissioners' Salaries	51,875		56,800	
Accident Fund	1,812,761	1·7	1,497,063	1·4
Renewals and Replacements Fund	400,000	·4	400,000	·4
Pension Contributions	5,724,242	5·4	6,176,365	5·7
National Debt Sinking Fund	330,179	·3	364,848	·3
Interest	7,062,334	6·7	8,080,581	7·5
Exchange on Interest Payments	98,631	·1	91,553	·1
	126,202,703	119·9	137,751,844	127·6
Deficit	20,998,227	19·9	29,751,633	27·6
Receipts	105,204,476	100·0	108,000,211	100·0

COUNTRY WATER SUPPLY.

RECEIPTS AND PAYMENTS 1970-71.

Receipts.		Payments.	
<i>Debt Charges—</i>		<i>Charged to the Consolidated Fund—</i>	
Water Trusts and Other Corporations, &c.	\$.. 1,808,463	Special Appropriation—	\$..
<i>Rates, &c.—</i>		Commissioners' Salaries (part) ..	22,057
Coliban ..	770,967	Pensions ..	510,611
Waterworks Districts ..	1,509,140	National Debt Sinking Fund ..	979,014
Irrigation Districts ..	5,615,028	Interest ..	20,300,742
Urban Districts ..	2,531,693	Exchange ..	179,796
Flood Protection ..	97,939	Loan Conversion Expenses ..	8,316
Miscellaneous ..	634,877		<u>22,000,536</u>
	<u>11,159,644</u>	<i>Vote—</i>	
		Salaries and payments in the nature of salaries..	7,818,441
		General Expenses ..	1,564,212
		Coliban Districts ..	218,467
		Irrigation and Drainage Districts ..	2,578,930
		Waterworks Districts ..	1,160,000
		Flood Protection Districts ..	63,586
		Removal of Sand Drift ..	94,639
		Private Diversions including Headworks ..	72,710
			<u>13,570,985</u>
<i>Recoups of Amounts paid from the Consolidated Fund</i> ..	3,225,238		
	<u>14,384,882</u>	<i>Works and Services Account—</i>	
<i>Loan Repayments</i> ..	650,214	Trusts, &c. (for Advances) ..	3,400,919
		Districts ..	13,455,023
		Plant and Machinery ..	147,717
		Latrobe Valley Water Supply ..	4,476
		Salt Affected Land—Acquisition, &c. ..	204
<i>Net Outgoing</i> ..	35,736,301		<u>17,008,339</u>
	<u>52,579,860</u>		<u>52,579,860</u>

APPENDIX A.

SUMMARY OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE, 1971,
OF AGRICULTURE DEPARTMENT—EDUCATIONAL, RESEARCH AND EXPERIMENTAL
INSTITUTIONS.

	Receipts.				Payments.				Net Cost.
	Students' Fees.	Sale of Produce, &c.	Rents and Other Receipts.	Total Receipts.	Salaries and Wages.	Maintenance and Other Working Expenses.	Capital Expenditure.	Total Payments.	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Victorian Plant Research Institute, &c., Burnley	6,546	..	1,133	7,679	162,428	30,167	793	193,388	185,709
Agricultural College, Dookie ..	94,651	63,516	19,370	177,537	475,259	138,789	32,331	646,379	468,842
Agricultural College, Dookie, Stock Trading Account ..	..	49,505	..	49,505	..	49,443	..	49,443	Cr. 62
Agricultural College, Longerenong ..	54,888	37,922	12,550	105,360	283,606	75,452	25,399	384,457	279,097
Agricultural College, Longerenong, Stock Trading Account ..	..	7,768	..	7,768	..	1,750	..	1,750	Cr. 6,018
Dairy College, Glenormiston ..	11,011	25,009	2,548	38,568	66,337	36,128	918,860	1,021,325	982,757
Dairy College, Glenormiston, Stock Trading Account ..	..	15,267	..	15,267	..	5,642	..	5,642	Cr. 9,625
Gilbert Chandler Institute of Dairy Technology, Werribee ..	1,225	12,002	2,618	15,845	62,560	40,263	5,443	108,266	92,421
S.S. Cameron Laboratory, Werribee ..	..	25,943	8	25,951	95,397	56,499	40,643	192,539	166,588
Dairy Research Station, Ellinbank ..	..	18,721	4,888	23,609	72,951	18,552	24,544	116,047	92,438
Dairy Research Station, Ellinbank, Stock Trading Account ..	..	14,410	..	14,410	..	11,353	..	11,353	Cr. 3,057
Research Station, Mildura	..	12,924	350	13,274	26,772	11,258	73,428	111,458	98,184
Research Station, Scoresby ..	..	20,740	1,008	21,748	77,087	31,717	23,984	132,788	111,040
Research Station, Tatura	3,067	37,205	905	41,177	70,296	40,733	26,713	137,742	96,565
Potato Research Station, Healesville ..	..	1,163	1,243	2,406	50,677	15,163	13,190	79,030	76,624
Potato Research Station, Healesville, Stock Trading Account ..	..	987	..	987	..	868	..	868	Cr. 119
Viticultural Station, Rutherglen ..	..	6,203	412	6,615	44,966	4,968	2,248	52,182	45,567
Research Station, Rutherglen ..	2,757	19,115	3,702	25,574	96,049	23,991	10,643	130,683	105,109
Research Station, Rutherglen, Stock Trading Account ..	..	44,659	..	44,659	..	30,581	..	30,581	Cr. 14,078
Research Farm, Werribee	12,377	15,653	9,522	37,552	139,687	59,079	43,841	242,607	205,055
Research Farm, Werribee, Stock Trading Account ..	..	27,035	..	27,035	..	29,395	..	29,395	2,360
Mallee Research Station, Walpeup ..	2,544	12,601	4,943	20,088	50,888	16,312	14,753	81,953	61,865
Mallee Research Station, Walpeup, Stock Trading Account ..	..	6,865	..	6,865	..	5,200	..	5,200	Cr. 1,665
Tobacco Research Station, Myrtleford ..	..	3,000	1,402	4,402	7,615	1,359	121	9,095	4,693
Tobacco Research Station, Myrtleford, Stock Trading Account ..	..	5,287	..	5,287	..	30	..	30	Cr. 5,257
Pastoral Research Station, Hamilton ..	..	20,000	2,308	22,308	68,284	33,729	20,574	122,587	100,279
Pastoral Research Station, Hamilton, Stock Trading Account ..	..	58,763	..	58,763	..	67,762	..	67,762	8,999
Irrigation Research Station, Kyabram ..	..	18,991	1,533	20,524	47,811	12,711	4,675	65,197	44,673
Irrigation Research Station, Kyabram, Stock Trading Account ..	..	16,840	..	16,840	..	14,682	..	14,682	Cr. 2,158
Veterinary Research Institute, "Attwood", Broadmeadows ..	..	525	512	1,037	32,538	35,382	17,707	85,627	84,590
<i>Carried Forward.</i>	189,066	598,619	70,955	858,640	1,931,208	898,958	1,299,890	4,130,056	3,271,416

