

**VICTORIA**

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*Report*

of the

**AUDITOR-GENERAL**

for the

Year ended 30 June 1981

**MELBOURNE**  
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# REPORT OF THE AUDITOR-GENERAL OF VICTORIA

## UPON THE TREASURER'S STATEMENT OF THE FINANCES FOR THE YEAR ENDED 30 JUNE 1981

### PART 1. INTRODUCTION Statutory Requirements

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 1981. 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 1958, 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 1958, 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 1981. 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. have not been apportioned to departments. However, in respect of workers compensation insurance paid by the Treasury Department on behalf of departments an apportionment has been made. Further information relating to the basis of apportionment is given on page 211 of 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.

### Legislation

The Treasury Regulations 1981 and the Treasurer's Instructions and Determinations, issued under the Audit Act 1958, replaced the Public Accounts and Stores Regulations 1958. As indicated in my 1979-80 report, I regard the Regulations, Instructions and Determinations, which came into force on 1 May 1981 as an interim measure only. Therefore, I am pleased that the Public Accounts and Expenditure Review Committee has stated its intention to review the Audit Act 1958.

In previous reports I have adverted to the need for improved accountability by statutory authorities, particularly in the area of meaningful and timely financial reporting to Parliament. During the year, I was able to convey to the Public Bodies Review Committee my comments upon certain proposals that the Committee had under consideration in respect of these matters.

The audit responsibilities of the Auditor-General in this State cover all departments operating within the Public Account, all of the larger statutory authorities established under their own Statute and a considerable number of smaller authorities created under such Acts as Education, Land and Water.

However, at present the Auditor-General has no responsibility in respect of bodies in the receipt of substantial public funds in such areas as local government, health etc.

I am of the view that consideration should be given to establishing some rationale for determining the circumstances under which the Auditor-General is to have access to and to be able to report to Parliament on the activities of such bodies.

This is not to suggest that the Auditor-General should be responsible for auditing all such organisations.

Nevertheless, I am of the opinion that, where significant expenditure of public funds occurs in an organisation, the Auditor-General should have the right of access to its books and records and when he exercises that right he should report to Parliament the results of his review.

## Financial Recording and Reporting

### (a) *Recording*

Under existing legislation all departmental financial systems are basically subsidiary records of the Treasury Central Accounting System.

Various methods are used by departments in recording financial data. These range from simple manual and mechanised systems to the more sophisticated computer application systems, some with on-line processing facilities.

Ultimately, summary data is transmitted to Treasury by departments generally by manual means, for incorporation into the central ledger maintained by the computer system known as Financial Recording and Reporting (F.R.A.R.), operated on behalf of Treasury by the Government Computer Service.

The Treasury computer system provides the basic mechanism for monitoring the collection of revenue and the disbursement of Government expenditure and for the preparation of the annual Treasurer's Statement.

The present method of recording financial data has several deficiencies. There is no interface between manual, mechanised or computerised departmental procedures and Treasury. Consequently, most departmental input must be reformatted before it can be accepted by the Treasury system. Further, because of the difference in the version of the FRAR system used by certain departments and Treasury, direct dialogue between almost identical computer systems cannot be established. This results in uneconomical and time consuming manual procedures being adopted to bring financial data into the central system.

In addition, because of the lack of interface mentioned above, it is necessary for departments and Treasury frequently to engage in lengthy reconciliation processes to establish the accuracy of the information stored in the central system.

Due to these deficiencies, the present system does not lend itself to the application of modern audit techniques.

I am aware that attention is being given to overcoming some of these deficiencies and to the improvement of accounting and related systems. However, I believe that the position has now been reached where it is essential that a full scale review be carried out to establish both short term and long range objectives for financial recording and reporting in this State.

(b) *Reporting*

The present methods of recording the financial transactions do not easily allow for the preparation and presentation of departmental financial statements on an annual basis. The Auditor-General is required by section 47 of the Audit Act 1958 to explain the Treasurer's Statement, and in order to meet this requirement, I have been forced to involve my staff in the preparation of departmental financial statements many of which are not capable of being constructed from one set of records. Consequently, the Auditor-General's report to Parliament has developed over the years into a presentation under each departmental heading of an aggregation of the receipts and payments from various fund sources. This task, in terms of accepted standards of accountability, is clearly a function of management.

The resolution of this present unsatisfactory position will require not only legislative amendment to enable permanent heads to assume responsibility for the preparation of annual departmental financial statements, which could be incorporated in the Treasurer's Statement, but also the introduction of new financial recording and reporting systems to enable a more direct integration of departmental and Treasury accounts.

#### Financial Management

At any time and more particularly during a period of scarce financial resources it is important that a high standard of financial management be maintained.

The tendency to rely on the budgetary processes to provide an incentive to proper use of resources has had the result that insufficient attention has been given to the need for departments to recruit and develop officers possessing financial management and analysis skills.

Few departments have accounting manuals and there is a lack of financial expertise in many areas. Furthermore there is a need for strong central direction to be given to ensure that financial and other resources made available to permanent heads are properly accounted for and managed.

The situation whereby these areas have been neglected, has not of course been limited to this State. It is relevant to note that a number of overseas reviews, conducted on financial management in government, have resulted in decisions being taken to provide strong central direction by the creation of a Comptroller or similarly titled position.

I am firmly of the view that such a position should be created within the Treasury as soon as possible and I stress that the person appointed to the position must be given the necessary resources to provide strong leadership to accounting officers both in Treasury and the departments.

## Internal Audit

Internal audit is one of the most effective means available to a permanent head to ensure on a regular basis, that proper control procedures are in operation in his organisation.

It has been recognised in the private sector and elsewhere in government that an effective internal audit activity is an essential feature of efficient management. Recent studies both in Australia and overseas have once again emphasised the importance of appointing to these positions suitably qualified persons who are directly responsible to the permanent head and who have been provided with the necessary status, standards and training.

Despite my comments in Annual Reports over the last 4 years there has been minimal improvement in the position in this State. Therefore on this occasion I have deemed it advisable to identify the position in each department. Where no comment occurs, it indicates that the size and complexities of the department's activities are such as to not warrant a separate internal audit function. However I am of the view that the permanent heads of these departments should have access to internal audit, on a needs basis, and for this purpose the internal audit section in the Treasury, when established, should be large enough to undertake this role.

### Auditors-General of the Australia Area

Accompanied by one of my senior officers, I attended the Biennial Conference of Auditors-General in Queensland early in 1981.

Such conferences are a valuable forum for the Commonwealth, New Zealand, Fiji and State Auditors-General to discuss audit policy and methodology and administrative matters.

I anticipate that the co-operation which currently exists between Auditors-General in the sharing of training and other facilities will continue and I thank my fellow Auditors-General for their assistance in these matters.

### Overseas Study Trip

During the year I undertook an overseas study tour in the course of which I visited the following audit organisations:

- Auditor-General of the Province of Alberta, Edmonton, Canada
- Auditor-General of Canada, Ottawa, Canada
- General Accounting Office, Washington, United States of America
- Auditor-General of the State of New York, New York Office
- Comptroller and Auditor-General, London, England
- Auditor-General, National Audit Bureau, Stockholm, Sweden

In addition, I had discussions with a member of the House of Commons Committee of Public Accounts, a senior officer of Her Majesty's Treasury, London, representatives of the Canadian Comprehensive Audit Foundation, the Association of Government Accountants, United States of America, the Institute of Chartered Accountants in England and Wales, a senior officer of the Division of Development Administration, United Nations, and senior partners of Chartered Accounting firms in both New York and London.



The subjects discussed included the following:

- Role and Function of the Auditor-General
- Organisation and Staffing of Audit Offices
- Audit Methodology
- Relationship between Parliament and the Auditor-General
- Co-operation between Auditors-General
- Audit and Accounting Standards in Government
- Audit Committees in Government Organisations
- Internal Audit
- Audit of Collection of Oil and Gas Royalties
- Use of private sector auditors in government audit activities
- Privacy of information legislation and its effect on audit

The information gained and the material obtained from the various organisations is currently being evaluated to enable necessary changes to be introduced into my office. It will also provide valuable input for submission to the Public Accounts and Expenditure Review Committee in its present review of the Audit Act.

I am grateful to those who assisted in the arrangements for my visit and wish to record my sincere thanks to all persons and organisations visited for their ready co-operation and helpful assistance.

#### Staff

I must again report that considerable difficulty is being experienced in recruiting suitable audit staff. At 30 June 1981 the Office had a staff establishment of 153, a staff ceiling of 142 and the actual staff level was 122. Despite a number of measures taken during the year there has been a continued failure to recruit sufficient personnel. This has placed additional strain on my Divisional Directors and indeed on all staff of the Office.

The Office has continued to maintain a strong commitment to professional development. In addition to in-house courses conducted by staff members and outside experts, the opportunity was taken to send officers to various courses, conferences and seminars conducted by the professional bodies.

A number of officers from interstate audit offices and local internal auditors attended some of the courses run by my staff. In addition my officers have attended courses conducted by interstate audit offices and so far two conferences on specific matters have been held with officers from various Australian Audit Offices in attendance.

During the year the Office developed a computer based Audit Management Information System. Although not yet fully operational it has proved invaluable to central management and to Divisional Directors in the management of their audit responsibilities.

Mr. A. Meggs, my Deputy, acted as Auditor-General during my absence overseas and I thank him and all my staff for their support to me during the year.

B.J. WALDRON  
Auditor-General

Melbourne 1981

## Matters of Special Interest

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## PART II. REVIEW

In the Budget for 1980-81, the Treasurer estimated that the total receipts to the Consolidated Fund would be \$4 442 795 000 and that this amount, together with the balance of \$32 395 679 brought forward from 1979-80 would be fully expended. The actual receipts to the Consolidated Fund totalled \$4 481 768 458.

Payments from the Consolidated Fund totalled \$4 501 739 968 leaving a balance in the Fund of \$12 424 169. The Treasurer has carried forward this balance as a surplus to form part of the Consolidated Fund for the 1981-82 year.

Included in the payments was a transfer of \$417 154 489 to the Works and Services Account in the Trust Fund. This transfer exceeded that provided for in the estimates by \$4 389 148. At 30 June 1981, the balance in the account was \$22 306 572 (1980, \$41 587 096).

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

	Budget 1980-81 \$	Actual 1980-81 \$	Actual 1979-80 \$
State Taxation	1 568 564 000	1 601 586 927	1 366 866 367
Other State Sources excluding Railways	700 037 000	718 545 383	635 979 644
Railway Income	261 000 000	252 272 398	228 704 481
Commonwealth Sources excluding Loan Raisings	1 682 147 000	1 675 547 713	1 529 961 371
	4 211 748 000	4 247 952 421	3 761 511 863
Loan Raisings and Repayments	231 047 000	233 816 037	223 990 019
	4 442 795 000	4 481 768 458	3 985 501 882

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

	Budget 1980-81 \$	Actual 1980-81 \$	Actual 1979-80 \$
Special Appropriation-Debt Charges, Salaries, Pensions, General expenses etc., excluding Railways	853 887 113	881 417 159	724 032 472
Annual Vote-Departmental Services excluding Railways	2 751 271 550	2 729 812 421	2 391 606 316
Railway Operating expenses	457 266 676	473 355 899	418 034 923
	4 062 425 339	4 084 585 479	3 533 673 711
Special Appropriation-Works and Services Account	412 765 341	417 154 489	419 432 491
	4 475 190 680	4 501 739 968	3 953 106 202

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 \$4 523 891 947. A broad classification of the receipts is as follows:

	\$	\$
Commonwealth		1 245 053 080
Commonwealth-State		8 404 108
State Funds		
Compensation and Insurance	37 600 122	
Depreciation	2 139 484	
Social, Health and Welfare	406 066 551	
Superannuation and Pensions	6 030 924	
Suspense	1 898 437 317	
Works and Development	817 373 368	
Other	89 343 300	
	<hr/>	3 256 991 066
Bequests, Donations, Deposits and Research		13 443 693
		<hr/>
		4 523 891 947
		<hr/>

Payments from Trust Fund totalled \$4 540 840 812 and may be classified under the following broad headings:

	\$	\$
Commonwealth		1 243 425 482
Commonwealth-State		8 629 595
State Funds		
Compensation and Insurance	49 195 905	
Depreciation	1 136 757	
Social, Health and Welfare	414 228 819	
Superannuation and Pension	5 711 565	
Suspense	1 873 623 537	
Works and Development	839 522 351	
Other	92 751 951	
	<hr/>	3 276 170 885
Bequests, Donations, Deposits and Research		12 614 850
		<hr/>
		4 540 840 812
		<hr/>

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 38 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		325 780 114
Receipts		
Consolidated Fund	4 481 768 457	
Trust Fund	4 523 891 947	
	<u>                    </u>	<u>9 005 660 404</u>
		9 331 440 518
Payments		
Consolidated Fund	4 501 739 968	
Trust Fund	4 540 840 812	
Increase in Advances	2 525 274	
	<u>                    </u>	<u>9 045 106 054</u>
Balances 30 June		<u>286 334 464</u>

The net effect of the year's transactions was a decrease in the total Treasury balances of \$39 445 650, brought about by a decrease in the credit balance of the Trust Fund of \$16 948 865, a reduction of \$19 971 511 in the amount retained in the Consolidated Fund and an increase in advances from the Public Account of \$2 525 274.

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

	\$	\$
Trust Fund Balance		302 992 284
Balance retained in the Public Account		12 424 169
		<u>315 416 453</u>
Less Advances from Public Account		
For Consolidated Revenue Deficits	21 782 281	
For Departmental and Other Purposes	7 299 708	
	<u>                    </u>	<u>29 081 989</u>
		<u>286 334 464</u>

The balances are represented by:

Cash at Credit of Public Account	27 895 373	
Fixed Deposit Account	116 613 699	
Short Term Money Market	35 000 000	
State Electricity Commission-Promissory Note	20 000 000	
	<u>                    </u>	<u>199 509 072</u>
Investments - Trust Fund		86 825 392
		<u>286 334 464</u>

## Receipts - Consolidated Fund

Total receipts to the Consolidated Fund of \$4 481 768 458 exceeded the Budget Estimate of \$4 442 795 000 by \$38 973 458.

The net excess of \$38 973 458 was made up as follows:

	\$	\$
Items in excess of Budget Estimate		
Taxation	33 022 927	
Miscellaneous Receipts	11 295 064	
Fees and Charges for Department Services	4 075 565	
Land Revenue	3 944 406	
Loan Repayments	2 769 037	
Forests Commission	2 399 039	
Other	1 309 182	
	58 815 220	
Less		
Shortfalls in receipts compared with Budget Estimate		
Railways	8 727 602	
Commonwealth Payments	6 599 289	
Recoveries of Debt Charges	4 514 871	
	19 841 762	
		38 973 458

The variation between the Budget Estimate and the actual receipts from Taxation resulted mainly from increased collections of Other Stamp Duty of \$28 973 054, Tattersall Duty \$5 435 710, Totalizator Commission \$3 655 691, Petroleum Licences \$2 927 817 and the Licensing Fund Payment \$2 212 194 offset by shortfalls in receipts from Land Tax \$7 028 816, Probate Duty \$2 311 868, Payroll Tax \$2 250 839 and Tobacco Licences \$1 982 834.

The actual receipts to the Consolidated Fund exceeded those of the previous year, \$3 985 501 882, by \$496 266 576. Details of the variations between the two years are given on pages 8 to 10 of this report.

Receipts are capable of division into 3 main categories:

	\$
Sources other than the Commonwealth	2 572 404 708
Commonwealth Sources	*1 677 318 583
Loan Raisings and Repayments	232 045 167
	4 481 768 458

\* 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, \$2 572 404 708, were \$340 854 215 higher than the 1979-80 figure of \$2 231 550 493 and constituted 57.40 per cent. of the total receipts compared with 55.99 per cent. in the previous year. Those from Commonwealth sources \$1 677 318 583, were \$145 693 573 more than in the previous year and represented 37.42 per cent. as against 38.43 per cent. for 1979-80. Loan raisings and repayments yielded \$9 718 788 more than the 1979-80 total of \$222 326 379 and provided 5.18 per cent. of the total receipts compared with 5.58 per cent. in 1979-80.

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

	\$
Payroll Tax	61 631 511
Duty under Stamps Act	49 859 776
Petroleum Royalties	39 200 357
Motor Car Act-Section 7A	36 485 408
Land Tax	30 745 601
Railways	23 567 917
Petroleum Licences	20 561 995
Fees and Charges-for Departmental Services	16 810 459
Public Authority Payments	11 862 500
Licences - other	10 291 535

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

	1980-81	1979-80	+Increase -Decrease
	\$	\$	\$
Personal Income Tax	1 354 859 813	1 233 934 256	+ 120 925 557
Education-Capital and Recurrent Purposes etc.	161 621 253	143 571 835	+ 18 049 418
Works Grant	109 473 000	104 260 000	+ 5 213 000
Pre-school Child Education and Care	9 015 000	9 015 000	..
Urban Public Transport	9 600 000	8 664 333	+ 935 667
Home Care	6 257 265	5 769 460	+ 487 805
Deserted Wives	225 623	5 313 463	- 5 087 840
Community Health	6 449 568	5 296 305	+ 1 153 263
Interest-Financial Agreement	4 254 318	4 254 318	..
Repatriation Hospital-Bundoora	3 970 007	3 740 103	+ 229 904
National Railway Network	5 212 495	3 230 000	+ 1 982 495
Medibank Recoups	2 167 498	2 223 674	- 56 176
Water Resources	1 136 000	1 136 000	..
Other	2 555 743	800 846	+ 1 754 897
Softwood Forestry	521 000	415 417	+ 105 583
	<u>1 677 318 583</u>	<u>*1 531 625 010</u>	<u>+ 145 693 573</u>

\* Includes receipts of \$1 770 870 credited to Loan Repayments Act No. 6345

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 Acts 1978 and 1980. Victoria's entitlement for 1980-81 in terms of the new arrangements was \$1 354 859 813.

Net receipts of \$232 045 167 to the Consolidated Fund from loan raisings and loan repayments (exclusive of Commonwealth contributions) were \$9 718 788 more than the comparable figure for 1979-80. The receipts consisted of \$218 947 000, the net proceeds of loans raised under Victoria's share of the works program approved by the Loan Council, and \$13 098 167 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 \$4 481 768 458 and when added to the balance brought forward from 1979-80 of \$32 395 679 made a total of \$4 514 164 137 available for appropriation. An amount of \$12 424 169 was retained in the Consolidated Fund and the balance of \$4 501 739 968 was applied as follows:

	\$
Special Appropriation-Debt Charges, Pensions etc.	943 682 599
Special Appropriation-Works and Services Account	417 154 489
Annual Vote-Departmental etc. Services	3 140 902 880
	<hr/>
	4 501 739 968
	<hr/>

The 1980-81 figure exceeded that of the previous year, \$3 953 106 202 by \$548 633 766.

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 \$2 342 386 454 and represented 51.42 per cent. of the total amount available in the Consolidated Fund. The items included in the payments of \$2 342 386 454 were Education \$1 437 324 049, Health and Welfare, \$788 567 917 and Housing and other Social items, \$116 494 488. These amounts exceeded those of the previous year by \$66 679 657 in Education, \$151 768 200 in Health and Welfare, and \$14 788 928 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 1980-81 with that of the previous year is given in Statement No. 1 appended to this report.

Debt charges continue to absorb a substantial portion of the funds available in the Consolidated Fund. The amount paid in 1980-81 under this heading was \$435 916 589 which represents 9.57 per cent. of the total payments from the Consolidated Fund. Debt charges on the Public Debt accounted for \$360 572 355 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. 3 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 the Works and Services Account throughout the year amounted to \$417 154 489 and, with the balance of \$41 587 096 unexpended from the previous year, brought the total funds available in the account to \$458 741 585. Payments under the year's works and services program absorbed \$436 435 013 leaving an unexpended balance in the account, at 30 June 1981, of \$22 306 572. Details of the payments are given on pages 36 and 37 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

Receipts to the Consolidated Fund, which are detailed in full in the Treasurer's Statement, are listed in the following tabular form for the purpose of showing the significant variations which provided the overall increase of \$496 266 576 for the year.

	1980-81 \$	1979-80 \$
<b>TAXATION</b>		
Direct	1 020 515 337	873 500 166
Stamps Act	412 820 116	355 968 245
Petroleum Products Licences	68 927 817	48 365 822
Licensing Fund Payment	47 612 194	41 277 894
Tobacco Licences	38 017 166	34 763 404
Motor Drivers Licences	10 487 520	9 674 672
Other	3 206 777	3 316 164
	<u>1 601 586 927</u>	<u>1 366 866 367</u>
<b>RECOVERIES OF DEBT CHARGES</b>		
Interest and Exchange	114 048 573	112 873 988
Sinking Fund-Contributions and Special Payments	5 205 412	4 051 615
Loan Conversion Expenses	169	1 472
Repayments	20 068 975	19 805 456
	<u>139 323 129</u>	<u>136 732 531</u>
<b>LAND REVENUE</b>		
Leases, Licences, Miners' Rights etc.	8 259 904	7 420 827
Royalties		
Submerged Lands (Petroleum)	171 839 112	132 638 755
Other	1 339 390	1 252 186
	<u>181 438 406</u>	<u>141 311 768</u>
<b>HARBOR REVENUE</b>		
Contribution-Port of Melbourne Authority	772 123	770 976
Westernport-Wharfage, Tonnage, Towage etc.	5 014 524	4 871 375
Other	3 458 050	3 285 642
	<u>9 244 697</u>	<u>8 927 993</u>

	1980-81 \$	1979-80 \$
<b>FEEES AND CHARGES FOR DEPARTMENTAL SERVICES</b>		
Fees-Titles Office, Commissioner for Corporate Affairs, Government Statist etc.	44 285 590	37 349 113
Departmental Services		
Government Printer	23 057 625	19 908 249
Public Works	14 661 799	13 819 829
Motor Registration	16 598 457	14 121 418
Health Commission	13 679 173	14 049 019
Agriculture	10 594 172	9 875 558
Police	6 264 058	5 544 476
Government Computing Service	4 905 946	3 285 007
Education	3 367 001	3 372 790
Lands and Survey	2 840 792	2 645 809
Public Trustee	2 096 243	1 857 321
Community Welfare Services	1 295 595	1 316 144
Other	4 404 114	4 095 374
	<hr/> 148 050 565 <hr/>	<hr/> 131 240 107 <hr/>
<b>FORESTS COMMISSION</b>		
Royalties etc.	24 649 039	18 856 700
<b>STATE RIVERS AND WATER SUPPLY COMMISSION</b>		
Rates and Charges, Recoups etc.	52 114 485	44 954 988
<b>OTHER REVENUE</b>		
Statutory Corporations-Contributions	57 100 000	45 237 500
Fines-Courts and Other Sources	24 805 762	23 323 078
Interest on Public Account	26 207 911	21 771 239
Rents and Hirings	2 974 103	2 491 376
Public Trustee-Surplus Interest	1 831 007	1 860 564
Recoup-Superannuation Charges	10 343 064	7 921 482
State Insurance Office Act 1975, Section 16	8 002 246	16 033 629
Transfers from Trust Funds	2 345 044	9 478 221
State Bank-Half Share of Profit, Savings Bank Department	16 429 567	17 848 816
Gas and Fuel Corporation-Dividends, Preference Shares	307 969	307 376
Sundry	13 378 391	7 682 277
	<hr/> 163 725 064 <hr/>	<hr/> 153 955 558 <hr/>
<b>RAILWAYS</b>		
	252 272 398	228 704 481
<b>COMMONWEALTH PAYMENTS TO THE STATE</b>		
Personal Income Tax Sharing Entitlement	1 354 859 813	1 233 934 256
Schools		
Grants for Recurrent Expenditure	98 868 268	89 604 648
Building Grants	59 052 957	50 243 643
Works Grant	109 473 000	104 260 000
Community Health	6 449 568	5 271 817

	1980-81	1979-80
	\$	\$
Contribution for Interest-Financial Agreement	4 254 318	4 254 318
Pre-school Child Education and Care	9 015 000	9 015 000
Urban Public Transport Grants	9 600 000	8 664 333
National Railway Network (Financial Assistance) Act 1979	5 212 495	3 230 000
Other Contributions and Recoups	18 762 292	21 483 355
	<u>1 675 547 711</u>	<u>1 529 961 370</u>
<b>LOAN RECEIPTS</b>		
Proceeds of Loan Raisings	218 947 000	208 521 000
Loan Repayments	14 869 037	15 469 019
	<u>233 816 037</u>	<u>223 990 019</u>
<b>TOTAL RECEIPTS</b>	<u>4 481 768 458</u>	<u>3 985 501 882</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:

	1980-81	1979-80	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	1 354 859 813	1 233 934 256	1 090 024 723
Grants for Specific Purposes	133 095 128	125 374 820	118 247 205
Capital Assistance Grants	183 338 452	166 397 976	184 919 210
	<u>1 675 547 711</u>	<u>1 529 961 370</u>	<u>1 397 445 456</u>
<b>Total Commonwealth Grants</b>	<u>1 675 547 711</u>	<u>1 529 961 370</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 Acts 1978 and 1980 authorise 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 1980-81 financial year, the amount so determined was \$15 039 295 017. 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 1980-81, calculated on this basis, was \$1 349 589 669.

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" under the provisions of the States (Personal Income Tax Sharing) Amendment Act 1980 is designed to ensure that the State will receive no less in real terms in 1980-81 than the amount it received in 1979-80 as measured by the C.P.I. for the 4 quarters to March 1981 compared to the 4 quarters to March 1980 in the capital city of the State. Under the "minimum entitlement" provision, the State received an amount of \$1 354 859 813 which was credited to the Consolidated Fund.

### *Grants for Specific Purposes*

Grants for specific purposes comprised:

	1980-81	1979-80	1978-79
	\$	\$	\$
Community Health	6 449 568	5 271 817	5 100 062
Home Care Scheme	5 007 395	3 987 240	3 421 597
Paramedical Services	378 000	351 500	380 207
Pre-school Child Education and Care	9 015 000	9 015 000	9 015 000
Education	98 868 268	89 604 648	84 413 826
Medibank Recoup	2 167 498	2 136 427	1 610 764
School Dental Scheme	3 700 028	3 678 507	3 572 337
Water Resources	1 136 000	1 136 000	1 136 000
Deserted Wives	225 623	5 313 463	5 434 288
Repatriation Hospital-Bundoora	3 970 007	3 740 103	3 383 613
Miscellaneous	2 177 741	1 140 115	779 511
	<u>133 095 128</u>	<u>125 374 820</u>	<u>118 247 205</u>

### *Capital Assistance Grants*

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

	1980-81	1979-80	1978-79
	\$	\$	\$
Works Grant	109 473 000	104 260 000	120 071 000
Education	59 052 957	50 243 643	53 885 250
Urban Public Transport	9 600 000	8 664 333	10 962 960
National Railway Network	5 212 495	3 230 000	..
	<u>183 338 452</u>	<u>166 397 976</u>	<u>184 919 210</u>

## State Taxes

Classifications under Receipts-Taxation, in the Treasurer's 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, gift duty and certain fees under Section 7A of the Motor Car Act. Receipts under the Stamps Act comprise collections from duty on betting instruments, duty on insurance business and other stamp duty. The title "Licences" covers not only licence fees credited direct to the Consolidated Fund but also the payment made thereto from the Licensing Fund.

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

	1980-81	1979-80
	\$	\$
Direct	1 020 515 336	873 500 167
Stamps Act	412 820 116	355 968 245
Licences	168 251 475	137 397 955
	<hr/>	<hr/>
	1 601 586 927	1 366 866 367
	<hr/>	<hr/>

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

### *Direct Taxation*

#### Payroll Tax

Collections in 1980-81 under the Pay-roll Tax Act 1971 amounted to \$624 149 161 compared with \$562 517 650 in 1979-80, an increase of \$61 631 511. Despite the increased exemptions granted under the Pay-roll Tax Act 1980 there was an increase in collections during the year. The increase was due mainly to the rise in salaries and wages during the year.

#### Probate Duty

Collections of probate duty in 1980-81 were \$51 488 132, an increase of \$98 720 over the 1979-80 collections of \$51 389 412. From 1 January 1981, property passing from a child to a parent or grandparent was exempt from duty under the provisions of the Probate Duty Act 1980.



Duty amounting to \$49 582 150 was collected by the Commissioner of Probate Duties and \$1 905 982 by the Public Trustee. The aggregate value of new estates assessed decreased from \$387 million in 1979-80 to \$361 million in 1980-81. Duty received in advance of the issue of assessments at 30 June 1981 amounted to \$1 255 246 whereas at 30 June 1980 the amount was \$1 431 153. Duty assessed but uncollected at 30 June 1981 amounted to \$12 539 057 (1980, \$12 456 780).

#### Land Tax

Revenue from land tax increased from \$90 225 583 in 1979-80 to \$120 971 184 in 1980-81, an increase of \$30 745 601. At 30 June 1981, net tax assessed and uncollected amounted to \$29 138 545 compared with \$37 491 104 in 1979-80.

The Land Tax Act 1980 raised the exemption figure for land used exclusively by the owner as his principal place of residence from \$40 000 to \$45 000 from 1 January 1981. The Act also deferred for 12 months the application of the new valuations for land tax purposes which would otherwise automatically be used for the 1981 tax year.

The main reasons for the increase in the revenue from land tax during 1980-81 were:

- (a) the return to a normal assessment cycle;
- (b) the removal of the backlogs in the issuing of assessments for earlier years; and
- (c) a reduction in the level of unpaid tax at the end of the financial year.

Over the past two years I have drawn attention to a number of problems associated with the assessment and collection of land tax. These can be summarised as:

- (a) administrative difficulties in the processing of assessments arising from retrospective legislation in respect of the 1978 tax year; and
- (b) difficulties associated with the data-base computer system.

During the course of the current audit, particular attention was paid to the control systems associated with the data-base computer system. Audit tests were imposed on the data-base to establish whether land tax was being levied on all taxable properties.

The results of the audit tests indicated that a significant percentage of the properties included in the sample were liable to be taxed and that no assessment had been raised in respect of those properties.

It was subsequently ascertained that the Taxation Office had carried out an analysis of the data base file in July 1981. This analysis disclosed the existence of about 210 000 potential new taxpayers and the Taxation Office estimated the apparent liability of these "taxpayers" for 1981 as about \$17 million. The Taxation Office further estimated that on the basis of same lands owned about 182 000 potential taxpayers had an apparent liability of approximately \$13.5 million for 1980, about 156 000 "taxpayers" had an apparent liability of approximately \$12 million for 1979 and on the same basis about 130 000 "taxpayers" had an apparent liability of \$10.5 million for 1978.

It was not possible from the computer records to assess liability prior to 1978 because site values were changed on the data base for the 1978 tax year and prior to 1977 the data base itself did not exist. However it is understood that access to manual records would enable the office to assess tax liability for years prior to 1978.

