

REPORT

OF THE

AUDITOR-GENERAL

FOR THE YEAR ENDED

30 JUNE 1979

TABLE OF CONTENTS

PART	PAGE
I. INTRODUCTION	3
II. REVIEW	5
III. THE CONSOLIDATED FUND—	
Receipts	11
Payments	24
Treasurer's Advance	27
Variations of Annual Appropriations	27
Loan Transactions	
Synopsis	28
Loan Raisings	28
Public Debt under the Financial Agreement	30
National Debt Sinking Fund	31
Works and Services Program	32
IV. TRUST FUND AND SPECIAL ACCOUNTS—	
Synopsis	34
New Funds and Accounts	35
Accounts Closed	35
Current Funds and Accounts	36
V. PARLIAMENT, DEPARTMENTS, BRANCHES AND AUTHORITIES—	
Agriculture	48
Arts	50
Chief Secretary	54
Community Welfare Services	60
Conservation	63
Consumer Affairs	69
Country Roads Board	71
Crown Lands and Survey	75
Education	78
Forests Commission	106
Health Commission	110
Housing	121
Immigration and Ethnic Affairs	123
Labour and Industry	124
Law	127
Local Government	133
Minerals and Energy	135
Parliament	138
Planning	139
Premier's	140
Property and Services	145
Public Works	148
Railways	151
State Development, Decentralization and Tourism	161
Transport	166
Transport Regulation Board	171
Treasury	173
Water Resources and Water Supply	177
Youth, Sport and Recreation	185
VI. GENERAL—	
Guarantees	189
Disallowances and Surcharges	192
Treasurer's Acquittance	192
Defalcations and Irregularities	193
Other	199
STATEMENTS—	
No. 1 Payments—Comparative Statement	201
No. 2 Loan Transactions	202
No. 3 Trust Fund	203
No. 4 Debt Charges Account	204
APPENDICES—	
A-1 Endowments and Grants	205
2 Tourist Fund—Grants and Loans	208
B. Stores	209
C. Transfers—Section 25 Audit Act	210
INDEX	217

REPORT OF THE AUDITOR-GENERAL OF VICTORIA

UPON

THE TREASURER'S STATEMENT OF THE FINANCES FOR THE YEAR ENDED 30 JUNE 1979

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 payments of the Consolidated Fund and the Trust Fund for the financial year ended 30 June 1979. The provisions of Section 47 require that I make and sign a Report explaining the Statement in full and showing particulars of the several matters referred to in sub-sections (1) and (2) of that Section.

In practice, the requirement placed on me to explain the Statement in full is met by my presenting, in Part II., a general review of the main features of the State finances and then discussing, in some detail, in Parts III. and IV., the receipts and payments of the Consolidated Fund and the Trust Fund. The explanation is continued in comments on the accounts of various individual departments, branches and authorities which are given in Part V. Part VI. contains information on general matters which are required to be reported to Parliament under specific provisions of the *Audit Act*, or which otherwise warrant inclusion. Supporting statements and appendices complete the Report.

The *Public Account Act* 1958 provides for payments out of the Consolidated Fund to the Works and Services Account, established in the Trust Fund, of such sums as the Treasurer from time to time determines. In assembling figures for the various statements furnished throughout the Report, I have regarded payments from the Consolidated Fund as including payments from the Works and Services Account, in that I have treated that part of the moneys paid out of the Consolidated Fund to the Works and Services Account and expended through the Works and Services Account as being, in fact, payments from the Consolidated Fund.

As required by Section 46 of the *Audit Act*, the Treasurer has included and distinguished in his statement of the payments from 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 30 June 1979. The relevant figures are submitted on the basis that Parliamentary appropriation of the amounts is made in due course.

Certain payments made by the Public Works Department for rent, telephone, electricity, maintenance etc. are not usually apportioned to departments. However, where the necessary information is readily available, the funds available to and the total payments made by or on behalf of the Departments and their branches have been shown in this Report.

The Treasurer's Statement and the related subsidiary statements have been examined by my officers and are in agreement with the accounts of the Treasurer. Various aspects of the accounts and records of the receipts, payments and stores of departments, branches and authorities have been audited during the year on a test basis, consistent with accepted auditing concepts and practice.

My comments upon the accounts of other major public authorities which I am required by law to audit will be furnished to Parliament as soon as practicable in a Supplementary Report now in course of preparation.

Rounding of figures within this Report may, in some instances, result in minor differences when those figures are compared with those shown in the Treasurer's Statement.

PART II. REVIEW

In the Budget for 1978-79, the Treasurer estimated that the total receipts to the Consolidated Fund would be \$3 554 336 000. The actual result for the year was a total of \$3 543 597 686 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:

	<i>Budget</i> 1978-79 \$	<i>Actual</i> 1978-79 \$	<i>Actual</i> 1977-78 \$
State Taxation	1 192 610 000	1 169 629 962	1 113 532 866
Other State Sources excluding Railways	525 846 000	535 328 424	462 409 687
Railway Income	185 435 000	188 816 574	180 545 809
Commonwealth Sources excluding Loan Raisings	1 397 103 000	1 397 445 456	1 283 398 325
	3 300 994 000	3 291 220 416	3 039 886 687
Loan Raisings and Repayments	253 342 000	252 377 270	255 003 887
	3 554 336 000	3 543 597 686	3 294 890 574

Payments from the Consolidated Fund of the total receipts to the Fund related to the following broad headings of expenditure and compare with Budget Estimates and with those of the previous year as shown:

	<i>Budget</i> 1978-79 \$	<i>Actual</i> 1978-79 \$	<i>Actual</i> 1977-78 \$
Special Appropriation—Debt Charges, Salaries, Pensions, General expenses etc., excluding Railways	603 966 913	603 354 499	541 871 927
Annual Vote—Departmental Services excluding Railways	2 147 442 506	2 136 836 438	1 963 311 727
Railway Operating expenses	370 457 212	372 181 816	354 279 921
	3 121 866 631	3 112 372 753	2 859 463 575
Special Appropriation—Works and Services Account	432 469 369	431 224 933	435 426 999
	3 554 336 000	3 543 597 686	3 294 890 574

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 \$3 523 205 183. A broad classification of the receipts is as follows:

	\$	\$
Commonwealth		1 018 356 946
Commonwealth-State		27 005 654
State Funds—		
Compensation and Insurance	8 443 573	
Depreciation	1 375 023	
Social, Health and Welfare	304 709 943	
Superannuation and Pension	5 041 208	
Suspense	1 417 917 184	
Works and Development	651 243 854	
Other	85 762 537	
	2 474 493 322	
Bequests, Donations, Deposits and Research		3 349 261
		3 523 205 183

Payments from Trust Fund totalled \$3 551 737 035 and may be classified under the following broad headings:

	\$	\$
Commonwealth		1 019 165 815
Commonwealth-State		24 302 822
State Funds—		
Compensation and Insurance	12 241 495	
Depreciation	2 962 405	
Social, Health and Welfare	325 191 498	
Superannuation and Pension	5 785 842	
Suspense	1 423 184 434	
Works and Development	649 151 051	
Other	85 257 213	
	<hr/>	2 503 773 938
Bequests, Donations, Deposits and Research		4 494 460
		<hr/>
		3 551 737 035

The above summary of receipts and payments of the Trust Fund includes interfund transfers and is in accordance with the figures shown in the Treasurer's Statement. More detailed comment in respect of interfund transfers, and, in respect of trust account transactions generally, is given on page 34 of this Report.

The overall effect on Treasury Balances of the transactions of the Consolidated Fund and the Trust Fund as mentioned above is shown in the following statement which summarises the movements for the year.

	\$	\$
Balances 1 July		282 993 329
Receipts—		
Consolidated Fund	3 543 597 686	
Trust Fund	3 523 205 183	
In Reduction of Advances	4 320 877	
	<hr/>	7 071 123 746
		<hr/>
		7 354 117 075
Payments—		
Consolidated Fund	3 543 597 686	
Trust Fund	3 551 737 035	
	<hr/>	7 095 334 721
		<hr/>
Balances 30 June		258 782 354

The net effect of the year's transactions was a decrease in the total Treasury Balances of \$24 210 975, brought about by a decrease in the credit balance of the Trust Fund of \$28 531 852 less a reduction in the advances from the Public Account of \$4 320 877.

Treasury Balances are accounted for in the Treasurer's Statement as follows:

	\$	\$
Trust Fund Balance		284 331 893
Less Advances from Public Account—		
For Consolidated Revenue Deficits	21 782 281	
For Departmental and Other Purposes	3 767 258	
	<hr/>	25 549 539
		<hr/>
		258 782 354

The balances are represented by:

Cash at Credit of Public Account	30 513 317	
Fixed Deposit Account	105 714 980	
Short Term Money Market	22 000 000	
	<hr/>	158 228 297
Investments—		
Trust Fund		100 554 057
		<hr/>
		258 782 354

The amount of the Consolidated Revenue Deficits mentioned in the statement above, \$21 782 281, represents the balance of deficits—the last of which occurred in 1969–70—still unfunded and financed from the Public Account. Parliamentary authority for the temporary issue and application out of the Public Account of any sum necessary to meet the deficit was provided at the time by the *Public Account Act* 1958. The relevant legislative provision was repealed with effect from 1 July 1970, when the Consolidated Fund was established. In view of the effluxion of time since Parliament authorised the temporary issue and application of this amount from the Public Account, I consider that the matter should be reviewed.

Receipts—Consolidated Fund

Total receipts to the Consolidated Fund of \$3 543 597 686 fell short of the Budget Estimate of \$3 554 336 000 by \$10 738 314.

The net shortfall of \$10 738 314 was made up as follows:

	\$	\$
Shortfalls in receipts compared with Budget Estimate—		
Taxation	22 980 038	
Interest on Public Account	2 724 011	
Other	1 118 998	
	<hr/>	26 823 047
Less—		
Items in excess of Budget Estimate—		
Land Revenue	3 359 546	
Railways	3 381 574	
Recoveries of Debt Charges	1 174 494	
Other	8 169 119	
	<hr/>	16 084 733
		<hr/>
		10 738 314
		<hr/>

The divergence between the Budget Estimate and the actual receipts from Taxation resulted mainly from shortfalls in receipts from Land Tax \$34 408 124, Duty on Insurance Business \$9 773 439, Tobacco Licences \$1 180 763, offset by excesses in collections of Probate Duty \$12 174 996, Payroll Tax \$3 504 641 and Other Stamp Duty \$7 152 122.

The actual receipts to the Consolidated Fund exceeded those of the previous year, \$3 294 890 574, by \$248 707 112. Details of the variations between the two years are given at page 11.

Receipts are capable of division into 3 main categories:

	\$
Sources other than the Commonwealth	1 893 774 960
Commonwealth Sources	1 398 773 105*
Loan Raisings and Repayments	251 049 621
	<hr/>
	3 543 597 686
	<hr/>

*Includes Commonwealth contributions towards the cost of projects and services met from the Works and Services Account and credited to the Consolidated Fund under the head of Loan Repayments

Receipts from sources other than the Commonwealth, \$1 893 774 960, were \$137 286 598 higher than the 1977–78 figure of \$1 756 488 362 and constituted 53.44 per cent. of the total receipts compared with 53.31 per cent. in the previous year. Those from Commonwealth sources, \$1 398 773 105, were \$112 900 426 more than in the previous year and represented 39.47 per cent. as against 39.03 per cent. for

1977-78. Loan raisings and repayments yielded \$1 479 912 less than the 1977-78 total of \$252 529 533 and provided 7.09 per cent. of the total receipts compared with 7.66 per cent. in 1977-78.

The major items causing the overall increase in receipts from sources other than the Commonwealth, together with the individual increases, were:

	\$
Payroll Tax	35 366 496
Petroleum Royalties	17 691 921
Duty under Stamps Act	15 737 640
State Insurance Office— Act No. 8727 Section 16	14 600 000
Recoveries of Debt Charges	11 084 565
Licences	10 868 418
Tattersall Duty	10 617 456
Miscellaneous	14 313 498

Details of the variations in the receipts to the Consolidated Fund from Commonwealth sources are:

	1977-78	1978-79	+ Increase - Decrease
	\$	\$	\$
Personal Income Tax	984 690 251	1 090 024 723	+ 105 334 472
Education—Capital and Recurrent Purposes etc.	136 088 675	141 871 413	+ 5 782 738
Capital Assistance Grant	120 071 000	120 071 000	..
Urban Public Transport	7 050 000	10 962 960	+ 3 912 960
Pre-School Child Education and Care	13 225 000	9 015 000	- 4 210 000
Deserted Wives	4 566 054	5 434 288	+ 868 234
Community Health	3 457 410	5 100 062	+ 1 642 652
Home Care	4 045 457	4 437 337	+ 391 880
Interest—Financial Agreement	4 254 318	4 254 318	..
Repatriation Hospital—Bundoora	3 089 354	3 383 613	+ 294 259
Medibank Recoups	949 237	1 667 515	+ 718 278
Water Resources	1 136 000	1 136 000	..
Other	593 007	802 247	+ 209 240
Softwood Forestry	1 008 944	612 629	- 396 315
Tuberculosis Agreement	1 657 972	..	- 1 657 972
	1 285 882 679	1 398 773 105	+ 112 890 426

The arrangements embodied in the Commonwealth's *States (Personal Income Tax Sharing) Act 1976* for the apportionment of personal income tax collections between the Commonwealth and State Governments were varied by the *States (Personal Income Tax Sharing) Amendment Act 1978*. Victoria's entitlement for 1978-79 in terms of the new arrangements was \$1 090 024 723.

The Assistance Grant for capital works was the same as that of 1977-78 and contributions by the Commonwealth for capital and recurrent expenditure in schools and for other educational purposes were \$5 782 738 higher than for the previous year.

Detailed information is furnished throughout the Report in relation to most other items included in the statement above.

Net receipts of \$251 049 621 to the Consolidated Fund from loan raisings and loan repayments (exclusive of Commonwealth contributions) were \$1 479 912 less than the comparable figure for 1977-78. The receipts consisted of \$240 142 000,

the net proceeds of loans raised under Victoria's share of the works program approved by the Loan Council, and \$10 907 621 repayments in respect of advances made by the State in this and prior years.

Payments—Consolidated Fund

Section 5 of the *Public Account Act* 1958 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 \$3 543 597 686 and this amount was appropriated in full in the following manner:

	\$
Special Appropriation—Debt Charges, Pensions etc. ..	650 318 952
Special Appropriation—Works and Services Account ..	431 224 933
Annual Vote—Departmental etc. Services ..	2 462 053 801
	3 543 597 686

The comparable total for the previous year was \$3 294 890 574 which is \$248 707 112 less than the 1978–79 figure.

Again this year, the biggest proportion of payments from the Consolidated Fund was of a social nature and related to education, health and welfare services and housing. The amount expended on these services was \$1 924 420 094 and represented 54.04 per cent. of the total amount available in the Consolidated Fund. The items included in the payments of \$1 924 420 094 were Education \$1 201 050 194, Health and Welfare, \$628 404 937 and Housing and other Social items, \$94 964 963. These amounts exceeded those of the previous year by \$125 516 888 in Education, \$42 787 433 in Health and Welfare, and \$8 951 419 in Housing and other Social items.

More detailed information relating to these payments from the Consolidated Fund is given in the relevant departmental sections of the Report. A comparison on a monetary and proportional basis of payment from the Consolidated Fund in 1978–79 with that of the previous year is given in Statement No. 1 appended to the Report.

Debt charges continue to absorb a substantial portion of the funds available in the Consolidated Fund. The amount paid in 1978–79 under this heading was \$363 270 138 which represents 10.20 per cent. of the total payments from the Consolidated Fund. Debt charges on the Public Debt accounted for \$294 838 587 of the year's payments and the balance related to interest and principal payments in respect of advances and loans made to the State for Housing, Soldier Settlement and other purposes under Commonwealth–State agreements and arrangements.

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. Statement No. 4 appended to this Report shows in detail the year's receipts and payments on account of debt charges.

Trust Fund—Works and Services Account

Appropriations from the Consolidated Fund to this Account throughout the year amounted to \$431 224 933 and, with the balance of \$17 573 193 unexpended from the previous year, brought the total funds available in the Account to \$448 798 126. Payments under the year's works and services program absorbed \$432 196 056 leaving an unexpended balance in the Account, at 30 June 1979, of \$16 602 070. Details of the payments are given on pages 32 and 33 of this Report.

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 8 to 17 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 \$248 707 112 for the year.

	1977-78	1978-79
	\$	\$
STATE TAXES		
Direct	753 915 663	783 406 700
Stamps Acts	291 749 419	307 487 059
Licensing Fund Payment	32 746 128	35 718 931
Tobacco Licences	25 983 274	29 619 237
Other	9 138 382	13 398 035
	1 113 532 866	1 169 629 962
RECOVERIES OF DEBT CHARGES		
Interest and Exchange	101 633 514	110 268 531
Sinking Fund—Contributions and Special Payments	4 574 578	4 632 251
Loan Conversion Expenses	9 426	13 029
Repayments	14 332 611	16 720 683
	120 550 129	131 634 494
LAND REVENUE		
Leases, Licences, Miners' Rights etc.	6 289 650	9 217 719
Royalties—		
Submerged Lands	69 454 054	87 145 975
Other	936 374	995 852
	76 680 078	97 359 546
HARBOR REVENUE		
Contribution—Port of Melbourne Authority	903 092	651 627
Westernport—Wharfage, Tonnage, Towage etc.	3 806 699	4 090 778
Other	2 458 643	2 703 327
	7 168 434	7 445 732
FEES AND CHARGES FOR DEPARTMENTAL SERVICES		
Fees—Titles Office, Commissioner for Corporate Affairs, Government Statist etc.	30 500 186	33 711 709
Departmental Services—		
Government Printer	16 358 585	18 416 748
Public Works	15 692 174	15 664 543
Motor Registration	12 629 247	13 107 597
Health Commission	12 714 637	13 028 683
Agriculture	8 733 333	8 013 751
Police	4 723 817	4 902 313
E.D.P. Service Bureau	1 979 732	3 848 756
Education	3 017 498	3 225 273
Lands and Survey	2 193 809	2 353 673
Public Trustee	1 521 985	1 600 689
Community Welfare Services	862 160	948 623
Other	3 216 423	4 032 628
	114 143 586	122 854 986
FORESTS COMMISSION		
Royalties etc.	15 799 002	15 959 688

	1977-78	1978-79
	\$	\$
STATE RIVERS AND WATER SUPPLY COMMISSION		
Rates and Charges, Recoups etc.	36 883 753	39 975 775
OTHER REVENUE		
Statutory Corporations—Contributions	23 720 000	29 160 000
Fines—Courts and Other Sources	16 335 813	19 599 470
Interest on Public Account	23 157 323	19 275 989
Rents and Hirings	1 938 702	2 258 340
Public Trustee—Surplus Interest	1 729 738	1 610 139
Recoup—Superannuation Charges	4 913 976	5 673 595
<i>State Insurance Office Act 1975—</i>		
Section 16	400 000	15 000 000
Transfers from Trust Funds	340 055	6 190 660
State Savings Bank—Half Share of Profit, Savings Bank Department	13 809 039	15 091 305
Gas and Fuel Corporation—Dividends, Preference Shares	305 399	306 033
Sundry	4 534 660	5 932 672
	<u>91 184 705</u>	<u>120 098 203</u>
RAILWAYS	<u>180 545 809</u>	<u>188 816 574</u>
COMMONWEALTH PAYMENTS TO THE STATE		
Personal Income Tax Sharing Entitlement	984 690 251	1 090 024 723
Schools—		
Grants for Recurrent Expenditure	80 777 225	83 815 826
Building Grants	52 937 956	53 885 250
Capital Assistance Grant	120 071 000	120 071 000
Community Health	3 506 303	5 100 062
Contribution for Interest—Financial Agreement	4 254 318	4 254 318
Tuberculosis Arrangement—Maintenance	1 424 678	..
Pre-school Child Education and Care	13 225 000	9 015 000
Urban Public Transport Grants	7 050 000	10 962 960
Other Contributions and Recoups	15 461 594	20 316 317
	<u>1 283 398 325</u>	<u>1 397 445 456</u>
LOAN RECEIPTS		
Proceeds of Loan Raisings	240 142 000	240 142 000
Loan Repayments	14 861 887	12 235 270
	<u>255 003 887</u>	<u>252 377 270</u>
TOTAL RECEIPTS	<u>3 294 890 574</u>	<u>3 543 597 686</u>

Commonwealth financial assistance and State taxes are dealt with hereunder. Further references to receipts from other sources will be made under appropriate departmental headings.

Commonwealth Financial Assistance Grants

Commonwealth grants of financial assistance to the States are determined by various Commonwealth Acts. Grants to Victoria, credited to the Consolidated Fund, during the past 3 financial years were:

	1976-77	1977-78	1978-79
	\$	\$	\$
Commonwealth and States Financial Agreement (Vict. Act No. 3554)	4 254 318	4 254 318	4 254 318
Personal Income Tax Sharing Entitlement	841 700 000	984 690 251	1 090 024 723
Grants for Specific Purposes	102 845 798	114 394 800	118 247 205
Capital Assistance Grants	184 396 475	180 058 956	184 919 210
	<u>1 133 196 591</u>	<u>1 283 398 325</u>	<u>1 397 445 456</u>
Total Commonwealth Grants	<u>1 133 196 591</u>	<u>1 283 398 325</u>	<u>1 397 445 456</u>

Personal Income Tax Sharing Entitlement

The *States (Personal Income Tax Sharing) Act 1976*, as amended by the *States (Personal Income Tax Sharing) Amendment Act 1978*, authorised the arrangements under which revenue from personal income tax collections is to be shared between the Commonwealth and the States.

Under Section 6 of the 1976 Act, the Commonwealth Commissioner of Taxation is required to determine within one month after the end of each year the amount that, in his opinion, would have been the amount of the net personal income tax collections for the year if the health insurance levy and special surcharges (if any) had not been imposed and if special rebates (if any) had not been provided for.

For the 1978–79 financial year, the amount so determined was \$11 804 401 997. As provided by Section 7 of the Act, 39.87 per cent of this sum was shared between the States on an adjusted population basis. Victoria's share for 1978–79, calculated on this basis, was \$1 068 111 018.

However, Section 8 of the *States (Personal Income Tax Sharing) Act 1976* provides that, where the amount to which a State is entitled under Section 7 of the Act is less than the amount of the "minimum entitlement", then the State is entitled to an additional payment of an amount equal to the difference between the amount payable under Section 7 and the "minimum entitlement". The "minimum entitlement" is defined in the Act as either the total amount to which the State was entitled under Section 7 of the Act in the preceding year, namely 1977–78, or the notional amount of assistance which would have been paid to the State during 1978–79 under the repealed *States Grants Act 1973*, whichever is the greater. Victoria's entitlement under Section 7 of the Act during 1977–78 was \$985 666 642 whereas under the repealed Act it would have been \$1 090 024 723.

Therefore, in addition to the entitlement of \$1 068 111 018 for 1978–79 under Section 7 of the Act, Victoria received an additional amount of \$21 913 705 under the "minimum entitlement" provisions to increase the total sum to \$1 090 024 723.

Grants for Specific Purposes

Grants for specific purposes comprised:

	1976–77	1977–78	1978–79
	\$	\$	\$
Community Health	3 610 264	3 506 303	5 100 062
Home Care Scheme	1 912 751	2 541 955	3 421 597
Paramedical Services	263 254	282 589	380 207
Pre-school Child Education and Care	13 119 315	13 225 000	9 015 000
Education	72 106 091	80 777 225	84 413 826
Medibank Recoup .. .. .	..	908 658	1 610 764
School Dental Scheme	1 896 933	2 373 494	3 572 337
Tuberculosis Arrangement	2 647 426	1 424 678	..
Water Resources	910 412	1 136 000	1 136 000
Legal Aid	251 662	..	..
Deserted Wives	2 824 067	4 517 005	5 434 288
Repatriation Hospital—Bundoora	2 890 975	3 089 354	3 383 613
Miscellaneous	412 648	612 539	779 511
	<hr/>	<hr/>	<hr/>
	102 845 798	114 394 800	118 247 205

Capital Assistance Grants

Grants of a capital nature to the State for the past 3 years were:

	1976-77	1977-78	1978-79
	\$	\$	\$
Capital Assistance for Works	114 354 000	120 071 000	120 071 000
Education	45 611 794	52 937 956	53 885 250
National Sewerage Program	13 100 000	..	..
Urban Public Transport	11 330 681	7 050 000	10 962 960
	<u>184 396 475</u>	<u>180 058 956</u>	<u>184 919 210</u>

State Taxes

Classifications under Receipts—Taxation, in the Treasurers' Accounts, are: direct taxation, receipts under the Stamps Act, 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 receipts from Payroll Tax, Probate Duty, Land Tax, Motor Car Third-party Insurance Surcharge, Totalizator, Tattersall Duty and Gift Duty. Receipts under the Stamps Act comprise collections from Duty on Betting Instruments, Duty on Insurance Business, Other Stamp Duty and Receipt 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 main classifications referred to, taxation receipts over the past two years are compared hereunder:

	1977-78	1978-79
	\$	\$
Direct	753 915 663	783 406 700
Stamps Acts	291 749 419	307 487 059
Licences	67 867 784	78 736 203
	<u>1 113 532 866</u>	<u>1 169 629 962</u>

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

Direct Taxation

Payroll Tax—Collections in 1978-79 under the *Pay-roll Tax Act* 1971 amounted to \$510 504 641 compared with \$475 138 145 in 1977-78, an increase of \$35 366 496. The rise in salaries and wages during the year was the main contributing factor for the increase.

Probate Duty—Collections of Probate Duty in 1978-79 were \$62 174 996, a decrease of \$24 673 696 over the 1977-78 collections of \$86 848 692. The main contributing factor for the decrease in revenue was the effect of changes to the *Probate Duty Act* 1962 whereby no duty is payable on estates when the assets of the deceased pass to the spouse and children. These changes applied to the estates of persons dying on or after 21 November 1977.

Duty amounting to \$60 359 827 was collected by the Commissioner of Probate Duties and \$1 815 169 by the Public Trustee. The aggregate value of new estates assessed decreased from \$648 million in 1977-78 to \$444 million in 1978-79. Duty received in advance of the issue of assessments at 30 June 1979 amounted to \$3 620 688 whereas at 30 June 1978 the amount was \$7 014 458.

Land Tax—Revenue from Land Tax increased from \$60 752 489 in 1977–78 to \$69 591 876 in 1978–79, an increase of \$8 839 387. However, the rate of collection of land tax revenue for 1978–79 was considerably lower than the budget estimate of \$104 million.

The main causes for the shortfall appear to be:

- (i) administrative difficulties in processing assessments arising from the retrospective legislation which was proclaimed on 5 December 1978 in respect of land tax for 1978, and
- (ii) numerous difficulties in the processing of information on the computer at the Government Computing Centre.

A review of procedures within the Land Tax Office was conducted by representatives from the Land Tax Office, Public Service Board, Treasury and a firm of Chartered Accountants. This review resulted in the finalisation of the 1978 assessments in September 1979.

Motor Car Third Party Insurance Surcharge—In conformity with the requirements of the *Motor Car Act 1958*, an additional fee of \$4 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 1978–79 was \$7 938 454 compared with \$7 799 041 in the previous year.

Totalizator—The *Racing Act 1958* requires that a commission, being a percentage of investments, be deducted from all totalizator pools, the balance of the investments being paid out in dividends. During 1978–79, the commission deducted from moneys invested in on-course and off-course totalizators was 15 per cent. except in respect of off-course miscellaneous totalizators where the commission was 17 per cent. in the case of off-course doubles and 19 per cent. in the case of special schemes. In addition, the *Racing (Tabella Totalizators) Act 1977* empowered the Totalizator Agency Board to conduct Tabella totalizators and provided for commission of 20 per cent. to be deducted from moneys invested in such totalizators.

With effect from 1 August 1978, the *Racing (Amendment) Act 1978* provided *inter alia* for:

- (a) an alteration in the appropriation of the commission from "on course win and place totalizators"; and
- (b) a rebate on the commission payable to the Consolidated Fund by Country Clubs on race meetings where a totalizator is operating as follows:
 - (i) for bets totalling \$10 000 or less, a full rebate; and
 - (ii) for bets totalling between \$10 001 and \$31 000, a rebate on a sliding scale.

The appropriation of the commission in respect of the various totalizator pools is shown hereunder:

On-course Totalizators—

	<i>Win and Place to 31.7.78</i>	<i>Win and Place from 1.8.78</i>	<i>Doubles, Quinella and Forecast Trifecta and Trio</i>
	%	%	%
(i) Metropolitan—			
Consolidated Fund	9.75	8.75	6.75
Club concerned	5.25	6.25	8.25
Commission	15.00	15.00	15.00
(ii) Country—			
Consolidated Fund	4.75	3.75	4.75
Club concerned	10.25	11.25	10.25
Commission	15.00	15.00	15.00

Off-course Totalizators—

	<i>Win and Place %</i>
Consolidated Fund *	6.25
Race-courses Development Fund or Greyhound Racing Grounds Development Fund * .. .. .	.25
Totalizator Agency Board	8.50
Commission	15.00

	<i>Miscellaneous Off-course Doubles</i>	<i>Special Schemes</i>
	%	%
Consolidated Fund *	5.25	5.25
Race-courses Development Fund or Greyhound Racing Grounds Development Fund *	1.25	1.25
Funds into which moneys are paid pursuant to the <i>Youth, Sport and Recreation Act 1972</i>	2.00	4.00
Totalizator Agency Board	8.50	8.50
Commission	17.00	19.00

* The *Racing (Amendment) Act 1978* provides for a further 0.25 per cent. to be paid to the Development Funds from Consolidated Fund for race meetings conducted on or after 1 August 1979 and on or before 1 August 1985.

Tabella Totalizators—

Race-courses Development Fund	%
Racing Division	1·95
Trotting Division	·66
Greyhound Racing Grounds Development Fund	·39
Sports and Recreation Fund	9·00
Australian Football Fund	3·00
Totalizator Agency Board	5·00
Commission	<u>20·00</u>

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 etc. In 1978-79, the sum of \$45 601 930 was received into the Consolidated Fund and an equivalent amount paid out to the Hospitals and Charities Fund. The cost of administration charged to the Fund was \$245 545.

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

	1977-78				1978-79			
	Horse Races	Trotting Races	Greyhound Races	Total	Horse Races	Trotting Races	Greyhound Races	Total
	\$	\$	\$	\$	\$	\$	\$	\$
PERCENTAGES								
Win and Place								
Metropolitan	8 193 282	1 818 244	1 331 444	11 342 970	8 503 891	1 726 282	1 330 411	11 560 584
Country	4 108 059	2 275 105	532 975	6 916 139	4 049 749	2 279 089	488 844	6 817 682
Interstate	2 458 421	312 444	769	2 771 634	2 551 754	295 210	719	2 847 683
Doubles and Quinella								
Metropolitan	1 897 149	416 414	445 641	2 759 204	1 886 057	397 707	446 331	2 730 095
Country	696 773	352 603	160 292	1 209 668	698 526	374 216	133 265	1 206 007
Trio/Trifecta/Forecast								
Metropolitan	499 567	206 695	629 418	1 335 680	894 150	274 128	756 062	1 924 340
Country	22 934	13 680	..	36 614	49 958	34 316	6 429	90 703
Miscellaneous Totalizators	8 394 123	3 153 553	2 093 125	13 640 801	8 643 518	3 179 896	2 147 554	13 970 968
Rebates and Adjustments				3 116				(348 741)
				<u>40 015 826</u>				<u>40 799 321</u>
REACTIONS (Section 104 of the Racing Act)								
Win and Place								
Metropolitan	1 874 069	444 866	276 259	2 595 194	1 399 225	383 787	291 797	2 074 809
Country	572 890	332 677	104 958	1 010 525	780 463	531 502	139 016	1 450 981
Interstate	473 761	..	..	473 761	400 072	..	..	400 072
Doubles and Quinella								
Metropolitan	78 508	29 190	31 728	139 426	65 471	25 817	28 207	119 495
Country	20 224	12 510	10 948	43 682	34 424	21 486	12 973	68 883
Trio/Trifecta/Forecast								
Metropolitan	11 520	2 455	4 949	18 924	3 684	1 424	5 287	10 395
Country	515	109	..	624	828	310	16	1 154
Miscellaneous Totalizators				390 043				422 698
Dividends Adjustments Fund				5 281				(24 177)
				<u>4 677 460</u>				<u>4 524 310</u>
DIVIDENDS UNCLAIMED				256 725				278 299
CREDITS TO THE CONSOLIDATED FUND ..				<u>44 950 011</u>				<u>45 601 930</u>

Tattersall Duty—The Trustees of the will of the estate of the late George Adams, under licences granted in accordance with the provisions of the *Tattersall Consultation Act 1958*, promote and conduct sweepstakes and have appointed an agent to promote and conduct Soccer Football Pools.

Comparative figures for subscriptions to the various consultations and Soccer Football Pools for the past two years are given:

	1977-78	1978-79
	\$	\$
Ordinary Consultations	12 069 000	12 239 850
Tattslotto Consultations.. .. .	220 032 352	265 592 287
Gold Lotteries	7 500 000	2 500 000
Soccer Football Pools—		
Victoria: A.C.T.: N.T.	4 855 965	6 640 205
	244 457 317	286 972 342

Under the provisions of the legislation, total amounts subscribed are appropriated thus:

	<i>Fixed Value Sweeps and Tattslotto</i>	<i>Soccer Football Pools</i>
	%	%
Minimum prizes (Subscribers)	60	37
Statutory Duty (Government)	31	30
Balance—Promoter (Tattersalls)	9	33
	100	100

In respect of soccer-football pools, the promoter (or his agent) maintains a "Prizes Fund" pursuant to the legislation. Such moneys may be applied only for payment of pool prizes, bonus prizes, recoupment of shortfalls in previous pools, and reimbursement to the promoter for any contribution made towards any pool shortfall.

The promoter's portion of subscriptions, calculated in accordance with legislative provisions existing at 30 June 1979, amounted to:

	1977-78	1978-79
	\$	\$
Tattslotto	19 802 912	23 903 306
Soccer Football Pools	1 612 368	2 191 268
Ordinary Consultations	1 086 210	1 101 586
Gold Lotteries	675 000	225 000
	23 176 490	27 421 160

Tattersall Consultations (Amendment) Act 1979 (proclaimed 24 July 1979) amended, retrospective to 1 January 1979, the duty component to 32.5 per cent thereby reducing the promoter's portion to 7.5 per cent. The retrospective aspect of this legislation will necessitate an adjustment (of approximately \$2 000 000) of moneys appropriated during 1978-79 between the promoter and duty, payable to the Treasurer.

Duty payable to the Treasurer amounted to:

	1977-78	1978-79
	\$	\$
Tattslotto	67 933 396	80 431 007
Soccer Football Pools	1 452 152	1 926 480
Ordinary Consultations	3 712 207	3 682 723
Gold Lotteries	3 100 000	775 000
	76 197 755	86 815 210

In accordance with the provisions of the Act an amount equivalent to the net duty for 1978-79 was appropriated from the Consolidated Fund, and apportioned as follows:

	\$
Hospitals and Charities Fund	77 113 730
Mental Hospitals Fund	7 642 160
Sports and Recreation Fund	1 284 320
Historical and Community Projects Fund	775 000
	86 815 210

During the period under review and pursuant to the *Tattersall Consultations Regulations* 1954, unclaimed prizes were retained and invested for 3 years, before being paid (less certain expenses incurred by the promoter in searching for the persons concerned) into the Unclaimed Moneys Fund. The *Tattersall Consultations (Unclaimed Prizes) Regulations* 1979 (proclaimed on 3 July 1979) amended the retention period from 3 years to one year. Interest earned on such money is retained by the promoter.

Unclaimed prizes amounting to \$887 653 in respect of consultations drawn during 1975-76 were paid to the credit of the Unclaimed Moneys Fund in August 1979. Unclaimed prizes held by the promoter at 30 June amounted to \$11 625 741, of which \$4 491 514 was subject to the prescribed 14 days time constraint on the payment of prizes as prescribed in the Tattslotto Regulations.

During the year Victoria entered into an Agreement with the Government of the Northern Territory whereby that Government would receive 50 per cent of the total duty on Northern Territory subscriptions to Victorian consultations. This Agreement is to continue indefinitely, subject to a quarterly option for termination by either party.

Payments to the Government of the Northern Territory during 1978-79 amounted to \$196 067.

Listed hereunder are details relating to other Agreements:

Government	Term of Agreement	Year of expiry	Payments		Balance Due
			1977-78	1978-79	1978-79
			\$	\$	\$
Tasmania .. 10 years ..	1980	1 695 564	2 536 158	120 002	
New Zealand .. 3 years ..	1981	258 407	154 983	3 607	

Gift Duty—Collections under the *Gift Duty Act* 1971 amounted to \$779 592 in 1978–79, compared with \$2 229 530 in 1977–78. Duty received in advance of the issue of an assessment at 30 June 1979 totalled \$1812. Duty assessed but uncollected at that date amounted to \$396 750.

Stamps Act

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

	1977–78	1978–79
	\$	\$
Other Stamp Duty	224 296 634	239 102 122
Duty on Insurance Business	57 091 850	57 626 561
Duty on Betting Instruments	10 360 918	10 758 238
Receipt Duty	17	138
	<u>291 749 419</u>	<u>307 487 059</u>

As indicated in the preceding statement, receipts from stamp duty increased by \$15 737 640 for the year. Major variations in Other Stamp Duty were as follows:

	1977–78	1978–79	Increase
	\$	\$	\$
(i) duty on real estate dealings	109 042 696	109 708 921	666 225
(ii) duty on applications for registration and notices of acquisition of motor cars	44 040 127	47 696 418	3 656 291
(iii) duty on credit and rental business (registered persons)	24 770 782	27 390 262	2 619 480
(iv) duty on cheques	14 704 202	17 073 243	2 369 041
(v) sale of adhesive duty stamps	15 496 382	17 703 654	2 207 272
(vi) approved vendors (hire purchase)	7 175 510	7 434 442	258 932
(vii) mortgages—Section 137M of the <i>Stamps Act</i> 1958	1 627 987	1 802 239	174 252
(viii) sharebrokers' statements and share sales	5 840 666	7 845 657	2 004 991
(ix) approved insurers (life policies)	2 315 069	2 474 421	159 352

Licences

The Licensing Fund—The revenue of the Licensing Fund consisted mainly of moneys received from hotelkeepers, \$20 105 996, wholesale and retail liquor merchants, \$13 065 990, and clubs, \$1 913 475.

In accordance with the provisions of the *Liquor Control Act* 1968, the surplus of receipts over payments for 1978–79 was transferred to the Consolidated Fund.

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

	1977–78	1978–79
	\$	\$
Balance 1 July	<u>661 471</u>	<u>661 471</u>
<i>Receipts</i> —		
Licences	33 094 786	36 139 417
Permits	710 580	817 384
Fees and Fines etc.	322 037	315 894
Interest on Investments	15 996	15 996
	<u>34 143 399</u>	<u>37 288 691</u>

<i>Payments—</i>	<i>1977-78</i>	<i>1978-79</i>
	\$	\$
Salaries and Other Administrative expenses ..	888 758	1 130 146
Cost—Licensing Police	393 968	420 054
Compensation	113 500	19 560
Local Opinion Poll	1 045	..
	<hr/>	<hr/>
	1 397 271	1 569 760
Transfer to the Consolidated Fund	<hr/>	<hr/>
	32 746 128	35 718 931
Balance 30 June	<hr/>	<hr/>
	661 471	661 471

Compensation was paid in respect of 3 hotels in 1977-78 and 2 in 1978-79.

Tobacco Licences—The *Business Franchise (Tobacco) Act 1974* requires every person carrying on the business of tobacco wholesaling or retailing to hold a licence issued under the Act. Fees paid in respect of licences issued in 1978-79 amounted to \$29 619 237, compared with \$25 983 274 in 1977-78.

Motor Car Drivers' and Motor Driving Instructors' Licence Fees—Collections in respect of fees paid on the issue of drivers' licences are apportioned, in terms of the relevant legislation—one-eighth to the Country Roads Board Fund, one-eighth to the Drivers' Licence Suspense Account, one-quarter to the Municipalities Assistance Fund and the remaining half to the Consolidated Fund. Collections from motor driving instructors' licence fees are apportioned one-quarter to the Country Roads Board Fund, one-quarter to the Municipalities Assistance Fund and half to the Consolidated Fund.

Costs of collection of fees are met by the participating funds. After meeting the required proportion of the costs of collection, \$942 460, net collections credited to the Consolidated Fund on account of drivers' and instructors' licence fees, in 1978-79, amounted to \$9 523 349.

Comparison with Budget

The following statement shows the variations of Receipts from the Budget Estimate in 1978-79.

	<i>Budget Estimate</i>	<i>Receipts</i>	+	<i>Excess Deficiency</i>
	\$	\$	-	\$
TAXATION				
Payroll Tax	507 000 000	510 504 641	+	3 504 641
Probate Duty	50 000 000	62 174 996	+	12 174 996
Land Tax	104 000 000	69 591 876	-	34 408 124
Motor Car Third-party Insurance—Surcharge ..	8 100 000	7 938 454	-	161 546
Totalizator	45 400 000	45 601 930	+	201 930
Tattersall Duty	87 450 000	86 815 211	-	634 789
Gift Duty	1 000 000	779 592	-	220 408
Betting and Bookmakers' Turnover Tax ..	11 000 000	10 758 238	-	241 762
Duty on Insurance Business	67 400 000	57 626 561	-	9 773 439
Receipt Duty .. .. .	.. .. .	138	+	138
Other Stamp Duty	231 950 000	239 102 122	+	7 152 122
Licensing Fund Payment	35 850 000	35 718 931	-	131 069
Tobacco Licences	30 800 000	29 619 237	-	1 180 763
Other Licences	12 660 000	13 398 035	+	738 035
	<u>1 192 610 000</u>	<u>1 169 629 962</u>	-	<u>22 980 038</u>
RECOVERIES OF DEBT CHARGES				
Country Roads Board	2 993 000	2 986 973	-	6 027
Gas and Fuel Corporation of Victoria ..	768 000	767 658	-	342
Home Builders' Accounts	14 894 000	14 890 340	-	3 660
Housing Commission	42 411 000	42 576 578	+	165 578
Melbourne and Metropolitan Board of Works ..	23 774 000	23 954 391	+	180 391
Rural Finance and Settlement Commission ..	10 246 000	11 296 704	+	1 050 704
State Electricity Commission	26 924 000	26 781 688	-	142 312
Water and Sewerage Authorities	3 750 000	3 142 788	-	607 212
Other	4 700 000	5 237 374	+	537 374
	<u>130 460 000</u>	<u>131 634 494</u>	+	<u>1 174 494</u>
LAND REVENUE				
Lands	6 240 000	8 902 729	+	2 662 729
Mining	300 000	314 990	+	14 990
Royalties—Submerged Lands	86 500 000	87 145 975	+	645 975
Other	960 000	995 852	+	35 852
	<u>94 000 000</u>	<u>97 359 546</u>	+	<u>3 359 546</u>
HARBOR REVENUE				
Contribution—Port of Melbourne Authority ..	610 000	651 627	+	41 627
Westernport	4 120 000	4 090 778	-	29 222
Other	2 870 000	2 703 327	-	166 673
	<u>7 600 000</u>	<u>7 445 732</u>	-	<u>154 268</u>
FEEES AND CHARGES FOR DEPARTMENTAL SERVICES				
Fees—Titles Office, Commissioner for Corporate Affairs, Labour and Industry etc.	33 600 000	33 711 709	+	111 709
Recoups—Departmental Services	89 000 000	89 143 277	+	143 277
	<u>122 600 000</u>	<u>122 854 986</u>	+	<u>254 986</u>
FORESTS COMMISSION				
Royalties etc.	15 845 000	15 959 688	+	114 688
STATE RIVERS AND WATER SUPPLY COMMISSION				
Rates and Charges, Recoups etc.	39 600 000	39 975 775	+	375 775

Comparison with Budget—continued

	<i>Budget Estimate</i>	<i>Receipts</i>	+	<i>Excess Deficiency</i>
	\$	\$	-	\$
MISCELLANEOUS RECEIPTS				
Fines	19 000 000	19 599 470	+	599 470
Interest on Public Account	22 000 000	19 275 989	-	2 724 011
Rents and Hirings	2 500 000	2 258 340	-	241 660
Statutory Corporation Payments	29 000 000	29 160 000	+	160 000
Recoup—Superannuation Charges	5 600 000	5 673 595	+	73 595
State Savings Bank	15 091 000	15 091 305	+	305
Other	22 550 000	29 039 504	+	6 489 504
	115 741 000	120 098 203	+	4 357 203
RAILWAYS	185 435 000	188 816 574	+	3 381 574
COMMONWEALTH PAYMENTS TO STATE				
Commonwealth and States Financial Agreement	4 254 000	4 254 318	+	318
Personal Income Tax Sharing Entitlement ..	1 090 200 000	1 090 024 723	-	175 277
Water Resources Assessment	1 136 000	1 136 000		..
Home Care Scheme	2 490 000	3 421 597	+	931 597
Paramedical Services	353 000	380 207	+	27 207
Schools—Grants for Recurrent Expenditure ..	73 700 000	73 582 826	-	117 174
Pre-school Child Education and Care	9 600 000	9 015 000	-	585 000
School Dental Scheme	3 543 000	3 572 337	+	29 337
Community Health	5 570 000	5 100 062	-	469 938
Repatriation Hospital—Bundoora	3 300 000	3 383 613	+	83 613
Grants for Technical and Further Education ..	10 200 000	10 233 000	+	33 000
Deserted Wives	5 530 000	5 434 288	-	95 712
Medibank Recoup—Tuberculosis and Exotic Diseases	2 267 000	1 610 764	-	656 236
Other	303 000	1 377 511	+	1 074 511
	1 212 446 000	1 212 526 246	+	80 246
PROCEEDS OF LOANS RAISINGS	240 142 000	240 142 000		..
LOAN REPAYMENTS	13 200 000	12 235 270	-	964 730
WORKS GRANTS—				
COMMONWEALTH PAYMENTS				
Capital Assistance	120 071 000	120 071 000		..
School Building	53 894 000	53 885 250	-	8 750
Urban Public Transport	10 692 000	10 962 960	+	270 960
	184 657 000	184 919 210	+	262 210
TOTAL RECEIPTS	3 554 336 000	3 543 597 686	-	10 738 314

PAYMENTS

The payments from the Consolidated Fund exceeded those for 1977-78 by an amount of \$248 707 112. A comparison of the figures for the two years, separated into special and annual appropriations, is given in the following Statement:

Special Appropriation

	1977-78	1978-79		Increase Decrease
	\$	\$	+	\$
Interest including Exchange	256 464 652	275 993 827	+	19 529 175
National Debt Sinking Fund	32 827 377	35 166 214	+	2 338 837
Repayment of Advances—Commonwealth—State				
Housing and Soldier Settlement	8 521 353	9 398 370	+	877 017
Loan Management, Flotation expenses etc. ..	1 200 955	1 586 895	+	385 940
	299 014 337	322 145 306	+	23 130 969
Hospitals and Charities Fund (Totalizator) ..	44 950 011	45 601 930	+	651 919
Pensions	64 523 766	77 547 660	+	13 023 894
Hospitals and Charities and Mental Hospitals Funds (Tattersall)	72 129 654	84 755 890	+	12 626 236
Endowments and Grants	5 305 044	5 368 274	+	63 230
Payment to Commonwealth of Share of Royalties—				
Submerged Lands	21 943 771	28 030 869	+	6 087 098
Melbourne Underground Rail Loop Authority ..	10 412 000	13 920 835	+	3 508 835
Racing Act 1958—Section 119	1 812 259	3 621 770	+	1 809 511
Forestry Fund	7 504 920	7 500 230	—	4 690
Municipalities Assistance Fund	2 600 000	3 200 000	+	600 000
Historical and Community Projects Fund	3 100 000	775 000	—	2 325 000
Other	8 576 166	10 886 735	+	2 310 569
	541 871 928	603 354 499	+	61 482 571
 Railways—				
Debt Charges	21 439 993	23 541 133	+	2 101 140
Pensions	19 591 053	22 581 987	+	2 990 934
Other	798 818	841 333	+	42 515
	41 829 864	46 964 453	+	5 134 589
 Works and Services Account	435 426 999	431 224 933	—	4 202 066
 Total Special Appropriation	1 019 128 791	1 081 543 885	+	62 415 094

Annual Appropriation

			+	Increase
	1977-78	1978-79	-	Decrease
	\$	\$		\$
Education	954 846 522	1 041 065 565	+	86 219 043
Health	338 433 088	342 570 665	+	4 137 577
Chief Secretary	146 446 351	163 171 649	+	16 725 298
Community Welfare Services	85 755 408	101 139 822	+	15 384 414
Treasurer	61 874 665	73 862 206	+	11 987 541
Public Works	51 865 576	56 166 013	+	4 300 437
Water Resources	46 467 141	51 060 126	+	4 592 985
Transport	37 662 326	44 971 996	+	7 309 670
Agriculture	40 230 696	43 400 513	+	3 169 817
Attorney-General	37 191 571	39 755 085	+	2 563 514
State Development Decentralization and Tourism	28 375 976	31 151 224	+	2 775 248
Arts	24 417 391	27 109 490	+	2 692 099
Lands and Survey	22 877 224	24 656 446	+	1 779 222
Conservation	20 651 197	22 293 062	+	1 641 865
Premier	14 014 316	15 685 956	+	1 671 640
Forests	10 617 297	12 025 793	+	1 408 496
Local Government	9 233 812	10 218 691	+	984 879
Property and Services	7 405 120	8 410 446	+	1 005 326
Labour and Industry	6 971 971	7 664 550	+	692 579
Minerals and Energy	6 013 275	6 835 525	+	822 250
Parliament	3 816 372	4 255 365	+	438 993
Planning	3 669 761	4 005 214	+	335 453
Housing	1 620 592	2 083 840	+	463 248
Youth, Sport and Recreation	1 258 002	1 302 356	+	44 354
Consumer Affairs	811 649	920 598	+	108 949
Immigration and Ethnic Affairs	556 439	738 991	+	182 552
Railway Construction	227 989	315 251	+	87 262
	<hr/>	<hr/>		<hr/>
	1 963 311 727	2 136 836 438	+	173 524 711
	<hr/>	<hr/>		<hr/>
Railways	312 450 056	325 217 363	+	12 767 307
	<hr/>	<hr/>		<hr/>
Total Annual Appropriation	2 275 761 783	2 462 053 801	+	186 292 018
	<hr/>	<hr/>		<hr/>
Total Payments*	3 294 890 574	3 543 597 686	+	248 707 112

* Includes charges to Treasurer's Advance pending Parliamentary Authority.

1977-78 figures have been recast to allow for the following:

- (i) the distribution of Payroll Tax over all Departments as detailed in the Estimates for the year ended 30 June 1979; and
- (ii) the transfer of certain functions to the Department of Property and Services and the establishment of a separate Vote for the Ministry of Immigration and Ethnic Affairs.

Most of the payments shown in the foregoing statement have been classified under departmental headings and are discussed in subsequent sections.

A major payments 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, payments falling within this group are included in the figures of the related Department. Other details are provided in Appendices A 1-2.

In the following synopsis, the actual payments for the year are compared with the amounts appropriated for the various Departments and Services.

	Appropriations	Expended Under Parliamentary Authority	Unexpended	Expended From Treasurer's Advance—Division 403	Payments for the Year
	\$	\$	\$	\$	\$
Annual Appropriation—					
Parliament	4 104 488	4 058 532	45 956	196 833	4 255 365
Premier	15 769 772	14 976 974	792 798	708 982	15 685 956
Arts	27 304 320	26 956 269	348 051	153 221	27 109 490
Chief Secretary	160 302 025	160 205 230	96 795	2 966 419	163 171 649
Community Welfare Services	97 189 448	96 511 283	678 165	4 628 539	101 139 822
Youth, Sport and Recreation	1 341 508	1 295 101	46 407	7 255	1 302 356
Labour and Industry	7 448 318	7 368 206	80 112	296 344	7 664 550
Consumer Affairs	965 740	906 876	58 864	13 722	920 398
Education	1 020 931 820	1 020 009 760	922 060	21 055 805	1 041 065 565
Attorney-General	39 094 528	38 825 370	269 158	929 715	39 755 085
Treasurer	137 308 418*	63 996 759	73 311 659*	9 865 447	73 862 206
Conservation	22 573 558	22 013 450	560 108	279 612	22 293 062
Lands and Survey	24 241 268	24 141 737	99 531	514 709	24 656 446
Public Works	56 155 958	55 464 327	691 631	701 686	56 166 013
Property and Services	8 499 298	8 269 351	229 947	141 095	8 410 446
Local Government	10 342 073	10 064 884	277 189	153 807	10 218 691
Planning	3 817 650	3 785 843	31 807	219 371	4 005 214
Minerals and Energy	6 975 388	6 623 123	352 265	212 402	6 835 525
Agriculture	42 307 123	41 853 286	453 837	1 547 227	43 400 513
Health Commission	330 138 566	325 969 338	4 169 228	16 601 327	342 570 665
State Development Decentralization and Tourism	32 663 128	31 095 841	1 567 287	55 383	31 151 224
Immigration and Ethnic Affairs	690 230	680 732	9 498	58 259	738 991
Housing	2 370 678	2 041 536	329 142	42 304	2 083 840
Railway Construction	252 950	217 888	35 062	97 363	315 251
Transport	41 550 110	41 545 645	4 465	3 426 351	44 971 996
Forests	11 043 365	11 043 363	2	982 430	12 025 793
Water Resources	50 802 600	50 674 591	128 009	385 535	51 060 126
Railways	321 917 062	321 458 667	458 395	3 758 696	325 217 363
Total Annual Appropriation	2 478 101 390	2 392 053 962	86 047 428	69 999 839	2 462 053 801
Special Appropriation—					
Debt Charges and Other Services	603 354 499	603 354 499	..	..	603 354 499
Railways (including Debt Charges)	46 964 453	46 964 453	..	..	46 964 453
Works and Services Account	431 224 933	431 224 933	..	..	431 224 933
Total Special Appropriation	1 081 543 885	1 081 543 885	..	..	1 081 543 885
Grand Total	3 559 645 275	3 473 597 847	86 047 428	69 999 839	3 543 597 686

* Includes \$70 000 000—Div. 403, Advance to Treasurer

Section 2 of the *Appropriation (1978–79, No. 1) Act 1978* authorises the Treasurer to issue out of the Consolidated Fund and apply to the services specified in the Act such amounts as are payable during 1978–79 in respect of increases in salaries and associated expenditure resulting from any Act or determination to the extent that the amounts specified in the Appropriation Act are insufficient to provide for the payment of such salary increases. Amounts so authorised by the Treasurer during the year totalled \$38 909 912.

Certain of the additional salary costs arising from the awards in question were met from savings in the existing appropriations and from Division 403, Advance to Treasurer. The amount actually issued out of the Consolidated Fund by virtue of the authority cited was \$8 741 822, and this amount is included in the figure in the statement above for Total Annual Appropriation \$2 478 101 390.

TREASURER'S ADVANCE

The *Public Account Act* 1958 authorises the temporary issue and application from the Public Account of any sum or sums (not exceeding in all \$15 000 000) 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. In addition, a further sum of \$70 000 000 was available to the Treasurer in 1978-79, under the authority of the *Appropriation (1978-79, No. 1) Act* 1978 (Division 403).

Payments made by the Treasurer pending Parliamentary sanction thereto at 30 June 1979 are summarised hereunder:

<i>Authority</i>	\$
Appropriation (1978-79, No. 1) Act 1978	69 999 839
Public Account Act 1958	132 068
	70 131 907

On pages 29 to 130 of the Treasurer's Statement, details are given of the amounts included in the total of \$69 999 839 charged to Treasurer's Advance under authority of the *Appropriation (1978-79, No. 1) Act* 1978.

The amount of \$132 068 was charged to Treasurer's Advance under authority of the *Public Account Act* 1958 pending Parliamentary sanction in relevant Works and Services Acts. Details of this amount are given on pages 154 and 155 of the Treasurer's Statement.