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>	\$ 189,066	\$ 598,619	\$ 70,955	\$ 858,640	\$ 1,931,208	\$ 898,958	\$ 1,299,890	\$ 4,130,056	\$ 3,271,416
Vegetable Research Station, Frankston ..	..	500	666	1,166	20,881	7,026	5,590	33,497	32,331
Wheat Research Institute, Horsham ..	..	..	..	..	15,161	4,959	604	20,724	20,724
Veterinary Diagnostic Laboratory, Hamilton ..	..	..	..	..	10,748	7,286	373,726	391,760	391,760
	189,066	599,119	71,621	859,806	1,977,998	918,229	1,679,810	4,576,037	3,716,231

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

The above statement does not include payments to Consolidated Fund of \$98,000, being surplus funds in the following Stock Trading Accounts :—Agricultural College, Dookie \$25,000 ; Dairy College, Glenormiston \$8,000 ; Longerenong Agricultural College \$14,000 ; Pastoral Research Station, Hamilton \$20,000 ; Research Station, Rutherglen \$16,000 ; Research Farm, Werribee, \$5,000 ; Mallee Research Station, Walpeup \$4,000 ; Irrigation Research Station, Kyabram \$3,000 ; Tobacco Research Station, Myrtleford \$3,000.

APPENDIX B-1.

ENDOWMENTS AND GRANTS.

	1969-70.	1970-71.	+ Increase - Decrease
Social—	\$	\$	\$
Alcoholism Foundation of Victoria	13,730	10,800	- 2,930
Alexander Miller Memorial Homes Trust	5,000	5,000	..
Australia Day Council	2,500	2,500	..
Australian Amateur Rowing Council 3rd World Rowing Championship Appeal (Victorian Division) .. .. .	..	1,000	+ 1,000
Australian Red Cross Society for After-care Treatment of Poliomyelitis Sufferers	20,000	20,000	..
Ballarat Youth Centre	1,600	1,600	..
Bendigo Rotary Club Youth Camp	1,000	1,000	..
Boys' Employment Movement	6,900	9,000	+ 2,100
Boy Scouts Association	4,000	4,000	..
Bush Nursing	404,000	429,700	+ 25,700
Children's Welfare Association of Victoria	500	500	..
Family Life Movement of Australia	1,500	1,500	..
Family Planning Association of Australia .. .. .	..	7,000	+ 7,000
Girl Guides Association	4,000	4,000	..
Hanover Centre .. .. .	..	5,000	+ 5,000
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	47,000	+ 2,500
National Safety Council	30,000	30,000	..
Over Fifties Association	800	800	..
Playgrounds and Recreation Association of Victoria	12,000	12,000	..
Probation Officers' Association	800	800	..
Royal Humane Society of Australasia	200	200	..
Royal Life Saving Society of Victoria	14,000	14,000	..
St. John Ambulance Brigade	9,000	10,000	+ 1,000
Salvation Army	1,000	1,000	..
Science and Technology Careers Bureau	3,364	4,000	+ 636
State Relief Committee	60,000	63,500	+ 3,500
Surf Life Saving Association of Australia	16,000	16,000	..
United Nations Association of Australia	1,000	1,000	..
Victoria Amateur Swimming Association	2,000	2,000	..
Victorian Council of Social Services	10,000	10,000	..
Victorian Council on the Ageing	3,000	3,000	..
Victorian Cytology (Gynaecological) Service	125,000	147,000	+ 22,000
Victorian Family Council	3,000	3,000	..
Victorian Nursing Council	29,000	22,000	- 7,000
Walter and Eliza Hall Research Institute	72,000	100,000	+ 28,000
Young Christian Workers Movement	2,000	2,000	..
Young Farmers' Clubs Association	47,800	61,213	+ 13,413
Young Men's Christian Association	4,000	4,000	..
Cultural—			
Bands	4,800	4,800	..
Children's Free Libraries	10,000	9,999	- 1
Country Art Galleries	59,463	63,350	+ 3,887
Country Free Libraries	17,999	18,000	+ 1
Cultural Development	325,280	377,780	+ 52,500
Melbourne Symphony Orchestra	75,000	95,000	+ 20,000
Municipal and Regional Libraries	1,327,143	1,595,749	+ 268,606
Orchestral Concerts	9,619	33,129	+ 23,510
Sundry—			
Animal Welfare League	1,000	1,000	..
Australian Industrial Design Council	5,000	7,500	+ 2,500
Ballarat Fish Acclimatization Society	2,400	2,400	..
British Commonwealth Day Movement	500	500	..
British Commonwealth Youth Sunday	6,000	6,000	..
British Memorial Foundation	200	200	..
Cemeteries, Improvement and Maintenance	14,000	11,040	- 2,960
Citizens' Advice Bureau	2,500	2,500	..
Commonwealth Parliamentary Association—Victoria Branch	16,670	44,500	+ 27,830
Council for Christian Education in Schools	40,000	40,000	..

ENDOWMENTS AND GRANTS—*continued.*

	1969-70.	1970-71.	+ Increase - Decrease
<i>Sundry—continued</i>	\$	\$	\$
Gandhi Centenary Celebrations	1,000	..	- 1,000
Guide Dog Owners and Friends Association ..	1,000	1,000	..
Keep Australia Beautiful Council	20,000	25,000	+ 5,000
Kerang Agricultural Research Farm	2,000	2,000	..
Macalister Research Farm Co-operative Ltd. ..	2,000	2,000	..
Melbourne Medical Post-Graduate Committee ..	4,000	4,000	..
Murray Valley Development League .. .. .	..	2,000	+ 2,000
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	..
Swan Hill Irrigators' Research Committee .. ..	..	3,000	+ 3,000
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	2,780	+ 150
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	100	- 100
Zoological Board of Victoria	23,000	23,000	..
Total	3,026,998	3,533,140	+ 506,142

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, 1970-71.