An analysis of a sample of 4 000 of the potential 210 000 taxpayers using certain criteria was undertaken by the Taxation Office in August 1981. As a result of the analysis the Taxation Office further refined the amount shown in the July 1981 analysis. The Taxation Office indicated that, broadly speaking, the number of taxpayers and tax was approximately half those disclosed in July and that further reductions may be anticipated. At this time, I am unable to determine the accuracy of this assessment.

Further analysis will be necessary before the Taxation Office can say with any certainty what amount of revenue will finally be available from the issue of assessments in respect of these potential taxpayers for 1981 and prior years. Nor can the Taxation Office estimate what proportion of the potential new taxpayers will ultimately be found to be non-taxable once the data base is purged of duplicates and more comprehensive checking of individual records is carried out.

I have been informed by the Director of Finance that the Commissioner will be taking action as soon as possible to issue assessments in respect of those taxpayers with an apparent tax liability for 1981 and that he is confident that this will give a better indication of the possible additional revenue available in respect of earlier years. He further advised that this action will, of course, take some time to complete.

Until further action is taken by the Taxation Office I am unable to establish the shortfall of revenue, in 1980-81 and prior years, due to the failure to issue land tax assessments to the additional taxpayers.

#### Gift Duty

Collections under the Gift Duty Act 1971 amounted to \$894 058 in 1980-81, compared with \$1 123 339 in 1979-80. Duty received in advance of the issue of an assessment at 30 June 1981 totalled \$327. Duty assessed but uncollected at that date amounted to \$247 325 (1980, \$363 090).

## Motor Car Third Party Insurance Surcharge

In conformity with the requirements of the Motor Car Act 1958, an additional fee is paid annually by each motor car owner with the premium payable in respect of a contract of third party insurance.

Revenue from this surcharge in 1980-81 was \$16 905 992 compared with \$12 530 824 in 1979-80. The increase was due to the effect over the whole year of the increase in the fee from \$4 to \$8 operative from 1 December 1979.

## Registration Fees - Section 7A Motor Car Act 1958

Section 7A of the Motor Car Act 1958, as amended by the Transport (Road Funds) Act 1980 sets out the proportions of the various fees paid on the registration or the renewal of registration of motor cars, motor cycles and trailers, which are payable into the Consolidated Fund. The amount credited to the Consolidated Fund in 1980-81 was \$36 485 408. Prior to 1 July 1980 the proportions of registration fees referred to in Section 7A had been credited directly to the Roads (Special Projects) Fund. An amount equal to the fees credited to the Consolidated Fund is, under the provisions of the Business Franchise (Petroleum Products) Act 1979 paid from the Consolidated Fund to the credit of the Roads and Special Projects Fund in the Trust Fund.

## 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. The commission deducted from moneys invested in the various on-course and off-course totalizator pools during 1980-81 and the appropriation of that commission is shown as follows:

### On-course Totalizators

	Win and Place %	Doubles, Quinella and Forecast %	Trifecta %
(a) Metropolitan			
Consolidated Fund	8.75	6.75	7.75
Club concerned	6.25	8.25	9.00
Racecourses Development Fund	..	..	.25
	<hr/>	<hr/>	<hr/>
Commission	15.00	15.00	17.00
	<hr/>	<hr/>	<hr/>
(b) Country			
Consolidated Fund	3.75	4.75	5.75
Club concerned	11.25	10.25	11.00
Racecourses Development Fund	..	..	.25
	<hr/>	<hr/>	<hr/>
Commission	15.00	15.00	17.00
	<hr/>	<hr/>	<hr/>

Off-course Totalizators

	Win and Place and Quinella %
Consolidated Fund	6.25
Racecourses Development Fund and Greyhound Racing Grounds Development Fund	.25
Totalizator Agency Board	8.25
Totalizator Agency Board Development Reserve	.25
	<hr/>
Commission	15.00
	<hr/>

	Miscellaneous Doubles and Trifecta %	Quadrella %
Consolidated Fund	*5.25	*5.25
Racecourses Development Fund and Greyhound Racing Grounds Development Fund	1.25	1.25
Funds into which moneys are paid pursuant to the Youth, Sport and Recreation Act 1972	2.00	4.00
Totalizator Agency Board	8.25	8.25
Totalizator Agency Board Development Reserve	.25	.25
	<hr/>	<hr/>
Commission	17.00	19.00
	<hr/>	<hr/>

\* Of the 5.25 per cent., 0.25 per cent. is paid to the Development Funds from the Consolidated Fund. This contribution will cease on or before 1 August 1985.

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 and appropriated as follows:

	%
Racecourses 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
	<hr/>
Commission	20.00
	<hr/>

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 inspections etc. In 1980-81, the sum of \$54 655 691 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 \$285 161.

A summary of receipts into the Consolidated Fund for the past two years is set out on page 17 of this report.

	1980-81			1979-80				
	Horse Races	Trotting Races	Greyhound Races	Total	Horse Races	Trotting Races	Greyhound Races	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>PERCENTAGES</b>								
Win and Place								
Metropolitan	10 315 261	1 985 139	1 317 635	13 618 035	9 042 584	1 759 724	1 203 538	12 005 846
Country	4 917 714	2 641 248	605 595	8 164 557	4 302 301	2 248 661	500 194	7 051 156
Interstate	3 486 062	416 588	22 328	3 924 978	2 852 489	358 031	1 842	3 212 362
Doubles and Quinella								
Metropolitan	4 612 050	1 052 860	1 070 911	6 735 821	4 592 522	1 119 882	1 198 503	6 910 907
Country	2 917 809	1 547 014	515 849	4 980 672	2 926 439	1 477 516	551 206	4 955 161
Interstate	1 177 835	212 285	2 865	1 392 985	1 185 332	235 787	2 242	1 423 361
Trifecta/Forecast								
Metropolitan	1 287 413	494 039	791 940	2 573 392	1 158 612	392 805	711 472	2 262 889
Country	205 426	148 068	105 426	458 920	141 369	106 524	26 992	274 716
Quadrilla/Trifecta - Off-course	3 971 128	1 518 710	1 062 099	6 551 937	3 458 120	1 383 939	906 738	5 748 797
Rebates and Adjustments				(52 451)				(101 026)
				<u>48 348 846</u>				<u>43 744 169</u>
<b>FRACTIONS (Section 104 of the Racing Act)</b>								
Win and Place								
Metropolitan	1 563 537	541 374	135 068	2 239 979	1 451 111	411 569	264 466	2 127 146
Country	1 474 423	853 269	162 725	2 490 417	983 936	469 173	121 396	1 574 505
Interstate	569 357	957	..	570 314	360 553	..	..	360 553
Doubles and Quinella								
Metropolitan	61 681	37 481	11 419	110 581	54 357	26 435	25 962	106 754
Country	60 223	33 509	12 202	105 934	36 343	18 551	11 594	66 488
Trifecta/Forecast								
Metropolitan	4 694	8 509	3 501	16 704	4 870	2 875	6 610	14 355
Country	4 469	5 200	2 715	12 384	1 654	944	568	3 166
Miscellaneous Totalizers*				453 345				431 204
Dividends Adjustment Fund				(21 757)				(18 462)
				<u>5 977 901</u>				<u>4 665 709</u>
<b>DIVIDENDS UNCLAIMED</b>				<u>328 944</u>				<u>316 998</u>
<b>CREDITS TO THE CONSOLIDATED FUND</b>				<u>54 655 691</u>				<u>48 726 876</u>

\* Includes Interstate Doubles and Quinella

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 Consultations 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:

	1980-81	1979-80
	\$	\$
Ordinary Consultations	10 700 000	9 611 500
Tattslotto Consultations	309 574 507	282 689 517
Super 66	26 428 674	15 791 416
Gold Lotteries	2 500 000	2 500 000
Soccer Football Pools		
Victoria: A.C.T.	6 616 758	8 013 898
	<u>355 819 939</u>	<u>318 606 331</u>

The introduction of Lotto-Bloc in March 1981, which included subscriptions from South Australia and Western Australia, was one of the contributing factors to the increase in subscriptions to Tattslotto.

Subscriptions to Soccer Football Pools decreased 17.4 per cent. during the year and it would appear that this decline could be due to the increased subscriptions in other consultations (other than Gold Lotteries).

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

	Fixed Value	
	Sweeps,	Soccer
	Tattslotto	Football
	and Super	Pools
	66	
	%	%
Minimum prizes (Subscribers)	60	37
Statutory Duty (Government)	32.5	30
Balance-Promoter (Tattersalls)	7.5	33
	<u>100</u>	<u>100</u>
	—	—

The promoter's portion of subscriptions, calculated in accordance with legislative provisions existing at 30 June 1981, amounted to:

	1980-81	1979-80
	\$	\$
Tattslotto	23 218 088	21 201 714
Soccer Football Pools	2 183 530	2 644 586
Ordinary Consultations	802 500	720 862
Super 66	1 982 151	1 184 356
Gold Lotteries	187 500	187 500
	<u>28 373 769</u>	<u>25 939 018</u>

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.

Duty paid to the Treasurer amounted to:

	1980-81	1979-80
	\$	\$
Tattslotto	100 100 147	95 464 350
Super 66	8 588 988	4 960 220
Ordinary Consultations	3 468 327	3 250 230
Soccer Football Pools	1 995 748	2 461 682
Gold Lotteries	812 500	850 000
	<u>114 965 710</u>	<u>106 986 482</u>

In accordance with the provisions of the Act an amount equivalent to the net duty for 1980-81 was appropriated from the Consolidated Fund, and apportioned as follows:

	\$
Hospitals and Charities Fund	101 132 712
Mental Hospitals Fund	11 690 000
Sports and Recreation Fund	1 330 498
Historical and Community Projects Fund	812 500
	<u>114 965 710</u>

Pursuant to the Tattersall Consultations Regulations 1980 (proclaimed on 18 November 1980) unclaimed prizes which have remained unclaimed for not less than one year (less certain expenses incurred by the promoter in searching for the persons concerned) are paid into the Unclaimed Moneys Fund on a monthly basis. Moneys held by the promoter are invested and interest earned on such moneys is retained by the promoter.

Unclaimed prizes amounting to \$944 250 in respect of Consultations drawn during the period 1 July 1979 to 31 May 1980 were paid to the credit of the Unclaimed Moneys Fund. Unclaimed prizes held by the promoter at 30 June amounted to \$10 172 527, of which \$3 412 066 was subject to the prescribed 14 days time constraint on the payment of prizes as prescribed in the Tattslotto Regulations.

Under agreements made with other governments certain percentages of the total duty on subscriptions to Victorian consultations are paid to those governments.

There is no express or implied provision for these agreements other than those in respect of Soccer Football Pools under the provisions of the Tattersall Consultations Act 1958.

During 1980-81 the following agreements were entered into by the Treasurer with the responsible Minister of the other governments by an exchange of letters.

- (a) Australian Capital Territory - the agreement provides that the Territory will receive 50 per cent. of the duty on Consultations (including Tattslotto and Super 66) and 100 per cent. on Soccer Football Pools on consultations conducted on or after 5 February 1981.
- (b) South Australia and Western Australia - the agreements provide that the States receive 100 per cent. of the duty on Lotto Bloc subscriptions in the various States.
- (c) Tasmania - the agreement was renegotiated for 3 years from 1 January 1981. The percentage payable on consultations increased from 50 per cent. to 75 per cent.

The following table sets out the relevant details:

Government	Term of Agreement	Year of Expiry	Percentage Payable	Payments		Balance Due
				1980-81	1979-80	1980-81
				\$	\$	\$
A.C.T.	Indefinite		50	..	..	539 591
New Zealand	3 years	1981	66.66	129 790	151 688	12 441
Northern Territory	Indefinite		50	388 843	347 221	104 819
South Australia	Indefinite		100	2 736 041	..	171 111
Tasmania	3 years	1983	75	4 953 361	3 570 868	659 261
Western Australia	Indefinite		100	1 703 090	..	113 460

The amounts paid to the other governments are included under separate items in the Annual Appropriation of Treasury Department.



## Comptroller of Stamps

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

	1980-81	1979-80
	\$	\$
Other Stamp Duty	338 373 054	288 513 277
Duty on Insurance Business	63 418 650	56 713 481
Duty on Betting Instruments	11 028 412	10 740 530
Receipt Duty	..	957
	<hr/>	<hr/>
	412 820 116	355 968 245
	<hr/>	<hr/>

As indicated in the preceding statement, receipts from stamp duty increased by \$56 851 871 for the year. Major variations in Other Stamp Duty were as follows:

	1980-81	1979-80	Increase
	\$	\$	\$
(a) duty on real estate dealings	153 130 897	132 049 677	21 081 220
(b) duty on applications for registration and notices of acquisition of motor cars	64 726 468	53 550 477	11 175 991
(c) sharebrokers' statements and share sales	26 607 467	19 883 959	6 723 508
(d) sale of adhesive duty stamps	24 829 552	20 685 767	4 143 785
(e) duty on credit and rental business (registered persons)	36 318 104	32 280 982	4 037 122
(f) duty on cheques	21 612 294	19 797 586	1 814 708

Increases in items (b) and (f) were mainly due to the increased rates of duty imposed under the Stamps (Amendment) Act 1979 operating for the full year.

Contributing factors to the increases in (a), (c) and (e) were the increased level of real estate transactions, an increase in both the volume of share transactions and the price of shares and the rise in interest rates relating to credit and rental agreements which has had the effect of subjecting more agreements to duty than previously.

The revenue from (d) increased due mainly to increases in court fees, off-market share sales and the increased use of bills of exchange.

The Stamps Act 1958 and the Cattle Compensation Act 1958 make provision for penalties to be imposed for both the late lodgement and non-lodgement of various returns.

During the course of the current audit it was established that a number of returns which are required to be submitted to the Comptroller of Stamps, together with the appropriate duty were either received in the Office after the due date or were not received at all.

At present no action is taken to enforce the penalties in respect of these returns and enquiries of the Stamps Office indicate this failure is due largely to the lack of staff to carry out the necessary procedures to collect the duty and to enforce the penalties.

### Licences

#### The Licensing Fund

The revenue of the Licensing Fund consisted mainly of moneys received from hotelkeepers, \$27 429 852, wholesale and retail liquor merchants, \$17 748 558, and clubs, \$2 751 749.

Sub-section 3 of Section 155A of the Liquor Control (Fees) Act 1980 authorised, from 1 January 1981, a rebate to retailers amounting to 7 per cent. of their purchases of low alcohol liquor. Rebates to 30 June 1981 amounted to \$1 338 469.

In accordance with the provisions of the Liquor Control Act 1968, the surplus of receipts over payments for 1980-81 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:

	1980-81	1979-80
	\$	\$
Balance 1 July	661 471	661 471
<b>RECEIPTS</b>		
Licences	49 525 315	41 634 190
Permits	968 391	914 450
Fees and Fines etc.	335 857	321 593
Interest on Investments	15 996	15 996
	<u>50 845 559</u>	<u>42 886 229</u>
<b>PAYMENTS</b>		
Rebates	1 338 469	..
Salaries and Other		
Administrative expenses	1 255 548	1 139 711
Cost-Licensing Police	544 348	467 124
Compensation	95 000	1 500
	<u>3 233 365</u>	<u>1 608 335</u>
Transfer to the Consolidated Fund	47 612 194	41 277 894
Balance 30 June	<u>661 471</u>	<u>661 471</u>

At 30 June 1981, the balance at credit of the fund held in the Treasury amounted to \$661 471 and comprised cash \$145 471 and investments \$516 000 (face value).

Compensation for the surrender of its licence was paid in respect of one hotel in both 1979-80 and 1980-81.

#### 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.

The fees paid in respect of licences issued in 1980-81 totalled \$38 017 166 compared with \$34 763 404 in 1979-80.

Investigations carried out by the Stamp Duties Office and the Police have brought to notice certain evasions of licence fees both by retailers and wholesalers and recovery proceedings are currently in course.

#### 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 collections, \$1 079 633, (1979-80, \$993 739), net collections credited to the Consolidated Fund on account of drivers' and instructors' licence fees, in 1980-81, amounted to \$10 487 520 compared with \$9 674 672 in 1979-80.

#### Petroleum Licences

The Business Franchise (Petroleum Products) Act 1979 requires petroleum wholesalers, group petroleum wholesalers and petroleum retailers to acquire licences. The licence fees payable are as follows:

Petroleum Wholesalers and Group Petroleum Wholesalers - \$50 fee per annum together with an amount of 4.5 per cent. of the value of motor spirit and 7.1 per cent. of the value of diesel fuel sold.

Petroleum Retailers - a fee of \$50 per annum.

The amount collected in licence fees under this Act, less the cost of the administration, is paid from the Consolidated Fund into the Roads and Special Projects Fund in the Trust Fund.

Collections in the current year were \$68 927 817 (1979-80, \$48 365 822). The cost of collection of the licence fees was \$114 775 and the sum of \$68 214 111 was appropriated to the Roads and Special Projects Fund.

### Comparison with the Budget

The following statement shows the variations of Receipts from the Budget Estimate in 1980-81.

	Budget Estimate \$	Receipts \$	+ - -	Excess Deficiency \$
<b>TAXATION</b>				
Payroll Tax	626 400 000	624 149 161	-	2 250 839
Probate Duty	53 800 000	51 488 132	-	2 311 868
Land Tax	128 000 000	120 971 184	-	7 028 816
Motor Car Third Party Insurance Surcharge	16 900 000	16 905 992	+	5 992
Totalizator	51 000 000	54 655 691	+	3 655 691
Tattersall Duty	109 530 000	114 965 710	+	5 435 710
Gift Duty	1 100 000	894 058	-	205 942
Motor Car Act 1958 Section 7A Fees	35 000 000	36 485 408	+	1 485 408
Betting and Bookmakers' Turnover Tax	11 100 000	11 028 412	-	71 588
Duty on Insurance Business	62 000 000	63 418 650	+	1 418 650
Other Stamp Duty	309 400 000	338 373 054	+	28 973 054
Licensing Fund Payment	45 400 000	47 612 194	+	2 212 194
Tobacco Licences	40 000 000	38 017 166	-	1 982 834
Petroleum Licences	66 000 000	68 927 817	+	2 927 817
Other Licences	12 934 000	13 694 298	+	760 298
	<u>1 568 564 000</u>	<u>1 601 586 927</u>	+	<u>33 022 927</u>
<b>RECOVERIES OF DEBT CHARGES</b>				
Country Roads Board	2 831 000	2 935 344	+	104 344
Gas and Fuel Corporation of Victoria	760 000	775 379	+	15 379
Home Builders' Accounts	16 754 000	16 688 214	-	65 786
Housing Commission	46 300 000	46 398 190	+	98 190
Melbourne and Metropolitan Board of Works	24 929 000	24 927 175	-	1 825
Rural Finance and Settlement Commission	11 900 000	11 478 135	-	421 865
State Electricity Commission	30 300 000	26 281 957	-	4 018 043
Water and Sewerage Authorities	3 850 000	3 667 785	-	182 215
Other	6 214 000	6 170 950	-	43 050
	<u>143 838 000</u>	<u>139 323 129</u>	-	<u>4 514 871</u>

	Budget Estimate \$	Receipts \$	+ - Excess Deficiency \$
<b>LAND REVENUE</b>			
Lands	7 704 000	7 742 600	+ 38 600
Mining	360 000	517 304	+ 157 304
Royalties-Submerged Lands	168 000 000	171 839 112	+ 3 839 112
Other	1 430 000	1 339 390	- 90 610
	<u>177 494 000</u>	<u>181 438 406</u>	<u>+ 3 944 406</u>
<b>HARBOR REVENUE</b>			
Contribution-Port of Melbourne Authority	820 000	772 123	- 47 877
Westernport	4 750 000	5 014 524	+ 264 524
Other	3 430 000	3 458 050	+ 28 050
	<u>9 000 000</u>	<u>9 244 697</u>	<u>+ 244 697</u>
<b>FEEs AND CHARGES FOR DEPARTMENTAL SERVICES</b>			
Fees-Titles Office, Commissioner for Corporate Affairs, Labour and Industry etc.	40 385 000	44 285 590	+ 3 900 590
Recoups-Departmental Services	103 590 000	103 764 975	+ 174 975
	<u>143 975 000</u>	<u>148 050 565</u>	<u>+ 4 075 565</u>
<b>FORESTS COMMISSION</b>			
Royalties etc.	22 250 000	24 649 039	+ 2 399 039
<b>STATE RIVERS AND WATER SUPPLY COMMISSION</b>			
Rates and Charges, Recoups etc.	51 050 000	52 114 485	+ 1 064 485
<b>MISCELLANEOUS RECEIPTS</b>			
Fines	25 300 000	24 805 762	- 494 238
Interest on Public Account	24 100 000	26 207 911	+ 2 107 911
Rents and Hirings	2 900 000	2 974 103	+ 74 103
Statutory Corporation Payments	57 400 000	57 100 000	- 300 000
Recoup-Superannuation Charges	8 750 000	10 343 064	+ 1 593 064
State Savings Bank	16 430 000	16 429 567	- 433
State Insurance Office	8 000 000	8 002 246	+ 2 246
Other	9 550 000	17 862 411	+ 8 312 411
	<u>152 430 000</u>	<u>163 725 064</u>	<u>+ 11 295 064</u>
<b>RAILWAYS</b>	<u>261 000 000</u>	<u>252 272 398</u>	<u>- 8 727 602</u>

	Budget Estimate \$	Receipts \$	+ - Excess Deficiency \$
<b>COMMONWEALTH PAYMENTS TO STATE</b>			
Commonwealth and States Financial Agreement	4 254 318	4 254 318	..
Personal Income Tax Sharing Entitlement	1 363 500 000	1 354 859 813	- 8 640 187
Water Resources Assessment	1 136 000	1 136 000	..
Home Care Scheme	5 200 000	5 007 395	- 192 605
Schools-Grants for Recurrent Expenditure	85 800 000	86 533 268	+ 733 268
Pre-school Child Education and Care	9 015 000	9 015 000	..
School Dental Scheme	4 182 000	3 700 028	- 481 972
Community Health	6 515 000	6 449 568	- 65 432
Repatriation Hospital-Bundoora	4 070 000	3 970 007	- 99 993
Grants for Technical and Further Education	13 100 000	12 335 000	- 765 000
Medibank Recoup-Tuberculosis	2 300 000	1 801 931	- 498 069
Other	1 338 682	3 146 931	+ 1 808 249
	<u>1 500 411 000</u>	<u>1 492 209 259</u>	<u>- 8 201 741</u>
<b>PROCEEDS OF LOANS RAISINGS</b>	<u>218 947 000</u>	<u>218 947 000</u>	<u>..</u>
<b>LOAN REPAYMENTS</b>	<u>12 100 000</u>	<u>14 869 037</u>	<u>+ 2 769 037</u>
<b>COMMONWEALTH PAYMENTS</b>			
Works Grant	109 473 000	109 473 000	..
School Building Grants	56 963 000	59 052 957	+ 2 089 957
Urban Public Transport Grants	9 600 000	9 600 000	..
National Railway Network	5 700 000	5 212 495	- 487 505
	<u>181 736 000</u>	<u>183 338 452</u>	<u>+ 1 602 452</u>
<b>TOTAL RECEIPTS</b>	<u>4 442 795 000</u>	<u>4 481 768 458</u>	<u>+ 38 973 458</u>

## PAYMENTS

The payments from the Consolidated Fund exceeded those for 1979-80 by an amount of \$548 633 766. A comparison of the figures for the two years, separated into special and annual appropriations, is given in the following Statement:

### Special Appropriation

	1980-81	1979-80		
	\$	\$	+	Increase
			-	Decrease
				\$
Interest including Exchange	332 864 057	291 307 140	+	41 556 917
National Debt Sinking Fund	39 349 623	37 468 694	+	1 880 929
Repayment of Advances-Commonwealth- State Housing and Soldier Settlement	10 752 897	10 158 170	+	594 727
Loan Management, Flotation expenses etc.	1 858 997	1 825 144	+	33 853
	<hr/>	<hr/>		
	384 825 574	340 759 148	+	44 066 426
Hospitals and Charities Fund (Totalizator)	54 655 690	48 726 877	+	5 928 813
Pensions	107 323 178	90 369 680	+	16 953 498
Hospitals and Charities and Mental Hospitals Funds (Tattersall)	112 822 712	104 495 361	+	8 327 351
Payment to Commonwealth of Share of Royalties				
Submerged Lands	54 566 851	43 336 575	+	11 230 276
Roads and Special Projects Fund	101 471 511	42 227 280	+	59 244 231
Melbourne Underground Rail Loop Authority	24 535 978	18 547 992	+	5 987 986
Racing Act 1958-Section 119	3 840 199	3 734 721	+	105 478
Forestry Fund	11 799 485	9 020 913	+	2 778 572
Municipalities Assistance Fund	5 100 000	4 500 000	+	600 000
Salaries and Allowances	8 591 167	7 506 194	+	1 084 973
General Expenses	517 334	1 068 783	-	551 449
Criminal Injuries Compensation	2 335 449	1 825 426	+	510 023
Other	9 032 031	7 913 522	+	1 118 509
	<hr/>	<hr/>		
	881 417 159	724 032 472	+	157 384 687
	<hr/>	<hr/>		
Railways				
Debt Charges	31 895 768	27 919 417	+	3 976 351
Pensions	29 358 597	25 436 867	+	3 921 730
Other	1 011 075	885 411	+	125 664
	<hr/>	<hr/>		
	62 265 440	54 241 695	+	8 023 745
	<hr/>	<hr/>		
Works and Services Account	417 154 489	419 432 491	-	2 278 002
	<hr/>	<hr/>		
Total Special Appropriation	1 360 837 088	1 197 706 658	+	163 130 430
	<hr/>	<hr/>		

## Annual Appropriation

	1980-81	1979-80	+	Increase
	\$	\$	-	Decrease
				\$
Education	1 290 908 651	1 140 741 437	+	150 167 214
Health	455 093 952	412 175 956	+	42 917 996
Police and Emergency Services	222 975 677	192 762 315	+	30 213 362
Community Welfare Services	123 131 245	112 319 913	+	10 811 332
Treasurer	118 990 511	84 976 611	+	34 013 900
Public Works	69 589 631	62 230 043	+	7 359 588
Water Resources	66 498 670	56 596 673	+	9 901 997
Agriculture	53 844 965	53 582 829	+	262 136
Attorney-General	52 076 274	44 337 613	+	7 738 661
Transport	41 898 990	36 522 360	+	5 376 630
State Development Decentralization and Tourism	41 581 269	34 652 373	+	6 928 896
Arts	33 340 671	29 071 566	+	4 269 105
Lands	30 612 545	26 329 526	+	4 283 019
Conservation	28 334 554	23 724 233	+	4 610 321
Premier	21 450 513	17 079 505	+	4 371 008
Forests	14 586 240	12 680 156	+	1 906 084
Property and Services	13 153 887	11 447 261	+	1 706 626
Labour and Industry	12 209 688	10 476 041	+	1 733 647
Minerals and Energy	9 375 871	7 481 623	+	1 894 248
Local Government	7 945 259	6 924 939	+	1 020 320
Parliament	6 895 131	5 331 625	+	1 563 506
Planning	4 922 429	4 321 400	+	601 029
Youth, Sport and Recreation	4 009 681	1 452 816	+	2 556 865
Housing	3 558 040	2 304 660	+	1 253 380
Consumer Affairs	1 163 066	985 895	+	177 171
Immigration and Ethnic Affairs	1 037 713	807 770	+	229 943
Railway Construction	417 830	289 177	+	128 653
Employment and Training	209 468	..	+	209 468
	<u>2 729 812 421</u>	<u>2 391 606 316</u>	+	<u>338 206 105</u>
Railways	411 090 459	363 793 228	+	47 297 231
Total Annual Appropriation	<u>3 140 902 880</u>	<u>2 755 399 544</u>	+	<u>385 503 336</u>
Total Payments*	<u>4 501 739 968</u>	<u>3 953 106 202</u>	+	<u>548 633 766</u>

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

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 both from special appropriations and 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 and A-2.

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



	Appropriation	Expended Under Parliamentary Authority	Unexpended	Expended From Treasurer's Advance-Division 403	Payments for the Year
	\$	\$	\$	\$	\$
Annual Appropriation					
Parliament	6 217 151	6 201 776	15 375	693 355	6 895 131
Premier	19 987 730	19 792 224	195 506	1 658 288	21 450 512
State Development Decentralization and Tourism	43 376 502	41 273 761	2 102 741	307 508	41 581 269
Ministry for Police and Emergency Services	219 914 446	219 489 883	424 563	3 485 794	222 975 677
Community Welfare Services	121 501 737	120 934 290	567 447	2 196 955	123 131 245
Youth, Sport and Recreation	4 076 139	3 990 912	85 227	18 769	4 009 681
Labour and Industry	12 168 622	12 038 705	129 917	170 983	12 209 688
Consumer Affairs	1 105 266	1 100 942	4 324	62 124	1 163 066
Employment and Training				209 468	209 468
Education	1 280 619 915	1 280 035 657	584 258	10 872 994	1 290 908 651
Attorney-General	51 136 316	49 955 100	1 181 216	2 121 174	52 076 274
Treasurer	* 195 553 215	110 710 770	* 84 842 445	8 279 741	118 990 511
Conservation	27 479 165	27 441 584	37 581	892 970	28 334 554
Lands	29 990 517	29 951 984	38 533	660 561	30 612 545
Public Works	68 838 481	68 593 813	244 668	995 818	69 589 631
Property and Services	13 512 497	13 109 221	403 276	44 666	13 153 887
Local Government	8 042 645	7 873 185	169 460	72 074	7 945 259
Planning	4 927 711	4 819 277	108 434	103 153	4 922 430
Minerals and Energy	9 016 080	8 814 347	201 733	561 524	9 375 871
Agriculture	53 917 700	52 817 013	1 100 687	1 027 952	53 844 965
Health Commission	428 973 809	426 997 099	1 976 710	28 096 853	455 093 952
Arts	33 222 790	32 991 594	231 196	349 077	33 340 671
Immigration and Ethnic Affairs	1 058 024	1 017 919	40 105	19 794	1 037 713
Housing	3 045 360	3 006 154	39 206	551 886	3 558 040
Railway Construction	366 901	360 023	6 878	57 807	417 830
Transport	44 885 250	41 686 862	3 198 388	212 128	41 898 990
Forests	14 194 289	14 172 684	21 605	413 556	14 586 240
Water Resources	66 352 433	66 217 297	135 136	281 373	66 498 670
Railways	395 959 266	395 808 939	150 327	15 281 520	411 090 459
Total Annual Appropriation	3 159 439 957	3 061 203 015	98 236 942	79 699 865	3 140 902 880
Special Appropriation					
Debt Charges and Other Services	881 417 159	881 417 159	..	..	881 417 159
Railways (including Debt Charges)	62 265 440	62 265 440	..	..	62 265 440
Works and Services Account	417 154 489	417 154 489	..	..	417 154 489
Total Special Appropriation	1 360 837 088	1 360 837 088	..	..	1 360 837 088
Grand Total	4 520 277 045	4 422 040 103	98 236 942	79 699 865	4 501 739 968

\* Includes \$79 700 000-Div. 403, Advance to Treasurer

Section 2 of the Appropriation (1980-81, No. 1) Act 1980 authorised the Treasurer in 1980-81 to issue out of the Consolidated Fund such amounts as were necessary to meet increases in salaries and associated expenditure resulting from any Act or determination to the extent that the amounts provided in the Appropriation Act were insufficient.