VARIATIONS OF ANNUAL APPROPRIATIONS

Variations in Accordance with Section 25, *Audit Act* 1958

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

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

In all, 293 transfers were made between items and the amount involved was \$4 547 076.

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 C to this Report.

LOAN TRANSACTIONS

Synopsis

The State incurred additional loan liability of \$240 142 000 on account of moneys raised for works and associated purposes during the year. This figure is the same as for the previous year. The sources of the funds were two loans in Australia and the proceeds of the sales of Australian Savings Bonds.

Loan receipts comprising moneys received from the proceeds of loans raised and the repayment of advances may be summarised as follows:

	\$
Liability	
Australian Loans	140 000 000
Australian Savings Bonds	100 142 000
Repayments	12 235 270
	<hr/>
Receipts to the Consolidated Fund—Raisings and Repayments ..	252 377 270
	<hr/>

Loan transactions for the year had the effect of increasing the State's liability under the Financial Agreement from \$3 223 213 406 at 30 June 1978, to \$3 419 867 980 at 30 June 1979. There is, however, additional liability to the Commonwealth in respect of advances for housing purposes under Commonwealth—State Housing Agreements and, also, in respect of advances made to the State for a variety of purposes pursuant to Commonwealth—State agreements and arrangements.

Loan Raisings

Details of the terms and conditions in respect of \$240 142 000, the Victorian proportion of raisings for works and associated purposes, are as follows:

<i>Rate per Cent.</i>	<i>Maturity Date</i>	<i>Price of Issue</i>	<i>Loan No. 245</i>	<i>Special Loan No. 249</i>	<i>Australian Savings Bonds</i>	<i>Total</i>
			\$	\$	\$	\$
8.75	1.6.1986	Par	..	..	40 022 000	40 022 000
8.8	15.9.1980	..	13 210 000	..	..	13 210 000
9.0	15.10.1983	..	29 650 000	..	..	29 650 000
9.0	1.9.1985	..	..	..	17 668 000	17 668 000
9.0	1.5.1986	..	..	..	22 354 000	22 354 000
9.0	15.10.1988	..	19 681 000	..	..	19 681 000
9.0	15.2.1997	..	17 503 000	..	..	17 503 000
9.25	1.12.1986	..	..	..	20 098 000	20 098 000
9.6	15.7.1980	..	..	19 906 000	..	19 906 000
9.7	15.10.1982	..	..	19 906 000	..	19 906 000
9.7	15.5.1989	..	..	20 144 000	..	20 144 000
			<hr/>	<hr/>	<hr/>	<hr/>
			80 044 000	59 956 000	100 142 000	240 142 000
			<hr/>	<hr/>	<hr/>	<hr/>

Expenses associated with the raising of loans for works purposes were met from the Consolidated Fund, a total amount of \$627 031 being paid during the year. The expenses in respect of Australian Savings Bonds Series 13 and 14 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 1978-79 are:

<i>Securities Dealt With</i>			<i>Converted to</i>				
<i>Rate</i>	<i>Maturity</i>	<i>Amount</i>	<i>Redeemed by Sinking Fund</i>	<i>Amount</i>	<i>Rate</i>	<i>Price of Issue</i>	<i>Date of Maturity</i>
%		\$	\$	\$	%	\$	
6.8	15.8.78	18 028 000	2 593 000	7 856 000	8.8	Par	15.9.1980
				7 099 000	9.0	"	15.10.1983
				369 000	9.0	"	15.10.1988
				14 000	9.0	"	15.2.1997
				97 000	{ A.S.B. 9.0	"	1.5.1986
8.5	15.8.78	57 520 500	976 500	9 181 000	8.8	"	15.9.1980
				29 213 000	9.0	"	15.10.1983
				9 235 000	9.0	"	15.10.1988
				8 861 000	9.0	"	15.2.1997
				54 000	{ A.S.B. 9.0	"	1.5.1986
7	1.10.78	7 874 784	4 071 784	3 803 000	9.0	"	1.5.1986
5.25	15.11.78	28 546 600	6 366 600	3 513 000	8.6	99.94	15.9.1980
				8 476 000	8.8	Par	15.12.1983
				5 236 000	8.8	"	15.10.1988
				4 627 000	8.8	"	15.7.1997
				328 000	{ A.S.B. 8.75	"	1.1.1986
9.8	15.11.78	109 057 600	4 600 600	45 266 000	8.6	99.94	15.9.1980
				22 062 000	8.8	Par	15.12.1983
				16 059 000	8.8	"	15.10.1988
				21 070 000	8.8	"	15.7.1997
9.7	15.2.79	49 577 000	1 824 000	23 967 000	8.6	99.96	15.5.1980
				19 177 000	8.9	Par	15.7.1982
				4 609 000	9.0	"	15.2.1989
10	15.2.79	5 152 000	1 284 000	120 000	8.9	"	15.7.1982
				3 748 000	9.0	"	15.2.1989
5.8	15.5.79	30 041 000	2 569 000	21 478 000	9.7	"	15.10.1982
				5 994 000	9.7	"	15.5.1989
9.6	15.5.79	20 244 000	1 064 000	16 476 000	9.6	"	15.7.1980
				2 704 000	9.7	"	15.5.1989
		326 041 484	25 349 484	300 692 000			

There were no loan proceeds applied to the redemption of securities in 1978-79 other than from Australian Savings Bonds.

Funds for the redemption of Special and Australian Savings Bonds at maturity or on request by holders were provided from the proceeds of Australian Savings Bonds of later issues and from the National Debt Sinking Fund. Details are:

<i>Redeemed</i>				<i>Funds Provided by—</i>			
<i>Series</i>		<i>Maturing</i>	<i>Face Value</i>	<i>At Cost of</i>	<i>Source</i>	<i>Amount</i>	
			\$	\$		\$	
Special Bonds	V	1.10.78	4 071 784	4 193 937	} Savings Bonds—		
"	W	1.8.82	117 300	120 629		Series 11	154 114
"	X	1.10.82	274 600	281 262		Series 13	61 063
"	Y	1.1.83	383 500	387 335		National Debt	
"	Z	1.1.83	189 400	191 294		Sinking Fund	19 229 684
"	2A	1.4.81	39 000	39 780			
"	2B	1.4.81	210 400	213 987			
"	2C	1.10.80	1 854 600	1 885 719			
"	2D	1.6.82	1 414 100	1 435 523			
"	2E	1.1.83	747 400	757 499			
"	2F	1.7.83	1 029 600	1 039 896			
Savings Bonds	4	1.4.84	629 000	629 000			
"	5	1.6.84	295 300	295 300			
"	6	1.6.84	160 100	160 100			
"	7	1.8.84	333 300	333 300			
"	8	1.12.84	4 104 000	4 104 000			
"	9	1.7.85	1 100 500	1 100 500			
"	10	1.7.85	2 275 800	2 275 800			
			19 229 684	19 444 861		19 444 861	

Public Debt under the Financial Agreement

The Public Debt statement in the Treasurer's Finance Statement shows that the total indebtedness at 30 June 1979 amounted to \$3 427 554 164. Of this \$3 417 227 437 represented internal and \$10 326 727 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 \$3 419 867 980, an increase of \$196 654 574 for the year. The capital liability was accounted for in the Treasurer's Statement as follows:

Total liability apportioned between the various services of the State on account of loan raisings	\$	\$
		4 098 663 582
<i>Less</i> Exchange premium—		
London	4 275 725	
New York	20 539 954	
Canada	2 058 613	
Switzerland	1 626 859	
Netherlands	690 001	
		29 191 152
<i>Less</i> Equity in National Debt Sinking Fund—Cancelled Securities		4 069 472 430
		641 918 266
Total Indebtedness		3 427 554 164
<i>Less</i> Share of Cash—National Debt Sinking Fund		7 686 184
State's Capital Liability to Commonwealth under the Financial Agreement		3 419 867 980

A summary of transactions for the year ended 30 June 1979 is given in Statement No. 2 appended to this Report.

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	257 403 098
Loan Management, Flotation and Conversion Expenses and Expenses of Paying Interest	1 586 895
	<hr/>
Total Interest and Expenses (excluding interest on Commonwealth advances for Housing etc.)	258 989 993
Sinking Fund—State's Contribution to National Debt Sinking Fund	35 848 594
	<hr/>
Total Debt Charges	294 838 587
	<hr/>
The comparable figure for the previous year was	274 106 552
	<hr/>

National Debt Sinking Fund

A summary of the transactions in the National Debt Sinking Fund, in relation to Victoria, for the year is:

	\$	\$
Balance 1 July		21 432 336
Contributions—		
Commonwealth	9 098 005	
State	35 848 594	
	<hr/>	
Interest—temporary investment and repurchased securities		44 946 599
		<hr/>
		921 814
		<hr/>
Securities repurchased and redeemed, \$58 420 578, at a cost of		67 300 749
		<hr/>
		59 614 565
		<hr/>
Balance of cash in Sinking Fund 30 June		7 686 184
		<hr/>

The total amount of securities repurchased or redeemed and cancelled on account of Victoria since the inception of the scheme is now \$641 918 266, at a cost, including exchange on overseas purchases, of \$665 846 622.

Works and Services Program

Loan receipts comprising moneys received from the proceeds of loans raised and the repayments of advances totalled \$252 377 270, which, together with the Commonwealth works grants of \$184 919 210, provided a credit to the Consolidated Fund of \$437 296 480, as follows:

	\$
Loan Receipts—Raisings and Repayments ..	252 377 270
Commonwealth Capital Assistance Grant ..	120 071 000
School Building Grants	53 885 250
Urban Public Transport Grants	10 962 960
	437 296 480

Appropriations during the year from the Consolidated Fund to the Works and Services Account totalled \$431 224 933, which, together with the balance of \$17 573 193 brought forward from 1977-78, allowed for the implementation through this Account of a program of works and services to the extent of \$448 798 126. Payments under the Works and Services Program in the year 1978-79 amounted to \$432 196 056, compared with \$443 409 481 in 1977-78. Details of these payments are shown below:

	1977-78	1978-79
	\$	\$
School Buildings, Equipment etc.	152 788 099	159 311 366
Railways	44 410 729	51 117 000
Hospitals and Charitable Institutions	37 651 686	49 430 170
Country Water and Sewerage Works	46 706 567	37 888 982
Victorian Arts Centre	15 000 000	17 500 000
Forests	13 435 181	13 467 544
Mental Institutions including Alcoholism Services	10 918 613	10 439 614
Police Buildings and Equipment	9 698 696	10 348 290
Community Welfare Services	5 675 086	9 496 051
Public Buildings	14 234 348	5 534 975
Crown Lands—Development and Improvement	4 297 798	5 259 603
Electronic Data Processing	3 394 462	4 952 011
Victorian Development Corporation	5 750 000	4 250 000
Teacher Housing Authority	3 800 000	3 800 000
Court Houses	3 332 649	3 351 922
State Rural Employment Scheme	3 094 972	3 023 085
Melbourne and Metropolitan Board of Works	26 500 000	2 800 000
Rural Finance Commission—		
Finance Branch and Farm Water Supply	1 650 000	1 350 000
Land Settlement	862 054	725 000
Fishing Industry	500 000	500 000
Beef Industry	125 000	150 000
Agency Department	450 000	25 000
Mildura Grapes .. ..	..	10 750
National Parks	2 250 000	2 250 000
Performing Arts	1 124 639	2 126 152
Municipal Subsidies	3 696 191	2 032 369
Wharves and Jetties	1 527 661	2 109 936
Ministry of Transport	646 526	2 016 149
Mentally Retarded Children's Centres	1 772 504	1 705 704
Sanatoria and General Health	751 628	1 607 541
Agriculture	1 998 830	1 465 658
Foreshore Protection Works	1 327 542	1 345 717
Pre-school and Pre-Natal Centres	1 748 947	1 250 000
Soil Conservation Authority	1 174 825	1 193 696
Major Tourist Projects .. ..	..	1 087 992

	<i>1977-78</i>	<i>1978-79</i>
	\$	\$
Victorian Film Corporation	1 418 857	1 079 000
Minerals and Energy Department	761 446	1 057 676
Melbourne City Council—Loans— City Square	1 000 000	1 000 000
Plaza .. .. .	..	1 000 000
Other Public Works and Services	17 933 945	13 137 103
	<hr/> 443 409 481	<hr/> 432 196 056

Unexpended appropriations held in the Works and Services Account at 30 June 1979, amounted to \$16 602 070.

PART IV. TRUST FUND AND SPECIAL ACCOUNTS

Synopsis

Itemised Trust Funds and Special Accounts are included in the Treasurer's 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 total receipts and payments of the numerous transactions recorded in all Funds and Accounts were \$3 523 205 183 and \$3 551 737 035 respectively.

Summaries of the transactions in the various Trust Funds for the year are given in the Treasurer's Finance Statement on pages 132 to 143 and at pages 146 to 153. Details of investments held by the Trust Accounts and included in the balances on 30 June 1979 are shown on pages 144 and 145 of the Statement.

Statement No. 3 appended to this Report summarises the State's liability in respect of trust moneys and securities lodged with the Treasurer.

Interfund Transfers

Because of interfund transfers, receipts and payments of the Trust Fund include substantial amounts which are recorded twice in the Treasurer's Statement—in the Consolidated Fund, and, again, in the Trust Fund in that payments from the Consolidated Fund are included as receipts to and subsequently, as payments from the Trust Fund. Appropriations from the Works and Services Account to other Trust Accounts result in double counting in the Trust Fund itself.

This accounting treatment has the advantage of providing fuller disclosure of transactions affecting these Accounts.

The major accounts involved are the Hospitals and Charities Fund (\$273 705 660) and the Works and Services Account (\$431 224 933) together with the following Suspense and Clearing Accounts appearing on page 136 of the Treasurer's Statement:

	\$
Motor Accidents and Insurance Premiums Suspense Account	189 394 880
Payroll Deductions Suspense Account	387 266 869
Railways Salaries and Wages in Suspense Account 1978-79	260 538 264
Treasury Drawings Account No. 1	195 766 367
Treasury Drawings Account No. 2	130 737 402

The transfers to the Hospitals and Charities Fund, the Works and Services Account and many other Funds are required by legislation.

The Suspense and Drawings Accounts are mainly used to facilitate accounting procedures and were established in some instances as a means of holding moneys in the Public Account and earning interest.

New Funds and Accounts

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

<i>Account or Fund</i>	<i>Purpose for which Established</i>	<i>1978-79 Payments</i>	<i>Receipts</i>	<i>Balance 30 June 1979</i>
		\$	\$	\$
A.S.C.O.T. Trust Account ..	To record the receipts and payments of the Australian Standing Committee on Tourism, which comprises nominees of the Minister responsible for tourism in each State, the mainland Territories of Australia, and a nominee of the Australian Tourist Commission. The aim of the Committee is to improve co-operation and co-ordination of Government activities and policies as they affect Tourism.	41 945	69 885	27 940
Home Purchase Assistance Account	To record the receipt and disbursement of funds for the purpose of accounting for funds for the Co-operative Housing Societies.	51 998 753	57 025 725	5 026 972
International Year of the Child Committee Account	To record moneys made available from all sources and expended by the International Year of the Child Committee.	81 346	175 741	94 395
National Employment Strategy for Aborigines	To record the receipt and disbursement of moneys made available by the Commonwealth Department of Employment and Youth Affairs for the employment of Aboriginal trainees.	..	5 233	5 233
National Water Resources Program Trust Account	To record the receipt and disbursement of funds made available under the Commonwealth's <i>National Water Resources (Financial Assistance) Act 1978</i> and from State sources.	1 099 947	1 100 000	53
Recreation Operating Fund ..	To record receipts and expenditure of funds in relation to Youth, Sport and Recreation Department.	1 031 528	1 098 785	67 257
State Additional Apprentices Scheme	To record transactions in relation to the employment of additional apprentices by Government Departments and Instrumentalities.	22 711	200 000	177 289
State Bicycle Fund	To record receipts and disbursements of funds relating to the operation of the Bike Plan.	321 921	350 000	28 079
State Grants (Schools Assistance) 1978—	To record the receipt and disbursement of funds received from the Commonwealth for and in relation to schools under the Commonwealth's <i>States Grants (Schools Assistance) Act 1978</i> .	2 228 156	3 820 513	1 592 357
Joint Programs		42 777 548	43 591 575	814 027
Non-Government Programs				
Tanjil Dam Construction Account	To record details of expenditure and income in respect of the Tanjil Dam project.	139 999	140 000	1
Urban Storm Water Run Off Grant	To record the receipts and disbursements pertaining to the project—Pollution in Urban Storm Water.	35 603	43 682	8 079
Victorian Brown Coal Council Trust Account	To record the receipts and disbursements of the Victorian Brown Coal Council in terms of Section 13 of the <i>Victorian Brown Coal Council Act 1978</i> .	152 992	153 000	8
Victorian Solar Energy Research Committee Trust Account	To record the receipt of funds provided and their disbursement on approved research projects by the Committee.	96 231	96 231	..

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*, Trust Accounts, in respect of which appropriate particulars are given hereunder, were closed during the financial year 1978-79.

<i>Account</i>	<i>Balance at date of closing</i>	<i>Remarks</i>
	\$	
Coal Mines Depreciation Funds Act No. 6221	69 828	This account was opened to provide for depreciation charges in respect of the State Coal Mines at Wonthaggi and to meet all costs associated with the closing of the mines and the disposal of property used for coal mining purposes. As the only major income of the fund over the past 4 years has been from the sale of "Burnt Store" the fund was closed on 1 July 1978 and the balance of \$69 828 transferred to the Consolidated Fund.
Dairy Products Fund, Act No. 6233	11 998	Pursuant to Section 5 (a) of the <i>Dairy Products (Repeal) Act 1978</i> all moneys standing to the credit of the Dairy Products Fund at 30 June 1978, shall be paid to the credit of the Victorian Dairy Industry Authority.
Home Builders' Account, Act No. 6275 and Home Builders' Account No. 3	54 535 3 005 904	Pursuant to the establishment of the "Home Purchase Assistance Account" both Home Builders' Accounts have been closed and the existing balances transferred to the new account.
Industrial Development Fund, Act 8081	1 516 430	This account was opened in 1970 to record money used to assist in the establishment and expansion of secondary industries other than industries in the area within 50 miles of the Melbourne General Post Office. Balance of this account was transferred to the Development Fund in 1977-78. Account officially closed this year.
Mallee Land Account, Act No. 6284	1 067 000	In accordance with Act No. 9184, the Mallee Land Account has been closed and any sums standing to the credit of such account have been paid into the Consolidated Fund.
Superannuation Trust Fund	1 165 927	This account was opened in 1938 to receive payments by any officer on extended leave who was required to meet the Government's share of his pension liability in respect of periods of leave extending beyond 6 months. This arrangement continued until 1975 when the <i>Superannuation Act 1975</i> repealed these provisions regarding extended leave and contributions to the Fund. As the purpose for which the Trust Fund was established is now terminated, the account was closed and the balance transferred to the Consolidated Fund.

Current Funds and Accounts

The Treasurer's form of presentation of the Trust Fund lists the many accounts comprising the Fund in 4 main categories, namely:

- State Government Funds;
- Joint Commonwealth and State Funds;
- Commonwealth Government Funds; and
- Bequests, Deposits, Donations and Research.

In the following paragraphs are discussed certain of the major funds which are included in these categories but which cannot appropriately be commented upon under departmental headings throughout Part V. of the Report.

State Government Funds

The accounts included in this category are those established to receive and expend moneys received under statutory provisions or Parliamentary appropriations, operating accounts for various Authorities and departmental suspense and clearing accounts.

Adult Education Fund

This Fund is administered by the Council of Adult Education which is a statutory body established under the *Education Act 1958* 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 organise and conduct such lectures, classes, courses, vacation schools and other activities as it thinks necessary or desirable in connection 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 connection with its activities are paid into the Fund.

The following statement summarises the Council's financial operations in respect to the Adult Education Fund for the past two years:

	1977-78	1978-79
	\$	\$
Balance 1 July .. .. .	..	2
Receipts		
Government Contributions—		
Special Appropriation—Act No. 6240	50 000	50 000
Departmental Vote—Education	1 512 055	1 854 458
Fees and Proceeds—		
Classes and Lectures	736 743	805 296
Special Programs, Publications, Library	95 376	88 765
Discussion Services, H.S.C., Literacy, Basic Education, Extension and Liaison	155 867	94 189
Miscellaneous	845	335
	2 550 886	2 893 045
Payments		
Administration—		
Salaries	849 573	996 560
Rent	155 033	178 151
Casual Assistance	100 498	109 031
Payroll Tax	49 221	54 356
Light, Heat, Power	19 198	28 914
Building Maintenance	83 075	85 784
Telephone, Postage, Stationery	51 687	59 115
Other Expenses of Administration	49 708	67 029
Classes and Lectures	580 450	655 863
Special Programs, Publications, Library	292 641	324 384
Discussion Services, H.S.C., Literacy, Basic Education, Extension and Liaison	319 800	333 758
Balance 30 June	2	100
	2 550 886	2 893 045

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 1977 and 1978 :

1977							1978
\$							\$
	INCOME						
96 860	Contributions	..	..	..	..	93 000	
7 667	Other	..	..	..	..	7 549	
<hr/>						<hr/>	100 549
104 527							
	EXPENDITURE						
26 752	Salaries, Office Staff	..	..	..	..	30 135	
19 279	Salaries, Inspectors and Graders	..	..	..	..	21 349	
10 176	Allowances, Board Members	..	..	..	..	11 105	
21 246	Inspection and Grading	..	..	..	..	22 100	
16 739	General expenses..	..	..	..	..	17 257	
<hr/>						<hr/>	101 946
94 192							
<hr/>	10 335	Surplus (Deficit)	..	..	..	..	<hr/>
							(1 397)

The transactions show a deficit of \$1397 in 1978, compared with a surplus of \$10 335 in 1977. The turnabout in results was due mainly to:

- (i) a reduction in the pack of Dried Vine Fruits on which the levy payable by packing houses of \$2 per tonne is raised, and
- (ii) an increase in salaries and allowances.

At 30 June 1979, the balance at credit of the Fund in the Treasury amounted to \$93 614 and comprised cash \$514 and investments \$93 100 (face value).

Estate Agents' Guarantee Fund

Under the provisions of the *Estate Agents Act* 1958, this Fund, the receipts for which are 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 \$461 036 and claims paid for losses incurred amounted to \$99 044, compared with \$171 580 paid in 1977-78. 101 claims involving 8 agents were met in 1978-79, compared with 102 claims involving 8 agents in the previous year.

The surplus of \$361 992 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.

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

Transactions of the Fund during 1977-78 and 1978-79 are summarised below:

	1977-78	1978-79
	\$	\$
Balance 1 July	2 411 127	2 587 479
Special Appropriation	4 000	4 000
Interest on Investments	172 352	188 124
	<hr/>	<hr/>
	2 587 479	2 779 603
Payments .. .. .	..	..
	<hr/>	<hr/>
Balance 30 June	2 587 479	2 779 603
	<hr/>	<hr/>
Which included Investments of	2 556 500	2 749 500

Application of this Fund is restricted to Government buildings but, under a contract of insurance negotiated by an insurance broker through the Insurance Council of Australia, 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.

Home Builders' Account No. 2

Details of the legislative background of this Account have been given in previous Reports.

The sources of finance for the Account are, first, an interest-free grant by the Commonwealth to be available annually for 30 years from the financial year 1971-72, and, secondly, the repayments by Co-operative Housing Societies which had received advances from the Account. Such repayments form a revolving fund similar to that operating within the Home Purchase Assistance Account, particulars of which Account are given on page 45 of this Report.

A summary of the transactions for the past two years in the Account is given:

	1977-78	1978-79
	\$	\$
Balance 1 July	990 510	764 861
RECEIPTS		
Grant from Commonwealth	404 250	404 250
Interest and Repayment of Principal by Societies	2 683 090	2 841 275
	<hr/>	<hr/>
	4 077 850	4 010 386
PAYMENTS		
Advances to Registry of Co-operative Housing Societies	1 840 000	645 000
Interest and Repayments to Treasury re Advances ex Works and Services Account	1 419 279	1 419 279
To State of Victoria—Administrative Costs	53 710	54 009
	<hr/>	<hr/>
	3 312 989	2 118 288
Balance 30 June	764 861	1 892 098
	<hr/>	<hr/>
	4 077 850	4 010 386

Insurers Guarantee and Compensation Supplementation Fund

This Fund was established under the *Workers Compensation (Amendment) Act 1975* for the purpose of recompensing employers on account of certain increased liabilities incurred under the Act and to meet claims, awards and judgements against employers where an insurer has failed to provide indemnity under an accident insurance policy.

The Fund was financed by means of a surcharge levied on the premium paid in respect of an "employer's policy" under the *Workers Compensation Act 1958*. The surcharge was abolished from 15 September 1977.

The following summary sets out the transactions in the Fund during 1977-78 and 1978-79:

	1977-78		1978-79	
	\$	\$	\$	\$
Balance 1 July		59 326 656		65 551 962
RECEIPTS				
Surcharge Levies	9 522 187		172 868	
Income from Investments	7 492 178*		5 742 421*	
		<u>17 014 365</u>		<u>5 915 289</u>
		76 341 021		71 467 251
Less PAYMENTS				
Claims	10 322 711		7 199 528	
Administrative Costs	92 974		73 641	
Refunds—Surcharge Levies	373 374		2 779 595	
		<u>10 789 059</u>		<u>10 052 764</u>
Refunds—		10 789 059		10 052 764
Balance 30 June		<u>65 551 962</u>		<u>61 414 487</u>
Represented by—				
Investments		65 550 000		59 756 000
Cash		1 962		1 658 487
		<u>65 551 962</u>		<u>61 414 487</u>

* Includes discounts of \$998 610 taken up in respect of Deposits purchased at a discount and maturing at varying dates up to 17.12.1979

At 30 June 1979, the investments of the Fund comprised Bank Term Deposits, \$39 085 000, Commonwealth Government Loans, \$4 816 000, and Semi-Government Securities, \$15 855 000.

Mental Hospitals Fund

The *Tattersall Consultations Act 1958* provides for the annual payment from the Consolidated Fund to the Mental Hospitals Fund of amounts determined by the Treasurer from the duty paid by the promoter on Tattersall, Tattslotto and Soccer Football Pool consultations. During 1978-79, duty apportioned to this Fund amounted to \$7 642 160.

The Mental Hospitals Fund may be applied 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 30 June 1979:

	<i>During the year</i>	<i>Total</i>
	\$	\$
RECEIPTS		
Balance 1 July 1978	433 975	..
Special Appropriations— <i>Tattersall Consultations Act 1958</i>	7 642 160	44 866 728
	<hr/>	<hr/>
	8 076 135	44 866 728
PAYMENTS		
	\$	\$
Capital Works .. .. .	..	622 000
Maintenance Works .. .. .	..	300 000
General Expenditure (State Institutions) .. .. .	..	3 360 216
Maintenance Grants (Other Institutions)	7 723 159	39 267 370
Mental Health Research (University of Melbourne)	20 000	360 000
Capital Grants (Other Institutions) .. .. .	..	624 166
	<hr/>	<hr/>
	7 743 159	44 533 752
Balance 30 June 1979	332 976	332 976

Municipalities Assistance Fund

In addition to subsidies provided from the Consolidated Fund to municipalities, funds are made available through the Municipalities Assistance Fund.

The authority for this Fund is in the *Local Government Act 1958*, which provides that there shall be paid to the credit of the Fund part of all motor drivers' licence fees and driving instructors' licence fees paid under the *Motor Car Act 1958*, less costs of collection.

The Fund has these functions—to provide subsidies towards the cost of approved works of municipalities and other public bodies, to contribute towards the operating costs of the Country Fire Authority, and to contribute to the Casual Fire Fighters Compensation Fund whenever, at 30 April in any year, the balance of such compensation fund, less commitments, falls below \$2000.

When the amount standing to the credit of the Municipalities Assistance Fund is at any time insufficient to meet the sums and contributions authorised to be paid out of the Fund, moneys may be issued and applied from the Consolidated Fund to meet such insufficiency.

Following is a summary of operations in the Fund:

	<i>1977-78</i>		<i>1978-79</i>	
	\$	\$	\$	\$
Balance 1 July		4 391 959		3 207 804
RECEIPTS				
Special Appropriation—Act No. 6299		2 600 000		3 200 000
Receipts from Fees—Motor Car Drivers' and Instructors' Licences	3 269 719		5 232 904	
Less Costs of Collection	403 987		493 381	
	<hr/>	<hr/>	<hr/>	<hr/>
		2 865 732		4 739 523
		<hr/>		<hr/>
		9 857 691		11 147 327

	1977-78	1978-79
	\$	\$
PAYMENTS		
Contribution to Country Fire Authority . .	5 647 562	6 413 951
Contribution to Casual Fire Fighters Compensation Fund	2 637	1 600
Subsidies to Municipalities for Works ..	999 688	999 982
	<hr/>	<hr/>
	6 649 887	7 415 533
Balance 30 June	3 207 804	3 731 794
	<hr/>	<hr/>
	9 857 691	11 147 327
	<hr/>	<hr/>

Police Pensions Fund

Prior to the provisions of the *Superannuation Act* 1963 becoming effective, this Fund was the sole statutory fund out of which pensions or gratuities were payable to members of the Police Force appointed on or after 25 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.

In accordance with the provisions of Section 4 of the *Pensions Supplementation Act* 1966, regular fortnightly transfers of moneys were made from the Police Pensions Fund to the Pensions Supplementation Fund to meet the cost of supplementing police pensions and police widows' pensions. Transfers for the year totalled \$2 518 338.

During the year, an amount of \$4 350 000 was paid into the Fund from the Consolidated Fund, pursuant to the provisions of the *Police Regulation Act* 1958, to meet the Fund's increasing financial commitments.

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

	1977-78	1978-79
	\$	\$
Balance 1 July	5 858	3 361
RECEIPTS		
Contribution from Consolidated Fund—Vote	3 941 000	4 350 000
Deductions from pay	103 143	112 370
	<hr/>	<hr/>
	4 050 001	4 465 731
	<hr/>	<hr/>
PAYMENTS		
Pensions	1 749 693	1 778 904
Gratuities	4 407	15 826
Deductions refunded—on resignation	67 374	65 272
Pensions Supplementation Fund	2 225 166	2 518 338
	<hr/>	<hr/>
	4 046 640	4 378 340
	<hr/>	<hr/>
Balance 30 June	3 361	87 391
	<hr/>	<hr/>

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 25 November 1902.

Income of the Fund was \$4623 which comprised the State's contribution of \$4000, and fines amounting to \$623. Pension payments totalled \$3117.

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) 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. The percentage was increased to the maximum of 8 per cent. of the amount at credit from 1 January 1974. Provision is made for moneys in the Fund to be invested.

The following summary sets out the transactions in the Fund during 1977-78 and 1978-79:

	1977-78	1978-79
	\$	\$
Balance 1 July	2 452 462	2 737 278
RECEIPTS		
Deductions from Earnings	338 376	367 435
Interest on Investments	190 514	224 045
	2 981 352	3 328 758
PAYMENTS		
Pensions	238 220	1 392 288
Actuarial and Consulting Fees	5 854	12 097
Loss on Investments Realised .. .. .	..	17 265
	244 074	1 421 650
Balance 30 June	2 737 278	1 907 108
Represented by—		
Investments at cost	2 687 020	1 856 200
Cash	50 258	50 908
	2 737 278	1 907 108

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 approved by the Governor in Council.

Transactions of the Fund for the years 1977-78 and 1978-79 are set out below:

	1977-78	1978-79
	\$	\$
Balance 1 July	24 639	11 597
RECEIPTS		
Registration Fees	39 063 251	39 769 573
Refund of payments <i>re</i> acquisition of Floating Dock .. .. .	..	4 159
	39 087 890	39 785 329
PAYMENTS		
By Country Roads Board	33 456 293	37 144 546
Transfer to Traffic Authority Fund	3 620 000	1 213 000
West Gate Bridge	2 000 000	..
	39 076 293	38 357 546
Balance 30 June	11 597	1 427 783

Works and Services Account

This Account, established pursuant to the *Public Account Act 1958*, is financed from the Consolidated Fund by allocations determined by the Treasurer and payments therefrom are met only under authority of appropriations by Parliament, the specific and enabling Acts being listed on page 153 of the Treasurer's Statement. For the purpose of presenting many of the statements included in this Report, payments of appropriations from the Consolidated Fund through the Works and Services Account have been treated as payments from the Consolidated Fund.

The balance of the Account at 1 July 1978, was \$17 573 193 and allocations from the Consolidated Fund during 1978-79 amounted to \$431 224 933. Payments, including an amount of \$132 068 disbursed from Treasurer's Advance pending parliamentary sanction thereto, were \$432 196 056, leaving a balance in the Account at 30 June 1979, of \$16 602 070.

Details of the payments met from the Account are given on pages 32 and 33 of this Report.

Joint Commonwealth and State Funds

The major accounts classified under this head on page 137 of the Treasurer's Finance Statement are the Dartmouth Dam Construction Account, the Victorian Natural Disasters Relief Account and the Cattle Compensation Fund. These accounts are the subject of comment under the relevant departmental headings elsewhere in this Report.

Commonwealth Government Funds

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 authorise 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 for disbursement by particular public bodies such as the Universities, Health Commission, Housing Commission etc. Reference to these accounts is included in Part V. of this Report or in my Supplementary Report. Comments follow on other accounts not so included.

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 Hospitals for the Aged and the Mental Health Division of the Health Commission of the cost of pharmaceutical benefits supplied. The basis of reimbursement under the Act is determined by the Commonwealth Minister of Health.

Payments to the State from the Commonwealth in respect of pharmaceutical benefits supplied to patients in public hospitals have been included in contributions by the Commonwealth towards net operating costs of public hospitals in accordance with the cost-sharing Agreement between the Commonwealth and the State.

The following statement sets out the transactions of the Account during the years 1977-78 and 1978-79:

	1977-78	1978-79
	\$	\$
Balance 1 July	55 074	1 291 679
Received from Commonwealth	1 750 200	2 750 000
	<hr/>	<hr/>
Payments	1 805 274 513 595	4 041 679 2 780 144
Balance 30 June	<hr/> 1 291 679	<hr/> 1 261 535

The balance of the Fund at 30 June 1979, \$1 261 535, comprised amounts received from the Commonwealth and held in the Fund pending disbursement to the institutions concerned.

Home Purchase Assistance Account

The State of Victoria has entered into an Agreement with the Commonwealth in respect to the provision of home purchase assistance. The Agreement is supplementary to the Commonwealth's *Housing Agreement Act 1978*, and is effective for the period of 3 financial years beginning on 1 July 1978.

Two Trust Accounts previously operating, namely the "Home Builders' Account" and the "Home Builders' Account No. 3" were amalgamated, from 1 July 1978, into a new Account called the "Home Purchase Assistance Account". For accounting reasons, the amalgamation did not include the "Home Builders' Account No. 2", details of which are given on page 39 of this Report.

The sources of finance for the new Account are, mainly, money received from the Commonwealth and from repayments by Co-operative Housing Societies, such repayments forming a revolving fund for further lending.

The operations of the new Account are summarised in the following statement, the figures for 1977-78 being a consolidation of the operations of the two Accounts which have been replaced.

	1977-78	1978-79
	\$	\$
Balance 1 July	2 959 235	3 060 439
RECEIPTS		
Advances from Commonwealth	30 528 000	24 735 000
Interest and Repayment of Principal by Societies	27 379 335	28 208 286
Amount received from Housing Commission .. .. .	..	1 300 000
	<hr/> 60 866 570	<hr/> 57 303 725
PAYMENTS		
Advances to Registry of Co-operative Housing Societies	45 525 500	38 675 044
To Commonwealth—		
Interest and Redemption	11 742 209	12 987 489
To State of Victoria—Administrative Costs	538 422	614 220
	<hr/> 57 806 131	<hr/> 52 276 753
Balance 30 June	3 060 439	5 026 972
	<hr/> 60 866 570	<hr/> 57 303 725

On 29 June 1979, an amount of \$1 300 000 received from the Housing Commission was paid into the Account. This sum was the estimated total of instalments received from purchasers of Commission homes. On 5 July 1979, the amount of \$1 300 000 was paid to the Commission from the Account. At the time of preparation of this Report, the propriety of the use of the Home Purchase Assistance Account for these transactions was under consideration.

Commonwealth Local Government Grants Trust Account

Pursuant to the Commonwealth's *Local Government (Personal Income Tax Sharing) Act 1976* and its *Local Government (Personal Income Tax Sharing) Amendment Act 1977*, grants totalling \$45 666 481, representing 1.52 per cent. of net personal income tax collections for 1977-78 in terms of the *States (Personal Income Tax Sharing) Act 1976*, were received from the Commonwealth during 1978-79 and disbursed to local governing bodies. The comparable sum in 1977-78 was \$42 078 134.

State Grants (Advanced Education) and State Grants (Tertiary Education Assistance) — C.A.E. Trust Accounts

Moneys were received from the Commonwealth pursuant to the provisions of the *States Grants (Tertiary Education Assistance) Act 1977* for capital and recurrent expenditure for colleges of advanced education, namely, the Victoria Institute of Colleges and affiliated Colleges, and the State College of Victoria and its constituent Colleges. However, from 1 January 1979, grants were provided by the Commonwealth under the provisions of its *States Grants (Tertiary Education Assistance) Act 1978* for the affiliated Colleges and the constituent Colleges only. Since that date, the Victoria Institute of Colleges and the State College of Victoria have been funded from State sources.

The following statement summarises the transactions for the past two years:

	1977-78		1978-79	
	\$	\$	\$	\$
Balance 1 July		39 460		39 237
Add RECEIPTS—Commonwealth Grants (net)		160 490 129		169 478 488
		<hr/>		<hr/>
		160 529 589		169 517 725
Less PAYMENTS—				
Capital				
Victoria Institute of Colleges and Affiliated Colleges	14 728 297		14 780 217	
State College of Victoria and its Constituent Colleges	3 832 062		2 750 412	
Agriculture Department	223		2 823	
Recurrent				
Victoria Institute of Colleges and Affiliated Colleges	96 354 221		104 896 681	
State College of Victoria and its Constituent Colleges	45 575 549		47 051 109	
		<hr/>		<hr/>
		160 490 352		169 481 242
Balance 30 June		<hr/>		<hr/>
		39 237		36 483

State Grants (Non-Government Schools) Trust Accounts

Pursuant to the provisions of the *States Grants (Schools) Act 1972* and the *States Grants (School Assistance) Acts*, the Commonwealth granted financial assistance to the State for non-government schools, that is, those in which primary or secondary education is conducted neither by the State nor for the profit of individuals, in relation to capital and recurrent expenditure.

The following statement summarises the transactions for the past two years:

	1977-78	1978-79
	\$	\$
Balance 1 July	5 668 598	1 253 239
Add RECEIPTS—Commonwealth Grants (net)	65 438 120	86 254 990
	<hr/>	<hr/>
Less PAYMENTS	71 106 718	87 508 229
	69 853 479	86 318 178
	<hr/>	<hr/>
Balance 30 June	1 253 239	1 190 051
	<hr/>	<hr/>

State Grants (Schools and Schools Assistance) Trust Accounts

Pursuant to the provisions of the *States Grants (Schools) Act 1976*, and the *States Grants (Schools Assistance) Acts*, the Commonwealth provided grants of financial assistance to the State for teacher development, disadvantaged country area schools, general building grants and special education relating to non-government schools and other specified projects.

The following statement summarises the transactions for the past two years:

	1977-78	1978-79
	\$	\$
Balance 1 July	4 141 141	3 042 976
Add Receipts—Commonwealth Grants (net)	12 173 655	7 224 319
	<hr/>	<hr/>
Less Payments	16 314 796	10 267 295
	13 271 820	8 483 162
	<hr/>	<hr/>
Balance 30 June	3 042 976	1 784 133
	<hr/>	<hr/>

State Grants (Tertiary Education Assistance)—T.A.F.E. Trust Account and State Grants (Technical and Further Education Assistance) Trust Account

Under the provisions of the *States Grants (Tertiary Education Assistance) Acts 1977* and *1978*, the Commonwealth made available to the State grants of financial assistance to finance specific projects in certain schools.

The following statement summarises the transactions for the past two years :

	1977-78	1978-79
	\$	\$
Balance 1 July	1 665 301	401 013
Add Receipts—Commonwealth Grants (net)	3 710 400	4 176 000
	<hr/>	<hr/>
Less Payments	5 375 701	4 577 013
	4 974 688	3 765 307
	<hr/>	<hr/>
Balance 30 June	401 013	811 706
	<hr/>	<hr/>

Money etc. Held for Bequests, Donations, Deposits and Research

The major item included in this category relates to shares of the Gas and Fuel Corporation of Victoria to a value of \$15 661 382 purchased by the State under the provisions of the *Gas and Fuel Corporation Act 1958*.

PART V. DEPARTMENTS, BRANCHES AND AUTHORITIES

AGRICULTURE

The Department of Agriculture is engaged in the administration of legislation relating to primary production, and in research and experimental work, practical farming education and supervision as prescribed by the relevant Acts. In this connection, 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 Departmental payments from the Consolidated Fund for the year were \$45 629 974 against which there were departmental receipts of \$9 321 847 resulting in a net cost of \$36 308 127, compared with \$33 863 624 for the previous year.

Details of payments and receipts for the two years are:

	1977-78	1978-79
	\$	\$
PAYMENTS		
VOTE—		
Agriculture—		
Salaries and Allowances	26 238 408	28 661 755
Overtime and Penalty Rates	101 714	86 827
Payments in lieu of Long Service Leave	227 945	375 184
General Expenses	2 015 355	2 095 862
Payroll Tax	1 597 791	1 796 210
Central Administration	126 376	148 542
Education and Extension Services	3 688 665	3 906 204
Plant Services	2 110 570	2 129 306
Animal Health	2 351 037	2 325 314
Animal Industries	1 772 835	1 875 309
Treasury—		
Workers Compensation	360 449	325 756
Public Works—		
Maintenance and Rent of Buildings	232 941	300 848
WORKS AND SERVICES ACCOUNT	2 121 841	1 602 857
	42 945 927	45 629 974
RECEIPTS		
Departmental Services	8 733 333	8 013 752
Licences—		
Dairies, Dairy Farms, Dairy Produce Factories etc.	131 263	177 261
Other—		
Rents, Hiring etc.	217 707	1 130 834
	9 082 303	9 321 847
Net Cost	33 863 624	36 308 127

Trust Accounts

In addition to those activities financed from the Consolidated Fund, various other services and projects are administered through trust accounts, the funds for which are, in many instances, provided almost wholly by the Commonwealth. The purposes for which these accounts have been established are such that they may be grouped within

the broad classifications of research and experimental, educational, compensation and advisory services. Brief comments in respect of certain of the larger trust accounts are given in the following paragraphs.

Australian Meat Research Account

This account meets the costs of cattle and sheep research projects carried out by the Department under the auspices of the Australian Meat Research Committee. In 1978–79, payments for this purpose totalled \$146 004 and were met from the credit balance in the account together with net receipts of \$159 467 from the Commonwealth. The unexpended balance at 30 June 1979 was \$40 310.

Commonwealth Extension Services (Agriculture) Grant Account

Payments from funds provided by the Commonwealth for purposes of expanding extension services, including applied research and farm management advice, are controlled through this account. In 1978–79, net receipts to the account amounted to \$2 173 990 and payments totalled \$2 214 489. A balance of \$375 395 remained in the account at 30 June 1979.

Commonwealth Dairy Research Grant Account

Moneys in this account may be expended on the recommendations of the Australian Dairy Produce Board which are based on proposals of the Dairy Produce Research Committee. Such payments may be on research in connection with dairy produce and on dissemination of information concerning the dairy produce industry. Receipts in 1978–79 amounted to \$187 773 and payments were \$182 064. The account had a balance of \$48 129 at 30 June 1979.

Commonwealth–State Eradication of Brucellosis and Tuberculosis Account

Funds provided by the Commonwealth to meet costs involved in carrying out the State's part in the national campaign for the eradication of brucellosis and tuberculosis in livestock are held in this trust account. Payments under the program for the year amounted to \$5 390 124.

Cattle Compensation Fund and Swine Compensation Fund

Receipts to these Funds consist mainly of stamp duty levied on the sales of cattle and swine, proceeds from realisation of the residual value of animals destroyed and contributions from the Commonwealth. Moneys in the Funds are applied mainly to the payment of claims for compensation to owners of diseased cattle and swine destroyed in accordance with the relevant legislation.

In 1978–79, receipts of the Swine Compensation Fund amounted to \$117 444 and payments to \$32 077. The balance in the Fund at 30 June 1979, was \$1 167 322. Receipts of the Cattle Compensation Fund, including Commonwealth contributions totalling \$893 120, amounted to \$3 109 366 and payments to \$2 744 063. A balance of \$986 500 remained in the Fund at 30 June 1979.

Commonwealth Overseas Aid (Agriculture) Trust Account

Funds provided by the Commonwealth for purposes of technical direction and management of several of Australia's agricultural aid projects in India are controlled through this account. In 1978–79, receipts amounted to \$1 307 930 and payments to \$1 480 127. The unexpended balance at 30 June 1979 was \$329 093.

ARTS

The Ministry for the Arts was established pursuant to the provisions of the *Ministry for the Arts Act 1972*. The objects of the Ministry are to develop and improve the knowledge, appreciation and practice of the Arts, to increase their availability and accessibility to the public, and to encourage and assist in the provision of facilities to enable the Arts to be performed or displayed.

The cost to the Consolidated Fund of the various branches and functions of the Ministry for 1977-78 and 1978-79 is set out below:

	<i>Ministry for the Arts Head Office</i>	<i>National Gallery Arts Centre etc.</i>	<i>State Library</i>	<i>National Museum and Science Museum</i>	<i>State Film Centre</i>	<i>Total 1978-79</i>	<i>Total 1977-78</i>
	\$	\$	\$	\$	\$	\$	\$
VOTE—							
Ministry for the Arts—							
Salaries and allowances	475 614	1 873 718	3 759 389	1 125 558	358 658	7 592 937	6 850 081
Overtime and penalty rates	8 285	227 200	167 365	5 450	10 391	418 691	397 338
Payments in lieu of long service leave, retiring gratuities .. .. .	..	24 730	17 297	37 643	33 545	113 215	34 723
General expenses etc.	79 427	467 300	672 203	303 591	244 294	1 766 815	1 743 876
Payroll Tax	25 720	111 666	208 711	60 114	19 616	425 827	356 415
Grants and subsidies to Free Libraries etc. Grants to Cultural Bodies etc.	3 497 541	16 216	5 586	5 587	..	11 858 228	10 778 230
Grants to Country Art Galleries	468 654	..	..	..	..	468 654	429 406
Contribution to Arts Fund	259 500	..	..	..	..	259 500	267 000
Fees and Expenses—Victorian Film Corporation	208 238	..	..	..	..	208 238	179 997
Contribution to Art Foundation of Victoria	472 455	..	..	..	..	472 455	500 000
Treasury—							
Workers Compensation	4 273	23 943	44 056	13 070	4 289	89 631	95 636
Public Works—							
Maintenance and rent of buildings	107 458	..	37 605	12 375	..	157 438	140 356
WORKS AND SERVICES ACCOUNT—							
Assistance to Country Art Galleries for and towards the cost of approved works and purposes	4 543	..	..	..	..	4 543	33 146
Contribution to the Victorian Arts Centre Trust Fund	17 500 000	..	..	..	..	17 500 000	15 000 000
Grants and contributions towards approved capital projects for the performing arts	2 000 000	..	..	..	..	2 000 000	449 474
Payment into the Arts Fund for the purposes of the Victorian Film Corporation	1 079 000	..	..	..	..	1 079 000	1 418 857
Payments in connection with the acquisition, alterations and improvements of buildings, for the promotion of the Arts	414 734	..	259 845	379 503	2 213	1 056 295	2 069 323
Total ..	26 605 442	2 744 773	17 030 285	1 942 891	673 006	48 996 397	43 621 649

The item shown in the statement above, "Works and Services Account—Contribution to the Victorian Arts Centre Trust Fund, \$17 500 000", represents payments made during the year to the Victorian Arts Centre Building Committee by authority of the Works and Services Act. The final payment of \$7 350 000 in respect of the year was made to the Committee by Treasury cheque dated 29 June 1979. On 5 July 1979, a cheque for \$7 000 000, drawn on the Building Committee's account, was lodged with Treasury and credited to Treasury Trust Fund 1979-80. Transactions of a similar nature in previous years were as follows:

<i>Financial Year</i>	<i>Date of Treasury Cheque</i>	<i>Amount of Treasury Cheque</i>	<i>Amount Received from Committee and Credited to Treasury Trust Fund</i>	<i>Date Credited to Treasury Trust Fund</i>
		\$	\$	
1973-74	28 June 1974	2 400 000	2 000 000	8 July 1974
1974-75	30 June 1975	1 200 000	1 000 000	3 July 1975
1975-76	30 June 1976	3 800 000	2 800 000	1 July 1976
1976-77	30 June 1977	4 300 000	3 800 000	1 July 1977
1977-78	30 June 1978	7 100 000	7 100 000	4 July 1978

The circumstances in respect of the transactions at the end of June 1978 were questioned with Treasury and the following advice was received:

- “1. Amounts allocated to the Arts Centre have been based on forward projections of requirements prepared by the Building Committee and accepted by the Premier and Treasurer as various stages of the project have been approved.
2. Actual requirements to meet expenditure on the project are dependent upon the progress of contracts.
3. With the authority of the Treasurer grants have been paid in accordance with forward projections of those cash requirements even though actual requirements have not reached these projections in particular years. Unclaimed allocations have been paid over at the end of the year concerned.
4. By arrangement, the Committee has deposited excess funds in the Public Account, instead of its own bank account, pending expenditure. In this way the State gains the benefit of the interest return which would be lost if the funds were held by the Committee.
5. When received by Treasury, it is necessary to place the funds in the Trust Fund and, without a specific trust account available, the credit is made to Treasury Trust.”

Having regard to the above transactions and the reply by the Treasury, I am of the opinion that a review of the method of calculation of the Committees' forward projections should be undertaken, thus obviating the need for this type of fund transfer.

Payments in connection with the acquisition, alteration and improvement of buildings for the promotion of the Arts included:

- (i) a contribution of \$295 667 to the University of Melbourne for the purchase and renovation of the Nathan Blight building in South Melbourne to be used by the Melbourne Theatre Company as an administrative, rehearsal and workshop area;
- (ii) renovations, totalling \$91 087, to the Metropolitan Meat Market which is being converted to a Craft Centre;
- (iii) renovations, totalling \$85 367, to the west facade of the Science Museum in Swanston Street; and
- (iv) a sum of \$72 035 for the replacement of the telephone switchboard at the State Library and Science Museum.

During the year, an amount of \$472 455, compared with \$500 000 in 1977-78, was paid to the Art Foundation of Victoria which is an unincorporated body formed with the general object of assisting the Council of Trustees of the National Gallery in maintaining, improving and developing the State collection of works of art. The Foundation was constituted with the approval of the Council of Trustees and, under an agreement entered into between the Art Foundation and the Council of Trustees, all moneys raised by the Foundation are to be held by the Gallery and are to be invested or to be applied in, or towards, the purchase of works of art as additions to the State collection after prior consultation with the Foundation.

Arts Fund

Under the provisions of the *Ministry for the Arts Act 1972*, the Arts Fund was established within the Trust Fund. Money is appropriated to the Fund and all other moneys received for the purposes of the Act are paid into the Fund. In addition, money is appropriated to the Arts Fund for the purposes of the *Victorian Film Corporation Act 1976* and all moneys received or expended by the Corporation are to be accounted for separately in the Fund.

Summarised details of the receipts and payments of the Arts Fund for the past two years are as follows:

1977-78	1978-79
\$	\$
343 333 Balance 1 July	265 486
<i>Receipts</i>	
Government Contributions—	
267 000 From Vote	259 500
1 414 768 From Works and Services Account—Victorian Film Corporation	1 079 000
	1 338 500
<i>Other—</i>	
138 619 Arts Victoria Festivals	35 416
23 785 Cultural Development	31 388
35 108 Films	211 578
	278 382
2 222 613	1 882 368
<i>Payments</i>	
Arts Victoria Festivals—	
29 216 Administration	35 200
90 033 Advertising and Public Relations	15 551
183 800 Programs, Grants etc.	209 020
	259 771
Cultural Development—	
.. .. . International Music Council	1 300
23 914 Feasibility Study—Arts Victoria Festival .. .. .	..
39 000 Artists in Schools etc.	11 000
9 000 Publications of Literature etc.	9 068
.. Pascoe Study	2 897
.. St. Martin's Theatre	6 874
	31 139
Films—	
869 847 Features	407 000
79 038 Documentaries	8 323
205 000 Television	326 175
51 587 Script Development	43 638
376 692 Marketing and Distribution	99 582
.. Government Documentaries	223 636
.. General	31 927
	1 140 281
265 486 Balance 30 June	451 177
2 222 613	1 882 368

Victorian Film Corporation

The Victorian Film Corporation was constituted under the *Victorian Film Corporation Act 1976* to encourage and promote the production, exhibition and distribution of films, television programs and other entertainments and works.

As indicated above, moneys are appropriated from the Works and Services Account and are paid into the Arts Fund for the purposes of the Victorian Film Corporation. Up to 30 June 1979, the total funds paid into the Arts Fund for the Corporation were as follows:

	\$
Transfer from Works and Services Account	3 087 706
Departmental contributions towards production of Government films	44 700
Returns on investments in films	199 290
Other receipts	4 496
	<hr/>
	3 336 192
	<hr/>

These funds were represented by:

	\$
Investment in Films	2 954 691
Loans to Film Producers etc.	129 035
Fixed Assets (at cost)	32 827
Cash at Treasury (held in Arts Fund)	219 639
	<hr/>
	3 336 192
	<hr/>

The general administrative operations of the Corporation are paid from a Vote item of the Ministry for the Arts. The following statement summarises the cost of operations of the Corporation for the year:

<i>1977-78</i>	<i>1978-79</i>
\$	\$
119 131 Salaries and allowances	167 452
12 066 Travelling and subsistence	13 509
14 981 Office requisites and equipment	7 084
8 889 Books and publications	4 411
1 715 Postage and telephone	1 622
4 686 Motor vehicle expenses	622
18 529 Incidentals	13 538
<hr/>	<hr/>
179 997	208 238
<hr/>	<hr/>

Under Section 16 of the Act, all moneys appropriated by Parliament are required to be paid into the Arts Fund but, as indicated above, the general administrative operations are paid from a Vote item controlled by the Ministry for the Arts. The matter has been referred to the Treasury for comment.

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 \$162 130 053. Payments and receipts for the year are compared hereunder with corresponding figures for the previous year:

	1977-78	1978-79
	\$	\$
PAYMENTS		
SPECIAL APPROPRIATIONS—		
Pensions and Superannuation etc.	5 610 028	7 044 720
VOTE—		
Chief Secretary—Police—		
Salaries and Allowances	114 007 490	126 484 630
Payroll Tax	5 759 259	6 692 495
Overtime and Penalty Rates	2 997 850	3 505 430
Payment in lieu of Long Service Leave	1 500 970	1 423 714
Purchase and maintenance of motor vehicles	5 293 499	6 390 096
Postage and Telephones	2 296 926	2 614 274
Travelling Expenses	1 522 554	1 679 941
Office Requisites, Equipment, Printing, Stationery	903 680	1 196 275
Radio Equipment etc.	1 016 745	1 167 750
Fuel etc.	897 747	1 066 960
Personal Equipment etc.	680 361	804 495
Other Services—Police Pensions Fund	3 941 000	4 350 000
Incidental and Other Expenses	1 213 923	1 454 563
Treasurer—		
Workers Compensation Insurance	1 592 098	1 447 145
Public Works—		
Maintenance and Rent of Buildings	790 746	972 870
WORKS AND SERVICES ACCOUNT—		
Police Buildings and Residences etc.	9 698 697	10 348 290
Electronic Data Processing	95 856	170 884
Metric Conversion	1 183	..
	159 820 612	178 814 532
RECEIPTS		
Departmental Services	2 689 604	2 877 575
Firearms and other licences	65 826	69 887
Recoup of Administrative expenses—		
Motor Registration Branch	10 578 525	10 894 540
Wildlife Management	69 669	110 876
Learner and Driver Testing Fees etc.	2 233 402	2 202 297
Miscellaneous	502 645	529 304
	16 139 671	16 684 479
Net cost of police services	143 680 941	162 130 053

Traffic Penalties—Penalties received under the provisions of the Road Traffic (Infringements) Acts, and not included in the above receipts, amounted to \$7 880 112 in 1978-79. These moneys form portion of the Consolidated Fund Receipts item, Fines—Supreme and other Courts.