	\$
All Nations Together Society	100
Ararat Golden Gateway Festival	300
Arts Council of Australia (Victoria Division)	10,000
Astra Chamber Music Society	1,500
Australian Elizabethan Theatre Trust	250,000
Australian National Theatre Limited	30,000
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 Music Lovers' Club	100
Ballarat Orchestra Association	500
Basin Theatre Group	100
Beaumaris Art Group	100
Beechworth Music Group	100
Bendigo Competitions Society	1,750
Bendigo Music Advancement Society	500
Bendigo Music Lovers' Club	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	200
"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
Contemporary Art Society of Australia	300
Dandenong Festival of Music and Art for Youth	2,750
Daylesford Highland Gathering Committee	1,000
Debaters' Association of Victoria	200
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 Music Club	50
Horsham Orchestral Society	50
International Concert Committee (Geelong)	200
Kew Philharmonic Society	150
Kyneton Lions Club Music and Drama Festival	400
Latrobe Light Opera Society	100
Latrobe Valley Eisteddfod	600
Library Week Committee	200
Malvern Arts Council	100
Maroondah Players	50
Maroondah Singers	50
Maryborough Arts Society	500
Melba Memorial Conservatorium of Music	5,000
Mentone—Mordialloc Art Group	50
Metropolitan Choristers	50

APPENDIX B-2—continued.

	\$
Mildura Music Society	50
Mitcham Repertory Group	50
Moe City Choir	50
Moomba Festival	12,000
Moorabbin City Theatre Group	100
Mordialloc City Choral Society	200
Mordialloc City Theatre Group	50
Mordialloc Eisteddfod	100
Mornington Eisteddfod	200
Morwell Art Group	50
Morwell Male Choir	50
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
Northcote Dramatic Society	100
Northern Theatre Company	100
Oriana Madrigal Choir	100
Peninsula Arts Society	100
Peninsula Light Operatic Society	200
Peninsula Music Society	50
Portland Council for the Encouragement of Music and the Arts	200
Pyalong Music and Dramatic Group	50
“Q” Theatre Guild	500
Red Cliffs Musical Society	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
St. Martin’s Theatre	20,000
Sale Arts Festival	600
Sale Eisteddfod Society	400
Sale Repertory Group	100
Sandringham City Choral Society	100
Sandringham Symphony Orchestra	200
Seymour Dramatic Society	100
Seymour Music Club	100
Shepparton Dramatic Society	100
Shepparton Light Music Company	100
Shepparton Musical Advancement Society	300
Shepparton Symphony Orchestra	430
Sherbrooke Art Society	50
South Gippsland Eisteddfod	100
South Melbourne City Philharmonic Society	50
Stawell Choral Society	100
Strathmore Orchestral Society	50
Strathmore Theatrical Arts Group	100
Thespians (Yallourn) Dramatic Society	100
Traralgon Music, Drama and Art Society	300
Victorian Artists Society	1,000
Victorian Ballet Guild	5,000
Victorian Drama League	1,500
Victorian Highland Pipe Band Association	1,500
Victorian Opera Company	500
Wangaratta Arts Council	1,500
Wangaratta Eisteddfod Society	50
Wangaratta Players	100
Warracknabeal Music Club	50
Warrandyte Arts Association	300
Warrnambool Music Society	100
Warrnambool Theatre Group	200
Wendouree Arts Council	50
Western Philharmonic Society	100
Williamstown Light Opera Company	200
Williamstown Little Theatre Movement	300
Wimmera Eisteddfod	50
Yallourn Madrigal Singers	50
Yallourn Orchestral and Choral Society	200
TOTAL	377,780

APPENDIX C.

EDUCATION DEPARTMENT

Comparative Analysis of Expenditure from the Consolidated Fund, &c.

NOTE:—1970-71 shown in heavy type.
1969-70 shown in light type.

Expenditure	Administration	Teachers Tribunal	Primary Schools	Secondary Schools	Technical Schools	Special Schools and Hostels Attached Thereto	Correspondence Schools	Special Activities (Library, Music, Visual Education, &c.)	Teachers' Colleges	Teachers' Colleges Hostels	Universities and Colleges of Advanced Education	Independent Schools	Miscellaneous	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Salaries—Teaching Service	1,509,125 1,304,984	..	71,059,809 63,276,380	49,770,281 44,031,409	27,451,801 22,861,694	2,853,762 2,410,207	739,220 612,144	3,997,167 3,188,133	6,874,636 5,258,987	9,356 8,085	..	..	..	165,265,157 142,952,023
Salaries—General Administration and Clerical Assistance	1,927,935 1,707,042	120,107 89,751	110,966 57,804	1,438,865 1,186,735	..	33,631 16,962	67,497 66,743	215,344 175,058	254,323 167,890	54,004 51,356	..	..	..	4,222,672 3,519,341
Pay-roll Tax	82,360 74,744	2,952 2,270	1,816,917 1,641,369	1,320,239 1,197,860	667,333 573,489	73,171 63,290	18,927 17,113	103,380 84,984	179,353 141,311	14,467 13,441	..	..	..	4,279,099 3,809,871
Workers' Compensation Insurance	21,128 15,865	757 482	466,119 348,398	338,697 254,257	171,198 121,727	18,771 13,434	4,855 3,632	26,521 18,039	156,649 113,010	3,711 2,853	..	..	..	1,208,406 891,697
Allowances—Students in Training	..	..	..	..	..	..	..	..	17,545,378 15,461,965	..	..	..	..	17,545,378 15,461,965
Travelling Expenses and Allowances, &c.	134,017 129,607	2,189 1,142	94,248 75,462	64,126 53,674	125,403 134,452	19,416 15,804	1,693 1,579	173,488 126,480	56,080 42,864	..	..	555 1,221	..	671,215 602,285
Libraries—Grants and Subsidies	..	..	66,153 210,164	6,814 111,987	3,000 40,389	38 1,877	..	37,804 18,942	80,700	..	..	..	..	223,809 464,110
School and Office Equipment and Requisites	201,524 198,934	2,194 3,247	336,134 505,567	874,563 867,082	9,102 72,598	44,831 38,514	122,197 76,519	263,030 206,645	239,868 217,567	..	..	45,109 36,427	..	2,138,552 2,223,100
Text Books, Publications, Examination Expenses, Postage and Telephone Expenses, Incidentals	393,341 346,157	4,506 2,897	10,752 58,917	2,664 39,656	101,517 143,287	8,078 5,419	17,038 10,213	254,464 274,642	67,084 36,836	..	7,594	..	..	867,038 918,024
School Cleaning and Services	3,033 2,424	..	4,148,835 4,116,293	4,100,694 3,613,874	15,689 13,312	119,212 119,131	13,567 11,067	23,002 15,842	327,696 257,255	..	..	..	..	8,751,728 8,149,198
Conveyance of Pupils	..	..	2,627,446 2,510,067	3,476,015 3,160,214	1,399,511 1,190,262	179,570 167,997	..	7,384 8,652	..	..	..	..	..	9,473,009 8,608,708
Bursaries, Scholarships and Maintenance Allowances	..	..	2,331 3,338	1,421,160 1,315,393	547,203 525,067	4,417 1,812	544 265	5,473 2,076	12,048 1,705	..	19,771 22,973	1,772,563 1,562,479	10,520 9,037	3,287,940 3,068,248
International Teaching Fellowships	1,677	..	..	338,003	122,275	..	..	..	5,975	..	..	..	..	466,253
Operating Costs—Hostels and Residential Camps	..	..	..	..	..	24,211 23,372	..	57,914 53,990	..	909,345 895,450	..	..	..	991,470 972,812
Buildings, Sites, &c.—Capital Expenditure	190,646 1,170,593	..	13,977,912 10,158,016	11,053,592 10,266,909	6,376,442 6,777,763	476,378 161,204	1,523 21,132	145,735 31,220	1,856,916 990,389	157,356 67,063	..	..	..	34,238,500 29,644,289
Buildings, Sites, &c.—Maintenance Expenditure	17,672 8,118	..	2,762,614 2,746,383	1,531,493 1,192,150	474,549 515,520	20,851 18,127	40,167 40,739	5,736 7,684	329,126 160,785	42,223 84,679	..	..	..	5,224,431 4,774,185
Grants, &c.	228,566 211,882	..	2,206,143 183	820,890 2,996	14,089,006 11,612,774	37,307 22,460	350	34,842 32,574	180,600 149,000	..	41,430,420 36,135,957	5,977,612 4,266,361	..	65,005,756 52,434,187