Of the total authorised by the Treasurer, \$30 908 271, an amount of \$12 209 141 only was issued out of the Consolidated Fund as certain of the additional salary costs were met from savings in existing appropriations and from Division 403, Advance to Treasurer.

The latter amount is included in the total Annual Appropriation of \$3 159 439 957 shown in the statement on page 29 of this report.

## 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 \$79 700 000 was available to the Treasurer in 1980-81, under the authority of the Appropriation (1980-81, No. 1) Act 1980 (Division 403).

Payments made by the Treasurer pending Parliamentary sanction thereto at 30 June 1981 are summarised hereunder:

	\$
AUTHORITY	
Appropriation (1980-81, No. 1) Act 1980	79 699 865
Public Account Act 1958	4 964 063
	<hr/>
	84 663 928
	<hr/>

The Treasurer's Statement details the amounts included in the total of \$79 699 865 charged to Treasurer's Advance under authority of the Appropriation (1980-81, No. 1) Act 1980.

The amount of \$4 964 063 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 also given in the Treasurer's Statement.

### Variations in Annual Appropriations

#### *Block Funding*

In the budget for 1980-81, the Treasurer introduced a block funding approach to cover the following items of departmental expenditure which appear in the Estimates and the Treasurer's Statement under the item General Expenses:

- Travelling and subsistence;
- Office requisites and equipment, printing and stationery;
- Books and publications;
- Postal and telephone expenses;
- Motor Vehicles - Purchase and running costs;
- Fuel, light, power and water; and
- Incidental expenses.

Transfers between these sub-items during the year were approved by Treasury and as they are not transfers under section 25 of the Audit Act 1958, they are not included in Appendix C to this report.

*Variations in accordance with Section 25 of the Audit Act 1958*

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

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

In all, 149 transfers were made between items and the amount involved was \$4 849 459.

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 every Order 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.

## PUBLIC DEBT

The public debt of the State arises from loans raised on behalf of the State by the Commonwealth. State borrowings as disclosed in the Treasurer's Statement therefore do not include direct borrowings of Statutory Authorities.

In accordance with the Commonwealth and States Financial Agreement, the loans raised are approved by the Loan Council and consist of Commonwealth securities.

The agreement also placed the States' sinking funds under the control of the National Debt Commission which administers the National Debt Sinking Fund. The fund receives contributions from the Commonwealth and the States and is applied towards the redemption of the public debt.

Details of the transactions with the Commonwealth during the year and the liability of the State at 30 June 1981 in terms of the financial agreement, together with comparative figures for the previous year, are as follows:

	1981	1980
	\$	\$
Liability to Commonwealth at 30 June	3 584 873 736	3 427 554 164
Loans raised for Works	220 813 663	208 866 116
Loans raised for Redemptions	695 860 409	217 099 909
	4 501 547 808	3 853 520 189
Less		
Loans Repurchased or Redeemed		
By Redemption Loans	691 942 958	216 817 784
By National Debt Sinking Fund	50 662 108	51 945 256
	3 758 942 742	3 584 757 149
Add Increase (Decrease) in Public Debt during year due to variations in exchange rates for conversion of face value of overseas securities to Australian currency	(808 413)	116 587
Liability to Commonwealth at 30 June	3 758 134 329	3 584 873 736
Less Cash at credit of National Debt Sinking Fund	3 664 316	3 944 543
Net Liability to Commonwealth at 30 June	3 754 470 013	3 580 929 193

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 made to the State for a variety of purposes pursuant to Commonwealth-State agreements and arrangements.

## Loan Receipts

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

	\$	\$
Liability		
Australian Loans	*220 813 663	
Less discounts on issues	1 866 663	
	<hr/>	218 947 000
Repayments		14 869 037
		<hr/>
Receipts to the Consolidated Fund - Raisings and Repayments		233 816 037
		<hr/>

\* Details of the loans raised for Works during the year are shown in the Treasurer's Statement.

Redemptions totalling \$742 605 066 were met from the following sources during the year:

	\$	\$
Australian Loans	*695 860 409	
Less discounts on issue	3 917 451	
	<hr/>	691 942 958
National Debt Sinking Fund		50 662 108
		<hr/>
		742 605 066
		<hr/>

\* Details of loans raised for Redemptions during the year are shown in the Treasurer's Statement.

## Capital Liability

The Public Debt statement in the Treasurer's Statement shows that the total indebtedness at 30 June 1981 amounted to \$3 758 134 329. Of this \$3 752 440 522 represented internal and \$5 693 807 overseas 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 \$3 754 470 013 an increase of \$173 540 820 for the year. The capital liability of the State comprises:

	\$	\$
Total liability apportioned between the various services of the State on account of loan raisings	4 531 851	111
Less Exchange premium		
London	4 275 725	
New York	20 539 954	
Canada	2 058 613	
Switzerland	1 626 859	
Netherlands	690 001	
	<hr/>	29 191 152
		<hr/>
Less Equity in National Debt Sinking Fund Cancelled Securities	4 502 659	959
		<hr/>
State's Loan Liability	3 758 134	329
Less Share of Cash-National Debt Sinking Fund	3 664	316
		<hr/>
State's Capital Liability to Commonwealth under the Financial Agreement	3 754 470	013
		<hr/>

### *National Debt Sinking Fund*

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

	\$	\$
Balance 1 July		3 944 543
Contributions		
Commonwealth	10 099 609	
State	40 141 183	
	<hr/>	50 240 792
Interest-temporary investment and repurchased securities		71 723
		<hr/>
Securities repurchased and redeemed, \$50 662 108, at a cost of		54 257 058
		<hr/>
Balance of cash in Sinking Fund 30 June		50 592 742
		<hr/>
		3 664 316
		<hr/>

The total amount of securities repurchased or redeemed and cancelled on account of Victoria since the inception of the scheme is now \$744 525 630, at a cost, including exchange on overseas purchases, of \$768 376 269.

## Debt Charges

The charges for the year on the Public Debt were as follows:

Interest on Funded Debt	318 572 175	\$
Loan Management, Flotation and Conversion Expenses and Expenses of Paying Interest	1 858 997	
	<hr/>	
Total Interest and Expenses (excluding interest on Commonwealth advances for Housing etc.)	320 431 172	
State's Contribution to National Debt Sinking Fund	40 141 183	
	<hr/>	
Total Debt Charges	360 572 355	
	<hr/>	
The comparable figure for the previous year was	314 686 363	
	<hr/>	

## Works and Services Program

Loan Receipts of \$417 154 489 were credited to the Consolidated Fund as follows:

	1980-81	1979-80
	\$	\$
Loan Receipts-Raisings and Repayments	233 816 037	223 990 019
Commonwealth		
Works Grants	109 473 000	104 260 000
School Buildings Grants	59 052 957	50 243 643
Urban Public Transport Grants	9 600 000	8 664 333
National Railway Network	5 212 495	3 230 000
	<hr/>	<hr/>
	417 154 489	390 387 995
	<hr/>	<hr/>

Appropriations during the year from the Consolidated Fund to the Works and Services Account totalled \$417 154 489, which, together with the balance of \$41 587 096 brought forward from 1979-80, allowed for the implementation through this account of a program of works and services to the extent of \$458 741 585. Payments under the Works and Services Program in the year 1980-81 amounted to \$436 435 013, compared with \$394 447 465 in 1979-80. Details of these payments are shown below:

	1980-81	1979-80
	\$	\$
School Buildings, Equipment etc.	145 772 158	143 548 412
Railways	54 100 338	47 214 840
Hospitals and Charitable Institutions	47 165 000	46 954 004
Country Water and Sewerage Works	34 365 354	33 509 665
National Art Gallery and Cultural Centre	25 000 000	22 500 000
Forests	17 368 001	12 678 273
Police Buildings and Equipment	10 832 313	9 296 688



	1980-81	1979-80
	\$	\$
West Gate Bridge Authority	9 000 000	..
Public Buildings	8 621 944	5 279 162
Mental Institutions including Alcoholism Services	8 195 171	6 983 026
Housing - Latrobe Valley/Portland	7 999 995	..
Community Welfare Services	7 579 221	7 163 917
Ports and Harbors	4 590 945	2 481 757
Crown Lands-Development and Improvement	4 085 422	3 059 864
State Electricity Commission	4 000 000	..
Victorian Development Corporation	3 500 000	3 500 000
Teacher Housing Authority	3 308 300	3 303 000
National Parks	2 987 000	2 668 000
Performing Arts Centres	2 800 000	2 279 818
Electronic Data Processing	2 120 633	4 290 021
Municipal Subsidies	1 974 547	1 541 296
Foreshore Protection Works	1 691 589	1 123 260
Rural Finance Commission		
Land Settlement	1 449 986	1 048 754
General	1 330 000	1 140 000
Agency Department	300 000	375 000
Fishing Industry	..	300 000
Attorney-General	1 391 381	1 342 999
Melton/Sunbury Development	1 260 740	..
Latrobe Valley-Special Development Works	1 218 933	..
Soil Conservation Authority	1 061 953	994 462
Agriculture Department	1 056 336	1 968 858
Bush Nursing Hospitals	1 038 856	1 199 309
Day Training Centres for Children and Adults	1 029 318	1 053 888
Minerals and Energy Department	1 021 363	1 012 785
Government Printer	1 010 419	774 581
National Gallery-Manton Collection	1 000 000	1 130 767
Victorian Film Corporation	995 000	800 000
Pre-school and Pre-natal Centres	661 522	700 000
Major Tourist Projects	500 000	747 993
Sanatoria and General Health	317 601	1 275 011
Urban and Regional Development Planning Studies	146 515	2 601 136
Conservation-Offices etc.	..	1 089 539
Public Works Stores Suspense Account-Contribution	..	1 412 900
State Rural Employment Scheme	..	2 513 053
Melbourne City Council-Loans-Plaza	..	1 000 000
Other Public Works and Services	12 587 159	10 591 426
	<hr/>	<hr/>
	436 435 013	394 447 464
	<hr/>	<hr/>

Unexpended appropriations held in the Works and Services Account at 30 June 1981, amounted to \$22 306 572 (1980, \$41 587 096).

## 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 \$4 523 891 947 and \$4 540 840 812 respectively.

Summaries of the transactions, and balances at 30 June 1981 in the various trust funds are given in the Treasurer's Statement, together with details of investments held on account of the trust accounts.

Statement No. 2 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 (\$363 895 075) and the Works and Services Account (\$417 154 489) together with the following Suspense and Clearing Accounts:

	\$
Motor Accidents and Insurance Premiums Suspense Account	224 242 313
Payroll Deductions Suspense Account	494 730 080
Railways Salaries and Wages in Suspense Account 1980-81	343 806 684
Treasury Drawings Account No. 1	306 608 192
Treasury Drawings Account No. 2	175 453 870

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.

Account or Fund	Purpose for which Established	1980-81		Balance 30
		Payments	Receipts	June 1981
		\$	\$	\$
Aids for Disabled Account	To record the receipt and disbursement of moneys from the Commonwealth Program of Aids for Disabled Persons.	15 487	176 000	160 513
C.H.O.G.M. 1981 Trust Account	To record the receipt and payment of Commonwealth funds in connection with the Commonwealth Heads of Government meeting to be held in Melbourne in October 1981.	113 722	143 000	29 278
Education Department Stores Suspense Account	To record the receipts and disbursements of funds associated with the Education Department Store as from 1 July 1980.	4 127 066	4 859 134	732 068
Farm Account - Agriculture	To receive the proceeds from the sale of produce and animals; and to meet the necessary costs (excluding direct labour) and capital expenditure (up to \$5 000 as approved by the Department and above that level with the concurrence of the Treasurer) in producing revenue.	510 010	731 366	221 357
Latrobe Valley Epidemiological Study Trust Account	To record the receipt and disbursement of funds relating to the epidemiological study in the Latrobe Valley.	4 025	60 000	55 975

		1980-81		Balance 30
		Payments	Receipts	June 1981
		\$	\$	\$
Lead Research Account	To record the receipt and disbursement of moneys, including moneys appropriated by Parliament, for research into lead in the environment.	..	35 000	35 000
Liquified Petroleum Gas Subsidy Account	To record the receipt and disbursement of funds made available to this State under Commonwealth legislation.	4 657 732	5 007 732	350 000
Mineral Water Development Fund	To record the operations of the fund as defined in the Groundwater (Mineral Water) Act 1980.	..	61 950	61 950
Mining Reclamation Account	To record moneys from forfeited bonds relating to abandoned mining leases of Crown Land and subsequent payments to restore the areas to their original state.	..	7 535	7 535
Ministry for Conservation Trust Account	To record transactions in relation to moneys received by the Ministry pending their identification and other minor amounts received on trust for the carrying out of specific projects.	273 049	330 912	57 862
1988 Olympic Games Application Account	To record the contributions of the Commonwealth and the State towards the cost of an application for Melbourne to be the host city for the 1988 Olympic Games and the disbursement of these moneys for that purpose by the Minister of Youth, Sport and Recreation.	220 552	228 238	7 686

		1980-81		Balance 30
		Payments	Receipts	June 1981
		\$	\$	\$
Railway Salaries and Wages in Suspense Account 1980-81	To establish an account for the current year under the terms of operation that applied to the previous accounts for prior years.	343 806 684	343 806 684	..
Road Grants Act 1980 Account	To record the receipt and disbursement of funds made available by the Commonwealth as grants for road construction and maintenance.	126 359 000	126 359 000	..
Salute to Australia Pageant Trust Account	To record the receipt and disbursement of funds relating to the Salute to Australia Pageant.	..	..	..
Stamps Office Clearing Account	To record the receipt of stamp duty pending appropriation to the Consolidated Fund or return to the taxpayer.	21 046 971	22 995 711	1 948 740
States Grants (Schools Assistance) 1980 - Non-Government Programs	To record the receipt and disbursement of funds received from the Commonwealth in relation to schools under the States Grants (Schools Assistance) Act 1980.	61 487 057	62 425 886	938 829
- Joint Programs		2 068 788	3 540 278	1 471 490
Tomato Research Account	To record the receipt and disbursement of funds relating to tomato research.	11 682	24 887	13 204
Victorian Fishing Industry Trust Fund	To record the receipt and disbursement of funds as required by Section 15 of the Victorian Fishing Industry Council Act 1979.	8 437	47 000	38 563

### Accounts Closed

The Tender Board Suspense Account was closed during the year.

## 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, Donations, Deposits 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, departmental suspense and clearing accounts and the Works and Services Account.

#### *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 of the Adult Education Fund for the past two years:

	1980-81	1979-80
	\$	\$
Balance 1 July	137	100
RECEIPTS		
Government Contributions		
Special Appropriation-Act No. 6240	50 000	50 000
Departmental Vote-Education	2 472 046	1 963 964
Fees and Proceeds		
Classes and Lectures	1 261 204	1 003 876
Special Programs, Publications, Library	103 837	85 109

	1980-81	1979-80
	\$	\$
Discussion Services, H.S.C., Literacy, Basic Education, Training and Liaison	133 809	103 123
Miscellaneous	..	1 370
	<u>4 021 033</u>	<u>3 207 542</u>

#### PAYMENTS

Administration		
Salaries	1 273 025	1 045 145
Rent	362 169	264 313
Casual assistance	144 539	102 070
Payroll tax	73 601	56 405
Light, Heat, Power	40 632	34 940
Building Maintenance and Renovations	29 491	145 970
Telephone, Postage, Stationery	77 938	60 415
Other Expenses of Administration	98 453	67 702
Classes and Lectures	849 682	762 196
Special Programs, Publications, Library	455 284	316 272
Discussion Services, H.S.C., Literacy, Basic Education	268 604	219 689
Training and Liaison	347 442	132 288
	<u>4 020 860</u>	<u>3 207 405</u>
Balance 30 June	173	137

#### *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 ended 31 December 1979 and 1980:

	1980	1979
	\$	\$
<b>INCOME</b>		
Contributions	146 558	92 880
Other	7 651	7 076
	<u>154 209</u>	<u>99 956</u>
<b>EXPENDITURE</b>		
Salaries, Office Staff	36 314	33 804
Salaries, Inspectors and Graders	26 172	22 207
Allowances and Expenses, Board Members	18 361	16 548
Inspection and Grading	37 200	22 234
General expenses	23 527	15 643
	<u>141 574</u>	<u>110 436</u>
Surplus	12 635	(10 480)

The transactions show a surplus of \$12 635 in 1980, compared with a deficit of \$10 480 in 1979. The improvement in the Board's operating results was due mainly to an increase in the harvest.

At 30 June 1981, the balance at credit of the Dried Fruits Fund in the Treasury amounted to \$110 385 (1980, \$79 241) and comprised cash \$16 785 and investments \$93 600 (face value).

### *Estate Agents' Guarantee Fund*

Under the provisions of the Estate Agents Act 1958, this fund was available until 29 June 1981 to meet claims for losses incurred because of 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.

The receipts of the fund were provided from fees charged for estate agents' and sub-agents' licences and recoups from estate agents in respect of claims for losses previously paid on their behalf from the fund. In 1980-81 payments from the fund were made in respect of 102 claims involving 14 agents compared with 181 claims and 11 agents in the previous year.

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

	1980-81	1979-80
	\$	\$
Balance 1 July	50 000	50 000
RECEIPTS		
Licence Fees	442 317	441 107
Recoups from Estate Agents	41 834	84 565
	<hr/> 534 151	<hr/> 575 672
PAYMENTS		
Claims against fund	289 523	228 321
Transfer to Consolidated Fund	..	297 351
Balance 30 June	<hr/> 244 628	<hr/> 50 000

Pursuant to the provisions of the Estate Agents Act 1980 the balance remaining in the Estate Agents' Guarantee Fund in Treasury at 30 June 1981 was required to be paid to the Estate Agents Board established under that Act.

At 30 June 1981 expenditure of the Board totalling \$68 557 had been met from Public Account advances. Subsequent to 30 June 1981 this amount was recouped to the Public Account from the Estate Agents' Guarantee Fund in Treasury.



The accounts of the Estate Agents Board are not subject to audit by my Office.

### *Government Buildings Fire Insurance Fund*

This fund was established pursuant to the Special Funds Act 1910. That Act provides 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 1979-80 and 1980-81 are summarised below:

	1980-81	1979-80
	\$	\$
Balance 1 July	2 993 488	2 779 603
Receipts		
Special Appropriation	4 000	4 000
Interest on Investments	228 484	209 885
	<hr/>	<hr/>
	3 225 972	2 993 488
Payments	..	..
	<hr/>	<hr/>
Balance 30 June	3 225 972	2 993 488
	<hr/>	<hr/>
Which included Investments of	3 195 500	2 849 500
	<hr/>	<hr/>

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 Victorian Railways Board.

### *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 1979-80 and 1980-81:

	1980-81	1979-80
	\$	\$
Balance 1 July	2 113 341	1 907 108
RECEIPTS		
Deductions from Earnings	443 833	423 867
Interest on Investments	171 899	143 243
	<hr/>	<hr/>
	2 729 073	2 474 218
PAYMENTS		
Pensions	254 715	360 877
Actuarial and Consulting Fees	6 386	..
	<hr/>	<hr/>
	261 101	360 877
	<hr/>	<hr/>
Balance 30 June	2 467 972	2 113 341
	<hr/>	<hr/>
Represented by:		
Investments (at cost)	2 451 800	2 053 800
Cash	16 172	59 541
	<hr/>	<hr/>
	2 467 972	2 113 341
	<hr/>	<hr/>

#### *Roads (Special Projects) Fund*

The amount of \$1 000 000 standing to the credit of the Roads (Special Projects) Fund, at 30 June 1980 was transferred to the Roads and Special Projects Fund on 1 July 1980, pursuant to the provisions of the Transport (Road Funds) Act 1980.

#### *The Roads and Special Projects Fund*

The fund was established pursuant to the provisions of the Business Franchise (Petroleum Products) Act 1979. Petroleum licence fees, less the costs of collection, together with certain fees under Section 7A of the Motor Car Act 1958 are credited to the fund. From 1 July 1980, 75 per cent. of the amount credited to the fund during a financial year must be paid to the Country Roads Board Fund. The remainder, at the determination of the Minister is to be paid either to the Country Roads Board Fund and/or the Transport Fund.

Transactions of the fund for the past two years were as follows:

	1980-81	1979-80
	\$	\$
Balance 1 July	..	..
	<hr/>	<hr/>
RECEIPTS		
Transfer of balance of Roads (Special Projects) Fund	1 000 000	..
Petroleum Licences	68 213 193	42 227 280
Fees Section 7A of the Motor Car Act 1958	33 257 400	..
	<hr/>	<hr/>
	102 470 593	42 227 280
	<hr/>	<hr/>

	1980-81	1979-80
	\$	\$
PAYMENTS		
Country Roads Board Fund	79 500 000	24 800 000
Transport Fund	22 970 593	17 427 280
	<hr/>	<hr/>
	102 470 593	42 227 280
	<hr/>	<hr/>
Balance 30 June	..	..

#### *S.Y.E.T.P. Trust Account*

The S.Y.E.T.P. (Special Youth Employment Training Program) Trust Account was established in 1976-77 for the purpose of receiving contributions from the Commonwealth and the State to meet the costs of the Special Youth Employment Training Program. Receipts and payments during the year totalled \$1 661 105 and \$2 141 740 respectively. The balance at 30 June 1981 was \$1 127 874 (1980, \$1 608 510).

#### *Victorian Natural Disasters Relief Account*

The account was established in 1975-76 to record the receipt and disbursement of moneys in connection with natural disasters in Victoria.

The Treasurer, in the event of a natural disaster occurring, authorises the payment of funds from the account.

During the year an amount of \$1 900 000 was paid into the fund as a contribution from the Consolidated Fund.

Repayments of advances made to victims of natural disasters totalling \$369 396 were also paid into the account and this amount was repaid to the Commonwealth in terms of the agreement between the State and the Commonwealth relating to natural disasters.

The amount of \$369 396 does not appear in the Treasurer's Statement as either a receipt or a payment as the payment to the Commonwealth was off-set against the receipts. This particular accounting treatment does not provide full and proper disclosure of the transactions.

## *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 in 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 1980, was \$41 587 096 and allocations from the Consolidated Fund during 1980-81 amounted to \$417 154 489. Payments, including an amount of \$4 964 063 disbursed from Treasurer's Advance pending parliamentary sanction thereto, were \$436 435 013, leaving a balance in the account at 30 June 1981, of \$22 306 572.

Details of the payments met from the account are given on pages 36 and 37 of this report.

### Joint Commonwealth and State Funds

The major accounts classified under this head in the Treasurer's Statement are the Dartmouth Dam Construction Account, the Special Youth Employment Training Program Account, the Victorian Natural Disasters Relief Account and the Cattle Compensation Fund.

### Commonwealth Government Funds

The Treasurer is empowered by the Public Account Act 1958 to credit suitable accounts in the Trust Fund with special grants made pursuant to any Commonwealth Act and to authorise payments 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, Housing Commission etc. Reference to these accounts is included in Part V. of this report or in my supplementary report.

### 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 \$15 709 798 purchased by the State under the provisions of the Gas and Fuel Corporation Act 1958.

# PART V. DEPARTMENTS, BRANCHES AND AUTHORITIES

## AGRICULTURE DEPARTMENT

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 distributed and advice, assistance and encouragement given to those engaged in the many branches of the agricultural, horticultural, live stock and dairying industries.

### Consolidated Fund

Details of receipts and payments for 1980-81 compared with the previous year follow:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>VOTE</b>		
Agriculture		
Salaries and allowances	35 547 823	31 284 424
Overtime and penalty rates	120 472	96 175
Payments in lieu of long service leave, retiring gratuities	369 888	439 422
General expenses	2 643 074	2 349 727
Payroll tax	2 137 287	1 869 556
State Agricultural Colleges and Education		
Centres	4 696 747	3 759 941
Agricultural Research Stations	1 489 517	1 327 925
Veterinary Research Stations and Laboratories	1 122 912	1 054 194
Research Institutes and Stations	2 016 619	1 804 041
Meat Inspection expenses	924 958	840 942
Victorian Dairy Industry Authority- reimbursement of costs incurred in underwriting 1978-79 production of selected dairy products	..	6 200 000
Other Services	2 775 668	2 556 482
	<u>53 844 965</u>	<u>53 582 829</u>
Treasury		
Workers compensation	563 903	528 338
<b>WORKS AND SERVICES ACCOUNT</b>	1 675 974	2 117 761
	<u>56 084 842</u>	<u>56 228 928</u>
<b>RECEIPTS</b>		
Fees and Charges for Departmental Services	10 595 153	9 875 558
Licences		
Dairies, Dairy Farms, Dairy Produce Factories etc.	177 977	162 850
Miscellaneous		
Rents and Hirings	163 098	157 110
Other	95 641	94 960

	1980-81 \$	1979-80 \$
Commonwealth Payments		
Education Recurrent Grants -		
Agricultural Colleges etc.	1 162 000	1 353 000
Repayments	7 492	131 500
	<hr/>	<hr/>
	12 201 361	11 774 978
	<hr/>	<hr/>

*Re-imbusement of Costs - Victorian Dairy Industry Authority*

The Budget estimates for 1980-81 provided for a payment of \$825 000 by way of final reimbursement to the Victorian Dairy Industry Authority in respect of costs incurred, including interest, in underwriting the 1978-79 production of selected dairy products. Final costs were not able to be determined during 1980-81 and as a result this payment is now expected to be made during 1981-82.

**Trust Accounts**

In addition to those activities financed from the Consolidated Fund, various other services and projects are administered through trust accounts. In many instances funds are provided almost wholly by the Commonwealth. These accounts 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:

*Agriculture Department - Various Short Courses Trust Account*

This account is used to record receipts and payments of short courses conducted by the Department at educational institutions throughout the State. A balance of \$164 950 remained in the account at 30 June 1981 (1980, \$132 153) after payments of \$498 591 and receipts of \$531 388 during the year.

*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 1980-81, payments for this purpose totalled \$267 935 and were met from the credit balance in the account together with net receipts of \$233 378 from the Commonwealth. The unexpended balance at 30 June 1981 was \$59 333 (1980, \$93 890).

## *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.

The payment of stamp duty in respect of pigs sold on or after 1 January 1981 was suspended pursuant to the provisions of the Swine Compensation (Partial Suspension) Act 1980. In 1980-81, receipts of the Swine Compensation Fund amounted to \$79 655 and payments to \$8 357. The balance in the fund at 30 June 1981 was \$1 338 448 (1980, \$1 267 150).

Receipts of the Cattle Compensation Fund, including Commonwealth contributions totalling \$197 858 amounted to \$1 754 826 and payments to \$1 446 861. A balance of \$1 492 863 remained in the fund at 30 June 1981 (1980, \$1 184 898). Receipts in 1980-81 declined by \$2 122 339 compared with 1979-80 even though there was an increase in the rate of stamp duty applicable. This fall was due mainly to a substantial reduction in the number of diseased cattle destroyed thus reducing the proceeds of realisation of the residual value from such sales as well as the Commonwealth contributions received. Compensation payments during 1980-81 compared with 1979-80 were similarly affected, the decline being \$2 231 906.

## *Commonwealth Dairy Research Grant Account*

Moneys in this account may be expended on Australian Dairy Produce Board recommendations on proposals by the Dairy Produce Research Committee. Such payments may be for research in connection with dairy produce and distribution of information concerning the dairy produce industry. Receipts in 1980-81 amounted to \$212 859 and payments were \$190 715. The account had a balance of \$53 881 at 30 June 1981 (1980, \$31 737).

## *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 1980-81, net receipts to the account amounted to \$1 111 559 and payments totalled \$1 132 599. A balance of \$178 914 remained in the account at 30 June 1981 (1980, \$199 953).

## *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 1980-81, receipts amounted to \$2 127 287 and payments to \$1 461 833. The unexpended balance at 30 June 1981 was \$875 658 (1980, \$210 204).

### *Commonwealth Sheep and Wool Grants Account*

This account is used to finance projects relating to wool research from moneys made available by the Commonwealth. Receipts for the year amounted to \$289 288, and after payments of \$285 984, a balance of \$141 758 remained at 30 June 1981 (1980, \$138 454).

### *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 \$4 130 871 (1980, \$5 952 622). At 30 June 1981 the balance in the account was \$163 671 (1980, \$13 481).

### *Farm Account - Agriculture*

The Farm Account - Agriculture was created during 1980-81 to record the proceeds from the sale of farm produce by the Agricultural Colleges. Purchases and other costs are paid from this account. The balances at 30 June 1980 of the Dookie Agricultural College Stock Trading Account (\$25 821) and the Longerenong Agricultural College Stock Trading Account (\$30 926) together with that part of the Stock Trading (Agriculture) Account relating to Glenormiston Agricultural College (\$33 730) amounting to \$90 477 were transferred to this account. Receipts for the year, including the balances transferred amounted to \$731 366 and after payments of \$510 009 a balance of \$221 357 remained at 30 June 1981.

### *Stock Trading (Agriculture) Account*

The Stock Trading (Agriculture) Account is used to record proceeds from the sale of livestock and wool by the Department's various institutes. Purchases and other costs are paid from this account. During the year the Treasurer approved the incorporation of the Attwood Veterinary Research Laboratory operations as part of this account. Receipts for the year amounted to \$425 033 and after payments of \$369 813 a balance of \$393 697 remained at 30 June 1981 (1980, \$338 477). An amount of \$158 000 included in the payments of \$369 813 was transferred to Consolidated Fund during the year.

### *Tobacco Experimental Works Account*

This account is used to finance projects associated with experimental and demonstration work in connection with tobacco leaf production. Receipts for the year were \$418 994 and after payments of \$400 640 a balance of \$38 802 remained at 30 June 1981 (1980, \$20 448).



## Other Matters

### *Internal Audit*

The Department has not established an internal audit section.

However, for a number of years there has been an examiner of accounts section operating within the Department. Its functions are to carry out inspections, provide an advisory service to the various branches and report to the accountant on its activities.