Commonwealth Apprentices Employment Scheme Trust Account—Moneys totalling \$29 883 were paid from this Trust Account on police activities.

Police Pensions Fund—Specific references to the Fund appear on page 42 of this Report.

Section 55 (5AA) of the *Police Regulation Act* 1958 provides that in the event of there being insufficient moneys in the Fund to meet specified payments such moneys as necessary are to be paid from the Consolidated Fund. In terms of the legislation, \$4 350 000 was paid into the Police Pensions Fund from the Chief Secretary—Police Vote—Other Services.

Police Air Wing

A contract for the purchase of a Dauphin SA 365C twin-engined helicopter at a cost of 7 893 950 French francs (\$A1 658 254) plus cost of modifications was signed on 23 January 1979. A down payment of \$A 295 242 was made from the Works and Services Account. Further progress payments are required to be made within 3 years of delivery.

The leasing of two fixed-wing aircraft, other ad hoc hirings and their running costs are being met from the Motor Vehicles item of the Vote. For the year 1978–79 these expenses amounted to \$205 898.

Central Firearms Registry

The Central Firearms Registry was constituted under the *Firearms Act* 1958. Although audit reports over a number of years have mentioned system weaknesses there has been little improvement in the year under review.

Police Hospital

The major items of running costs of the Police Hospital are contained within the Vote items—Chief Secretary—Police—for salaries and general expenses. The sum of \$12 000 appropriated separately for the hospital relates only to the supply of provisions.

The prescribed fees payable by patients were determined in 1964. In-patients fees charged are insufficient to attract the full Commonwealth in-patient benefit of \$16 per day. Although outpatients' fees of \$1.50 per consultation have not been recovered from members since 1975, a recent communication from the Chief Commissioner of Police intimated that this situation had been reviewed and outstanding fees were in process of collection.

Police Mess Facilities

Police Mess facilities are provided at a number of locations, the operations being controlled in each case by a departmental Committee. These facilities operate on police premises and, to a degree, utilise public service and police personnel for their operation.

The Chief Commissioner has advised that, based on legal advice received, he considered these activities outside the ambit of my audit responsibilities and that he was arranging for the private audit of the facilities. This legal advice is at present under my consideration.

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 agent for the authorised insurer, 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, also, stamp duty payable on the registration or acquisition of a motor car or trailer.

Collections arising from the above functions are shown below:

1977-78		1978-79
\$		\$
151 695 411	Fees under the Motor Car Act	163 091 754
193 175 565	Third Party Insurance Premiums	197 053 514
44 040 127	Stamp Duty	47 696 418
388 911 103		407 841 686

In accordance with statutory direction these collections were credited to:

\$		\$	\$
COUNTRY ROADS BOARD FUND			
86 060 140	Motor Fees and Examiners' Licences	88 292 730	
1 872 566	Drivers' Licence and Motor Driving Instructors' Licence Fees etc.	3 172 485	
87 932 706		91 465 215	
TRANSPORT FUND			
8 479 776	Additional Registration Fees		8 586 177
MUNICIPALITIES ASSISTANCE FUND			
3 269 719	Drivers' Licence Fees and Motor Driving Instructors' Licence Fees		5 232 904
TRANSPORT REGULATION FUND			
2 327	Omnibus Registration Fees		2 245
ROADS (SPECIAL PROJECTS) FUND			
39 063 252	Proportion of Increase in Registration Fees		39 769 573
CONSOLIDATED FUND			
6 539 614	Drivers' Licence and Motor Driving Instructors' Licence Fees	10 465 809	
7 686 705	Insurance Surcharges	7 852 174	
44 040 127	Stamp Duty	47 696 418	
104 236	Personalized Number Plates	112 562	
7 342	Recreation Vehicles Fees	5 810	
		66 132 773	
DRIVERS' LICENCE SUSPENSE ACCOUNT			
1 665 659	Drivers' Licence Fees etc.		2 688 724
TRAFFIC AUTHORITY FUND			
4 490 029	Registration Surcharges		4 569 195
MOTOR ACCIDENTS BOARD			
140 751	Drivers' Licence Surcharges		193 540
APPROVED THIRD PARTY INSURER			
185 488 860	Net Premiums collected on behalf of the State Insurance Office		189 201 340
388 911 103			407 841 686

Fees under the Motor Car Act—Fees collected by the Branch under the Motor Car Act increased by \$11 396 343.

Third Party Insurance—An increase of \$3 877 949 in the total premiums collected on behalf of the authorised insurer was due, mainly, to an increase in the volume of transactions handled by the Branch in 1978–79.

Drivers' Licence and Motor Drivers Instructors' Licence Fees etc.—Fees collected for these licences increased during the year as a result of increased fees imposed from 1 July 1978. Details of the increases are:

Motor Car or Motor Cycle Licence—from \$18 to \$30 for a 3-year licence.

Motor Tractor Licence—from \$4 to \$6 for a one-year licence.

Driving Instructors' Licence—from \$40 to \$100 for a 3-year licence.

Motor Accidents Board—The collections on behalf of the Motor Accidents Board consist of drivers' licence surcharges. With effect from 1 July 1978, the surcharges were increased as follows:

Motor Car or Motor Cycle Licence—from \$60 to \$100 for a 3-year licence.

Motor Tractor Licence—from \$20 to \$35 for a one-year licence.

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 Roads (Special Projects) Fund, the relevant costs of collection are borne by the Country Roads Board Fund.

Road Safety and Traffic Authority

The Authority was established in 1971 pursuant to the provisions of the *Road Traffic (Safety and Traffic) Authority Act 1970*.

The functions of the Authority are to carry out research and investigation into road accident prevention, to promote road accident prevention practices, and to cause the council of any municipality to adopt road accident prevention practices which are specified by the Authority.

Financial operations are recorded in the Traffic Authority Fund, moneys in which may be applied towards the cost of administration and the carrying out of the functions of the Authority, and also for any works or projects calculated to improve road safety or traffic control, including school and pedestrian crossings and the purchase and installation of traffic lights.

Traffic Authority Fund

The receipts and payments of the Fund for the past two years are summarised hereunder :

1977-78	1978-79
\$	\$
2 784 463 Balance 1 July	3 861 037
RECEIPTS	
4 490 029 Motor Car Registration surcharges pursuant to Section 8A of the <i>Motor Car Act 1958</i>	4 569 195
608 014 Transfer from Country Roads Board Fund pursuant to Section 3D (2) of the <i>Road Traffic Act 1958</i>	760 321
200 000 Transfer from Drivers' Licence Suspense Account pursuant to Section 22E (3) of the <i>Motor Car Act 1958</i>	200 000
26 836 Consolidated Fund—Vote	42 298
3 620 000 Transfer from Roads (Special Projects) Fund towards "Statcon" program	1 213 000
30 000 Commonwealth Government—Road Safety Grant	30 000
23 463 Other	26 151
8 998 342	6 840 965
11 782 805	10 702 002
PAYMENTS	
1 774 965 Salaries and Overtime	1 924 898
Administration—	
78 358 Office expenses	90 443
51 286 Postage	50 943
90 185 Payroll tax	101 857
223 233 Rent and maintenance	206 418
102 381 Other	115 884
545 443	565 545
2 320 408	2 490 443
405 012 Less Oncost recouped—capital projects .. .. .	..
1 915 396	2 490 443
61 915 Members—salaries and expenses	65 587
320 284 Public Advice Division	482 379
219 003 Research	231 166
163 817 Data Processing	176 065
5 024 Revenue collection costs	6 534
5 236 329 Subsidies to Municipalities for "Statcon" program, traffic lights and sign works	2 358 630
7 921 768	5 810 804
3 861 037 Balance 30 June	4 891 198

Raffles and Bingo Permits Board

The Raffles and Bingo Permits Board was established during 1977-78 pursuant to the provisions of the *Lotteries Gaming and Betting (Raffles and Bingo) Act 1977*.

This Act gave the Board power to grant permits in respect of the game of bingo and, in addition, transferred the function of the granting of permits to conduct raffles from the Attorney-General to the Board.

All moneys received by the Board are required to be paid into a Trust Fund established in the Treasury called the Bingo Fund, which is to be used to meet the costs and expenses of the Board. Any surplus in the Fund at 31 March in any year, less \$10 000, is required to be transferred to the Hospitals and Charities Fund.

A summary of receipts and payments of the Bingo Fund for the year under review compared with the 11 months of the previous year during which the Act was in operation is as follows:

<i>1977-78</i>		<i>1978-79</i>
\$		\$
..	Balance 1 July	149 894
	RECEIPTS	
52 986	Bingo Permit Fees	60 090
94 274	Bingo Surcharges 2 per cent.	201 153
254 960	Bingo Surcharges 3 per cent.	581 837
		<u>843 080</u>
402 220		<u>992 974</u>
	PAYMENTS	
13 775	Members' Fees and Allowances	15 298
73 468	Recoup to Vote in respect of salaries and allowances	159 058
45 786	Other administrative expenses	57 455
		<u>231 811</u>
133 029		231 811
119 297	Payment to Hospitals and Charities Fund	537 187
		<u>768 998</u>
252 326		<u>768 998</u>
149 894	Balance 30 June	<u>223 976</u>

Other Branches

The cost to the Consolidated Fund of the remaining sub-departments and branches of the Chief Secretary's Department for 1978-79 compared with the previous year is set out below:

	<i>Receipts</i>	<i>Payments</i>	<i>Net Outgoing 1978-79</i>	<i>Net Outgoing 1977-78</i>
	\$	\$	\$	\$
Chief Secretary's Office	70 374	1 158 894	1 088 520	920 663
Government Statist	1 376 288	1 879 568	503 280	488 853
State Emergency Service	338 252	731 317	393 065	484 391
State Electoral Office .. .. .	..	2 966 512	2 966 512	735 390
Government Shorthand Writer	68 007	385 481	317 474	272 496
Crimes Compensation Tribunal .. .. .	..	1 451 315	1 451 315	1 116 427
Commissions and Boards of Enquiry	14 543	55 956	41 413	417 767
	<u>1 867 464</u>	<u>8 629 043</u>	<u>6 761 579</u>	<u>4 435 987</u>

During 1978-79, the Public Record Office was transferred to the Department of Property and Services, and the office of the Registrar of Estate Agents and Finance Brokers was transferred to the Law Department.

The large increase in the costs of the State Electoral Office in 1978-79 compared with the previous year was due mainly to the inclusion of the costs of the general elections held on 5 May 1979.

COMMUNITY WELFARE SERVICES

During 1978, the *Social Welfare Act 1970* was amended by the *Community Welfare Act 1978* to establish the Department of Community Welfare Services which replaced the Social Welfare Department. The main function of the Department is to provide services aimed at improving the conditions under which people live. The Department's responsibilities include, among other things, the development of community welfare services at the regional and local level, the promotion of family welfare within the community through the provision of family welfare services to support, protect and enhance family life, the promotion and provision of adolescent and child welfare services, and the administration of correctional services.

The payments from the Consolidated Fund for the past two years are summarised below:

	<i>Administ- ration, Research, Statistics</i>	<i>Regional Services</i>	<i>Family and Adolescent Services</i>	<i>Correct- ional Services</i>	<i>Training</i>	<i>1978-79 Total</i>	<i>1977-78 Total</i>
	\$	\$	\$	\$	\$	\$	\$
V O T E							
Department of Community Welfare Services—							
Salaries and Allowances ..	2 307 663	6 326 262	11 647 937	9 795 042	624 095	30 700 999	27 407 965
Overtime and Penalty Rates ..	24 754	141 745	1 859 392	3 433 822	2 729	5 462 442	4 760 170
Payments in lieu of Long Service Leave .. .. .	..	55 436	91 302	119 619	14 090	280 447	277 575
General Expenses	415 683	624 380	856 407	876 611	134 795	2 907 876	2 414 424
Payroll Tax	76 526	214 033	446 168	437 861	21 034	1 195 622	1 056 253
Stores, Provisions, Plant, Equipment Assistance to Children Deserted Wives and Mothers .. .. .	..	29 462	1 881 022	1 426 750	68 072	3 405 306	2 837 848
Grants and Subsidies to and Expenses in Connection with State Wards Youth Trainees, Children in Foster Homes, Institutions and Hostels ..	..	11 780 790	..	..	..	11 780 790	9 590 178
Grants etc. to Welfare Organisations .. .. .	..	1 190 373	10 244 318	..	..	11 434 691	10 802 299
Fare Concessions for Pensioners	225 932	..	22 646	..	..	248 578	304 286
Rate Concessions for Pensioners	5 976 151	..	..	..	..	5 976 151	5 417 516
Materials for Manufacture or Training	22 508 449	..	..	..	..	22 508 449	16 665 596
Allowances to Trainees and Working Prisoners .. .. .	..	..	..	639 190	..	639 190	553 856
Cadetships and Bursaries .. .. .	..	..	..	358 826	..	358 826	378 220
Family and Community Services Program—Expenses and Grants to Persons Organisations or Institutions Rendering or Proposing to Render Welfare Services to the Community ..	..	..	..	..	20 901	20 901	83 511
Family Supportive Services—Grants	3 128 334	..	..	..	..	3 128 334	2 659 002
Community Health Projects—Women's Refuges—Operating Costs .. .. .	..	105 473	..	..	..	105 473	112 380
Other Services	106 969	677 432	80 928	7 745	84 442	677 432	187 288
	..	28 230	..	..	..	308 314	247 043
	34 770 461	21 173 616	27 130 120	17 095 466	970 158	101 139 821	85 755 410
Treasury—							
Workers Compensation Insurance	30 889	48 307	159 027	144 274	15 336	397 833	437 957
Public Works—							
Maintenance and Rent of Buildings	470 946	204 359	7 590	33 742	..	716 637	683 170
WORKS AND SERVICES ACCOUNT							
Buildings	12 960	108 106	2 366 975	6 806 209	258 887	9 553 137	5 714 906
Equipment .. .. .	..	..	..	..	..	..	..
Capital Grants etc. .. .. .	..	..	..	..	..	..	..
	35 285 256	21 534 388	29 663 712	24 079 691	1 244 381	111 807 428	92 591 443

Family and Community Services Program

This program aims to strengthen individual, family and community life, to support self-help activities, and to encourage people to play a significant part in their communities at a local and regional level. Grants amounting to \$2 465 765 were provided in 1978–79 to support these activities. The total payments on the Family and Community Services program during 1978–79 amounted to \$3 128 334. Of this, \$2 465 765 was paid out by way of grants to various groups and the balance of \$662 569 was expended in implementing and administering the program. Of the \$662 569, an amount of \$536 499 was expended on salaries and overtime. The major grants made under the program were:

- (a) Local Initiative Grants—\$365 431
- (b) Information and Co-ordination Grants—\$334 917
- (c) Community Service Grants—\$704 510, including \$134 613 granted to agencies to effect the transfer from previous schemes to the existing program.
- (d) Multi-Regional Grants—\$626 365
- (e) Federating Agencies—\$194 500

Community Health Projects—Women's Refuges

Under this program the Department makes a contribution towards the operating costs of approved women's refuges. The increase of \$490 144 in the contributions towards the operating costs is due mainly to the expansion of the program.

Assistance to Children, Deserted Wives and Mothers

The increase of \$2 190 612 during the year was due to an increase in the number of recipients and an increase in the level of assistance payments.

There were 71 instances of overpayments of assistance, totalling \$30 107, reported during the year.

Rate Concessions for Pensioners

The cost of these concessions increased by \$5 842 853 during the year. This was due mainly to the general rise in municipal rates.

Buildings, Equipment, Capital Grants etc.

Principal items of payments made during 1978–79 were as follows:

	\$
Conversion, development works and fire protection system at Winlaton ..	183 112
Reception Centre at Mildura	81 000
Remodel Administrative Block at Pentridge	166 279
Conversion of "J" Division at Pentridge	415 973
Construction of High Security Unit at Pentridge	4 121 358
Fire Reinstatement Costs at Beechworth	77 959
Additional Boilers at Pentridge	221 637
Conversion Costs at Institute of Social Welfare at Watsonia	229 743

Trust Fund Payments

Payments by the Department from certain Trust Funds during the past two years, are compared:

	1977-78	1978-79
	\$	\$
Aboriginal Advancement (Commonwealth) Trust Account ..	181 410	135 843
Commonwealth Community Health Program Trust Account ..	147 037	44 122
Commonwealth Grant—Family Support Services Trust Account	321 373	661 922
Commonwealth Grant Pre-school Child Education and Care Trust Account	117 104	147 658

Receipts

Receipts of the Department during the past two years were:

	1977-78	1978-79
	\$	\$
Family and Adolescent Services—		
Commonwealth Funds—Policy Planning Unit		60 000
Maintenance Collections	25 254	2 474
Family Assistance payments	231 590	232 031
Quarters and Rations	171 052	203 189
Sale of farm produce	67 920	80 879
Correctional Services—		
Proceeds of manufactured goods	361 302	369 736
Maintenance of deportees	3 459	..
Quarters and Rations	1 582	314
Miscellaneous	144 389	119 361
Commonwealth Recoup—Deserted Wives etc.	4 517 005	5 434 288
	5 523 553	6 502 272

MINISTRY FOR CONSERVATION

The Ministry for Conservation was established under the provisions of the *Ministry for Conservation Act 1972*. The objects of the Ministry are the protection and preservation of the environment and the proper management and use of the land and living aquatic resources of Victoria.

In pursuance of these objectives, the central administration of the Ministry made the following payments during the past two years:

1977-78 \$		1978-79 \$
PAYMENTS		
VOTE—		
Conservation—		
1 582 162	Salaries and allowances	1 741 488
13 055	Overtime and penalty rates	9 827
34 651	Payments in lieu of Long Service Leave, retiring gratuities	46 467
255 050	General expenses	366 721
88 633	Payroll tax	100 792
Other Services—		
2 490 300	National Parks Fund, Grant	2 942 840
2 156 242	Environmental Study Programs—Expenses	2 489 960
1 018 422	Grants and Contributions to other bodies furthering the objects of the Ministry	1 337 830
22 325	Treasurer—Workers Compensation Insurance	6 770 630
Public Works—		
164 688	Rent of Buildings	205 478
54 554	Maintenance of Buildings	83 598
7 880 082		9 344 730
WORKS AND SERVICES ACCOUNT—		
32 633	Water Quality, E.D.P. Development	120 000
593	Metric Conversion expenses .. .. .	..
..	Municipal Subsidies	94 207
2 250 000	National Parks Fund Grant	2 250 000
157 483	Preservation Grant to National Trust of Australia	50 000
Zoological Board—		
166 000	Grant	80 000
40 000	Loan	40 000
250 000	Projects	243 000
37 570	Other projects	363 000
Purchase and Improvement of Crown Land—		
1 020 279	Dandenongs	1 003 227
113 271	Yellingbo	108 812
441 980	South East Sector	269 172
..	Kinglake	115 337
..	Gippsland Lakes	152 989
528 126	Other Properties	362 273
5 037 935		4 908 454
12 918 017		14 253 184

The Ministry made payments from several Trust Funds, the principal items being as follows:

1977-78 \$		1978-79 \$
119 220	Special Youth Employment Training Program Trust Account	36 397
6 591	Heavy Metals Study	15 664
203 473	State Grants (Nature Conservation) Trust Account	204 081
243 113	Commonwealth National Estate Program Trust Account	345 826
..	Victorian Natural Disasters Relief Account	1 725

Other major activities for which the Ministry is responsible are referred to below, showing the payments for 1978-79 and the comparative figures for 1977-78.

National Parks Division

This administration is financed from the National Parks Fund which recorded the following transactions:

1977-78	1978-79
\$	\$
277 694 Balance 1 July	13 414
RECEIPTS	
From the Consolidated Fund—	
2 490 300 Vote	2 942 840
2 250 000 Works and Services Account	2 250 000
910 846 Rentals, Fees etc.	1 048 953
5 651 146	6 241 793
5 928 840	6 255 207
PAYMENTS	
2 014 269 Salaries and allowances	2 367 227
3 100 Overtime and penalty rates	5 921
16 837 Payments in lieu of Long Service Leave, retiring gratuities	9 218
327 799 General expenses	776 290
163 594 Payroll tax	114 155
2 150 859 Parks and Districts—Maintenance and Management ..	2 310 876
1 238 968 Other Services and projects	637 583
5 915 426	6 221 270
13 414 Balance 30 June	33 937

The following payments were made from the undermentioned Trust Accounts:

1977-78	1978-79
\$	\$
22 738 Wilson's Promontory Lighthouse Track	20 528
13 567 Fire Research Study	32 377
17 315 Special Youth Employment Training Program Trust Account	61 460
.. Victorian Natural Disasters Relief Account—Flood Relief	33 743
.. Commonwealth Apprentices Employment Scheme Trust	
.. Account—	
36 011 Salaries and allowances	36 921
1 563 Payroll tax	2 122
37 574	39 043
.. State Additional Apprentices Scheme	1 255

Environment Protection Authority

The Environment Protection Authority was established by the *Environment Protection Act 1970* and was brought within the administration of the Ministry by the *Ministry for Conservation Act 1972*.

Payments from the Consolidated Fund during the past two years are summarised as follows:

1977-78		1978-79
\$		\$
VOTE		
Conservation—		
2 896 302	Salaries and allowances	2 845 448
20 988	Overtime and penalty rates	25 568
2 964	Payments in lieu of Long Service Leave, retiring gratuities	1 884
949 317	General expenses	1 037 283
162 090	Payroll tax	165 234
4 232	Environment Protection Council	5 099
Payments to Protection Agencies—		
69 198	Health Commission	66 892
137 886	Dandenong Valley Authority	149 051
525 674	Latrobe Valley Water and Sewerage Board	518 275
428 017	Melbourne and Metropolitan Board of Works	443 164
463 312	State Rivers and Water Supply Commission	474 576
<hr/>		
1 624 087		1 651 958
<hr/>		
5 659 980		5 732 474
36 521	Treasurer—Workers Compensation Insurance	36 079
<hr/>		
5 696 501		5 768 553
WORKS AND SERVICES ACCOUNT		
..	Lake Colongulac	46 844
..	Latrobe Valley Water and Sewerage Board	12 999
31 687	Protection Agencies .. .. .	..
149 794	Equipment	149 471
<hr/>		
5 877 982		5 977 867
<hr/>		

The following payments were met from the undermentioned Trust Accounts:

1977-78		1978-79
\$		\$
5 712	Special Youth Employment Training Program Trust Account	11 527
..	Urban Stormwater Run Off Grant Trust Account	35 603

Receipts for the year, consisting of fees received by the Authority in respect of environment protection licences, amounted to \$2 182 026, compared with \$1 988 427 in 1977-78.

Soil Conservation Authority

The Soil Conservation Authority was established pursuant to the *Soil Conservation and Land Utilization Act 1958*, and is charged with the prevention and mitigation of soil erosion and the promotion of soil conservation. The Ministry is responsible for the administration of the Authority under the provisions of the *Ministry for Conservation Act 1972*.

Payments from the Consolidated Fund during the past two years were as follows:

1977-78		1978-79
\$		\$
	VOTE	
	Conservation—	
2 299 604	Salaries and allowances	2 416 521
11 911	Payments in lieu of Long Service Leave, retiring gratuities .. .. .	..
398 883	General expenses	441 057
119 263	Payroll tax	139 076
5 283	District Advisory Committees	6 898
<hr/>		<hr/>
2 834 944		3 003 552
39 749	Treasurer—Workers Compensation Insurance	28 440
<hr/>		<hr/>
2 874 693		3 031 992
	WORKS AND SERVICES ACCOUNT	
286 203	Water supply catchments	279 548
19 591	Farm water supply	29 819
19 997	Plant and machinery	36 000
99 619	Loan and Grant assistance	159 903
92 975	Crown Land and Foreshore Erosion Control	89 943
..	Port Phillip Foreshore erosion	30 000
607 305	Other Conservation Projects	507 928
<hr/>		<hr/>
4 000 383		4 165 133

Payments from Trust Accounts:

1977-78		1978-79
\$		\$
591 224	Puckapunyal Soil Conservation Project Trust Account	454 569
17 842	Soil Conservation Authority Trust Account	97 840
82 834	Commonwealth Extension Services (Conservation) Grant Account	106 827
9 556	Special Youth Employment Training Program Trust Account	38 210

The Commonwealth recouped \$65 497 (\$75 858 in 1977-78) administrative expenditure involved in the administration of the Puckapunyal Soil Conservation Project.

Fisheries and Wildlife Division

Under the provisions of the *Ministry for Conservation Act 1972*, the Ministry administers the *Fisheries Act 1968* and the *Game Act 1958* through the Fisheries and Wildlife Division.

Payments from the Consolidated Fund during the past two years comprised:

1977-78		1978-79
\$		\$
	VOTE	
	Conservation—	
2 313 616	Salaries and allowances	2 478 515
35 750	Overtime and penalty rates	36 754
4 127	Payments in lieu of Long Service Leave, retiring gratuities	18 256
582 493	General expenses	532 556
130 535	Payroll tax	144 760
	Other services—	
580 000	Wildlife Management Fund—contribution	380 000
31 000	Fisheries Research Fund—contribution	31 000
24 525	Other Grants and expenses	85 703
<hr/>		<hr/>
635 525		496 703
32 176	Treasurer—Workers Compensation Insurance	29 055
<hr/>		<hr/>
3 734 222		3 736 599
	WORKS AND SERVICES ACCOUNT	
3 654	Carp Control .. .. .	..
64 998	Equipment	59 510
262 380	Purchase of boats	70 354
<hr/>		<hr/>
4 065 254		3 866 463

The following payments were met from Trust Accounts:

1977-78		1978-79
\$		\$
72 892	Fish and Wildlife Research Trust Account	169 869
558 005	Fisheries Research Fund	669 801
1 298	Fisheries Dartmouth Dam Surveys Trust Account ..	635
<hr/>		
	Wildlife Management Fund—	
426 853	Salaries and allowances	515 593
4 379	Overtime and penalty rates	55
718 262	General expenses	984 518
21 156	Payroll tax	24 279
<hr/>		
1 170 650		1 524 445
52 222	Special Youth Employment Training Program Trust Account	37 001
..	Victorian Natural Disasters Relief Account—Flood Relief ..	16 235

The Commonwealth recouped \$19 374 (\$23 966 in 1977-78) expenditure involved in the administration and enforcement of the Commonwealth Fisheries Act.

Port Phillip Authority

This Authority was established by the *Port Phillip Authority Act 1966* to advise the Minister on methods of co-ordinating development in the Port Phillip Bay area, and preserving and improving the condition of the area. The administration of the Authority became the responsibility of the Ministry under the *Ministry for Conservation Act 1972*.

Payments from the Consolidated Fund during the past two years were as follows:

1977-78		1978-79
\$		\$
VOTE		
Conservation—		
70 684	Salaries and allowances	94 543
6 690	Payments in lieu of Long Service Leave, retiring gratuities ..	..
3 926	Payroll tax	5 441
13 244	General expenses	11 673
<hr/>		
94 544		111 657
1 222	Treasurer—Workers Compensation Insurance	874
<hr/>		
95 766		112 531
<hr/>		

The following payments were met from Trust Accounts:

\$		\$
64 439	Study and Protection of Port Phillip Bay Fund	61 772
..	State Additional Apprentices Scheme	1 255

Land Conservation Council

This Council was established by the *Land Conservation Act 1970*, chiefly to carry out investigations and to make recommendations to the Minister on the balanced use of public land throughout the State. It became the administrative responsibility of the Ministry under the *Ministry for Conservation Act 1972*.

Payments from the Consolidated Fund during the past two years may be summarised as follows:

1977-78		1978-79
\$		\$
VOTE		
Conservation—		
281 890	Salaries and allowances	271 522
2 172	Overtime and penalty rates	3 691
88 858	General expenses	98 240
15 783	Payroll tax	15 839
156 907	Reproduction of Land Conservation Reports	135 273
3 655	Land Conservation Council	3 710
549 265		528 275
3 958	Treasurer—Workers Compensation Insurance	3 513
553 223		531 788

Victoria Archaeological Survey

The *Archaeological and Aboriginal Relics Preservation Act 1972* created the office of Protector of Relics, charged with the responsibility of recording and protecting archaeological areas and relics, together with research and an education program pertaining thereto.

Payments from the Consolidated Fund during the past two years were:

1977-78		1978-79
\$		\$
VOTE		
Conservation—		
105 418	Salaries and allowances	99 557
51 954	General expenses	68 348
5 857	Payroll tax	5 730
163 229		173 635
1 132	Treasurer—Workers Compensation Insurance	1 304
164 361		174 939
WORKS AND SERVICES ACCOUNT		
..	Site Protection	13 856
164 361		188 795

The following payments were met from a Trust Account:

\$		\$
27 159	Archaeological and Aboriginal Relics Trust Account	29 872

MINISTRY OF CONSUMER AFFAIRS

The Ministry of Consumer Affairs was established under the provisions of the *Ministry of Consumer Affairs Act 1973* with the objects, generally, of protecting and promoting the interests of consumers and to administer the *Consumer Protection Act 1972*.

Payments during the last two years from the Consolidated Fund are compared hereunder:

1977-78	VOTE	1978-79
\$		\$
Consumer Affairs—		
630 424	Salaries and Allowances	713 459
6 976	Overtime and Penalty Rates	4 527
81 489	General expenses	83 368
31 521	Payroll Tax	45 071
48 899	Motor Car Traders' Committee	60 497
12 340	Consumer Affairs Council	13 675
Treasury—		
7 900	Workers Compensation	7 883
Public Works—		
47 250	Maintenance and Rent of Buildings	78 406
866 799		1 006 886

Motor Car Traders' Guarantee Fund

Under the *Motor Car Traders Act 1973* motor car traders are required to pay annual licence fees which are paid to the Motor Car Traders' Guarantee Fund at the Treasury. Penalties imposed by the Courts are also paid to this Fund.

Moneys standing to the credit of the Fund may be applied to meeting any loss admitted by the Motor Car Traders' Committee to have been incurred by reason of the failure of a motor car trader to comply with any provision of the Act or regulations, and also to meet the costs of administration of the Act.

Particulars of the receipts and payments of the Fund in 1978-79 together with the relative figures for 1977-78 are:

1977-78		1978-79
\$		\$
435 195	Balance 1 July	450 820
RECEIPTS		
235 120	Licence Fees	224 531
8 000	Fines etc.	6 890
243 120		231 421
678 315		682 241
PAYMENTS		
68 780	Claims	50 026
70 281	Salaries and Allowances	93 446
58 432	Committee Members' Fees	49 467
30 002	Other	27 431
227 495		220 370
450 820	Balance 30 June	461 871

Small Claims Tribunal

The Small Claims Tribunal, which was established under the *Small Claims Tribunal Act 1973*, to deal with claims by consumers arising out of contracts for the supply of goods or the provision of services, in amounts not exceeding \$1 000, is administered within the Ministry. Orders of the Tribunal involving the payment of money may be enforced in a Magistrates' Court.

A fee of \$3 is payable in respect of each claim lodged and is collected by the attachment of adhesive duty stamps to the relevant claim forms. Proceeds are, therefore, included in the amount shown in the Treasurer's Finance Statement under the head—Taxation—Stamps Acts.

Market Court

The *Market Court Act 1978* authorised the establishment of a Market Court to deal with traders who in the course of business have repeatedly engaged in conduct that is unfair to consumers.

The Act came into operation on 1 June 1979.

COUNTRY ROADS BOARD

The construction and maintenance of State highways, main roads, freeways, forest roads and tourists' roads are carried out by or under the supervision of the Board. In addition, the Board provides a substantial sum each year to assist municipalities 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 1978-79 were:

- (i) *Fees under the Motor Car Act*—Receipts for the year under this Act amounted to \$91 621 408 and the costs of collections were \$13 050 513. The comparable figures in 1977-78 were, respectively, \$88 447 444 and \$12 469 291.

The increase in collections, \$3 173 964, was due, mainly, to the greater number of motor vehicles registered in Victoria—1 994 214 compared with 1 962 467 in 1977-78.

- (ii) *Municipal Contributions*—Municipalities which have benefited from permanent or maintenance works upon main roads are required to pay to the Board annual contributions in respect of the funds expended. In 1978-79, receipts of these contributions totalled \$2 955 935. In certain circumstances, the required contribution may be reduced or waived, and, for 1978-79, such concessions amounted to \$3 352 074.
- (iii) *Road Charges—Part II. of Commercial Goods Vehicles Act 1958*—Receipts for the year from these charges, credited to the Roads Maintenance Account within the Fund, amounted to \$9 577 183, compared with \$9 817 988 in 1977-78.

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

In addition to meeting the costs of collection of fees under the Motor Car Act, the Board was required, from the amount received in respect of motor car registration fees, to reimburse the Transport Regulation Board the costs of collecting road charges under Part II. of the *Commercial Goods Vehicles Act 1958*. The amount paid in the year was \$589 079 compared with \$598 071 in 1977-78.

- (iv) *Special Contribution from the Works and Services Account*—A total of \$463 000 was provided from the Works and Services Account to the Country Roads Board Fund as a non-repayable Special Contribution.
- (v) *Private Loans*—As authorised by the *Country Roads (Borrowing Powers) Act 1978*, the Board raised two loans of \$500 000 each from the State Insurance Office and a trading bank.

At the close of the financial year, the total of \$1 000 000 was invested in bank term deposits.

(b) *Works and Services Account*

Under the authority of Section 31 of the *Country Roads Act 1958*, the Treasurer in 1978-79 provided advances from the Works and Services Account of \$325 000 for the purpose of permanent works as defined in that Act. This sum was expended on State highways construction.

The net liability of the Board at 30 June 1979, in respect of moneys provided under Loan Application Acts and Works and Services Acts, was \$28 742 038.

(c) *Roads (Special Projects) Fund*

Pursuant to the provisions of the *Roads (Special Projects) Act 1965*, the Country Roads Board in 1978–79 spent \$36 319 546 (including \$7 150 167 management and operating expenses) from the Roads (Special Projects) Fund on projects approved by the Governor in Council.

(d) *Commonwealth Grants*

Commonwealth assistance to the States for roads in the 3 years commencing 1 July 1977 is provided under the *States Grants (Roads) Act 1977* and the *Transport Planning and Research (Financial Assistance) Act 1977*.

Under the *States Grants (Roads) Act 1977*, which allocated a total of \$105 771 000 to Victoria in respect of 1978–79, the amount available to the Country Roads Board was \$104 485 000 which was provided for the following categories of roads:

	\$
National Highways Construction	27 806 000
National Highways Maintenance	3 209 000
National Commerce Roads Construction	3 341 000
Rural Arterial Roads Construction	11 871 000
Rural Local Roads	20 321 000
Minor Traffic Engineering and Road Safety Improvements	2 457 000
Urban Arterial Roads Construction	30 852 000
Urban Local Roads Construction	4 628 000
	104 485 000

With the exceptions that \$93 683 remained unspent on National Highways Maintenance and \$651 276 remained unspent on Urban Local Roads Construction, the foregoing amounts were fully spent by the Board at 30 June 1979. Amounts brought forward from 1977–78, namely, \$30 698 for National Highways Construction and \$184 979 for National Highways Maintenance, were also fully spent at 30 June 1979.

The *Transport Planning and Research (Financial Assistance) Act 1977* provided \$1 714 000 for Victoria in 1978–79. Of this amount, the Country Roads Board's allocation was \$1 118 500, which was fully spent at 30 June 1979.

(e) *Commonwealth Traffic and Road Safety Improvement Program Trust Account*

This Account was established in 1973–74 with a grant of \$840 000 from the Commonwealth. The Country Roads Board spent \$48 609 in implementing the program during 1978–79. The balance in the Account at 30 June 1979 was \$45 728.

(f) *Victorian Natural Disasters Relief Account*

A total of \$3 445 265 was disbursed from this Treasury Trust Account through the Country Roads Board, mainly in the form of recoups to municipalities of expenditure on roads and bridges damaged by floods (\$3 300 595) and bushfires (\$144 670).

AVAILABLE FUNDS AND PAYMENTS

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

1977-78		1978-79
\$		\$
	PRINCIPAL FUNDS AVAILABLE	
	Country Roads Board Fund—	
792 920	Balance 1 July	1 803 167
75 978 153	Net Fees, Motor Car Act	78 570 895
2 890 536	Municipal Contributions	2 955 935
9 817 988	Road Charges—Commercial Goods Vehicles Act Part II.	9 577 183
1 923 860	General Receipts	2 194 451
581 000	Special Contribution—Works and Services Account	463 000
..	Private Loans	1 000 000
91 984 457		96 564 631
	Works and Services Account—	
325 000	<i>Country Roads Act 1958</i>	325 000
	Roads (Special Projects) Fund—	
33 456 293	Expenditure on Approved Projects	36 319 546
	Commonwealth Grants—	
	<i>Transport (Planning and Research) Act 1974—</i>	
14 573	Adjustment from previous years .. .. .	..
97 670 000	<i>States Grants (Roads) Act 1977</i>	104 485 000
1 286 666	<i>Transport Planning and Research (Financial Assistance) Act 1977</i>	1 118 500
8 855	Commonwealth Traffic and Road Safety Improvement Program Trust Account	48 609
224 745 844		238 861 286

In addition to the expenditure of \$36 319 546 from the Roads (Special Projects) Fund shown above, \$825 000 was spent by the Treasury from the same Fund for the purchase from government departments of properties required for the construction of the F9 freeway.

Total expenditure from the Roads (Special Projects) Fund was, therefore, \$37 144 546.

PAYMENTS FROM AVAILABLE FUNDS

1977-78		1978-79
\$		\$
182 130 844	Construction and Maintenance of Roads, (including Special Projects)	189 175 241
	Payments to the Consolidated Fund—	
2 044 805	Interest (including Exchange and Loan Conversion Expenses)	2 083 253
878 037	Sinking Fund Contributions and Loan Conversion Expenses ..	903 720
70 209	Loan Repayments	69 190
..	Sinking Fund Contribution—Private Loans	2 500
1 216 027	Transfer to Tourist Fund	1 519 563
608 014	Transfer to Traffic Authority Fund	759 782
598 071	Recoup to Transport Regulation Board	589 079
533 000	Contribution to Australian Road Research Board	578 000
355 837	Contribution to Melbourne and Metropolitan Tramways Board ..	534 739
34 507 833	General Payments, including Administration, Stores and Materials, Planning and Research	36 803 908
..	Short Term Investments—Private Loans	1 000 000
<hr/>		
222 942 677		234 018 975
1 803 167	Balance 30 June	4 842 311
<hr/>		
224 745 844		238 861 286
<hr/>		

CONSTRUCTION AND MAINTENANCE OF ROADS

Payments by the Board during the year upon the various classes of roads, and the distribution of those payments over funds available to the Board, as described earlier, were:

	<i>Country Roads Board Fund</i>	<i>Works and Services Account</i>	<i>Roads (Special Projects) Fund</i>	<i>Common- wealth Grants</i>	<i>Commonwealth Traffic and Road Safety Improvement</i>	<i>Total</i>
	\$	\$	\$	\$	\$	\$
Main Roads	26 736 923	..	623 193	9 607 178	38 041	37 005 335
State Highways	16 027 462	325 000	12 565 945	13 329 862	2 686	42 250 955
Freeways	10 890 509	..	13 517 903	34 876 835	..	59 285 247
Tourists' Roads	2 709 970	..	656 214	243 386	..	3 609 570
Forest Roads	1 500 586	..	..	297 002	..	1 797 588
Unclassified Roads	9 793 983	..	1 060 816	30 163 038	7 882	41 025 719
Other	2 953 675	..	745 308	501 844	..	4 200 827
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	70 613 108	325 000	29 169 379	89 019 145	48 609	189 175 241
	<hr/>					

Vermin and Noxious Weeds

	1977-78	1978-79
	\$	\$
VOTE—		
Lands and Survey—		
Salaries and Allowances and Wages, including Overtime and		
Penalty Rates	6 630 317	7 408 931
Payments in lieu of Long Service Leave	104 569	142 918
General expenses	2 772 556	3 005 431
Payroll Tax	341 909	392 780
Treasury—		
Workers Compensation	56 095	52 178
WORKS AND SERVICES ACCOUNT—		
Purchase of Equipment	12 404	15 246
	9 917 850	11 017 484

Survey

	1977-78	1978-79
	\$	\$
VOTE—		
Lands and Survey—		
Salaries and Allowances	3 931 112	4 101 975
Overtime and Penalty Rates	17 490	15 605
Payments in lieu of Long Service Leave	29 153	42 623
General expenses	608 574	635 126
Payroll Tax	196 555	214 160
Cadastral and aerial survey	459 500	479 415
Other Services	27 956	21 323
Treasury—		
Workers Compensation	32 168	27 282
WORKS AND SERVICES ACCOUNT—		
Purchase of Equipment	377 515	277 608
	5 680 023	5 815 117

Botanic and Domain Gardens and National Herbarium

	1977-78	1978-79
	\$	\$
VOTE—		
Lands and Survey—		
Salaries and Allowances	835 643	893 797
Overtime and Penalty Rates	34 476	35 662
Payments in lieu of Long Service Leave	23 656	10 321
General expenses	128 054	130 301
Payroll Tax	41 788	48 343
Botanic and Domain Gardens Kiosk—Operating Expenses	200 437	233 996
Other Services	4 000	4 000
Treasury—		
Workers Compensation	7 966	6 012
WORKS AND SERVICES ACCOUNT—		
Kiosk Equipment	46 513	40 684
	1 322 533	1 403 116
Total	24 515 392	25 815 096

Trust Fund Payments

Payments by the Department from Treasury Trust Funds included:

- (i) \$86 194 from joint Commonwealth and Industry Research Funds, including Commonwealth Subsidy Vermin Control Account, \$33 366, Skeleton Weed Research Account, \$18 501, and Feral Cats Consultancy Trust Account, \$30 646;

- (ii) \$10 182 in meeting claims and administrative expenses on account of the Closer Settlement Insurance Fund;
- (iii) \$485 658 expenditure from Special Youth Employment Training Program Trust Account;
- (iv) \$57 141 expenditure from the Commonwealth Apprentices Employment Scheme Trust Account; and
- (v) \$69 641 expenditure from the Victorian Natural Disasters Relief Account.

Closer Settlement

The Revenue Account of the settlement scheme, being carried out under the provisions of the *Closer Settlement Act 1938*, disclosed a deficit for the year of \$1 935 860 and the accumulated deficit was, as a result, increased to \$141 796 419.

Each year, interest is payable by the Treasury on outstanding Works and Services expenditure, but, because of the heavy writing-off of settlers' liabilities in the past, it is recoverable only in part. A summary of the Revenue Account for the past two years is shown hereunder:

		1977-78		1978-79
	\$	\$	\$	\$
EXPENDITURE				
Interest on loans	5 069 127		5 229 086	
Administrative costs	131 021		64 330	
	5 200 148	5 200 148	64 330	5 293 416
INCOME				
Interest charged on outstanding liability of settlers	3 111 275		3 296 141	
Sundry items of income	33 200		61 415	
	3 144 475	3 144 475	61 415	3 357 556
Deficit		2 055 673		1 935 860

Closer Settlement Insurance Fund

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

The accounts of the Fund are kept on a cash basis. The balance in the Fund at 1 July 1978 was \$663 671. Premiums received during the year amounted to \$4 744. Payments consisted of Claims, \$4 644, and Administration Expenses, \$5 538. The balance in the Fund at 30 June 1979 was \$658 233.

EDUCATION

The function of the Education Department is to ensure that all children receive at least a basic education and to provide for more specialised higher education for older students. The Department is responsible for general administration; the provision, maintenance and equipment of school buildings, salaries for teachers, school transport for children in country areas, and the award of teaching studentships and scholarships. The teaching service provides the teachers for all State schools.

The cost of education paid from the Consolidated Fund during 1978-79 was \$1 241 378 045. Receipts to and payments from the Consolidated Fund in respect of education for the years ended 30 June 1978 and 1979 were:

1977-78	PAYMENTS	1978-79
\$		\$
	SPECIAL APPROPRIATIONS	
28 256 895	Pensions	33 058 154
211 769	Teachers Tribunal Salaries.. .. .	229 643
50 000	Adult Education Fund Grant	50 000
6 499	Other	6 005
28 525 163		33 343 802
	VOTE	
	Education	
	Teaching Service—	
614 940 470	Salaries and allowances	674 335 384
5 357 662	Payments in lieu of long service leave	5 456 758
	General Administration—	
35 783 626	Salaries and allowances	39 184 693
256 760	Overtime and penalty rates	271 067
822 321	Payments in lieu of long service leave	719 857
33 179 530	Payroll Tax	36 800 007
29 757 166	Conveyance of Pupils	32 840 714
28 020 211	School Cleaning and Services	30 975 354
25 132 887	Educational Allowances for Pupils	25 653 679
19 014 157	Allowances for Student Teachers in Training.. .. .	11 371 008
5 029 313	School and Office Equipment and Requisites.. .. .	4 988 258
3 647 417	Scholarships to Pupils etc.	3 797 845
2 690 227	Travelling Expenses and Allowances etc.	2 672 829
2 289 772	Teaching Scholarships	1 560 675
2 978 704	General Expenses	3 411 537
1 420 163	Operating Costs—Hostels and Residential.. .. .	
	Camps	1 609 032
45 053 527	Capitation Grants to Registered Schools	51 569 869
	Grants—	
35 018 228	Colleges of Advanced Education (Non-Tertiary)	40 806 000
25 853 133	Technical Schools	28 825 201
18 784 292	Primary Schools	20 187 038
13 226 410	Secondary Schools	15 173 823
744 949	Special Schools	833 596
1 512 055	Adult Education Fund	1 854 458
1 475 000	Victorian Universities and Schools Examination Board	1 670 661
2 858 542	Other	4 496 222
954 846 522		1 041 065 565
8 792 623	Treasury—Workers Compensation	7 866 170
	Public Works—Maintenance and Rent of Buildings	3 166 707
2 947 506		3 166 707
966 586 651		1 052 098 442

WORKS AND SERVICES ACCOUNT—

1977-78		1978-79
\$		\$
	Capital Works—Buildings, Sites, Equipment etc.—	\$
95 823 073	Public Works	98 322 005
18 136 056	Education	15 173 813
16 823 399	Maintenance—Public Works	13 440 000
	Grants to Schools and Colleges—	
15 862 015	Public Works	25 596 610
6 035 071	Education	6 788 752
1 100 000	Computer Services Development	899 835
<hr/>		<hr/>
153 779 614		160 221 015
<hr/>		<hr/>
1 148 891 428	Total Payments from Consolidated Fund	1 245 663 259

RECEIPTS

1 126 356	Services of State Officers	1 154 781
588 347	Board—Students in Training	579 069
545 907	Appropriations of former years	1 139 810
364 586	Broken Bond debts	404 916
216 387	Recoups Government portion of Superannuation Contributions	182 617
151 060	Commission on Payroll deductions	173 061
..	Collections—Australian Education Council	121 800
137 177	Tuition Fees	108 941
99 492	Sale of audio-visual aids	107 592
80 315	School Camps	104 139
202 516	Other	208 488
<hr/>		<hr/>
3 512 143	Total Receipts to Consolidated Fund ..	4 285 214
<hr/>		<hr/>
1 145 379 285	*Net Cost of Education paid from Consolidated Fund	1 241 378 045

* The net cost of education does not include payments relating to specialised teaching institutions administered by other departments.

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

Teaching Service—Salaries and Allowances—Payments under this head increased by \$59 394 914. The following factors contributed to the increase:

- (i) Teachers Tribunal determinations, operative from 18 June and 17 December 1978; and
- (ii) the annual salary increments of teachers and an increase of approximately 820 in teacher numbers.

Allowances to Student Teachers in Training—Payments decreased by \$7 643 149 during 1978-79 due to the continued decline in the number of student teachers.

Conveyance of Pupils—This cost increased by \$3 083 548 during 1978-79. The rise was attributable mainly to:

- (i) adjustments to school bus contract rates because of increased operating costs; and
- (ii) the provision of additional transport services.

Capitation Grants to Registered Schools—These grants are paid to non-government schools pursuant to the *Educational Grants Act 1973*. Payments in 1978-79 increased by \$6 516 342, due to increases in both the amount of the *per capita* grant and the number of pupils enrolled.

Broken Bond Debts—Collections on account of these debts during 1978–79 amounted to \$404 916 and, during the same period, debts totalling \$2 046 518 on account of 477 ex-students were written off with the approval of the Treasurer. The amounts written off were, in the main, owed by students who had failed their courses in 1978–79 and prior years.

Appropriations of former years—These moneys relate to reimbursements of moneys paid in previous financial years. The increase for 1978–79 of \$593 903 was mainly due to the receipt of approximately \$781 000 in July 1978 which related to reimbursements by Colleges of Advanced Education for salaries of seconded teachers.

Financial Statements of School Councils

The *Education Act* 1958 as amended by the *Education (School Councils) Act* 1975 provides for the constitution by order of the Governor in Council of a schools council in relation to any State school or group of schools.

As at 30 June 1979—

- 1706 Primary School Councils
- 284 High School Councils
- 115 Technical School Councils, and
- 68 Other School Councils—

had been constituted under the legislation, while a further 48 schools, mainly special schools, had no school council appointed.

During the years ended 30 June 1978 and 1979, schools and school councils received the following moneys by way of grants:

	<i>1978</i>	<i>1979</i>
Primary School Councils	18 784 292	20 187 038
High School Councils	13 226 410	15 173 823
Technical School Councils	25 853 133	28 825 201
Special Schools and School Councils	744 949	833 596
	58 608 784	65 019 658

Section 15F of the *Education Act* 1958, as amended by the *Education (School Councils) Act* 1975, requires school councils to have their financial statements audited and to lodge these audited statements with the Auditor-General.

Audits of school councils of high, technical, higher elementary and consolidated schools with secondary classes are conducted by the internal audit branch of the Education Department. Audits of primary and other school councils are carried out by auditors appointed by the school councils in accordance with Section 15F (2) of the *Education Act* 1958.

In relation to those schools which are in receipt of grant moneys and where no school council has been appointed it is intended that these audits will be conducted by the internal audit branch of the Department.

Problems have been encountered by my Office in administering the legislation. These are indicated by the following statistics, extracted as at 31 July 1979, in relation to the lodging of audited financial statements for the years ended 31 December 1977 and 1978.

(a) Primary School Councils which have:

	1977	1978
(i) lodged acceptable audited financial statements ..	1204	896
(ii) lodged unsatisfactory audited financial statements ..	197	105
(iii) failed to lodge audited financial statements ..	328	719
	1729*	1720*

* The details above do not include school councils where the school has been unstaffed for all of the year.

The Department has been given details of school councils which have failed to satisfy their statutory requirements.

The major reason, given by many primary school councils, for their failure to submit properly audited financial accounts, was their inability to obtain the services of a qualified person as auditor within the maximum fee specified by the Education Department.

The administrative tasks involved in receiving, recording, and filing financial statements and dealing with problems of the many school councils which have difficulty, for one reason or another, in complying with the legislation have required me to utilise the services of audit personnel on non-audit tasks.

(b) At 31 July 1979, progress of internal audits of secondary school councils etc. for the years ended 31 December 1977 and 1978 was as follows:

	<i>Completed</i>	<i>In progress</i>	<i>Not Commenced</i>	<i>Total</i>
High School Councils				
1977	181	78	17	276
1978 .. .. .	..	6	274	280
Technical School Councils				
1977	70	26	13	109
1978	3	2	107	112
Other School Councils etc.				
1977	8	8	51	67
1978	7	..	63	70

Completion of the various audits has been delayed because additional staff was not appointed to the Internal Audit Branch of the Education Department until early 1979.

Works and Services Expenditure

In my last Report, attention was drawn to the manner in which the Department had entered into arrangements with certain school councils to process works expenditure in respect of other school councils and the Department. These arrangements had the effect of circumventing the accounting and control procedures prescribed in the Public Accounts and Stores Regulations.

During 1978–79 the Department, apparently relying on the powers contained in Section 15C of the Education Act, continued to arrange for works expenditure through or on behalf of school councils and thus avoid the requirements of the Regulations. Expenditure under these arrangements included substantial sums in respect of such works as:

	\$
(i) the supply and installation of intruder detection systems	227 596
(ii) the supply and installation of steamless hot water units	134 737

In addition, the Education Department established the School Council (Minor Projects) Scheme which was controlled through the Education Department Regions to carry out works (up to \$10 000) at various schools throughout the State.

In 1978–79, expenditure of \$1 334 559 relating to this scheme was charged to the *Public Works and Services Acts* 1977 and 1978. This included a sum of approximately \$1.2 million for works exceeding \$500 in respect of which neither Tender Board nor Governor in Council approval was sought as required by the Public Accounts and Stores Regulations.

Under the provision of Section 8 (1) of the *Public Lands and Works Act* 1964 the Minister of Public Works is responsible for the planning, construction and maintenance of all public works including furnishing of buildings. However the *Education (Further Amendment) Act* 1979, which was proclaimed to operate from 14 March 1979, authorised the Minister of Education to enter into agreements and arrangements concerning certain property and its development for the purpose of joint projects. The amendment was not retrospective in its application.

Difficulty was experienced by audit, where the works were initiated by and the costs met directly by the Education Department, in determining the respective responsibilities of the Public Works and Education Departments.

The Department had, prior to 14 March 1979:

	<i>Expenditure in 1978–79</i>
	\$
(i) entered into agreements with municipal authorities for the construction of building complexes at Wangaratta, Horsham, and Moe, at an estimated cost of \$4 480 513;	1 227 215
(ii) authorised Footscray Technical College Council to construct a new school building at an estimated cost of \$7 696 000;	3 342 473
(iii) authorised the construction of a residence at Benalla at an estimated cost of \$68 744, and	55 680
(iv) transferred 2 acres of land which formed part of the Monterey High School site to the Frankston City Council for a consideration of \$10. It would appear that this transfer was made for a nominal consideration in lieu of the Department making a contribution towards a swimming pool complex which was to be constructed on the land transferred to the Council.	

Audit examination also established numerous instances of expenditure where approvals required under the Public Accounts and Stores Regulations had either been obtained subsequent to the expenditure being committed or not obtained at all.

A comprehensive audit report was forwarded to the Treasurer and he has informed me that, following receipt of legal advice, it is proposed to seek appropriate amendments to the Education Act to clarify the situation and to more specifically spell out the role of school councils.

Commonwealth Contributions to State Education

Pursuant to the provisions of the various Commonwealth Acts relating to payments to the States in connection with education, moneys were received by Victoria in 1977-78 and 1978-79 for the following purposes:

	1977-78		1978-79	
	\$	\$	\$	\$
Universities, Affiliated Residential Colleges—capital and recurrent expenditure—				
Melbourne	67 328 850		70 615 094	
Monash	57 399 814		58 706 642	
Latrobe	29 152 764		29 525 868	
Deakin	12 616 619		14 637 194	
		166 498 047		173 484 798
Colleges of Advanced Education—Victoria Institute of Colleges and Affiliated Colleges—				
Capital	14 728 297		14 841 717	
Recurrent	96 368 209		104 924 241	
State College of Victoria and its Constituent Colleges—				
Capital	3 832 062		2 750 412	
Recurrent	45 561 561		47 051 118	
		160 490 129		169 567 488
Non-Government Schools—capital and recurrent expenditure ..		65 438 120		86 254 990
Teacher Development, General Building Grants etc. re non-government schools etc.		12 173 655		7 224 319
Technical Training—T.A.F.E. Scheme		3 710 400		4 176 000
Education Apprenticeship Training Centres—recurrent expenditure		1 556 000		..
Various—recurrent expenditure		1 025 048		1 939 990
Various State Schools—				
Capital	52 937 956		53 885 250	
Recurrent	80 777 225	133 715 181*	83 815 825	137 701 075*
		544 606 580		580 348 660

* The amounts were credited to the Consolidated Fund and expenditure authorised through the Appropriation and Works and Services Acts.