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, 1970.	Value as at 30th June, 1971.
		\$	\$
Departments—			
Agriculture	Machinery and Equipment Parts, Fuel, Seed, Publications	246,180	221,321
Chief Secretary—			
(a) Police Branch	Radio and Vehicle Parts, Clothing, Office Requisites	287,614	416,764
(b) Fisheries and Wildlife Branch ..	Publications, Motor Tyres, Field Equipment ..	16,748	19,060
Crown Lands and Survey	Implements, Equipment, Plans, Photographic Materials	1,091,966	1,662,937
Education	School and Office Requisites, Books, Equipment	1,283,779	1,120,004
Forests	Vehicle Parts, Tools, Fuel	351,292	288,689
Health	Hardware, Instruments, Drugs	43,647	56,810
Mental Health Authority	Bedding, Hardware, Clothing	814,724	885,284
Mines	Bore Casing, Tools, Chemicals	397,592	404,480
Public Works	Mechanical and Electrical Equipment, Spare Parts, Furniture, Building Materials	1,003,440	1,215,021
Railways	Engineering, Refreshment Services, General Stores	10,134,098	9,309,243
Social Welfare	Clothing, Hardware, Materials	354,083	344,385
Treasurer—Government Printer	Paper, Stationery, Publications	1,342,409	1,330,159
Water Supply	Machinery Parts, Tools, General Stores ..	2,331,587	2,474,178
Public Authorities—			
Cancer Institute	Medical, Technical and General Stores ..	73,767	76,821
Council of Adult Education	Theatrical Equipment	15,954	15,250
Country Fire Authority	Fire Appliances, Hose, Spare Parts, Uniforms	164,968	223,716
Country Roads Board	Vehicle Parts and Accessories, Camping Equipment, General Stores	950,471	1,166,181
Egg and Egg Pulp Marketing Board ..	Eggs, Packing Materials, Spare Parts ..	672,764	629,378
Gas and Fuel Corporation	Gas Appliances, Fittings, General Stores ..	4,975,757	3,833,199
Geelong Harbor Trust	Engineering and Maintenance Stores ..	19,979	41,024
Housing Commission	Building Materials, Spare Parts	514,559	491,111
La Trobe University	Stationery, Office Requisites	21,332	20,903
Latrobe Valley Water and Sewerage Board..	Construction Materials, Pipes, Spare Parts ..	14,753	13,489
Melbourne and Metropolitan Board of Works	Engineering Stores, Spare Parts, Pipes, Meters	3,626,600	3,767,400
Melbourne and Metropolitan Tramways Board	Engineering Stores and Parts, Uniforms, Stationery	662,634	710,892
Melbourne Harbor Trust	Maintenance and Engineering Stores ..	622,433	726,417
Metropolitan Fire Brigades Board.. ..	Fire Appliances, Electrical and Engineering Stores, Uniforms	259,000	326,000
Monash University	Building Materials, Stationery, Books ..	316,808	264,466
Portland Harbor Trust	Maintenance and Engineering Stores ..	53,617	61,572
Rural Finance and Settlement Commission..	Constructional and General Stores	46,989	15,053
State Electricity Commission	Electrical, Maintenance and Constructional Stores	9,028,159	9,154,050
State Relief Committee	Clothing, Bedding, Hardware, Provisions ..	41,283	53,381
Transport Regulation Board	Stationery and Office Requisites	44,813	49,924
University of Melbourne	Building Materials, Stationery, Chemicals, Glassware	76,019	66,686
Victorian Inland Meat Authority	Meat, General Stores	344,662	903,873
	Total	42,246,480	42,359,121

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.

Particulars.	Vote.			Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase - Decrease
	Division.	Sub- Division.	Item.			
PARLIAMENT.				\$	\$	\$
LEGISLATIVE ASSEMBLY	2	1	3	6,800	7,515	+ 715
			4	1,848	1,133	- 715
		2	1	2,500	2,554	+ 54
			2	1,800	1,746	- 54
LEGISLATIVE COUNCIL AND LEGISLATIVE ASSEMBLY HOUSE COMMITTEE	3	2	1	440	586	+ 146
			2	6,060	6,801	+ 741
			3	500	482	- 18
			4	9,000	8,131	- 869
PARLIAMENT LIBRARY	5	2	1	750	800	+ 50
			2	600	400	- 200
			3	6,500	6,650	+ 150
PARLIAMENTARY DEBATES	6	2	1	1,050	1,076	+ 26
			2	630	617	- 13
			3	300	291	- 9
			4	20	16	- 4
PREMIER.						
GOVERNOR'S OFFICE	7	2	2	2,780	3,427	+ 647
			3	12,230	10,094	- 2,136
			4	5,700	6,486	+ 786
			5	2,455	3,158	+ 703
PREMIER'S OFFICE	8	2	2	8,150	9,389	+ 1,239
			4	7,650	8,758	+ 1,108
			7	36,000	33,653	- 2,347
STATE FILM CENTRE	9	1	1	99,024	99,817	+ 793
			2	5,500	4,707	- 793
		2	2	5,500	5,102	- 398
			5	2,000	2,398	+ 398
SOIL CONSERVATION AUTHORITY	10	1	1	720,261	720,639	+ 378
			2	1,000	622	- 378
PUBLIC SERVICE BOARD	13	2	1	7,000	6,860	- 140
			2	11,750	11,514	- 236
			4	2,100	2,506	+ 406
			5	1,500	1,470	- 30
AUDIT OFFICE	15	1	2	6,800	5,229	- 1,571
			3	10,000	11,571	+ 1,571
CHIEF SECRETARY.						
CHIEF SECRETARY'S OFFICE	16	1	2	257,973	258,282	+ 309
			3	5,000	4,691	- 309
		2	3	7,000	8,427	+ 1,427
			5	7,000	5,573	- 1,427
		3	1	586	585	- 1
			2	700	637	- 63
			3	40,000	40,108	+ 108
			4	200	156	- 44
FISHERIES AND WILDLIFE	21	2	1	59,000	56,842	- 2,158
			2	13,800	14,638	+ 838
			4	19,500	19,783	+ 283
			6	16,000	17,037	+ 1,037
POLICE	24	2	2	221,000	268,713	+ 47,713
			3	325,000	313,962	- 11,038
			4	625,000	623,683	- 1,317
			6	250,000	249,957	- 43
			7	152,000	121,581	- 30,419
			11	12,000	9,193	- 2,807
			12	7,500	5,477	- 2,023
			13	200	134	- 66
STATE LIBRARY, NATIONAL MUSEUM AND INSTITUTE OF APPLIED SCIENCE ADMINISTRATION	26	2	1	300	250	- 50
			2	450	448	- 2
			3	26,750	27,447	+ 697
			5	26,000	25,479	- 521
			6	6,000	5,876	- 124
STATE LIBRARY	27	3	1	6,680	2,599	- 4,081
			2	9,000	8,820	- 180
			6	1,471,630	1,475,891	+ 4,261
INSTITUTE OF APPLIED SCIENCE	29	2	1	500	357	- 143
			3	2,000	2,143	+ 143
NATIONAL GALLERY	30	1	1	552,055	552,885	+ 830
			2	55,000	54,170	- 830