# MINISTRY FOR THE 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.

Details of the Consolidated Fund receipts and payments in relation to the various branches of the Ministry for the Arts for 1980-81 compared with the previous year are set out below:

	1980-81		1979-80	
	Receipts	Payments	Receipts	Payments
	\$	\$	\$	\$
Head Office of the Ministry	1 071	36 714 127	3 339	31 842 714
National Gallery	..	4 332 550	3 274	4 136 589
State Library	10 681	20 376 018	6 750	17 903 808
Science and National Museums	..	2 362 308	..	2 000 652
State Film Centre	16 734	780 346	11 885	696 693
Total	28 486	64 565 349	25 248	56 580 456

Detailed comment on the branches follows:

## Head Office of the Ministry

The Head Office of the Ministry is responsible for the Government's funding arrangements in respect to the Arts and has broad administrative responsibility for the various branches and agencies. Receipts and payments of the Consolidated Fund for the last two financial years were:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>VOTE</b>		
Ministry for the Arts		
Salaries and allowances	788 474	633 118
Overtime and penalty rates	11 490	8 744
Payments in lieu of long service leave, retiring gratuities	19 936	..
State Employees Retirement Benefits Fund	2 885	..
General expenses etc.	117 309	99 370
Payroll tax	41 432	33 084
Grants to Cultural Bodies etc.	*4 317 367	3 836 311
Grants to Country Art Galleries	570 876	498 964
Contribution to Arts Fund	605 000	257 000
Fees and Expenses - Victorian Film Corporation	276 700	238 143
Contribution to Art Foundation of Victoria	372 900	450 555
Artists in schools program expenses	14 544	..
Exhibition Buildings Centenary Celebration expenses	50 429	..

\* includes \$55 000 transfer to the Arts Fund on 30 June 1981

	1980-81	1979-80
	\$	\$
Treasury		
Workers compensation	11 534	8 893
<b>WORKS AND SERVICES ACCOUNT</b>		
Contribution to the Victorian Arts Centre Trust	25 000 000	22 500 000
Grants and contributions towards approved capital projects for the performing arts	2 900 000	2 091 110
Victorian Film Corporation-contribution	995 000	800 000
Payments in connection with the acquisition, alteration and improvement of buildings	493 901	354 922
Purchase of Works of Art	124 350	32 500
	<hr/>	<hr/>
	36 714 127	31 842 714
	<hr/>	<hr/>
<b>RECEIPTS</b>		
Miscellaneous	1 071	3 339
	<hr/>	<hr/>

#### *Contribution to the Victorian Arts Centre Trust*

The contribution to the Victorian Arts Centre Trust of \$25 000 000 represents payments made during the year by authority of the Works and Services Acts. The final payment of \$1 500 000 in respect of the year was made to the Committee by Treasury cheque dated 30 June 1981. This cheque represented an advance payment to the Trust for its contractual commitments during July.

#### *Grants and Contributions towards approved Capital Projects for the Performing Arts*

The major payments under this head were \$1 056 435 paid in respect of the Warragul Performing Arts Centre and \$1 660 570 to the Geelong Performing Arts Centre. Total payments on account of these bodies at 30 June amounted to \$1 832 211 and \$5 999 107 respectively.

#### *Acquisition, Alteration and Improvement of Buildings*

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

- (a) renovations to the St. Martin's Theatre and the Metropolitan Meat Market totalling \$263 031 and \$31 764 respectively; and
- (b) a further payment of \$100 000 (1979-80, \$100 000) for the purchase of the property known as "Henderson's Piggery" at Footscray which is to be converted to a community arts centre.

#### *Purchase of Works of Art*

The amount of \$124 350 represents interest, \$16 850, and a further payment of \$107 500 towards the purchase price of \$327 225 for works of art known as the Heide II collection. The residue, \$187 225, is payable by 5 equal annual instalments of \$37 445, with interest at the rate of 12 per cent. per annum on the unpaid balance.

*Contribution to the Art Foundation of Victoria*

During 1980-81, an amount of \$372 900, (1979-80, \$450 555) 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 at the Treasury. Amounts appropriated by Parliament and all other moneys received, for the purposes of the Act, are paid into the fund. The funds are available, with the approval of the Minister, for expenditure in achieving the objects of the Act.

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

	1980-81	1979-80
	\$	\$
Balance 1 July	369 078	451 177
RECEIPTS		
Government Contributions		
From Votes	660 000	500 178
From Works and Services Account-Victorian Film Corporation	..	800 000
Other		
Arts Victoria Festivals	42 911	33
Cultural Development	101 059	8 140
Films	1 657	165 028
International Music Council	..	80 086
	<u>1 174 705</u>	<u>2 004 642</u>
PAYMENTS		
Arts Victoria Festivals		
Administration	66 134	32 061
Advertising and Public Relations	36 717	7 223
Programs, Grants etc.	212 438	6 161
Cultural Development		
International Music Council	6 929	103 364
Australian Poster Project	420	13 711
Heide Park and Art Gallery	70 000	..
Australian Children's Television Foundation Project	64 663	..
Performing Arts Centres	207 153	..
Publications and Literature etc.	10 019	21 500
St. Martin's Theatre	..	25 349
Films	..	1 016 663
Victorian Film Corporation - general expenses	..	232 871
Transfer to Victorian Film Corporation	..	176 661
	<u>674 473</u>	<u>1 635 564</u>
Balance 30 June	<u>500 232</u>	<u>369 078</u>

## Victorian Film Corporation

Statements of the accounts of the Victorian Film Corporation, together with comments on the year's transactions, are included in my supplementary report.

### National Gallery

The National Gallery is responsible for the acquisition, display and preservation of the State art collection, art education and the administration of the Banyule Gallery at Heidelberg.

Receipts and payments of the Consolidated Fund for the last two financial years were:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>VOTE</b>		
Ministry for the Arts		
Salaries and allowances	2 259 443	2 039 927
Overtime and penalty rates	274 706	248 472
Payments in lieu of long service leave, retiring gratuities	31 377	14 827
General expenses etc.	574 660	523 090
Payroll tax	131 250	117 948
Other services	19 992	19 000
Treasury		
Workers compensation	41 122	38 610
<b>WORKS AND SERVICES ACCOUNT</b>		
Purchase of Works of Art	1 000 000	1 130 767
Building Alterations etc.	..	3 948
	4 332 550	4 136 589
<b>RECEIPTS</b>		
Miscellaneous	..	3 274

The balance, \$1 000 000, excluding interest, of the sum owed for the purchase of the Manton Collection, \$2 000 000, was paid by the Treasury on 30 June 1981 to the Commonwealth Trading Bank. Under the arrangement for the purchase the Government had provided the bank with a letter of undertaking that the purchase price of the collection together with interest would be repaid over a period of two years. Interest in respect of 1980-81, \$107 975, was not paid until July 1981.

### State Library

The State Library is responsible for reference and research library services in its own building and provides a support service to the municipal libraries.

Details of receipts and payments of the Consolidated Fund during 1979-80 and 1980-81 were as follows:

	1980-81	1979-80
	\$	\$
PAYMENTS		
VOTE		
Ministry for the Arts		
Salaries and allowances	5 037 131	4 294 437
Overtime and penalty rates	245 579	195 647
Payments in lieu of long service leave, retiring gratuities	56 375	20 255
General expenses etc.	992 978	872 875
Payroll tax	273 607	231 427
Grants and subsidies to Free Libraries etc.	13 420 858	12 030 542
Building Committee Expenses	32 923	25 728
Treasury		
Workers compensation	80 462	59 539
WORKS AND SERVICES ACCOUNT		
Payments in connection with the acquisition, alteration and improvement of buildings	236 105	143 358
Purchase of equipment etc.	..	30 000
	<u>20 376 018</u>	<u>17 903 808</u>
RECEIPTS		
Miscellaneous	10 681	6 750
	<u>10 681</u>	<u>6 750</u>

## Science and National Museums

The Science Museum is responsible for the acquisition and preservation of objects of significance to applied science for use as exhibits or for research. The National Museum is responsible for the acquisition, maintenance and display of collections in the fields of geology, zoology and anthropology and to carry out research.

The following statement summarises payments of the Museums from the Consolidated Fund for 1979-80 and 1980-81:

	1980-81	1979-80
	\$	\$
PAYMENTS		
VOTE		
Ministry for the Arts		
Salaries and allowances	1 475 180	1 254 436
Overtime and penalty rates	8 534	5 708
Payments in lieu of long service leave, retiring gratuities	27 762	2 020
General expenses etc.	398 006	335 352
Payroll tax	76 845	64 950
Building Trustees Expenses etc.	40 923	29 727
Treasury		
Workers compensation	22 869	33 411
WORKS AND SERVICES ACCOUNT		
Payments in connection with the acquisition, alteration and improvement of buildings	312 189	261 486
Purchase of objects etc.	..	13 562
	<u>2 362 308</u>	<u>2 000 652</u>

There were no receipts credited to the Consolidated Fund in respect to the Museums for 1979-80 or 1980-81.

## State Film Centre

The State Film Centre provides a film information and reference library service and a technical advisory service to assist film users. It also operates a film theatre for the official use of the government and for public screenings.

The following statement summarises receipts and payments of the Consolidated Fund for the 1979-80 and 1980-81 financial years.

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>VOTE</b>		
Ministry for the Arts		
Salaries and allowances	430 634	382 823
Overtime and penalty rates	19 133	14 919
General expenses etc.	300 136	271 668
Payroll tax	23 296	20 500
Treasury		
Workers compensation	7 147	6 783
	780 346	696 693
<b>RECEIPTS</b>		
Hire and sale of films	16 734	11 885

### Other Matter

#### *Internal Audit*

In view of the high level of funds controlled by the several branches of the Ministry, it is considered that, as an aid to the efficient and effective management of the Ministry of Arts, an internal audit function should be established to embrace the activities of all branches.

## DEPARTMENT OF COMMUNITY WELFARE SERVICES

The Department of Community Welfare Services was established under the provisions of the Community Welfare Services Act 1970. 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 services to support, protect and enhance family life, the promotion and provision of adolescent and child welfare services, and the administration of correctional services.

### Payments from the Consolidated Fund

Payments from the Consolidated Fund for the past two years are summarised on page 66 . Comments on certain activities of the Department follow:

#### *Assistance for Children and Young Persons*

Assistance payments relate mainly to maintenance of children and emergency grants. In addition, the State pays benefits to a small number of sole parents who are not residentially qualified to receive benefits from the Commonwealth.

Assistance payments decreased from \$9 772 199 in 1979-80 to \$2 284 685 in 1980-81 following the gradual withdrawal by the State, from 1 January 1980, from the sharing agreement with the Commonwealth in respect of benefits payable to sole parents. Payments by the State under the agreement were completed by 9 July 1980.

During the year under review an amount of \$225 623 was received from the Commonwealth, being its share of payments made, under the agreement, by the State.

There were 54 instances of overpayments, totalling \$26 933 reported by the Department during the year. The majority of the overpayments had occurred in the previous financial year.

#### *Grants and expenses in connection with State Wards, Children and Young Persons*

In 1980-81 subsidies, grants, operating costs and other expenses associated with the placement of State wards, children and young persons in approved homes, hostels and with foster parents, amounted to \$13 786 421.



Details are:

	\$
Approved Children's Homes	
Subsidies	8 811 275
Per-capita grants	1 494 079
Hostels - Salary subsidies	1 439 786
Foster mothers	750 252
Hostel and Private Board subsidies	378 017
Maintenance payments	594 600
Educational and other expenses	318 412
	<hr/>
	13 786 421
	<hr/>

#### *Youth Accommodation Services Program*

This program, established in 1979-80, is jointly funded by the Commonwealth and the State to provide short term accommodation and support services to youth in need of emergency shelter.

Grants under this program are in the main made available to voluntary community agencies and must be approved by both the Commonwealth Minister for Social Security and the State Minister for Community Welfare Services on the recommendation of a joint Commonwealth/State Committee of Management. The Department of Community Welfare Services is responsible for the administration of the program which will initially run for a period of 3 years.

In 1980-81 payments on this program charged to Vote amounted to \$550 152.

In the year under review contributions by the Commonwealth of \$295 836 were credited to a separate account within the Trust Fund from which an amount of \$286 798 was recouped to the Consolidated Fund.

The balance of Commonwealth moneys remaining to the credit of the trust account, Youth Accommodation Services Program, at 30 June 1981 was \$11 718.

#### *Fare Concessions for Pensioners*

Payments in 1980-81 for fare concessions granted to pensioners were:

	\$
Victorian Railways	5 545 679
Melbourne and Metropolitan Tramways Board	2 705 000
Private Bus Services	1 206 394
	<hr/>
	9 457 073
	<hr/>

## *Rate Concessions for Pensioners*

The cost of these concessions in 1980-81 amounted to \$31 570 621, which was \$4 318 247 higher than in the previous year due to the general rise in municipal rates and an increase in the number of eligible pensioners. Maximum levels of concessions in respect of rates applicable from 1 July 1980 were introduced under the provisions of the Pensioners' Rates Remission Act 1980.

## *Family and Community Services Program*

Payments in relation to the Family and Community Services program during 1980-81 amounted to \$4 497 145. Of this, \$3 226 137 was paid out by way of grants to various groups (1979-80, \$2 776 671) and \$409 210 was expended on Child Protection Programs (1979-80, \$169 751).

The major grants made during the year were:

	\$
Community Services Grants	1 381 677
Multi-regional Grants	746 151
Local Initiative Grants	357 800
Information and Co-ordination Grants	344 169
Federating Agencies	247 500

The cost of administering the program amounted to \$861 798 (1979-80, \$756 248) of which \$667 215 was expended on salaries and overtime.

## *Central Farm Account*

The Central Farm Account was established to record payments incurred in operating departmental farms. Payments during the year amounted to \$209 982 of which livestock purchases totalled \$53 411.

Departmental revenue derived from farming activities in 1980-81, \$343 154, was credited to the Consolidated Fund.

## *Community Health Projects - Women's Refuges*

Under the Women's Refuges program, the Commonwealth contributes 75 per cent. of operating costs and 50 per cent. of capital costs of approved women's refuges.

Operating costs are initially met from Vote and the Commonwealth contribution is transferred to the Consolidated Fund from the Commonwealth Community Health Program Trust Account. Total payments from Vote in respect of operating costs increased from \$1 023 200 in 1979-80 to \$1 157 688 in 1980-81. An amount of \$850 174, representing the Commonwealth contribution, was transferred from the trust account to the Consolidated Fund.

The Commonwealth share of capital costs associated with the establishment of women's refuges is charged directly to the trust account referred to above. The State share of capital costs is met from the Works and Services Account. In 1980-81, capital costs totalling \$53 275 were shared equally by the Commonwealth and the State.

*Trainees' and Prisoners' Earnings, and Incentive Payments Scheme*

Payments of earnings to trainees and prisoners upon discharge and amounts awarded to prisoners under an incentive payments scheme, amounted to \$779 140 compared with \$535 607 in 1979-80. The increase was due to an extension of the prison industries covered by the incentive payments scheme and an increase in the daily rate of earnings for working prisoners.

During the year, Treasury and the Department were formally advised that:

- (a) the maximum daily rates of earnings for trainees and prisoners set out in certain Departmental advices to Training Centres and Prisons exceeded the levels prescribed in regulations under the Community Welfare Services Act 1970 and that appropriate action was necessary to validate payments or credits made at those rates; and
- (b) there did not appear to be legislative authority for the conduct of an incentive payments scheme.

The Department has informed me that action is to be taken in respect of the daily rates of earnings, and that it is intended to seek, but not in the immediate future, legislative authority for the operation of the incentive payments scheme. In the meantime, the scheme would continue to operate without regulation but in accord with Government and Treasury approvals.

*Buildings, Equipment, Capital Grants etc.*

Payments during 1980-81 from the Works and Services Account were:

	\$
Pentridge Prison	
Construction of High Security Unit and other major and minor works	1 568 341
Fairlea Prison	
Replacement of Dormitory and other works	375 111
Ararat Prison	
Security Fencing and other works	242 818

	\$
Various Prisons	
Land, Minor and other works	630 237
Family Homes, Hostels and Institutions	
Minor and other works	586 707
Winlaton Youth Training Centre	
Conversion, Development and other works	160 933
Turana Youth Training Centre	
Alterations to Dormitories and other works	1 102 751
Langi Kal Kal Youth training Centre	
Water Supply and other works	71 905
Malmsbury Youth Training Centre	
Repairs to Lodge and other works	127 687
Adaptations to Regional Offices and Head Office	106 873
Grants and subsidies to Welfare Agencies and others	982 726
Other Capital Works	51 231
	<hr/>
	6 007 320
	<hr/>

### Receipts

Receipts of the Department during the past two years were:

	1980-81	1979-80
	\$	\$
Family and Adolescent Services		
Maintenance Collections	768	1 683
Family Assistance payments	214 182	126 094
Quarters and Rations	196 585	181 862
Trade Training Recoup	..	923
Correctional Services		
Sale of farm produce	343 154	367 099
Proceeds of manufactured goods	523 175	586 193
Maintenance of deportees	17 730	52 290
Miscellaneous	268 980	214 315
Commonwealth Recoup-Deserted Wives etc.	225 623	5 313 463
	<hr/>	<hr/>
	1 790 197	6 843 922
	<hr/>	<hr/>

### Trust Accounts

Payments by the Department from certain trust funds during the past two years, are compared:

	1980-81	1979-80
	\$	\$
Aboriginal Advancement (Commonwealth) Trust Account	145 787	138 500
Commonwealth Community Health Program Trust Account	26 562	33 562
Commonwealth Grant-Family Support Services Trust Account	817 746	720 095
Commonwealth Grant Pre-school Child Education and Care Trust Account	174 783	159 650
International Year of the Child Committee Account	1 540	229 961
National Employment Strategy for Aboriginals	189 171	41 127

## Other Matters

### *Canteen Issues to Prisoners - Pentridge Prison*

Following a request from the Director-General, an officer of my Office conducted an investigation into the records relating to canteen issues to prisoners in "A", "B", "E", "H" and "J" Divisions at Pentridge Prison during the period February 1979 to May 1980.

The investigation disclosed that the value of goods issued from the canteen store exceeded the amount charged against prisoners' earnings for those goods by approximately \$5 000.

Due to the fact that certain source documents could not be produced for audit examination, it was not possible to determine how the discrepancies occurred. The Department did however implement certain changes designed to overcome weaknesses disclosed in the system of canteen issues.

### *Financial and Operational Audit Unit*

The Department received approval in February 1980 to establish this unit consisting of 3 officers.

At 30 June 1981, although two officers had been appointed to the unit no appointment had been made to the position of officer in charge.

### *Audit Reports*

On page 246 of my 1979-80 report, reference was made to irregularities in accounting for private moneys and earnings of prisoners in "D" Division, Pentridge, and to irregularities at Ararat Prison in relation to accounting for sales of scrap metal, purchases charged to the Prisoner's Amenities Account and to accounting for and use of certain items of stores and equipment.

At the time of preparation of this report, the Department had not replied to matters in respect of internal control procedures, raised in the auditor's reports on the abovementioned irregularities. The reports were issued on 28 February 1980 and 19 June 1980, respectively.

	Administration	Research and Social Policy	Regional Services	Family and Adolescent Services	Correctional Services	Training	1980-81 Total	1979-80 Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Community Welfare Services</b>								
Salaries and allowances	2 421 683	295 246	8 456 372	14 284 179	13 913 771	840 587	40 211 838	34 502 117
Overtime and penalty rates	21 523	100	188 601	2 212 372	4 306 782	1 650	6 731 028	5 503 637
Payments in lieu of long service leave	..	17 962	35 476	103 729	101 144	3 821	262 132	291 179
General expenses	530 245	21 136	792 279	1 114 924	1 454 926	230 394	4 143 904	3 366 293
Payroll tax	83 856	10 753	297 931	569 756	628 837	29 039	1 620 172	1 543 544
Stores, provisions, plant, equipment	..	..	..	2 199 143	1 819 253	..	4 018 396	3 405 672
Assistance to Children and Young Persons	..	..	2 284 685	..	..	..	2 284 685	9 772 199
Grants and expenses in connection with State Wards etc. in Foster Homes, Institutions and Hostels	..	..	1 708 643	12 077 778	..	..	13 786 421	12 344 271
Youth Accommodation Services Program	..	..	..	550 152	..	..	550 152	334 072
Grants etc. to Welfare Organisations	385 257	..	..	76 585	..	..	461 842	273 222
Fare Concessions for Pensioners	9 457 073	..	..	..	..	..	9 457 073	7 071 435
Rate Concessions for Pensioners	31 570 621	..	..	..	..	..	31 570 621	27 252 374
Materials for Manufacture	..	..	..	..	798 911	..	798 911	829 862
Allowances to Trainees and Working Prisoners	..	..	..	107 544	671 596	..	779 140	535 607
Cadetships and Bursaries	2 199	..	..	..	..	12 101	14 300	39 763
Family and Community Services Program	4 087 935	..	409 210	..	..	..	4 497 145	3 702 670
Central Farm Account	..	..	..	..	209 982	..	209 982	172 312
Family Supportive Services-Grants	..	..	262 862	..	..	..	262 862	163 720
Community Health Projects-Women's Refuges	..	..	1 157 688	..	..	..	1 157 688	1 023 200
Other services	156 410	..	119 996	29 347	3 517	3 682	312 953	192 764
<b>Treasury</b>								
Workers compensation	48 716 802	345 197	15 713 743	33 325 509	23 908 719	1 121 274	123 131 245	112 319 913
	31 358	5 699	130 533	265 258	266 940	12 779	712 567	664 608
<b>WORKS AND SERVICES ACCOUNT</b>								
Buildings, Equipment, Capital Grants etc.	46 948	..	149 633	2 956 152	2 816 507	38 080	6 007 320	6 288 790
	48 795 108	350 896	15 993 909	36 546 919	26 992 166	1 172 133	129 851 132	119 273 311

VOTE

## 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.

### Central Administration of the Ministry

The central administration of the Ministry made the following payments from the Consolidated Fund during the past two years:

	1980-81	1979-80
	\$	\$
PAYMENTS		
VOTE		
Conservation		
Salaries and allowances	2 196 777	1 858 499
Overtime and penalty rates	9 762	10 295
Payments in lieu of long service leave, retiring gratuities	14 426	14 238
General expenses	520 678	385 728
State Employees Retirement Benefits Fund	20 342	..
Payroll tax	195 335	155 316
Other services		
National Parks Fund Grant	4 351 900	3 234 500
Environmental Study Programs-Expenses	*2 380 000	2 293 376
Zoological Board of Victoria - Grant	1 092 399	841 248
Grants and Contributions to other bodies furthering the objects of the Ministry	887 948	783 230
Treasury-Workers compensation	33 582	32 184
WORKS AND SERVICES ACCOUNT		
Water Quality, E.D.P. Development	..	15 596
National Parks Fund Grant	2 987 000	2 668 000
Preservation Grant to National Trust of Australia	50 000	50 000
Zoological Board		
Grant	140 000	143 000
Loan	40 000	40 000
Projects	165 000	130 000
Victorian Institute of Marine Science - Grant**	62 720	..

\* Includes salaries, allowances and overtime amounting to \$1 366 385 compared with \$1 053 852 in 1979-80.

\*\*Previous years payments made by Treasury

	1980-81	1979-80
	\$	\$
Victorian Conservation Trust - Grant	5 000	..
Other projects	14 537	16 126
Purchase and Improvement of Crown Land		
Dandenongs	999 958	1 001 276
Yellingbo	7 353	9 085
South East Sector	193 099	160 659
Kinglake	16 785	45 150
Mount Gellibrand	168 599	..
Marine Science laboratories	133 995	920 542
Other properties	303 575	503 628
	<u>16 990 770</u>	<u>15 311 676</u>

Miscellaneous receipts for the year totalled \$312 351 (\$252 302 in 1979-80) and were credited to the Consolidated Fund.

The Ministry made payments from several trust accounts as follows:

	1980-81	1979-80
	\$	\$
Commonwealth National Estate Program Trust Account	210 561	288 320
Special Youth Employment Training Program Trust Account	35 209	32 072
Heavy Metals Study	1 643	6 102
State Grants (Nature Conservation) Trust Account	14 600	..

Other major activities for which the Ministry is responsible are referred to below, showing the receipts and payments for 1980-81 and the comparative figures for 1979-80.

## National Parks Division

The national and other specified parks under the National Parks Act 1975 were brought within the general administration of the Ministry by the Ministry for Conservation Act 1972.

The objects of the Act are to conserve habitat and other natural and cultural features, and to provide for public recreation and environmental experience.

Operations under the National Parks Act 1975 were financed from the National Parks Fund as follows:

	1980-81	1979-80
	\$	\$
Balance 1 July	7 888	33 937
RECEIPTS		
Vote	4 351 900	3 253 500
Works and Services Account	2 987 000	2 668 000
Rentals, Fees etc.		
Wilsons Promontory/Tidal River	599 078	578 083
Mt. Buffalo	306 302	278 745
Other	459 115	348 155
	<u>8 711 283</u>	<u>7 160 420</u>



	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
Salaries and allowances	3 711 108	2 769 762
Overtime and penalty rates	38 901	6 400
Payments in lieu of long service leave, retiring gratuities	4 111	6 024
General expenses	720 637	724 285
Payroll tax	173 706	140 850
Parks and Districts-Maintenance and Management	2 899 784	2 420 104
Other services and projects	1 159 147	1 085 107
	<u>8 707 394</u>	<u>7 152 532</u>
Balance 30 June	<u>3 889</u>	<u>7 888</u>

The following payments were made from the undermentioned trust accounts:

	1980-81	1979-80
	\$	\$
Special Youth Employment Training Program Trust Account	23 382	45 844
State Additional Apprentices Scheme	113 211	72 076
Rural Employment Scheme 1979-80 No. 1 Account	2 642	57 358

## 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:

	1980-81	1979-80
	\$	\$
<b>VOTE</b>		
<b>Conservation</b>		
Salaries and allowances	3 638 556	3 101 862
Overtime and penalty rates	35 671	32 516
Payments in lieu of long service leave, retiring gratuities	8 162	12 868
Laboratory services and general expenses	1 036 836	905 767
Payroll tax	183 935	160 144
Environment Protection Council	2 805	5 087
Waste Disposal Strategy - Expenses	40 137	..
Payments to Protection Agencies		
Health Commission	101 294	97 841
Dandenong Valley Authority	174 626	169 083
Latrobe Valley Water and Sewerage Board	629 036	516 663
Melbourne and Metropolitan Board of Works	483 768	505 000
State Rivers and Water Supply Commission	520 054	386 413

	1980-81	1979-80
	\$	\$
Treasury-Workers compensation	56 324	52 764
WORKS AND SERVICES ACCOUNT		
Lake Colongulac	12 484	57 782
Equipment	95 144	69 974
Other projects	25 786	53 922
	<u>7 044 618</u>	<u>6 127 686</u>

Receipts to the Consolidated Fund for the year, consisting of fees received by the Authority in respect of environment protection licences, amounted to \$1 805 612, compared with \$1 745 454 in 1979-80.

The following payments were met from the undermentioned trust accounts:

	1980-81	1979-80
	\$	\$
Special Youth Employment Training Program Trust Account	11 981	7 007
Urban Storm Water Run Off Grant	9 680	10 079
Newport Power Station Predictive Study Account	691 507	9 226

### Soil Conservation Authority

The Soil Conservation Authority was established pursuant to the Soil Conservation and Land Utilization Act 1958. 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:

	1980-81	1979-80
	\$	\$
VOTE		
Conservation		
Salaries and allowances	3 024 841	2 645 368
Payments in lieu of long service, retiring gratuities	27 710	23 633
General expenses	577 890	478 355
Payroll tax	150 318	125 993
District Advisory Committees	9 385	6 095
Treasury-Workers compensation	47 537	44 410
WORKS AND SERVICES ACCOUNT		
Water supply catchments	282 507	279 919
Farm water supply	10 283	9 600
Plant and machinery	14 164	15 000
Grants and assistance	117 077	249 916
Crown Land and foreshore erosion control	77 478	78 000
Port Phillip foreshore erosion	29 997	30 000
Other Conservation projects	478 438	332 026
Residence	52 009	..
	<u>4 899 634</u>	<u>4 318 315</u>

The Commonwealth provided \$46 318 (\$25 935 in 1979-80) towards the expenditure involved in the administration of the Puckapunyal soil conservation project and this amount was credited to the Consolidated Fund.

Payments from trust accounts were:

	1980-81	1979-80
	\$	\$
Puckapunyal Soil Conservation Project Trust Account	615 398	389 358
Soil Conservation Authority Trust Account	207 264	181 550
Commonwealth Extension Services (Conservation) Grant Account	51 431	47 620
Special Youth Employment Training Program Trust Account	19 116	25 359

## 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:

	1980-81	1979-80
	\$	\$
VOTE		
Conservation		
Salaries and allowances	2 991 458	2 533 626
Overtime and penalty rates	42 247	38 500
Payments in lieu of long service leave, retiring gratuities	15 728	31 312
General expenses	648 620	531 805
Payroll tax	157 640	135 100
Other services		
Wildlife Management Fund-contribution	854 500	705 000
Fisheries Research Fund-contribution	40 000	20 000
Victorian Fishing Industry Council - contribution	42 000	..
Other Grants and expenses	229 466	207 622
Treasury-Workers compensation	46 221	46 224
WORKS AND SERVICES ACCOUNT		
Works	206 515	231 857
Equipment	71 576	59 067
Purchase of boats	..	30 615
Other projects	..	19 489
Residence	75 666	..
	<u>5 421 637</u>	<u>4 590 217</u>

The Commonwealth provided \$57 805 (\$44 182 in 1979-80) towards the expenditure involved in the administration and enforcement of the Commonwealth Fisheries Act and this amount was credited to the Consolidated Fund.