Payments from these moneys and from the balances held in the various Commonwealth Trust Accounts at the beginning of each of the years 1977-78 and 1978-79 were as follows:

	1977-78	1978-79
\$	\$	\$
Universities—		
Melbourne	67 332 158	70 614 872
Monash	57 406 189	58 706 538
La Trobe	29 152 764	29 525 793
Deakin	12 616 619	14 637 185
	<hr/>	<hr/>
	166 507 730	173 484 388
Colleges of Advanced Education—		
Victoria Institute of Colleges and		
Affiliated Colleges—		
Capital	14 728 520	14 872 040
Recurrent	96 354 221	104 896 681
State College of Victoria and its		
Constituent Colleges—		
Capital	3 832 062	2 750 412
Recurrent	45 575 549	47 051 109
	<hr/>	<hr/>
	160 490 352	169 570 242
Non-Government Schools—Capital		
and recurrent expenditure ..	69 853 479	86 318 178
Teacher Development, General		
Building Grants etc.—re non-		
government schools etc. ..	13 271 820	8 483 162
Technical Training—		
T.A.F.E. Scheme	4 974 688	3 765 307
Education Apprenticeships Training		
Centres—Recurrent expenditure	965 991	590 010
Child Migrant Education—		
Salaries, Equipment etc. ..	1 235	..
Various—Recurrent Expenditure ..	1 135 940	1 481 478
Various State Schools—		
Capital	52 937 956	53 885 250
Recurrent	80 777 225	83 815 825
	<hr/>	<hr/>
	133 715 181	137 701 075
	<hr/>	<hr/>
	550 916 416	581 393 840
	<hr/>	<hr/>

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

The unexpended balances relating to education held in various Commonwealth Trust Accounts in the Treasury at 30 June 1979 totalled \$4 314 498 (\$5 359 678 at 30 June 1978).

The University of Melbourne

Details of the University's Combined Statement for the calendar years 1977 and 1978 are given hereunder. This Statement shows the total of the various items of income and expenditure for all University funds, with the exception of those listed in the following paragraph. It includes the General Recurrent Grants, which are available to meet the general running costs of the University, and almost 2 000 other University funds, each of which is accounted for separately in the University accounting system. Many of these funds relate to donations and grants for specific purposes and may be applied only to those purposes.

Separate statements for the Provident Fund, the Students' Loan Fund, the Student Financial Aid—Special Account, the Melbourne University Press, the Melbourne University Union, the Recreation Grounds Committee, the Sports Union, Medley Hall, International House, the Beaurepaire Centre, the Veterinary Clinic and Hospital, the Staff Housing Account, the Residential Centre, the Graduate School of Business Administration, the Melbourne Theatre Company and the Strathfieldsaye Estate are shown in the University's published accounts, but are not included in the Combined Statement shown hereunder.

Under broad headings, the following statement summarises the income and expenditure for all University Funds contained in the Combined Statement for the past two years. The figures in respect of 1978 are subject to audit.

	1977		1978	
	\$	\$	\$	\$
<i>Income—</i>				
State Government Grant—Special Purposes		937 010		1 128 316
Commonwealth Government Grants—				
Recurrent Purposes	58 542 000		62 011 000	
Building Purposes	922 871		524 000	
Special Purposes	7 852 618		8 869 609	
	67 317 489		71 404 609	
Fees for Continuing Education Courses		199 200		139 922
Fees for General Services		1 558 636		1 722 797
Donations and Grants (other than Government)		1 774 737		1 863 636
Charges for Services		3 518 525		3 880 976
Investment Income		2 812 342		3 282 401
Other Income		2 080 137		1 960 228
Total Income		80 198 076		85 382 885
<i>Expenditure—</i>				
Academic Activities		50 630 672		54 620 890
Academic Services		5 667 452		6 127 317
Student Services		3 157 374		3 626 534
General Services		14 250 930		15 520 608
Public Services		933 792		892 723
Independent Operations		1 315 372		1 578 670
Buildings and Grounds (Capital) ..		2 165 421		1 332 114
Total Expenditure		78 121 013		83 698 856

	1977	1978
	\$	\$
<i>* Balances—</i>		
General Recurrent Fund	<i>Deficit</i> 502 622	<i>Deficit</i> 1 152 380
Building Grants	<i>Deficit</i> 232 302	<i>Surplus</i> 44 003
Special Recurrent Grants	<i>Deficit</i> 61 405	<i>Deficit</i> 76 918
Equipment Grants	<i>Deficit</i> 33 860	<i>Deficit</i> 186 538
Other Funds	<i>Surplus</i> 1 525 927	<i>Surplus</i> 1 253 340
Trust Funds	<i>Surplus</i> 1 381 325	<i>Surplus</i> 1 802 522
	<i>Net Surplus</i> 2 077 063	<i>Net Surplus</i> 1 684 029

* Takes into consideration inter-fund transfers

The Accumulated Funds at 31 December 1978 showed an overall surplus of \$21 419 439 compared with \$20 323 364 for the previous year. Details are:

31.12.1977	31.12.1978
\$	\$
644 532 General Recurrent Funds	(507 848)
76 918 Special Recurrent Funds .. ..	..
250 486 Equipment Funds	63 948
(25 161) Building Funds	18 842
16 272 589 Trust Funds	18 609 195
3 104 000 Other Funds	3 235 302
20 323 364	21 419 439

These funds were represented by:

31.12.1977	31.12.1978
\$	\$
CURRENT ASSETS	
.. Cash at Bank	146 378
1 000 Cash on Hand	1 000
3 541 034 Sundry Debtors and Prepayments	4 074 872
293 000 Government Grants Accrued	30 000
3 835 034	4 252 250
INVESTMENTS	
6 881 695 Inscribed Stock	8 891 771
5 287 889 Mortgages	6 112 300
2 810 408 Company Shares, Debentures and Notes	3 197 286
4 650 000 Cash on Deposit	2 330 000
19 629 992	20 531 357
24 783 607	
Less CURRENT LIABILITIES	
390 689 Bank Overdraft (net) .. ..	..
1 519 498 Sundry Creditors and Accrued Salaries	1 585 639
43 975 Income in Advance	66 521
1 954 162	1 652 160
DEFERRED LIABILITIES	
1 137 500 Loan Liability	1 687 008
50 000 Other	25 000
1 187 500	1 712 008
20 323 364	3 364 168
20 323 364	21 419 439

Other Accounts

As mentioned previously, the accounts of various other University organisations and funds are published as part of the annual report of the University. For the purposes of this Report, the financial operations of a number of these organisations and funds are shown in an abridged form. The figures in respect of 1978 are shown subject to the completion of the audit.

Melbourne University Union

The control of the operations of the Melbourne University Union is vested in its Board of Directors. Details of the objectives, rights and conditions of membership of the Union are set out in the Union's constitution which was originally approved by the University Council in 1936. The Union provides a wide variety of facilities and services to members. Details of the Union's income and expenditure for the years ended 31 December 1977 and 1978 follow :

1977		1978
\$		\$
INCOME		
970 527	Amenities and Services Fees etc.	1 133 393
134 056	Other income	114 753
1 104 583		1 248 146
 EXPENDITURE		
309 099	Salaries and related charges	309 554
62 443	Rowden White Library and Ewing Gallery	75 015
127 844	Grants to Clubs, Societies etc.	127 708
194 837	Trading and Service Activities—(net loss)	187 170
222 297	Other expenses	204 058
188 063	Surplus for year	344 641
1 104 583		1 248 146

An abridged version of the Union's Balance Sheet at 31 December 1977 and 1978 is as follows :

31.12.1977		31.12.1978
\$		\$
CURRENT ASSETS		
2 040	Cash at Bank etc.	116 660
48 963	Sundry Debtors etc.	84 043
75 677	Stock on Hand	85 581
600 000	Interest Bearing Term Deposits	750 000
		1 036 284
FIXED ASSETS (at cost or valuation less depreciation)—		
2 237 165	Buildings	3 101 242
522 899	Equipment etc.	509 301
		3 610 543
3 486 744		4 646 827
 CURRENT LIABILITIES		
16 209	Bank Overdraft .. .. .	.. .. .
227 451	Sundry Creditors etc.	480 267
		480 267
.. .. .	LOAN LIABILITY	586 250
970 436	RESERVES AND PROVISIONS	979 011
2 272 648	ACCUMULATED FUNDS	2 601 299
3 486 744		4 646 827

Residential Centre

The Residential Centre is located at the Melbourne Town House Motel which is owned by the University. The fully licensed motel is leased to a private company. While the motel is open for public bookings, its main purpose is to provide accommodation and conference facilities for the Graduate School of Business Administration—Advanced Management Education. Details of the Centre's income and expenditure and balance sheets for 1977 and 1978 are as follows :

1977		1978
\$		\$
INCOME		
236 872	Lease Fee	333 967
9 752	Other Income	11 200
246 624		345 167
EXPENDITURE		
147 025	Interest on loans	137 341
37 656	Rates and Taxes	43 486
23 818	Depreciation—Buildings and Equipment	25 765
65 131	Other expenses	71 508
273 630		278 100
(27 006)	(Deficit) Surplus	67 067
246 624		345 167
BALANCE SHEET		
31.12.1977		31.12.1978
\$		\$
CURRENT ASSETS		
35 698	Sundry Debtors etc.	54 775
21 000	Advance to Catering Company	21 000
		75 775
FIXED ASSETS (at cost less depreciation)		
1 952 787	Land and Buildings	1 960 509
219 678	Equipment and Furnishings	247 537
		2 208 046
INTANGIBLE ASSETS		
13 594	Consulting, Legal and Valuation Fees (net)	11 978
2 242 757		2 295 799
CURRENT LIABILITIES		
13 116	Bank Overdraft	13 302
155 724	Sundry Creditors etc.	139 874
		153 176
DEFERRED LIABILITIES		
1 884 846	Loans and Debentures	1 885 510
RESERVES		
241 353	Capital Reserve etc.	241 353
ACCUMULATED FUNDS		
(52 282)	Accumulated (Deficit) Surplus	15 760
2 242 757		2 295 799

Melbourne University Press

The Melbourne University Press was established by University Statute in 1922, its objectives being to undertake the publication of works of learning and to supply for sale publications, stationery and other items for academic purposes. The statute was amended during 1978 to allow the Press to balance its books and accounts annually at 30 September. The following statements summarise the financial transactions of the Press for the year ended 31 December 1977 and the 9 months ended 30 September 1978.

1977 Total \$	<i>1.1.1978-30.9.1978</i>			Publications \$	Bookroom \$	Total \$
INCOME						
2 130 049	Sales			420 845	1 539 162	1 960 007
19 204	Other income			28 394	..	28 394
2 149 253				449 239	1 539 162	1 988 401
EXPENDITURE						
1 390 528	Cost of Goods Sold			200 771	1 043 714	1 244 485
463 661	Salaries and Wages			116 021	246 405	362 426
215 491	Selling, Administration etc.			139 818	67 195	207 013
2 069 680				456 610	1 357 314	1 813 924
79 573	Surplus (Deficit)			(7 371)	181 848	174 477

BALANCE SHEET

31.12.1977 \$				\$	\$
CURRENT ASSETS					
11 805	Cash at bank etc.			59 987	
843 267	Stock on Hand			806 016	
221 891	Sundry Debtors etc.			147 121	
					1 013 124
FIXED ASSETS					
138 000	Land and Buildings (at cost)			138 000	
29 057	Equipment etc. (at cost less depreciation)			34 691	
					172 691
1 244 020					1 185 815
CURRENT LIABILITIES					
451 144	Sundry Creditors etc.				214 816
75 393	PROVISIONS AND RESERVES				51 860
717 483	ACCUMULATED FUNDS				919 139
1 244 020					1 185 815

Superannuation Schemes

Several superannuation schemes are in operation at the University for the benefit of the academic and general staff of the University. Details of the various schemes are contained in the Statutes of the University.

During 1978, the University contributed \$2 101 649 to the various superannuation schemes, excluding the Samuel Gillott University Provident Fund, compared with \$1 973 428 in 1977.

Particulars of the Samuel Gillott University Provident Fund which are published in the annual report of the University are summarised below.

SAMUEL GILLOTT UNIVERSITY PROVIDENT FUND

This fund was established in 1923 to provide retirement benefits for University staff. The operations of the Fund are governed by an agreement which is detailed in a schedule to a statute under the *Melbourne University Act 1958*. A summary of the Funds's income and expenditure for 1977 and 1978 is furnished below :

1977		1978
\$		\$
	INCOME	
	Contributions—	
1 695 380	University and Affiliated Organisations ..	1 846 566
811 102	Members	869 446
2 506 482		2 716 012
1 229 571	Income from Investments	1 660 132
3 736 053		4 376 144
	EXPENDITURE	
1 264 526	Pension Benefits and Withdrawals	1 553 448
104 972	Other Expenses	90 812
2 366 555	Surplus for year	2 731 884
3 736 053		4 376 144

The following is a summary of the Fund's Balance Sheet at 31 December 1977 and 1978 :

31.12.1977		31.12.1978
\$		\$
	CURRENT ASSETS	
50 947	Cash at Bank	163 580
85 480	Sundry Debtors etc.	83 563
		247 143
	INVESTMENTS	
1 595 133	Freehold Properties (at Cost less depreciation) ..	1 439 596
11 438 990	Shares and Debentures (at Cost)	13 771 554
1 550 000	Fixed Deposits	2 060 000
352 947	First Mortgage Loans etc.	442 600
200 000	Loans at Call—Official Short Term Money Market	300 000
197 920	Victorian Semi-Government Stock	197 920
21 724	Assurance Policies	22 483
		18 234 153
15 493 141		18 481 296
	CURRENT LIABILITIES	
10 322	Accrued pensions etc.	9 082
48 677	Sundry Creditors	321 687
15 434 142		330 769
	ACCUMULATED FUNDS	
15 493 141		18 150 527
		18 481 296

Melbourne Theatre Company

The Melbourne Theatre Company evolved from the former Union Theatre Repertory Company. The objectives of the Company which are expressed in a Statute of the University are, generally, to produce, represent and perform theatrical entertainments which are not generally offered to the public by commercial managements and to encourage talents and skills necessary or ancillary to the development and maintenance of first-class theatrical entertainment. The following statements summarise the financial transactions of the Company for the years 1977 and 1978.

1977		1978
\$		\$
INCOME		
1 381 534	Box Office receipts and subscriptions	1 308 154
1 014 785	Operating Grants	1 051 380
124 775	Other income	180 079
2 521 094		2 539 613
EXPENDITURE		
Salaries and related expenses—		
1 526 052	Artists, production, theatre, administration etc.	1 702 618
277 734	Show production costs etc.	221 512
227 366	Theatre costs	201 572
328 938	Sales and Promotion costs	249 875
205 982	Other	211 666
2 566 072		2 587 243
(44 978)	Deficit	(47 630)
2 521 094		2 539 613
31.12.1977	BALANCE SHEET	31.12.1978
\$		\$
CURRENT ASSETS		
7 075	Cash on Hand	6 625
44 351	Sundry Debtors etc.	58 021
598 508	Accrued Grants etc.	305 160
		369 806
FIXED ASSETS		
1 174 262	Land and Buildings (at cost)	1 201 180
64 022	Leasehold Improvements (at cost less amortisation)	105 776
185 062	Plant and Equipment (at cost less depreciation)	242 552
		1 549 508
2 073 280		1 919 314
CURRENT LIABILITIES		
311 140	Bank Overdraft	139 804
301 571	Sundry Creditors etc.	357 473
355 158	Income in advance	371 735
		869 012
967 869		
GRANTS AND PROVISIONS		
1 000 000	State Government Capital Grant	1 000 000
74 370	Provisions etc.	70 891
		1 070 891
1 074 370		
ACCUMULATED FUNDS		
76 019	Balance 1 January	31 041
..	Less Prior-year Adjustment	4 000
		27 041
76 019	Less Deficit for year	47 630
44 978		
31 041	Accumulated Surplus (Deficit)	(20 589)
2 073 280		1 919 314

Monash University

The particulars hereunder summarise the Monash University's Statements of Income and Expenditure for the past two calendar years. Separate statements for the University's Donor-Nominated Trust Funds, the Students' Loan Fund and the Assistance to Students in Need Fund are shown in the University's published accounts, but are not included in the summarised statement below. The Statement for the University's Superannuation and Pensions Schemes follows the summarised statement of balances on the following page.

	1977	1978
	\$	\$
INCOME		
Commonwealth Government Grants—		
Recurrent Purposes	48 692 000	51 603 000
Building and Equipment Purposes	4 055 366	3 976 500
Special Purposes	1 649 865	1 693 277
	54 397 231	57 272 777
Students' Fees including Union Fees for Operational Purposes ..	1 048 635	1 104 578
Union Fees for Union Development	348 494	366 268
Grants and Donations including Public Appeals	1 954 965	2 279 383
Other Income	3 319 955	3 856 039
	61 069 280	64 879 045
EXPENDITURE		
Academic Activities	37 554 341	43 083 289
Academic Services	4 449 842	5 554 502
Student Services	1 228 251	1 348 047
General Services	8 751 637	10 001 498
Buildings and Grounds—Capital	3 265 512	5 207 792
Other Items	2 954 696	3 105 636
	58 204 279	68 300 764
	1977	1978
	\$	\$
RESULT FOR YEAR		
Recurrent Funds	<i>Surplus</i> 1 013 629	<i>Deficit</i> 2 395 491
Capital Funds	<i>Surplus</i> 425 610	<i>Deficit</i> 1 999 667
Research Funds	<i>Surplus</i> 154 990	<i>Deficit</i> 47 766
Grants and Donations	<i>Surplus</i> 71 700	<i>Surplus</i> 67 030
Other Funds	<i>Surplus</i> 1 199 072	<i>Surplus</i> 954 175
	<i>Surplus</i> 2 865 001	<i>Net Deficit</i> 3 421 719

Details of the Accumulated Funds at 31 December 1977 and 1978 are shown hereunder:

	1977	1978
	\$	\$
ACCUMULATED SURPLUSES		
Recurrent Funds	2 702 618*	307 127
Capital Funds	2 080 256	80 589
Research Funds	514 527	466 761
Grants and Donations	986 654	1 053 684
Other Funds	3 652 488	4 606 663
	9 936 543	6 514 824

* The Recurrent Funds surplus of \$2 702 618 was arrived at after taking into account a prior-year adjustment of \$176 000 in relation to Medibank.

These Funds were represented by:

	1977	1978
INVESTMENTS	\$	'\$
Fixed Interest Securities, at lower of cost or par	358 298	340 298
Ordinary Shares, at cost	421 833	413 013
Property and Mortgage Investment Trust Units, at cost	96 104	136 104
	<hr/>	<hr/>
	876 235	889 415
	<hr/>	<hr/>
CURRENT ASSETS		
Cash at Bank and on Hand	20 697	32 094
Cash on Secured Deposits	900 000	2 900 000
Cash on Term Deposits	12 600 000	9 800 000
Australian Savings Bonds	100 000	100 000
	<hr/>	<hr/>
	13 620 697	12 832 094
Debtors—		
Accrued Government Grants	339 000	23 000
Other	1 064 171	1 039 999
Payments in Advance	28 087	18 755
Stock on Hand, at cost less obsolescence	782 709	845 490
	<hr/>	<hr/>
	15 834 664	14 759 338
	<hr/>	<hr/>
	16 710 899	15 648 753
	<hr/>	<hr/>
<i>Less—</i>		
CURRENT LIABILITIES—		
Bank Overdraft	156 487	1 672 023
Sundry Creditors and Accrued Expenses	3 702 592	4 646 987
Students' Fees Received in advance	727 554	681 039
	<hr/>	<hr/>
	4 586 633	7 000 049
LONG TERM LIABILITIES—		
Loans on Mortgage	2 187 723	2 133 880
	<hr/>	<hr/>
	6 774 356	9 133 929
	<hr/>	<hr/>
	9 936 543	6 514 824
	<hr/>	<hr/>

Superannuation and Pension Schemes

Several superannuation schemes are in operation at the University for the benefit of the academic and general staff employed by the University. These schemes are established either by Statute or by Trust Deed.

During the year, the contributions paid by the University to all schemes totalled \$3 416 362 compared with \$3 061 567 in the previous year.

The particulars hereunder summarise the financial transactions of the various schemes for 1977 and 1978, excluding contributions applied to the assurance policies effected with the Staff Superannuation Scheme:

						1977	1978
						\$	\$
INCOME							
Members' Contributions	..	..	..	..	..	520 016	568 440
University's Contributions	..	..	..	..	..	887 509	1 136 997
Income from Investments	..	..	..	..	..	603 201	851 320
Other Income	..	..	..	..	..	7 442	108 228
Total Income	..	..	..	..	..	<u>2 018 168</u>	<u>2 664 985</u>
EXPENDITURE							
Benefit Payments to Members	..	..	..	..	..	173 353	232 038
Payments on Withdrawal	..	..	..	..	..	150 101	171 565
Other Payments	..	..	..	..	..	3 104	3 743
Total Expenditure	..	..	..	..	..	<u>326 558</u>	<u>407 346</u>
Surplus for Year	..	..	..	..	..	<u>1 691 610</u>	<u>2 257 639</u>

Details of the Accumulated Funds at 31 December 1977 and 1978 are shown hereunder :

						1977	1978
						\$	\$
ACCUMULATED FUNDS							
Accumulated Surplus	..	..	..	..	..	<u>7 132 100</u>	<u>9 389 739</u>

The Funds were represented by :

INVESTMENTS							
Fixed Interest Securities at lower of cost or par	..	..	..	..	..	4 339 175	5 672 098
Ordinary Shares, at cost	..	..	..	..	..	1 292 122	1 245 098
Property and Mortgage Investment Trust Units, at cost	..	..	..	..	..	1 358 200	2 012 740
						<u>6 989 497</u>	<u>8 929 936</u>
CURRENT ASSETS							
University Current Account	..	..	..	..	..	<u>142 603</u>	<u>459 803</u>
						<u>7 132 100</u>	<u>9 389 739</u>

La Trobe University

The statement below gives details of the income and expenditure of La Trobe University for the calendar years 1977 and 1978. The figures for 1978 are subject to the completion of the audit.

Separate statements for the Trust Fund, Students' Loan Fund and the Assistance to Students in Need Fund are shown in the published accounts of the University, but are not included in the statement below.

						1977	1978
						\$	\$
INCOME							
Commonwealth Government Grants—							
Recurrent Purposes	..	..	..	..	..	24 812 000	26 643 000
Building and other Capital Purposes	..	..	..	..	..	3 048 514	1 359 128
Special Purposes	..	..	..	..	..	561 662	701 099
						28 422 176	28 703 227
General Service Fees	..	..	..	..	..	866 144	920 999
Grants and Donations	..	..	..	..	..	487 440	436 415
Other Income	..	..	..	..	..	1 088 344	1 280 951
						2 441 928	2 638 365
Total Income	..	..	..	..	..	30 864 104	31 341 592
EXPENDITURE							
Academic Activities	..	..	..	..	..	18 738 891	19 951 520
Academic Services	..	..	..	..	..	2 918 669	2 835 833
Student Services	..	..	..	..	..	1 528 461	1 581 782
General Services	..	..	..	..	..	3 810 721	4 089 837
Buildings and Grounds—Capital	..	..	..	..	..	3 059 634	1 891 078
Other Services	..	..	..	..	..	1 692 849	1 556 235
						31 749 225	31 906 285
BALANCE*							
						1977	1978
						\$	\$
Recurrent Funds	..	..	..	..	Deficit	746 601	Deficit 96 929
Capital Funds	..	..	..	..	Surplus	386 051	Deficit 549 302
Research Funds	..	..	..	..	Deficit	89 680	Deficit 61 487
Grants and Donations	..	..	..	..	Surplus	153 696	Surplus 75 168
Other Funds	..	..	..	..	Deficit	588 587	Surplus 67 857
						Net Deficit 885 121	Net Deficit 564 693

* Takes into account inter-Fund transfers

The net deficit of \$564 693 for the year resulted in the Accumulated Deficit of \$623 167, at 31 December 1977, being increased to an overall net deficit of \$1 187 860 at 31 December 1978.

Details of the Accumulated Funds at 31 December 1977 and 1978 are:

						1977	1978
						\$	\$
Recurrent Funds	..	..	..	..	Surplus	905 490	Surplus 808 561
Capital Funds	..	..	..	..	Surplus	641 251	Surplus 91 949
Research Funds	..	..	..	..	Deficit	7 528	Deficit 69 015
Grants and Donations	..	..	..	..	Surplus	465 347	Surplus 540 515
Other Funds	..	..	..	..	Deficit	2 627 727	Deficit 2 559 870
						Net Deficit 623 167	Net Deficit 1 187 860

The major portion of the accumulated deficit in relation to Other Funds is due to the University's liability to repay debenture loans used to finance buildings and additions outside the building program authorised by the Australian Universities Commission.

The Accumulated Funds were represented by :

1977		1978	
\$		\$	\$
	CURRENT ASSETS		
5 665	Cash on Hand	4 749	
5 063	Payments in Advance	40 802	
	Debtors—		
609 697	Accrued Government Grants	12 000	
645 158	Other— <i>Less</i> Provision for Doubtful Debts (\$2 120)	1 076 303	
		1 088 303	
385	Other Accrued Income .. .. .	.. .. .
268 307	Stocks, <i>Less</i> provision for Depreciation	244 792	
		1 378 646	
	INVESTMENTS		
3 900 000	Interest Bearing Term Deposits	3 450 000	
438 122	Government and Semi-Government Securities (at Cost)	300 000	
157 062	Company Debentures and Notes	1 469 293	
		5 219 293	
6 029 459			6 597 939
	<i>Less—</i>		
	CURRENT LIABILITIES—		
1 114 464	Bank Overdraft	506 276	
1 154 199	Sundry Creditors and Accrued Expenses	1 969 383	
94 251	Income Received in Advance	81 435	
1 435	Other	6 040	
		2 563 134	
652 377	RESERVES AND PROVISIONS	659 657	
	LONG TERM LIABILITIES—		
3 635 900	Debenture Loans	4 563 008	
		7 785 799	
6 652 626			7 785 799
623 167	ACCUMULATED FUNDS (Deficit)		(1 187 860)

Superannuation Schemes

Several superannuation schemes are in operation at the University for the benefit of the academic and general staff employed by the University. These schemes are established by Statutes of the University, which provide for each full-time member of staff either to effect an assurance policy with an approved Life Office or to contribute to a superannuation scheme which is managed on behalf of the members by an Insurance Company.

During 1978, the University contributed \$1 905 853 to the superannuation schemes compared with \$1 764 039 in 1977.

Deakin University

The statement below details the income and expenditure of the Deakin University for the calendar years 1977 and 1978.

	1977	1978
	\$	\$
INCOME		
Commonwealth Government Grants—		
Recurrent Purposes	9 156 000	11 244 000
Building Purposes	527 615	2 568 315
Special Purposes	785 144	789 000
	10 468 759	14 601 315
Private and other Government Research Grants	99 012	97 438
Other Income	660 375	880 055
	11 228 146	15 578 808
EXPENDITURE		
Academic Activities	5 887 016	7 037 296
Academic Services	980 326	1 565 433
General Services	2 337 714	3 704 381
Student Services	682 962	963 372
Buildings and Grounds—Capital	594 315	2 920 148
	10 482 333	16 190 630
	1977	1978
	\$	\$
RESULT FOR YEAR		
Recurrent Funds	<i>Surplus</i> 93 670	<i>Deficit</i> 261 083
Building Funds	<i>Surplus</i> 33 580	<i>Deficit</i> 206 270
Special Funds	<i>Surplus</i> 343 706	<i>Deficit</i> 376 557
Research Funds	<i>Surplus</i> 14 386	<i>Surplus</i> 12 093
Grants and Donations	<i>Surplus</i> 5 351	<i>Surplus</i> 6 102
Other Funds	<i>Surplus</i> 255 120	<i>Surplus</i> 213 893
	<i>Surplus</i> 745 813	<i>Net Deficit</i> 611 822

The Accumulated Funds at 31 December 1977 and 1978 were made up of the following Funds:

	1977		1978
	\$		\$
Recurrent Funds	376 340	<i>Surplus</i>	115 257
Building Funds	39 207	<i>Surplus</i>	167 063
Special Funds	523 808	<i>Surplus</i>	147 251
Research Funds	36 489	<i>Surplus</i>	47 082
Grants and Donations	85 351	<i>Surplus</i>	90 102
Other Funds	295 913	<i>Surplus</i>	511 157
	1 357 108	<i>Surplus</i>	743 786
		<i>Net Surplus</i>	

These Funds were represented by:

1977		1978	
\$	Current Assets—	\$	\$
880	Cash on Hand	1 030	
90 133	Sundry Debtors and Prepayments	108 389	
103 000	Commonwealth Grant Accrued	5 000	
59 470	Interest Receivable	23 024	
13 640	Loans to Students	10 145	
			147 588
Investments—			
2 595 000	Term Deposits	2 750 000	
46 800	Semi Government Inscribed Stock	46 500	
			2 796 500
<u>2 908 923</u>			<u>2 944 088</u>
Less—			
Current Liabilities—		\$	
583 712	Bank Overdraft	715 634	
420 470	Sundry Creditors and Accrued Charges	627 426	
94 109	Income Received in Advance	176 948	
1 617	Deposits on Tender	1 617	
			1 521 625
Long Term Liabilities—			
151 907	Loans on Mortgage	188 907	
100 000	Bank Loan	83 400	
			272 307
Provisions—			
50 000	Long Service Leave	97 777	
150 000	Superannuation	308 593	
			406 370
<u>1 551 815</u>			<u>2 200 302</u>
<u>1 357 108</u>			<u>743 786</u>

In 1977, two companies named Durac Limited and Deakin University Foundation Limited were incorporated under the *Companies Act 1958* as companies limited by guarantee. Durac Limited was established to organise research, development and consultancy activities, and short courses and day seminars etc. The main object of Deakin University Foundation Limited is to encourage the making of gifts and bequests to the University or to the Foundation and the funds donated are to be used for university purposes.

During 1977 and 1978, costs were incurred indirectly by the University on behalf of the two companies. University staff and equipment were being used to provide services to the companies. No charge was made for such services unless it was necessary for the University to buy a special item, hire specialised staff or pay overtime to carry out a particular project. No overhead charges incurred by the University were levied on the companies.

A copy of a legal advice, stating that there are no express powers in the *Deakin University Act 1974* which permit the University to establish corporate bodies and that there is no section of the Act, which impliedly authorises, or by reasonable implication allows, the University to establish such bodies, has been supplied to the University.

Superannuation Schemes

Several superannuation schemes are in operation at the University for the benefit of the academic and general staff employed by the University. These schemes are established by Statutes of the University, which provide for each full-time member of staff either to effect an assurance policy with an approved Life Office or to contribute to a superannuation scheme which is managed on behalf of the members by an Insurance Company.

In addition, certain former staff of the State College at Geelong and Gordon Institute of Technology who were appointed to Deakin University, pursuant to the *Deakin University Act 1974*, have continued to be members of the State Superannuation Scheme. Members' contributions are deducted from their salary and paid to the State Superannuation Board. The Government's share of the pension is contributed by the University only after the retirement of the member. To cover its future liability in respect of the Government's share, the University created a Provision for Superannuation which, at 31 December 1978, totalled \$308 593.

During 1978, the University contributed \$664 919 to the various superannuation schemes.

Victoria Institute of Colleges

The Victoria Institute of Colleges was constituted under the provisions of the *Victoria Institute of Colleges Act 1965*. The Act confers on the Institute such powers as are necessary or expedient to co-ordinate and advance the provision of tertiary education in certain institutions.

The income and expenditure of the Institute for the calendar years 1977 and 1978 are detailed below. The College Central Funds held by the Institute are for use on approved educational programs for the benefit of the Colleges of Advanced Education within the Institute system.

1977					1978		
\$					State Co-ordinating Body \$	College Central Funds \$	Total \$
INCOME							
Commonwealth Grants—							
1 265 083	For Recurrent Purposes	..	..	1 007 500	43 500	1 051 000
12 449	For Capital Purposes	..	..	53 764	..	53 764
<hr/> 1 277 532				<hr/> 1 061 264	<hr/> 43 500	<hr/> 1 104 764	
..	Grants and Donations	..	..	24 000	..	24 000
60 822	Other (including Degree Fees)	..	..	83 656	..	83 656
<hr/> 60 822				<hr/> 107 656	<hr/> ..	<hr/> 107 656	
<hr/> 1 338 354				<hr/> 1 168 920	<hr/> 43 500	<hr/> 1 212 420	
EXPENDITURE							
Administrative and General Overhead—							
718 461	Salaries	..	..	709 872	6 274	716 146
165 771	Other Administrative Expenditure	..	..	138 789	48 122	186 911
<hr/> 884 232				<hr/> 848 661	<hr/> 54 396	<hr/> 903 057	
Libraries—							
13 580	Salaries	..	..	18 280	..	18 280
3 822	Books, Publications	..	..	2 735	..	2 735
<hr/> 17 402				<hr/> 21 015	<hr/> ..	<hr/> 21 015	
Buildings and Grounds—							
12 449	Capital	..	..	113 954	..	113 954
155 412	Recurrent	..	..	115 161	56 109	171 270
<hr/> 167 861				<hr/> 229 115	<hr/> 56 109	<hr/> 285 224	
81 789	Miscellaneous	..	..	116 470	279	116 749
<hr/> 1 151 284				<hr/> 1 215 261	<hr/> 110 784	<hr/> 1 326 045	
<hr/> 187 070	Surplus/(Deficit)	..	..	<hr/>(46 341)	<hr/> (67 284)	<hr/> (113 625)

Accumulated Funds at 31 December 1978 amounted to \$387 127 and comprised Recurrent Funds, State Co-ordinating Body, \$337 435, and Grants and Donations, \$49 692.

The Accumulated Funds at 31 December 1977, and 1978 were represented by the following balances:

1977		1978
\$		\$
580 000	Investments—Interest Bearing Term Deposits ..	500 000
47 231	Sundry Debtors and Pre-payments ..	53 130
69 345	Cash	46 060
19 860	Stocks on Hand	22 088
<hr/> 716 436		<hr/> 621 278
215 684	Less Sundry Creditors	234 151
<hr/> 500 752		<hr/> 387 127

From 1 January 1979, the Commonwealth ceased to finance the State Co-ordinating Body, and, since that date, that Body has been funded by the State.

Colleges of Advanced Education

Funds for Colleges of Advanced Education were provided mainly by the Commonwealth.

Recurrent Grants

The *States Grants (Tertiary Education Assistance) Act 1977* provided grants in respect of 1978 and the following statements summarise the distribution of those grants to the Colleges by the Victoria Institute of Colleges:

	\$
Paid to Colleges in 1977	13 841 000
Paid to Colleges in 1978	80 148 500
Paid to Colleges in 1979	59 500
	<hr/> 94 049 000

During 1978, additional Recurrent Grants were received by the Colleges under the *States Grants (Advanced Education Assistance) Act 1976* and *States Grants (Tertiary Education Assistance) Act 1978* amounting to \$1 325 420 and \$15 812 000 respectively in respect of 1977 and 1979 calendar years. The amount of \$15 812 000 is not reflected in the income and expenditure summary shown below.

Capital Grants

Grants received, totalling \$18 291 347, for specific capital projects in various Colleges during 1978 under the relevant Commonwealth legislation were as follows:

	\$
<i>States Grants (Tertiary Education Assistance) Act 1977</i>	12 740 642
<i>States Grants (Advanced Education Assistance) Act 1976</i>	4 615 245
<i>States Grants (Advanced Education) Act 1976</i>	933 070
<i>States Grants (Advanced Education) Act 1972-76</i>	2 390
Total Capital Grants Received from Commonwealth	<hr/> 18 291 347
Plus: Commonwealth Grant Accrued 31 December 1978 (Net)	225 201
Capital Grant Received from State Government	125 750
Total Capital Grants 1978	<hr/> 18 642 298

In addition, the Colleges received other Commonwealth and State Government Grants for specified purposes including grants for Technical and Further Education.

A summary of the financial operations of the Colleges for the year ended 31 December 1978 is as follows:

Total 1977	1978				Total
	Recurrent Account	Capital Account	Other Funds*	Total	
\$	\$	\$	\$	\$	\$
INCOME					
111 614 193	Government Grants ..	94 049 000	18 642 298	9 960 649	122 651 947
1 718 761	Interest	1 857 779	69 470	1 120 158	3 047 407
7 935 273	Other	689 734	..	7 476 178	8 165 912
<u>121 268 227</u>	Total Income	<u>96 596 513</u>	<u>18 711 768</u>	<u>18 556 985</u>	<u>133 865 266</u>
Less EXPENDITURE—					
63 423 455	Teaching	63 668 920	..	8 094 248	71 763 168
5 696 506	Libraries	6 166 613	..	557 678	6 724 291
2 031 740	Computer	2 266 273	..	413 343	2 679 616
602 554	Educational Technology ..	614 400	..	134 372	748 772
690 915	External Studies	832 719	..	65 692	898 411
981 615	Student Counselling	1 139 789	..	58 206	1 197 995
12 698 593	Administration and General Overhead	12 514 131	..	1 334 261	13 848 392
12 059 158	Buildings, Premises and Grounds	10 048 673	..	2 595 706	12 644 379
931 722	Other Services	249 457	..	4 101 659	4 351 116
14 082 099	Buildings .. ..	..	13 860 683	755 669	14 616 352
2 148 066	Equipment .. ..	..	3 226 787	..	3 226 787
1 131 981	Land and Property .. ..	..	395 430	..	395 430
1 217 432	Minor Works .. ..	..	1 748 698	..	1 748 698
<u>117 695 836</u>	Total Expenditure	<u>97 500 975</u>	<u>19 231 598</u>	<u>18 110 834</u>	<u>134 843 407</u>
3 572 391	Surplus (Deficit)	(904 462)	(519 830)	446 151	(978 141)
4 407 265	Balance 1 January	2 322 090	44 049	5 613 517	7 979 656
..	Add Commonwealth Grant not accrued 1977	461 000	..	..	461 000
<u>7 979 656</u>	Total Accumulated Fund 31 December	<u>1 878 628</u>	<u>(475 781)</u>	<u>6 059 668</u>	<u>7 462 515</u>

* The amounts shown in the above income and expenditure summary under the heading "Other Funds" have been included for the first time in 1978. The 1977 figures have been adjusted accordingly.

The details shown above are subject to the completion of the audit of a number of Colleges.

State College of Victoria

The State College of Victoria was established under the provisions of the *State College of Victoria Act 1972*. The objects of the College are to advance the provision of tertiary education in branches of learning of importance in the preparation of teachers.

Central Office

Income and expenditure of the Central Office of the College for the calendar years 1977 and 1978 was :

	1977		1978	
	\$	\$	\$	\$
INCOME				
State and Commonwealth Government Grants—				
Recurrent	555 000		583 099	
Capital	71 500		10 900	
	626 500		593 999	
Contributions from Constituent Colleges				
Other		59 534		131 581
		686 034		128 673
				854 253
EXPENDITURE				
Administration and General Overhead—				
Salaries	396 979		473 879	
Other administrative expenditure ..	53 977		66 200	
Capital	3 501		3 294	
	454 457		543 373	
Buildings and Grounds—				
Capital	64 853		6 864	
Recurrent	49 387		43 486	
Other Funds .. .. .	..		2 495	
	114 240		52 845	
Miscellaneous		39 792		76 766
Provision for Long Service Leave ..				35 000
Constituent Colleges for Long Service Leave Provisions				207 302
		608 489		915 286
Surplus (Deficit) for year		77 545		(61 033)
Balance 1 January—Surplus		34 902		112 447
Accumulated Funds 31 December ..		112 447		51 414

Accumulated Funds at 31 December 1978, \$51 414, were represented by:

	\$	\$
Investments	665 000	
Cash	202 540	
Sundry Debtors	15 464	
	883 004	
<i>Less—</i>		
Sundry Creditors	4 446	
Recurrent grant received in advance ..	40 083	
Capital Grants—Constituent Colleges ..	175 000	
Recurrent Grants—Constituent Colleges ..	566 091	
Film Library Trust Fund	10 970	
Provision for Long Service Leave	35 000	
	831 590	
		51 414

Constituent Colleges

The *State College of Victoria Act 1972* provides that the Senate of the State College of Victoria may, with the consent of the Governor in Council, admit as a constituent college of the State College of Victoria any institution offering or proposing to offer tertiary education in any branch of learning of importance in the preparation of teachers.

These constituent colleges at present consist of 7 former teachers' colleges of the Education Department, the former Melbourne Kindergarten Teachers College and the Institute of Catholic Education.

Funds for these constituent colleges were provided mainly by the Commonwealth under the provisions of its *States Grants (Advanced Education) Act 1976*, its *States Grants (Advanced Education Assistance) Act 1976* and its *States Grants (Tertiary Assistance) Act 1977*.

The following statement prepared from accounts of the various constituent colleges shows the source and disbursement of funds for the year ended 31 December 1978, compared with the previous year.

1977		1978
\$		\$
	SOURCE OF FUNDS	
5 988 849	Balance 1 January	4 720 647
	Grants— <i>States Grants (Advanced Education) Act 1976</i> <i>States Grants (Advanced Education Assistance) Act 1976</i> <i>and States Grants (Tertiary Assistance) Act 1977</i>	
41 550 780	Recurrent Purposes—Commonwealth	45 191 941
5 451 252	Capital Purposes—State and Commonwealth	4 922 259
22 286	Student Residences Purposes—Commonwealth	20 320
47 024 318		50 134 520
	Grants— <i>States Grants (Schools Assistance) Act 1977</i> —	
768 978	Special and Librarian Teacher Training Purposes	345 938
1 130 853	Interest and other Income from Commonwealth Funds	1 323 526
81 350	Student Residences' Fees	95 781
542 642	Other Income	1 105 280
55 536 990		53 005 045
55 536 990		57 725 692
	DISBURSEMENT OF FUNDS	
	Recurrent—	
	Salaries—	
26 292 997	Academic	27 800 673
9 598 697	Other	10 011 677
1 893 526	Other Administrative expenses	2 264 812
453 465	Travelling expenses	558 717
1 160 912	Buildings, Premises and Grounds	1 544 153
3 962 655	Materials and Equipment	3 896 658
258 034	Miscellaneous	322 656
43 620 286		46 399 346
	Less—	
983 307	Recouped from Income from Commonwealth Funds Account	1 133 855
42 636 979		45 265 491

1977		1978
\$		\$
	Capital—	
2 792 974	Buildings	3 603 231
1 944 768	Land and Property	198 452
543 257	Equipment	822 841
19 525	Planning	64 905
878 385	Site Works and Minor Building Projects.. ..	1 138 627
<u>6 178 909</u>		<u>5 828 056</u>
235 187	Special Grants—Special Teacher and Library Teacher Training	129 000
91 880	Student Residences	125 244
1 004 100	Commonwealth Funds Account	1 655 697
669 288	Other	753 999
<u>50 816 343</u>		<u>53 757 487</u>
<u>4 720 647</u>	Unexpended Balance 31 December	<u>3 968 205</u>

FORESTS COMMISSION

The Forests Commission was first constituted under the *Forests Act* 1918. The general powers of the Commission are to protect, control and manage State forests and forest produce in general.

Payments by the Department from the Consolidated Fund for the year amounted to \$42 257 121 against which there were receipts of \$16 026 695, resulting in a net cost of \$26 230 426. Details of payments and receipts for the past two years are shown hereunder:

	<i>Payments</i>	1977-78	1978-79
SPECIAL APPROPRIATION—		\$	\$
Pensions		963 246	1 194 171
Grants to the Forestry Fund		7 504 919	7 500 230
Debt Charges		6 696 696	8 037 993
		15 164 861	16 732 394
VOTE—			
Forests			
Salaries and Payments in the nature of Salary		9 210 052	9 908 730
Payroll Tax		438 517	500 227
General expenses		176 097	292 427
Utilisation of Forest Produce		563 011	528 543
Contribution to the National Sirex Fund		12 841	11 465
Contribution—Timber Promotion Council		101 801	165 362
Sundry expenses		12 250	12 250
Electronic Data Processing expenses		102 728	103 000
Aviation Personal Accident Insurance* .. .. .		..	163 789
Supplementation—Forestry Fund* .. .. .		..	340 000
Public Works—Maintenance and Rent† .. .. .		..	31 390
		10 617 297	12 057 183
WORKS AND SERVICES ACCOUNT—			
Plantations		4 679 226	4 989 668
General Operations etc.		3 770 831	4 073 788
Fire Protection		3 794 778	2 343 109
Extraction Roads		904 652	677 661
Advances—Farm Forestry		285 694	235 000
Purchase and Fittings—601 Bourke Street† .. .. .		..	1 148 318
		13 435 181	13 467 544
		39 217 339	42 257 121
	<i>Receipts</i>		
Royalties		14 795 386	14 677 713
Sale of Forest Produce		564 308	583 704
Rents etc.		214 453	322 747
Loan Repayments		57 235	67 007
Other		224 855	375 524
		15 856 237	16 026 695
Net Cost		23 361 102	26 230 426

* Charged to Treasurer's Advance pending a "Reread" of the 1978-79 Estimates
 † Expenses incurred during 1977-78 were met by the Public Works Department

The increase in "General Expenses" was occasioned primarily by telephone and electricity expenses as a result of the Commission's move to new premises at 601 Bourke Street, Melbourne. Such expenses were previously met by the Public Works Department.

Softwood Forestry Agreements

The Commonwealth, under the *Softwood Forestry Agreements Acts 1967 and 1972*, entered into agreements with the States to provide financial assistance for the purpose of increasing the rate of softwood planting in Australia.

The first and second Agreements, which were for 5 and 6 year periods respectively, have been completed.

A third Agreement, authorised by the Commonwealth's *Softwood Forestry Agreements Act 1978*, in contrast with the previous Agreements, provides financial assistance to meet expenditure on "tending planting" only for a period of 5 years commencing 1 July 1977. Payments to 30 June 1979 amounted to \$4 091 698.

TRUST ACCOUNTS

Forestry Fund

The Forestry Fund was established pursuant to Section 30 of the *Forests Act 1958*.

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

	1977-78	1978-79
	\$	\$
Balance 1 July	950 771	955 273
RECEIPTS—		
Grants from the Consolidated Fund	7 504 919	7 500 230
Fire Suppression costs recovered	472	..
	8 456 162	8 455 503
PAYMENTS—		
Operating and Other Expenses	2 643 724	3 312 769
Forest Protection	934 250	902 611
Silvicultural Works	241 658	230 838
Road Works	1 654 615	1 687 085
Plantations and Nurseries	487 641	530 025
Forest Recreation	77 843	104 274
Maintenance of Buildings	285 183	247 653
Supervision (Salaries)	1 104 174	910 499
Contribution—Timber Promotion Council	71 801	135 362
	7 500 889	8 061 116
Balance 30 June	955 273	394 387

Commonwealth-State Sirex Trust Account

The National Sirex Fund was established by the Commonwealth and the States in 1962. Victoria is responsible for the collection of contributions and the administration of payments from the Fund relating to survey and control operations. A summary of transactions within the Trust Account for the past two years is given hereunder:

	1977-78		1978-79	
	\$	\$	\$	\$
Balance 1 July		21 522		26 581
Add Contributions—				
States—				
Victoria	12 841		11 465	
Other States	42 756		36 152	
Private Sector and other Bodies	3 000	58 597	3 230	50 847
		80 119		77 428
Less Payments during year		53 538		47 692
Balance 30 June		26 581		29 736

Forests Stores Suspense Account

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

The Account is charged with payments on stores, fuel and material, repairs to plant and machinery, and in connection 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, including motor vehicles, charged to the Account are offset by credits:

- (i) arising from a proportion of the hire charges in respect of plant and machinery; 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 30 June 1979 was \$98 473.

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

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

The following statement summarises operations within the Plant and Machinery Fund for the past two years:

	1977-78	1978-79
	\$	\$
Balance 1 July	851 198	667 869
Plant Hire—Renewals and Replacements Component	1 733 723	1 506 075
Sale of Plant	323 032	534 746
	<hr/>	<hr/>
	2 907 953	2 708 690
Less Expenditure on Renewals	2 240 084	1 283 790
	<hr/>	<hr/>
Balance 30 June	667 869	1 424 900

Forest Equipment Fire Account

This Account facilitates accounting when the Forests Commission carries out work for other departments, public authorities and private individuals.

Credits to the Account during the year amounted to \$991 428 and payments totalled \$851 720. At the close of the year, the balance at credit of the Account was \$451 487.

*Timber Promotion Council Trust Account**

The Timber Promotion Council consists of representatives of the Forest Commission and of the timber industry. The function of the Council is to promote the use of timber.

For this purpose, the Treasurer, pursuant to the provisions of Section 8 of the *Public Account Act* 1958, approved the establishment of a Timber Promotion Council Trust Account to record the financial transactions of the Council.

Amounts paid into the Account included appropriations from the Consolidated Fund of \$165 362 and a contribution from the Forestry Fund of \$135 362. Payments in 1978-79 amounted to \$296 055, and at 30 June 1979 the balance in the Account was \$97 739.

* The name of the Timber Promotion Committee was changed to Timber Promotion Council on 18 March 1975 — Statutory Rule No. 100/1975.

Other Trust Funds

The Department expended funds from several other Treasury Trust Funds during 1978-79, the principal items being as follows:

Victorian Natural Disasters Relief Account	\$ 1 047 550
Special Youth Employment Scheme Training Program (SYETP) Trust Account	228 578
Gippsland Softwoods Project Trust Account	87 135
Commonwealth Apprentices Employment Scheme Trust Account	71 539
Mount Dandenong Reserves Trust Account	48 111
Forests (William Ricketts) Sanctuary Trust Account ..	32 454

HEALTH COMMISSION OF VICTORIA

The Health Commission of Victoria was established under the *Health Commission Act 1977* to oversee, supervise, maintain and co-ordinate health services in Victoria and to carry out other functions conferred on it by or under any Act.

In December 1978, the functions of the Department of Health, the Commission of Public Health, the Hospitals and Charities Commission, and the Mental Health Authority, were transferred to the Health Commission. Since its establishment, payments by the Commission have been funded from the approved estimates of the Department of Health. This Report does not reflect the above transfer of functions. However, the restructuring of Divisions within the Commission has been reflected in the 1979-80 estimates.

General Health Branch figures for 1977-78 have been reconstructed under Health Administration and General Health Branch to conform with the Treasurer's Statement (page 109).

The cost of health services paid from the Consolidated Fund during 1978-79 was \$326 704 810. Receipts to and payments from the Consolidated Fund in respect of health services for the years ended 30 June 1978 and 1979 were:

1977-78		1978-79
\$		\$
	PAYMENTS	
	SPECIAL APPROPRIATION—	
5 346 987	Pensions	6 413 273
37 185	Other	39 347
5 384 172		6 452 620
	VOTE—	
	Health—	
88 630 026	Salaries and Allowances*	97 393 332
8 746 306	Overtime and Penalty Rates	8 769 197
1 080 857	Payments in Lieu of Long Service Leave	1 026 714
14 026 007	General expenses	15 103 765
553 511	Payroll Tax	679 199
63 897 881	Other Services*	70 208 458
161 498 500	Hospitals and Charities Fund	149 390 000
338 433 088		342 570 665
	Treasury—	
1 381 296	Workers Compensation	1 204 723
2 318 625	Public Works—	
	Maintenance and Rent of Buildings	2 570 839
20 039 920	WORKS AND SERVICES ACCOUNT—	
	Capital Items etc.	14 617 355
367 557 101		367 416 202

* Salaries and allowances included in Other Services amounted to \$11 352 859 (1977-78 \$9 467 215). Total Salaries and Allowances for the year were \$108 746 192 (1977-78 \$98 097 241).

RECEIPTS

28 269 853	Commonwealth Payments	26 052 706
10 232 044	Commonwealth Recoups	10 930 696
1 565 471	Miscellaneous Recoups	1 674 265
629 986	Registration and other Fees	509 602
607 397	Accommodation and Meals	686 365
1 441 459	Other Receipts	857 758
42 746 210		40 711 392
324 810 891	Net Cost of Health Services Paid from Consolidated Fund	326 704 810

Under the provisions of the *Health (Fluoridation) Act 1973*, any water supply authority may, on the recommendation of the Health Commission, be reimbursed the net capital costs and expenses incurred in the installation of the necessary equipment and control measures for adding fluoride to its water supply. Claims submitted by the Melbourne and Metropolitan Board of Works during 1978-79 totalling \$215 967 were paid from funds provided under the Water Supply Works and Services Acts, making a total so provided at 30 June 1979 of \$4 965 460.

Fluoridation work carried out on the recommendation of the Health Commission by the State Rivers and Water Supply Commission during 1978-79 totalled \$482 886, making a total so provided at 30 June 1979 of \$830 803.

For the purpose of this Report, the Commission's finances are dealt with under Divisional Heads as shown in the Treasurer's Statement, and under Trust Funds.

Departmental analyses have been used in the preparation of the following statements which have been reconciled in total with the Treasurer's Accounts.

Health Administration

This Division is responsible for the overall administration of the Commission.

Details of payments for the past two years are:

	1977-78	1978-79
	\$	\$
PAYMENTS		
SPECIAL APPROPRIATION AND VOTE—		
Salaries and Allowances	1 192 454	1 437 516
Overtime and Penalty Rates	25 589	24 390
Payments in lieu of Long Service Leave	45 038	5 307
Pensions—Government Contributions	5 346 987	6 413 273
General expenses	309 491	340 092
Payroll Tax	140 592	196 968
Contribution to Hospitals and Charities Fund	161 498 500*	149 390 000
Grants and Contributions	686 815	639 000
Subsidies	4 061 904	5 602 600
Other Services	149 219	232 896
Treasury Vote—		
Workers Compensation	17 136	15 064
Public Works Vote—		
Maintenance and Rent on Buildings	1 040 292	1 026 541
WORKS AND SERVICES ACCOUNT—		
Bush Nursing Hospitals	798 699	521 000
Other	114 625	125 079
	175 427 341	165 969 726

*The Victorian Cytology (Gynaecological) Service was funded from the Hospitals and Charities Fund in 1978-79 and for comparative purposes payments of \$344 500 in 1977-78 have been included as payments from the Fund in that year.

Health Administration receipts are included with General Health Receipts.

General Health Branch

The functions of this Branch relate to the prevention, limitation and suppression of disease, and to elderly people's centres, home help schemes, food standards, safety of buildings etc.

Details of receipts and payments for the past two years are:

	1977-78	1978-79
	\$	\$
PAYMENTS		
SPECIAL APPROPRIATION AND VOTE—		
Salaries and Allowances	3 237 223	3 202 376
Overtime and Penalty Rates	10 100	8 248
Payments in lieu of Long Service Leave	33 387	48 251
General Infectious Diseases	657 446	724 597
Veneral Diseases	152 681	177 058
General expenses	324 579	322 752
Payroll Tax	125 647	151 461
Subsidies—		
Home Help Scheme	6 674 692	7 590 000
Elderly Citizens' Clubs	1 100 995	1 505 270
Transport	148 484	191 239
Cancer Institute—		
Maintenance etc.	6 544 500	7 461 000
Grants and Contributions	734 980	761 000
Other Services	7 104	236 115
Treasury Vote—		
Workers Compensation	45 345	40 160
Public Works Vote—		
Maintenance and Rent of Buildings	453 198	520 801
WORKS AND SERVICES ACCOUNT—		
Cancer Institute	2 999 843	500 000
Elderly Citizens' Centres	977 155	654 690
Fluoridation—		
Melbourne and Metropolitan Board of Works Recoup	761 559	215 967
Other	422 447	1 482 499
	<u>25 411 365</u>	<u>25 793 484</u>
RECEIPTS		
Registration and other Fees	629 986	509 602
Commonwealth Recoups—		
Home Care Services	2 541 955	3 421 597
Elderly Citizens' Centres (including Welfare Services)	1 503 502	1 015 740
Para-medical Services	282 589	380 207
Community Health Projects	1 730 719	1 837 304
Other Receipts	576 606	189 410
	<u>7 265 357</u>	<u>7 353 860</u>
Net Cost to the Consolidated Fund	<u>18 146 008</u>	<u>18 439 624</u>

In addition, funds were provided from the Commonwealth Assistance-Medibank Trust Account for the Cancer Institute, \$7 589 962, exotic diseases, \$81 090 and Heatherton, \$1 586 426. Particulars of the transactions on this Account are given on page 118 of this Report.