APPENDIX E.—continued.

Particulars.	Vote.			Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase - Decrease
	Division.	Sub- Division.	Item.			
STATE DEVELOPMENT.						
STATE DEVELOPMENT	11			\$	\$	\$
		2	2	3,850	6,418	+ 2,568
			3	16,000	9,803	- 6,197
			4	1,050	1,528	+ 478
			5	3,400	6,551	+ 3,151
IMMIGRATION	31					
		1	1	88,757	88,299	- 458
			2	4,000	4,458	+ 458
		2	1	7,250	6,580	- 670
			3	1,230	1,026	- 204
			4	4,250	4,794	+ 544
			6	700	826	+ 126
			7	2,000	2,204	+ 204
SOCIAL WELFARE.						
SOCIAL WELFARE ADMINISTRATION AND RESEARCH AND STATISTICS	32					
		1	1	311,057	311,739	+ 682
			3	19,000	18,318	- 682
		2	3	3,300	3,091	- 209
			4	8,000	8,209	+ 209
FAMILY WELFARE	33					
		1	1	1,678,074	1,678,098	+ 24
			3	8,000	7,976	- 24
		2	1	53,300	53,268	- 32
			2	7,200	5,665	- 1,535
			3	44,300	34,762	- 9,538
			4	19,800	24,236	+ 4,436
			5	15,300	13,315	- 1,985
			6	42,300	41,157	- 1,143
			7	345,000	355,032	+ 10,032
			9	250	15	- 235
YOUTH WELFARE	34					
		1	2	222,000	223,979	+ 1,979
			3	5,000	3,021	- 1,979
		2	1	25,450	25,422	- 28
			2	8,600	8,589	- 11
			3	2,000	1,750	- 250
			4	19,300	19,046	- 254
			6	59,000	58,971	- 29
			7	350,000	361,989	+ 11,989
			8	296,000	284,957	- 11,043
			9	55,000	54,626	- 374
PRISONS	35					
		2	1	26,000	25,181	- 819
			2	5,000	4,777	- 223
			3	2,000	765	- 1,235
			4	21,200	20,818	- 382
			5	52,700	51,646	- 1,054
			6	135,000	134,975	- 25
			7	455,000	465,005	+ 10,005
			8	277,000	276,998	- 2
			9	260,000	253,735	- 6,265
TRAINING	36					
		1	1	106,926	107,446	+ 520
PROBATION AND PAROLE	37					
			2	1,900	1,380	- 520
		2	1	29,100	28,339	- 761
			4	9,250	10,011	+ 761
LABOUR AND INDUSTRY.						
LABOUR AND INDUSTRY	38					
		1	2	1,414,723	1,415,820	+ 1,097
			3	12,240	11,143	- 1,097
		2	2	82,000	84,000	+ 2,000
			4	48,500	43,838	- 4,662
			6	16,250	18,912	+ 2,662
EDUCATION.						
EDUCATION	39					
		1	2	175,000	159,193	- 15,807
			3	2,600,000	2,615,807	+ 15,807
		2	1	621,440	641,440	+ 20,000
			2	568,020	539,035	- 28,985
			3	213,000	249,736	+ 36,736
			4	23,850	16,481	- 7,369
			5	1,487,750	1,433,750	- 54,000
			6	1,800,000	1,918,907	+ 118,907
			7	190,730	185,254	- 5,476
			8	486,400	485,816	- 584
			9	158,000	157,968	- 32
			10	228,300	223,809	- 4,491
			11	142,910	102,304	- 40,606
			13	6,534,700	6,500,600	- 34,100
		3	1	19,050,000	19,463,778	+ 413,778
			3	19,369,000	18,998,856	- 370,144
			4	9,150,000	9,394,055	+ 244,055
			5	3,450,000	3,278,442	- 171,558
			6	1,009,200	949,609	- 59,591
			9	1,200	852	- 348
			10	81,200	59,115	- 22,085
			11	10,000	4,606	- 5,394
			12	12,000	12,800	+ 800
			13	13,000	7,219	- 5,781
			14	11,000	10,483	- 517
			16	155,000	164,265	+ 9,265
			18	11,040	13,800	+ 2,760
			23	500,000	466,254	- 33,746
			24	18,800	17,306	- 1,494
TEACHERS' TRIBUNAL	40					
		2	1	1,700	1,917	+ 217
			2	2,000	2,195	+ 195
			3	1,900	2,264	+ 364
			4	3,050	2,274	- 776

APPENDIX E.—continued.