Operations for the past two years of the following trust funds are summarised hereunder:

*Fisheries Research Fund*

	1980-81	1979-80
	\$	\$
Balance 1 July	456 311	521 688
RECEIPTS		
From the Consolidated Fund		
Vote	40 000	20 000
Licences		
Commercial	271 669	175 429
Freshwater	527 943	525 320
Marine Recreation	46 372	45 410
	<u>1 342 295</u>	<u>1 287 847</u>
PAYMENTS		
Salaries and allowances	358 939	294 087
Overtime and penalty rates	19 791	16 094
Payroll tax	18 085	15 392
General expenses	407 987	430 664
Consolidated Fund - administration expenses	82 369	75 299
	<u>887 171</u>	<u>831 536</u>
Balance 30 June	<u>455 124</u>	<u>456 311</u>

*Wildlife Management Fund*

	1980-81	1979-80
	\$	\$
Balance 1 July	46 934	34 877
RECEIPTS		
From the Consolidated Fund		
Vote	854 500	705 000
Licences, Fines etc.	781 876	727 024
	<u>1 683 310</u>	<u>1 466 901</u>
PAYMENTS		
Salaries and allowances	720 517	661 913
Payroll tax	37 319	32 369
General expenses	809 286	656 432
Police administration expenses	88 235	69 253
	<u>1 655 357</u>	<u>1 419 967</u>
Balance 30 June	<u>27 953</u>	<u>46 934</u>

In addition payments were met from the following trust accounts:

	1980-81	1979-80
	\$	\$
Fish and Wildlife Research Trust Account	262 311	304 169
Fisheries Dartmouth Dam Surveys Trust Account	921	840
Special Youth Employment Training Program Trust Account	22 981	31 546

### 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:

	1980-81	1979-80
	\$	\$
VOTE		
Conservation		
Salaries and allowances	123 458	103 529
Payment in lieu of long service leave, retiring gratuities	5 565	..
Payroll tax	5 964	5 083
General expenses	14 762	14 134
Treasury-Workers compensation	1 860	1 737
	<u>151 609</u>	<u>124 483</u>

The following payments were met from trust accounts:

	1980-81	1979-80
	\$	\$
Study and Protection of Port Phillip Bay Fund	70 496	56 706
State Additional Apprentices Scheme	6 703	4 521
Special Youth Employment Training Program Trust Account	3 380	2 900

Consequent upon the amendment of the Port Phillip Authority Act 1966 by the Port Phillip Authority (Amendment) Act 1980, administration of the Authority has been transferred to the Department of Crown Lands and Survey from 1 July 1981.

### Land Conservation Council

The Land Conservation 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:

	1980-81	1979-80
	\$	\$
VOTE		
Conservation		
Salaries and allowances	334 390	302 911
Overtime and penalty rates	5 100	4 845
Payment in lieu of long service leave, retiring gratuities	6 530	..
General expenses	96 807	78 082
Payroll tax	17 169	15 168
Production of Land Conservation Reports	99 992	44 148
Land Conservation Council - fees	3 366	1 718
	<hr/>	<hr/>
Treasury-Workers compensation	563 354	446 872
	5 530	5 058
	<hr/>	<hr/>
	568 884	451 930
	<hr/>	<hr/>

### Victoria Archaeological Survey

The Archaeological and Aboriginal Relics Preservation Act 1972 provides for the recording and protection of archaeological areas and relics, together with research and an education program pertaining thereto.

Pursuant to the provisions of the Archaeological and Aboriginal Relics Preservation (Amendment) Act 1980 which amended the Ministry for Conservation Act 1972 the administration of the Victoria Archaeological Survey became the responsibility of the Ministry for Conservation.

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

	1980-81	1979-80
	\$	\$
VOTE		
Conservation		
Salaries and allowances	175 866	116 456
General expenses	99 313	80 408
Payroll tax	8 364	5 670
Archaeological Relics Advisory Committee	1 658	..
Treasury-Workers compensation	2 093	1 830
WORKS AND SERVICES ACCOUNT		
Site protection	12 057	13 837
	<hr/>	<hr/>
	299 351	218 201
	<hr/>	<hr/>

The following payments were met from a trust account:

	1980-81	1979-80
	\$	\$
Archaeological and Aboriginal Relics Trust Account	65 128	23 433

# Victorian Fishing Industry Council

The Victorian Fishing Industry Council was constituted under the Victorian Fishing Industry Council Act 1979 which came into operation on 10 November 1980. The administration of the Council became the responsibility of the Ministry under the Ministry for Conservation Act 1972. The Council's funds are being processed through the Victorian Fishing Industry Trust Fund which is maintained in Treasury.

Transactions for the period ended 30 June 1981 were as follows:

	1980-81
	\$
RECEIPTS	
Vote	42 000
Industry contribution	5 000
	<hr/>
	47 000
	<hr/>
PAYMENTS	
Salaries and allowances	4 134
General expenses	4 303
	<hr/>
	8 437
	<hr/>
Balance 30 June 1981	38 563
	<hr/>

## Other Matter

### *Internal Audit*

An internal audit section comprising two officers was established at the Ministry for Conservation on 1 April 1981.

# 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 from the Consolidated Fund

Payments during the last two years are compared hereunder:

	1980-81	1979-80
	\$	\$
VOTE		
Consumer Affairs		
Salaries and allowances	885 545	766 816
Overtime and penalty rates	2 574	2 249
Payments in lieu of long service leave	..	2 885
General expenses	124 494	95 610
Payroll tax	45 102	44 070
Motor Car Traders' Committee	76 498	59 553
Consumer Affairs Council	15 706	12 732
Grant - Tenant Advice Service	11 000	..
Market Court	2 147	1 980
Treasury		
Workers compensation	13 820	13 195
	<hr/>	<hr/>
	1 176 886	999 090
	<hr/>	<hr/>

### *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.

### *Small Claims Tribunal*

The Small Claims Tribunal, which is administered within the Ministry, deals with claims by consumers arising out of contracts for the supply of goods or the provision of services, in amounts not exceeding \$1 000. Orders of the Tribunal involving the payment of money may be enforced in a Magistrates' Court. Costs incurred during 1980-81, approximately \$170 000, are included in the Ministry's vote payments.

## Trust Fund

### *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 1980-81 together with the relative figures for 1979-80 are:

	1980-81	1979-80
	\$	\$
Balance 1 July	424 784	461 871
<b>RECEIPTS</b>		
Licence fees	244 343	258 577
Fines etc.	8 609	6 275
	<hr/>	<hr/>
	677 736	726 723
<b>PAYMENTS</b>		
Claims	232 043	129 711
Salaries and allowances	114 342	98 158
Committee Members' fees	60 831	50 130
Other	35 425	23 940
	<hr/>	<hr/>
	442 641	301 939
	<hr/>	<hr/>
Balance 30 June	235 095	424 784
	<hr/>	<hr/>

# 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 Country Roads 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 1980-81 were:

#### (i) Fees under the Motor Car Act 1958

Receipts for the year under this Act amounted to \$82 768 224 and the costs of collections were \$16 277 958. The comparable figures in 1979-80 were, respectively, \$87 545 770 and \$13 397 859.

#### (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 1980-81, receipts from these contributions totalled \$3 395 404. In certain circumstances, the required contribution may be reduced or waived, and, for 1980-81, such concessions amounted to \$4 210 354.

#### (iii) The Roads and Special Projects Fund

As already explained on page 46 of this report an amount of \$79 500 000 was credited to the Country Roads Board Fund from this fund during 1980-81.

#### (iv) Special Contribution from the Works and Services Account

A total of \$77 000 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 Section 31A of the Country Roads Act 1958, the Board raised loans totalling \$1 200 000 during 1980-81. After allowing for repayments during the year, its net liability at 30 June 1981 for loans under this section was \$3 327 734.

(vi) Temporary Advance

The Board obtained from its bank a temporary advance of \$4 000 000 from its current account (the Board's advance account) by use of an overdraft facility authorised under the provisions of Section 31G of the Country Roads Act 1958. The advance had not been repaid at 30 June 1981.

(b) Works and Services Account

Under the authority of the Transport Works and Services Act 1980 the Board was advanced \$200 000 for tourist roads and \$100 000 for national parks roads.

The total advance of \$300 000, was allocated and fully expended by the Board on the construction of State highways, while the Board provided an equivalent sum from sources other than loan funds for expenditure on tourist and national parks roads. This action was taken by the Board pending clarification as to the Board's legal obligation to repay such advances.

The net liability of the Board at 30 June 1981, in respect of moneys provided under Loan Application Acts and Works and Services Acts, was \$27 050 858.

(c) Commonwealth Grants

Commonwealth assistance to the State for roads is provided under the Roads Grants Act 1980 and the Transport Planning and Research (Financial Assistance) Act 1977.

The grant to Victoria for 1980-81 under the Roads Grants Act 1980 was \$126 359 000 and was expended on the following:

	\$
National roads - construction and maintenance	48 469 000
Urban arterial roads - construction	34 040 000
Rural arterial roads - construction	14 182 000
Local roads - construction and maintenance	29 668 000
	<hr/>
	126 359 000
	<hr/>

Included in the above is management and operating expenditure amounting to \$17 730 470.

The Transport Planning and Research (Financial Assistance) Act 1977 provided \$1 792 000 for Victoria in 1980-81. Of this amount, the Country Roads Board's allocation was \$1 003 123, which was fully spent at 30 June 1981.

AVAILABLE FUNDS AND PAYMENTS

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

	1980-81	1979-80
	\$	\$
<b>PRINCIPAL FUNDS AVAILABLE</b>		
Country Roads Board Fund		
Balance 1 July	262 585	4 842 311
Net Fees, Motor Car Act 1958	66 490 266	74 147 911
Municipal Contributions	3 395 404	3 111 588
Roads and Special Projects Fund	79 500 000	24 800 000
Road Charges-Commercial Goods		
Vehicles Act 1958, Part II	..	1 487 266
General Receipts	2 841 280	2 478 111
Special Contribution-Works and		
Services Account	77 000	114 000
Private Loans	1 200 000	1 200 000
Redeemed Investments	..	1 000 000
Temporary Advances	4 000 000	..
Roads (Special Projects) Fund	..	36 749 957
Works and Services Account	300 000	300 000
Commonwealth Grants		
Roads Grants Act 1980	126 359 000	..
States Grants (Roads) Act 1977	..	112 453 000
Transport Planning and Research		
(Financial Assistance) Act 1977	1 003 123	1 154 638
Commonwealth Traffic and Road Safety		
Improvement Program Trust Account	..	23 025
	<u>285 428 658</u>	<u>263 861 807</u>
	1980-81	1979-80
	\$	\$
<b>PAYMENTS FROM AVAILABLE FUNDS</b>		
Construction and Maintenance of Roads (including		
Special Projects)	229 944 923	213 726 248
Payments to the Consolidated Fund		
Interest (including Exchange and Loan Conversion		
Expenses)	1 909 423	1 981 435
Sinking Fund Contributions and Loan Conversion		
Expenses	1 025 922	971 027
Loan Repayments	67 175	68 186
Private Loans		
Sinking Fund Contribution	7 500	5 000
Interest	233 112	93 628
Redemption	55 915	16 351
Transfer to Tourist Fund	1 482 958	1 571 418
Transfer to Traffic Authority Fund	741 479	785 709
Recoup to Transport Regulation Board	89 236	574 631
Planning and Research	4 965 863	4 839 450
Capital Expenditure	3 840 731	5 553 677
Management and Operating Expenditure	40 767 456	33 412 462
	<u>285 131 693</u>	<u>263 599 222</u>
Balance 30 June	296 965	262 585
	<u>285 428 658</u>	<u>263 861 807</u>

*Other Funds*

In addition to the payments referred to above, the Board expended \$2 187 461 in carrying out works on behalf of various Commonwealth and State government authorities and departments. The expenditure was funded from various trust accounts including the Country Roads Board Special Works Account.

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, are shown below:

	Country Roads Board Fund \$	Works and Services Account \$	Commonwealth Grants \$	Total \$
Main Roads	33 257 093		11 586 540	44 843 633
State Highways	28 895 871	300 000	28 354 251	57 550 122
Freeways	31 002 246		36 634 090	67 636 336
Tourists' Roads	4 749 423		..	4 749 423
Forest Roads	1 960 763		..	1 960 763
Unclassified Roads	16 884 409		31 637 680	48 522 089
Other	4 266 588		415 969	4 682 557
	<u>121 016 393</u>	<u>300 000</u>	<u>108 628 530</u>	<u>229 944 923</u>

Other Matter

*Internal Audit*

During the year the results of an evaluation of the Board's internal audit section were conveyed to the Board, and included, inter alia, a reference to the fact that the Internal Auditor was not considered to be independent of operational management and did not have direct access to the Board, in that reports had to be submitted through the Chief Accountant.

Audit recommended that the Board consider implementing procedures whereby the Internal Auditor would be responsible to and report directly to the Board.

The Board has advised me that it does not favour this recommendation.

DEPARTMENT OF  
CROWN LANDS AND SURVEY

The Department of Crown Lands and Survey is responsible for the occupation of Crown Lands and the administration of various schemes of land settlement and financial assistance to farmers. Other functions include the eradication of vermin and noxious weeds, the control and co-ordination of survey and mapping throughout the State and the control and maintenance of the Botanic and Domain Gardens and the National Herbarium. The receipts and payments of the Department are presented hereunder.

Receipts - Consolidated Fund

Receipts during the year in respect of the Consolidated Fund amounted to \$12 042 166 compared with \$10 895 254 in the previous year. Details are set out hereunder:

	1980-81	1979-80
	\$	\$
Land Revenue		
Fees for various licences and leases etc.	6 635 941	6 009 911
Proceeds of sale of land	1 095 840	1 045 522
Recoveries of Debt Charges		
Interest on Loan Liabilities under Closer Settlement Acts	26 659	36 828
Other	9 174	4 576
Fees and Charges for Departmental Services		
Recoups on account of:		
Services of survey personnel	814 725	863 277
Vermin and Noxious weed services	1 670 005	1 530 853
Survey Fees etc.	376 290	244 779
Administrative expenses etc.	7 378	9 349
Loan Repayments		
Repayment of principal-Land Development sales	35 550	75 864
Repayment of principal by Settlers under the Closer Settlement Acts	27 083	52 095
Crown Lands - Sale of Properties	*250 430	44 000
Other	29 870	48 977
Miscellaneous Receipts		
Royal Botanic Gardens-Kiosk and Herbarium	346 435	308 858
Admission to Buchan Caves	115 265	96 725
Erskine House - accommodation charges etc.	395 304	332 594
Rents and Fines	112 689	96 215
Sale of Government Property	41 405	38 131
Ballarat Guncotton Factory	23 335	24 208
Other	28 788	32 492
 TOTAL RECEIPTS	 12 042 166	 10 895 254

\* Includes \$222 083, being part proceeds of sale of "Los Angeles" property for the Health Commission of Victoria. The purchase price of \$820 000 is payable in instalments over 3 years with interest at 9 per cent. per annum.

## Payments - Consolidated Fund

The amount provided from the Consolidated Fund to meet departmental administrative costs and expenses and other functional payments was \$33 925 721 compared with \$28 573 659 in the previous year. Details are:

### *Crown Lands Administration and Other Services*

	1980-81	1979-80
	\$	\$
<b>VOTE</b>		
Lands and Survey		
Salaries and allowances	6 639 167	5 972 679
Overtime and penalty rates	68 474	62 700
Payments in lieu of long service leave	169 635	64 136
State Employees Retirement Benefits Fund - Contribution	240 090	..
General expenses	1 052 828	808 940
Payroll tax	348 524	308 810
Erskine House - contribution towards operating expenses	336 699	308 781
Yarra Bend Park Trust - Grant	42 068	30 000
Mount Dandenong Lands Act Reserves Fund - contribution towards maintenance and development	30 000	29 000
Other services	102 358	90 738
Treasury		
Workers compensation	108 454	102 083
<b>WORKS AND SERVICES ACCOUNT</b>		
Purchase of sites, silt jetties etc.	1 268 359	325 736
Construction of depots and residences etc.	639 880	577 828
Land development and improvement	420 332	375 559
Grant for works at Mt. Hotham Alpine Resort	130 000	100 000
	11 646 868	9 156 990

### *Vermin and Noxious Weeds*

<b>VOTE</b>		
Lands and Survey		
Salaries and allowances and wages, including overtime and penalty rates	8 820 701	7 656 273
Payments in lieu of long service leave	96 250	151 570
Purchase of weedicides, fumigants, poisons etc.	1 926 503	1 413 770
Purchase of vehicles, tractors etc.	536 573	611 403
Repairs, maintenance and running expenses of vehicles etc.	829 093	550 471
General expenses including special eradication and research projects	650 909	593 291
Payroll tax	454 926	391 746
<b>WORKS AND SERVICES ACCOUNT</b>		
Purchase of equipment	47 383	21 872
Construction of glasshouse and other capital works at the Keith Turnbull Research Institute	105 296	79 279
	13 467 634	11 469 675

Survey

	1980-81	1979-80
	\$	\$
VOTE		
Lands and Survey		
Salaries and allowances	4 957 200	4 402 473
Overtime and penalty rates	18 100	16 450
Payments in lieu of long service leave	18 280	20 215
General expenses etc.	839 692	736 929
Payroll tax	256 600	226 101
Cadastral and aerial survey	387 981	330 986
Other services	4 494	18 834
Treasury		
Workers compensation	79 407	75 672
WORKS AND SERVICES ACCOUNT		
Purchase of equipment	325 114	309 289
Metric conversion	65 000	62 632
	<hr/>	<hr/>
	6 951 868	6 199 581
	<hr/>	<hr/>

*Botanic and Domain Gardens and National Herbarium*

VOTE		
Lands and Survey		
Salaries and allowances	1 136 120	1 001 174
Overtime and penalty rates	38 962	40 230
Payments in lieu of long service leave	6 435	10 636
General expenses	184 306	152 707
Payroll tax	60 605	53 285
Botanic and Domain Gardens Kiosk-operating expenses	308 973	270 997
Other services	..	4 200
Treasury		
Workers compensation	18 714	17 082
WORKS AND SERVICES ACCOUNT		
Land development and improvements	39 367	25 953
New works and buildings etc.	55 872	135 215
Installation of water supply system for annexe at Cranbourne	9 997	35 934
	<hr/>	<hr/>
	1 859 351	1 747 413
	<hr/>	<hr/>
TOTAL PAYMENTS	33 925 721	28 573 659
	<hr/>	<hr/>



## Trust Accounts

### *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 1980 was \$644 280. Premiums received during the year amounted to \$1 187. Payments consisted of claims, \$2 695, and administration expenses, \$4 049. The balance in the fund at 30 June 1981 was \$638 723.

### *Mt. Hotham Alpine Resort Fund*

The Mt. Hotham Alpine Resort Management Committee is a corporate body established under the provisions of the Mt. Hotham Alpine Resort Act 1972 to develop, control and manage the resort area of Mt. Hotham.

The financial operations of the Committee are carried out through a trust fund held in the Treasury. All moneys received by the Committee by way of rates and charges on lodges and parking fees etc. are paid into the fund and are applied towards the development, maintenance and administration of the resort area.

Details of the receipts and payments of the trust fund for 1979-80 and 1980-81 were:

	1980-81	1979-80
	\$	\$
Balance 1 July	57 189	7 450
RECEIPTS		
Rates and charges, parking fees etc.	270 289	213 230
Rent	68 687	42 624
Contributions by ratepayers to capital works	381 534	79 335
Contribution from Works and Services Account	130 000	100 000
Fines	120	520
	<hr/>	<hr/>
	907 819	443 159
	<hr/>	<hr/>

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
Water supply installation and maintenance	17 990	43 471
Car park facilities and maintenance	115 513	76 910
Administrative expenses	16 415	16 277
Tourist shelter maintenance	7 793	7 999
Garbage services	22 183	10 183
Advertising and sign-writing	11 028	5 047
Slope grooming	36 415	18 562
Safety, ski rescue operation and maintenance	30 524	28 590
Medical Centre operations	3 340	4 083
Sewerage treatment plant installation and reticulation	286 136	174 848
Roadworks	12 826	..
Electrical Installations and Maintenance	179 822	..
Gas Mains Installations	4 173	..
	<hr/>	<hr/>
	744 158	385 970
	<hr/>	<hr/>
Balance 30 June	163 661	57 189
	<hr/>	<hr/>

#### *Inverloch Foreshore Reserve Trust Account*

The Inverloch Foreshore Reserve is administered by the Department and the financial operations are recorded within a trust fund held at the Treasury.

The accounts of the fund are kept on a cash basis. The balance of the fund at 1 July 1980 was \$2 648. Fees received from campsites along the foreshore amounted to \$40 472. Payments consisted of wages, \$17 208, maintenance and upkeep of the foreshore, \$21 734, and administrative expenses, \$3 973. The balance in the fund at 30 June 1981 was \$205.

#### *Rivers and Streams Fund*

The Rivers and Streams Fund was established under Section 40 of the River Improvement Act 1958. During 1980-81, licence fees totalling \$145 731 (1979-80, \$151 858) were collected by the Department and credited to this fund. Payments from the fund are controlled by the State Rivers and Water Supply Commission.

#### *Other Trust Accounts*

The Department expended funds from several other trust funds during 1979-80 and 1980-81 as follows:

	1980-81	1979-80
	\$	\$
Special Youth Employment Training Program Trust Account	380 584	441 146
State Additional Apprentices Scheme	51 868	49 145
Commonwealth Subsidy Vermin Control Account	28 294	25 411
Skeleton Weed Research Account	45 222	24 769
Feral Cats Consultancy Trust Account	4 933	18 382
Australian Biological Resources Study Trust Account	5 397	5 085
Wild Radish Control Trust Account	9 522	4 353

## Closer Settlement

The revenue account of the settlement scheme, carried out under the provisions of the Closer Settlement Act 1938, disclosed a deficit for the year of \$1 741 195 and the accumulated deficit was, as a result, increased to \$145 387 773. 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.

## MINISTRY FOR ECONOMIC DEVELOPMENT

The Ministry for Economic Development was created by Order-in-Council on 11 March 1981.

The Director-General for Economic Development was appointed on 10 March 1981. The appointment of the Director-General from the day preceding the day on which the Ministry was created was validated by the provisions of Section 4 of the Economic Development Act 1981 which was deemed to have come into operation on 10 March 1981. The remainder of the Act came into operation on 1 July 1981.

### Payments from Consolidated Fund

The salary and allowance of the Director-General from the date of appointment to 30 June 1981 were paid by the Department of State Development, Decentralization and Tourism and charged to Treasurer's Advance pending parliamentary appropriation.

Whereas arrangements had been made for the funding of the salary and allowance of the Director-General, it would appear that no arrangements had been made for the funding of general expenses incurred by the Ministry to 30 June 1981, and for this reason the Department, which was processing the accounts on behalf of the Ministry, charged the payments to the departmental Vote.

In the latter part of the financial year, the staff of the Department had issued all orders for goods and services in the name of the Ministry for Economic Development, irrespective of whether the orders related to the Ministry or the Department. As a result audit had difficulty in determining the total payments of the Ministry which had been charged to the departmental Vote, but was able to identify payments amounting to \$73 675.

Further comment on this matter is included on page 193 of this report.

## EDUCATION DEPARTMENT

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, transport of children to school and the award of teaching scholarships. The teaching service provides the teachers for all State schools.

### Consolidated Fund

Receipts to and payments from the Consolidated Fund in respect of education for the years ended 30 June 1980 and 1981 were:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>SPECIAL APPROPRIATIONS</b>		
Pensions	44 416 075	37 821 247
Teachers Tribunal Salaries	274 936	240 989
Crown Proceedings	201 583	326 376
Adult Education Fund Grant	50 000	50 000
Volunteer Workers Compensation	28 290	10 046
Other	5 745	5 287
	44 976 629	38 453 945

### VOTE

#### Education

##### Teaching Services

Salaries and allowances	819 617 937	748 703 507
Payments in lieu of long service leave	5 860 974	5 261 225

##### General Administration

Salaries and allowances	54 032 659	43 075 440
Overtime and penalty rates	247 206	230 190
Payments in lieu of long service leave	1 153 809	585 839
Payroll tax	45 361 100	39 862 648
Conveyance of pupils	44 152 132	37 944 267
School cleaning and services	39 830 634	34 775 115
Educational allowances for pupils	31 699 995	27 536 849
Allowances for student teachers in training	2 140 839	5 813 904
School and office equipment and requisites	5 428 765	6 266 688
Scholarships to pupils etc.	4 024 283	3 964 462
Travelling expenses and allowances etc.	3 761 726	3 008 049
General expenses	6 609 089	5 665 014
Operating costs-hostels and residential camps	1 780 362	1 641 928
Capitation grants to registered schools	68 918 767	43 511 623

	1980-81	1979-80
	\$	\$
Grants		
Colleges of Advanced Education (Non-tertiary)	57 631 474	48 470 855
Technical schools	38 769 860	33 203 095
Primary schools	25 913 366	22 678 532
Secondary schools	21 573 778	17 789 141
Special schools	1 376 742	1 082 751
Victorian Institute of Secondary Education	3 749 200	2 831 383
Adult Education Fund	2 472 047	1 963 965
Co-ordinating Bodies-Post-Secondary Education	1 735 000	1 546 734
Other	3 066 907	3 328 233
	<hr/>	<hr/>
Treasury-Workers compensation	1 290 908 651	1 140 741 437
	14 016 706	12 996 887
	<hr/>	<hr/>
	1 304 925 357	1 153 738 324
	<hr/>	<hr/>
WORKS AND SERVICES ACCOUNT		
Capital Works-Buildings, sites, equipment etc.		
Public Works	78 538 256	80 547 838
Education	8 975 477	14 890 332
Maintenance-Public Works	17 175 192	16 834 367
Grants to Schools and Colleges		
Public Works	27 492 749	22 618 691
Education	12 691 000	7 054 621
Computer Services Development	669 594	1 031 986
	<hr/>	<hr/>
	145 542 268	142 977 835
	<hr/>	<hr/>
	1 495 444 254	1 335 170 104
	<hr/>	<hr/>
RECEIPTS		
Services of State Officers	867 069	1 037 784
Board-Students in training	627 383	687 419
Sale of Publications	637 663	579 254
Appropriations of former years	4 967 139	1 240 008
Broken bond debts	440 388	396 139
Recoups Government portion of superannuation contributions	274 321	313 482
Commission on payroll deductions	172 750	164 033
Collections-Australian Education Council	450 055	337 516
Sale of Visual Aids	100 471	91 780
Australian Education Science Project	146 856	400 000
Australian Education Council Secretariate	220 483	..
School camps	109 967	108 494
Rents and hirings	121 363	133 131
Other	175 099	201 881
	<hr/>	<hr/>
	9 311 007	5 690 921
	<hr/>	<hr/>

There were marked variations in certain items between the year under review and the previous year. Particular reference is made to the following:

(a) Teaching Services-Salaries and Allowances

Payments under this head increased by \$70 914 430, mainly due to Teachers Tribunal determinations, operative from 27 July 1980, 11 January 1981 and 17 May 1981.

(b) General Administration - Salaries and Allowances

Payments increased by \$10 957 219 during 1980-81, mainly due to:

- (i) wage increases granted by the Public Service Board and the Teachers Tribunal; and
- (ii) a substantial increase in professional staff appointed by the Teachers Tribunal to positions in the Special Services Division.

(c) Allowances to Student Teachers in Training

Payments decreased by \$3 673 065 during 1980-81 due to the continued decline in the number of student teachers.

(d) Conveyance of Pupils

This cost increased by \$6 207 865 during 1980-81. The rise was attributable mainly to adjustments to school bus contract rates because of increased operating costs.

(e) Capitation Grants to Registered Schools

These grants are paid to non-government schools pursuant to the Educational Grants Act 1973. Payments in 1980-81 increased by \$25 407 144 due to:

- (i) an increase in the per capita grant; and
- (ii) the inclusion of one full year's grant compared with three quarters in the previous year caused by a change in the method of payment in that year.

(f) Broken Bond Debts

Collections on account of these debts during 1980-81 amounted to \$440 388 and, during the same period, debts totalling \$822 485 on account of 171 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 1980-81 and prior years.

At 18 May 1981, whilst a reconciliation had not been achieved, the Department's records indicated debts for 2 444 ex-students totalling \$9 772 526. The Department was unable to provide the equivalent figure and number of students at 30 June 1981.

(g) Appropriations of Former Years

The increase in receipts of \$3 727 131 during the current year was due to late billing and collections in respect of 1979-80 recoup of salaries for teachers seconded to Institutes and Colleges of Advanced Education.

*Financial Statements of School Councils*

The Education Act 1958 provides for the constitution by order of the Governor in Council of a council in relation to any State school or group of schools.

At 30 June 1981:

- 1647 Primary School Councils;
- 285 High School Councils;
- 117 Technical School Councils; and
- 92 Other School Councils

had been constituted under the legislation, while a further 21 schools, mainly special schools, had no school council appointed.

During the years ended 30 June 1980 and 1981, schools and school councils received the following moneys by way of grants:

	1981	1980
	\$	\$
Primary School Councils	25 913 366	22 678 532
High School Councils	21 573 778	17 789 141
Technical School Councils	38 769 860	33 203 095
Special Schools and School Councils	1 376 742	1 082 751
	<hr/>	<hr/>
	87 633 746	74 753 519
	<hr/>	<hr/>

Section 15F of the Education Act 1958, requires school councils to have their financial statements audited and to lodge these audited statements with the Auditor-General.

The following statistics, extracted at 30 June 1981, show the extent of non compliance with legislation in relation to the lodging of audited financial statements for the years ended 31 December 1977, 1978, 1979 and 1980.



(a) Primary and certain other school councils which have:

	1977	1978	1979	1980
(i) lodged acceptable audited financial statements	1241	1142	1119	926
(ii) lodged unsatisfactory audited financial statements	341	136	148	115
(iii) failed to lodge audited financial statements	161	463	477	694
	<u>1743*</u>	<u>1741*</u>	<u>1744*</u>	<u>1735*</u>

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

The classification under metropolitan and non-metropolitan schools for items (a) (ii) and (a) (iii) above was as follows:

	Failed to Lodge Statements				Lodged Unsatisfactory Statements			
	1977	1978	1979	1980	1977	1978	1979	1980
Metropolitan	40	69	81	157	114	23	26	29
Large Country	29	45	29	45	54	12	9	9
Small Country	92	349	367	492	173	101	113	77
	<u>161</u>	<u>463</u>	<u>477</u>	<u>694</u>	<u>341</u>	<u>136</u>	<u>148</u>	<u>115</u>

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

(b) At 31 July 1981, progress of internal audits of secondary school councils etc. for the years ended 31 December 1977, 1978, 1979 and 1980 was as follows:

	Completed	In progress	Not Commenced	Total
<b>High School Councils</b>				
1977	272	2	1	275
1978	278	1	..	279
1979	179	42	62	283
1980	11	29	245	285
<b>Technical School Councils</b>				
1977	109	..	..	109
1978	112	..	..	112
1979	64	19	32	115
1980	6	9	101	116
<b>Other School Councils etc.</b>				
1977	20	1	34	55
1978	20	1	27	48
1979	21	..	28	49
1980	7	..	49	56

## *Internal Audit*

The activities of the Department's internal audit section have so far been confined to audits of high, technical, higher elementary and consolidated schools.

In December 1980, the duties of the Chief Internal Auditor were expanded to include audits and investigations on all matters relating to the financial operations of the Department.

It is understood that the Department has forwarded a submission to the Public Service Board for the appointment of additional staff to enable internal audit to carry out its revised function. At the date of preparation of this report the matter had not been resolved.

The Education Department spent in excess of \$1 300 million in the financial year ended 30 June 1981 and is one of the largest employers and participants in government spending in the State. It is vital that an organisation of such magnitude have an effective internal audit group to monitor, examine and report on its financial operations. Given such circumstances, it is imperative that such an essential part of management be made fully operational as soon as possible.