Tuberculosis Branch

This Branch is responsible for providing a free and comprehensive service for the prevention, early detection and treatment of tuberculosis.

Details of receipts and payments for the past two years are as follows:

	1977-78	1978-79
	\$	\$
PAYMENTS		
SPECIAL APPROPRIATION AND VOTE—		
Salaries and Allowances	466 927	385 245
Overtime and Penalty Rates	902	..
Payments in lieu of Long Service Leave	50 097	1 528
General expenses	84 985	40 697
Heatherton Hospital—		
Running Expenses	4 751 744	4 978 142
Treasury Vote—		
Workers Compensation	59 784	5 786
Public Works Vote—		
Maintenance and Rent of Buildings	199 345	216 101
WORKS AND SERVICES ACCOUNT—		
State Sanatoria and Clinics etc.	90 635	62 462
	5 704 419	5 689 961
RECEIPTS		
Commonwealth recoup under <i>Health Act 1958</i>	1 657 972	..
Commonwealth recoup under <i>Medibank Agreement</i>	861 458	1 544 440
Recoup—		
Alcoholism and Drug Dependency Services	876 210	826 952
Prince Henry's Hospital Unit	647 423	787 157
In-patients' charges—		
Heatherton	422 198	172 740
Out-patients' charges—		
Clinics	5 766	28 553
Other	54 478	63 159
	4 525 505	3 423 001
Net Cost to the Consolidated Fund	1 178 914	2 266 960

The net increased cost to the Consolidated Fund of \$1 088 046 was due to a decrease of \$1 657 972 in the Commonwealth recoup under the *Health Act 1958* offset by an increase in recoups under the *Medibank Agreement*.

Early Childhood Development Division

This Division is responsible for the operations of kindergartens, pre-school centres, crèches and day nurseries etc.

Details of receipts and payments for the last two years are:

	1977-78	1978-79
	\$	\$
PAYMENTS		
VOTE—		
Health—		
Salaries and Allowances	723 574	771 190
Overtime and Penalty Rates	2 988	2 800
General expenses	70 326	70 149
Payroll Tax	36 532	40 073
Pre-school Teaching Scholarships	431 035	394 400
Subsidies—		
Kindergartens and Pre-school Centres	23 697 509	25 452 161
Crèches and Day Nurseries	1 260 610	1 411 824
Kindergarten Supervision	98 829	101 369
Pre-school Free Milk Scheme	479 998	540 250
Knox Pilot Project	263 510	264 081
Other Services	15 185	15 330
Treasury—		
Workers Compensation	9 537	8 986
Public Works—		
Maintenance and Rent of Buildings	247 712	270 953
WORKS AND SERVICES ACCOUNT—		
Pre-school Centres etc.	1 748 947	1 250 000
Pre-school Dental Clinics	10 000	5 000
	<u>29 096 292</u>	<u>30 598 566</u>
RECEIPTS		
Commonwealth Payment—		
Pre-school Education and Care	13 225 000	9 020 783
Net cost to the Consolidated Fund	<u>15 871 292</u>	<u>21 577 783</u>

Dental Health Services Branch

The activities of this Branch relate to preventive dentistry by providing facilities such as Dental Centres, Clinics and Mobile Services.

Details of receipts and payments for the past two years are as follows:

	1977-78	1978-79
	\$	\$
PAYMENTS		
VOTE—		
Health—		
Salaries and Allowances	2 297 796	3 250 585
Payments in lieu of Long Service Leave	26 522	26 966
Children under the care of the Department of Community Welfare Services	133 518	151 677
Penal Establishments	37 186	54 968
Payroll Tax	126 200	168 441
Dental Centres, Clinics and Mobile Services (including subsidies)	1 724 656	895 727
Training Allowances and Scholarships	409 793	431 525
Dental Therapy Training School	199 992	179 727
Other Subsidies	8 000	5 000
Treasury—		
Workers Compensation	22 900	28 418
Public Works—		
Maintenance and Rent of Buildings	46 551	36 026
WORKS AND SERVICES ACCOUNT—		
Buildings and Equipment etc.	184 801	483 991
	<u>5 217 915</u>	<u>5 713 051</u>
RECEIPTS		
Commonwealth Payment—		
Australian School Dental Program	2 391 271	3 598 461
Other	1 547	20 478
	<u>2 392 818</u>	<u>3 618 939</u>
Net cost to Consolidated Fund	<u>2 825 097</u>	<u>2 094 112</u>

Maternal and Child Health Division

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

Details of receipts and payments for the past two years are as follows:

	1977-78	1978-79
	\$	\$
PAYMENTS		
VOTE—		
Health—		
Salaries and Allowances	2 678 888	2 672 394
Payments in lieu of Long Service Leave	33 181	19 745
School Medical Expenses	204 421	182 260
Health Services for Children in care of Department of Community Welfare Services	182 955	183 574
Infant Welfare Scholarships	117 001	103 071
Ante-natal and Family Planning Clinics	108 991	102 584
General expenses	126 561	93 396
Payroll Tax	124 540	122 256
Subsidies—		
Infant Welfare Centres etc.	3 745 757	3 947 217
Treasury—		
Workers Compensation	38 246	33 130
Public Works—		
Maintenance and Rent of Buildings	99 264	108 170
WORKS AND SERVICES ACCOUNT—		
Buildings and Equipment etc.	51 779	28 221
	7 511 584	7 596 018
RECEIPTS		
Sales of Publications, Recoups etc.	93 424	112 094
Net cost to Consolidated Fund	7 418 160	7 483 924

Alcoholism and Drug Dependency Services Branch

The Victorian Alcoholism and Drug-Dependent Persons Services were established to develop a co-ordinated response to individual and community problems associated with the use of alcohol and other drugs.

Details of receipts and payments for the past two years are as follows:

	1977-78	1978-79
	\$	\$
PAYMENTS		
VOTE—		
Health		
Salaries and Allowances	3 607 375	3 731 404
Overtime and Penalty Rates	326 259	319 233
Payments in lieu of Long Service Leave	29 574	45 843
Stores, Provisions, Clothing, Bedding etc.	180 373	161 608
General expenses	231 147	221 895
Hospital Care Unit—		
Heatherton	876 210	826 952
Community Health Projects—		
Operating Costs	394 872	488 056
Grants	80 000	85 000
Treasury—		
Workers Compensation	53 639	48 648
Public Works—		
Maintenance and Rent of Buildings	99 281	109 430
WORKS AND SERVICES ACCOUNT—		
Buildings and Equipment etc.	255 132	143 575
	6 133 862	6 181 644

	1977-78	1978-79
	\$	\$
RECEIPTS		
Commonwealth Recoup—		
Community Health Projects	215 205	330 266
Accommodation and meals	30 030	36 771
Other	3 199	4 876
	<hr/>	<hr/>
	248 434	371 913
	<hr/>	<hr/>
Net cost to Consolidated Fund	5 885 428	5 809 731

Mental Hygiene Branch

This Branch is responsible for the treatment and prevention of mental illness and intellectual defectiveness.

Details of receipts and payments for the past two years are as follows:

	1977-78	1978-79
	\$	\$
PAYMENTS		
VOTE—		
Health—		
Salaries and Allowances	74 461 423	81 980 167
Overtime and Penalty Rates	8 380 468	8 393 606
Payments in lieu of Long Service Leave	863 058	899 994
Stores, Provisions, Clothing, Bedding etc.	5 767 138	6 169 100
Fuel, Light, Power and Water	1 722 999	2 185 900
Medicines and Drugs etc.	1 134 996	1 239 999
General expenses	2 049 729	2 185 790
Community Health Projects—		
Operating expenses	2 720 929	3 216 545
Repatriation Hospital Bundoora—		
Salaries etc.	2 381 843	2 496 891
General expenses	319 931	401 965
Other Services	359 820	251 576
Treasury—		
Workers Compensation	1 134 709	1 024 531
Public Works—		
Maintenance and Rent of Buildings	232 981	282 817
WORKS AND SERVICES ACCOUNT—		
Buildings and equipment of State Institutions	9 368 368	7 370 557
Grants for Capital Works—		
Other Institutions	1 772 504	1 705 704
Minus Children Building Project—		
Contribution	483 427	68 610
	<hr/>	<hr/>
	113 154 323	119 873 752

RECEIPTS		
Maintenance of patients—		
principally amounts received from the Commonwealth on account of pensioner and repatriation patients	12 584 666	11 746 605
Accommodation and Meals	577 367	649 594
Commonwealth Pharmaceutical Benefits	163 790	1 686 857
Sales of Produce	13 819	75 367
Commonwealth Recoup—		
Community Health Projects	1 438 644	2 401 142
Other	217 386	251 237
	<hr/>	<hr/>
	14 995 672	16 810 802
	<hr/>	<hr/>
Net cost to Consolidated Fund	98 158 651	103 062 950

Payments from State sources additional to those from the Consolidated Fund were met from the Mental Hospitals Fund for the following purposes:

		1978-79
		\$
University of Melbourne—Mental Health Research	..	20 000
Non-Government Institutions—Grants for maintenance	..	7 723 159
		7 743 159

During the past two years, payments were made from the Drug Education Program Trust Account for the following project:

		1977-78	1978-79
		\$	\$
Health Education Centre—Drug Dependency	.. .. .	150 866	217 233

Trust Accounts

In addition to those activities financed from the Consolidated Fund, the Commission administers various trust accounts. Details of certain of the larger trust accounts are given in the following paragraphs.

Hospitals and Charities Fund

The Health Commission 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 subsidised institutions and benevolent societies.

During 1976-77, the Commonwealth and Victorian Governments entered into an Agreement pursuant to Section 30 of the Commonwealth's *Health Insurance Act 1973*, which provides for the sharing, in equal proportions, of the net operating costs of recognised public hospitals. The Agreement also provides for the sharing, in agreed proportions, of the cost of certain central services. The Agreement came into operation on 1 October 1976.

The State's share of the costs of operating those hospitals, specified in the Agreement, is met from the Hospitals and Charities Fund. In addition, payments are made from the Fund to meet the operating costs of other institutions where cost-sharing arrangements with the Commonwealth do not apply.

A supplementary maintenance grant which was made available to hospitals in June 1975, and the maintenance grant for July 1975, were subject to special conditions of repayment, either in whole or in part, by the hospitals, in the event of the State entering into an Agreement with the Commonwealth in relation to the provision of hospital services.

The total amount recoverable from hospitals under the special conditions of repayment in respect of accumulated surpluses on Maintenance Fund Accounts at 30 June 1976 was \$11 274 247. Repayments to 30 June 1979 amounted to \$10 605 522 leaving a balance outstanding of \$668 725. Amounts recovered during 1978-79 totalled \$285 559.

Subject to administrative and other costs, a total of \$312 809 888 was available in the Hospitals and Charities Fund for distribution (\$304 097 328 in 1977-78). The amounts during the two years were provided by:

1977-78		1978-79
\$		\$
	Annual Appropriations—	
161 154 000	Health Commission	149 390 000
65 045 602	<i>Tattersall Consultations Act 1958</i>	77 113 730
44 950 011	<i>Racing Act 1958</i>	45 601 930
1 600 000	<i>Hospitals and Charities Act 1958</i>	1 600 000
119 297	Transfer from Bingo Fund *
3 164 757	Repayments by Hospitals of surpluses on Maintenance Fund Accounts (Pre-cost Surplus) at 30 June 1976	285 559
<hr/>		<hr/>
276 033 667		273 991 219
28 063 661	Balance 1 July	38 818 669
<hr/>		<hr/>
304 097 328		312 809 888

*A payment of \$537 187 from the Bingo Fund in June 1979 was brought to account in the Hospitals and Charities Fund in July 1979

Payments for the two years were as follows:

1977-78		1978-79
\$		\$
220 935 362	Hospitals	240 786 629
15 715 895	Hospitals for the Aged	17 989 204
5 761 008	Ambulance Services	7 442 723
2 866 270	Commonwealth Community Health Program—State Proportion	7 315 470
5 020 609	Philanthropic Organisations	5 907 881
4 490 432	Insurance—Composite, Public Liability and Workers Compensation	3 638 919
2 140 500	District Nursing Societies	2 569 400
2 101 850	Training Schools (Nursing etc.)	2 337 383
1 495 775	Blind, Deaf and Dumb Institutions	1 560 700
892 548	Foundling Homes and Refuges	883 600
542 900	Community Health Centres	602 275
615 620	Other Institutions	509 300
839 883	Hostels for the Aged	505 600
405 961	Hospitals Superannuation Board	494 098
438 684	Institutes for Maternal and Infant Welfare	469 550
<hr/>		<hr/>
264 263 297		293 012 732
1 376 000	Less Refund from Commonwealth Blood Transfusion Service	1 823 051
<hr/>		<hr/>
262 887 297		291 189 681
	Other—	
1 986 133	Administration Costs	2 142 165
240 949	Costs associated with Totalizator Receipts	245 545
113 876	Recruitment and Training of Nurses	55 801
50 404	Training of Officers	54 797
<hr/>		<hr/>
265 278 659		293 687 989
<hr/>		<hr/>
38 818 669	Balance—30 June	19 121 899

Commonwealth Assistance—Medibank Trust Account

This Account was established in 1975-76 to record the receipt and payment of funds provided by the Commonwealth under cost sharing arrangements with the State.

During 1978–79, Commonwealth advances totalling \$252 575 228 were received by the State under the cost sharing Agreement which came into operation on 1 October 1976. Payments from the Account in respect of hospitals and central services totalled \$251 333 520. A summary of transactions for the year is given hereunder:

	\$	\$
Balance 1 July		2 566 553
RECEIPTS		
Advances from Commonwealth ..		252 575 228
		<u>255 141 781</u>
PAYMENTS		
Recognised Hospitals	239 338 423	
Central Services	11 995 097	251 333 520
		<u>3 808 261</u>
Balance 30 June		

Works and Services Account

In addition to the assistance provided from the Hospitals and Charities Fund and the Commonwealth Assistance-Medibank Trust Account to hospitals and other institutions, payments have been made 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 was \$49 430 170. Details of payments from the Works and Services Account to individual institutions are shown in the Treasurer's Statement, pages 180 to 184.

Dental therapy school payments met from the Works and Services Account for construction and equipment amounted to \$19 397, bringing total payments for this purpose to \$6 443 925 at 30 June 1979.

Commonwealth Community Health Program Trust Account

In 1978–79, the Commonwealth provided advances totalling \$12 473 004 towards capital and operating costs of certain specifically approved Community Health Centres and allied activities. These advances, together with the balance forward from 1977–78 of \$3 725 282, made a total of \$16 198 286 available for payment as follows:

	\$
Community Health Centres, Day Hospitals, and allied organisations	11 645 011
Community Mental Health Centres etc.	2 440 511
Alcoholism and Drug Dependency Services	336 777
	<u>14 422 299</u>

The balance in the Account at 30 June 1979 was \$1 775 987.

Aboriginal Health Services Trust Account

During 1978–79, the Commonwealth provided advances totalling \$506 500 for the provision of health services for aboriginals which, together with the balance brought forward of \$39 116, made a total available for this purpose of \$545 616. Payments in the year amounted to \$481 306, leaving a balance in the Account at 30 June 1979 of \$64 310.

Commonwealth Grant—Pre-school Child Education and Care Trust Account

During 1978–79, net Commonwealth advances credited to this Account totalled \$1 792 705 which sum, together with the balance brought forward from 1977–78 of \$4 074 462, made a total of \$5 867 167 available for payment as follows:

	\$	\$
Health Commission—		
Kindergartens and Pre-school Centres etc.—		
Capital	1 143 318	
Recurrent	1 117 016	
	2 260 334	
Youth, Sport and Recreation—		
School holidays programs—		
Capital	15 551	
Recurrent	213 540	
	229 091	
Department of Community Welfare Services—		
Recurrent		147 658
		2 637 083
Total Payments		3 230 084
Balance 30 June 1979		5 867 167
Total available for payment		5 867 167

Commonwealth Dental Services Capital Trust Account

This Account was established in 1973–74 to record transactions relative to Commonwealth grants provided for the purpose of developing an adequate dental service for all school children.

During 1978–79, the Commonwealth provided advances for the mobile school dental clinics of \$1 761 301 which, together with the balance brought forward of \$369 890, made a total of \$2 131 191 available for payment. Payments totalled \$1 622 842, leaving a balance in the Account at the close of the year of \$508 349.

HOUSING

The *Housing (Amendment) Act 1978* came into operation on 24 January 1979. It repealed the *Housing Ministry Act 1972*, and reconstituted the Ministry of Housing and the Housing Commission.

Major legislation administered by the Ministry includes that relating to the Housing Commission, the Home Finance Trust, the Teacher Housing Authority, the Decentralized Industry Housing Authority and the Registry of Co-operative Societies, Building Societies and Co-operative Housing Societies.

Details relating to the Housing Commission, the Teacher Housing Authority and the Home Finance Trust will be given in my Supplementary Report.

The Registry of Co-operative Housing Societies administers the Home Purchase Assistance Account and the Home Builders' Account No. 2, from which money is made available to Co-operative Housing Societies. Reference to these Accounts is made on pages 39 and 45 of this Report.

The Registry is also responsible for administering the special Housing Assistance Scheme, which came into operation during 1977-78. Under this Scheme, \$25 000 000 was made available during 1977-78. These funds were made available from the State Savings Bank and 5 private banks for allocation through new Co-operative Housing Societies, at subsidised interest rates, to eligible borrowers whose income precluded them from enjoying existing co-operative housing rates. To 30 June 1979, \$24 496 500 had been paid out to Societies under this scheme.

During 1978-79, a further sum of \$30 000 000 was made available from the State Savings Bank, under a second Housing Assistance Scheme. To 30 June 1979, \$16 546 430 had been paid out to Societies under this scheme.

Decentralized Industry Housing Authority

The Decentralized Industry Housing Authority was established under the provisions of the *Decentralized Industry (Housing) Act 1973*.

The purpose of the Authority is to assist in the provision of adequate housing for persons employed in country industries or in any country public administration.

Moneys appropriated by Parliament for the purposes of the Act and all other moneys received by the Authority are paid into the Decentralized Industry Housing Fund. Transactions during the past two years in relation to the Authority were:

	1977-78	1978-79
	\$	\$
Balance 1 July	221 674	265 483
RECEIPTS—		
Consolidated Fund—Grant	81 000	62 000
Loans from Banks	1 000 000	1 000 000
Interest on Investments	35 068	45 221
Interest and Repayments—Mortgage Loans	570 249	890 304
Sales of Land and Buildings .. .. .	..	24 000
Other	5 856	8 682
	1 913 847	2 295 690

	1977-78	1978-79
	\$	\$
PAYMENTS—		
Mortgage Loans to House Purchasers	1 219 180	1 365 150
Loan Redemption and Interest	372 813	480 581
Interest Subsidy	5 352	2 316
Administration Expenses	49 871	59 924
Other Costs	1 148	2 589
	<u>1 648 364</u>	<u>1 910 560</u>
Balance 30 June	<u>265 483</u>	<u>385 130</u>

Balance Sheets at 30 June 1978, and 30 June 1979, are summarised hereunder.

	1977-78	1978-79
	\$	\$
LOAN LIABILITY—		
Treasurer of Victoria	298 079	295 972
Housing Commission Death Benefit Fund	387 040	383 921
State Savings Bank	1 550 527	1 529 768
ANZ Banking Group	1 792 000	2 774 000
	<u>4 027 646</u>	<u>4 983 661</u>
CURRENT LIABILITIES—		
Creditors	4 438	5 711
Payments in Advance	646	1 118
Accruals	792	820
	<u>5 876</u>	<u>7 649</u>
RESERVES AND PROVISIONS—		
Maintenance Provision	500	600
Provision for Doubtful Debts .. .. .	..	2 000
Accumulated Surplus	110 686	117 936
	<u>111 186</u>	<u>120 536</u>
	<u>4 144 708</u>	<u>5 111 846</u>
FIXED ASSETS—		
Land and Buildings	154 417	151 303
Motor Vehicles	4 179	4 179
Office Furniture and Equipment	4 423	4 474
	<u>163 019</u>	<u>159 956</u>
DEFERRED ASSETS—		
First Mortgage Loans	3 657 927	4 517 367
CURRENT ASSETS—		
Funds held in Treasury	165 483	135 130
Sundry debtors and accruals	56 997	48 512
Short term Investments	100 000	250 000
Stock on hand	1 282	881
	<u>323 762</u>	<u>434 523</u>
	<u>4 144 708</u>	<u>5 111 846</u>

MINISTRY OF IMMIGRATION AND ETHNIC AFFAIRS

The *Ministry of Immigration and Ethnic Affairs Act 1976* provides for the appointment of a Director of Immigration who, subject to the general direction of the Minister, is responsible for promoting and facilitating the settlement of migrants in Victoria, for encouraging the establishment of ethnic groups and, generally, for promoting the post-migration after-care and well-being of migrants.

Payments

Payments of the Ministry from Consolidated Fund for the past two years are summarised hereunder:

1977-78		1978-79
\$		\$
	VOTE	
	Immigration and Ethnic Affairs—	
278 277	Salaries and Allowances	340 284
..	Payments in lieu of Long Service Leave	7 721
6 300	Overtime and Penalty Rates	4 685
165 217	General expenses	263 759
	Other Services—	
99 748	Grants to Ethnic Groups	100 000
6 897	Other Contributions etc.	8 358
..	Miscellaneous	14 184
	Treasurer—	
2 783	Workers Compensation Insurance	3 519
	WORKS AND SERVICES ACCOUNT—	
..	Public Buildings etc.	2 000
559 222		744 510

Receipts

Miscellaneous receipts totalled \$1155 in 1978-79 compared with \$2958 in 1977-78.

LABOUR AND INDUSTRY

The Department of Labour and Industry 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 and the Industrial Safety Advisory Council are administered within the Department. It is also responsible for policing the regulations relating to lifts and cranes, boilers and pressure vessels and scaffolding. Furthermore, it provides administrative services for the Ministry of Consumer Affairs, the Building Industry Long Service Leave Board and the Workers Compensation Board.

Payments during the last two years from the Consolidated Fund are compared hereunder :

	1977-78	1978-79
	\$	\$
VOTE—		
Labour and Industry—		
Salaries and Allowances	4 895 025	5 245 620
Overtime and Penalty Rates	30 939	19 083
Payments in lieu of Long Service Leave	74 730	46 290
General expenses	889 202	928 524
Payroll Tax	285 861	310 928
Subsidies to Apprentices	462 999	548 858
State Additional Apprentices Scheme .. .. .	..	200 000
Other Services	45 754	49 152
Treasury—		
Workers Compensation	71 215	60 921
Public Works—		
Maintenance and Rent of Buildings	419 855	509 450
WORKS AND SERVICES ACCOUNT—		
Metric Conversion	15 000	19 000
Buildings .. .. .	..	37 310
	7 190 580	7 975 136

Receipts during the last two years were as follows:

	\$	\$
Registration, Inspection and Other Fees—Factories and Shops, Lifts and Cranes, Boilers etc.	3 460 073	3 984 752
Other	161 495	173 668
	3 621 568	4 158 420
Net Cost to the Consolidated Fund	3 569 012	3 816 716

Workers Compensation Board

The responsibility for the administration of the Workers Compensation Board, which operates under the provisions of the *Workers Compensation Act* 1958, was transferred to the Department of Labour and Industry from the Chief Secretary's Department on 21 August 1978.

The income of the Board consists of contributions by approved insurers, the Victorian Railways Board and employers who operate certified schemes of compensation. All receipts of the Board are paid into the Workers Compensation Board Fund, a Trust Fund kept at the Treasury. The costs and expenses of the Board, together with the payment of moneys due under awards against uninsured employers and,

in certain circumstances, claims for compensation on the "nominal defendant" are met from the Fund. Included in the costs are staff salaries which are paid from Vote and recouped from the Fund. Amounts recovered from uninsured employers are credited to the Fund.

Particulars of the income and expenditure of the Fund for the years 1977-78 and 1978-79 are shown hereunder. Figures for the financial year 1978-79 are subject to audit.

1977-78 \$		1978-79 \$
	INCOME	
1 267 078	Contributions from insurers and others	1 506 087
	EXPENDITURE	
	Salaries—	
350 693	Board Members	416 809
286 472	Staff (net)	316 828
2 300	Overtime	585
..	Payment in lieu of Long Service Leave	3 293
23 602	Payroll Tax	26 521
42 166	Travelling expenses	42 439
215 528	Rent of premises (net)	240 786
87 207	Office and general expenses (net)	131 949
193 725	Claims on uninsured employees paid from Fund (net)	316 867
120 818	Costs of nominal defendant (net)	206 517
1 322 511		1 702 594
55 433	Excess of Expenditure over Income	196 507

Expenditure for the year 1978-79 exceeded income by \$196 507. This had the effect of reducing the accumulated surplus of the Board to \$61 256 at 30 June 1979.

The accumulated surplus at 30 June 1978 and 1979 is represented by:

30.6.78 \$		30.6.79 \$
	CURRENT ASSETS	
217 063	Balance at Treasury in Workers Compensation Board Fund	55 674
560	Unpaid Levies	560
217 623		56 234
	FIXED ASSETS	
98 988	Furniture, Library, Office Machines (at cost)	110 502
316 611		166 736
	Less CURRENT LIABILITIES	
58 848	Sundry Creditors and Accrued Salaries	105 480
257 763		61 256

All amounts of compensation granted under awards of the Board in cases of death and of 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. All 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.

The receipts and payments of the Common Fund for the years 1977-78 and 1978-79 are summarised hereunder:

1977-78	1978-79
\$	\$
39 906 949	43 204 898
Balance 1 July	
RECEIPTS	
9 362 902	9 800 179
3 560 499	3 681 170
52 830 350	56 686 247
9 625 452	9 767 895
<i>Less</i> PAYMENTS	
43 204 898	46 918 352
Balance 30 June	

Investments etc., controlled by the Board at 30 June 1979, are shown hereunder (at face value):

COMMON FUND

	\$
Cash—State Bank	640 004
Debentures in Sewerage Authorities, Water Trusts etc. ..	10 850 000
Australian Savings Bonds	100 000
Inscribed Stock—	
Victorian Semi-Government Authorities	18 692 200
Interstate Semi-Government Authorities	850 000
Debentures—	
Victorian Semi-Government Authorities	200 000
Bank Special Deposits	2 124 944
Commercial Bills	1 946 304
Deposits—	
B.F.C. Finance Ltd.	500 000
C.A.G.A. Ltd.	1 000 000
Debentures—Broken Hill Proprietary Company Ltd. ..	300 000
Mortgage Loans	7 860 900
Government-insured Mortgage Loans	1 854 000
	46 918 352

Among the items listed above is an investment of \$7 860 900 by way of mortgage loans where the services of nominee companies have been utilised. During 1978-79, this method of investment was continued by the Board and at 30 June 1979 24 loans were current. Costs, in the form of commission, paid to the nominee companies for services provided since this type of investment was first entered into in 1976-77 totalled \$6 841 at 30 June 1979.

The Board also invested in Government-insured mortgage loans during the year and, at 30 June 1979, an amount of \$1 854 000 had been invested. Moneys are loaned by way of registered first mortgage for periods of up to 5 years against the security of residential properties of various types in both Victoria and New South Wales.

Other Payments—Other payments recorded by the Board during 1978-79 not forming part of the Workers Compensation Board Fund or the Common Fund are listed hereunder:

Special Appropriations—

	\$
General Expenses—Compensation to Jurors	8 216
Other Services—	
Volunteer Civil Defence Workers Compensation	27 994
Education Volunteer Workers Compensation	6 985

Trust Fund—

Casual Firefighters Compensation Fund	32 580
-----------------------------------------------	--------

LAW

The Law Department's basic functions are to:

- (i) administer the Acts for which the Attorney-General is responsible and the branches or agencies performing functions under those Acts;
- (ii) provide an effective and efficient legal system in Victoria and ensure the proper operation of the Courts; and
- (iii) undertake a continuing review of legislation within the Attorney-General's responsibility.

Details of receipts and payments of the sub-departments and branches of the Law Department for 1978-79 compared with the previous year are set out below:

	1977-78		1978-79	
	Receipts	Payments	Receipts	Payments
Attorney-General	347 239	2 512 567	353 761	2 557 972
Public Solicitor .. ..	..	1 379 155	..	1 451 442
Crown Solicitor .. ..	..	3 059 493	..	3 349 364
Courts Administration	11 755 748	24 393 757	12 704 813	25 737 813
Registrar-General and Registrar of Titles	15 857 297	6 677 163	17 302 343	7 078 662
Corporate Affairs Office	9 307 099	3 377 119	10 436 207	3 482 297
Rent Control .. ..	..	207 912	..	224 287
Public Trustee	5 811 290	2 711 384	5 184 069	2 843 412
Registrar of Estate Agents etc. ..	186 930	182 093	209 564	216 016
Discharged Servicemen's Employment Board .. ..	..	78 507	..	66 972
Other .. ..	..	19 170	..	54 225
Total	43 265 603	44 598 320	46 190 757	47 062 462

Details in respect of the larger branches are as follows:

Attorney-General's Office

The Attorney-General's Office includes the central administration which services all branches and is responsible for the payment of all salaries and accounts, planning and research, administrative services and the planning and maintenance of buildings. A summary of receipts and payments for the last two years is:

	1977-78		1978-79	
	\$	\$	\$	\$
PAYMENTS				
VOTE				
Attorney-General—				
Salaries and allowances	1 729 863		1 938 823	
Overtime and penalty rates	20 198		14 458	
Payments in lieu of long service leave ..	8 140		12 501	
	1 758 201		1 965 782	
General expenses	174 847		237 376	
Costs payable by Crown	83 866		64 178	
Refund of jury fees	63 961		51 089	
Payroll Tax	85 244		107 162	
Other services	19 752		34 802	
	2 185 871		2 460 389	
Treasury—Workers Compensation	24 274		21 644	
Public Works—Maintenance and rents ..	302 422		75 939	
	2 512 567		2 557 972	

	1977-78	1978-79
	\$	\$
RECEIPTS		
Charges—Departmental Services	186 844	238 744
Costs awarded Departments	41 821	46 947
Repayments of former years expenditure	106 654	59 532
Other	11 920	8 538
	<u>347 239</u>	<u>353 761</u>

Public Solicitor's Office

In criminal matters where the Attorney-General is satisfied that it is in the interest of justice that the applicants should have legal aid, assistance is provided by the Public Solicitor under the provisions of the *Legal Aid Act* 1969. Payments for the last two years by this Office were:

	1977-78	1978-79
	\$	\$
VOTE		
Attorney-General—		
Salaries and allowances	450 468	474 082
Overtime and penalty rates	275	1 105
Payments in lieu of long service leave ..	4 823	1 400
	<u>455 566</u>	<u>476 587</u>
General expenses	147 810	144 218
Professional assistance	747 533	798 993
Payroll tax	21 956	26 070
	<u>1 372 865</u>	<u>1 445 868</u>
Treasury—Workers Compensation	6 290	5 574
	<u>1 379 155</u>	<u>1 451 442</u>

Crown Solicitor's Office

The Crown Solicitor acts as the solicitor to the Government and for Government Departments and most State Instrumentalities. Payments for the past two years are summarised:

	1977-78	1978-79
	\$	\$
VOTE		
Attorney-General—		
Salaries and allowances	1 886 215	1 994 902
Overtime and penalty rates	15 342	14 072
Payments in lieu of long service leave etc.	13 272	..
	<u>1 914 829</u>	<u>2 008 974</u>
Professional assistance	741 850	998 282
General expenses	113 636	130 244
Payroll tax	92 624	110 218
	<u>2 862 939</u>	<u>3 247 718</u>
Treasury—Workers Compensation	25 164	23 517
Public Works—Repairs and maintenance	171 390	62 167
	<u>3 059 493</u>	<u>3 333 402</u>
WORKS AND SERVICES ACCOUNT		
Roof Conditioning—Office .. .. .	..	15 962
	<u>3 059 493</u>	<u>3 349 364</u>

Courts Administration

The Courts in Victoria operate within three jurisdictions consisting of the Supreme Court, the County Court and the Magistrates' Courts. Receipts and payments for the past two years were:

		1977-78		1978-79
	\$	\$	\$	\$
PAYMENTS				
SPECIAL APPROPRIATIONS—				
Salaries and allowances—Supreme Court				
Judges	976 435		1 021 558	
Pensions—Judges—Supreme and County Courts	627 645		695 668	
Appeal Costs Fund Contribution	285 834		274 230	
Compensation to Jurors	17 196		8 216	
		1 907 110		1 999 672
VOTE				
Attorney-General—				
Salaries and allowances	12 927 436		13 890 817	
Overtime and penalty rates	147 186		164 665	
Payments in lieu of long service leave	164 842		175 309	
Ex-gratia payments to Judges on retirement in lieu of extended leave	126 178		..	
Juries' expenses	1 250 261		1 266 738	
Allowances to witnesses	441 797		402 578	
Court reporting	782 160		838 282	
General expenses	1 990 539		2 187 175	
Other services	11 566		13 309	
Payroll tax	684 417		827 167	
		18 526 382		19 766 040
Treasury—Workers Compensation	180 121		173 572	
Public Works—Maintenance and rent of buildings	579 998		496 546	
		21 193 611		22 435 830
WORKS AND SERVICES ACCOUNT				
Renovation and construction of Court House buildings	3 332 649		3 301 983	
		24 526 260		25 737 813
RECEIPTS				
Fines	10 775 586		11 630 650	
Licence Fees	680 924		810 286	
Sale of Transcripts	253 345		215 469	
Rents	45 893		48 408	
		11 755 748		12 704 813

Registrar-General and Registrar of Titles Office

The Registrar-General is responsible under the provisions of the *Property Law Act 1958* for the registering, entering, depositing and filing of documents such as Bills of Sale, Powers of Attorney, Stock Mortgages, Wills and Deeds deposited for safe custody.

The Registrar of Titles is responsible under the provisions of the *Transfer of Land Act 1958* for the administration of the Torrens system of land registration. Dealings in land, including plans of subdivision, transfers and mortgages, are required to be registered at this Office.

Records held are available to the public upon payment of a search fee. A summary of receipts and payments of this Office for the last two years is:

	1977-78		1978-79	
	\$	\$	\$	\$
PAYMENTS				
VOTE				
Attorney-General—				
Salaries and allowances	5 636 793		5 925 690	
Overtime and penalty rates	37 621		35 041	
Payments in lieu of long service leave ..	67 028		114 756	
	<hr/>		<hr/>	
General expenses	5 741 442		6 075 487	
Payroll tax	394 001		378 251	
	276 397		327 022	
	<hr/>		<hr/>	
Treasury—Workers Compensation ..		6 411 840		6 780 760
Public Works—Maintenance and rent of buildings		79 969		70 177
		6 667		23 541
		<hr/>		<hr/>
		6 498 476		6 874 478
WORKS AND SERVICES ACCOUNT				
Metric Conversion		178 687		170 206
Office Renovations .. .. .		..		33 978
		<hr/>		<hr/>
		6 677 163		7 078 662
RECEIPTS				
Fees—Registrar of Titles	15 049 407		16 359 879	
Fees—Registrar-General	792 936		924 900	
Other	14 954		17 564	
	<hr/>		<hr/>	
		15 857 297		17 302 343
		<hr/>		<hr/>

Corporate Affairs Office

The Commissioner for Corporate Affairs is responsible for the administration of the Companies and Securities Industry Acts and other related Acts. His responsibilities include (a) the registration of companies and business names and the issuing of licences under the Securities Industry Act; (b) the examination and custody of documents relating to companies and business names that are required by legislation to be lodged at the Corporate Affairs Office; and (c) the conduct of investigations into the affairs of companies and dealings in securities.

The Corporate Affairs office provides administrative services to the Companies Auditors Board, established under the *Companies Act* 1971, which is responsible for the registration and discipline of company auditors and liquidators.

Receipts and payments of this Office for the past two years are summarised as follows:

	1977-78	1978-79
	\$	\$
PAYMENTS		
VOTE		
Attorney-General—		
Salaries and allowances	2 323 779	2 448 139
Overtime and penalty rates	7 728	7 038
Payments in lieu of long service leave ..	13 643	2 242
	<hr/>	<hr/>
	2 345 150	2 457 419
General expenses	540 704	421 297
Other services	31 351	27 286
Payroll tax	113 566	134 698
	<hr/>	<hr/>
	3 030 771	3 040 700
Treasury—Workers Compensation	30 737	28 834
Public Works—Maintenance and rent of buildings	315 611	412 763
	<hr/>	<hr/>
	3 377 119	3 482 297
	<hr/>	<hr/>
RECEIPTS		
Fees—Commissioner for Corporate Affairs	9 290 454	10 403 076
Fees—Companies Auditors Board	14 781	31 358
Other	1 864	1 773
	<hr/>	<hr/>
	9 307 099	10 436 207
	<hr/>	<hr/>

Public Trustee

Statements of account of the Public Trustee together with comments on the year's transactions, are included in my Supplementary Report.

Legal Aid Committee

The Legal Aid Committee is a corporate body established under the provisions of the *Legal Aid Act 1969* to maintain and administer a scheme for providing legal assistance for persons of limited means.

Financial operations are carried out through the Legal Aid Fund, a trust account established in the Treasury as part of the Trust Fund. Moneys in the Fund may be applied towards the costs and expenses of administering the scheme and the provision of legal assistance.

Legal Aid Fund

The receipts and payments of the Fund for the past two years are summarised hereunder:

1977-78		1978-79
\$		\$
412 406	Balance 1 July	584 446
	<i>Add RECEIPTS</i>	
	Council of the Law Institute of Victoria pursuant to the provisions of Section 55A of the <i>Legal Profession Practice Act 1958</i>	375 000
500 000	Treasurer of Victoria Consolidated Fund—	
	Special Appropriations under <i>Legal Aid Fund Act 1969</i> Section 10 (2) (c)	740 000
893 000	Contributions and costs recovered from assisted persons	1 496 361
1 383 078		<hr/>
<hr/>		2 611 361
3 188 484		<hr/>
		3 195 807

1977-78					1978-79
\$				\$	\$
	<i>Less</i> PAYMENTS				
	Administration—				
326 915	Salaries	..	..	..	392 274
126 178	Other	..	..	..	162 032
					<hr/>
453 093					554 306
2 150 945	Legal assistance	..	..	..	2 530 762
					<hr/>
2 604 038					3 085 068
					<hr/>
584 446	Balance 30 June	..	..	..	110 739
					<hr/>

The *Legal Aid Commission Act 1978*, which was assented to by the Governor in Council on 20 December 1978, provided for the establishment of a Legal Aid Commission to take over the functions of the Legal Aid Committee and the Public Solicitor's Office and, in addition, those of the Commonwealth Legal Aid Office, in accordance with agreements made between the Commonwealth and the State from time to time.

The several provisions of the Act are to come into operation on the respective days to be fixed by proclamations of the Governor in Council. At the date of preparation of this Report, only Section 4 of the Act, which authorises the appointment of members of the Commission, had been proclaimed.

LOCAL GOVERNMENT

The Local Government Department, which was constituted under the provisions of the *Local Government Department Act 1958*, supervises the administration by municipalities of the *Local Government Act 1958* and related legislation, and is responsible for the oversight of government funds allocated to assist municipalities with certain construction works. It also administers State weights and measures legislation.

The Valuer-General's Office, the major function of which is to co-ordinate valuations made for councils and other rating authorities, is a branch of this Department.

Payments from the Consolidated Fund

The comparative statement hereunder shows the payments in the past two years:

	PAYMENTS	
	1977-78	1978-79
	\$	\$
LOCAL GOVERNMENT		
VOTE		
Local Government—		
Salaries and allowances	982 952	1 268 302
Overtime and penalty rates	10 876	8 993
Payments in lieu of long service leave	36 507	5 611
General expenses	200 253	224 994
Payroll tax	53 252	71 461
Fees and expenses—Boards and Committees	183 977	374 394
Contribution to operating expenses of Metropolitan Fire Brigades Board	3 736 250	3 956 375
Subsidies to municipalities	1 349 985	1 599 751
Other services	28 412	5 623
Treasury—Workers Compensation	12 570	12 291
WORKS AND SERVICES ACCOUNT		
Subsidies to Municipalities etc.	4 595 674	4 233 802
Total Local Government	11 190 708	11 761 597
VALUER-GENERAL		
VOTE		
Valuer-General—		
Salaries and allowances	1 662 575	1 733 251
Overtime and penalty rates	454	..
Payments in lieu of long service leave	3 716	11 890
General expenses	266 450	240 593
Payroll Tax	89 096	96 946
Other services	2 027	1 723
Treasury—Workers Compensation	22 944	20 567
Total Valuer-General	2 047 262	2 104 970
WEIGHTS AND MEASURES		
VOTE		
Weights and Measures—		
Salaries and allowances	462 855	451 224
Overtime and penalty rates	1 044	278
Payments in lieu of long service leave	11 250	24 248
General expenses	118 541	117 782
Payroll Tax	24 868	25 253
Treasury—Workers Compensation	7 370	5 737
WORKS AND SERVICES ACCOUNT		
Equipment etc.	21 006	10 616
Total Weights and Measures	646 934	635 138
Total Local Government Department	13 884 904	14 501 705

Receipts

The following statement shows departmental receipts in 1977-78 and 1978-79:

	1977-78	1978-79
	\$	\$
Charges for Departmental Services—		
Municipal Auditors Board Fees etc. 	119 263	128 306
Weights and Measures Branch 	192 455	163 217
	311 718	291 523
Property Sales Information etc. 	132 563	103 170
Miscellaneous 	28 886	26 248
	473 167	420 941

During 1978-79, the Commonwealth made available the sum of \$45 666 481 to Victorian municipalities, to be distributed on the basis of allocations as determined by the Victoria Grants Commission, a body established under the authority of the *Victoria Grants Commission Act 1976*. For further reference to these grants, see page 46 of this Report.

MINERALS AND ENERGY

The Department of Minerals and Energy was created, from 1 September 1977, by the amalgamation of the Mines Department and the Ministry of Fuel and Power.

A primary function of the Department is to investigate the State's geological structure and its gold, minerals, stone and groundwater resources and to authorise exploration for the development of those resources by the issue of leases, licences and permits. It provides technical services, information and financial assistance to the mining industry and geological information to the petroleum industry. It also regulates mining operations, particularly with respect to safety and health.

Another major function of the Department is to develop and co-ordinate energy policies for Victoria and to issue permits and licences for pipelines conveying crude oil, natural gas and petroleum products.

Receipts

Details of departmental receipts for the past two years are:

	1977-78	1978-79
	\$	\$
Land Revenue—		
Royalties—Submerged Lands	69 454 054	87 145 975
Mining Leases, Rents etc.	260 170	312 681
Extractive Industries etc.	146 039	201 086
Other	59 447	71 963
	69 919 710	87 731 705
Boring and Crushing Fees	103 318	91 442
Explosives Licences and Fees	97 172	136 303
Sale of Government Property	18 061	25 457
Sundries	23 589	26 163
	70 161 850	88 011 070

Petroleum Royalties—Submerged Lands

The *Petroleum (Submerged Lands) Act 1967* provides for the exploration for, and the exploitation of, the petroleum resources of certain submerged lands adjacent to the coasts of the State. Exploration permits have been granted to a number of companies. Following the discovery of petroleum in the area, production licences were granted to two companies jointly.

The Act provides that royalty is payable at certain percentages of the value at the well-head of the petroleum recovered. Royalty paid by the two licensees in 1978-79 amounted to \$87 145 975 making a total of \$385 560 958 paid by them since the first royalty payment on petroleum in May 1969. Of that total amount, \$122 126 710 has been paid to the Commonwealth, in accordance with the provisions of the Act.

Negotiations had been in course since late 1968 between the two licensees, on the one hand, and the Minister for Minerals and Energy, who is the Designated Authority in terms of the Act, on the other, in an endeavour to arrive at a basis for agreement on principles to be applied for calculation of well-head value. However, during 1975, as a result of a failure to agree, the Minister notified the licensees of his intention to make a determination under the Act of the well-head value of petroleum. This notification was given in respect of the royalty period ending 30 August 1975.

Following this notification of the Minister's intention to make a determination, and in accordance with the Commonwealth-State agreement, the Department of Minerals and Energy, acting on behalf of the Designated Authority, initiated consultations with the Commonwealth, in respect of a proposed royalty determination and royalty formula. At the date of preparation of this Report, consultations were in progress.

The Designated Authority had indicated to the Commonwealth his response to the Commonwealth's views on the matter, but deferred making a determination because the Commonwealth requested such deferment until certain implications of a High Court judgment relating to the Commonwealth's *Seas and Submerged Lands Act 1973* had been clarified.

This Act had declared that the sovereignty in respect of the territorial sea and sovereign rights in respect of the continental shelf for the purpose of exploration and exploitation of its natural resources was vested in and exercisable by the Crown in right of the Commonwealth. The validity of the Act was challenged by all 6 Australian States, but by a majority judgment of the High Court delivered in 1975 the legislation was held to be valid.

At present, the broad approach used in establishing well-head value is to deduct the licensees' costs incurred between the point of custody transfer of the petroleum and the well-head from the gross sales values of petroleum at the point of custody transfer. In accounting for the licensees' costs, allowances have been made for their direct operating costs, and depreciation and cost of capital.

Pending the determination of the well-head value for royalty purposes, royalty payments are being made on an "on account" basis and will be subject to adjustment depending on the results of the determination review.

At the date of preparation of this Report, new legislation was being prepared by the Commonwealth, and it is expected that it will make provision for a new royalty formula.

Payments from the Consolidated Fund

Details of departmental payments for the past two years are:

	1977-78	1978-79
	\$	\$
SPECIAL APPROPRIATION		
Royalty payments to Commonwealth	21 943 771	28 030 869
VOTE		
Minerals and Energy—		
Salaries and allowances	3 539 859	3 870 646
Overtime and penalty rates	23 394	21 777
Payments in lieu of long service leave	33 566	79 890
General expenses	474 579	609 591
Payroll Tax	201 185	221 305
Boring for water, coal and other minerals etc.	881 964	1 059 206
Geological Surveys and Surveys etc. for Mineral Deposits	66 811	71 011
Covering Abandoned Shafts	19 466	18 054
Contribution—Coal Mine Workers' Pensions Fund	199 896	161 716
Brown Coal Research	525 511	620 572
Solar Energy Research	20 137	65 934
Other services	21 960	35 823
Treasury—Workers Compensation	49 369	43 997
Public Works Department—		
Maintenance etc.	1 972	.
Rent	23 219	17 480
	6 082 888	6 897 002

	1977-78	1978-79
	\$	\$
WORKS AND SERVICES ACCOUNT		
Drilling Plant etc.	805 123	1 191 126
	<u>28 831 782</u>	<u>36 118 997</u>

Included in the departmental payments in 1978-79 is expenditure, assessed by the Department to be \$3 687 835, incurred in the investigation and measurement of underground water resources. In respect of this expenditure, and expenditure of a like nature by other Authorities, the State is eligible for a contribution by the Commonwealth in terms of the *National Water Resources (Financial Assistance) Act* 1978, and an amount of \$1 136 000 was received in July 1979.

PARLIAMENT

The costs of Parliament met by the Consolidated Fund for the year ended 30 June 1979 compared with the previous year, were as follows:

	\$	1977-78 \$	\$	1978-79 \$
VOTE AND SPECIAL APPROPRIATIONS				
Members' Salaries and Allowances ..	4 409 343		4 725 704	
Contribution to Parliamentary Contributory Superannuation Fund	2 441 992		3 279 992	
Legislative Council	273 167		312 180	
Legislative Assembly	607 341		676 873	
House Committee	1 434 734		1 651 724	
Library	226 270		240 727	
Hansard and Debates	1 316 214		1 426 347	
Refreshment Rooms	239 475		297 271	
Parliamentary Committees—Members' expenses	84 212		66 692	
	11 032 748		12 677 510	
Public Works Vote—Maintenance of buildings				6 418
WORKS AND SERVICES ACCOUNT				
Renovations and Painting Parliament House		500 060		306 200
		11 532 808		12 990 128

MINISTRY FOR PLANNING

The Ministry for Planning was constituted under the *Ministry for Planning Act* 1973 to be responsible for the administration of the Town and Country Planning and Development Areas Acts. Its function is to ensure that government planning policies are implemented by co-ordinating and assisting with the functions of the Town and Country Planning Board and other planning authorities in Victoria.

Payments from the Consolidated Fund

The comparative statement hereunder shows the payments in the past two years:

	1977-78	1978-79
	\$	\$
MINISTRY FOR PLANNING		
VOTE		
Planning—		
Salaries and allowances	513 591	620 486
Overtime and penalty rates	7 700	9 214
Payments in lieu of long service leave	7 706	..
General expenses	140 327	178 214
Payroll tax	27 926	36 412
Historic Buildings Preservation Council—Fees	43 086	40 092
Fees and expenses—Boards, Tribunals and Committees	264 707	379 452
Regional Planning Authorities—Grants	654 662	564 843
Other services	15 000	15 000
Treasury—Workers Compensation	6 389	6 447
WORKS AND SERVICES ACCOUNT		
Capital Items .. .. .	..	19 865
Total Planning	1 681 094	1 870 025
TOWN AND COUNTRY PLANNING BOARD		
VOTE		
Town and Country Planning Board—		
Salaries and allowances	1 689 433	1 855 213
Overtime and penalty rates	2 969	2 754
Payments in lieu of long service leave	8 297	11 201
General expenses	209 679	183 032
Payroll tax	90 697	107 452
Other services	2 453	1 850
Treasury—Workers Compensation	22 660	20 930
Total Town and Country Planning Board	2 026 188	2 182 432
Total Ministry for Planning	3 707 282	4 052 457

Receipts

Receipts for the year amounted to \$4 814, being fees and charges received by the Town and Country Planning Board.

DEPARTMENT OF THE PREMIER

The functions of the Department of the Premier are administrative, regulatory, planning, developmental and educational in character and include co-ordinating the implementation of government policy. It acts as a channel of communication with other governments and is also responsible for the administration of, and for governmental contact with, the Victoria Promotion London Committee, the Office of the Agent-General in London and the Victorian Agency in Tokyo.

The various branches of the Department are as follows:

Governor's Office and the Executive Council

Payments for the last two years from the Consolidated Fund were:

	1977-78		1978-79	
	\$	\$	\$	\$
SPECIAL APPROPRIATIONS AND VOTE				
Governor and Governor's Office—				
Salaries and Allowances	442 035		477 622	
Overtime and Penalty Rates	66 920		67 312	
Payments in lieu of Long Service Leave	4 408		6 129	
General expenses	97 785		102 685	
Other Services—				
Allowance to meet expenses for services in connection with Govern- ment House	62 000		62 000	
Governor's Pension .. .. .	..		3 112	
Clerk of the Executive Council—				
Salaries and Allowances	24 849		22 505	
General Expenses	212		1 691	
Payroll tax	25 668		26 789	
	723 877		769 845	
Treasury Vote—Workers Compensation ..		6 308		6 311
Public Works Vote—Maintenance and rent of buildings		1 292		1 420
		731 477		777 576
WORKS AND SERVICES ACCOUNT				
Government House Renovations ..		260 593		146 044
		992 070		923 620

The amounts totalling \$3112 paid in respect of a Governor's Pension were in accordance with the provisions of the *Constitution (Governor's Pension) Act 1978* which came into operation on 12 March 1979. This Act provides for the payment of Pensions to former Governors of the State of Victoria and their widows. To the extent necessary, the Consolidated Fund is applied to meet the cost of benefits under this Act.

Premier's Office

A summary of receipts and payments in respect of the Consolidated Fund in connection with the Premier's Office for the year compared with the previous year is:

		1977-78		1978-79
VOTE	\$	\$	\$	\$
Premier—				
Salaries and allowances	2 952 410		3 243 313	
Overtime and Penalty Rates	313 147		349 387	
Payments in lieu of Long Service Leave	70 840		24 282	
General Administration expenses	762 605		891 717	
Payroll Tax	184 364		228 024	
Expenses for entertainment of visitors	164 538		174 556	
Air travel—Members of Parliament and Ministers etc.	120 019		126 179	
Werribee Park—contribution towards operating expenses	282 978		388 449	
Erskine House—contribution towards operating expenses	279 920		307 370	
Equal Opportunity Board	105 833		171 976	
State Artist	81 859		48 030	
Victoria Promotion	704 175		810 561	
Victorian Representation—Japan	260 977		223 843	
Victorian Garden State Committee	273 439		221 166	
Atlas of Victoria expenses	23 171		47 020	
International Year of the Child expenses	718		100 000	
Melbourne Landmark Committee .. .. .	..		76 942	
Victoria Employment Committee .. .. .	..		71 384	
Other Services	229 177		323 101	
	6 810 170		7 827 300	
Treasury—				
Workers Compensation		42 308		40 993
WORKS AND SERVICES ACCOUNT				
Werribee Park	490 650		170 778	
Erskine House, Lorne	9 004		41 727	
Westernport Co-ordination Group	46 741		34 524	
State Laboratories .. .. .	..		213 566	
Computer System Development	130 000		..	
Other	14 089		868	
	690 484		461 463	
	7 542 962		8 329 756	
RECEIPTS				
Werribee Park	103 904		165 690	
Erskine House, Lorne	296 627		350 963	
Community Services Bureau—Sales	42 690		32 957	
Landmark Committee Design Competition .. .. .	..		25 454	
Other	14 500		16 966	
	457 721		592 030	
Net Cost		7 085 241		7 737 726

Agent-General's Office, London

The function of the Agent-General's Office is to act as the Victorian Government's representative in London, promoting the State, and handling the Government's day to day affairs and enquiries from intending British migrants.

Payments for the past two years are summarised as follows:

	1977-78		1978-79	
	\$	\$	\$	\$
VOTE				
Premier—				
Salaries and Allowances	277 092		352 623	
Payments in lieu of Long Service Leave	2 210		4 617	
General Administration expenses	95 216		130 918	
Agent General's allowance	15 300		15 544	
Payroll Tax	14 620		18 470	
Other Services	59 906		103 013	
		464 344		625 185
Treasury—				
Workers Compensation		3 710		3 427
		<u>468 054</u>		<u>628 612</u>

Public Service Board

The Public Service Board is responsible for personnel administration of the Public Service, including organisation and recruitment, conditions of employment, training and staff development and the promotion of efficiency in the working of departments.

Payments from the Consolidated Fund during the last two years were:

	1977-78		1978-79	
	\$	\$	\$	\$
SPECIAL APPROPRIATIONS AND VOTE				
Salaries and Allowances	2 615 291		2 750 974	
Overtime and Penalty rates	6 099		5 700	
Payments in lieu of Long Service Leave	60 365		..	
General Administration expenses	621 530		749 647	
Payroll Tax	121 185		135 022	
Training course fees and expenses	226 458		274 796	
		3 650 928		3 916 139
Treasury Vote—				
Workers Compensation		34 057		32 407
WORKS AND SERVICES ACCOUNT				
Computer System Development—				
Personnel .. ..		..		70 522
		<u>3 684 985</u>		<u>4 019 068</u>

Public Service Board Electronic Data Processing Service Bureau

During 1978-79, the Electronic Data Processing Service Bureau was transferred to the Department of Property and Services and information relating to this Bureau is now included on page 145 of my Report.

Promotions Appeal Board

The Promotions Appeal Board was established, under the *Public Service Act 1974* to determine, in certain circumstances, the claims of Second and Third Division officers of the Public Service in respect to vacant positions.