Particulars.	Vote.			Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase - Decrease
	Division.	Sub- Division.	Item.			
ATTORNEY-GENERAL.						
ATTORNEY-GENERAL	41			\$	\$	\$
		1	3	22,500	22,084	- 416
			4	32,400	32,816	+ 416
		2	2	32,800	32,131	- 669
			3	29,000	35,378	+ 6,378
			4	9,700	9,398	- 302
			5	4,500	3,672	- 828
			6	12,000	11,741	- 259
			7	160,000	166,002	+ 6,002
			8	5,000	2,757	- 2,243
			9	35,000	28,657	- 6,343
			10	5,000	3,264	- 1,736
COURTS ADMINISTRATION	42	2	1	166,000	165,199	- 801
			2	57,000	56,998	- 2
			3	80,000	79,932	- 68
			4	120,000	117,566	- 2,434
			5	6,400	4,371	- 2,029
			6	90,000	89,984	- 16
			8	100,000	105,350	+ 5,350
REGISTRAR-GENERAL AND REGISTRAR OF TITLES ..	43	1	2	52,000	45,915	- 6,085
			3	35,000	41,085	+ 6,085
REGISTRAR OF COMPANIES	44	1	1	362,758	363,335	+ 577
			2	7,500	6,923	- 577
PUBLIC TRUSTEE	46	1	2	32,000	31,027	- 973
			3	7,550	8,523	+ 973
TREASURER.						
TREASURY	47	2	1	4,950	4,347	- 603
			2	9,500	10,103	+ 603
			4	11,000	12,223	+ 1,223
			6	2,000	777	- 1,223
		3	2	270,000	274,127	+ 4,127
			3	155,000	162,181	+ 7,181
			7	30,000	76,869	+ 46,869
			8	45,000	45,877	+ 877
			18	28,000	49,080	+ 21,080
			27	360,000	377,780	+ 17,780
			31	2,394,000	2,469,000	+ 75,000
			32	8,360,000	8,396,000	+ 36,000
			33	9,930,000	9,987,000	+ 57,000
			34	375,000	321,000	- 54,000
			35	5,575,000	5,363,086	- 211,914
TENDER BOARD	49	2	1	200	232	+ 32
			4	300	362	+ 62
			5	245,000	244,906	- 94
STATE SUPERANNUATION BOARD.	50	1	1	175,376	176,321	+ 945
			2	19,000	18,055	- 945
		2	2	13,000	23,431	+ 10,431
			3	91,000	80,569	- 10,431
REGISTRY OF CO-OPERATIVE HOUSING SOCIETIES AND CO-OPERATIVE SOCIETIES AND HOME FINANCE ADMINISTRATION	51	1	1	176,074	174,832	- 1,242
			2	700	1,942	+ 1,242
		3	1	4,000	4,183	+ 183
			2	1,000	817	- 183
STAMP DUTIES	53	2	4	63,000	52,085	- 10,915
			6	110,000	120,915	+ 10,915
		3	1	2,850	2,865	+ 15
			2	20	5	- 15
GOVERNMENT PRINTER	54	2	1	24,200	20,765	- 3,435
			2	2,000	1,797	- 203
			3	1,300	1,267	- 33
			4	78,000	67,902	- 10,098
			5	11,000	9,505	- 1,495
			6	45,000	41,173	- 3,827
			7	1,400,000	1,420,406	+ 20,406
			8	65,000	63,685	- 1,315
LANDS.						
CROWN LANDS ADMINISTRATION	55	1	2	1,796,659	1,801,452	+ 4,793
			3	13,500	13,877	+ 377
			4	35,000	29,830	- 5,170
		2	2	24,200	23,400	- 800
			3	23,000	21,250	- 1,750
			4	38,000	39,700	+ 1,700
			6	10,800	11,200	+ 400
			7	900	1,350	+ 450
		3	5	11,000	12,000	+ 1,000
			7	36,000	35,000	- 1,000
SURVEY	56	1	2	12,500	5,873	- 6,627
			3	36,430	43,057	+ 6,627
		2	1	122,000	120,000	- 2,000
			3	700	1,200	+ 500
			5	26,400	29,400	+ 3,000
			7	65,000	63,500	- 1,500
		3	1	126,000	125,200	- 800
			4	11,500	12,300	+ 800
BOTANIC AND DOMAIN GARDENS AND NATIONAL HERBARIUM	57	1	2	10,400	11,302	+ 902
			3	15,000	14,098	- 902
		2	4	1,700	1,750	+ 50
			5	4,200	4,150	- 50

APPENDIX E.—continued.

Particulars.	Vote.			Parliamentary. Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase — Decrease
	Division.	Sub- Division.	Item.			
PUBLIC WORKS.				\$	\$	\$
PUBLIC WORKS	58	2	1	230,000	224,677	— 5,323
			3	81,600	86,923	+ 5,323
		3	1	1,350,000	1,429,487	+ 79,487
			2	1,200,000	1,113,196	— 86,804
			3	375,000	394,120	+ 19,120
			4	420,000	408,991	— 11,009
			6	10,000	9,206	— 794
PORTS AND HARBORS	59	1	1	443,487	445,075	+ 1,588
			2	17,500	15,912	— 1,588
		2	1	42,350	42,512	+ 162
			2	3,000	2,856	— 144
			3	19,000	19,195	+ 195
			4	10,750	10,537	— 213
		3	1	106,500	106,459	— 41
			2	51,500	51,497	— 3
			3	56,000	48,484	— 7,516
			4	7,000	5,401	— 1,599
			5	25,000	23,619	— 1,381
			6	706,000	691,880	— 14,120
			7	600,000	624,660	+ 24,660
LOCAL GOVERNMENT.						
LOCAL GOVERNMENT	60	1	3	9,000	10,967	+ 1,967
			4	5,000	3,033	— 1,967
		2	1	14,100	13,623	— 477
			2	8,000	9,151	+ 1,151
			4	3,900	4,200	+ 300
			5	12,700	11,726	— 974
		3	1	3,400	4,050	+ 650
			2	4,900	4,250	— 650
WEIGHTS AND MEASURES	62	2	2	2,700	3,400	+ 700
			4	2,750	2,900	+ 150
			5	20,000	23,750	+ 3,750
			6	10,000	5,400	— 4,600
MINES.						
MINES	64	2	3	25,000	29,329	+ 4,329
			5	40,000	35,671	— 4,329
AGRICULTURE.						
AGRICULTURE ADMINISTRATION	67	1	2	1,312,894	1,313,683	+ 789
			3	14,000	13,211	— 789
		2	1	7,100	7,520	+ 420
			2	20,000	19,119	— 881
			3	4,500	4,961	+ 461
		3	1	197,000	227,803	+ 30,803
			2	30,800	30,166	— 634
			3	100,000	97,331	— 2,669
			4	7,000	2,030	— 4,970
			11	90,000	67,470	— 22,530
	68	1	1	121,304	121,478	+ 174
			2	2,000	1,826	— 174
		2	1	1,850	1,589	— 261
			4	750	1,011	+ 261
		3	1	597,550	595,148	— 2,402
			2	134,950	138,886	+ 3,936
			3	80,000	77,911	— 2,089
			5	71,606	72,161	+ 555
AGRICULTURE	69	1	1	1,196,519	1,197,432	+ 913
			2	5,000	4,087	— 913
		2	1	43,000	43,064	+ 64
			2	4,000	2,249	— 1,751
			3	10,700	9,222	— 1,478
			4	1,300	1,359	+ 59
			5	18,250	17,665	— 585
			6	650	628	— 22
			7	24,500	28,213	+ 3,713
		3	1	163,500	162,981	— 519
			7	12,000	12,519	+ 519
HORTICULTURE	70	2	1	56,500	55,587	— 913
			3	19,500	16,442	— 3,058
			5	21,500	24,558	+ 3,058
			6	2,750	3,663	+ 913
		3	1	29,950	33,450	+ 3,500
			2	75,500	72,913	— 2,587
			3	69,950	71,249	+ 1,299
			4	29,350	30,393	+ 1,043
			5	21,600	20,952	— 648
			6	11,800	11,426	— 374
			7	19,500	19,089	— 411
			8	135,000	138,269	+ 3,269
			10	9,250	8,574	— 676
			11	12,400	7,985	— 4,415
ANIMAL HEALTH	71	2	1	37,150	36,522	— 628
			2	2,700	1,955	— 745
			4	4,000	4,628	+ 628
			5	37,800	37,019	— 781
			7	14,300	15,045	+ 745
			9	10,000	12,981	+ 2,981
		3	10	110,000	107,800	— 2,200
			2	33,800	32,930	— 870
			4	49,600	49,838	+ 238
			7	4,500	5,132	+ 632
ANIMAL INDUSTRY	72	1	1	590,640	591,726	+ 1,086
			2	6,000	4,914	— 1,086
DAIRYING	73	1	1	972,611	973,768	+ 1,157
			2	4,900	3,743	— 1,157