### *Expenditure on T.A.F.E. and Supplementary Grants*

My report to parliament in April 1981 contained comments on several unsatisfactory procedures adopted by the Department relating to expenditure on Technical and Further Education (T.A.F.E.) and Supplementary Grants.

More specifically, attention was drawn to the use of school councils to acquire goods and services as well as employ staff for central departmental administrative purposes. In taking this action the Department avoided the requirement to comply with the prescribed regulatory and standing directions of the Public Service Board and Treasury.

The practice has continued and in the 6 months to 30 June 1981, ongoing central T.A.F.E. expenses and staff costs paid through Collingwood Technical College amounted to \$367 851, bringing the total so far spent since January 1977 to \$2 648 766.

## 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 1979-80 and 1980-81 for the following purposes:

	1980-81	1979-80
	\$	\$
Universities, Affiliated Residential Colleges -		
Capital and recurrent expenditure		
Melbourne	84 340 260	76 305 708
Monash	68 298 397	63 598 898
Latrobe	34 575 041	31 399 972
Deakin	16 668 015	15 318 316
Colleges of Advanced Education		
Capital	10 505 000	13 134 000
Recurrent	186 660 550	165 655 689
Non-Government Schools and Business Colleges -		
Capital and recurrent expenditure	120 361 500	97 894 812
Teacher Development, General Building Grants etc. re non-government schools etc.	7 590 863	5 978 903
Technical Training-T.A.F.E. Scheme	4 819 280	4 218 400
Various-Recurrent expenditure	8 481 162	2 731 445
Various State Schools		
Capital	59 052 957	50 243 643
Recurrent	*97 706 268	*88 251 648
	699 059 293	614 731 434

\* 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 1979-80 and 1980-81 were as follows:

	1980-81	1979-80
	\$	\$
Universities		
Melbourne	84 320 468	76 305 930
Monash	68 293 570	63 599 002
La Trobe	34 573 056	31 400 047
Deakin	16 667 708	15 318 325
Colleges of Advanced Education		
Capital	10 582 000	13 057 000
Recurrent	186 680 474	165 635 834
Non-Government Schools and Business Colleges -		
Capital and recurrent expenditure	119 117 046	98 602 422
Teacher Development, General Building Grants etc. non-government schools etc.	6 273 901	6 919 147
Technical Training T.A.F.E. Scheme	4 196 696	4 021 629
Various-Recurrent expenditure	8 053 977	2 940 549
Various State Schools		
Capital	59 052 957	50 243 643
Recurrent	97 706 268	88 251 648
	695 518 121	616 295 176

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 1981 totalled \$6 291 928 (\$2 750 756 at 30 June 1980).

# Deakin University

The statement below summarises the income and expenditure of the various funds of Deakin University for the calendar years 1979 and 1980.

Certain changes in accounting treatment in the accounts for 1980 have necessitated a revised format to the 1979 comparative figures. These changes affect 3 areas of the accounts - Building Funds, Grants and Donations and Other Funds. In addition, the accounts of the Deakin University Union have been included for the first time.

	1980	1979
	\$	\$
<b>INCOME</b>		
Commonwealth Government Grants		
Recurrent Purposes	14 338 000	12 472 000
Building Purposes	309 000	1 161 000
Special Purposes	848 434	831 899
	<hr/>	<hr/>
	15 495 434	14 464 899
Private and other Government Research Grants	308 932	240 537
Other Income	1 428 815	1 133 549
	<hr/>	<hr/>
	17 233 181	15 838 985
<b>EXPENDITURE</b>		
Academic Activities	8 974 378	7 990 351
Academic Services	1 941 302	1 630 452
General Services	4 489 398	3 671 411
Student Services	1 202 963	912 455
Buildings and Grounds-Capital	455 436	1 704 852
	<hr/>	<hr/>
	17 063 477	15 909 521
<b>RESULT FOR YEAR - SURPLUS (DEFICIT)</b>		
Recurrent Funds	(157 532)	(10 523)
Building Funds	(146 436)	142 693
Special Funds	115 367	(118 097)
Research Funds	28 868	42 406
Grants and Donations	79 917	23 110
Other Funds	249 520	(68 677)
	<hr/>	<hr/>
	169 704	10 912
	<hr/>	<hr/>

The accumulated funds at 31 December 1979 and 1980 are shown hereunder:

	1980	1979
	\$	\$
Recurrent Funds	209	*157 741
Building Funds	(10 226)	136 210
Special Funds	144 521	29 154
Research Funds	118 356	89 488
Grants and Donations	249 443	169 526
Other Funds	349 277	*99 757
	<hr/>	<hr/>
	851 580	681 876
	<hr/>	<hr/>

\* Includes prior year expenditure, totalling \$53 007, transferred from Recurrent Funds to Other Funds in 1979.

These funds were represented by:

	1980	1979
	\$	\$
CURRENT ASSETS		
Cash on Hand	1 438	1 247
Cash at Bank	19 393	..
Sundry Debtors, Prepayments etc.	224 141	104 479
Commonwealth Grant Accrued	184 447	57 266
Loans to Students	13 642	17 530
Stock on Hand (Union)	13 392	11 309
INVESTMENTS		
Term Deposits	2 000 000	2 150 000
Semi-Government Inscribed Stock	45 500	45 500
	<hr/>	<hr/>
	2 501 953	2 387 331
Less		
CURRENT LIABILITIES		
Bank Overdraft	..	230 071
Sundry Creditors and Accrued Charges	388 532	481 755
Income Received in Advance	34 235	65 541
LONG TERM LIABILITIES		
Loans on Mortgage	224 580	242 833
Superannuation	751 341	512 821
Long Service Leave	251 685	172 434
	<hr/>	<hr/>
	851 580	681 876
	<hr/>	<hr/>

In my two previous reports I mentioned that costs were being incurred by the University on behalf of two companies, namely, Durac Limited and Deakin University Foundation Limited, for which no charges were levied by the University. This practice was continued in 1980.

During 1980 Durac Limited made available a sum of \$15 000 to be used by the University for research and development purposes.

## 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, established by Statutes of the University, 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 staff of the former State College at Geelong and the 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 assist the University to fund its future liability in respect of the Government share, a trust account was established in 1979. The balance of this account at 31 December 1980 was \$751 341, compared with \$512 821 at the close of the previous year.

During 1980, the University contributed \$978 310 (1979-80, \$834 313) to the various superannuation schemes.

# La Trobe University

The statement below gives details of the income and expenditure of La Trobe University for the calendar years 1979 and 1980.

	1980	1979
	\$	\$
<b>INCOME</b>		
Commonwealth Government Grants		
Recurrent Purposes	30 882 000	28 371 000
Building and Equipment Purposes	915 000	795 500
Special Purposes	815 716	836 262
General Service Fees	1 071 763	984 847
Grants and Donations	1 053 200	629 114
Other Income	1 624 222	1 520 181
	<u>36 361 901</u>	<u>33 136 904</u>
<b>EXPENDITURE</b>		
Academic Activities	23 653 149	21 278 978
Academic Services	3 406 725	3 284 432
Student Services	2 211 751	2 130 920
General Services	6 901 699	5 762 768
Buildings and Grounds-Capital	201 250	187 947
Other Services-net	(204 967)	39 089
	<u>36 169 607</u>	<u>32 684 134</u>
<b>RESULT FOR YEAR* - Surplus (Deficit)</b>		
Recurrent Funds	(936 991)	..
Capital Funds	72 240	(82 074)
Research Funds	(19 655)	(19 327)
Grants and Donations	296 919	(156 831)
Other Funds	779 781	711 002
	<u>192 294</u>	<u>452 770</u>

\* Takes into account inter-fund transfers

During 1980, the accounting for the trust fund was included in the above statement for the first time. Previously, the accounting for this fund was published separately. The fund, totalling \$11 317, together with prior year adjustments of \$18 921 and a net surplus of \$192 294 for the year, decreased the accumulated net deficit from \$627 237 at 31 December 1979 to \$404 705 at 31 December 1980.



Details of the accumulated funds at 31 December 1979 and 1980 are:

	1980	1979
	\$	\$
Recurrent Funds	(230 746)	706 243
Capital Funds	99 979	18 113
Research Funds	2 870	22 525
Grants and Donations	641 656	341 136
Other Funds	(918 462)	(1 715 254)
	<hr/>	<hr/>
ACCUMULATED FUNDS (Deficit)	(404 705)	(627 237)
	<hr/>	<hr/>

The major portion of the accumulated deficit in relation to Other Funds is due to the University financing buildings and additions outside the building program authorised by the Commonwealth Tertiary Education Commission.

The accumulated funds were represented by:

	1980	1979
	\$	\$
CURRENT ASSETS		
Payments in Advance	3 084	30 726
Debtors		
Accrued Government Grants	365 792	127 000
Other	910 339	911 019
Stocks, less Provision for Depreciation	292 597	274 618
INVESTMENTS (at cost)		
Interest Bearing Term Deposits	3 853 981	3 036 344
Government and Semi-Government Securities	232 270	400 563
Company Debentures and Notes	1 330 997	1 402 927
	<hr/>	<hr/>
	6 989 060	6 183 197
Less		
CURRENT LIABILITIES		
Bank Overdraft	1 255 313	974 960
Sundry Creditors and Accrued Expenses	1 121 655	638 783
Income Received in Advance	71 168	79 925
Other	13 462	6 536
RESERVES AND PROVISIONS	548 482	684 239
LONG TERM LIABILITIES		
Debenture Loans	4 383 685	4 425 991
	<hr/>	<hr/>
	7 393 765	6 810 434
	<hr/>	<hr/>
ACCUMULATED FUNDS (Deficit)	(404 705)	(627 237)
	<hr/>	<hr/>

## 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 1980, the University contributed \$2 225 772 to the superannuation schemes compared with \$2 035 361 in 1979.

# The University of Melbourne

Details of the University's Combined Statement for the calendar years 1979 and 1980 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 are related 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, Kendall Hall, Mt. Derrimut 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.

	1980	1979
	\$	\$
<b>INCOME</b>		
State Government Grant		
Special Purposes	1 522 901	1 134 659
Commonwealth Government Grants		
Recurrent Purposes	72 704 000	66 347 000
Building Purposes	630 000	637 000
Special Purposes	12 792 046	10 176 799
Fees for Continuing Education		
Courses	145 565	174 904
Fees for General Services	1 957 207	1 873 757
Donations and Grants (other than Government)	2 575 329	2 109 539
Charges for Services	4 584 791	4 176 994
Investment Income	3 450 091	3 744 349
Other Income	4 037 128	1 599 333
	104 399 058	91 974 334

	1980	1979
	\$	\$
EXPENDITURE		
Academic Activities	64 671 802	58 024 459
Services		
Academic	7 278 110	6 503 958
Student	4 074 026	3 808 234
General	18 346 536	16 332 760
Public	381 785	451 042
Miscellaneous	2 262 040	1 349 003
Buildings and Grounds (Capital)	2 057 823	1 392 938
	<u>99 072 122</u>	<u>87 862 394</u>

RESULT FOR YEAR - SURPLUS (DEFICIT)\*

	1980	1979
	\$	\$
General Recurrent Fund	68 290	141 744
Equipment Grants	80 488	(21 389)
Building Grants	(3 872)	(14 969)
Trust Funds	2 203 474	1 733 444
Other Funds	2 978 556	2 273 110
	<u>5 326 936</u>	<u>4 111 940</u>

\* Takes into consideration inter-fund transfers

The accumulated funds at 31 December 1980 showed an overall surplus of \$31 417 628 compared with \$25 215 838 for the previous year. Details are:

	31.12.1980	31.12.1979
	\$	\$
General Recurrent Funds	(297 814)	(366 104)
Equipment Funds	123 047	42 559
Building Funds	..	3 872
Trust Funds	24 479 376	21 316 623
Other Funds	7 113 019	4 218 888
	<u>31 417 628</u>	<u>25 215 838</u>

These funds were represented by:

	31.12.1980	31.12.1979
	\$	\$
CURRENT ASSETS		
Cash at Bank	..	212 418
Cash on Hand	1 000	1 000
Sundry Debtors and Prepayments	6 047 490	3 469 705
Government Grants Accrued	771 797	304 791

	31.12.1980	31.12.1979
	\$	\$
<b>INVESTMENTS</b>		
Inscribed Stock (at cost or valuation)	10 046 559	9 630 040
Mortgages (at cost)	7 798 200	6 550 900
Company Shares, Debentures and Notes (at cost or valuation)	4 353 141	3 829 103
Fixed Deposits (at cost)	5 200 000	900 000
Deposits on official short term money market (at cost)	2 800 000	4 250 000
Bills of Exchange (at cost)	6 983 543	635 363
	<u>44 001 730</u>	<u>29 783 320</u>
<b>Less</b>		
<b>CURRENT LIABILITIES</b>		
Bank Overdraft	6 916 987	..
Sundry Creditors and Accrued Salaries	2 110 037	1 150 184
Income in Advance	445 123	320 645
<b>DEFERRED LIABILITIES</b>		
Loan Liability	3 111 955	3 096 653
	<u>12 584 102</u>	<u>4 567 482</u>
	<u>31 417 628</u>	<u>25 215 838</u>

#### 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.

#### 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 1979 and 1980 follow:

	1980	1979
	\$	\$
<b>INCOME</b>		
Amenities and Services Fees etc.	1 177 641	1 116 454
Other Income	149 871	154 829
	<u>1 327 512</u>	<u>1 271 283</u>

	1980	1979
	\$	\$
EXPENDITURE		
Salaries and related charges	386 840	314 959
Rowden White Library and Ewing Gallery	89 216	84 758
Grants to Clubs, Societies etc.	159 966	162 447
Trading and Service Activities-net loss	428 294	257 160
Other expenses	511 752	354 744
(Deficit) Surplus	(248 556)	97 215
	<u>1 327 512</u>	<u>1 271 283</u>

An abridged version of the Union's balance sheet at 31 December 1979 and 1980 is as follows:

	31.12.1980	31.12.1979
	\$	\$
CURRENTS ASSETS		
Cash at Bank etc.	64 454	..
Sundry Debtors etc.	47 596	59 957
Stock on Hand	92 638	82 350
INVESTMENTS (at cost)	..	400 000
FIXED ASSETS (at cost or valuation less depreciation)		
Buildings	4 685 229	4 737 704
Equipment etc.	902 153	541 654
	<u>5 792 070</u>	<u>5 821 665</u>
CURRENT LIABILITIES		
Bank Overdraft	..	48 153
Sundry Creditors etc.	436 091	240 648
LOAN LIABILITY	1 902 909	1 835 728
RESERVES AND PROVISIONS	982 109	978 658
ACCUMULATED FUNDS	2 470 961	2 718 478
	<u>5 792 070</u>	<u>5 821 665</u>

### Residential Centre

The Residential Centre is the name given by the University to the Melbourne Town House Motel which is owned by the University. The 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 1979 and 1980 are as follows:

	1980 \$	1979 \$
<b>INCOME</b>		
Lease Fee	376 284	346 165
Other Income	393	1 000
	<u>376 677</u>	<u>347 165</u>
<b>EXPENDITURE</b>		
Interest on loans	150 331	131 609
Rates and Taxes	58 809	58 314
Depreciation-Buildings and Equipment	28 114	26 907
Other expenses	72 995	94 818
	<u>310 249</u>	<u>311 648</u>
Surplus for year	66 428	35 517
	<u>376 677</u>	<u>347 165</u>

**BALANCE SHEET**

	31.12.1980 \$	31.12.1979 \$
<b>CURRENT ASSETS</b>		
Sundry Debtors etc.	68 459	79 831
Advance to Catering Company	21 000	21 000
<b>FIXED ASSETS (at cost less depreciation)</b>		
Land and Buildings	2 050 949	1 956 486
Equipment and Furnishings	277 610	258 322
<b>INTANGIBLE ASSETS</b>		
Consulting, Legal and Valuation Fees	8 666	10 322
	<u>2 426 684</u>	<u>2 325 961</u>
<b>CURRENT LIABILITIES</b>		
Bank Overdraft	71 883	103 266
Sundry Creditors etc.	140 700	48 910
<b>DEFERRED LIABILITIES</b>		
Loans and Debentures	1 404 809	1 680 857
Loan - Graduate School of Business Administration - A.M.E.*	250 000	200 000
<b>RESERVES</b>		
Capital Reserves etc.	441 353	241 353
<b>ACCUMULATED FUNDS</b>		
Accumulated Surplus	117 939	51 575
	<u>2 426 684</u>	<u>2 325 961</u>

\* This loan is of an irredeemable nature unless decided otherwise by University Council.

## 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 following statements summarise the financial transactions of the Press for the 9 months ended 30 September 1979 and the year ended 30 September 1980.

	30.9.1980	30.9.1979
	\$	\$
<b>INCOME</b>		
Sales	2 820 262	2 914 184
Other income	57 292	59 886
	2 877 554	2 974 070
<b>EXPENDITURE</b>		
Cost of Goods Sold	1 811 445	1 737 620
Salaries and Wages	579 640	524 679
Selling, Administration etc.	331 823	359 780
	2 722 908	2 622 079
Surplus for period	154 646	351 991

### BALANCE SHEET

	30.9.1980	30.9.1979
	\$	\$
<b>CURRENT ASSETS</b>		
Cash at bank etc.	90 490	84 799
Stock on Hand	1 105 052	927 906
Sundry Debtors etc.	182 407	198 318
INVESTMENTS (at cost)	126 336	114 100
<b>FIXED ASSETS</b>		
Land and Buildings (at cost)	138 000	138 000
Equipment etc. (at cost less depreciation)	54 957	31 995
	1 697 242	1 495 118
<b>CURRENT LIABILITIES</b>		
Sundry Creditors etc.	200 284	167 144
PROVISIONS AND RESERVES	196 311	171 264
ACCUMULATED FUNDS	1 300 647	1 156 710
	1 697 242	1 495 118



## Superannuation Schemes

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

During 1980, the University contributed \$2 612 705 to the various superannuation schemes, excluding the Samuel Gillott University Provident Fund, compared with \$2 291 857 in 1979.

### Samuel Gillott University Provident Fund

This fund was established in 1923 to provide retirement benefits for certain 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 fund's income and expenditure for 1979 and 1980 is furnished below:

	1980	1979
	\$	\$
<b>INCOME</b>		
Contributions		
University and Affiliated Organisations	2 354 944	1 956 443
Members	999 204	919 140
Income from Investments	2 171 672	1 475 797
Capital gains from the sale of investments	2 889 196	1 714 144
	8 415 016	6 065 524
<b>EXPENDITURE</b>		
Pension Benefits and Withdrawals	2 047 095	1 673 328
Other Expenses	159 594	110 878
Surplus for year	6 208 327	4 281 318
	8 415 016	6 065 524

The following is a summary of the fund's balance sheet at 31 December 1979 and 1980:

	31.12.1980	31.12.1979
	\$	\$
<b>CURRENT ASSETS</b>		
Cash at Bank	3 194	..
Sundry Debtors etc.	428 610	118 238
<b>INVESTMENTS</b>		
Freehold Properties (at cost less depreciation)	2 857 404	2 934 544
Shares and Debentures (at cost)	21 080 001	15 491 225
Fixed Deposits etc.	3 371 882	2 380 690
First Mortgage Loans etc.	351 600	588 600
Loans at Call-Official Short Term Money Market	600 000	850 000
Victorian Semi-Government Stock	100 000	197 920
Assurance Policies	14 907	21 242
	28 807 598	22 582 459

	31.12.1980	31.12.1979
	\$	\$
CURRENT LIABILITIES		
Bank Overdraft	..	151 629
Accrued pensions etc.	2 035	2 035
Sundry Creditors	181 639	13 198
ACCUMULATED FUNDS	<u>28 623 924</u>	<u>22 415 597</u>
	<u>28 807 598</u>	<u>22 582 459</u>

### 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 1979 and 1980.

	1980	1979
	\$	\$
INCOME		
Box Office receipts and subscriptions	1 906 777	1 672 873
Operating Grants	1 180 406	1 102 934
Other income	112 590	144 547
	<u>3 199 773</u>	<u>2 920 354</u>
EXPENDITURE		
Salaries and related expenses Artists, production, theatre, administration etc.	2 139 962	1 865 843
Show production costs etc.	254 036	247 866
Theatre costs	276 919	245 106
Sales and Promotion costs	332 463	275 532
Other	311 972	259 684
	<u>3 315 352</u>	<u>2 894 031</u>
(Deficit) Surplus	(115 579)	26 323
	<u>3 199 773</u>	<u>2 920 354</u>

BALANCE SHEET

	31.12.1980	31.12.1979
	\$	\$
<b>CURRENT ASSETS</b>		
Cash on Hand and on Deposit	56 815	386 815
Stock on Hand	2 889	2 761
Sundry Debtors etc.	155 964	69 982
Accrued Grants etc.	4 364	1 783
<b>FIXED ASSETS</b>		
Land and Buildings (at cost)	1 244 115	1 212 904
Leasehold Improvements (at cost less amortisation)	160 254	181 742
Plant and Equipment (at cost less depreciation)	307 906	296 452
	<u>1 932 307</u>	<u>2 152 439</u>
<b>CURRENT LIABILITIES</b>		
Bank Overdraft	20 021	407 954
Sundry Creditors etc.	379 981	376 258
Income in advance	588 043	324 726
<b>GRANTS AND PROVISIONS</b>		
State Government Capital Grant	1 000 000	1 000 000
Long Service Leave etc.	29 373	37 767
	<u>2 017 418</u>	<u>2 146 705</u>
<b>ACCUMULATED FUNDS</b>		
Balance 1 January	5 734	(20 589)
Add Prior-year Adjustment	24 734	..
	<u>30 468</u>	<u>(20 589)</u>
(Deficit) Surplus	(115 579)	26 323
	<u>(85 111)</u>	<u>5 734</u>
Accumulated (Deficit) Surplus	<u>1 932 307</u>	<u>2 152 439</u>

# Monash University

The particulars hereunder summarise 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.

	1980 \$	1979 \$
<b>INCOME</b>		
Commonwealth Government Grants		
Recurrent Purposes	59 997 000	55 153 000
Building and Equipment Purposes	3 378 000	3 179 700
Special Purposes	2 156 944	1 913 655
	<hr/>	<hr/>
	65 531 944	60 246 355
Students' Fees including Union Fees for Operational Purposes	1 310 539	1 193 477
Union Fees for Union Development	434 196	395 769
Grants and Donations including Public Appeals	3 233 337	2 890 758
Other Income	4 869 118	3 944 069
	<hr/>	<hr/>
	75 379 134	68 670 428
<b>EXPENDITURE</b>		
Academic Activities	49 883 285	43 984 347
Academic Services	5 745 156	5 682 628
Student Services	1 407 188	1 378 569
General Services	10 783 667	9 814 264
Buildings and Grounds-Capital	2 689 264	2 417 620
Other items	3 990 990	3 492 195
	<hr/>	<hr/>
	74 499 550	66 769 623
<b>RESULT FOR YEAR - SURPLUS (DEFICIT)</b>		
Recurrent Funds	(487 795)	17 011
Capital Funds	(126 169)	364 085
Research Funds	(89 226)	334 281
Grants and Donations	56 663	(104 543)
Other Funds	1 526 111	1 289 971
	<hr/>	<hr/>
	879 584	1 900 805
	<hr/>	<hr/>

Details of the accumulated funds at 31 December 1979 and 1980 are shown hereunder:

	1980 \$	1979 \$
Recurrent Funds	(163 657)	324 138
Capital Funds	318 505	444 674
Research Funds	711 816	801 042
Grants and Donations	1 005 804	949 141
Other Funds	7 422 745	5 896 634
	<hr/>	<hr/>
	9 295 213	8 415 629
	<hr/>	<hr/>

These funds were represented by:

	1980	1979
	\$	\$
<b>CURRENT ASSETS</b>		
Cash at Bank and on Hand	36 308	22 531
Secured Deposits	200 000	400 000
Term Deposits	13 900 000	12 800 000
Australian Savings Bonds	100 000	100 000
Debtors		
Accrued Government Grants	811 466	260 826
Other	1 306 918	1 090 796
Payments in Advance	19 994	14 969
Stock on Hand (at cost less obsolescence)	1 006 625	952 122
	<u>17 381 311</u>	<u>15 641 244</u>
<b>INVESTMENTS</b>		
Fixed Interest Securities (at lower of cost or par)	365 029	364 885
Ordinary Shares (at cost)	511 456	402 853
Property and Mortgage Investment Trust Units (at cost)	176 104	176 104
	<u>1 052 589</u>	<u>943 842</u>
	<u>18 433 900</u>	<u>16 585 086</u>
<b>Less</b>		
<b>CURRENT LIABILITIES</b>		
Bank Overdraft	557 480	454 024
Sundry Creditors and Accrued Expenses	5 709 285	4 895 651
Students' Fees received in advance	863 650	745 511
	<u>7 130 415</u>	<u>6 095 186</u>
<b>LONG TERM LIABILITIES</b>		
Loans on Mortgage	2 008 272	2 074 271
	<u>9 138 687</u>	<u>8 169 457</u>
	<u>9 295 213</u>	<u>8 415 629</u>

#### 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 \$3 917 116 compared with \$3 492 447 in the previous year.

The following particulars summarise the financial transactions of the various schemes for 1979 and 1980, excluding contributions applied to the assurance policies effected with the Staff Superannuation Scheme:

	1980 \$	1979 \$
<b>INCOME</b>		
Members' Contributions	784 284	620 980
University's Contributions	1 399 880	1 089 677
Income from Investments	1 534 392	1 155 318
Other Income	84 703	504 727
	<u>3 803 259</u>	<u>3 370 702</u>
<b>EXPENDITURE</b>		
Benefit Payments to Members	420 347	401 767
Payments on Withdrawal	240 586	218 017
Other Payments	3 126	4 656
	<u>664 059</u>	<u>624 440</u>
Surplus for Year	<u>3 139 200</u>	<u>2 746 262</u>

Details of the accumulated funds at 31 December 1980 and 1979 are shown hereunder:

	1980 \$	1979 \$
<b>ACCUMULATED FUNDS</b>		
Accumulated Surplus	<u>15 275 201</u>	<u>12 136 001</u>

The funds were represented by:

<b>CURRENT ASSETS</b>		
University Current Account	<u>1 047 398</u>	<u>134 556</u>
<b>INVESTMENTS</b>		
Fixed Interest Securities (at lower of cost or par)	9 396 520	8 356 882
Ordinary Shares (at cost)*	2 518 543	1 331 823
Property and Mortgage Investment Trust Units (at cost)	2 312 740	2 312 740
	<u>14 227 803</u>	<u>12 001 445</u>
	<u>15 275 201</u>	<u>12 136 001</u>

\* Market value at 31 December 1980 - \$3 792 842, (1979, \$1 854 015)

# Institute of Educational Administration

The Institute of Educational Administration was originally constituted under Section 29A of the Education Act 1958 from 1 August 1978. Subsequently the Institute was re-constituted under the provisions of the Institute of Educational Administration Act 1980 which was proclaimed to operate from 4 February 1981.

The objects of the Institute are generally to provide training programs in educational administration, to improve the administrative ability of educational leaders and other interested persons, to undertake research, to improve educational administration, and to advise educational institutions in these matters.

The following financial statements show the income and expenditure and the balance sheet of the Institute for 1980-81.

## Income and Expenditure Statement

	1980-81
	\$
INCOME	
Government Grant	610 000
Enrolment Fees	19 800
Interstate Participants	11 940
Interest Received	3 513
Other	1 191
	<hr/>
	646 444
	<hr/>
EXPENDITURE	
Direct Course Costs	290 508
Salaries	215 233
Administrative Expenses	87 720
Premises Expenses	42 540
Depreciation	23 986
	<hr/>
	659 987
	<hr/>
Deficit for year	(13 543)
Surplus 1 July	150 095
	<hr/>
Surplus 30 June	136 552
	<hr/>

## Balance Sheet

	30.6.81
	\$
RESERVES	
Accumulated Surplus	136 552
	<hr/>
REPRESENTED BY	
CURRENT ASSETS	
Cash at Bank	16 296
Debtors	1 112
INVESTMENTS	5 000
FIXED ASSETS	
Furniture and Fittings, Equipment and Motor Vehicle (Written down value)	135 919
	<hr/>
TOTAL ASSETS	158 327
	<hr/>
Less	
CURRENT LIABILITIES	
Sundry Creditors	21 775
	<hr/>
TOTAL LIABILITIES	21 775
	<hr/>
NET ASSETS	136 552
	<hr/>



# Victorian Institute of Secondary Education

The Victorian Institute of Secondary Education was constituted under the provisions of the Victorian Institute of Secondary Education Act 1976.

The objects of the Institute are generally to provide assistance to those persons who are in a process of transition from school either to further study or to employment, and the transition back from employment to further secondary studies.

Since 1979 the functions of the Institute have included the responsibility for the preparation and control of Higher School Certificate examinations. This accounts for the considerable growth in operations as demonstrated by the following financial statements.

The income and expenditure of the Institute for the calendar years 1979 and 1980 was:

	1980	1979
	\$	\$
<b>INCOME</b>		
State Grants	3 041 727	1 509 156
Publications	101 943	45 055
Examination Fees - Malaysia	33 390	41 850
Transition Education Advisory Committee	60 526	..
Other	77 981	62 073
	3 315 567	1 658 134
<b>EXPENDITURE</b>		
Salaries and Salary Services	2 431 564	1 578 940
Administrative and General Overhead	1 170 400	715 655
Schools Commission Project	..	14 268
Transition Education Advisory Committee	35 867	..
	3 637 831	2 308 863
Deficit for year	(322 264)	(650 729)
Balance 1 January - Surplus	2 579	653 308
	(319 685)	2 579

The accumulated funds at 31 December 1979 and 1980 were represented by:

	1980	1979
	\$	\$
Investments	..	200 000
Debtors	34 725	2 184
Cash	213 464	374 233
Stock on Hand	74 017	..
	322 206	576 417
Less Creditors	641 891	573 838
	(319 685)	2 579

# Victorian Post-Secondary Education Commission

The Victorian Post-Secondary Education Commission was constituted under the provisions of the Post-Secondary Education Act 1978, as amended by the Post-Secondary Education (Amendment) Act 1980. Its functions are to make reports and recommendations in relation to the planning, organisation, administration and co-ordination of post-secondary education in Victoria and to make recommendations to appropriate Commonwealth bodies concerning funds needed for the proper development of post-secondary education.

Pursuant to the provisions of the Post-Secondary Education (Amendment) Act 1980, the Governor-in-Council, by proclamation, fixed 19 December 1980 as the date of repeal of the remaining unrepealed provisions of the Victoria Institute of Colleges Act 1965 and the State College of Victoria Act 1972. On the same date the several provisions of the aforesaid Act were also proclaimed to come into operation.