The following is a summary of the cost to the Consolidated Fund of the Board during the last two years:

VOTE	1977-78		1978-79	
	\$	\$	\$	\$
Premier—				
Salaries and allowances	85 371		92 916	
Overtime and penalty rates	2 798		2 359	
General Administration expenses	12 319		10 852	
Payroll Tax	4 002		4 667	
Members' Fees	1 783		1 952	
		106 273		112 746
Treasury—				
Workers Compensation		1 257		1 090
		107 530		113 836

Office of the Auditor-General

The Auditor-General is responsible for the audit and inspection of the accounts of the Treasury and other government departments and also semi-governmental and other bodies as required by law.

Payments made from the Consolidated Fund in carrying out these responsibilities, and the fees received during the last two years were as follows:

PAYMENTS	1977-78		1978-79	
	\$	\$	\$	\$
Special Appropriations and Vote—				
Salaries and allowances	1 808 766		1 900 556	
Overtime and penalty rates	2 990		4 727	
Payments in lieu of Long Service				
Leave	62 852		67 703	
General Administration expenses	149 186		135 991	
Payroll Tax	89 826		93 321	
Other services	31 607		33 044	
		2 145 227		2 235 342
Treasury Vote—				
Workers Compensation		25 737		22 407
Public Works Vote—				
Rent and maintenance of buildings		3 132		3 172
		2 174 096		2 260 921
RECEIPTS				
Audit fees	458 475		438 036	
Other	1 131		11 609	
		459 606		449 645
Net Cost		1 714 490		1 811 276

Office of the Ombudsman

The office of Commissioner for Administrative Investigations, called the Ombudsman, was established under the *Ombudsman Act 1973* principally to investigate complaints of any administrative action taken in any government department or public statutory body to which the Act applies. Also, the *Ombudsman (Municipalities) Act 1976*, which came into operation on 1 January 1977, gave the Ombudsman jurisdiction to investigate complaints concerning administrative actions taken in municipalities, limited however, to administrative actions taken by municipal officers.

The cost to the Consolidated Fund during the last two years was:

		1977-78		1978-79
	\$	\$	\$	\$
SPECIAL APPROPRIATIONS AND VOTE				
Salaries and Allowances		336 337		364 353
Overtime and penalty rates		3 685		3 705
General expenses		23 675		22 377
Payroll Tax		17 001		18 403
		380 698		408 838
Treasury Vote—				
Workers Compensation		3 980		3 598
Public Works Vote—				
Rent and Maintenance of buildings etc.		28 617		26 778
		413 295		439 214

DEPARTMENT OF PROPERTY AND SERVICES

The Department of Property and Services was established by Order in Council on 16 May 1978.

A key function of the Department is the monitoring of all aspects of real estate dealings in excess of \$100 000 by Government Departments and Authorities.

Other functions of the Department include the control over:

- (i) Government Computing Service;
- (ii) Public Record Office; and
- (iii) Government Printing Office.

PAYMENTS FROM THE CONSOLIDATED FUND (OTHER THAN GOVERNMENT PRINTING OFFICE).

The comparative statement hereunder shows the payments for 1977-78 and 1978-79.

Figures in respect of the Government Computing Service and the Public Record Office for 1977-78 were shown in a more concise form in my Report for that year under the Department of the Premier and the Chief Secretary's Department respectively.

	1977-78 \$	1978-79 \$
PROPERTY AND SERVICES		
VOTE—		
Property and Services—		
Salaries and Allowances	8 027	216 644
Overtime and Penalty Rates	210	4 679
General Expenses	544	44 952
Payroll Tax	441	11 422
Treasury—Workers Compensation .. .. .	..	102
Total Property and Services	9 222	277 799
GOVERNMENT COMPUTING SERVICE		
VOTE—		
Government Computing Service—		
Salaries and Allowances	1 135 114	1 243 937
Overtime and Penalty Rates	33 499	46 960
Payments in lieu of Long Service Leave, retiring gratuities	1 229	..
Travelling and Subsistence	8 882	11 532
Office Requisites and Equipment	532 624	788 514
General Expenses	20 932	11 822
Payroll Tax	60 821	66 622
Treasury—Workers Compensation	14 447	14 453
WORKS AND SERVICES ACCOUNT—		
Equipment etc.	749 038	1 264 395
Total Government Computing Service	2 556 586	3 448 235
PUBLIC RECORD OFFICE		
VOTE—		
Public Record Office—		
Salaries and Allowances	224 368	290 075
Overtime and Penalty Rates	4 492	5 044
Payments in lieu of Long Service Leave .. .. .	..	6 215
Travelling and Subsistence	4 935	7 083
General Expenses	38 703	46 844
Incidental Expenses	64 610	61 376
Furniture, Fittings, display and other equipment etc.	11 790	16 700
Payroll Tax	12 223	15 231
Treasury—Workers Compensation	2 957	2 830
WORKS AND SERVICES ACCOUNT—		
Equipment etc.	444 190	26 087
Total Public Record Office	808 268	477 485

RECEIPTS (OTHER THAN GOVERNMENT PRINTING OFFICE)

The following statement shows departmental receipts:

		<i>1977-78</i>	<i>1978-79</i>
		\$	\$
Fees and Charges—E.D.P.	.. .. .	2 108 592	3 848 756
Other	.. .. .	2 897	2 127
		<hr/>	<hr/>
		2 111 489	3 850 883
		<hr/>	<hr/>

Government Printer

The operations of the Government Printer are financed through the Government Printing Office Working Account, a Treasury Trust Account with a current working capital of \$3 004 405.

In 1978-79, all revenue of the Printing Office, with the exception of that arising from press advertising by Departments, was paid to the credit of Charges for Departmental Services, being part of the Consolidated Fund. During the year, equivalent amounts have been debited to Treasury Vote 400-3-12 and credited to the Working Account. Revenue arising from press advertising by Departments was paid direct to the credit of the Working Account.

General expenses, including press advertising costs, have been met from the Working Account. Salaries and similar payments have been met from the Government Printer's Vote; but equivalent amounts have been credited to Charges—Recoup Administrative Expenses—Government Printer, and debited to the Working Account, which has thus recorded all receipts and payments of the Printing Office for the year.

The balance of the Working Account at 30 June 1979 was \$77 943, as shown in the following summary of its transactions in 1978-79, with comparative figures for 1977-78.

GOVERNMENT PRINTING OFFICE WORKING ACCOUNT

		<i>1977-78</i>	<i>1978-79</i>
		\$	\$
Balance 1 July	.. .. .	259 331	53 010
RECEIPTS			
Printing, Sales of Publications, Stationery and Forms	.. .. . 11 112 395	12 901 954	
Press Advertising Fees	.. .. . 1 167 688	1 214 917	
Treasury Advance	.. .. . ..	1 000 000	
Sundry	.. .. . 2 824	44 788	
		<hr/>	<hr/>
		12 282 907	15 161 659
		<hr/>	<hr/>
		12 542 238	15 214 669

	\$	1977-78 \$	\$	1978-79 \$
PAYMENTS				
Salaries and Allowances ..	5 109 528		5 471 518	
Overtime and Penalty Rates ..	696 266		709 604	
Payments in lieu of Long Service Leave	136 662		86 864	
Payroll Tax	262 542		315 740	
Paper and Material	4 609 459		6 876 055	
Press Advertising for Departments	1 165 578		1 081 840	
Tea Money, Fares	55 940		45 105	
Office Requisites and Equipment	7 634		5 872	
Books and Armed Transport..	8 007		14 170	
Postage, Telephone	194 568		240 850	
Purchase and Maintenance of Vehicles	14 889		21 017	
Power, Heating	74 015		96 865	
Purchase and Maintenance of Machinery and Equipment ..	53 415		72 016	
Cleaning materials	16 815		17 130	
Watching Services	51 105		41 415	
Fire Insurance	7 810		5 674	
Other	24 995		34 991	
	<hr/>	12 489 228	<hr/>	15 136 726
Balance 30 June		53 010		77 943
		<hr/>		<hr/>

Plant and Machinery

The total cost of plant and machinery met from loan funds and Works and Services Account to 30 June 1979 was \$2 234 252.

PUBLIC WORKS

The Public Works 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.

Payments from the Consolidated Fund

Payments from the Consolidated Fund under the principal divisions in each of the past two years are set out hereunder:

	1977-78	1978-79
	\$	\$
PUBLIC WORKS		
VOTE		
Public Works—		
Salaries and allowances	16 320 747	17 417 801
Overtime and penalty rates	174 392	161 868
Payments in lieu of long service leave	128 705	163 779
General expenses	1 240 826	1 242 263
Payroll tax	1 032 542	1 131 800
Public Building Services—Maintenance etc.	5 829 013	6 477 884
Rents and allowances	13 439 148	15 365 645
Other services	4 222 502	3 449 709
Treasury—Workers Compensation	224 448	203 496
WORKS AND SERVICES ACCOUNT		
Capital items	12 305 743	5 730 517
	54 918 066	51 344 762
PORTS AND HARBORS		
VOTE		
Ports and Harbors—		
Salaries and allowances	1 886 960	2 063 790
Overtime and penalty rates	28 506	33 977
Payments in lieu of long service leave	20 744	24 261
General expenses	167 096	225 380
Payroll tax	119 902	135 046
Wharves and Jetties—Maintenance etc.	854 292	884 200
Dredging and blasting	2 564 217	2 832 955
Contribution to Portland Harbor Trust	1 000 000	1 450 000
Westernport—Operating expenses	2 306 998	2 518 000
Other services	528 986	587 655
Treasury—Workers Compensation	27 618	23 689
WORKS AND SERVICES ACCOUNT		
Capital items	3 683 414	5 327 490
	13 188 733	16 106 443
Total Payments	68 106 799	67 451 205

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 oncost charges, approved by the Treasury, to cover the departmental expenses involved in the design, supervision and administration of the works. The approved rate was 12 per cent. on works and 2 per cent. on purchase of property (including purchase of parts for the side-casting dredger). Recoups to the Consolidated Fund on the basis of these charges amounted to \$14 762 996. The comparable figure for 1977-78 was \$15 006 670.

Payments by the Department from the Works and Services Account amounted to \$186 095 752, and from Trust and Special Funds \$13 658 359, a total of \$199 754 11, compared with a total of \$199 785 695 from the same sources in the previous year. The major part of the payments 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:

	\$	\$
Public Works—Public Offices etc.		5 730 517
Ports and Harbors—		
Foreshore Protection, Wharves and Jetties	3 455 652	
Vessels for Dredging, Marine Plant	902 816	
Westernport Works etc.	622 927	
Plant	346 095	
	<hr/>	5 327 490
		<hr/> <hr/>
		11 058 007

The major items of payments on Public Offices etc., included in the figure of \$5 730 517 shown above, were:

	\$
Adaptation of premises and P.A.B.X.—Myer House	1 039 796
Renovations etc. at 295 Queen Street	292 072

Victorian Public Offices Corporation

The Victorian Public Offices Corporation is a statutory body which was constituted pursuant to the *Victorian Public Offices Corporation Act 1974* to provide such public offices as are from time to time required for the government of Victoria. Administrative services for the Corporation are provided by the Public Works Department.

Fuller reference to the Corporation will be made in my Supplementary Report.

Public Works Stores Suspense Account

This Account was established under the provisions of the *Public Works Loan and Application Act 1947*. An amount of \$50 000 was provided under that Act, and subsequent authorities increased the amount to \$790 000. 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 and services in which they are used. The amounts when charged are credited to the Account.

At 30 June 1979, the position of this Account was:

	\$
Cash funds available—Held by Treasury	407 921
Value of stores on hand	114 866
Issues pending recoupment	265 045
	<hr/>
Funds made available by Treasury	787 832
Amount retained by Treasury to meet expenses etc.	2 168
	<hr/>
Amount authorised by legislation	790 000

Public Works Plant and Machinery Fund

This Fund was established under the provisions of the *Public Works Loan and Application Act 1946 No. 2*. The charges made for the use of certain specified plant and machinery, as authorised by that Act, 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 etc., to each of which an appropriate allocation of the hire charges is made. Total credits to the Fund for the year were \$1 397 038 and total debits \$1 515 923. At 30 June 1979, the net balance of the Fund was \$777 249.

Public Works Agency Trust Account

Payments for projects financed from Agency Funds amounted to \$4 672 487. Major works carried out by the Department as agent included the following projects:

					\$
Olympic and Beaurepaire Swimming Pools	..	..			1 272 581
Newport Power Station .. .. .	..	..	..	..	671 172
Public Works Department Canteens	..	..	..	..	559 451
Glen Waverley Special School .. .. .	..	..	..	..	482 035

Electronic Data Processing Project—"WREN" System

In September 1975, a firm of consultants was engaged by the Department to undertake a feasibility study in relation to a computer-based system for project planning, tracking and accounting functions.

Following the completion of that study, a contract was entered into with the consultants for the programming, testing and implementation of the system, which is known as "WREN" (Works Recording Network).

Programming of the system has been completed and a schedule of implementation of the Department's projects and works has been established. It is envisaged that this phase will be completed before 30 June 1980, subject to WREN performing satisfactorily.

To 30 June 1979, \$1 307 473 has been expended on the project.

Lease of BASS

In October 1978, the Minister of Public Works entered into a lease of BASS (Best Available Seating System), which is a computerised ticketing system, for use by the Victorian Arts Centre Building Committee.

According to legal opinion obtained at the time, the Committee, which had been established in accordance with the provisions of the *National Art Gallery and Cultural Centre Act 1956*, did not have the power to enter into the lease.

Further reference to this matter will be made in the Victorian Arts Centre Building Committee section of my Supplementary Report.

RAILWAYS

Under the provisions of the *Railways (Amendment) Act 1972*, which came into operation on 8 May 1973, the Victorian Railways Board was incorporated and became the successor of the Victorian Railways Commissioners.

RECEIPTS AND PAYMENTS

Revenue receipts and payments on Railway operations for the year 1978-79, as recorded in the Treasurer's Accounts, are summarised hereunder. For comparative purposes, figures for the previous year are also shown:

	1977-78	1978-79
	\$	\$
<i>Payments</i>		
SPECIAL APPROPRIATIONS—		
Pension Contributions	19 591 053	22 581 987
Debt charges	21 439 993	23 541 134
Contribution to Railway Renewals and Replacement Fund ..	400 000	400 000
Payment to Transport Fund	327 821	361 092
Board Salaries and Allowances	70 997	80 241
	41 829 864	46 964 454
VOTE—		
Working expenses	291 505 424	..
Labour	*	239 071 217
Payroll Tax	11 695 017	12 387 479
Materials and other expenditure	*	63 194 093
Accident Fund	3 658 267	4 180 431
Payments to the Melbourne Underground Rail Loop Authority— Section 26 (i) of the <i>Melbourne Underground Rail Loop Act 1970</i>	1 797 580	2 127 081
Payment to the Commonwealth Government— <i>Railways Standardization Agreement Act 1958</i> (Clause 13 (2))	261 959	257 062
Expenditure on agency works subject to recoup	2 970 149	4 000 000
Railway Renewals and Replacement Fund—Contribution representing recoveries from sale of pipe credited to working expenses	561 660	..
	312 450 056	325 217 363
	354 279 920	372 181 817

* No comparable figures available—shown as Working Expenses in 1977-1978

	<i>Receipts</i>	
Ordinary Income	166 602 712	177 515 407
Appropriations of Former Years	607 354	458 126
Agency Works Recoups	6 753 562	3 207 106
Payments by Treasury—		
For fare freight and transport concessions	6 543 383	7 630 982
For loss on Kerang-Koondrook line	38 798	4 953
	180 545 809	188 816 574
Deficit for Year	173 734 111	183 365 243

The deficit as shown in the Railway records in respect of 1978-79 was \$180 634 466 as against \$177 657 384 for 1977-78.

The differing net financial results, as recorded in the two accounting systems in respect of each of those years, arose from the following factors:

- (i) certain parts of 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;

- (ii) to facilitate the closing of the Treasurer's accounts on 30 June, it was again arranged by the Treasury for the Railways Department to furnish estimates of Railways expenditure for the final accounting period up to 30 June, which were then charged to the relevant appropriations, Works and Services allocations and various Railway Trust Funds. Subsequent to 30 June, when the final expenditure charges and adjustments for each year became available, these figures were included in the Railways accounts at 30 June, but not charged or incorporated into the Treasurer's accounts until the next year; and
- (iii) collections by the Railways on 30 June, on account of income and other accounts, were included in the Railways result at that date. Collections were remitted to the Treasury on 2 July 1979 and will, therefore, be included in the Treasurer's accounts for the year 1979-80. A similar procedure was adopted in respect of 1977-78.

Operating Expenses

Railway operating expenses, \$372 181 817, exceeded the Budget estimate of \$370 457 212 and, on a comparable basis, were in excess of the previous year by \$17 901 897.

Depreciation—The depreciation for 1978-79 was assessed at \$12 969 001 but an amount of \$400 000 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 \$12 569 001 depreciation assessed but not charged against operating expenses brought the accumulated sum under-provided in the Railways accounts to \$230 246 523 at 30 June 1979.

The total amount credited in the year to the Railway Renewals and Replacements Fund from depreciation charges and sales of materials etc., was \$1 426 017 which, together with a balance of \$1 511 630 brought forward from 1977-78 was expended in full during the year.

Accrued Leave—Accrued leave increased by 11 878 days in 1978-79 and the estimated liability increased from \$20 567 335 at 30 June 1978 to \$22 689 336 at 30 June 1979. There is no provision to meet the liability. Vote expenses of the year in which the payments are made bear the cost of the annual leave accrued in previous years.

Debt Charges

The Department is charged with interest, sinking fund payments and exchange only in respect of moneys borrowed by the State for railway purposes from and including 1 July 1960. The amount chargeable in the year was \$23 541 134.

Special Funds for Maintenance Expenditure—Transport Projects

Expenditure of \$196 110 on transport planning and research projects has not been included in the Receipts and Payments statement. This expenditure has been charged to the Treasury Trust Account—Commonwealth Transport Planning and Research (Financial Assistance) 1977. This amount represents the estimated

portion of expenditure by the Department which will be eligible for Commonwealth financial assistance by way of non-repayable grants as provided by Commonwealth legislation, the *Transport Planning and Research (Financial Assistance) Act 1977*.

The amount actually recoverable from the Commonwealth in respect of expenditure will not be fully determined until audit certified financial statements in respect of the approved projects have been submitted by the Department to the Commonwealth.

Railway Income

Collections on account of railway income amounted to \$188 816 574 which was \$3 381 574 more than the Budget estimate and \$8 270 765 more than the figure for 1977-78.

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

	1977-78	1978-79
	\$	\$
Passengers	55 536 736	59 347 891
Parcels etc.	6 648 949	7 650 067
Mails	544 647	569 471
Miscellaneous	105 700	155 764
Goods and livestock etc.	95 294 864	103 439 968
Rents and general miscellaneous	5 863 374	5 914 902
Dining car and refreshment rooms services	7 371 101	7 840 002
Advertising	335 050	352 214
Bookstalls	1 586 777	1 671 238
Road motor services	82 498	79 097
Agency Works—Subject to Recoup	3 235 165	3 763 728
Interest on Mortgage Debenture .. .. .	.. .. .	318 502
Treasury Recoup— <i>Kerang and Koondrook Tramway Act 1951</i>	38 798	4 953
	176 643 659	191 107 797

Payments—Works and Services Account

The following statement summarises payments under Transport Works and Services Acts:

	1977-78	1978-79
	\$	\$
Way and Works	10 750 000*	13 652 709*
Rolling-stock, equipment etc.	7 990 000	8 270 000
Construction of New Lines etc.	1 353 955†	1 432 000†
Urban Development Projects	20 320 020	26 053 000
	40 413 975	49 407 709

* Excludes payments for Agency Works subject to recoup

† Payments for Railway Construction Board projects included in Railways financial statements

Rail Tracks, Rolling Stock etc.

Expenditure for 1978-79 was principally in connection with projects to reconstruct bridges, and to provide additional rolling-stock.

Urban Development Projects

Items provided in the Works and Services Acts for Urban Development Projects include construction of new suburban stations, provision of additional tracks and stainless steel suburban trains to replace wooden-bodied rolling stock. In respect of portion of this expenditure, the State of Victoria received \$10 962 960 in 1978-79 as Commonwealth financial assistance by way of non-repayable grants as provided under the Commonwealth's *States Grants (Urban Public Transport) Act 1978*.

The amounts actually recoverable from the Commonwealth in respect of expenditure will not be fully determined until audit certified financial statements in respect of the approved projects have been submitted by the Department to the Commonwealth.

Vicrail Pipelines Pty. Ltd.

The *Railways Act 1958* has been amended by the *Railways (Participation in Pipeline Operations) Act 1975*, the *Railways (Participation in Pipeline Operations Payments) Act 1976*, and the *Railways (Participation in Pipelines) Act 1977*.

The above Company was incorporated under the *Companies Act 1961* on 8 August 1977 as a proprietary company limited by shares with a nominal share capital of \$10 000 divided into 10 000 shares of \$1 each. The Company has an issued capital of 1000 shares of \$1 each fully paid.

In accordance with the *Railways Act* and with the consent of the Treasurer the Victorian Railways Board subscribed for 999 shares and a further one share is being held by a staff member who has executed a Deed of Trust in favour of the Board.

Vicrail Pipelines Pty. Ltd. is participating in a joint venture with several oil companies to construct, own and operate a petroleum products pipeline from Altona to Somerton. The Company will be required to meet a one-quarter share of the cost of the pipeline and will have the right of access to 25 per cent. of the pipeline through-put capacity. It will have a right to 25 per cent. profit from the joint venture.

With the approval of the Treasurer, the Victorian Railways Board has made cash advances totalling \$2 999 755 from the Works and Services Account to the Company as follows:

	\$
On 28 June 1978	1 295 755
During 1978-79 by instalments during the period October 1978 to March 1979	1 704 000
Total Repayable Advances	<u>2 999 755</u>

Advances are secured by a mortgage debenture creating a floating charge over the assets of the Company. The interest rate on cash advances is 14 per cent. No interest payments were received by the Board during 1978-79. Under the terms of the mortgage debenture, unpaid interest shall be compounded. Interest totalling \$318 502 due and payable at 30 June 1979, has been included in the railways accounts.

At 30 June 1979, the construction of the pipeline had been completed and was ready for commissioning.

Section 100B of the *Railways Act* 1958 provides, *inter alia*, that the Victorian Railways Board may “grant a lease or licence to a pipeline company of any land vested in or under the control of the Board . . . and a copy of such agreement or arrangement shall be laid before each House of Parliament within 14 days after the making thereof if Parliament is then sitting and if Parliament is not then sitting within 14 days after the next meeting of Parliament.”

In March 1978, the Railways circulated a draft Licence Agreement to the interested parties. However, at 30 June 1979, the final agreement had not been completed as the annual licence fee payable to the Victorian Railways Board had not been determined by the Valuer-General in accordance with the terms of the draft agreement.

Pursuant to the directions of the Railways Act, the draft agreement was tabled in Parliament on 7 June 1979.

It is understood that the Participants and operating Agreements between Vicrail Pipelines and the other parties to the joint venture are still being negotiated and have not yet been formalised.

The Annual Return of the Company, lodged with the Commissioner for Corporate Affairs on 21 December 1978, disclosed that the Company is an exempt proprietary company and, as permitted by sub-sections (1) and (2) of Section 165B of the *Companies Act* 1961, the accounts of Vicrail Pipelines Pty. Ltd. have not been audited for the period ended 30 June 1978.

I am unable to comment on the accounts of this wholly owned subsidiary Company of the Victorian Railways Board, as, although the accounts of the Board are subject to my audit, no provision exists in the Railways Act for the accounts of the subsidiary Company to be audited.

A.R.R.D.O.

The Australian Railway Research and Development Organisation (A.R.R.D.O.) is a public company incorporated in Victoria and has been established to provide a research and development facility for the Australian Railways systems.

In accordance with the provisions of the *Railways Act* 1978, the Treasurer has consented to the Victorian Railways Board becoming a member of A.R.R.D.O. and to the payment of the sum of \$37 297 to the company during 1978–79 as the Board’s agreed share of the cost of a Head Office in Melbourne.

This amount was met from the Works and Services Account.

Metrol

By Government direction, work on the erection of the main building of the proposed Metropolitan Train Control Centre (Metrol) in Melbourne was discontinued on 9 June 1978 when the contract with the contractor was suspended and then finally repudiated by the Victorian Railways Board on 14 June 1978. (Work on the the building was recommenced during 1978–79 after redesign of the building to occupy a larger ground area).

The Board’s portion of payment under the contract was \$562 544 to 30 June 1979, and has been charged to Works and Services Account.

Expenditure amounting to \$321 125 has been charged to the Melbourne Underground Rail Loop Authority as the Authority's agreed proportion of the contract payments. Negotiations were still in course at 30 June 1979 for settlement of outstanding claims for work performed and compensation.

Management consultants and a consultant quantity surveyor were engaged during the year to assist in effecting equitable settlements of outstanding claims. The Board's share of consultancy services to 30 June 1979 amounting to \$30 236 has been charged to Works and Services Account. The balance of services totalling \$17 260 will be recoverable from the Melbourne Underground Rail Loop Authority.

Statement of Balances

An abridged statement of the balances in the Railway Accounts at 30 June 1978 and 1979 follows :

	30.6.1978	30.6.1979
	\$	\$
Rolling-stock, Plant etc., at cost less depreciation provided ..	717 867 859	766 229 587
Stores and Materials	7 971 113	10 550 347
Partly-manufactured articles	2 060 876	3 046 256
Trading and Catering Services, Stock and Equipment less provision for losses	1 150 507	1 257 101
Discounts and expenses on Loans	7 824 657	7 872 059
Deferred Renewals, Replacements, and Maintenance Works ..	1 050 000	1 050 000
Investments—Shares and Mortgage Debenture	1 296 754	3 000 754
Funds at Treasury—		
Railway Accident and Fire Insurance Fund	200 000	200 000
Railway Agency Works Account	571 863*	570 559
Railway Stores Suspense Account	777 174*	6 064
Railways Repayment Account	11 905*	20 632*
Railway Manufacturing and Trading and Catering Account ..	209 304*	(Cr.) 872 849
Treasury Trust Fund (Salaries and Wages accrued)	11 646 795*	12 434 713*
Advances held by Agent-General	105 077	101 347
Trust Securities	4 215 289	4 818 933
Cash at Stations and in Transit	320 503	222 712
Cash Advances	1 758 084	1 963 754
Revenue Debtors	12 220 601	14 505 631
Sundry Debtors	2 580 785	1 140 488
Accumulated Loss	1 000 029 643	1 180 860 219
	<u>1 773 868 789</u>	<u>2 008 978 307</u>
Loan Liability†	497 243 111	527 113 355
Funds for—		
Urban Development Projects	44 866 604	55 829 564
Uniform Railway Gauge	29 962 602	29 866 765
Level Crossings	10 888 613	10 888 613
Boom Barriers	654 332	740 299
Transport Fund	6 864 708	9 779 376
Other Special Purposes	13 892 240	13 892 240
Pipeline—Shares and Mortgage Debenture	1 296 754	3 000 754
Asset Revaluation Reserve	23 906 929	20 292 526
National Debt Sinking Fund Reserve	107 308 921	114 614 018
Uniform Railway Gauge Reserve	1 637 398	1 733 235
Railway Accident and Fire Insurance Fund	200 000	200 000
Advances from the Public Account	1 082 994	1 104 814
Working Capital—Manufacturing and Trading	3 205 643	3 205 643
Sundry Creditors	15 713 578	18 426 805
Trust Securities	4 227 195	4 839 565
Consolidated Fund etc. ††	1 010 917 167	1 193 450 735
	<u>1 773 868 789</u>	<u>2 008 978 307</u>

* Including Cash in Transit

† After deduction of the equity in the National Debt Sinking Fund

†† Includes Advances for Agency Works subject to recoup and items in transit at 30 June

Debtors—Revenue and Sundry

The totals for these items as shown in the balance sheets for the last two years consist of:

	<i>1977-78</i>	<i>1978-79</i>
	\$	\$
Revenue	12 220 601	14 505 631
Agency Works (Works and Services Account)	1 301 349	147 110
Sales of general stores	233 538	92 907
Sundry sales and services	823 295	449 237
Sales of land	222 603	451 234
	<hr/>	<hr/>
	14 801 386	15 646 119
	<hr/>	<hr/>

Sundry Creditors

Items included in the totals for the last two years are:

	<i>1977-78</i>	<i>1978-79</i>
	\$	\$
Stores purchased for railways	86 902	1 750 665
Stores purchased for trading and catering services	215 351	225 675
Salaries and wages accrued	8 043 457	8 515 688
Payroll deductions	3 603 457	3 919 077
Accounts for various services	1 241 278	1 231 537
Revenue rebates and refunds	190 469	193 179
Payments in advance for revenue services, agency works etc.	1 515 651	1 550 621
Cash accounts overdrawn	107 221	75 777
Due to Consolidated Fund	709 792	964 586
	<hr/>	<hr/>
	15 713 578	18 426 805
	<hr/>	<hr/>

Railway Accident and Fire Insurance Fund

The Fund was preserved at the statutory limit of \$200 000 by appropriation from the Consolidated Fund of \$4 180 431 charged against Vote. Expenditure from the Fund for the past two years was:

	<i>1977-78</i>	<i>1978-79</i>
	\$	\$
Damages recovered by non-employees at law	89 980	376 312
Damages paid to non-employees without legal action	19 962	14 657
Compensation for injuries to employees	2 788 100	2 920 239
Compensation for goods lost or damaged	675 342	816 351
Compensation for losses by fires caused by railway operations	14 966	1 552
Losses by fire to railway property	69 917	51 320
	<hr/>	<hr/>
	3 658 267	4 180 431
	<hr/>	<hr/>

Railway Salaries and Wages in Suspense Account 1978–79

By determination of the Treasurer, made under authority of Section 8 of the *Public Account Act* 1958, a new trust account, Railway Salaries and Wages in Suspense Account 1978–79, was established to operate during the period 1 July 1978 to 30 June 1979, at which date it was to be closed.

The Treasurer's determination specified the purposes to which the Suspense Account was to be applied. It was only to be used as an initial charging account for salaries and wages payments in 1978–79 which are legally chargeable in that financial year to Railway Annual or Special Appropriations, the Transport Works and Services Act or such other funds and accounts as the Treasurer may specify. All items were cleared from the Suspense Account by 30 June 1979.

Total credits and debits to the Account during the year each amounted to \$260 538 264.

Railway Stores Suspense Account

This Account is designed to provide financial control over the purchase and issue of stores and over the stock on hand.

The total allocation from the Consolidated Fund for the purpose of the Account amounted to \$9 000 000 at 30 June 1979. The disposition of this amount was as follows:

	\$	\$
Stock Account	10 618 019	
<i>Deduct—</i>		
Stores Stock Equalisation Account	67 672	
Stock on hand	10 550 347	
<i>Less Creditors</i>	1 750 665	
	<hr/>	
Stores Debtors		8 799 682
Advances to the Agent-General, London		92 907
		<hr/>
		8 993 936
Cash at Treasury—30 June 1979	221 848	
<i>Less Expenditure in Transit</i>	215 784	6 064
	<hr/>	<hr/>
		9 000 000

The item, Stock on hand, \$10 550 347, represents stock financed from the Railway Stores Suspense Account pending issues for works or purposes, the expenditure on which is chargeable to Parliamentary Appropriations.

Within the framework of the authorised account for the purchase and issue of railway stores, the Department has established an account known as the "Stores Stock Equalisation Account" which had a credit balance of \$67 672 at 30 June 1979. This Account is used for writing off losses, writing down the recorded value 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:

	\$
Losses on reduction of values of stores	465 317
Losses on sales of safety footwear	5 521
Sales of materials—Losses	16 740
Amount charged to Vote	417 587
Stores invoice adjustments to be absorbed	67 672 (Cr.)

Other Trust Accounts

Railway Agency Works Account

The Account operated from 1 July 1976, and is credited with moneys received in advance by Railways from persons, bodies and authorities on whose behalf and at whose cost Railways carry out works. The account is to be debited with all costs incurred in carrying out such works.

There was a balance in the account of \$570 559 at 30 June 1979.

Railway Manufacturing and Trading and Catering Account

The Account operated from 1 July 1976, and the purpose of the Account is to record necessary transactions in respect of the manufacture of articles for stock in Railway workshops and the operations of the Trading and Catering Services Branch of the Railways.

The Account has been financed by Working Capital of \$3 205 643 provided under the Appropriation Act for 1975–76. A summary of balances held within this Account is as follows:

	\$	\$
Manufacturing Account—		
Works in Progress		3 046 256
Catering Services—		
Stocks and Sundry Debtors	1 371 299	
Less—Sundry Creditors and Provision for Losses etc.	339 063	1 032 236
		4 078 492
Cash at Treasury 30 June 1978	125 183	
Less Expenditure in Transit	998 032	(Cr.) 872 849
Working Capital Provided		3 205 643

Transport Fund

In accordance with the *Ministry of Transport Act* 1958, the Victorian Railways Board paid to the Transport Fund “an amount equal to one-fifth of one per centum of the gross revenue of the Board paid to the Treasurer in respect of the financial year then last past”. The Departmental payment to the Fund in the year 1978–79 was \$361 092.

Expenditure from the Transport Fund is to be applied at the Minister’s direction towards the cost of any project or undertaking or research project in relation to the improvement, development and better co-ordination of transport in Victoria.

The amount expended by the Department from the Fund for 1978-79 was \$2 735 686. This amount, together with expenditure of \$140 218 incurred by the Railway Construction Board, has been included in the balance sheet as part of the total expenditure on rolling-stock etc.

Further reference to the Transport Fund is made on page 166 of this Report.

STATE DEVELOPMENT DECENTRALIZATION AND TOURISM

The *State Development Decentralization and Tourism Act 1978*, proclaimed to operate from 23 May 1978, repealed the *State Development Act 1970* and established the Department of State Development Decentralization and Tourism for the purpose of encouraging and promoting the development of Victoria, particularly in the areas of tourism and industry.

For the purposes of administration, the Ministry of Immigration and Ethnic Affairs also comes under the control of this Department. Details are shown separately on page 123 of this Report.

Payments from the Consolidated Fund

Payments of the Department for the past two years are summarised hereunder. The figures shown for 1977-78 have been recast for comparative purposes.

1977-78	VOTE	1978-79
\$		\$
	State Development—	
1 807 630	Salaries, Allowances	1 874 577
17 324	Payments in lieu of Long Service Leave	34 481
21 086	Overtime and Penalty Rates	19 535
529 708	General expenses	576 668
	Other Services—	
652 374	Tourist Fund*	595 056
1 672 218	Victorian Government Travel Authority	1 960 000
2 192 400	Development Fund	2 997 000
18 657 071	Incentive payments to approved Decentralised Secondary Industries	20 527 558
	Transport concessions to approved Decentralised Secondary Industries—Payment to Victorian Railways	1 210 000
1 100 000	Other Grants, expenses etc.	1 356 349
1 726 165		
28 375 976		31 151 224
	Treasurer—	
22 514	Workers Compensation Insurance	18 081
	Public Works—	
661	Maintenance and Rent of Buildings	25 515
	WORKS AND SERVICES ACCOUNT—	
44 346	Public Buildings etc.	249 290
319 615	Contributions to Tourist Fund	310 000
276 695	Subsidies to Municipalities	196 047
535 690	Urban and Regional Development	158 243
27 000	Pritchard Steam Engine	23 000
..	Purchase and Improvement—Crown Land	100 000
..	Contributions to Major Tourist Projects	743 242
..	Mineral Water Feasibility Study	9 800
29 602 497		32 984 442

* Contribution to Tourist Fund in 1977-78 was \$2 797 862. For comparative purposes this has been allocated to the following payments in the statement—

	\$
Victorian Government Travel Authority	1 672 218
Tourist Fund	652 374
Salaries and General Expenses	473 270

Pursuant to the provisions of the *Decentralized Industry Incentive Payments Act 1972*, the Minister may make incentive payments to certain employers who are carrying on a manufacturing or processing industry at a decentralised or a special establishment, as defined in the Act. The amount charged to Vote in 1978-79 in respect of incentive payments to approved decentralised secondary industries, \$20 527 558, includes payroll tax rebates \$20 303 086, land tax rebates, \$130 473, and \$93 999 on account of refunds of licence fees for commercial goods vehicles.

Other Grants

A sum of \$315 000 was provided from the Consolidated Fund to help finance the operations for 1978–79 of the Small Business Development Corporation. This Corporation was established under the *Small Business Development Corporation Act 1976* for the purpose of encouraging and assisting small business throughout Victoria. It is not subject to audit by my Office and therefore its operations are not commented on in this Report.

In addition, the Department contributed \$630 000 and \$300 000 from Vote, during 1978–79, towards the expenses of the Geelong Regional Commission and the Albury–Wodonga Development Corporation, respectively. Neither of these bodies is subject to my audit. However, the Albury–Wodonga Development Corporation is audited by the Commonwealth Auditor-General.

Receipts

Receipts to the Consolidated Fund, other than repayments of principal and interest in respect of advances from the Development Fund, totalled \$8006 in 1978–79 compared with \$18 043 in 1977–78.

Development Fund

The Development Fund was established under the *State Development Decentralization and Tourism Act 1978* for the purpose of financing the carrying out of the objects set out in the Act, other than those in respect of tourism. In particular the moneys to the credit of the Fund are used to provide incentives to users of the port of Portland and to assist in the establishment, continuance and expansion of approved business undertakings.

A statement of receipts and payments of the Fund in the last two financial years is set out hereunder:

1977–78		1978–79
\$		\$
36 059	Balance 1 July	202 093
	<i>Add RECEIPTS—</i>	
2 192 400	Contribution from Consolidated Fund—Vote	2 997 000
2 228 459		3 199 093
	<i>Less PAYMENTS—</i>	
		\$
150 365	Power and Light Subsidies	722 551
317 533	Freight Subsidies	329 242
842 451	Removal of Plant, Machinery, Furniture etc.	899 347
	<i>Loans to Approved Decentralised Industries—</i>	
310 867	State Electricity Commission, Self Help Scheme	580 448
272 700	Employment Incentives	207 150
..	Grants to Approved Decentralised Secondary Industry	165 484
43 818	Development Committees	40 000
666	Portland Wool Shipping Subsidies	14 286
47 835	Portland Wool Brokers—Rebates	8 725
34 012	Miscellaneous Grants and Subsidies	10 542
6 119	Trade Promotion	12 420
..	Small Business Development	6 208
2 026 366		2 996 403
202 093	Balance 30 June	202 690

Loans to approved decentralised industries from the Development Fund during 1978-79 totalled \$580 448. Instalments of principal and interest collected during the year amounted to \$192 295 and, after allowing for write-offs, approved by the Treasurer, of \$12 774, the amount still to be repaid, at 30 June 1979, in accordance with the terms of the loans, was \$1 488 952. Arrears at 30 June 1979 totalled \$92 843.

Tourist Fund

The State Development Decentralization and Tourism Act provides that moneys to the credit of the Tourist Fund shall be applied to the administration of the State Development Decentralization and Tourism 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, an appropriation from the Consolidated Fund under the Vote for State Development, 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 summarised below. For comparative purposes, the 1977-78 figures have been recast to comply with current classifications operating within the Department.

1977-78		1978-79
\$		\$
643 859	Balance 1 July	728 120
	<i>Add RECEIPTS</i>	
	Contributions—	
1 216 027	From—Country Roads Board Fund	1 519 563
	Consolidated Fund—	
2 803 062	State Development Vote	595 256
319 615	Works and Services Account	310 000
		2 424 819
	Commission etc. received from Tourist Bureaux operations—	
95 029	Rail	52 600
473 734	Other	41 833
		94 433
1 073 186	Motor Boat Registration Fees and Fines (net)	1 056 312
491 195	Less Costs and Expenses of Collection and Administration	548 320
		507 992
581 991		
43 275	Interest on Loans to certain Bodies	76 039
49 695	Loan Repayments	86 133
	Recoup of Costs—	
83 584	Metropolitan Transport Information Centre	14 181
133 612	Railways Department	14 423
..	Victorian Government Travel Authority	30 428
		59 032
30 000	Special Commonwealth Grants .. .. .	..
6 473 483		3 976 568

1977-78	1978-79
\$	\$
<i>Less</i> PAYMENTS	
573 648	767 383
Grants and Subsidies for Developmental and Maintenance Works*	
Loans*—	
326 000	365 486
Developmental Works	
..	10 000
Other	
67 783	375 486
Special Grants to Approved Bodies	
Grants and Subsidies to Regional Tourist Authorities (net)*—	
655 052	793 783
Administration and Promotion	
35 333	76 321
Information Centres	
Publicity and Promotion (net)—	
450 518	666 652
Departmental	
65 000	93 910
Grants and Subsidies	
644 608	760 562
Grants and Subsidies etc.—Motor Boating Facilities (net)	
Administrative Expenses (net)—	
494 316	88 618
Head Office	
2 410 536	.. .. .
Tourist Bureaux	
..	88 618
Contribution—A.S.C.O.T. Trust Account	
9 813	17 310
Research	
12 756	17 616
Committee and other Expenses (net)	
5 745 363	11 988
<hr/>	
Balance 30 June	
548 201	332 771
General	
179 919	6 079
Motor Boating	
728 120	338 850
<hr/>	

* Details of these Grants and Loans are shown in Appendix A-2 to this Report

During 1978-79, further amounts were advanced to the State Rivers and Water Supply Commission \$31 844, the Forests Commission \$116 947 and the Public Works Department \$54 600.

In addition to the balance of \$338 850 held at credit of the Fund at 30 June 1979, unexpended advances to the State Rivers and Water Supply Commission, the Forests Commission and the Public Works Department for works amounted to \$73 475, \$164 335 and \$50 037 respectively. Of these sums, \$122 739 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 for the provision of various services and facilities associated with 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 during the last two years:

1977-78	1978-79
\$	\$
237 239	179 919
Balance 1 July (held in Tourist Fund)	
<i>Add</i> RECEIPTS—	
1 034 592	1 025 420
Registration Fees (net)	
38 594	30 892
Fines	
Loan Instalments—	
2 837	4 475
Redemption	
2 460	3 555
Interest	
<hr/>	
1 315 722	1 064 342
<hr/>	
	1 244 261

1977-78		1978-79
\$	\$	\$
	<i>Less PAYMENTS—</i>	
	<i>Grants and Subsidies etc.—</i>	
644 608	Motor Boating Facilities (net)	689 862
	<i>Cost of Administration—</i>	
172 637	Transport Regulation Board ..	191 686
290 554	Chief Secretary's Department ..	311 096
28 004	Purchase of Motor Boats and Equipment (net)	45 538
<hr/>		<hr/>
1 135 803		548 320
<hr/>		<hr/>
179 919	Balance 30 June (held in Tourist Fund)	1 238 182
<hr/>		<hr/>
		6 079

Other Trust Funds

Australian Standing Committee on Tourism Trust Account

This Account was established pursuant to Section 8 (1) of the *Public Account Act 1958* for the purpose of recording the receipt of contributions from the participating bodies and the subsequent disbursement of these funds. Prior to the establishment of this Account, the activities of the Australian Standing Committee on Tourism were accounted for in the Tourist Bureaux Trust Account. Receipts for 1978-79 totalled \$69 885, and payments \$41 945, leaving a balance in the Account at 30 June 1979 of \$27 940.

Special Youth Employment Training Program Trust Account

The Department also made payments totalling \$30 903 from the Special Youth Employment Training Program Trust Account during 1978-79.

MINISTRY OF TRANSPORT

The Ministry of Transport was established under the provisions of the *Ministry of Transport Act 1958*. The general objectives of the Ministry are to secure the improvement, development and better co-ordination of railway, tramway and road transport in Victoria. Specific powers of the Ministry include:

- (a) buying, selling, leasing or hiring vehicles or other equipment or lending or otherwise advancing money to public or private bodies to assist such bodies to provide, improve or co-ordinate transport services in Victoria; and
- (b) assisting public or private bodies to construct or improve transport facilities in Victoria, and in relation thereto providing any services necessary for or ancillary to such facilities.

In pursuance of these objectives the following payments were made from the Consolidated Fund during the years 1977-78 and 1978-79:

	1977-78	1978-79
	\$	\$
VOTE		
Ministry of Transport—		
Salaries and allowances	288 313	312 140
Overtime and Penalty rates	797	81
Payments in lieu of Long Service Leave .. .. .	..	11 920
General expenses	49 298	83 078
Payroll tax	14 516	16 739
Payment in respect of Passenger Transport—		
Tramways	28 041 000	32 667 000
Private Bus Services	7 848 286	9 823 182
Freight Subsidy—Railways	1 400 000	2 054 827
Miscellaneous	2 995	3 029
Treasury—		
Workers Compensation	3 902	3 576
Public Works Department—		
Maintenance and Rent of Buildings	91 660	106 305
	37 740 767	45 081 877
WORKS AND SERVICES ACCOUNT		
Unsecured loans to Private Bus Operators	646 526	547 821
Bicycle Facilities .. .. .	..	350 000
	38 387 293	45 979 698

Advances to private bus operators were also made from the Transport Fund (for references and overall summary see page 168 of this Report).

Transport Fund

This Fund was established pursuant to the *Ministry of Transport Act 1958*, which provides that moneys from the following sources are payable into the Fund as soon as practicable after 1 July in each year:

- (a) from the Victorian Railways Board—an amount equal to one-fifth of 1 per cent. of the gross revenue of the Board credited to the Consolidated Fund in the last preceding financial year;
- (b) from the Melbourne and Metropolitan Tramways Board—an amount equal to one-quarter of 1 per cent. of the gross revenue of the Board in respect of the last preceding financial year, excluding any advances from the Consolidated Fund to cover or reduce any cash deficiency of the Board;

- (c) from the Transport Regulations Board—an amount equal to 10 per cent. of the total fees, including fees for licences, paid into the Transport Regulation Fund pursuant to the *Transport Regulation Act 1958* in respect of the last preceding financial year; and
- (d) moneys received by way of additional registration fees under Section 8 of the *Motor Car Act 1958*, less costs of collection.

The *Ministry of Transport Act 1958* provides for the Fund to be credited also with moneys received by the Ministry of Transport by way of grants from the Commonwealth, the sale of publications, principal and interest payments on account of loans to private bus operators, payments for services rendered and, generally, any moneys received by way of reimbursement, recoupment or return.

Moneys to the credit of the Fund may be applied at the direction of the Minister towards the objectives under the Act.

In addition, expenditure may be incurred for the following specific purposes:

- (a) loans to licensees under the *Transport Regulations Act 1958*; and
- (b) purchase of vehicles, equipment and facilities used in connection with transport services.

An amendment to the *Ministry of Transport Act 1958*—the *Ministry of Transport (Passenger Services) Act 1978*—provides for the constitution of a Metropolitan Transit Council to assist the Minister in carrying out certain functions under the Act. Fees and allowances paid to members of the Council appointed by the Governor in Council amounted to \$11 228 during the year and were met from the Transport Fund.

Transactions of the Fund for the years 1977–78 and 1978–79 are set out below:

	1977–78	1978–79
	\$	\$
Balance 1 July	5 592 248	6 327 143
RECEIPTS		
Victorian Railways Board	327 821	361 092
Melbourne and Metropolitan Tramways Board	82 369	90 547
Transport Regulation Board	680 908	702 714
Motor Registration Branch—Additional Fees (net)	*7 733 777	*7 725 860
Bus Operators' Loans—		
Interest	30 108	38 676
Principal Repayment	140 948	158 369
Sale of Government Publications	7 740	12 575
	14 595 919	15 416 976

* Costs of collection were \$745 999 and \$860 317 respectively

	1977-78		1978-79	
	\$	\$	\$	\$
PAYMENTS				
Country Roads Board		3 763 492		†5 094 730
Victorian Railways Board		2 436 481		‡2 735 686
Railway Construction Board		271 101		140 218
Ministry of Transport—				
Passenger Interchange	321 497		316 824	
Salaries	318 108		346 517	
Payroll Tax			18 334	
Planning and Research	694 048		644 655	
Private Bus Operators' Loans	267 172		307 655	
Consultative Committees	17 747		19 094	
Transport Information	127 630		249 747	
Grade Separations	51 500			
Metropolitan Transit Council			11 228	
		<u>1 797 702</u>	<u> </u>	<u>1 914 054</u>
		<u>8 268 776</u>		<u>9 884 688</u>
Balance 30 June held in Treasury		<u>6 327 143</u>		<u>5 532 288</u>

† Includes payments of \$2 599 675 on level crossings and \$2 000 000 on Gardenvale rail overpass

‡ Includes payments of \$745 520 on level crossings, \$858 220 on freight wagons and \$566 113 on passenger interchange

A summary of unsecured loans made since 1974-75 to private bus operators and repayments of these loans at 30 June 1979 follows:

	\$	\$
LOANS FROM		
<i>(a) Transport Fund—</i>		
Unsecured loans under Government Concessional Loan Scheme	1 476 866	
Unsecured loans for dial-a-bus services	45 900	
Secured loans for buses purchased following closure of poorly-patronised country passenger rail services	384 814§	
	<u>1 907 580</u>	
Less Repayments	500 771	1 406 809
<i>(b) Works and Services Account—</i>		
Unsecured loans under Government Concessional Loan Scheme	3 394 698	
Less Repayments	498 134	
	<u>2 896 564</u>	
Total Outstanding		<u>4 303 373</u>

§ Secured by chattel mortgages, a second mortgage and debenture deeds

There were no instalments in arrears in respect of advances from either the Transport Fund or the Works and Services Account. (For reference to loans to private bus operators from Works and Services Account see page 166 of this Report).

Funds from Commonwealth Sources

Commonwealth financial assistance for transport planning and research projects is being provided by way of non-repayable grants under the Commonwealth's *Transport Planning and Research (Financial Assistance) Act 1977*.

Payments by the Ministry charged to the Commonwealth Transport Planning and Research (Financial Assistance) 1977 Trust Account during 1978-79 were \$246 888 compared with \$314 834 for 1977-78.

The amounts actually recoverable from the Commonwealth in respect of payments on approved projects will not be fully determined until audit certified statements have been submitted by the Ministry to the Commonwealth.

State Bicycle Fund

During 1978-79, the Treasurer approved the establishment of the abovementioned Trust Account within the Trust Fund at the State Treasury for the purpose of recording receipts and payments of funds relating to the operation of the Bike Plan.

An amount of \$350 000 was provided from the Works and Services Account during the year and credited to the State Bicycle Fund.

A summary of transactions for the year in respect of the Trust Account is given hereunder:

	\$	\$
RECEIPTS—		
Works and Services Account		350 000
PAYMENTS—		
Construction of Bicycle Tracks	148 872	
Consultants' Fees	85 763*	
Promotion Material	41 855	
Publicity	23 017	
Equipment	21 168†	
Miscellaneous	1 246	
	<hr/>	321 921
Balance 30 June 1979		<hr/> 28 079 <hr/>

* \$27 687 for Melbourne Strategy Plan and \$58 076 for the Geelong Bicycle Plan

† Expenditure on equipment included \$10 529 for bicycle safety flags purchased for re-sale to the public at Geelong by the Geelong Bicycle Committee

The question of the accounting for proceeds from the sale of flags to the Ministry of Transport is at present being taken up with the Geelong Bicycle Committee by officials at the Ministry.

In addition, bicycle lockers were purchased for \$16 700 and have been installed at Box Hill, Nunawading and Mitcham railway stations in Melbourne. These lockers are being made available for public hire by the Railways.

Railway Construction Board

The Board consists of the Minister of Transport and was incorporated under the provisions of the *Railways Act* 1958.

The principal function of the Board is the construction and completion of all lines of railway which Parliament may authorise to be constructed.

The Victorian Railways Board processes all financial transactions for the Board, for which service an accounting fee is charged. Payments from the Consolidated Fund and Trust Fund during the past two years are summarised hereunder.

	1977-78	1978-79
	\$	\$
VOTE—		
Salaries and Allowances	185 616	178 475
Overtime and Penalty Rates	124	195
Payments in Lieu of Long Service Leave	4 068	..
General Expenses	7 359	7 711
Payroll Tax	7 541	7 516
Workers Compensation .. .. .	..	*97 363
Rent of Office Accommodation	23 281	23 991
	<hr/>	<hr/>
	227 989	315 251
WORKS AND SERVICES ACCOUNT	1 353 956	1 432 000
TRANSPORT FUND	271 101	140 218
	<hr/>	<hr/>
	1 853 046	1 887 469

* Includes premiums not previously paid from 1973-74 to 1977-78

Payments from the Works and Services Account include the acquisition of properties for the proposed Eastern Railway and general surveys. Transport Fund payments relate to works at Box Hill and Frankston Transport Centres.

TRANSPORT REGULATION BOARD

The functions of the Transport Regulation Board are to improve and co-ordinate transport and, for these purposes, it has, pursuant to the provisions of the *Transport Regulation Act 1958*, and Part I. of the *Commercial Goods Vehicles Act 1958*, jurisdiction over all commercial goods and passenger vehicles operating within the State. Fees (other than road charges) and fines under those Acts and fees under the Motor Car Act for the registration of certain omnibuses are paid into the Transport Regulation Fund. Costs of administration and other authorised charges are met therefrom. The balance in the Fund at 30 June 1979 was \$597 005.

Transport Regulation Fund

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

1977-78	1978-79
\$	\$
1 447 261	1 127 626
RECEIPTS	
5 617 515	5 818 412
256 861	300 802
1 091 826	1 171 861
58 607	63 392
2 327	2 245
409 810	405 713
90 627	76 222
36 600	..
	7 838 647
9 011 434	8 966 273
PAYMENTS	
6 347 249	6 547 123
525 392	721 900
181 188	97 277
407 020	594 008
102 097	92 703
158 094	221 287
239 298	152 093
680 908	702 713
13 270	20 929
8 654 516	9 150 033
	\$
	Less Recoup—
	Costs of Collection—
172 637	191 686
598 071	589 079
	780 765
7 883 808	8 369 268
1 127 626	597 005

Total fees collected under the provisions of the *Transport Regulation Act 1958* and Part I. of the *Commercial Goods Vehicles Act 1958* were \$7 354 467, an increase of \$329 658 compared with the previous year.

The *Ministry of Transport (Transport Fund) Act 1974* requires the Board to pay into the Transport Fund 10 per cent. of the total fees (including fees relating to licences) paid into the Transport Regulation Fund during the preceding financial year. An amount of \$702 713 was paid into the Transport Fund during 1978-79.

Road Charges—Part II. of the *Commercial Goods Vehicles Act* 1958 required the owners of commercial goods vehicles with a load capacity in excess of 4·1 tonnes to pay to the Board specified road charges by way of compensation for wear and tear caused by such vehicles to public highways and directed 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 1978–79 was \$9 587 040 compared with \$9 819 473 in the previous year.

Pursuant to Section 12 of the *Business Franchise (Petroleum Products) Act* 1979, Road Charges ceased from 1 July 1979. However, in a circular dated 2 May 1979, issued by the then Secretary to the Law Department, Courts were requested to stay all proceedings in relation to the execution of fines and orders made under Part II. of the said Act, or any corresponding interstate enactment. I am unable to estimate the total loss of revenue for 1978–79 as a result of the decision to stay proceedings in relation to the collection of moneys under Part II. of the *Commercial Goods Vehicles Act* 1958 prior to 1 July 1979.

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 fees collected by the Board during 1978–79 amounted to \$1 026 450, compared with \$1 036 063 in 1977–78. The costs of collection and administration recouped were \$191 686, compared with \$172 637 in 1977–78.

TREASURY DEPARTMENT

The Treasury, as the central accounting office of the State, is responsible for the administration and control of the State's finances. These responsibilities include the supervision of the accounts of each Department, which are considered as subsidiary to the relevant record in the Treasury, and the preparation of the Treasurer's Annual Statement of the receipts and payments of the Consolidated Fund and the Trust Fund.

Within the Treasury Department, also, are the following Offices and functions:

- Tender Board;
- State Superannuation Board of Victoria Administration;
- Taxation Office; and
- Stamp Duties Office.

The Government Printing Office, previously administered by Treasury, was transferred to the Department of Property and Services during December 1978.