APPENDIX E.—continued.

Particulars.	Vote.			Parliamentary Appropriation.	Appropriation after Variation by Governor in Council.	+ Increase - Decrease
	Division.	Sub- Division.	Item.			
HEALTH.						
HEALTH ADMINISTRATION	75			\$	\$	\$
		1	2	278,560	281,583	+ 3,023
			4	10,000	6,977	- 3,023
		2	1	5,400	5,547	+ 147
			4	4,670	4,964	+ 294
			5	4,600	5,993	+ 1,393
			6	29,740	28,347	- 1,393
			7	8,000	7,559	- 441
		3	10	2,650	4,047	+ 1,397
			11	150,000	148,603	- 1,397
GENERAL HEALTH	76					
		1	2	3,400	2,915	- 485
			3	40,000	40,485	+ 485
		2	2	4,900	5,498	+ 598
			4	11,700	12,286	+ 586
			5	8,250	8,700	+ 450
			7	198,700	197,066	- 1,634
		3	1	230,000	222,181	- 7,819
			3	98,000	105,819	+ 7,819
MATERNAL AND CHILD WELFARE	78					
		2	8	149,000	144,971	- 4,029
			9	110,900	114,929	+ 4,029
		3	1	2,840,000	2,842,411	+ 2,411
			3	7,500	7,350	- 150
			4	765,000	764,949	- 51
			6	79,000	76,950	- 2,050
			7	8,000	7,840	- 160
MENTAL HYGIENE	79					
		1	2	3,000,000	2,982,435	- 17,565
			3	260,000	277,565	+ 17,565
		2	4	163,000	173,000	+ 10,000
			6	932,500	922,500	- 10,000
			8	640,000	635,000	- 5,000
			9	17,000	22,000	+ 5,000
FUEL AND POWER.						
MINISTRY OF FUEL AND POWER	81					
		2	1	1,150	1,300	+ 150
			2	3,750	3,675	- 75
			3	2,000	1,975	- 25
			4	600	550	- 50
RAILWAY CONSTRUCTION.						
RAILWAY CONSTRUCTION BOARD	82					
		1	1	103,809	100,076	- 3,733
			3	16,260	19,993	+ 3,733
TRANSPORT.						
MINISTRY OF TRANSPORT	83					
		2	1	1,350	1,060	- 290
			2	1,700	1,698	- 2
			3	400	544	+ 144
			4	950	1,126	+ 176
			5	350	322	- 28
FORESTS.						
FORESTS COMMISSION	84					
		1	1	2,882,390	2,885,390	+ 3,000
			2	60,000	57,000	- 3,000
		3	1	700,000	700,240	+ 240
			2	52,610	53,385	+ 775
			4	12,500	12,250	- 250
			7	4,050	3,285	- 765
WATER SUPPLY.						
STATE RIVERS AND WATER SUPPLY COMMISSION	85					
		2	1	180,500	180,437	- 63
			2	91,000	89,999	- 1,001
			3	97,500	102,000	+ 4,500
			4	74,000	71,766	- 2,234
			5	21,500	20,400	- 1,100
			6	175,000	176,043	+ 1,043
			7	8,500	8,253	- 247
			8	97,000	112,100	+ 15,100
			9	102,000	92,503	- 9,497
			10	95,000	90,499	- 4,501
			11	70,000	68,000	- 2,000
		3	2	2,400,000	2,398,070	- 1,930
			6	80,000	81,930	+ 1,930
RAILWAYS.						
RAILWAYS	86					
		1	2	25,666,530	26,152,763	+ 486,233
			4	4,932,740	4,680,865	- 251,875
			5	1,848,780	1,837,916	- 10,864
			6	4,920,330	4,890,390	- 29,940
			7	7,105,370	7,269,418	+ 164,048
			8	2,000	2,334	+ 334
			9	1,855,000	1,497,064	- 357,936

INDEX

	PAGE
Aboriginal Affairs Fund	41
Aboriginal Housing (Commonwealth) Trust Account	41
Acknowledgment	111
Adult Education	34
Advanced Education	31, 32, 60, 67, 85
Advances to Public Bodies, &c.	106
Agency Trust Account	86, 101
Agricultural Colleges, &c.	42
Agricultural Research Accounts	120
Agriculture Department	42
Agriculture Department—Research, &c., Institutions	42, 120
Appendices	120
Arrears of Revenue	106
Betting Tax	14
Budget—Expenditure	19
Budget—Receipts	16
Chief Secretary's Department	44
Child Migrant Education—Commonwealth Assistance	26
Closer Settlement	79
Closer Settlement Insurance Fund	79
Coal Mines Depreciation Fund	92
Colleges of Advanced Education	67
Common Fund—Workers Compensation Board	49
Commonwealth Advances, Grants and Recoups	4
Commonwealth Aid Roads	52
Commonwealth—Capital Liability to	24
Commonwealth Financial Assistance Grants	10
Commonwealth Financial Assistance—	
Aboriginal Housing	41
Advanced Education	31, 32, 60, 67
Child Migrant Education	26
Education	60
Eradication of Brucellosis and Tuberculosis	26
Independent Schools	33
King River Dam	99
Mental Health Institutions	75
Pre-School Teachers' Colleges	32
River Murray Salinity Reduction	99
Science Laboratories	32
Secondary Schools Libraries	32
Teachers' Colleges	33
Technical Training	33
Water Resources—Measurement	83, 99
Commonwealth Pharmaceutical Benefits Trust Account	29
Companies Registration	80
Compensation and Insurance Funds	33
Comptroller of Stamps	14
Consolidated Revenue Deficit Account	6
Consolidated Fund—	
Receipts	9
Expenditure	18
Co-operative Housing Societies	105
Co-operative Societies	105
Country Roads Board	51
Country Sewerage	101
Country Water Supply	98
Crown Lands and Survey	78
Cultural Development Grants	124