Under the amending legislation the Victoria Institute of Colleges and the State College of Victoria were abolished and the councils of affiliated colleges of the Institute and the constituent colleges of the State College were established as councils of post-secondary education institutions.

Statements of income and expenditure of the Commission for 1980-81 in respect of state grants and extraneous funds, together with a statement of balances at 30 June 1981, is given hereunder. The costs of the Commission for 1979-80 were met from the Consolidated Fund.

## *State Grants*

	1980-81	
	\$	\$
<b>INCOME</b>		
Grant from Education Department Vote		1 735 000
Less Expended by		
Victoria Institute of Colleges	187 931	
State College of Victoria	93 638	
		281 569
Miscellaneous		1 453 431
		1 266
		1 454 697
<b>EXPENDITURE</b>		
Commissioners and Committees		
Fees	79 548	
Other	23 434	
		102 982
Administration		
Salaries and allowances	853 861	
Travelling and incidentals	29 728	
Other	40 841	
		924 430
Library		
Books and periodicals		3 495

		1980-81
	\$	\$
Equipment, Buildings and Grounds		
Equipment and furnishings	8 545	
Hall renovations	19 915	
Maintenance-buildings and equipment	26 675	
General expenses	17 663	
	<hr/>	72 798
Miscellaneous		
Research	15 643	
Audit and legal fees	11 635	
Sundries	2 863	
	<hr/>	30 141
		<hr/>
		1 133 846
		<hr/>
Surplus to Accumulated Funds		320 851
		<hr/>

### *Extraneous Funds*

		1980-81
	\$	\$
INCOME		
Interest		
Unexpended Capital Grants	31 336	
Other Funds	15 541	
	<hr/>	46 877
Rent		9 323
Miscellaneous		292
		<hr/>
		56 492
EXPENDITURE		..
		<hr/>
Surplus to Accumulated Funds		56 492
		<hr/>

### *Statement of Balances*

		30.6.81
	\$	\$
ACCUMULATED FUNDS		
State Grants	320 851	
Extraneous Funds	56 492	
	<hr/>	377 343
REPRESENTED BY		
CURRENT ASSETS		
Cash in hand and at bank	49 334	
Interest and rent accrued	8 274	
Prepayments	7 752	
	<hr/>	65 360
INVESTMENTS (at cost)		886 000
		<hr/>
		951 360
Less		
LIABILITIES		
Creditors and accruals	81 257	
Unexpended Capital Grants	492 760	
	<hr/>	574 017
		<hr/>
		377 343
		<hr/>

## Post-Secondary Education Institutions

The States Grants (Tertiary Education Assistance) Act 1978 provided grants to institutions in respect to the calendar year 1980 for recurrent purposes, building projects and minor works, equipment and special initiatives in T.A.F.E teacher training.

Institution	Recurrent \$	Equipment \$	Building and Minor Works \$	1980 Total \$
Ballarat	7 171 742	177 000	74 000	7 422 742
Bendigo	*8 035 598	185 000	3 143 000	11 363 598
Caulfield	12 852 000	632 000	98 000	13 582 000
Footscray	7 626 000	248 000	1 738 000	9 612 000
Gippsland	5 273 934	119 000	71 000	5 463 934
Lincoln	7 221 000	252 000	79 000	7 552 000
Prahran	4 451 000	108 000	165 771	4 724 771
Preston	7 347 000	200 000	87 000	7 634 000
R.M.I.T.	31 721 000	1 833 000	1 852 229	35 406 229
Swinburne	14 392 000	398 000	160 000	14 950 000
Victorian Arts	2 210 000	138 000	2 909 000	5 257 000
Victorian Pharmacy	2 261 000	108 000	102 000	2 471 000
Warrnambool	*3 493 779	108 000	224 000	3 825 779
Burwood	5 451 000	139 000	95 000	5 685 000
Coburg	4 292 000	99 000	56 000	4 447 000
Frankston	3 837 711	90 000	55 000	3 982 711
Hawthorn	*4 906 600	109 000	67 000	5 082 600
Catholic Education	4 501 000	117 000	137 000	4 755 000
Early Childhood Development	2 663 000	68 000	36 000	2 767 000
Melbourne	13 851 000	345 000	140 000	14 336 000
Rusden	7 384 000	194 000	110 000	7 688 000
Toorak	4 674 000	119 000	43 000	4 836 000
	<u>165 616 364</u>	<u>5 786 000</u>	<u>11 442 000</u>	<u>182 844 364</u>

\* Includes special initiatives grants

# Victoria Institute of Colleges

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

On 19 December 1980, following the proclamation of the Post-Secondary Education (Amendment) Act 1980 the Victoria Institute of Colleges Act 1965 was repealed and the Institute was abolished. The legislation provided for the Institute's assets, liabilities and obligations to be vested in the Victorian Post-Secondary Education Commission.

The income and expenditure of the Institute for the period 1 January to 18 December 1980, and the calendar year 1979, are detailed below.

	1980	1979
	\$	\$
<b>INCOME</b>		
State Grants	* 405 185	* 863 134
Victorian Post-Secondary Education Commission - contribution	27 930	..
Donations and Bequests	10 000	28 400
Other	27 469	30 403
	470 584	921 937
<b>EXPENDITURE</b>		
Administrative and General		
Salaries and associated costs	* 356 199	* 617 367
Other	73 738	116 340
Buildings and Grounds		
Equipment and Furnishings	37	12 700
Maintenance, Services etc.	25 468	61 940
Education Research	10 062	49 686
Miscellaneous	24 157	37 520
	489 661	895 553
(Deficit) Surplus	(19 077)	26 384
Add Balance 1 January-Surplus	169 801	387 127
Transfer of Accumulated Interest from Capital and Recurrent Accounts	35 935	23 666
	186 659	437 177
Less Distribution to Colleges	186 659	267 376
	..	169 801
Accumulated Funds		

\* Figures do not include grants and salaries relating to staff seconded to Victorian Post-Secondary Education Commission

# 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 were to advance the provision of tertiary education in branches of learning of importance in the preparation of teachers.

On 19 December 1980, following the proclamation of the Post-Secondary Education (Amendment) Act 1980 the State College of Victoria Act 1972 was repealed and the College was abolished. The legislation provided for the College's assets, liabilities and obligations to be vested in the Victorian Post-Secondary Education Commission.

## Central Office

The income and expenditure of the central body for the period 1 January to 18 December 1980, and the calendar year 1979, are detailed below.

	1980	1979
	\$	\$
<b>INCOME</b>		
State Grants	* 251 466	* 464 279
Victorian Post-Secondary Education Commission	7 638	..
Other	60 121	64 254
	319 225	528 533
<b>EXPENDITURE</b>		
Administrative and General		
Salaries and associated costs	* 214 217	* 370 777
Other	26 676	35 511
Buildings and Grounds		
Equipment and Furnishings	19	5 200
Maintenance, Services etc.	12 731	15 759
Miscellaneous	19 009	46 069
	272 652	473 316
Surplus	46 573	55 217
Add Balance 1 January-Surplus	55 253	51 414
	101 826	106 631
Less Distribution to Colleges	94 220	51 378
	7 606	55 253
Accumulated Funds		

\* Figures do not include grants and salaries relating to staff seconded to Victorian Post-Secondary Education Commission

Accumulated funds at 31 December 1979 and 18 December 1980 were represented by:

	1980	1979
	\$	\$
Investments	486 000	605 000
Cash	6 760	67 208
Sundry Debtors	..	20 010
	<hr/>	<hr/>
	492 760	692 218
Less		
Sundry Creditors	..	44 407
Funds held on behalf of Constituent Colleges	484 854	535 434
Film Library Trust Fund	..	22 124
Provision for long service leave	..	35 000
	<hr/>	<hr/>
	484 854	636 965
	<hr/>	<hr/>
	7 606	55 253
	<hr/>	<hr/>

At 19 December 1980 the above assets and liabilities had been transferred to the Victorian Post-Secondary Education Commission.

# MINISTRY OF EMPLOYMENT AND TRAINING

The Ministry of Employment and Training was established by Order in Council from 5 May 1981.

The Ministry absorbed the functions of the Victorian Employment Committee and the Industrial Training Commission. Necessary amendments to the Industrial Training Act 1975 came into effect on 19 May 1981 following Royal Assent to the Industrial Training (Amendment) Act 1981.

The Ministry's role is to encourage the creation of new job opportunities; improve training for the jobs available; monitor and adapt to technological change; and, in conjunction with industry, overcome the cost to the community in human terms of lack of employment.

## Payments from the Consolidated Fund

Payments from the Consolidated Fund in the financial year under review were as follows:

	1980-81
	\$
Salaries and allowances	109 730
General expenses	49 738
Co-operative programs - grants	50 000
	<hr/>
	209 468
	<hr/>



# FORESTS COMMISSION

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

## Consolidated Fund

Details of receipts and payments of the Consolidated Fund for the past two years are shown hereunder:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>SPECIAL APPROPRIATION</b>		
Pensions	1 636 580	1 382 997
Grants to the Forestry Fund	11 799 485	9 020 913
Debt Charges	10 863 338	9 949 023
	24 299 403	20 352 933
<b>VOTE</b>		
Salaries and allowances	11 375 751	10 049 191
Overtime and penalty rates	672 538	384 460
Payments in lieu of long service leave	346 383	362 298
Payroll tax	596 657	511 130
General expenses	342 497	339 012
Utilisation of Forest Produce	720 000	599 157
Contribution to the National Sirex Fund	8 026	3 440
Contribution-Timber Promotion Council	303 000	292 118
Contribution - State Employees Retirement Benefits Scheme	107 229	..
Sundry expenses	12 250	12 250
Electronic Data Processing expenses	101 910	127 100
	14 586 241	12 680 156
<b>WORKS AND SERVICES ACCOUNT</b>		
Plantations	5 009 780	4 692 758
Indigenous State Forests	3 075 202	2 529 680
Forest Officers Quarters	173 843	343 911
Land Purchases	266 219	281 122
Plant and Machinery Purchases	284 107	332 597
Fire Protection and Suppression	6 881 416	3 720 955
Extraction Roads	865 200	623 158
Advances-Farm Forestry	78 100	154 091
Purchase and Fittings-601 Bourke Street	730 634	823 471
Tree Planting Incentive Scheme	3 500	..
	17 368 001	13 501 743
	56 253 645	46 534 832

The increase in the expenditure on Fire Protection and Suppression was due mainly to the higher incidence of bush fires in State Forests in 1980-81 as compared with the previous year.

	1980-81	1979-80
	\$	\$
RECEIPTS		
Royalties	23 285 747	17 750 311
Sale of Forest Produce	802 380	602 802
Rents etc.	313 224	291 514
Loan Repayments	77 006	63 838
Other	247 698	212 073
	<hr/>	<hr/>
	24 726 055	18 920 538
	<hr/>	<hr/>

The increase in receipts from royalties was due mainly to increased royalty rates and increased sales of softwood logs.

### *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. Expenditure during 1980-81 amounted to \$711 033 bringing total expenditure under this agreement to \$5 687 141 at 30 June 1981.

### Trust Accounts

#### *Forestry Fund*

The Forestry Fund was established pursuant to Section 30 of the Forests Act 1958. An amount equivalent to one half of the gross royalties, rents etc. collected by the Forests Commission for the year is appropriated from the Consolidated Fund and is available for forestry expenditure in general.

The fund is also used to meet payments which exceed Vote appropriations. For the year ended 30 June 1981 Vote supplementation amounted to \$1 363 481, the principal items being:

	\$
Postal and telephone	354 299
Incidental expenses	338 924
Travelling and subsistence	283 606

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

	1980-81	1979-80
	\$	\$
Balance 1 July	399 223	394 387
<b>RECEIPTS</b>		
Grants from the Consolidated Fund	11 799 485	9 020 913
	<u>12 198 708</u>	<u>9 415 300</u>
<b>PAYMENTS</b>		
Operating and other expenses	4 257 733	3 531 268
Forest Protection	1 486 029	1 171 634
Silvicultural Works	231 868	238 098
Road Works	2 247 129	1 692 348
Plantations and Nurseries	806 333	501 377
Forest Recreation	266 081	177 621
Maintenance of Buildings	675 116	559 612
Supervision (Salaries)	1 052 485	920 766
Contribution-Timber Promotion Council	221 765	223 353
	<u>11 244 539</u>	<u>9 016 077</u>
Balance 30 June	<u>954 169</u>	<u>399 223</u>

#### *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.

Contributions to the account during the year amounted to \$29 836 and payments totalled \$46 249. At 30 June 1981 the balance in the account was \$5 108 (1980, \$21 522).

#### *Forests Stores Suspense Account*

The terms of operation of the Forests Stores Suspense Account are set out in Section 31 of the Forsts 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:

- (a) arising from a proportion of the hire charges in respect of plant and machinery; and
- (b) from recoups by other funds or appropriations on account of particular repair costs properly chargeable to such funds or appropriations.

The following statement summarises the transactions of the Forests Stores Suspense Account for the past two years:

	1980-81	1979-80
	\$	\$
Balance 1 July	237 525	98 473
Receipts		
Hire	2 861 902	2 334 589
Recoups	1 579 054	1 367 808
Transfer from Forests Plant and Machinery Fund	463 474	294 959
	<hr/>	<hr/>
	5 141 955	4 095 829
Less Payments	4 991 872	3 858 304
	<hr/>	<hr/>
Balance 30 June	150 083	237 525
	<hr/>	<hr/>

### *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.

The Section also 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 Forests Plant and Machinery Fund for the past two years:

	1980-81	1979-80
	\$	\$
Balance 1 July	1 600 201	1 424 900
Receipts		
Plant Hire-Renewals and Replacements Component	1 415 316	842 420
Sale of Plant	475 536	415 665
Transfer from Forestry Fund	200 000	..
	<hr/>	<hr/>
	3 691 053	2 682 985
Payments		
Renewals	1 297 513	787 825
Transfer to Stores Suspense	463 474	294 959
	<hr/>	<hr/>
Balance 30 June	1 930 066	1 600 201
	<hr/>	<hr/>

### *Forest Equipment Hire 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 \$2 631 472 and payments totalled \$1 473 942. At the close of the year, the balance at credit of the account was \$1 272 251 (1980, \$114 721).

### *Timber Promotion 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.

The following statement summarises the operations of the account for the past two years:

	1980-81	1979-80
	\$	\$
Balance 1 July	270 980	97 739
Receipts	594 492	554 069
	<hr/>	<hr/>
Payments	865 472	651 808
	477 390	380 828
	<hr/>	<hr/>
Balance 30 June	388 082	270 980

### *Other Trust Accounts*

The Department expended funds totalling \$517 272 from several other Treasury Trust Funds during 1980-81, the principal items being as follows:

	\$
Special Youth Employment Training Program Trust Account	167 782
State Additional Apprentices Scheme	92 412
Mount Dandenong Reserves Trust Account	63 805
Forests Commission Publications Trust Account	49 622
Gippsland Softwoods Project Trust Account	36 882
Forests Roads Trust Account	31 621

### *Other Matter*

#### *Internal Audit*

An internal audit function has not yet been established within the Commission. However in view of the fact that a substantial portion of the activities of the Commission are managed through District Offices spread throughout the State, I am of the opinion that it is essential for proper internal control that one be established without delay.

# 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.

## Consolidated Fund

Receipts to and payments from the Consolidated Fund in respect of health services for the years ended 30 June 1981 and 1980 were:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>SPECIAL APPROPRIATION</b>		
Pensions	9 391 409	7 712 487
Other	44 778	47 103
	9 436 187	7 759 590
<b>VOTE</b>		
Health		
Salaries and allowances*	123 304 521	105 868 199
Overtime and penalty rates	10 726 384	9 464 080
Payments in lieu of long service leave	1 274 237	1 248 118
General expenses	17 853 777	15 294 542
Payroll tax	1 009 561	812 497
Other Services*	95 725 472	83 588 522
Hospitals and Charities Fund**	205 200 000	195 900 000
	455 093 952	412 175 958
Treasury		
Workers compensation	2 073 226	1 951 349
<b>WORKS AND SERVICES ACCOUNT</b>		
Capital items etc.	13 779 734	13 286 420
Hospitals and Charitable Institutions	47 292 814	46 954 004
	527 675 913	482 127 321

\* Salaries and allowances included in other services amounted to \$20 304 270 (1979-80 \$16 545 571). Total salaries and allowances for the year were \$143 608 791 (1979-80 \$122 413 770).

\*\*Includes \$26 400 000 transferred to Hospitals and Charities Fund as of 30 June 1981 (\$35 000 000 as of 30 June 1980).

	1980-81	1979-80
	\$	\$
<b>RECEIPTS</b>		
Commonwealth payments	27 357 117	27 832 797
Commonwealth recoups	14 833 567	12 355 915
Miscellaneous recoups	1 375 359	1 574 313
Registration and other fees	1 542 410	1 396 172
Accommodation and meals	929 877	715 062
Other receipts	266 765	58 518
	<u>46 305 095</u>	<u>43 932 777</u>

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.

A claim submitted by the Melbourne and Metropolitan Board of Works during the year totalling \$8 226 was not paid by the Commission as no funds were made available in 1980-81 for expenditure in connection with the fluoridation program. At 30 June 1981 the amount paid from funds provided under the Water Supply Works and Services Acts remained the same as at 30 June 1980, i.e. \$5 020 177.

Fluoridation work carried out on the recommendation of the Health Commission by the State Rivers and Water Supply Commission during 1980-81 totalled \$121 130 making a total so provided at 30 June 1981 of \$1 046 613.

For the purpose of this report, the Health Commission's finances are dealt with under divisional heads as shown in the Treasurer's Statement, and under Trust Funds.

Divisional responsibility for a number of functions changed during 1980-81 and are reflected in the various comparative figures.

Details in respect of the various Divisions follow:

### Health Administration

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

Details of payments for the past two years are:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>SPECIAL APPROPRIATION AND VOTE</b>		
Salaries and allowances	5 537 682	4 528 638
Overtime and penalty rates	73 294	87 432
Payments in lieu of long service leave	146 722	21 489
Pensions-Government Contributions	9 391 409	7 712 487
General expenses	1 432 903	840 801
Payroll tax	242 295	200 687

	1980-81	1979-80
	\$	\$
Grants	1 336 340	858 000
Other services	458 681	257 066
Treasury Vote		
Workers compensation	82 950	73 956
	<u>18 702 276</u>	<u>14 580 556</u>

Health Administration receipts are included with Public Health Division receipts.

## Public Health Division

This Division, which has 8 Branches, is responsible for General Health, Pre-school Child Development, Maternal and Child Health, Community Services, Food and Drugs, Medical Assessment, Dental Health Services, and Tuberculosis.

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>SPECIAL APPROPRIATION AND VOTE</b>		
Salaries and allowances	8 161 419	6 896 687
Overtime and penalty rates	31 833	15 495
Payments in lieu of long service leave	100 756	88 549
General expenses	875 070	877 281
Payroll tax	767 266	611 810
Subsidies		
Kindergarten and Pre-school Centres	31 976 297	28 270 752
Preventative Health Services - Municipalities	363 965	386 148
Infant Welfare Services	4 602 755	4 174 972
Creches and Day Nurseries	1 781 842	1 650 519
Pre-school Milk Scheme	711 996	596 303
City of Knox - Early Childhood Education and Development Program	258 916	272 907
Pre-school Dental Clinics	134 024	131 507
Laboratory Services - Preventive Health Services	556 172	417 020
Infant Welfare, Pre-school and Dental Scholarships	193 647	383 627
Heatherton Hospital-Running expenses	5 872 143	5 320 860
Community Health Projects	5 411 764	4 729 055
Dental Centres, Clinics, Mobile Services and Dental Therapist Training Schools	6 403 042	5 300 525
Dental Therapy Students in training	284 105	326 916
Children under the care of the Department of Community Welfare Services	444 997	404 958
Prison Medical and Dental Services	278 611	203 119
Australian Arbo-Encephalitis Protection Program	111 677	71 502
Other Services	153 189	134 262
Treasury Vote		
Workers compensation	124 210	119 228
<b>WORKS AND SERVICES ACCOUNT</b>		
Fluoridation		
Melbourne and Metropolitan Board of Works Recoup	..	54 717
State Sanatoria and Clinics etc.	31 879	41 970
Pre-school Centres etc.	661 522	700 000



	1980-81	1979-80
	\$	\$
Pre-school Dental Clinics	..	5 000
Buildings and Equipment-Dental	118 938	115 752
Community Health Projects	39 158	106 098
Pentridge - New Hospital	143 255	794 204
Other	154 968	311 678
	<u>70 749 416</u>	<u>63 513 421</u>

#### RECEIPTS

Registration and other fees	1 542 410	1 396 172
Commonwealth Recoups		
Home Care Services	5 007 395	3 987 240
Elderly Citizens' Centres (including Welfare Services)	1 681 281	1 782 220
Para-medical Services	378 000	351 500
Community Health Projects	2 737 524	2 365 342
Medibank Agreement	2 167 497	1 724 538
Ethnic Health Workers	9 399	..
Miscellaneous Recoups		
Alcoholism and Drug Dependency Services	670 500	793 606
Prince Henry's Hospital Unit	691 295	716 429
Maternal and Child Welfare-Medibank	13 564	64 278
Commonwealth Payments		
Pre-school Education and Care	9 015 000	9 015 000
Australian School Dental Program	3 700 028	3 678 507
Other services	176 367	581 311
	<u>27 790 260</u>	<u>26 456 143</u>

### Hospitals Division

This Division is responsible for the co-ordination of hospital and institutional activities, control of state funds for capital works, the rationalisation of the State's geriatric services, subsidised institutions and societies and the registration and inspection of private hospitals and private nursing homes. The Division is also involved in policy decisions relating to nursing education.

	1980-81	1979-80
	\$	\$
VOTE		
Health		
Salaries and allowances	1 101 865	982 320
Overtime and penalty rates	22 794	19 899
Payments in lieu of long service leave	56 337	15 702
General expenses	108 316	80 094
Contribution to Hospital and Charities Fund	205 200 000	195 900 000
Cancer Institute Board	9 134 500	8 057 995
Private Hospitals Schools of Nursing	2 030 319	1 990 973
Elderly Citizens' Clubs	1 817 522	1 730 550
Free Travel	233 957	186 486
Grants	523 000	508 000
Subsidies - Home Help Scheme	9 715 590	8 410 239
Treasury		
Workers compensation	18 010	17 367

	1980-81	1979-80
	\$	\$
<b>WORKS AND SERVICES ACCOUNT</b>		
Hospitals and Charitable Institutions	46 410 898	45 586 303
Elderly Citizens' Centres	1 122 826	995 993
Bush Nursing Hospitals	1 038 856	1 199 309
Cancer Institute Board	599 986	649 783
Ambulance Services	493 883	577 283
Walter and Eliza Hall Institute	315 600	..
Community Health Projects	311 326	623 059
Baker Medical Research Institute	140 000	200 000
Red Cross	95 219	167 359
Micro-Surgery Foundation	75 000	75 000
Portland Development Fund	49 499	..
	<u>280 615 303</u>	<u>267 973 714</u>

### Mental Retardation Division

This Division is responsible for the care and training of intellectually handicapped people through its residential training centres, hostels, community residential units and day training centres. The Division also has a regional service which provides a professional support for its various activities.

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>VOTE</b>		
Health		
Salaries and allowances	28 281 092	23 860 351
Overtime and penalty rates	4 334 080	3 740 006
Payments in lieu of long service leave	225 613	217 099
General expenses	3 831 379	3 278 698
Other services	711 741	603 864
Treasury		
Workers compensation	495 973	461 884
<b>WORKS AND SERVICES ACCOUNT</b>		
Buildings and Equipment of State		
Institutions etc.	2 117 102	1 196 643
Day Training Centres	1 029 318	1 053 888
	<u>41 026 298</u>	<u>34 412 433</u>
<b>RECEIPTS</b>		
Maintenance of patients		
Principally amounts received from the Commonwealth on account of pensioner and repatriation patients	3 728 496	4 206 907
Accommodation and Meals	221 490	183 097
Sale of Produce	45 513	18 845
Commonwealth Recoup - Community Health Projects	254 555	199 587
Other	18 752	..
	<u>4 268 806</u>	<u>4 608 436</u>

## Mental Health Division

This Division is responsible for the community care of psychiatric patients through regionalised psychiatric and mental hospitals, community mental health clinics and specialist services in the fields of forensic, geriatric and child psychiatry.

The Alcohol and Drug Services section of this Division provides for the treatment, rehabilitation, assessment, research, training and prevention programs associated with the use of alcohol and other drugs.

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>VOTE</b>		
<b>Health</b>		
Salaries and allowances	80 267 241	69 640 746
Overtime and penalty rates	6 264 383	5 601 248
Payments in lieu of long service leave	744 809	905 279
General expenses	11 606 109	10 224 228
Repatriation Hospital, Bundoora		
Salaries etc.	3 164 812	2 715 196
General expenses	546 288	417 593
Community Health Projects		
Operating expenses	4 990 360	3 954 412
Hospital Care Unit, Heatherton	670 500	793 606
Grants	237 235	100 000
"Odyssey" Victoria - grant	527 515	145 000
Other services	87 970	84 590
<b>Treasury</b>		
Workers compensation	1 352 083	1 278 914
 <b>WORKS AND SERVICES ACCOUNT</b>		
Buildings and Equipment of State		
Institutions etc.	6 123 315	5 786 385
	<u>116 582 620</u>	<u>101 647 197</u>
 <b>RECEIPTS</b>		
Maintenance of patients		
Principally amounts received from the		
Commonwealth on account of pensioner		
and repatriation patients	10 006 090	9 909 653
Commonwealth Pharmaceutical Benefits	731 136	320 167
Accommodation and Meals	708 387	653 216
Sales of Produce	12 538	15 186
Commonwealth Recoup-Community Health Projects	2 597 916	1 945 488
Other	189 962	24 488
	<u>14 246 029</u>	<u>12 868 198</u>

## 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.

### *Mental Hospitals Fund*

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. A summary of transactions for the years ended 30 June 1980 and 1981 is given hereunder:

	1980-81	1979-80
	\$	\$
Balance 1 July	332 117	332 976
<b>RECEIPTS</b>		
Special Appropriations-Tattersall Consultations Act 1958	11 690 000	9 980 000
	12 022 117	10 312 976
<b>PAYMENTS</b>		
Maintenance Grants (Other Institutions)	11 382 743	9 960 859
Mental Health Research (University of Melbourne)	..	20 000
	11 382 743	9 980 859
Balance 30 June	639 374	332 117

### *Drug Education Program Trust Account*

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

	1980-81	1979-80
	\$	\$
Health Education Centre-Drug Dependency	315 160	139 923

### *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 Hospitals and Charities Act 1958. Also, the Commission is required to supervise the administration and management of subsidised institutions and benevolent societies.

The Commonwealth and Victorian Governments have entered into an agreement pursuant to Section 30 of the Commonwealth 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.

This agreement expired on 30 June 1980, but was extended on an annual basis pending finalisation of the Commission of Inquiry into the Efficiency and Administration of Hospitals.

The agreement was terminated on 30 June 1981 and replaced by a single block grant effective from 1 July 1981.

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 1981 amounted to \$10 817 379 leaving a balance outstanding of \$456 868. Amounts recovered during 1980-81 totalled \$142 003.

Subject to administrative and other costs, a total of \$405 481 975 was available in the Hospitals and Charities Fund for distribution (\$361 340 926 in 1979-80). Details of the fund during the two years were:

	1980-81	1979-80
	\$	\$
Balance 1 July	41 586 900	19 121 899
RECEIPTS		
Annual Appropriations		
Health Commission*	205 200 000	195 900 000
Tattersall Consultations Act 1958	101 132 712	94 515 361
Racing Act 1958	54 655 691	48 726 876
Hospitals and Charities Act 1958	1 600 000	1 600 000
Transfer from Bingo Fund	1 164 559	1 406 936
Repayments by Hospitals of surpluses on Maintenance Fund Accounts (pre-cost surplus) at 30 June 1976	142 003	69 854
Private Donation	110	..
	<hr/>	<hr/>
	405 481 975	361 340 926
PAYMENTS		
Hospitals	298 594 751	259 046 511
Hospitals for the Aged	25 329 622	20 599 991
Ambulance Services	10 837 045	10 860 634
Commonwealth Community Health Program-State Proportion	9 491 980	8 494 130
Philanthropic Organisations	10 190 474	6 415 065
Insurance-Composite, Public Liability and Workers compensation	7 264 963	5 643 355
District Nursing Societies	3 099 480	2 499 965
Training Schools (Nursing etc.)	3 260 414	2 593 042
Blind, Deaf and Dumb Institutions	2 262 000	1 762 100
Foundling Homes and Refuges	1 304 925	886 900

	1980-81	1979-80
	\$	\$
Community Health Centres	836 040	615 500
Other Institutions	856 700	488 800
Hostels for the Aged	864 600	486 700
Hospitals Superannuation Board	615 738	491 778
Institutes for Maternal and Infant Welfare	598 965	468 850
	<u>375 407 697</u>	<u>321 353 321</u>
Less Refund from Commonwealth Blood Transfusion Service	2 378 288	2 094 582
	<u>373 029 409</u>	<u>319 258 739</u>
Other		
Administration costs	355 812	230 605
Costs associated with Totalizator Receipts	298 284	264 682
	<u>373 683 505</u>	<u>319 754 026</u>
Balance 30 June	<u>31 798 470</u>	<u>41 586 900</u>

\* Includes \$26 400 000 transferred from Consolidated Fund as of 30 June 1981 (\$35 000 000 as of 30 June 1980) by journal entries effected after 30 June.

*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.

A summary of transactions for the years ended 30 June 1980 and 1981 is given hereunder:

	1980-81	1979-80
	\$	\$
Balance 1 July	3 801 368	3 808 261
RECEIPTS		
Advances from Commonwealth	308 585 000	268 476 058
	<u>312 386 368</u>	<u>272 284 319</u>
PAYMENTS		
Recognised Hospitals	286 585 100	251 557 547
Central Services	22 640 220	16 925 404
	<u>309 225 320</u>	<u>268 482 951</u>
Balance 30 June	<u>3 161 048</u>	<u>3 801 368</u>

*Commonwealth Community Health Program Trust Account*

In 1980-81, the Commonwealth provided advances totalling \$16 322 813 towards capital and operating costs of certain specifically approved Community Health Centres and allied activities. These advances, together with the balance forward from 1979-80 of \$249 741, made a total of \$16 572 554 available for payment as follows:

	\$
Community Health Centres, Day Hospitals, and allied organisations	12 471 741
Community Mental Health Centres etc.	2 881 730
Community Welfare Services	1 139 711
	<hr/>
	16 493 182
	<hr/>

The balance in the account at 30 June 1981 was \$79 372.