Treasury

Administration—Costs of administration of the Treasury proper charged to the Consolidated Fund for the past two years were:

	1977-78	1978-79
	\$	\$
VOTE		
Treasury—		
Salaries and Allowances	1 368 426	1 386 216
Overtime and Penalty Rates	24 983	29 762
Payments in lieu of Long Service Leave	83 456	30 308
E.D.P. expenses	104 375	91 176
General expenses	148 399	135 146
Payroll Tax	69 498	73 210
Workers Compensation	18 991	17 233
Other Services—		
Payment to State Insurance Office in respect of Workers' Compensation Insurance Premiums for Government employees (excluding Railways, State Rivers and Water Supply Commission and Forests Commission)	14 183 276	13 812 169
Payment to Government Printing Office equivalent to revenue paid to Consolidated Fund	11 112 395	13 901 954
Payment of commission in respect of Tattersall Consultations to Governments of New Zealand, Northern Territory and Tasmania	1 953 972	2 887 208
Contributions to—		
Victorian Natural Disasters Relief Account	3 500 000	10 500 000
Special Youth Employment Training Program Trust Account	1 350 000	1 160 000
Half cost of consideration for Melbourne Wholesale Fruit and Vegetable Market .. .. .	.. .. .	683 014
Miscellaneous (including grants and contributions to appeals, social organisations etc. as detailed on pages 73 to 77 of the Treasurer's Statement)	1 698 780	1 553 055
	35 616 551	46 260 451

Payments to the Commonwealth Government on account of Loans and Advances—Payments under this head, for which provision was made under Vote Division 401, represent debt charges due to the Commonwealth on account of loans made to, or through, the State for specific purposes.

Details are:

	1977-78	1978-79
	\$	\$
Housing (Commonwealth-State Housing Agreement (Servicemen) and Commonwealth's <i>Housing Assistance Act 1973</i>)	1 937 916	2 010 449
Shepparton Preserving Company	662 813	626 062
Marginal Dairy Farms	1 206 235	1 692 699
Dartmouth Dam	758 581	842 725
Rural Reconstruction	3 233 398	4 054 385
Sewerage Program	7 372 430	7 385 570
<i>States Grants (Fruit Canneries) Act 1976</i>	903 358	486 631
<i>States Grants (Beef Industry) Act 1975</i>	6 442	143 459
<i>Softwood Forestry Agreement Act 1972</i> .. .. .	..	20 753
<i>Lands Commission (Financial Assistance) Act 1973—Emerald Hill</i> ..	..	320 966
	16 081 173	17 583 699

With the exception of Dartmouth Dam, and Softwood Forestry, these amounts have been recouped or are subject to recoup, in whole or in part, from the authorities or bodies involved.

Payroll Tax—In 1978-79, payroll tax is included as an item in Departmental Votes whereas, in past years, the total charge has been recorded in the Treasury Vote.

Tender Board

The main function of the Tender Board is to arrange for the procurement and transport of stores for the Public Service. Expenses of transport and cartage are provided in the Tender Board Vote.

Payments of the Board met from the Consolidated Fund in the past two years were:

	1977-78	1978-79
	\$	\$
VOTE		
Tender Board—		
Salaries and Allowances	110 241	101 953
Overtime and Penalty Rates	1 327	3 134
Payments in lieu of Long Service Leave .. .. .	..	10 825
General expenses	17 113	18 812
Transport and Cartage	484 998	647 984
Treasury—		
Payroll Tax	5 444	5 433
Workers Compensation	1 572	1 349
	620 695	789 490

State Superannuation Board of Victoria

In accordance with the provisions of the *Superannuation Act* 1958, the cost of administration of the Board is met from the Consolidated Fund.

Costs of administering the Board for the past two years are shown hereunder:

	1977-78	1978-79
	\$	\$
VOTE		
State Superannuation Board—		
Salaries and Allowances	883 836	927 824
Overtime and Penalty Rates	45 735	26 612
Payments in lieu of Long Service Leave	3 974	5 806
Electronic Data Processing expenses	428 162	599 929
Medical Expenses	60 807	209 120
General Expenses	201 551	212 644
Other Services	66 750	66 582
Treasury—		
Payroll Tax	45 442	49 346
Workers Compensation	12 285	11 260
Public Works—		
Rent of Premises	121 370	156 909
	1 869 912	2 266 032

The increase in the cost of Medical Expenses is due to the increased use of private medical practitioners over and above the service provided by the government medical and schools medical officers.

Included in the sum of \$599 929 for Electronic Data Processing expenses were several payments to the Local Authorities Superannuation Board for the expenses of operating a Service Bureau and for other services on behalf of the State Superannuation Board.

Evidence was not produced by the State Superannuation Board of the calling of tenders or of the authorisation by the Governor-in-Council for these services as required by the *Public Accounts and Stores Regulations* 1958.

Further comment in respect of other aspects of the computerised procedures adopted by the State Superannuation Board and of the operations of the Superannuation Funds administered by the Board will be made in my Supplementary Report.

Taxation Office

The responsibilities of the Taxation Office include the collection of probate duty, land tax and gift duty. Details of collections from these sources were given earlier in this Report under the general head of Receipts (page 14).

Costs of administration of the Office for the past two years were:

	1977-78	1978-79
	\$	\$
VOTE		
Taxation Office—		
Salaries and Allowances	2 500 692	2 707 253
Overtime and Penalty Rates	50 807	121 270
Payments in lieu of Long Service Leave	36 846	20 318
E.D.P. expenses	273 300	299 997
Municipal Valuations	1 702 600	114 083
General expenses	162 567	207 238
Treasury—		
Payroll Tax	125 367	146 242
Workers Compensation	35 154	31 555
WORKS AND SERVICES ACCOUNT—		
E.D.P. design expenses	1 126 901	1 474 583
	6 014 234	5 122 539

As the statutory updating of valuations generally in the metropolitan area was carried out during 1977-78, a significant decrease in the cost of Municipal Valuations is reflected in 1978-79.

Stamp Duties Office

The Stamp Duties Office is responsible for the collection of payroll tax and stamp duty. Details of collections were given earlier in this Report under the head of Receipts (pages 14 and 20). Costs of administration of the Office for the past two years were:

	1977-78	1978-79
	\$	\$
VOTE		
Stamp Duties Office—		
Salaries and Allowances	2 278 595	2 568 187
Overtime and Penalty Rates	14 059	16 074
Payments in lieu of Long Service Leave	21 095	9 142
E.D.P. expenses	15 261	16 916
Commission on sale of duty stamps	306 048	399 774
General expenses	309 908	389 174
Treasury—		
Payroll Tax	107 484	133 615
Workers Compensation	29 584	28 354
WORKS AND SERVICES ACCOUNT—		
E.D.P. expenses .. .. .	..	30 159
	3 082 034	3 591 395

WATER RESOURCES AND WATER SUPPLY

Ministry of Water Resources and Water Supply

The Ministry of Water Resources and Water Supply was established under the provisions of the *Water Resources Act 1975*. The Ministry consists of:

- (i) the Minister of Water Supply;
- (ii) the Water Resources Council; and
- (iii) the Director of Water Resources and such other officers and employees as are necessary to carry out the functions of the Ministry.

Duties of the Minister include the determination of the means by which the water resources of Victoria can be conserved, developed and utilised to best advantage and promotion of the extension and development of sewerage and drainage services.

Functions of the Water Resources Council are to investigate and advise the Minister generally on matters pertaining to the water resources of the State or to water supply, drainage or sewerage throughout the State.

Funds for the purposes of the Ministry were provided in the annual Appropriation Act. Payments for the past two years are shown hereunder:

	1977-78	1978-79
	\$	\$
Salaries and Allowances	129 382	142 940
General expenses	40 988	61 223
Other Services—Drainage Tribunal, Chairman's salary and members' fees	16 776	17 896
	187 146	222 059

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 specialised agency of the United Nations Organization, to assist with, or carry out, developmental works in any country, State or Territory outside Victoria.

Cash Summary

Details of the cost to the Consolidated Fund of country water supply and country sewerage are set out in the statement below:

1977-78	Country Water Supply	1978-79	Country Sewerage	Total
\$	\$	\$	\$	\$
PAYMENTS				
CHARGED TO THE CONSOLIDATED FUND—				
<i>Special Appropriation—</i>				
2 153 528	Pensions	2 535 345	..	2 535 345
1 252 624	National Debt Sinking Fund	1 313 616	..	1 313 616
39 054 220	Interest	43 089 610	..	43 089 610
34 418	Exchange	25 796	..	25 796
13 268	Loan Conversion Expenses	22 691	..	22 691
350 923	Water Supply Maintenance and Renewals Account	541 912	..	541 912
19 999	I.D.M.E.R. Account	2 629	..	2 629
<i>Vote—</i>				
22 137 141	Salaries and Allowances	23 592 802	10 588	23 603 390
37 471	Overtime and penalty rates	37 441	..	37 441
599 679	Long Service Leave	559 205	..	559 205
1 774 901	Payroll Tax	1 894 770	..	1 894 770
726 540	Workers Compensation	668 066	..	668 066
3 383 189	General expenses	3 762 297	13 765	3 776 062
7 995 780	Interest subsidies	2 626 623	7 229 019	9 855 642
529 000	Coliban District	569 640	..	569 640
5 480 135	Irrigation and Drainage Districts	5 714 050	..	5 714 050
3 168 300	Waterworks Districts	3 715 453	..	3 715 453
106 736	Flood Protection Districts	117 036	..	117 036
163 826	Removal of Sand Drift	168 097	..	168 097
171 500	Private Diversions including Headworks	146 154	13 061	159 215
<i>Works and Services Account—</i>				
8 997 858	Trusts etc. (for advances)	6 170 000	3 900 000	10 070 000
37 558 280	Districts	27 726 612	..	27 726 612
150 430	Plant and Machinery	92 370	..	92 370
135 859 746	Total Payments	125 092 215	11 166 433	136 258 648
<i>Less RECEIPTS</i>				
<i>Debt Charges—</i>				
3 814 135	Water Trusts and other Corporations etc.	2 272 429	1 105 483	3 377 912
<i>Rates etc.—</i>				
1 578 706	Coliban	2 050 967	..	2 050 967
12 943 417	Irrigation Districts	13 388 825	..	13 388 825
3 612 951	Waterworks Districts	4 134 211	..	4 134 211
289 229	Rural Districts	333 779	..	333 779
7 382 109	Urban Districts	8 100 913	..	8 100 913
161 857	Flood Protection Districts	195 797	..	195 797
819 788	Miscellaneous	1 155 616	..	1 155 616
23 218	Sewerage Districts .. .. .	..	21 769	21 769
10 072 479	Recoup of amounts paid from the Consolidated Fund	10 593 898	..	10 593 898
1 088 130	Loan Repayments	844 694	56 880	901 574
41 786 019	Total Receipts	43 071 129	1 184 132	44 255 261
94 073 727	Net Outgoing	82 021 086	9 982 301	92 003 387

The major factors contributing to the decrease of \$2 070 340 in the net outgoings, compared with the previous year, were:

- (a) increases in rate collections; and
- (b) decreases in payments from the Works and Services Account.

These factors were partly offset by a general increase in other expenditure.

Details thereof and other relevant comments are made in the following paragraphs:

(a) *Rate Collections*

Collections from various water districts increased overall by \$2 570 602 and resulted from:

- (i) generally higher rate charges in Urban and Waterworks districts, and
- (ii) reduction of total arrears from \$5 575 021 in 1977-78 to \$4 592 036 in 1978-79.

A dissection of the total collectable sum in each of the past two years and the amounts owing at 30 June 1979 is given in the statement hereunder:

	<i>Total Collectable</i>		<i>Arrears</i>
	<i>1977-78</i>	<i>1978-79</i>	<i>30 June 1979</i>
	\$	\$	\$
Coliban Districts	1 856 085	2 152 206	129 276
Irrigation Districts	16 688 761	15 291 714	2 540 069
Waterworks Districts	4 021 623	4 491 766	450 761
Rural Districts	350 757	390 777	60 105
Urban Districts	8 382 243	9 370 437	1 306 570
Flood Protection Districts	191 976	212 978	26 812
Sundries	748 666	1 113 338	78 443
	<u>32 240 111</u>	<u>33 023 216</u>	<u>4 592 036</u>

Excluding sundry Head Office collections, the collection of current assessments, expressed as a percentage of the total current amount collectable was 86.7 per cent in 1978-79, compared to 82.3 per cent. in the previous year.

(b) *Works and Services Account*

There was an overall reduction in payments of \$8 817 586 from the Works and Services Account compared with the previous year. This was caused, in the main, by the reduced contribution to the River Murray Commission, due to the winding down of construction on the Dartmouth Dam project.

Payments from the Works and Services Account included the sum of \$24 154 492 in respect of works undertaken by the Commission. The main items were:

Mornington Peninsula System—	\$
Installation, enlargement, and extension of main supply works, pipelines and reticulation	5 862 778
Lake Merrimu—	
Construction Project—Stage 2	1 479 99
Irrigation Districts—	
Principally the construction of main channels and drainage works	5 850 405

In addition to the payments shown above, payments were made for works financed by the Commonwealth as follows:

	\$
Apprentices Employment Scheme	6 560
Water Resources Measurement	1 528 617

(c) *Increases in Payments*

The table below shows a comparison, with the previous year, of major items of payments which have substantially increased due to a general rise in costs.

	1977-78	1978-79	Increase
	\$	\$	\$
Interest	39 054 220	43 089 610	4 035 390
Interest Subsidies	7 995 780	9 855 642	1 859 862
Salaries	22 137 141	23 603 390	1 466 249
Waterworks	3 168 300	3 715 453	547 153
General Expenses	3 383 189	3 776 062	392 873
Pensions	2 153 528	2 535 345	381 817
Irrigation	5 480 135	5 714 050	233 915

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 1978-79 was \$2 629, and this sum was provided from Consolidated Fund by way of Special Appropriation.

Water Supply Maintenance and Renewals Account

The main purpose of this Account is to provide moneys for the cost of maintenance and renewal works in urban and rural districts, and the Bellarine Peninsula, Otway, and Mornington Peninsula waterworks 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 districts at the end of the last preceding financial year.

Pursuant to the provisions of Section 83A of the *Water Act* 1958, the Auditor-General is required to certify to such cash surpluses. The amount of surpluses so certified in 1978-79 was \$541 912 and this sum was provided from the Consolidated Fund by way of Special Appropriation.

Water Supply Stores Suspense Account

Up to and inclusive of 30 June 1979, funds amounting to \$3 212 000 have been made available from the Works and Services Account for the purpose of financing the Water Supply Stores Suspense Account.

In the Treasurer's Trust Fund statement, the balance at credit of the Water Supply Stores Suspense Account is shown as \$849 490. This amount is represented in the Commission's accounts by:

Credit Balances of Hire Plant Accounts	\$
Less increase in District Stocks	909 665
	60 175
	849 490

The balances of Hire Plant Accounts, which 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.

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

According to Commission records, the book values of plant, tools and general stores at 30 June 1979 were:

	<i>Plant</i>	<i>Tools and Stores</i>
	\$	\$
At Construction Works	109 209	449 526
Stores Suspense Accounts (Depots)	303 370	2 471 765
At Central Plant Workshops (Suspense Accounts)	72 107	466 493
At Central Plant Workshops pending transfer or disposal	3 895	122 749

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

Water Supply Plant and Machinery Depreciation Fund

Payments 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 \$92 370. The capital liability at 30 June 1979 in respect of this class of plant and machinery was \$4 099 271.

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 30 June 1979, the balance in the Fund for the replacement of hire plant and machinery was \$2 128 969.

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 any flood protection, drainage or waterworks district (other than the Bellarine Peninsula, Otway, and Mornington Peninsula waterworks 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 1978-79 was \$19 004. However, in recent years, no payment has been made to the Fund and, at 30 June 1979, no balance was held in the Fund. At the same date, the balance of the Account was \$780 854.

Victorian Natural Disasters Relief Account

Payments totalling \$369 169 were charged to this Account by the Commission and

represented, mainly, grants for flood restoration works to River Improvement Trusts.

Water Supply Development Account

The *Water Act* 1958 as amended by the *Local Government (Subdivision of Land) Act* 1973 provided for the establishment in the Treasury, as part of the Trust Fund, of an account to be called the Water Supply Development Account.

Contributions received by the Commission from land-holders towards the cost of the Commission's headworks and distribution systems are required to be paid into the Account. Moneys paid into the Account may, with the approval of the Minister, be applied towards works of water supply to augment or extend the headworks and distribution system in respect of which the money was received.

Receipts of the Account during the year amounted to \$1 396 433. Payments therefrom totalled \$1 415 442. The balance of the Account at the close of the year was \$2 131 480.

OTHER ACTIVITIES

River Murray Commission

The agreement made under the provisions of the *River Murray Waters Act* 1915 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, made payments in 1978-79 on these works amounting to \$11 325 475, including an amount of \$10 427 840 on the construction of Dartmouth Dam.

In 1978-79, under the authority of Water Supply Works and Services Acts Nos. 9053 and 9209, Victoria contributed \$1 925 575 for the construction of works, bringing the State's total contribution for construction at 30 June 1979, to \$43 917 825. 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 connection 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.

Dartmouth Dam Construction Account

This Account was established by the Treasurer under the authority of Section 8 of the *Public Account Act* 1958 to record receipts and payments in relation to the construction of Dartmouth Dam. In the year, receipts, representing recoups of expenditure from the River Murray Commission, amounted to \$9 523 424 and payments to \$10 427 840. The balance in the Account at 30 June 1979 was \$101 784.

State Rivers and Water Supply Commission 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 \$2 888 218 and payments to \$2 641 887. The balance in the Account at 30 June 1979 was \$1 168 799.

Rivers and Streams Fund

The *River Improvement Act* 1958 prescribes that there shall be kept in the Treasury an account to be called the "Rivers and Streams Fund". Legal requirements relating to the payments to the Fund and the application of the moneys in the Fund are detailed in Section 40 of the Act.

During the year under review, receipts and payments were \$149 077 and \$95 870 respectively. The balance in the Fund at 30 June 1979 was \$270 880.

Other Accounts

During the year under review, the following new Accounts were opened:

National Water Resources Program Trust Account.

Tanjil Dam Construction Trust Account.

Details of the purposes for which the Accounts were established and fund movements are to be found on page 35 of this Report.

Waterworks Trusts

Supervision of the 187 constituted 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.

Trust Secretaries, generally, meet their statutory responsibility to prepare accounts in a satisfactory manner. However, some Secretaries have consistently failed to have accounts ready for audit. I have advised the Commission of the problem and the Commission has written to the Chairman of each Trust requesting that he draw his Secretary's attention to the matter.

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 Trust's 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. Payments under this heading totalled \$2 515 548, including \$139 255 to the Geelong Waterworks and Sewerage Trust and \$116 692 to the Latrobe Valley Water and Sewerage Board.

In 1978-79, advances to various Trusts by the State amounted to \$3 559 154. Repayments on account of advances amounted to \$198 734 and certain Trusts were relieved of liability to the extent of \$1 222 766. 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 \$2 137 654. Details are listed in the Treasurer's Finance Statement on pages 205 to 215.

River Improvement Trusts

The accounts of 27 River Improvement Trusts and 4 Drainage Trusts, which are constituted under the *River Improvement Act* 1958, are subject to audit by my officers, as required by the provisions of the Act.

Similarly to Waterworks Trusts, interest in excess of 3 per cent. on loans raised by the Trust, to finance works construction, is recouped by the State. The amount provided by the State for 1978-79 was \$1 886.

On page 204 of the Treasurer's Finance Statement is shown the position of advances made to the various Trusts. For the year 1978-79, advances totalled \$1 070 000, repayments in respect of advances amounted to \$6723 and certain Trusts were relieved of liability to the extent of \$919 080 which the Governor in Council directed be borne by the State. The net increase in the Trusts' indebtedness for State loans was \$144 197.

Country Sewerage

In addition to its function of administering the Water Act, the Commission exercises general supervision over 131 Sewerage Authorities. With the exception of the Eildon Sewerage Authority, which was constituted under the provisions of the Water Act, the accounts of the Authorities are not subject to my audit.

Where capital works have been financed by the Authorities from private loans, raised under the provisions of the *Sewerage Districts Act* 1958, interest in excess of 3 per cent. on such loans is recouped to the Authorities by the State. Payments under this heading for the year were \$7 229 019.

Advances by the State for capital works in 1978-79 totalled \$3 300 000. Total loans to 30 June 1979 are listed on pages 202 and 203 of the Treasurer's Finance Statement. Repayments in respect of advances amounted to \$29 840 and certain Authorities were relieved of liability to the extent of \$3 300 000, which the Governor in Council directed be borne by the State. The net decrease in the Authorities' indebtedness for State loans was \$29 840.

YOUTH, SPORT AND RECREATION

The objects of the Department of Youth, Sport and Recreation, established under the provisions of the the *Youth, Sport and Recreation Act 1972*, are stated in the Act as:

- (i) to assist in the growth of the individuality and character of the youth of Victoria;
- (ii) to promote the fitness and general health of the people of Victoria; and
- (iii) to improve the facilities available to the people of Victoria for leisure-time pursuits.

The *Youth, Sport and Recreation (State Recreation Council) Act 1977* transferred the functions of the National Fitness Council to the Department. An additional trust fund, namely, the Recreation Operating Fund, was established in the Treasury to record the operations of this new function of the Department.

The Department is also responsible for the administration of the *Racing Act 1958*.

Payments charged against the Consolidated Fund related almost solely to the administrative costs of the Department. Payments for the past two years are compared hereunder:

	1977-78	1978-79
	\$	\$
SPECIAL APPROPRIATION		
Racing—amount required to provide for minimum dividend of 50 cents	93 836	102 288
VOTE		
Youth, Sport and Recreation—		
Salaries and Allowances	781 614	804 874
Overtime and Penalty Rates	4 003	3 697
Payments in lieu of Long Service Leave	6 325	4 926
General Expenses	162 495	183 471
Payroll Tax	48 253	43 080
Racing Administration (including salaries, allowances and general expenses)	255 312	262 308
Treasury—		
Workers Compensation	13 481	12 515
Public Works—		
Rent of Premises	216 657	201 153
WORKS AND SERVICES ACCOUNT		
Municipal Subsidies—Rural Employment	201 316	1 035 553
	1 783 292	2 653 865

Trust Accounts

Youth, Sport and Recreation

The *Youth, Sport and Recreation Act 1972* and the *Youth, Sport and Recreation (State Recreation Council) Act 1977* established in the Treasury, as part of the Trust Fund, 4 Funds through which various departmental services and projects are administered. Some of the projects are partly financed by the Commonwealth. Brief comments on each of the 4 Funds are given in the following paragraphs.

Youth Fund

The Fund's share of off-course totalizator receipts, as determined by the Treasurer amounted to \$2 184 000 in 1978-79 compared with \$2 130 000 in 1977-78. In 1978-79, \$2 208 353 was expended from the Fund, an increase of \$176 617 over the previous year. Payments consisted mainly of:

	1977-78	1978-79
	\$	\$
Grants to Youth Organisations for buildings, operating expenses and leadership training	728 916	822 752
Youth Programs	247 588	342 794
Municipal Recreation Officers—Salary Subsidies	230 618	267 612
Community School and School Holiday Programs	180 382	248 648
Youth, Family and National Fitness Council Camps	327 921	175 421
Youth Conferences	112 000	103 770
Community Recreation Advisers—Salaries	83 231	102 113

At 30 June 1979, the balance of the Fund was \$606 196.

Sports and Recreation Fund

The receipts of the Fund for the past two years are summarised below:

	1977-78	1978-79
	\$	\$
Share of off-course and Tabella Totalizators	4 685 335	4 778 573
Special Appropriations under the Tattersall Consultation Act	968 101	1 284 320
Commonwealth Contributions	450 525	91 641
Other receipts	9 130	10 706
	<u>6 113 091</u>	<u>6 165 240</u>

Payments were \$5 950 517 in 1977-78 and \$6 896 448 in 1978-79. A detailed comparative statement of the main payments from the Fund appears below:

	1977-78	1978-79
	\$	\$
Assistance to Municipalities—		
Major Capital Projects—Grants	3 010 682	2 340 454
Loans	384 500	631 750
Municipal Recreation Officers—Salary Subsidies	230 618	267 612
State Indoor Sports and State Swimming Centre	407 910	1 471 450
Allocation to Recreation Development Division—		
Recreation Operating Fund .. .. .	.. .. .	622 500
National Fitness Council	492 031	*75 000
Grants to parent sporting and recreation associations for sports and recreation development	430 413	456 382
“Life Be In It”—		
Salaries	52 724	95 751
Other	48 720	82 095
Life Saving Organisations	156 033	164 436
Special Provisions (including Maintenance grants to Royal Agricultural Society, Yarra Bend and Albert Parks)	147 973	125 781
Community Recreation Advisers—Salaries	83 231	101 113
Cycle Paths	146 304	40 958
Special Grants	101 523	26 426

The balance of the Fund at 30 June 1979 was \$5 108 901.

Loans to Municipalities outstanding at 30 June 1979 totalled \$1 136 250.

* Allocated prior to amalgamation of National Fitness Council with the Department

Recreation Operating Fund

As already indicated this Fund was established during the year. Receipts of the Fund amounted to \$1 098 785 and comprised the following:

	\$
Transfer from Sports and Recreation Fund	622 500
Camp Fees	343 325
Recreation Activities Fees	117 162
Other receipts	15 798
	1 098 785

Payments totalled \$1 031 528 and consisted, mainly, of expenditure on the following items:

	\$
Administrative Salaries	390 498
Camps	392 075
Recreation Activities	149 283

The balance of the Fund at 30 June 1979 was \$67 257.

Australian Football Fund

Moneys credited to the Fund, being its share of off-course totalizator and Tabella totalizator receipts, amounted to \$166 788 in 1978-79 compared with \$150 791 in 1977-78. All payments from the Fund were to the Junior Football Council of Victoria to enable it to conduct its programs and cover its administrative costs. Payments from the Fund in 1978-79 amounted to \$174 541 (\$201 522 in 1977-78). The balance of the Fund at 30 June 1979 was \$5 516.

Racing

The Race-courses Licences Board and the Greyhound Racing Grounds Development Board, constituted under the *Racing Act 1958*, administer the Race-courses Development Fund and the Greyhound Racing Grounds Development Fund respectively. Details of the operation of the Funds for the last two years are summarised below:

Race-courses Development Fund

	Division		Division	
	Racing 1977-78	Trotting 1977-78	Racing 1978-79	Trotting 1978-79
	\$	\$	\$	\$
RECEIPTS				
Share of off-course totalizators	2 537 328	914 677	2 616 418	918 145
Interest on Investments	78 590	90 847	67 493	30 252
Loan Repayments	54 771	5 000	61 847	8 000
	2 670 689	1 010 524	2 745 758	956 397
PAYMENTS				
Improvements—Grants	3 288 290	1 784 092	2 410 402	1 228 319
Loans	64 185	14 261	251 500	10 000
Administrative Expenses	60 182	30 356	80 652	25 002
	3 412 657	1 828 709	2 742 554	1 263 321
Balance 30 June	1 511 658	710 711	1 514 862	403 787
Loans to Clubs outstanding at 30 June	1 740 331	365 382	1 929 984	367 382

Greyhound Racing Grounds Development Fund

	<i>1977-78</i>	<i>1978-79</i>
	\$	\$
RECEIPTS		
Share of off-course totalizators	569 849	575 266
Interest on Investments	36 339	29 809
	<hr/> 606 188	<hr/> 605 075
PAYMENTS		
Improvements—Grants	608 058	694 712
Administrative Expenses	30 929	25 633
	<hr/> 638 987	<hr/> 720 345
Balance 30 June	<hr/> 589 218	<hr/> 473 948

Other

School Vacation Care Program (Commonwealth) Trust Account

During 1978-79, \$250 582 was expended in providing grants to organisations providing vacation care programs. The comparative figure for 1977-78 was \$215 392

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. 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, authorised and unauthorised by statute, showing the contingent liability of the State under each guarantee at 30 June 1979, together with comparative figures at 30 June 1978.

	1978			1979		
	Number	Guarantee	Contingent Liability	Number	Guarantee	Contingent Liability
Unauthorised by Statute						
Ballarat Agriculture and Pastoral Society	1	7 000	7 000	1	7 000	7 000
Ballarat City Council	1	50 000	50 000	1	50 000	50 000
Bendigo City Council	1	20 000	20 000	1	20 000	20 000
Olympic Park Committee of Management	9	3 190 000	2 752 500	11	3 570 000	3 101 250
Royal Agricultural Society of Victoria	2	530 000	504 662	2	530 000	497 225
Preston Institute of Technology	1	80 000	70 061	1	80 000	65 146
Swan Hill Pioneer Settlement Authority	1	175 000	175 000	1	175 000	175 000
	16	4 052 000	3 579 223	18	4 432 000	3 915 621
Authorised by Statute						
Co-operative Housing Societies*	6 977	253 336 724†	99 289 913‡	7306	305 595 767	123 705 307‡
Co-operative Housing Societies..			268 916 674‡			290 149 635‡
Co-operative Societies..	607	10 449 121	6 818 200	617	13 886 053	9 605 440
Home Finance Trust	225	37 139 302	27 600 857	233	43 440 962	31 054 448
Melbourne Wholesale Fruit and Vegetable Market Trust	1	50 000	50 000	1	50 000	50 000
Alfred Hospital	2	1 500 000	1 500 000	2	1 500 000	1 500 000
Carlton Cricket and Football Social Club	3	1 300 000	1 213 699	3	1 300 000	1 231 312
Essendon and District Memorial Hospital	2	370 000	363 755	2	370 000	357 169
Essendon Recreation Reserve Committee Limited	2	250 000	232 295	3	450 000	423 643
Melbourne Cricket Club	11	2 550 000	2 190 377	11	2 550 000	2 157 465
Royal Melbourne Hospital Board	2	1 000 000	970 854	2	1 000 000	951 732
Royal Women's Hospital	8	3 300 000	3 336 343	8	3 300 000	3 360 056
Security of Solicitors Guarantee Fund (Law Institute)	4	2 000 000	2 000 000	4	2 000 000	2 000 000
Shire of Donald	4	450 000	431 534	4	450 000	415 748
Sisters of Mercy Property Association	3	800 000	399 772	3	800 000	305 162
Trustees of the Sisters of Charity of Australia	8	5 550 000	4 752 345	8	5 550 000	4 570 070
St. Vincent's Hospital	2	1 800 000	1 400 000	3	2 350 000	2 341 000
Albury-Wodonga (Victoria) Corporation	1	250 000	250 000	6	1 750 000	1 747 853
Alexander Home and Hospital for the Aged	1	89 000	88 220	1	89 000	87 355
Uniting Church in Australia Property Trust (Epworth Hospital)	1	17 000 000	2 000 000	1	17 000 000	12 000 000
Mildura Base Hospital	1	350 000	350 000	1	350 000	347 374
City of Benalla	2	210 000	203 276	3	310 000	294 883
Geelong Football Club Limited	1	1 600 000	500 000	1	1 600 000	1 600 000
Wangaratta District Base Hospital	1	73 000	66 857	1	73 000	65 490
Victorian Public Offices Corporation	2	1 700 000	1 700 000	3	2 450 000	2 440 000
Victorian Dairy Industry Authority	3	16 800 000	16 800 000	3	17 800 000	17 800 000
Eltham College	1	350 000	314 512	2	600 000	600 000
Decentralized Industry Housing Authority	6	3 800 000	3 729 567	7	4 400 000	4 303 768
Geelong Regional Commission	1	250 000	250 000	6	1 900 000	1 889 726
Austin Hospital	1	500 000	500 000	2	1 000 000	975 125
Co-operative Farmers and Graziers Direct Meat Supply	1	4 500 000	4 500 000	1	4 500 000	4 500 000
Teacher Housing Authority	5	1 100 000	1 039 809	5	1 100 000	1 000 094
Victorian Development Corporation	6	434 000	434 000	10	1 214 000	1 214 000
Williamstown Grammar School				1	650 000	650 000
Victorian Arts Centre Building Committee				2	1 500 000	1 500 000
Christian Community College, Portland				1	66 700	50 092
"Preshil" The Margaret Lyttle Memorial School				1	300 000	300 000
Ballarat and Queens Anglican Grammar School				2	100 000	97 108
Shire of Huntly				1	27 000	26 757
St. Andrew's Hospital				1	12 000 000	12 000 000
Victorian Egg Marketing Board				4	3 165 000	3 146 447
Procom Electronics Pty. Ltd.				1	100 000	100 000
	7 895	370 851 147	454 192 859	8 277	458 637 482	542 914 259

* Includes indemnities given under Section 76 (1) of the *Co-operative Housing Societies Act 1958*

† 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 No. 2 and the Home Purchase Assistance Account for registered Co-operative Housing Societies

This list is compiled from Treasury records which do not appear to be complete. Some exclusions are:

- (a) government guarantees in respect of borrowings by State instrumentalities and other bodies where the repayment of principal and interest is secured by the issue of debentures or stock and Parliament has specifically included such guarantees in the legislation;
- (b) guarantees in respect of borrowings by way of overdraft of certain State instrumentalities and other bodies as provided in the relevant legislation; and
- (c) sums deposited or held by way of fixed deposit with the State Savings Bank together with borrowings raised by the issue of debentures or stock.

Guarantees executed during 1978-79 in respect of borrowings by certain organisations etc. for the first time under various Acts of Parliament are detailed in the table below:

<i>Name of organisation etc.</i>	<i>Legislation details</i>	<i>Purpose of borrowings</i>
Williamstown Grammar School	<i>Educational Institutions (Guarantee) Act 1976 Section 3 (1)</i>	Construct Senior School at Laverton
Ballarat and Queens Anglican Grammar School	<i>Educational Institutions (Guarantee) Act 1976 Section 3 (1)</i>	Construction of additional school buildings
Christian Community College, Portland	<i>Educational Institutions (Guarantee) Act 1976 Section 3 (1)</i>	Construction of additional school buildings
"Preshil" The Margaret Lyttle Memorial School	<i>Educational Institutions (Guarantee) Act 1976 Section 3 (1)</i>	Purchase land and buildings for school purposes and to renovate those buildings
St. Andrew's Hospital ..	<i>St. Andrew's Hospital Act 1978 Section 2</i>	Redevelop St. Andrew's Hospital
Procom Electronics Pty. Ltd. ..	<i>Small Business Development Corporation Act 1976 Section 15</i>	To pay off balance owing to A.C.I. Ltd.
Shire of Huntly	<i>Local Government Act 1958 Section 811B (7)</i>	Purchase land for industrial purposes
Victorian Egg Marketing Board	<i>Marketing and Primary Products Act 1958 Section 20</i>	Construct new Board headquarters at Keysborough and for operating and seasonal overdrafts
Victorian Arts Centre Building Committee	<i>National Art Gallery and Cultural Centre Act 1956 Section 7A</i>	Construction of the Arts Centre

Section 95A of the *State Electricity Commission Act 1958* provides that the Commission may obtain advances on financial accommodation from any person whether in Victoria or elsewhere of such amounts, and secured or arranged in such manner and for such period as approved by the Treasurer in each particular case. Repayment of principal together with the payment of interest and other related charges is guaranteed by the Government.

The following table summarises guarantees approved by the Treasurer in accordance with Section 95A and the contingent liability at 30 June 1979 in respect of each :

<i>Contractor</i>	<i>Amount of Guarantee— Principal</i>		<i>Purpose of Advance</i>			<i>Contingent Liability</i>	
International Combustion Aust. Ltd.	\$US	21 000 000	Stage 2—Yallourn "W" Power Station			\$US	21 000 000
International Combustion Aust. Ltd.	\$A	66 000 000	Stage 2—Yallourn "W" Power Station			\$A	43 800 400
Mitsui and Co. Ltd.	Yen	4 648 989 059	Stage 2—Yallourn "W" Power Station			Yen	4 648 989 059
Mitsui and Co. Ltd.	\$US	10 800 000	Stage 2—Yallourn "W" Power Station			\$US	8 295 296
Siemens Industries Ltd.	\$US	4 200 000	Stage 2—Yallourn "W" Power Station			\$US	2 182 611
Aiton Australia Pty. Ltd.	\$US	2 400 000	Stage 2—Yallourn "W" Power Station			\$US	1 919 372
Bailey Meter Aust. Pty. Ltd.	\$US	2 100 000	Stage 2 Yallourn—"W" Power Station			\$US	640 165
Mitsui and Co. Ltd.	\$A	8 000 000	Yallourn "W" Power Station			\$A	2 400 000
Siemens Industries Ltd.	\$US	2 400 000	Yallourn Open Cut				
International Combustion Aust. Ltd.	\$US	300 000 000	Loy Yang Power Station			\$US	7 000 000
Lewis Construction Co. Pty. Ltd.	\$US	37 000 000	Loy Yang Power Station			\$US	19 700 000
Krupp (Aust.) Pty. Ltd.	\$US	47 000 000	Loy Yang Project			\$US	600 000
Althom—Atlantique S.A.	\$US	26 000 000	Jeeralang Power Station			\$US	18 064 043
Siemens Industries Ltd.	\$US	3 300 000	Jeeralang Power Station			\$US	2 345 699

A contingent liability additional to those shown in the table above is that of \$A 10 132 425 in respect of currency variations at 30 June 1979.

Disallowances and Surcharges

In conformity with the provisions of Section 47 of the *Audit Act* 1958, I furnish hereunder particulars of a surcharge not satisfied at 30 June 1979.

<i>Date</i>	<i>Department etc.</i>	<i>Amount</i>	<i>Particulars</i>
		\$	
7.7.77	Treasury—Office of the Comptroller of Stamps	8 224.00	Failure to account for moneys received and/or adhesive duty stamps. Officer resigned and recovery of the balance outstanding is being effected at the rate of \$100 per month. The sum of \$4780.49 remained unsatisfied at the close of the year.

There were no disallowances issued during the year.

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 1978–79, the Treasurer has not been acquitted to the extent of \$10 872 933 which includes an amount of \$3 178 969 advances to Departments etc. not adjusted prior to 30 June 1979.

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:

Education

Elwood Primary School Council—The Council's Treasurer was charged with 24 counts of theft and was placed on a 12 months good behaviour bond of \$5 000. He made restitution of \$8 666.

Seville Primary School Council—An internal audit report detailed irregularities resulting in a cash shortage in the school's extraneous account. The principal has agreed to repay the sum of \$1 688 at the rate of \$30 per fortnight to be deducted from his salary. Police were notified.

Northcote Technical School Council—*Glenormiston Primary School Council*—Internal audit reports detailing irregularities in the books and accounts of the above school councils were forwarded to the Chief Commissioner of Police for investigation and any necessary action. The total sums involved are not known at this stage.

Rusden State College—An audit examination of collections from sale of class material in the Media Department established a shortage in moneys accounted for from this source. A staff member repaid the sum of \$1 756 and resigned from the College.

Melbourne State College—Collections from students for college fees, photocopying deposits etc., totalling \$1659, were stolen from a desk drawer in the External Studies Department. An amount of \$952 was recovered, largely through replacement cheques. Measures have been taken to improve security since the occurrence. The balance of \$707 remains unrecovered.

Forests Commission

Division of Forest Management—A departmental committee of enquiry found that an officer had, through causes within his own control, lost a movie camera and endeavoured to use the Commission's stores system to replace it at a cost to the Commission of \$1997. The enquiry also found that the officer had an arrangement with a photographic firm where orders had been placed for the processing of the Commission's films. This arrangement provided for the officer to have the films processed, the firm to render accounts on the Commission, and the proceeds to be paid to the officer concerned less a commission. The inquiry ascertained that, between December 1975 and August 1978, a sum in excess of \$8000 was paid over by the firm in this way.

The officer met the cost of the replacement camera and resigned.

Publicity and Public Relations Office—Inquiries by Commission officers established that one of a number of addresses used by a supplier of art work and art supplies to the value of approximately \$1 000 over the past two years was that of an officer of the Commission. On receipt of further information from the Police Forensic Science Laboratory the Commission, on 2 August 1979, established a departmental committee of enquiry to investigate the matter.

Health

Maldon and District Hospital—A special audit established discrepancies in pay records which indicated a deficiency of \$88 044. The matter was referred by the Committee of Management for police investigation and the manager suspended. He was subsequently charged with offences relating to falsification of documents. Court proceedings are pending.

Edenhope and District Hospital—The hospital's auditor reported a number of irregularities in relation to payments from the Office Advance Account. The Manager has resigned but there appears to have been no further action taken at the time of preparation of this Report.

Housing Commission

Benalla Regional Office—An assistant regional manager was convicted of misappropriating sums totalling \$7 434 and placed on a 12 months good behaviour bond. Full restitution was made.

Morwell Regional Office—The sum of \$6200 was stolen from the office safe. Police were notified but investigations failed to establish responsibility. A total of \$2768 has been recovered from the re-issue of tenants' cheques included in the amount stolen.

Carlton District Office—During an armed hold-up the sum of \$3 795 was stolen from this Office. The offender was apprehended and the sum of \$3 762 recovered.

Coburg District Office—A collection van driver was held up and robbed of the sum of \$1908. Police were notified.

Agent's Office, Sale—The agent's office at Sale was broken into and a safe containing \$806 belonging to the Commission was stolen. The agent made good the amount involved.

Law Department

Titles Office and Corporate Affairs Office—Cheques from a security firm covering cash collected from the Titles Office \$14 628 and Corporate Affairs Office \$6834 were dishonoured on presentation at the bank. The firm has been placed in liquidation. The Department apparently ranks as an unsecured creditor and there appears to be little chance of recovering the sums involved.

Heidelberg Magistrates' Court—A cash clerk was charged on 6 counts of misappropriation of moneys totalling \$400, was found guilty, and fined a total of \$450. Full restitution was made and the officer resigned.

Melbourne and Metropolitan Board of Works

Cashier's Office—An employee of a security firm discovered a shortage of \$500 when collecting cash from the Cashier's Office. Police investigations failed to establish responsibility and the amount was written off against the Board's Insurance Fund.

Ministry of Conservation

Fisheries and Wildlife Division—An agent for the Ministry failed to account for moneys received for the sale of amateur fishing licences totalling \$378 and for a complete book of one-year licences with a value of \$500.

The matter was placed in the hands of the Crown Solicitor.

Police Department

Lilydale Police Station—The sum of \$773 was stolen from the Watchhouse safe. Investigations failed to establish responsibility.

Public Works Department

Canteens—A canteen manager was attacked and robbed of canteen takings totalling \$2629. Police enquiries have failed to establish responsibility and takings are now collected by a security firm.

A canteen manager was charged with the misappropriation of canteen takings totalling approximately \$1 252. He was convicted and fined \$1 000 in default 100 days gaol. Full restitution was made and the manager resigned.

Architects Branch—An architect was suspended and charged with offences relating to procuring by deception the execution of valuable securities in the sum of \$31 380 and 3 further counts of attempting by deception to gain advantages amounting to \$11 150. Court proceedings are pending.

Railways

9 officers and employees were found guilty of offences in respect of loss and theft of money or other property and all cases were heard by the Courts. 2 cases involved property amounting to \$192 and \$586 respectively. Other cases involved comparatively small amounts.

Further to my 1977-78 Report, an investigation into apparent errors of a parcels assistant at Morwell Railway Station established that the sum of \$6565 had been misappropriated. The railway employee responsible was charged before the Magistrates' Court and released on 12 months probation. Full restitution was made.

Armed robberies and thefts occurred at 16 railways locations with a total loss of cash and stock amounting to \$6158. All of these cases are being investigated by the Department.

A former employee, now deceased, had previously been convicted of the theft of a quantity of timber and ordered to repay the sum of \$11 350 compensation by instalments. According to Departmental records amounts totalling \$1710 had been received up to December, 1978. With the Treasurer's approval, the balance of \$9640 has been written off as uncollectable.

State Library

Science Museum—A number of coins with an approximate value of \$86 000, forming part of a numismatic collection from the old Melbourne Branch of the Royal Mint, were missing when the collection was handed over to the Science Museum by the State Bank.

The Science Museum is awaiting a report of the results of the State Bank and police investigations into the circumstances of the loss.

Totalizator Agency Board

Misappropriations by Board employees, agents, or their staff totalling \$12 248 were detected in the accounts at 4 offices and involved reprocessing paid tickets or failing to account for cash received. Recovery has been made or is in course and police are investigating.

16 hold-ups occurred during the year, the total amount stolen being \$49 632. In 14 cases the offenders have not been apprehended.

Other

Minor irregularities and thefts occurred at the following locations:

- Agriculture Department—Horticultural Inspector's Office, Dynon Road.
- Country Roads Board—Benalla Division.
- Deakin University—Vines Road Campus.
- Education Department—Merrilands Primary School.
- Forests Commission—Ballarat Division.
- Health Commission—Early Childhood Development Complex—Wendouree, Parkville Pyschiatric Unit, Ararat J. Ward.
- Home Finance Trust—Cashier's Office.
- Latrobe University—Glenn College—Book Shop.
- Law Department—Accounts Branch, Melbourne Magistrates' Court, Kew Bailiffs' Office, Public Trustee.
- Local Government Department—Town and Country Planning Board.
- Melbourne and Metropolitan Board of Works—Project H Construction Group.
- Ministry of Conservation—Victoria Archaeological Survey Office.
- Police Department—Police Stations at Boronia, Fitzroy and Moonee Ponds.
- Stamps Office—Marketable Securities and General Assessing Branch.
- State Electricity Commission—Monash House, Latrobe Valley, North Eastern and Gippsland Electricity Supply Regions.
- University of Melbourne—Various Departments.
- Zoological Gardens—Accounts Branch.

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 Animal Health Division	.. Brass Weights	380	} Police notified Investigated, written off Police notified	
		.. Plant Services Division ..	150		
		.. Longerenong College ..	100		
		.. Rutherglen Research Station ..	70		
		.. Various	94		
Canfield Institute of Technology	House property owned by Institute	Audio and Visual Equipment ..	46 405	Stolen. Items valued at \$24 880 recovered by police. \$21 525 received from Insurers	
Community Welfare Services	Pentridge Prison Clothing, Furniture	1 000	} Destroyed by fire during riot Stolen. Police notified Stolen. 3 trainees charged Lost. Written off Stolen. Police notified	
		.. Won Wron Prison	100		
		.. Beechworth Prison	460		
		.. Acheron Youth Training Centre	Camping Equipment, Clothing, Tools		400
		.. Malmsbury Youth Training Centre	Clothing		34
		.. Dhurringile Rehabilitation Centre	Power Hammer Drill ..		150
		.. Ivanhoe Hostel	Motor Mower		50
Conservation Tarra Valley National Park	.. Tools	200	} Stolen. Police notified	
		.. Bacchus Marsh	10		
Country Roads Board Syndal Central Depot	.. Tools and Equipment	178	} Stolen. Police notified	
		.. Dromana Depot	390		
		.. Seaford	650		
		.. Wantirna South	300		
		.. Ferntree Gully	300		
		.. Warburton	130		
Education Various Schools	Equipment stolen or vandalised	48 417	Insurance claimed	
Forests Commission Sherbrooke Research Station	.. Set of motor tyres converted to private use by staff member	100	} Commission is investigating Stolen	
		.. Ballarat	2 000		
		.. Kallista	150		
		.. Alexandra	1 200		
		.. Jessop	250		
Health Commission Royal Park Hospital	.. Paging Receiver	260	} Police notified. Goods written off	
		.. Motor Mower	160		
		.. Parkville Psychiatric Unit	Lawnmower, Tools		180
		.. Bouverie Clinic	Video Equipment		1 200
		.. Willsmere Hospital	Cassette Recorder		45
		.. "Ambermere", Shepparton	Tools		150
		.. Smith Street Clinic	Alcometer		250
		.. Various locations	Equipment		75
La Trobe University Central Store	.. Trailer	490	} Believed stolen. Police notified Written off	
		.. Social Services	796		
		.. Humanities	540		
		.. Agora Theatre	1 287		
		.. Behavioural Sciences	766		
		.. Physical Sciences	315		
		.. Thomas Cherry Lecture Theatre	Slide Projector		326
		.. Union	Pair Ring Radiators		599
		.. Student Affairs	Spotlight		314
		..	Loudspeaker		166
		..	179 Carpet Tiles		617
Melbourne and Metropolitan Board of Works Various locations	General Stores, Tools and Equipment	7 551	Thefts notified to police	
Chief Secretary-Police Property Office, Russell Street	.. Gold Ring	200	} Investigations proceeding	
		.. Boronia Station	206		
Public Works Port Melbourne Store	.. Washing Machine	300	} Thefts reported to police	
		.. Various locations	1 432		
Railways Buffet Car, Bendigo	.. Confectionery, Cigarettes ..	40	} Investigations proceeding	
		.. Jolimont	20		
Road Safety and Traffic Authority Hawthorn 2 Stop Watches	20	Loss investigated. Not traced	
State Electricity Commission Various locations Tools and Equipment	33 373	Police notified of thefts	
State Rivers and Water Supply Commission Various locations Tools and Equipment	2 150	Thefts reported to police	

Losses and Thefts of Stores—continued

<i>Department or Authority</i>	<i>Location</i>	<i>Items Lost or Stolen</i>	<i>Value</i>	<i>Remarks</i>
			\$	
University of Melbourne	Economic Studies	Recorder	1 047	
	Music	Cassette	219	
	Austin Hospital	Dictaphone, Calculators, Ste- thoscope	725	
	Commerce	Calculators, Dictaphones	666	
	Economics	Calculator	141	
	East Asian Studies	Tape Recorder	260	
	Mechanical Engineering	Voltmeter	946	
	Veterinary Science	Camera	150	
	Economics and Commerce	Projector, Recorder	250	
	Botany	Diamond Knife	550	
		Willey Mill	1 200	
	Grounds Curator	Brick Cutter	1 350	
	Social Biology	Cassette Recorder	181	
		Video Equipment	3 845	Goods presumed stolen, Insurance claimed where possible. Reported to police
	Geology	Cassette Recorder	132	
	Press Bookroom	Pens, Records	297	
	Public Lecture Theatre	2 Microphones	110	
	Maintenance	2 Drills, Tools	477	
	Water Ski Club	Skis	447	
	Civil Engineering	Refrigerator	179	
	R.A.A.F. Physics	Micro Processor	444	
	Pharmacology	Electric Mixer	199	
	Art Gallery	Etching	350	
	Pathology	Pointer, Transformer	139	
	Anatomy	Microscope	276	
	Business Administration	Binding Machine	490	
	Various	Equipment	846	

Legislation

During the year members of my staff and Treasury representatives undertook a review of the Public Accounts and Stores Regulations.

I am of the opinion that while there is merit in this limited review, a complete review of the Audit Act is necessary to provide for new and altered accounting, audit and other procedures more suited to modern requirements of government. Such a review could also take into account recent legislation introduced in Australia and overseas to update the standard of financial management and control in government departments.

There is a wide divergence in legislative requirements which affect the financial recording and reporting responsibilities of Statutory Authorities. As a result, I have encountered considerable difficulty in some instances in attempting to ensure that their accounts meet present-day requirements as to format and content.

While, in the main, I have received co-operation from officers of organisations concerned, when these matters have been raised, I am of the view that the concept of accountability for use of resources by such bodies can be achieved only by the introduction of legislation requiring meaningful and timely financial reporting to Parliament.

Internal Audit

In my last two Reports I indicated my concern at the absence of an internal audit in many government departments and organisations subject to my audit. I am pleased to report that, during the year under review, the Public Works Department, the Victorian Railways Board, the Grain Elevators Board and the State Superannuation Board established an internal audit function.

However, a significant number of Departments still have no effective internal audit and consequently they lack an important aspect of financial control.

In my opinion, the continued failure to establish and maintain internal audit in Government Departments and larger Public Authorities must impair the effective use of financial resources available to such bodies.

Electronic Data Processing

The extensive use of computers by Government Departments and Statutory Authorities in recent years had highlighted the necessity for clear directions to be given as to the introduction and development of computer systems.

I welcome the recent issue by the E.D.P. Policy Committee of a statement on policy guidelines and procedures relating to the use of equipment and services and development of systems.

As reported in previous Reports, a number of problems have occurred in computer applications in the semi-government area. The E.D.P. Policy Committee guidelines cannot be applied to most statutory government bodies, but I am informed that the Committee is of the view that guidelines issued by the Government should be applicable to these bodies and is taking action on the matter.

Audit Approach

The increasing complexities of government activities and the introduction of advanced computer systems in many Departments and Statutory Authorities have necessitated a reappraisal of the manner in which audits are conducted.

During the year the systems based approach has been adopted and will be progressively extended in all larger audits. Systems based auditing places greater emphasis on the appraisal and evaluation of the effectiveness of internal control and financial procedures than on the examination and checking of individual transactions. This approach is consistent with techniques applied elsewhere in Australia and overseas and is considered essential in the audit of large organisations.

Staff

The imposition of staff ceilings in the Public Service in 1978, and the difficulties of recruiting qualified staff, resulted in a considerable staff shortage during the year, with consequent difficulties in meeting audit commitments.

An extensive staff development program commenced in 1977 has continued. This has included in-house training courses in E.D.P. for all audit staff, and the use of outside lecturers for various courses conducted on audit techniques and practices. In addition, members of the staff have continued to attend courses and seminars organised by the Public Service Board and professional organisations.

A staff exchange program with firms of Chartered Accountants has been introduced. The initial exchange period was of 3 months duration and a further staff exchange for a period of 8 months has been arranged with a second firm of Chartered Accountants.

Acknowledgment

I thank those who have assisted in these programs and those persons who have contributed to the professional development activities.

During the year, Mr. G. H. Rorke retired after 44 years in the Victorian Public Service and Mr. J. H. Campbell resigned and the vacancies in the positions of Senior Auditor were filled by the promotions of Mr. J. Norman and Mr. K. G. Hamilton.

I express my appreciation for the assistance received during the year from Mr. A. M. Meggs, the Assistant Auditor-General, and all members of my staff.

B. J. WALDRON
Auditor-General

Melbourne, 1979.