INDEX—*continued.*

	PAGE
Debt Charges	115
Debtors	106
Decentralization Fund	96
Defalcations and Irregularities	108
Deposits Lodged	34
Depreciation Funds	34
Development—Trust Accounts	38
Disallowances	107
Dried Fruits Board	40
Drivers' Licence Suspense Account	26
Drug Education Programme Trust Account	26
Education	55
Eildon Sewerage District—Depreciation Fund	102
Endowments and Grants	122
Estate Agents' Guarantee Fund	33
Expenditure—Comparison	18
Explosives	83
Family Welfare	93
Farm Produce Merchants and Commission Agents Guarantee Fund	26
Financial Agreement—	
Debt Charges	24
National Debt Sinking Fund	25
Public Debt	24
Fisheries and Wildlife	50
Forests Commission	68
Free Milk Scheme	30
Government Buildings Fire Insurance Fund	33
Government Printer	71
Government Statist	50
Guarantees	105
Health Department	72
Health—Trust Funds	34
Home Builders' Account	30
Home Finance Trust	105
Hospitals and Charities Commission	76
Immigration	50, 97
Independent Schools—Commonwealth Assistance	33
Industrial Development Fund	96
Insurance Office—State Accident	46
Insurance Office—State Motor Car	48
Interest on Public Debt	24
Introduction	3
Irrigation Districts Maintenance Equalization and Renewals Account	99
Irregularities	108
King River Dam—Commonwealth Assistance	99
Labour and Industry	77
Land Tax	11
Lands Department	78
La Trobe University	65
Law Department	80
Level Crossings Fund	38, 92
Licensing Fund	15
Loan Conversions	22
Loan Raisings for Redemptions	22
Loan Raisings for Works	21
Loan Redemptions	22
Local Government Department	81

INDEX—*continued.*

	PAGE
Maternal and Child Welfare	73
Melbourne University	61
Mental Health Institutions—Commonwealth Assistance	75
Mental Hospitals Fund	35
Mental Hygiene	74
Metropolitan Transportation Committee	54
Milk Board	82
Mines Department	83
Ministry of Aboriginal Affairs	41
Monash University	63
Motor Boating—Receipts and Expenditure	95
Motor Car—Drivers' Licence Fees	15
Motor Car—Insurance Surcharge	11
Motor Registration Branch	45
Municipalities Assistance Fund	39
Municipalities—Contributions for Permanent, &c., Works	51
Municipalities Forest Roads Improvement Fund	54
National Art Gallery and Cultural Centre	50
National Debt Sinking Fund	25
National Parks Fund	96
National Sirex Fund	69
New Trust Funds	26
Pay-roll Tax Suspense Account	26
Petroleum Products Subsidy Account	31
Pharmaceutical Benefits	29
Police	44
Police Pensions Fund	36
Police Superannuation Fund	36
Port Phillip Pilot Sick and Superannuation Fund	37
Ports and Harbors	84
Pre-School Teachers' Colleges—Commonwealth Assistance	32
Prisons	93
Probate Duty	11
Probation and Parole	93
Public Account	5
Public Debt and Debt Charges	24
Public Works Department	84
Race-courses Development Fund .. .. .	.. 12, 13
Railway Accounts	87
Receipts Summary—Consolidated Fund	9
Registrar-General, Registrar of Companies, Registrar of Titles	80
Research Institutions—Agriculture .. .. .	.. 42, 120
Review	4
River Improvement Trusts	101
River Murray Commission	101
River Murray Salinity Reduction—Commonwealth Assistance	99
Road Charges—Commercial Goods Vehicles	104
Roads (Special Projects) Fund .. .. .	.. 39, 52
Secondary Schools Libraries—Commonwealth Assistance	32
Securities Lodged with Treasurer	40
Schools—Teacher Training	59
Schools—Transport Costs	59
Science Laboratories—Commonwealth Assistance	32
Sewerage Authorities	101
Shepparton Preserving Company Loan	26
Sirex Trust Account	69
Social, Health and Welfare Funds	34
Social Welfare	93
Softwood Forestry Agreement	68
Special Accounts	26
Special Bonds Redeemed	23

INDEX—*continued.*

	PAGE.
Special Projects Fund—Roads	39, 52
Stamp Duties	14
State Accident Insurance Office	46
State Coal Mine	92
State's Debtors	106
State Development	94
State Library	50
State Motor Car Insurance Office	48
State Rivers and Water Supply Commission	98
State Taxes	11
Stores on Hand	128
Superannuation and Pension Funds	36
Surcharges	107
Suspense Accounts	38
Tattersall Duty	13
Tattersall—Transfer to Hospitals and Charities	13
Taxation	11
Teachers' Colleges	59
Teachers' Colleges—Commonwealth Assistance	33, 60
Technical Schools	58
Technical Training—Commonwealth Assistance	33, 60
Third Party Insurance	48
Timber Promotion Committee Trust Account	70
Titles Office	80
Totalizator	12
Totalizator Agency Board Trust Account	12, 13
Totalizator—Transfer to Hospitals and Charities	12
Tourism	94
Tourist Bureaux	95
Tourist Fund	94
Town and Country Planning Board	81
Traffic Authority Fund	53
Transport Regulation Board	103
Treasurer's Acquittance	107
Treasurer's Advance	20
Treasury Balances	5
Trust Funds	26
Tuberculosis—Health Department	73
Underground Railway	89, 105
Unemployment Relief Advances	106
Universities	61
Valuer-General	81
Variations of Annual Appropriations	20
Victoria Dock Cool Stores.. .. .	43
Victoria Institute of Colleges	66
Water Resources Measurement—Commonwealth Assistance	83, 99
Water Supply—Country	98
Water Supply Depreciation Funds	100
Waterworks Trusts	101
Weights and Measures	81
Welfare Funds	34
Westernport	85
Workers Compensation Board	49
Works and Development—Trust Accounts	38
Works and Services Account	8
Works and Services Expenditure	23
Youth Welfare	93