STATEMENT No. 1

A comparison, on a monetary and proportional basis, of payments from the Consolidated Fund* in 1978-79 with those in the previous year is given below :

<i>Nature of Payments</i>	<i>1977-78</i>		<i>1978-79</i>	
	<i>Amount</i>	<i>Percentage of Funds Available</i>	<i>Amount</i>	<i>Percentage of Funds Available</i>
	\$		\$	
SOCIAL				
Education, Health and the Environment, Housing, Welfare, Payments to Hospitals and Charities Fund etc.	1 747 164 354	52.62	1 924 420 094	54.04
DEBT CHARGES†				
Interest, Sinking Fund, Repayments, (including Housing and Soldier Settlement)	336 535 503	10.14	363 270 138	10.20
TRANSPORT				
Railways				
‡Working Expenses and Payments from Works and Services Account	368 299 592	11.09	391 411 782	10.99
Pensions	19 591 053	.59	22 581 987	.63
Melbourne and Metropolitan Tramways Board	28 041 000	.85	32 667 000	.92
Ministry of Transport, (including Subsidies to Private Bus Operators etc.) and other	10 052 084	.30	14 636 581	.41
PRIMARY PRODUCTION				
Agriculture, Lands, Soldier Settlement, Forests, Country Water Supply etc.	198 850 649	5.99	201 761 438	5.66
LAW AND ORDER				
Law, Police, Prisons etc.	194 028 154	5.84	227 437 990	6.39
MELBOURNE AND METROPOLITAN BOARD OF WORKS				
Advances	26 500 000	.80	2 800 000	.08
OTHER PUBLIC WORKS AND SERVICES				
Works and Advances	37 178 180	1.12	25 571 081	.72
PENSIONS				
Retired Officers, Officers' Widows, etc. excluding Railways, (including costs of administration)	66 185 057	1.99	79 596 613	2.24
OTHER PAYMENTS	270 447 431	8.14	258 414 105	7.25
TOTAL PAYMENTS	3 302 873 057	99.47	3 544 568 980	99.53
FUNDS RETAINED IN THE WORKS AND SERVICES ACCOUNT	17 573 193	.53	16 602 070	.47
TOTAL FUNDS AVAILABLE	3 320 446 250	100.00	3 561 170 879	100.00

* Includes payments through the Works and Services Account

† Includes Railway Debt Charges

‡ Excludes Debt Charges

STATEMENT No. 2

ABSTRACT OF LOAN TRANSACTIONS FOR THE YEAR 1978-79

1977-78		1978-79
\$		\$
RECEIPTS		
	Proceeds of Loans Raised—	
240 142 000	For Works etc.	240 142 000
327 118 099	For Redemption	300 982 413
14 861 887	Loan Repayments	12 235 270
<hr/>		<hr/>
582 121 986		553 359 683
<hr/>		<hr/>
PAYMENTS		
255 003 887	Paid to the Consolidated Fund ..	252 377 270
327 118 099	Applied to Redemption	300 982 413
<hr/>		<hr/>
582 121 986		553 359 683
<hr/>		<hr/>
LIABILITY FOR LOANS		
3 031 771 405	Liability to Commonwealth at 30 June ..	3 244 645 742
	Loans raised during year	
240 142 000	For Works	240 142 000
327 132 270	For Redemption	301 021 267
<hr/>		<hr/>
3 599 045 675		541 163 267
		<hr/>
		3 785 809 009
<i>Deduct</i>		
	Loans Repurchased or Redeemed—	
326 482 600	By Redemption Loans	300 692 000
28 410 341	By National Debt Sinking Fund ..	58 420 578
<hr/>		<hr/>
		359 112 578
3 244 152 734		<hr/>
		3 426 696 431
<i>Add</i>		
	Increase in Public Debt during year due to variations in exchange rates for conversion of face value of overseas securities to Australian currency ..	
493 008		857 733
<hr/>		<hr/>
3 244 645 742	Liability to Commonwealth at 30 June ..	3 427 554 164
21 432 336	Less Cash at credit of National Debt Sinking Fund	7 686 184
<hr/>		<hr/>
3 223 213 406	Net Liability to Commonwealth at 30 June	3 419 867 980
<hr/>		<hr/>

There is additional liability to the Commonwealth in respect of advances for housing purposes under Commonwealth-State Housing Agreements and, also, in respect of advances and loans made to the State for a variety of purposes pursuant to Commonwealth-State agreements and arrangements.

STATEMENT No. 3

TRUST FUND

The Treasurer's liability on account of the Trust Fund at 30 June 1978 and 1979 was:

30.6.78		30.6.79
\$		\$
VARIOUS FUNDS AS PER TREASURER'S STATEMENT		
97 154 441	Amounts lodged and invested	90 260 957
215 709 304	General Account balances	*194 070 936
<hr/>		<hr/>
312 863 745		284 331 893
<hr/>		<hr/>
REPRESENTED BY		
Stocks and Securities—		
42 063 630	Bank Term Deposits	39 805 180
20	Blue Moon Fruit Co-operative Ltd.—Shares	20
140	Camperdown—Glenormiston Dairying Co. Ltd.—Shares	140
15 361 739	Commonwealth Government Inscribed Stock etc.	13 839 759
20 665 000	Convertible Certificates of Deposit	†6 980 000
1 882 600	Gas and Fuel Corporation of Victoria Registered Debenture Stock	2 882 600
15 643 716	Gas and Fuel Corporation of Victoria—Shares	15 661 382
68 000	Grain Elevators Board Inscribed Stock	68 000
8 566	Kyabram Co-operative Fruit Preserving Co. Ltd.—Shares	8 566
90 000	Port of Melbourne Authority Inscribed Stock	90 000
6 597 660	Melbourne and Metropolitan Board of Works Inscribed Stock etc.	7 856 260
57 000	Pilot Vessels—Registered Mortgage Debentures	38 000
4 815 750	State Electricity Commission Inscribed Stock etc.	4 931 150
195 820	State Savings Bank Deposit Stock .. .. .	..
..	Westgate Bridge Authority Debenture Stock	2 500 000
..	Melbourne Underground Rail Loop Authority Inscribed Stock	2 784 000
..	Melbourne and Metropolitan Tramways Board Inscribed Stock	3 109 000
<hr/>		<hr/>
107 449 641		100 554 057
CASH ADVANCED		
		\$
21 782 281	For Deficits incurred to 30 June 1970	21 782 281
8 088 135	For Other Advances	3 767 258
		<hr/>
175 543 688	Cash as per Treasurer's Statement	‡158 228 297
<hr/>		<hr/>
312 863 745		284 331 893
<hr/>		<hr/>

*Includes balances invested on account of the Treasurer's Investment Account—General, \$10 293 100

†Includes discounts of \$998 610 taken up in respect of Deposits purchased at a discount and maturing at varying dates up to 17 December 1979

‡Includes \$22 000 000 invested in Short Term Money Market

APPENDIX A—1

ENDOWMENTS AND GRANTS TO ORGANISATIONS NOT SUBJECT TO AUDIT BY THE AUDITOR-GENERAL

	1977-78	1978-79	+ -	<i>Increase Decrease</i>
	\$	\$		\$
SOCIAL				
Anti-Cancer Council of Victoria	30 000	35 000	+	5 000
The Asthma Foundation of Victoria .. .. .	..	15 000	+	15 000
Austcare Appeal	22 500	25 000	+	2 500
Australia Day Council	11 500	12 500	+	1 000
Australian Council for Educational Research	71 760	75 900	+	4 140
Australian Institute of Urban Studies	15 000	15 000		..
Australian Kidney Foundation	25 000	25 000		..
Baker Medical Research Institute	45 000	80 000	+	35 000
Bendigo Committee for Promotion of Oral Educa- tion of the Deaf	75 967	84 536	+	8 569
Buoyancy Foundation of Victoria	15 000	15 000		..
Bush Nursing Hospitals	470 000	470 000		..
Certificate Course in Community Service (Mental Retardation)	102 500	45 000	-	57 500
Certificate Course in Competency in a Day Training Centre or Special Developmental School State College of Victoria—Burwood	28 000	14 000	-	14 000
Community Health Projects—Women's Refuges	187 288	677 432	+	490 144
Conference on Structural Change and Employment in Victoria .. .. .	..	42 438	+	42 438
Deafness Foundation (Victoria)	10 000	10 000		..
Emergency Relief Welfare Grants Trust Account	50 000	..	-	50 000
Environment Studies Association of Victoria	20 000	28 000	+	8 000
Ethnic Groups	99 747	100 000	+	253
Equal Opportunity in Schools Committee	25 444	847	-	24 597
Family and Community Services Program	2 733 502	3 128 334	+	394 832
Family Planning Association of Australia	22 500	22 500		..
Family Supportive Services	112 380	105 473	-	6 907
Freedom From Hunger Campaign	22 500	22 500		..
Howard Florey Institute of Experimental Physio- logy and Medicine	155 000	165 000	+	10 000
Inter-church Trade and Industry Mission (Victoria)	12 500	12 500		..
McDonald House, Hostel Centre .. .. .	..	18 000	+	18 000
Moreland Hall Alcoholism Rehabilitation Centre	15 000	15 000		..
National Heart Foundation—National Blood Pressure Study	15 000	30 000	+	15 000
National Heart Foundation—Victorian Division	15 000	15 000		..
National Neurological Foundation	12 500	12 500		..
National Safety Council	24 000	45 000	+	21 000
National Vision Research Institute of Australia	25 000	25 000		..
North-West One Stop Welfare Centre	4 235	14 550	+	10 315
Peninsula Ambulance Service	30 000	30 000		..
Prince Henry's Medical Research Institute	40 000	40 000		..
Royal Victorian Institute for the Blind	397 826	439 885	+	42 059
St. John Ambulance Brigade	39 000	14 000	-	25 000
St. Vincent's School of Medical Research .. .. .	..	20 000	+	20 000
6th United Nations Congress on Prevention of Crime and Treatment of Offenders .. .. .	..	22 210	+	22 210
Specific Learning Difficulties Association of Victoria	9 334	13 333	+	3 999
9th International Congress on Child Psychiatry and Allied Professions	15 000	..	-	15 000
Tenants' Advice Service .. .. .	..	10 000	+	10 000
Victoria Conservation Trust	65 000	78 000	+	13 000
Victorian Committee on Mental Retardation	26 389	..	-	26 389

Endowments and Grants—continued

	1977-78	1978-79	+ Increase	- Decrease
	\$	\$		\$
Victorian Council on the Ageing	20 000	20 000		..
Victorian Employment Committee .. .. .	..	71 384	+	71 384
Victorian Foundation on Alcoholism and Drug Dependency	50 000	55 000	+	5 000
Walter and Eliza Hall Research Institute	360 000	360 000		..
Young Farmers' Clubs Association	161 300	180 870	+	19 570
CULTURAL				
Art Foundation of Victoria	500 000	472 455	-	27 545
Australian National Memorial Theatre, Schools	73 750	42 900	-	30 850
Children's Free Libraries	10 000	10 000		..
Confederation of Australasian Art Centres	22 571	11 017	-	11 554
Country Art Galleries	429 406	468 654	+	39 248
Country Free Libraries	19 000	19 000		..
Cultural Development	2 477 090	3 157 965	+	680 875
Melbourne Symphony Orchestra	150 000	150 000		..
Municipal and Regional Libraries	10 749 230	11 829 228	+	1 079 998
Orchestral Concerts	61 053	64 477	+	3 424
Sidney Myer Music Bowl Trust	16 000	16 000		..
The Mountain Gallery	12 250	12 250		..
Victorian Concert Orchestra	45 500	49 500	+	4 000
SUNDRY				
Advisory Council for Inter-Government Relations	30 000	30 000		..
Advisory Council on Tertiary Education, and Post-Secondary Education Committee, Victorian Post-Secondary Education Commission	84 114	175 239	+	91 125
Albury-Wodonga Development Corporation	300 000	300 000		..
Australian Environmental Council Fund .. .. .	..	13 930	+	13 930
Atlas of Victoria	23 171	47 020	+	23 849
Australian Arbo-Encephalitis Protection Program	63 980	92 848	+	28 868
Australian Offshore Powerboat Club .. .. .	..	25 000	+	25 000
Australian Plague Locust Commission	70 000	72 060	+	2 060
Australian Team to the Commonwealth Games— Canada .. .. .	..	11 500	+	11 500
Australian Olympic Team Fund .. .. .	..	20 000	+	20 000
Cemeteries, Improvement and Maintenance	16 000	16 000		..
Central Fingerprint Bureau, Sydney	170 669	187 687	+	17 018
Commonwealth Agriculture Bureaux	11 551	11 543	-	8
Commonwealth Parliamentary Association—Vic- toria Branch	72 450	78 993	+	6 543
Conservation Council of Victoria	10 000	10 000		..
Coolart Estate, Balnarring .. .. .	..	30 000	+	30 000
Council for Christian Education in Schools	115 000	130 000	+	15 000
European Carp Study	10 653	69 266	+	58 613
Geelong Regional Commission	455 000	630 000	+	175 000
Great Circle Yacht Race	25 000	25 000		..
"Here Come the 80's" Conference .. .. .	..	30 000	+	30 000
Industrial Design Council of Australia	40 000	41 000	+	1 000
Institute of Educational Administration	192 129	280 000	+	87 871
International Year of the Child	717	100 000	+	99 283
Interstate Corporate Affairs Commission	18 327	18 999	+	672
Journal of Experimental Agriculture and Animal Husbandry	17 226	19 000	+	1 774
Keep Australia Beautiful Council	40 000	100 000	+	60 000
Loch Ard Centenary Commemoration Committee	17 002	20 558	+	3 556
Mansfield Autistic Play School	17 000	..	-	17 000
Mansfield Travelling Teaching Service	22 000	25 731	+	3 731
McMillan Rural Studies Centre, Warragul	144 921	163 428	+	18 507
Melbourne Landmark Committee .. .. .	..	76 942	+	76 942
Melbourne to Hobart West Coaster Yacht Committee	32 500	..	-	32 500
Municipal Emergency Service Units	19 779	19 625	-	154
National Council of Women of Victoria	10 000	11 000	+	1 000
National School of Drilling .. .. .	..	15 000	+	15 000
National Sirex Fund	12 841	11 465	-	1 376

Endowments and Grants—continued

	1977-78	1978-79	+ Increase	- Decrease
	\$	\$		\$
National Trust of Australia (Victoria)	45 000	45 000		
National Resources Conservation League	10 000	10 000		
Norman Lindsay's Centenary Committee .. ..	..	21 464	+	21 464
Plain English Committee	770	10 540	+	9 770
Regional Planning Authorities	654 662	564 843	-	89 819
Royal Historical Society of Victoria	10 000	10 000		
Royal Society for the Prevention of Cruelty to Animals	50 000	135 000	+	85 000
Sir Robert Menzies Memorial Trust .. ..	..	100 000	+	100 000
Standards Association of Australia	12 000	12 000		
State Schools Horticultural Society	20 000	20 000		
Supreme Court Library	12 460	22 000	+	9 540
The Melbourne Pageant—Salute to Australia .. ..	..	13 085	+	13 085
Timber Promotion Council	30 000	30 000		
Urban Renewal Authority	485 000	549 000	+	64 000
Victorian Garden State Committee	273 439	221 166	-	52 273
Victoria Promotion London—Committee	174 386	251 837	+	77 451
Victoria Promotion Trust Fund	529 790	558 724	+	28 934
Victoria Week .. ..	..	15 388	+	15 388
Victorian Council of School Organisations	19 000	19 000		
Victorian Federation of State Schools Parents' Clubs	18 000	18 000		
Victorian Medical Post-Graduate Foundation	15 000	15 000		
Victorian Public Interest Research Group Ltd.	11 000	..	-	11 000
Victorian Rural Fire Brigades Association	13 000	13 000		
Victorian Urban Fire Brigades Association	12 500	12 500		
Water Research Foundation of Australia Ltd.	15 000	15 000		
World Fencing Championships, Melbourne, 1979 .. ..	..	25 000	+	25 000
Y's Mens International Convention	10 000	..	-	10 000
	24 716 559	28 676 519	+	3 959 960

NOTE: Grants and Endowments of less than \$10 000 from the Consolidated Fund are not included in the above statement.

In addition to the endowments and grants out of the Consolidated Fund, listed above, grants were made available to various municipalities, youth and sporting organisations from the Youth Fund, the Sports and Recreation Fund and from the Racecourses and Greyhound Racing Grounds Development Funds administered by the Department of Youth, Sport and Recreation.

APPENDIX A-2

TOURIST FUND

Grants and Subsidies for Developmental and Maintenance Works—1978-79

	\$	\$
Municipalities etc.—		
Sewerage	275 549	
Other Works	270 587	
		546 136
Forests Commission .. .. .	..	116 947
Country Roads Board .. .. .	..	35 300
Ministry of Transport .. .. .	..	25 000
State Electricity Commission .. .. .	..	20 000
Phillip Island Koalas Reserve Committee of Management .. .. .	..	16 000
Mt. Macedon Reserve Committee of Management .. .. .	..	8 000
		767 383

Loans—Developmental Works and Other—1978-79

	\$
Borough of Port Fairy	100 000
Shire of Waranga	50 000
City of South Barwon	40 000
City of Castlemaine	40 000
Shire of Newham and Woodend	36 666
Shire of Yea	35 000
Shire of Goulburn	30 000
Shire of Gordon	10 000
Shire of Bellarine	10 000
Shire of Phillip Island	10 000
Shire of Mornington	9 500
Shire of Cobram	4 320
	375 486

Grants and Subsidies to Regional Tourist Authorities—1978-79

	\$
<i>Administration and Promotion—</i>	
Melbourne Tourist Authority	455 000
North West Regional Tourist Authority	47 000
Goulburn Regional Tourist Authority	35 000
North East Regional Tourist Authority	35 000
Westernport Healesville Regional Tourist Authority	32 000
Wimmera Regional Tourist Authority	30 000
Central Highlands Regional Tourist Authority	30 000
Gippsland Regional Tourist Authority	30 000
Victorian Eastern Development Authority	30 000
Otway Geelong Regional Tourist Authority	25 000
South West Regional Tourist Authority	24 783
North Central Regional Tourist Authority	20 000
	793 783
<i>Information Centres—</i>	
Wimmera Regional Tourist Authority	63 416
Central Highlands Regional Tourist Authority	8 000
North West Regional Tourist Authority	4 905
	76 321
	870 104

APPENDIX B

STATEMENT OF STORES HELD FOR ISSUE BY GOVERNMENT DEPARTMENTS AND PUBLIC AUTHORITIES, AS ADVISED PURSUANT TO REGULATION 138 (4) OF THE PUBLIC ACCOUNTS AND STORES REGULATIONS 1958.

<i>Department or Public Authority</i>	<i>Nature of Stores</i>	<i>Value at 30 June 1978</i>	<i>Value at 30 June 1979</i>
		\$	\$
DEPARTMENTS			
Agriculture	Machinery and Equipment Parts, Fuel, Seed, Publications	921 551	1 392 422
Chief Secretary—Police	Radio and Vehicle Parts, Clothing, Office Requisites	1 252 603	1 582 419
Community Welfare Services	Clothing, Hardware, Materials	882 838	843 067
Conservation— Fisheries and Wildlife Division	Publications, Motor Tyres, Field Equipment	54 348	48 714
Land Conservation Council	Stationery, Publications	13 141	11 056
Crown Lands and Survey	Implements, Equipment, Plans, Photographic Materials	2 567 971	2 690 085
Education	School and Office Requisites, Books, Equipment	2 768 911	3 013 420
Forests	Vehicle Parts, Tools, Fuel	189 662	232 027
Health Commission	Hardware, Instruments, Drugs	1 436 578	1 788 971
Minerals and Energy	Bore Casing, Tools, Chemicals	640 518	605 934
Property and Services—Government Printer	Paper, Stationery, Publications	3 012 321	3 469 417
Public Works	Mechanical and Electrical Equipment, Spare Parts, Furniture, Building Materials	2 626 161	2 038 853
Railways	Engineering, Refreshment Services, General Stores	11 334 069	15 034 762
Water Supply	Machinery Parts, Tools, General Stores	3 117 437	3 510 533
PUBLIC AUTHORITIES			
Cancer Institute	Medical, Technical and General Stores	196 442	238 092
Council of Adult Education	Theatrical and Audio Visual Equipment	42 500	46 500
Country Fire Authority	Fire Appliances, Hose, Spare Parts, Uniforms	376 550	422 183
Country Roads Board	Vehicle Parts and Accessories, Camping Equipment, General Stores	2 220 209	2 490 446
Gas and Fuel Corporation	Gas Appliances, Fittings, General Stores	13 450 604	15 650 224
Geelong Harbor Trust	Engineering and Maintenance Stores	68 068	74 427
Housing Commission	Building Materials, Stationery, Fuel	1 009 339	1 048 602
La Trobe University	Stationery, Office Requisites	60 310	66 177
Latrobe Valley Water and Sewerage Board	Construction Materials, Pipes	7 729	9 885
Melbourne and Metropolitan Board of Works	Engineering Stores, Spare Parts, Pipes, Meters	11 992 000	11 500 000
Melbourne and Metropolitan Tramways Board	Engineering Stores and Parts, Uniforms	1 934 100	2 159 744
Metropolitan Fire Brigades Board	Fire Appliances, Electrical and Engineering Stores, Uniforms	659 000	832 000
Monash University	Building Materials, Stationery, Books, Chemicals	1 254 852	1 496 919
Port of Melbourne Authority	Maintenance and Engineering Stores	2 623 456	2 813 381
Portland Harbor Trust	Maintenance and Engineering Stores	78 042	85 580
Rural Finance Commission	Constructional and General Stores	24 723	13 187
State Electricity Commission	Electrical, Maintenance and Constructional Stores	24 310 033	24 694 412
State Relief Committee	Clothing, Bedding, Hardware	84 456	75 365
Transport Regulation Board	Stationery and Office Requisites	96 918	98 044
University of Melbourne	Building Materials, Stationery	154 204	177 338
Victorian Egg Marketing Board	Eggs, Packing Materials, Egg Products	1 379 676	1 481 658
	Total	92 841 320	101 735 844

APPENDIX C.

Statement setting out briefly the effect of the Orders 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 Council	100	3	1	8 000	2 850	- 5 150
			2	163 200	168 350	+ 5 150
Legislative Assembly	101	3	1	8 000	3 119	- 4 881
			2	347 900	352 781	+ 4 881
						± 10 031
PREMIER						
Governor's Office	120	1	2	480 000	478 587	- 1 413
			3	65 900	67 313	+ 1 413
			2	3 350	1 351	- 1 999
			2	12 100	15 945	+ 3 845
			4	15 400	13 554	- 1 846
			6	17 900	21 539	+ 3 639
			8	45 000	41 361	- 3 639
Premier's Office	121	1	3	326 800	347 518	+ 20 718
			4	45 000	24 282	- 20 718
			2	142 000	149 128	+ 7 128
			2	189 000	151 011	- 37 989
			3	95 350	79 922	- 15 428
			4	70 500	63 133	- 7 367
			7	10 000	8 803	- 1 197
			9	19 000	11 771	- 7 229
			10	160 000	174 557	+ 14 557
			11	130 000	126 179	- 3 821
			20	473 350	524 696	+ 51 346
			3	53 000	5 304	- 47 696
			3	358 000	388 449	+ 30 449
			4	302 000	307 370	+ 5 370
			19	241 500	251 837	+ 10 337
			21	9 000	10 540	+ 1 540
Public Service Board	136	2	1	31 500	32 906	+ 1 406
			3	135 400	163 866	+ 28 466
			4	15 150	12 644	- 2 506
			7	100 000	81 559	- 18 441
			8	381 300	378 449	- 2 851
			9	16 000	9 926	- 6 074
						± 180 214
ARTS						
Ministry for the Arts	150	2	2	11 300	11 830	+ 530
			5	3 650	3 120	- 530
			3	3 195 000	3 187 762	- 7 238
			8	206 000	208 238	+ 2 238
			10	254 500	259 500	+ 5 000
State Library, National Museum and Science Museum Administration	157	1	2	759 000	763 798	+ 4 798
			4	10 000	5 202	- 4 798
						± 12 566
CHIEF SECRETARY						
Chief Secretary's Office	160	2	3	13 500	11 566	- 1 934
			20	177 100	179 034	+ 1 934
State Emergency Service	165	2	1	17 600	14 013	- 3 587
			6	7 500	8 734	+ 1 234
			8	28 500	30 853	+ 2 353
Government Shorthand Writer	181	2	1	3 200	4 516	+ 1 316
			6	3 000	1 684	- 1 316
Government Statist	184	1	2	1 520 000	1 522 757	+ 2 757
			4	9 500	6 743	- 2 757
			2	9 400	5 436	- 3 964
			3	3 450	4 914	+ 1 464
			6	10 100	12 600	+ 2 500
Police	187	1	3	3 001 500	3 177 786	+ 176 286
			4	1 600 000	1 423 714	- 176 286
			2	955 500	1 086 368	+ 130 868
			7	122 800	90 497	- 32 303
			9	900 000	804 496	- 95 504
			13	13 000	9 939	- 3 061
						± 320 712

APPENDIX C—continued

Statement setting out the effect of Transfers under Section 25 of the *Audit Act 1958*—continued

Particulars	Vote			Parliamentary Appropriation	Appropriation after Variation by Governor in Council	+ Increase — Decrease
	Division	Sub- Division	Item			
SOCIAL WELFARE						
Social Welfare Administration and Research and Statistics	240	1	2	2 182 900	2 218 145	+ 35 245
			3	20 000	24 755	+ 4 755
			4	40 000	—	— 40 000
		2	2	91 500	93 910	+ 2 410
			4	149 000	147 730	— 1 270
			6	32 800	31 660	— 1 140
		3	2	20 450 000	20 457 659	+ 7 659
			3	3 050 000	3 046 156	— 3 844
			6	3 127 000	3 128 334	+ 1 334
			7	33 800	35 469	+ 1 669
			10	15 000	13 855	— 1 145
			13	7 700	3 233	— 4 467
			14	9 600	8 394	— 1 206
Regional Services	244	2	1	237 600	229 061	— 8 539
			4	162 000	170 539	+ 8 539
			10	1 054 300	1 148 509	+ 94 209
			11	11 875 000	11 780 791	— 94 209
Family Welfare	246	2	1	180 000	182 927	+ 2 927
			4	143 000	174 286	+ 31 286
			6	265 600	309 320	+ 43 720
			9	1 800 000	1 881 022	+ 81 022
			10	10 943 000	10 784 045	— 158 955
Correctional Services	252	1	3	2 947 300	2 967 680	+ 20 380
			4	140 000	119 620	— 20 380
Training	255	2	1	68 150	69 718	+ 1 568
			2	4 300	2 732	— 1 568
						± 336 723
YOUTH, SPORT AND RECREATION						
Youth, Sport and Recreation	270	2	2	26 000	31 366	+ 5 366
			5	20 720	24 335	+ 3 615
			20	52 420	43 439	— 8 981
						± 8 981
LABOUR AND INDUSTRY						
Labour and Industry	280	2	1	166 250	179 295	+ 13 045
			2	398 200	370 699	— 27 501
			4	169 700	171 694	+ 1 994
			7	69 600	66 782	— 2 818
			9	50 700	61 901	+ 11 201
			20	306 850	310 929	+ 4 079
		3	5	3 100	3 638	+ 538
			6	556 000	554 530	— 1 470
			12	500	1 432	+ 932
						± 31 789
CONSUMER AFFAIRS						
Ministry of Consumer Affairs	285	2	1	18 750	25 459	+ 6 709
			8	32 000	25 291	— 6 709
						± 6 709
EDUCATION						
Education Administration	301	1	2	14 321 000	14 415 378	+ 94 378
			3	224 000	262 000	+ 38 000
			4	220 000	87 622	— 132 378
		2	3	470 000	334 114	— 135 886
			4	1 010 500	1 125 380	+ 114 880
			5	59 390	68 417	+ 9 027
			7	306 000	298 944	— 7 056
			13	33 000	35 707	+ 2 707
			15	350 000	341 299	— 8 701
			20	35 811 870	35 836 899	+ 25 029
		3	6	25 663 000	25 653 679	— 9 321
			12	65 000	63 696	— 1 304
			26	178 100	175 239	— 2 861
			27	50 600 000	50 840 966	+ 240 966
			28	780 000	683 975	— 96 025
			29	170 000	123 589	— 46 411
			34	25 000	—	— 25 000
			35	162 028	118 480	— 43 548
			39	6 500	4 419	— 2 081
			42	15 000	585	— 14 415

APPENDIX C—continued

Statement setting out the effect of Transfers under Section 25 of the *Audit Act 1958*—continued

Particulars	Vote			Parliamentary Appropriation	Appropriation after Variation by Governor in Council		+ Increase — Decrease
	Division	Sub- Division	Item		\$	\$	
EDUCATION—continued							
TEACHER EDUCATION	304	1	2	2 513 000	2 487 696	—	25 304
			4	80 000	105 304	+	25 304
			6	21 700	20 531	—	1 169
			8	49 500	48 004	—	1 496
			13	72 700	75 365	+	2 665
PRIMARY EDUCATION	305	1	2	287 523 822	287 600 251	+	76 429
			4	3 200 000	3 123 571	—	76 429
			1	608 000	606 798	—	1 202
			3	372 000	305 190	—	66 810
			12	170 000	113 338	—	56 662
SECONDARY EDUCATION	306	2	1	526 200	516 552	—	9 648
			3	130 000	128 578	—	1 422
			8	55 500	46 910	—	8 590
SPECIAL EDUCATION	308	2	1	285 000	247 146	—	37 854
			3	19 500	12 279	—	7 221
			8	3 000	6 326	+	3 326
			13	690 600	721 249	+	30 649
			14	806 600	817 700	+	11 100
EDUCATION SPECIAL SERVICES	309	2	2	79 500	84 536	+	5 036
			3	8 000	4 750	—	3 250
			6	52 500	45 000	—	7 500
			8	40 000	46 698	+	6 698
			10	14 000	13 016	—	984
			11	3 000	929	—	2 071
TEACHERS TRIBUNAL	320	2	2	4 600	2 540	—	2 060
			8	5 000	7 060	+	2 060
			3	80 600	66 512	—	14 088
			6	112 000	110 719	—	1 281
			13	147 000	139 978	—	7 022
ATTORNEY-GENERAL	350	1	2	1 851 000	1 860 081	+	9 081
			4	25 000	15 919	—	9 081
			1	25 200	20 912	—	4 288
PUBLIC SOLICITOR'S OFFICE	351	2	7	12 000	9 447	—	2 553
			9	6 000	3 749	—	2 251
			11	65 000	51 090	—	13 910
			20	1 503 960	1 526 962	+	23 002
			2	451 000	459 599	+	8 599
			4	10 000	1 401	—	8 599
CROWN SOLICITOR'S OFFICE	353	2	2	7 800	6 504	—	1 296
			8	84 700	82 379	—	2 321
			9	740 000	743 617	+	3 617
			1	34 100	36 135	+	2 035
			2	28 000	25 965	—	2 035
COURTS ADMINISTRATION	356	1	2	13 620 000	13 622 218	+	2 218
			3	152 000	164 665	+	12 665
			4	200 000	197 782	—	2 218
			5	130 000	117 335	—	12 665
			1	588 000	592 061	+	4 061
			2	227 000	220 455	—	6 545
			4	552 700	646 326	+	93 626
			5	62 020	50 205	—	11 815
			7	24 000	16 248	—	7 752
			9	48 000	42 826	—	5 174
			11	460 000	402 579	—	57 421
			12	1 297 000	1 266 738	—	30 262
			13	817 000	838 282	+	21 282
REGISTRAR-GENERAL AND REGISTRAR OF TITLES	359	2	3	2 700	4 220	+	1 520
			4	128 200	127 003	—	1 197
			6	21 300	22 497	+	1 197
			8	73 350	71 830	—	1 520
CORPORATE AFFAIRS OFFICE	362	2	2	169 290	162 646	—	6 644
			4	87 700	91 942	+	4 242
			5	4 950	7 352	+	2 402
PUBLIC TRUSTEE	368	2	1	6 000	4 156	—	1 844
			4	54 500	59 111	+	4 611
			7	7 300	4 533	—	2 767
							± 896 375
							± 194 158

APPENDIX C—continued

Statement setting out the effect of Transfers under Section 25 of the *Audit Act 1958—continued*

Particulars	Vote			Parliamentary Appropriation	Appropriation after Variation by Governor in Council		+ Increase - Decrease	
	Division	Sub- Division	Item		\$	\$		
TREASURER								
TREASURY	400	1	3	23 250	29 762	+	6 512	
			4	40 000	33 488	-	6 512	
		2	3	2 650	3 150	+	500	
			4	60 800	63 245	+	2 445	
			5	1 910	3 150	+	1 240	
			7	120 000	106 113	-	13 887	
			8	1 800	5 726	+	3 926	
		20		402 070	407 846	+	5 776	
		3	2	12 000	5 749	-	6 251	
			3	260 000	154 983	-	105 017	
			4	1 979 000	2 536 159	+	557 159	
			6	15 000	10 263	-	4 737	
			7	10 000	8 363	-	1 637	
			8	70 000	60 903	-	9 097	
			9	100 000	196 067	+	96 067	
			15	1 050	1 164	+	114	
			17	35 000	4 953	-	30 047	
			19	5 000	1 075	-	3 925	
			21	200 000	210 700	+	10 700	
		25		15 500 000	14 996 671	-	503 329	
PAYMENTS TO THE COMMONWEALTH GOVERNMENT ON ACCOUNT OF LOANS AND ADVANCES								
	401	3	1	1 952 000	1 941 870	-	10 130	
			4	1 540 000	1 692 699	+	152 699	
			6	4 041 000	4 054 385	+	13 385	
			7	7 390 000	7 385 571	-	4 429	
			8	753 000	588 016	-	164 984	
			9	130 000	143 459	+	13 459	
TENDER BOARD	412	1	2	113 072	111 237	-	1 835	
			3	1 300	3 135	+	1 835	
STATE SUPERANNUATION BOARD	415	2	1	11 000	9 404	-	1 596	
			5	3 630	5 226	+	1 596	
		3	1	20 500	21 727	+	1 227	
			3	35 600	34 373	-	1 227	
TAXATION OFFICE	421	1	2	2 885 000	2 810 930	-	74 070	
			3	47 200	121 270	+	74 070	
		2	1	10 330	21 336	+	11 006	
			3	1 350	2 344	+	994	
			4	108 500	96 079	-	12 421	
			6	21 250	21 671	+	421	
STAMP DUTIES	424	1	2	2 446 000	2 463 783	+	17 783	
			3	13 000	16 074	+	3 074	
			4	30 000	9 143	-	20 857	
		2	2	204 000	202 839	-	1 161	
			3	4 000	2 404	-	1 596	
			9	325 000	327 757	+	2 757	
							±	978 745
CONSERVATION								
MINISTRY FOR CONSERVATION	435	1	2	1 740 000	1 713 532	-	26 468	
			4	20 000	46 468	+	26 468	
		2	4	71 500	92 077	+	20 577	
			6	32 000	25 142	-	6 858	
			9	54 500	45 359	-	9 141	
		20		581 450	576 872	-	4 578	
ENVIRONMENT PROTECTION AUTHORITY	437	2	4	15 700	20 246	+	4 546	
			6	6 000	7 680	+	1 680	
			8	61 800	56 741	-	5 059	
			9	656 000	654 833	-	1 167	
FISHERIES AND WILDLIFE	441	3	1	100 000	99 772	-	228	
			8	1 100	1 328	+	228	
LAND CONSERVATION COUNCIL	443	2	2	16 000	21 063	+	5 063	
			8	19 900	14 837	-	5 063	
VICTORIAN ARCHAEOLOGICAL SURVEY	444	2	2	16 400	23 620	+	7 220	
			5	10 500	7 789	-	2 711	
			9	12 000	7 491	-	4 509	
							±	65 782
LANDS								
CROWN LANDS ADMINISTRATION	450	2	1	433 000	405 198	-	27 802	
			2	68 600	76 200	+	7 600	
			8	32 500	34 498	+	1 998	
			9	19 000	12 292	-	6 708	
		20		908 680	933 592	+	24 912	

APPENDIX C—continued

Statement setting out the effect of Transfers under Section 25 of the *Audit Act 1958—continued*

Particulars	Vote			Parliamentary Appropriation	Appropriation after Variation by Governor in Council	+ Increase — Decrease
	Division	Sub- Division	Item			
\$						
LANDS—continued						
SURVEY	456	1	2	4 120 000	4 102 377	— 17 623
			4	25 000	42 623	+ 17 623
BOTANIC AND DOMAIN GARDENS AND NATIONAL HERBARIUM	459	1	3	34 500	35 662	+ 1 162
			4	20 000	18 838	— 1 162
		2	2	13 100	14 400	+ 1 300
			3	19 000	26 533	+ 7 533
			6	19 500	16 767	— 2 733
			8	15 600	14 300	— 1 300
			9	40 000	35 200	— 4 800
						± 62 128
PUBLIC WORKS						
PUBLIC WORKS	480	2	1	594 350	596 828	+ 2 478
			2	329 000	293 015	— 35 985
			20	1 233 340	1 266 847	+ 33 507
		3	1	6 450 000	6 477 885	+ 27 885
			2	15 370 000	15 365 646	— 4 354
			5	824 000	849 080	+ 25 080
			12	334 350	353 570	+ 19 220
			14	195 000	127 169	— 67 831
PORTS AND HARBORS.. .. .	490	1	3	25 000	30 739	+ 5 739
			4	30 000	24 261	— 5 739
		3	1	875 000	879 814	+ 4 814
			11	64 000	61 997	— 2 003
			12	25 000	22 189	— 2 811
						± 118 723
PROPERTIES AND SERVICES						
PROPERTY AND SERVICES	500	1	2	90 000	91 320	+ 1 320
			3	6 000	4 680	— 1 320
PUBLIC SERVICE ELECTRONIC DATA PROCESSING SERVICE BUREAU	502	1	2	1 300 000	1 282 039	— 17 961
			3	29 000	46 961	+ 17 961
						± 19 281
LOCAL GOVERNMENT						
LOCAL GOVERNMENT	510	1	2	1 055 000	1 079 388	+ 24 388
			4	30 000	5 612	— 24 388
VALUER-GENERAL	516	2	1	153 400	145 544	— 7 856
			2	20 400	23 469	+ 3 069
			5	17 650	22 437	+ 4 787
						± 32 244
PLANNING						
MINISTRY FOR PLANNING	521	1	2	560 000	570 000	+ 10 000
			4	10 000	..	— 10 000
		2	5	22 970	21 215	— 1 755
			6	7 200	8 955	+ 1 755
		3	1	43 100	40 093	— 3 007
			3	335 400	341 619	+ 6 219
			4	14 400	11 188	— 3 212
						± 17 974
MINERALS AND ENERGY						
MINERALS AND ENERGY	540	2	1	110 200	127 733	+ 17 533
			6	30 600	20 902	— 9 698
			20	229 140	221 305	— 7 835
		3	2	887 000	1 059 206	+ 172 206
			4	20 000	18 055	— 1 945
			5	7 900	9 066	+ 1 166
			11	865 000	666 638	— 198 362
			13	39 000	65 935	+ 26 935
EXPLOSIVES	546	1	2	470 000	461 528	— 8 472
			4	30 000	38 472	+ 8 472
		2	3	12 600	5 310	— 7 290
			5	21 410	28 700	+ 7 290
						± 233 602

APPENDIX C—continued

Statement setting out the effect of Transfers under Section 25 of the *Audit Act 1958*—continued

Particulars	Vote			Parliamentary Appropriation	Appropriation after Variation by Governor in Council	+ Increase — Decrease
	Division	Sub- Division	Item			
				\$	\$	\$
AGRICULTURE						
CENTRAL ADMINISTRATION	570	2	2	35 500	28 881	— 6 619
			4	554 000	530 659	— 23 341
			20	1 724 280	1 754 240	+ 29 960
AGRICULTURAL EDUCATION AND EXTENSION SERVICES ..	576	3	1	1 497 550	1 509 646	+ 12 096
			8	119 000	116 983	— 2 017
			11	72 000	61 921	— 10 079
PLANT SERVICES	582	1	2	8 606 800	8 600 801	— 5 999
			4	100 000	105 999	+ 5 999
		3	2	169 500	171 770	+ 2 270
			3	202 550	205 090	+ 2 540
			4	151 210	153 760	+ 2 550
			5	69 400	70 510	+ 1 110
			6	173 000	175 620	+ 2 620
			8	277 500	249 061	— 28 439
			14	150 890	153 640	+ 2 750
			16	20 000	26 786	+ 6 786
			19	139 180	141 398	+ 2 218
			20	29 680	32 716	+ 3 036
			24	180 200	181 667	+ 1 467
			26	116 000	117 092	+ 1 092
ANIMAL HEALTH	585	3	4	45 320	46 815	+ 1 495
			8	193 650	194 890	+ 1 240
			10	174 150	175 990	+ 1 840
			11	136 600	140 363	+ 3 763
			12	136 750	138 500	+ 1 750
			16	30 000	16 632	— 13 368
			17	10 000	8 159	— 1 841
			19	68 000	73 121	+ 5 121
						± 91 703
HEALTH						
HEALTH ADMINISTRATION	620	1	2	1 410 000	1 413 219	+ 3 219
			4	35 000	31 781	— 3 219
		2	1	22 300	15 380	— 6 920
			2	25 500	27 681	+ 2 181
			5	13 760	6 837	— 6 923
			6	29 000	45 291	+ 16 291
			7	6 600	3 112	— 3 488
			9	88 600	94 294	+ 5 694
			10	20 000	13 165	— 6 835
		3	22	2 040 000	2 081 094	+ 41 094
			32	3 980 000	3 876 357	— 103 643
			36	5 011	64 821	+ 59 810
			39	75 000	77 739	+ 2 739
GENERAL HEALTH	626	2	1	97 000	88 410	— 8 590
			2	16 200	17 762	+ 1 562
			14	50 700	57 728	+ 7 028
		3	1	1 240 000	1 263 761	+ 23 761
			3	215 000	191 239	— 23 761
EARLY CHILDHOOD DEVELOPMENT	630	2	3	2 000	501	— 1 499
			5	9 090	10 589	+ 1 499
		3	1	25 875 000	25 844 750	— 30 250
			2	1 510 000	1 508 130	— 1 870
			4	99 500	101 370	+ 1 870
			7	510 000	540 250	+ 30 250
DENTAL HEALTH SERVICES	631	2	9	52 300	54 969	+ 2 669
			10	170 200	167 531	— 2 669
		3	5	211 000	208 885	— 2 115
			6	392 000	394 115	+ 2 115
ALCOHOLISM AND DRUG DEPENDENCY SERVICES ..	633	1	3	332 000	321 157	— 10 843
			4	35 000	45 843	+ 10 843
MENTAL HYGIENE	635	2	1	243 000	267 900	+ 24 900
			3	63 000	50 862	— 12 138
			6	1 900 000	1 938 067	+ 38 067
			9	6 194 000	6 169 100	— 24 900
			11	15 000	13 542	— 1 458
			12	550 000	525 529	— 24 471
		3	1	200 000	190 456	— 9 544
			3	35 600	42 112	+ 6 512
			5	22 700	25 732	+ 3 032
						± 285 136

APPENDIX C—continued

Statement setting out the effect of Transfers under Section 25 of the *Audit Act 1958—continued*

Particulars	Vote			Parliamentary Appropriation	Appropriation after Variation by Governor in Council	+ Increase — Decrease
	Division	Sub- Division	Item			
STATE DEVELOPMENT, DECENTRALIZATION AND TOURISM						
STATE DEVELOPMENT, DECENTRALIZATION AND TOURISM ..	660	2	1	83 400	75 717	— 7 683
			3	13 100	11 512	— 1 588
			4	49 000	58 487	+ 9 487
			5	44 800	46 057	+ 1 257
			8	70 200	62 598	— 7 602
			20	90 000	96 129	+ 6 129
		3	2	590 000	595 056	+ 5 056
			3	1 900 000	1 960 000	+ 60 000
			6	6 500	19 068	+ 12 568
			7	22 225 000	22 082 055	— 142 945
			10	1 100 000	1 210 000	+ 110 000
			11	50 000	5 321	— 44 679
						± 204 497
IMMIGRATION AND ETHNIC AFFAIRS						
MINISTRY OF IMMIGRATION AND ETHNIC AFFAIRS ..	675	2	1	13 500	11 855	— 1 645
			2	86 000	92 572	+ 6 572
			4	13 800	8 873	— 4 927
						± 6 572
TRANSPORT						
MINISTRY OF TRANSPORT	720	2	8	2 500	20 471	+ 17 971
			20	34 710	16 739	— 17 971
						± 17 971
FORESTS						
FORESTS COMMISSION	730	2	4	157 900	119 496	— 38 404
			6	50 750	60 857	+ 10 107
			20	455 000	483 297	+ 28 297
		3	1	580 000	528 543	— 51 457
			8	80 000	131 457	+ 51 457
						± 89 861
WATER RESOURCES						
MINISTRY OF WATER RESOURCES AND WATER SUPPLY ..	739	2	1	10 850	16 660	+ 5 810
			2	17 500	9 177	— 8 323
			5	3 450	4 363	+ 913
			20	6 450	8 050	+ 1 600
STATE RIVERS AND WATER SUPPLY COMMISSION	740	2	1	319 800	325 673	+ 5 873
			4	200 000	220 839	+ 20 839
			8	198 000	199 161	+ 1 161
			9	745 000	676 742	— 68 258
			13	342 000	352 615	+ 10 615
			20	1 865 000	1 894 770	+ 29 770
		3	1	565 000	569 640	+ 4 640
			2	5 540 000	5 464 375	— 75 625
			3	3 540 000	3 715 453	+ 175 453
			4	120 000	117 037	— 2 963
			6	165 000	159 216	— 5 784
			8	7 390 000	7 229 019	— 160 981
			9	2 560 000	2 626 623	+ 66 623
			12	1 050 000	1 051 302	+ 1 302
			14	385 000	382 335	— 2 665
						± 324 599
					TOTAL	± 4 547 076

INDEX

	PAGE
Adult Education	37
Advanced Education	46 47 83 84 100 101
Agency Trust Accounts	159 182
Agent-General's Office, London	141
Agriculture Department	48
Alcoholism and Drug Dependency Services—Health Commission	115
Appendices	205
Archaeological and Aboriginal Relics Trust Account	68
Arts Fund	52
Arts, Ministry for the	50
Attorney General's Office	127
Auditor-General, Office of the	143
Australian Football Fund	187
Australian Standing Committee on Tourism Trust Account	35 165
Best Available Seating System (Bass)	149
Betting Tax	14 20
Brucellosis and Tuberculosis Eradication	49
Budget—Payments	26
Budget—Receipts	22
Capital Assistance Grant	12 14
Cattle Compensation Fund	49
Chief Secretary's Department	54
Child Migrant Education—Commonwealth Assistance	84
Closer Settlement	77
Closer Settlement Insurance Fund	77
Coal Mines Depreciation Fund	36
Colleges of Advanced Education	101
Commissioner for Corporate Affairs	130
Common Fund—Workers Compensation Board	126
Commonwealth—Capital Liability to	30 202
Commonwealth Financial Assistance Grants	12
Commonwealth Financial Assistance—	
Aboriginal Health	119
Advanced Education	46 47 83 84 100 101
Apprentices Employment	54 83 84 180
Brucellosis and Tuberculosis Eradication	49
Capital	8 12
Capital Projects—Schools	46 83 84
Cattle Compensation	49
Child Migrant Education	84
Community Health	119
Dairy Research	49
Debt Charges	9 204
Dental Services	114 120
Education	83
Elderly Citizens	112
Employment	63 77 180
Extension Services	49
Health	110
Health—Community Program	119
Health—Medibank	118
Home Purchase Assistance	35 45
Home Care	112
Housing	121
Local Government Grants	46
Meat Research	49
Mental Health—Community Program	119
National Estate Program	63
National Roads	72
Non-Government Schools	46
Overseas Aid (Agriculture)	49
Para-medical Services	112
Personal Income Tax Sharing	13
Pharmaceutical Benefits	44
Pre-school Child Development	120
Roads—National	72
Schools—Teacher Development	83 84
Schools Assistance—Joint Programs	35
Schools Assistance—Non-Government Programs	35
Sewerage—Country	184
Sirex Trust Account	107

INDEX—continued

	PAGE
Swine Compensation	49
Technical and Further Education	47
Technical Training	83 84
Tertiary Education Assistance	46
Traffic and Road Safety Improvement	72 73 74
Transport Planning and Research	72 73 152 168
Urban Public Transport	154
Urban Storm Water Run Off	35
Water Resources	137 180
Community Welfare Services Department of	60
Compensation and Insurance Funds	6
Comptroller of Stamps	20
Conservation, Ministry for	63
Consolidated Revenue Deficit Account	7
Consolidated Fund—	
Receipts	11
Payments	24 201
Consumer Affairs, Ministry of	69
Co-operative Housing Societies	121 189
Co-operative Societies	189
Corporate Affairs Office	130
Correctional Services	60
Country Art Galleries	50
Country Roads Board	71
Country Sewerage	184
Country Water Supply	177
Crimes Compensation Tribunal	59
Crown Lands and Survey	75
Crown Solicitor's Office	128
Cultural Development Grants	50 206
Dairy Products Fund	36
Dairy Research	49
Dartmouth Dam Construction Account	182
Deakin University	97
Debt Charges	9 30 201 204
Decentralized Industry Housing Authority	121
Defalcations and Irregularities	193
Dental Health Services—Health Commission	114
Deposits Lodged	47
Depreciation Funds	6
Development Fund	162
Development—Trust Accounts	6
Disallowances and Surcharges	192
Dried Fruits Fund	38
Drivers' Licence Suspense Account	21 56
Drug Education Program Trust Account	117
Early Childhood Development—Health Commission	113
Education	78
Elderly Citizens	112
Electronic Data Processing	198
Employment Grants	63 77
Endowments and Grants	205
Environment Protection Authority	64
Estate Agents' Guarantee Fund	38
Estate Agents—Registrar	59
Explosives	135
Extension Services—	
Agriculture	49
Conservation	66
Family and Adolescent Services	60
Feral Cats Consultancy Trust Account	76
Financial Agreement—	
Debt Charges	30
National Debt Sinking Fund	31
Public Debt	30
Fisheries and Wildlife	66
Forests Commission	106
Gift Duty	20
Government Buildings Fire Insurance Fund	39

INDEX—continued

	PAGE
Government Printer	146
Government Printing Office Working Account	146
Government Shorthand Writer	59
Government Statist	59
Governor's Office and the Executive Council	140
Greyhound Racing Grounds Development Fund	188
Guarantees	189
Health—Community Program—Commonwealth Assistance	119
Health Commission	110
Health—Trust Funds	6
Home Builders' Accounts No. 2 etc.	39
Home Purchase Assistance Account	35 45
Hospitals and Charities Fund	117
Housing, Ministry of	121
Immigration and Ethnic Affairs	123
Industrial Development Fund	36
Insurers Guarantee and Compensation Supplementation Fund	40
Interest on Public Debt	31
Internal Audit	199
International Year of the Child Committee Account	35
Irregularities and Defalcations	193
Labour and Industry	124
Land Conservation Council	68
Land Tax	15
Lands and Survey, Crown, Department of	75
La Trobe University	95
Law Department	127
Legal Aid Commission	131
Legal Aid Committee	132
Legislation	199
Licensing Fund	20
Loan Conversions	29
Loan Raisings for Redemptions	29
Loan Raising for Works	28
Loan Redemptions	30 202
Loan Transactions	28
Local Government Department	133
Mallee Land Account	36
Market Court	70
Maternal and Child Welfare—Health Commission	115
Meat Research	49
Melbourne Theatre Company	91
Melbourne University	85
Mental Health—Community Program—Commonwealth Assistance	119
Mental Hospitals Fund	40
Mental Hygiene—Health Commission	116
Minerals and Energy Department	135
Monash University	92
Motor Boating—Receipts and Payments	164
Motor Car—Drivers' and Driving Instructors' Licence Fees	21
Motor Car—Insurance Surcharge	15
Motor Car Traders' Guarantee Fund	69
Motor Registration Branch	56
Municipalities Assistance Fund	41
Municipalities—Contributions for Permanent Works etc.	71
National and Science Museums	50
National Gallery, Arts Centre etc.	50
National Debt Sinking Fund	31
National Employment Strategy for Aborigines	35
National Parks Fund	64
National Roads	72
National Water Resources Program Trust Account	35
New Trust Funds	35
Ombudsman	142
Payments—Comparison	24
Parliament	138
Payroll Tax	14
Petroleum Royalties	135
Pharmaceutical Benefits	44
Planning, Ministry for	139

INDEX—continued

	PAGE
Police	54
Police Pensions Fund	42 55
Police Superannuation Fund	42
Port Phillip Authority	67
Port Phillip Pilot Sick and Superannuation Fund	43
Ports and Harbors	148
Premier, Department of the	140
Probate Duty	14
Promotions Appeal Board	142
Property and Services, Department of	145
Public Debt and Debt Charges	30
Public Record Office	145
Public Service Board	142
Public Solicitor's Office	128
Public Trustee	131
Public Works Department	148
Puckapunyal Soil Conservation Project Trust Account.. .. .	66
Race-courses Development Fund	187
Raffles and Bingo Permits Board	58
Railway Accounts	151
Railway Agency Works Account	159
Railway Construction Board	169
Railway Manufacturing and Trading and Catering Account	159
Railway Salaries and Wages in Suspense Account 1978-79	158
Receipts—Comparison with Budget	22
Recreation Operating Fund	35 187
Recreation, Youth, Sport, Department of	185
Registrar-General and Registrar of Titles Office	129
Review	5
River Improvement Trusts	183
River Murray Commission	182
Road Charges—Commercial Goods Vehicles	71 172
Road Safety and Traffic Authority	57
Roads—National	72
Roads (Special Projects) Fund	43 72 73
Royalties—Petroleum	135
Schools—Non-Government—Financial Assistance	46
Securities Lodged with Treasurer	47
Sewerage Authorities	184
Sirex Trust Account	107
Small Business Development Corporation	162
Small Claims Tribunal	70
Social, Health and Welfare Funds	6
Softwood Forestry Agreements	107
Soil Conservation Authority	65
Special Accounts	34
Special Bonds Redeemed	30
Special Projects Fund—Roads	43 56 72 73 74
Sports and Recreation Fund	186
Sport, Recreation, Youth Department of	185
Stamp Duties	20
Stamp Duties Office	176
State College of Victoria	103
State Additional Apprentices Scheme	35
State Bicycle Fund	35 169
State Development, Decentralization and Tourism, Department of	161
State Electoral Office	59
State Emergency Service	59
State Film Centre	50
State Grants (Schools Assistance) 1978—Joint Programs	35
State Grants (Schools Assistance) 1978—Non-Government Programs	35
State Library	50
State Rivers and Water Supply Commission	177
State Taxes	14
Stores on Hand	209
Superannuation and Pension Funds	6
Superannuation Board of Victoria, State	175
Superannuation Trust Fund	36
Surcharges	192

INDEX—*continued*

	PAGE
Suspense Accounts	6 108 149 158 180
Swine Compensation Fund .. .. .	.. .. 49
Tanjil Dam Construction Account .. .. .	.. .. 35
Tattersall—Duty .. .. .	.. .. 17
Tattersall—Transfers of Duty .. .. .	.. .. 19
Taxation .. .. .	.. .. 14
Taxation Office .. .. .	.. .. 175
Technical Training—Commonwealth Assistance	83 84
Tender Board .. .. .	.. .. 174
Third Party Insurance .. .. .	.. .. 15
Timber Promotion Council Trust Account .. .. .	.. .. 109
Titles Office .. .. .	.. .. 129
Tobacco Licences .. .. .	.. .. 21
Totalizator .. .. .	.. .. 15
Totalizator—Transfer to Hospitals and Charities Fund .. .. .	.. .. 17
Tourism .. .. .	.. .. 163
Tourist Fund	163 208
Town and Country Planning Board .. .. .	.. .. 139
Traffic and Road Safety Improvement Program—Commonwealth Assistance .. .. .	.. .. 72
Traffic Authority Fund .. .. .	.. .. 58
Transport Fund	159 166
Transport, Ministry of .. .. .	.. .. 166
Transport Regulation Board .. .. .	.. .. 171
Treasurer's Acquittance .. .. .	.. .. 192
Treasurer's Advance .. .. .	.. .. 27
Treasury .. .. .	.. .. 173
Treasury Balances .. .. .	.. .. 6
Trust Accounts Closed .. .. .	.. .. 35
Trust Funds .. .. .	.. .. 34
Tuberculosis—Health Commission .. .. .	.. .. 113
Universities .. .. .	.. .. 85
Urban Public Transport .. .. .	.. .. 154
Urban Storm Water Run Off Grant	35 65
Valuer-General .. .. .	.. .. 133
Variations of Annual Appropriations	27 210
Victoria Archaeological Survey .. .. .	.. .. 68
Victoria Grants Commission .. .. .	.. .. 134
Victoria Institute of Colleges .. .. .	.. .. 100
Victorian Brown Coal Council Trust Account .. .. .	.. .. 35
Victorian Film Corporation .. .. .	.. .. 52
Victorian Natural Disasters Relief Account	72 109
Victorian Public Offices Corporation .. .. .	.. .. 149
Victorian Solar Energy Research Committee Trust Account .. .. .	.. .. 35
Water Resources and Water Supply .. .. .	.. .. 177
Water Resources—Commonwealth Assistance	137 180
Water Supply—Country .. .. .	.. .. 177
Waterworks Trusts .. .. .	.. .. 183
Weights and Measures .. .. .	.. .. 133
Welfare Funds .. .. .	.. .. 6
Wildlife Management Fund .. .. .	.. .. 67
Wilson's Promontory Lighthouse Track .. .. .	.. .. 64
Workers Compensation Board .. .. .	.. .. 124
Works and Development—Trust Accounts .. .. .	.. .. 6
Works and Services Account .. .. .	.. .. 44
Works and Services Program .. .. .	.. .. 32
Youth Fund .. .. .	.. .. 186
Youth, Sport, Recreation, Department of .. .. .	.. .. 185