*Aboriginal Health Services Trust Account*

During 1980-81, the Commonwealth provided advances totalling \$577 966 for the provision of health services for aboriginals which, together with the balance brought forward of \$16 002, made a total available for this purpose of \$593 968. Payments in the year amounted to \$593 223, leaving a balance in the account at 30 June 1981 of \$745.

*Commonwealth Grant Pre-School Child Education and Care Trust Account*

This account was established in 1973-74 to record the receipt and payment of funds provided by the Commonwealth for education and care services for pre-school children. A summary of transactions for the years ended 30 June 1980 and 1981 is given hereunder:

	1980-81	1979-80
	\$	\$
Balance 1 July	2 542 820	3 230 084
RECEIPTS		
Advanced from Commonwealth	2 084 938	1 645 744
	<hr/>	<hr/>
	4 627 758	4 875 828
	<hr/>	<hr/>
PAYMENTS		
Health Commission		
Kindergartens and Pre-school Centres etc.		
Capital	594 475	578 416
Recurrent	2 342 358	1 368 770
Youth, Sport and Recreation		
School holidays programs		
Capital	(1 478)	10 425
Recurrent	301 502	215 747
Department of Community Welfare Services		
Recurrent	174 783	159 650
Womens Refuges	187 916	..
	<hr/>	<hr/>
	3 599 556	2 333 008
	<hr/>	<hr/>
Balance 30 June	1 028 202	2 542 820
	<hr/>	<hr/>

### *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 1980-81, the Commonwealth provided advances for the mobile school dental clinics of \$292 629 which, together with the balance brought forward of \$88 985, made a total of \$381 614 available for payment. Payments totalled \$264 849, leaving a balance in the account at the close of the year of \$116 765.

### *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 1979-80 and 1980-81:

	1980-81	1979-80
	\$	\$
Balance 1 July	1 461 256	1 261 535
Receipts from Commonwealth	802 436	1 300 000
	<hr/>	<hr/>
Payments	2 263 692	2 561 535
	2 235 421	1 100 279
	<hr/>	<hr/>
Balance 30 June	28 271	1 461 256

The balance of the account at 30 June 1981, \$28 271, comprised amounts received from the Commonwealth and held pending disbursement to the institutions concerned.

### **Other Matters**

#### *Revenue*

The system of accounting controls and procedures operating in various areas of the Commission which generate revenue were examined and reported upon by my officers in 1980.

The examination disclosed that in a number of these areas accounting procedures and/or internal control were deficient or non-existent. Subsequent advice received from the Commission in 1981 stated that appropriate steps had or were being taken to rectify the matters reported upon. My officers are currently evaluating the measures taken.



### *Computer Payroll System*

The Commission uses the services of a computer bureau, Health Computing Services - Victoria, in relation to the major sections of its payroll.

An audit evaluation of the effectiveness of internal control exercised by the Commission over input preparation, master file basic data and final output by the computer was made during 1980-81 and audit reports were submitted to the Commission on the evaluation.

These reports indicated that a number of internal control weaknesses were evident and that corrective action was warranted. No reply to these reports was to hand at the date of preparation of this report.

### *Internal Audit*

The Commission does not have an effective internal audit with only one officer in the internal audit section.

Internal audit is essential in such a large organisation for the appraisal and evaluation of controls and the effective use of financial resources and early action should be taken to upgrade this function.

# MINISTRY OF HOUSING

The Ministry of Housing was established pursuant to the Housing Ministry Act 1972 and reconstituted under the Housing (Amendment) Act 1978. Its function is to administer the laws relating to housing in Victoria.

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, the Decentralized Industry Housing Authority and the Home Finance Trust will be given in a later report.

## Ministry of Housing - Central Administration

Payments from the Consolidated Fund in respect of the central administration of the Ministry during the past two years were:

	1980-81	1979-80
	\$	\$
VOTE		
Housing		
Salaries and allowances	267 686	270 044
Overtime and penalty rates	200	150
Payments in lieu of long service leave	7 246	..
General expenses	101 340	66 013
Payroll tax	13 162	13 929
Neighbourhood Redevelopment		
Operating Expenses	550 000	523 000
Other services	106 300	101 215
	<hr/>	<hr/>
	1 045 934	974 351
Treasury		
Workers compensation	4 855	4 283
	<hr/>	<hr/>
	1 050 789	978 634

# Registry of Co-operative Housing Societies and Co-operative Societies and Home Finance Division Administration

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

	1980-81	1979-80
	\$	\$
<b>VOTE</b>		
<b>Housing</b>		
Salaries and allowances	810 893	671 643
Overtime and penalty rates	8 000	5 971
Payments in lieu of long service leave	11 377	..
General expenses	55 053	42 769
Payroll tax	40 263	34 101
Interest rate subsidies		
Special Housing Assistance Scheme	1 177 220	415 530
Second mortgage finance	384 700	93 142
Other services	24 600	67 154
	2 512 106	1 330 310
<b>Treasury</b>		
Workers compensation	12 176	11 908
	2 524 282	1 342 218

The Registry of Co-operative Housing Societies administers the special Housing Assistance Schemes, the Home Purchase Assistance Account, and the Home Builders Account No. 2.

### *Housing Assistance Schemes*

Under the Housing Assistance Schemes, the first of which commenced in 1977-78, loans are made available from Co-operative Building Societies to eligible home purchasers at subsidised interest rates. The loans are financed by bank overdrafts guaranteed by the Treasurer of Victoria. The Treasurer is also responsible for the payment of the interest subsidies to the various banks.

Details of the schemes are as follows:

<u>Scheme No.</u>	<u>Commencement</u>	<u>Amount</u>	<u>Lending Authority</u>	<u>Advances to</u> <u>30 June 1981</u>
		\$		\$
1	1977-78	25 000 000	State Savings Bank and 5 Private Banks	24 546 500
2 and 3	1978-79	40 000 000	State Savings Bank	*39 735 235
4	1980-81	10 000 000	State Savings Bank	3 920 200

\* \$5 000 000 of this amount was allocated to the Home Finance Trust for second mortgage loans.

## Home Purchase Assistance Account

The State of Victoria 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 was effective for a period of 3 financial years ending on 30 June 1981.

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

The operations of the account are summarised in the following statement:

	1980-81	1979-80
	\$	\$
Balance 1 July	4 376 682	5 026 972
<b>RECEIPTS</b>		
Advances from Commonwealth	12 750 000	16 698 000
Interest and Repayment of Principal by Societies	35 313 855	31 877 755
	<u>52 440 537</u>	<u>53 602 727</u>
<b>PAYMENTS</b>		
Advances to Registry, for allocation to Co-operative Housing Societies	31 452 780	33 130 745
To Commonwealth		
Interest and Redemption	14 947 127	14 115 474
To State of Victoria-Administrative Costs	737 552	679 826
Repayment to Housing Commission	..	1 300 000
Interest Rate Subsidies	* 229 454	..
	<u>47 366 913</u>	<u>49 226 045</u>
Balance 30 June	<u>5 073 624</u>	<u>4 376 682</u>

\* Payable to Permanent Building Societies in respect of loans to low income earners.

## Home Builders' Account No. 2

The current sources of finance for the account are firstly, a 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.

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

	1980-81	1979-80
	\$	\$
Balance 1 July	2 026 210	1 892 097
<b>RECEIPTS</b>		
Grant from Commonwealth	404 250	404 250
Interest and Repayment of Principal by Societies	2 751 936	2 575 959
	<hr/>	<hr/>
	5 182 396	4 872 306
<b>PAYMENTS</b>		
Advances to Registry for allocation to Co-operative Housing Societies	1 600 000	1 375 000
Interest and Repayments to Treasury re Advances from the Works and Services Account	1 419 279	1 419 279
To State of Victoria-Administrative Costs	51 195	51 817
	<hr/>	<hr/>
	3 070 474	2 846 096
	<hr/>	<hr/>
Balance 30 June	2 111 922	2 026 210

*Government Guarantees - Co-operative Societies*

Under the provisions of the Co-operation Act 1958 the Treasurer may guarantee the repayment of any loan made by a bank to a Co-operative Society registered under the Act.

In February 1981, the Treasurer made a payment of \$400 500 to the Commonwealth Savings Bank in respect of guaranteed loans to the Broadmeadows Club Co-operative Ltd., due to its inability to repay the loans. The Broadmeadows Club Co-operative Ltd. went into liquidation on 5 April 1981 and the Treasurer now ranks as an unsecured creditor in respect of the payment made.

**Other Matter**

*Internal Audit*

The Ministry of Housing Internal Audit Section has in the past covered only the activities of the Housing Commission.

In my opinion, the internal audit activities should extend also to other branches of the Ministry of Housing.

# 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.

## Consolidated Fund

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

	1980-81	1979-80
	\$	\$
<b>VOTE</b>		
Immigration and Ethnic Affairs		
Salaries and allowances	525 524	404 978
Overtime and penalty rates	15 505	9 963
General expenses	375 356	269 244
Other services		
Grants to Ethnic Groups	100 000	99 995
Other Contributions etc.	17 640	15 049
Miscellaneous	3 688	8 542
Treasury		
Workers compensation	7 456	6 340
<b>WORKS AND SERVICES ACCOUNT</b>		
Public Buildings etc.	22 181	5 000
	1 067 350	819 111

### *Receipts*

Miscellaneous receipts totalled \$11 799 in 1980-81 compared with \$5 350 in 1979-80.

## Trust Account

### *Immigration and Ethnic Affairs Translation Unit Account*

The translation unit primarily services State Government Departments and the costs of operation are, by agreement, met by the State and the Commonwealth.

The trust account records that portion of the costs which are to be borne by the Commonwealth and the amounts contributed by the Commonwealth towards those costs. Payments from the account during 1980-81 amounted to \$88 786 and were funded from the balance in the account at 1 July 1980, \$16 456, and a further contribution by the Commonwealth of \$77 400. The unexpended balance at 30 June 1981 amounted to \$5 070.

The State's share of the costs of operation of the unit during 1980-81, \$71 917, was met from departmental Vote.

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

### Consolidated Fund

During 1980-81 Ministerial responsibility for the Industrial Training Commission was transferred to the Ministry of Employment and Training. Payments made in respect of the Commission in 1980-81 are included in the payments below.

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

	1980-81	1979-80
	\$	\$
VOTE		
Labour and Industry		
Salaries and allowances	6 446 273	5 693 863
Overtime and penalty rates	27 000	25 845
Payments in lieu of long service leave	167 439	35 601
General expenses	1 220 553	944 684
Payroll tax	315 843	284 435
Subsidies to Apprentices	787 759	642 461
Transfer - State Additional Apprentices Scheme	2 700 000	2 400 000
Apprenticeship Training Schemes	147 728	..
Other services	61 303	86 979
Treasury		
Workers compensation	98 232	88 151
WORKS AND SERVICES ACCOUNT		
Metric Conversion	..	23 952
Buildings	152 496	970 858
	12 124 626	11 196 829

Receipts during the last two years were as follows:

	\$	\$
Registration, Inspection and Other Fees-Factories and Shops, Lifts and Cranes, Boilers etc.	4 483 630	3 747 868
Other	227 478	234 240
	4 711 108	3 982 108



## Trust Account

### *State Additional Apprentices Scheme*

The sum of \$2 700 000 appropriated during 1980-81 to the trust account, State Additional Apprentices Scheme was for the employment of additional apprentices by departments and instrumentalities. This amount together with the balance brought forward of \$969 375 made a total of \$3 669 375 available for payment. Payments totalled \$2 910 153, leaving a balance in the account at the close of the year of \$759 222.

## Other Matter

### *Internal Audit*

In an audit report dated September 1980, relating to the registration of factories and shops, it was suggested that the Department consider appointing an internal auditor to review accounting systems and controls as an aid to efficient and effective management.

In reply the Department stated that due to the prevailing staff ceiling policy, it was considered that other vacancies should be filled before any consideration was to be given to the appointment of an internal auditor.

## Workers Compensation Board

Statements of the accounts of the Workers Compensation Board, together with comments on the years transactions, are included in my supplementary report.

## LAW DEPARTMENT

The Law Department's basic functions are to:

- (a) administer the Acts for which the Attorney-General is responsible and the branches or agencies performing functions under those Acts;
- (b) provide an effective and efficient legal system in Victoria and ensure the proper operation of the Courts; and
- (c) 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 1980-81 compared with the previous year are set out below:

	1980-81		1979-80	
	Receipts \$	Payments \$	Receipts \$	Payments \$
Attorney-General	586 430	4 281 056	478 928	3 605 104
Public Solicitor	489	2 569 538	300	1 792 142
Crown Solicitor	..	4 190 001	..	3 521 543
Courts Administration	16 082 121	28 325 806	14 356 293	25 091 343
Registrar-General and Registrar of Titles	23 619 709	9 233 638	19 844 829	7 578 605
Corporate Affairs Office	13 668 186	4 659 503	11 667 082	3 784 134
Rent Control	..	206 263	..	193 025
Public Trustee	6 003 720	2 967 554	5 898 173	2 813 411
Registrar of Estate Agents etc.	218 868	245 451	218 816	221 648
Discharged Servicemen's Employment Board	..	93 618	..	62 881
Government Shorthand Writer	233 176	512 580	197 945	467 264
Crimes Compensation Tribunal	..	2 407 477	..	1 865 913
Raffles and Bingo Permits Board	..	158 791	..	128 872
	<u>60 412 699</u>	<u>59 851 276</u>	<u>52 662 366</u>	<u>51 125 885</u>

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:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>SPECIAL APPROPRIATIONS</b>		
Constitutional Convention	3 312	10 112
Lay Observer	3 573	4 586
Law Reform Commissioner	32 220	26 514
Taxation Board of Review	15 382	10 000
 <b>VOTE</b>		
Attorney-General		
Salaries and allowances	2 578 423	2 222 212
Overtime and penalty rates	11 615	12 612
Payments in lieu of long service leave	30 459	65 516
Commissions and Boards of Enquiry	715 686	453 089
General expenses	290 097	283 319
Costs payable by Crown	162 574	118 398
Refund of jury fees	86 094	56 605
Payroll tax	127 854	114 308
State Employees Retirement Benefits Fund	32 779	..
Other services	74 000	70 533
Treasury-Workers compensation	40 855	36 418
 <b>WORKS AND SERVICES ACCOUNT</b>		
Office Renovations	31 225	58 031
	4 236 148	3 542 253
 <b>RECEIPTS</b>		
Charges-Departmental Services	364 724	309 287
Costs awarded Departments	87 603	56 848
Repayments to appropriations of former years	93 650	96 971
Other	40 453	15 822
	586 430	478 928

The Department made payments from the following trust account:

	1980-81	1979-80
	\$	\$
Special Youth Employment Training Program Trust Account	44 908	62 851

## 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:

	1980-81	1979-80
	\$	\$
VOTE		
Attorney-General		
Salaries and allowances	626 451	510 886
Overtime and penalty rates	1 374	1 058
General expenses	256 008	196 457
Professional assistance	*1 644 653	1 049 990
Payroll tax	31 852	25 018
Treasury-Workers compensation	9 200	8 733
	2 569 538	1 792 142
RECEIPTS		
Costs due to Crown	489	300

\* see footnote below

## 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 hereunder:

	1980-81	1979-80
	\$	\$
VOTE		
Attorney-General		
Salaries and allowances	2 548 331	2 145 818
Overtime and penalty rates	20 934	15 511
Payments in lieu of long service leave	22 262	38 277
Professional assistance	*1 265 709	1 036 775
General expenses	162 460	140 749
Payroll tax	131 466	107 492
Treasury-Workers compensation	38 839	36 921
	4 190 001	3 521 543

\* Increases resulted from rises in Supreme and Family Court fees from 10 November 1980 as recommended by the Victorian Bar Council

## Courts Administration

The Courts in Victoria operate within 3 jurisdictions consisting of the Supreme Court, the County Court and the Magistrates' Courts. Receipts and payments for the past two years were:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>SPECIAL APPROPRIATIONS</b>		
Salaries and allowances		
Supreme Court Judges	1 322 117	1 100 615
Pensions-Judges-Supreme and County Courts	916 951	751 159
Appeal Costs Fund Contribution	386 500	328 500
<b>VOTE</b>		
Attorney-General		
Salaries and allowances	17 402 240	15 129 814
Overtime and penalty rates	179 527	164 250
Payments in lieu of long service leave	199 478	211 094
Ex-gratia payments to Judges on retirement in lieu of extended leave	..	31 658
Juries' expenses	1 335 137	1 248 016
Allowances to witnesses	535 960	421 421
Court reporting	1 160 344	957 817
General expenses	2 791 018	2 404 423
Other services	36 207	25 096
Payroll tax	969 149	813 050
Treasury-Workers compensation	294 609	277 084
<b>WORKS AND SERVICES ACCOUNT</b>		
Renovation and construction of Court House buildings	796 569	1 227 346
	28 325 806	25 091 343
<b>RECEIPTS</b>		
Fines	14 428 541	13 376 267
Family Law Service	887 998	27 779
Licence Fees	473 080	685 447
Sale of Transcripts	225 680	217 647
Rents	60 829	49 153
Others	5 993	..
	16 082 121	14 356 293

### *Internal Audit*

The internal audit section comprises 4 officers who are principally engaged in inspecting the books and accounts of Magistrates' Courts and Bailiff Offices in the metropolitan and country areas. These officers report to the Secretary, Law Department and copies of their reports are provided to my Office.

## 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:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>VOTE</b>		
Attorney-General		
Salaries and allowances	7 194 041	6 393 826
Overtime and penalty rates	48 170	19 994
Payments in lieu of long service leave	139 990	57 275
General expenses	601 186	429 190
Payroll tax	374 511	316 234
Treasury-Workers compensation	115 255	109 546
<b>WORKS AND SERVICES ACCOUNT</b>		
Metric Conversion	196 898	194 878
Office Renovations	563 587	57 662
	9 233 638	7 578 605
<b>RECEIPTS</b>		
Fees-Registrar of Titles	22 405 034	18 757 068
Fees-Registrar-General	1 194 524	1 069 724
Other	20 151	18 037
	23 619 709	19 844 829

## Corporate Affairs Office

The Commissioner for Corporate Affairs is responsible for the administration of the Companies and Securities Industry Acts and other related Acts.

The Corporate Affairs office provides administrative services to the Companies Auditors Board, established under the Companies Act 1961, 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:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>SPECIAL APPROPRIATION</b>		
Interstate Corporate Affairs	504 257	469 420
<b>VOTE</b>		
Attorney-General		
Salaries and allowances	3 050 165	2 611 972
Overtime and penalty rates	10 473	5 115
Payments in lieu of long service leave	16 016	3 144
General expenses	606 218	435 869
Other services	269 257	85 446
Payroll tax	156 088	128 047
Treasury-Workers compensation	47 029	45 121
	<hr/>	<hr/>
	4 659 503	3 784 134
	<hr/>	<hr/>
<b>RECEIPTS</b>		
Fees-Commissioner for Corporate Affairs	13 601 809	11 629 129
Fees-Companies Auditors Board	39 658	35 656
Other	* 26 719	2 297
	<hr/>	<hr/>
	13 668 186	11 667 082
	<hr/>	<hr/>

\* Includes \$25 000 recoup towards a special investigation under the Companies Act 1961

## 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:

	1980-81	1979-80
	\$	\$
Balance 1 July	611 336	110 739
<b>RECEIPTS</b>		
Council of the Law Institute of Victoria		
Transfers from the Solicitors' Guarantee Fund		
Income Suspense Account	828 223	881 803
Fidelity Account	1 731 426	1 492 806

	1980-81 \$	1979-80 \$
Contributions and costs recovered from assisted persons	1 503 508	1 490 814
	<u>4 674 493</u>	<u>3 976 162</u>
<b>PAYMENTS</b>		
Administration		
Salaries	524 391	460 007
Other	203 139	170 814
	<u>727 530</u>	<u>630 821</u>
Legal assistance	3 080 562	2 734 005
	<u>3 808 092</u>	<u>3 364 826</u>
Balance 30 June	<u>866 401</u>	<u>611 336</u>

### *Legal Aid Commission*

The Legal Aid Commission Act 1978 established the Legal Aid Commission, which, from 1 September 1981 has taken over the functions of the Legal Aid Committee and the Public Solicitor. In addition the Australian Legal Aid Offices in Victoria formerly administered by the Commonwealth have also become the responsibility of the new Commission.

In accordance with the Act it has been agreed between the Commonwealth and the Victorian Government that each government shall contribute equally to the establishment costs of the Commission.

To 30 June 1981, the Commonwealth had provided the sum of \$450 000 towards these costs which has been credited to the Treasury Trust Fund.

Costs incurred by the State to 30 June 1981 were met from Public Account advances and the Commonwealth contribution and expended as follows:

Commissioners Fees	\$ 48 610
Other Administrative Expenses	397 033
	<u>\$445 643</u>

### Raffles and Bingo Permits Board

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

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 previous year is as follows:

	1980-81	1979-80
	\$	\$
Balance 1 July	314 083	223 976
<b>RECEIPTS</b>		
Bingo Permit Fees	36 784	34 614
Raffle Permit Fees	31 485	28 970
Bingo Surcharges 2 per cent.	321 998	265 811
Bingo Surcharges 3 per cent.	1 093 459	821 408
	<u>1 797 809</u>	<u>1 374 779</u>
<b>PAYMENTS</b>		
Members' Fees and Allowances	10 350	10 174
Recoups to Consolidated Fund		
Salaries Allowances and Administrative Charges	158 683	128 872
Superannuation Charges	18 617	..
Overtime	10 997	6 319
Payroll tax	8 357	6 591
Other administrative expenses	46 865	38 991
	<u>253 869</u>	<u>190 947</u>
Payment to Hospitals and Charities Fund	1 164 559	869 749
	<u>1 418 428</u>	<u>1 060 696</u>
Balance 30 June	<u>379 381</u>	<u>314 083</u>

### Public Trustee

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

## LOCAL GOVERNMENT DEPARTMENT

The Local Government Department, which was constituted under the provisions of the Local Government Department Act 1958, supervises the administration of the Local Government Act 1958 and related legislation by municipalities, 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:

	1980-81	1979-80
	\$	\$
LOCAL GOVERNMENT VOTE		
Local Government		
Salaries and allowances	1 706 862	1 506 608
Overtime and penalty rates	12 908	13 747
Payments in lieu of long service leave	12 519	25 090
Costs of legal representation of the Valuer-General and Officers of the Valuer-General's Office at the Royal Commission on Housing Commission		
Land Deals	149 870	175 817
General expenses	374 886	256 734
Payroll tax	93 129	84 285
Fees and expenses-Boards and Committees	237 147	390 649
Subsidies to municipalities-towards the cost of supervision of school crossings	1 944 695	1 608 908
Other services	5 000	18 362
Treasury-Workers compensation	27 320	23 474
WORKS AND SERVICES ACCOUNT		
Subsidies to Municipalities, Rural Employment grants etc.	1 358 246	2 487 818
Total Local Government	5 922 582	6 591 492
VALUER-GENERAL VOTE		
Valuer-General		
Salaries and allowances	2 157 423	1 849 814
Payments in lieu of long service leave	11 249	18 737
General expenses	338 285	236 686
Payroll tax	116 828	102 549
Other services	8 407	2 353
Treasury-Workers compensation	33 241	31 854
WORKS AND SERVICES ACCOUNT		
E.D.P. expenses	6 911	5 932
Total Valuer-General	2 672 344	2 247 925

	1980-81	1979-80
	\$	\$
<b>WEIGHTS AND MEASURES</b>		
<b>VOTE</b>		
Weights and Measures		
Salaries and allowances	578 532	487 574
Overtime and penalty rates	..	65
Payments in lieu of long service leave	..	4 347
General expenses	166 189	115 580
Payroll tax	31 329	27 033
Treasury-Workers compensation	8 763	8 297
	<hr/>	<hr/>
Total Weights and Measures	784 813	642 896
	<hr/>	<hr/>
Total Local Government Department	9 379 739	9 482 313
	<hr/>	<hr/>

### Receipts

The following statement shows departmental receipts credited to the Consolidated Fund in 1980-81 and 1979-80:

	1980-81	1979-80
	\$	\$
<b>Fees and Charges for Departmental Services</b>		
Municipal Auditors Board Fees etc.	224 635	163 361
Weights and Measures Branch	256 585	167 384
	<hr/>	<hr/>
	481 220	330 745
Property Sales Information etc.	126 899	95 349
Loan Repayments	96 247	42 188
Miscellaneous	71 823	43 619
	<hr/>	<hr/>
	776 189	511 901
	<hr/>	<hr/>

### Trust Accounts

#### *Municipalities Assistance Fund*

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

The fund provides subsidies towards the cost of approved works of municipalities and other public bodies, contributes towards the operating costs of the Country Fire Authority, and contributes to the Casual Fire Fighters Compensation Fund whenever, at 30 April in any year, the balance of such compensation fund, less commitments, falls below \$2 000.

Following is a summary of operations of the fund:

	1980-81	1979-80
	\$	\$
Balance 1 July	4 802 680	3 731 794
<b>RECEIPTS</b>		
Special Appropriation from Consolidated Fund	5 100 000	4 500 000
Receipts from Fees-Motor Car		
Drivers' and Instructors' Licences	5 783 577	5 334 205
Less Costs of Collection	(540 164)	(496 765)
	<u>15 146 093</u>	<u>13 069 234</u>
<b>PAYMENTS</b>		
Contribution to Country Fire Authority	8 417 118	7 302 978
Contribution to Casual Fire Fighters Compensation Fund	4 097	/12 779
Subsidies to Municipalities for Works	998 168	950 797
	<u>9 419 383</u>	<u>8 266 554</u>
Balance 30 June	<u>5 726 710</u>	<u>4 802 680</u>

*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 1980, grants totalling \$76 553 922, representing 2 per cent. of net personal income tax collections for 1979-80 in terms of the States (Personal Income Tax Sharing) Act 1976, were received from the Commonwealth during 1980-81 and disbursed to local governing bodies. The comparable sum in 1979-80 was \$56 435 540.

*Other Trust Accounts*

Payments were also met from the following trust accounts:

	\$
Rural Employment Scheme 1979-80 No. 1 Account	248 677
Special Youth Employment Training Program Trust Account	23 512
Victorian Natural Disasters Relief Account	13 715
Local Government Trust Account	2 196

## DEPARTMENT OF MINERALS AND ENERGY

The primary function of the Department of Minerals and Energy 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 credited to the Consolidated Fund for the past two years were:

	1980-81	1979-80
	\$	\$
Land Revenue		
Royalties-Submerged Lands	171 839 112	132 638 755
Mining Leases, Rents etc.	494 327	324 839
Extractive Industries etc.	455 776	416 080
Other	106 323	75 199
Boring, Crushing and Logging Fees	2 091	132 013
Explosives Licences and Fees	139 887	154 586
Sale of Government Property	99 534	86 248
Sundries	59 522	41 552
	<hr/>	<hr/>
	173 196 572	133 869 272
	<hr/>	<hr/>

### *Petroleum Royalties - Submerged Lands*

The Petroleum (Submerged Lands) Act 1967 provides for the exploration for, and the exploitation of, the petroleum resources of 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 Bass Strait area, production licences were granted to two companies jointly.

The Act provides that royalty is payable by the licensees to the Designated Authority, the Minister for Minerals and Energy, at certain percentages of the value at the well-head of petroleum recovered in the licence area. The day to day responsibilities of the Designated Authority are undertaken by officers of the Department of Minerals and Energy.

Royalty paid by the two licensees in 1980-81 amounted to \$171 839 112 making a total of \$690 038 825 paid by them since the first royalty payment on petroleum in May 1969. Of that amount, \$220 030 136 has been paid to the Commonwealth, in accordance with the provisions of the Act.

The increase in royalty collections from \$132 638 755 in 1979-80 to \$171 839 112 in 1980-81 is mainly due to the operation of the Commonwealth Government import parity pricing structure for crude oil.

In my 1979-80 report, I made reference to the agreement reached in May 1980 between the Designated Authority and the licensees, in terms of the legislation, as to ascertainment of the value of petroleum at the well-head. That agreement laid the foundation for development by the parties of a final basis for calculation of well-head value of petroleum to apply retrospectively to all royalty periods from the commencement of production.

During 1980-81, my Office monitored events associated with the critical questions of re-assessment and verification of royalties payable for past periods and the future review and verification of the royalty process on a continuous basis. Several meetings involving Commonwealth and State officials and representatives of the licensees were attended by my officers.

In May 1981, an extensive audit report on the calculation and accounting of oil and gas royalties was forwarded to Treasury and the Designated Authority. The report consolidated the key accounting and audit issues which emanated from the 1980 agreement and which had been the subject of correspondence and discussions with the Designated Authority during the course of the year. It also identified the steps necessary for development by the State of effective internal control machinery to enable verification of royalty revenue in respect of both past and future periods.

The more significant matters raised in the audit report were:

- (a) The re-calculation proposals submitted earlier in the year by the licensees which were aimed at achieving timely and accurate implementation of the retroactive clause of the 1980 agreement.

The report included reference to my opinion conveyed to the Designated Authority in February 1981 as to the validity of the licensees' proposals. The opinion reached was that the methodology proposed by the licensees for re-assessment of well-head values would not result in any material omission or misstatement in the re-calculation of royalties for past periods. It was emphasised to the Designated Authority that the opinion was subject to the following qualifications:

- (i) the opinion did not relate to the principles and concepts which have been applied over the years in the calculation of well-head values;

- (ii) there was no formal consolidated record of all items agreed to by the parties; and
- (iii) verification of all royalties received to date was dependent on development of documentation embracing all principles, concepts, procedures etc. agreed to and formally acknowledged by the Designated Authority and the licensees.

On 23 February 1981, the Designated Authority advised the licensees to implement their proposals for re-calculation of well-head values. The licensees made an interim payment of \$6 100 000 to the Designated Authority and in May 1981 made an additional payment of \$392 713 as their assessment of the balance of royalties due on account of periods prior to June 1980.

- (b) Progress by the parties towards documentation of principles and procedures underlying the royalty system.

At a meeting on 24 March 1981 between the licensees and the Designated Authority, and attended by representatives of appropriate Commonwealth and State Offices, it was agreed that the principles and procedures underlying the royalty system should be recorded in a document entitled "Petroleum Measurement and Accounting Manual" which was currently being prepared by the licensees. At the meeting, a working party comprising representatives of the licensees, the Designated Authority, the Commonwealth Department of National Development and Energy and my Office was set up to supervise incorporation of the additional documentation in the Manual. The working party met for the first time in July 1981 to consider material prepared by the parties on agreed principles and accounting procedures, and further meetings have been planned.

It is expected that the additions to the Manual associated with the accounting phase of the system should be finalised later in 1981. However, the complete document embracing coverage of the total royalty system may not be available for some time.

- (c) An examination of the monitoring and oversight functions undertaken by the Designated Authority.

In respect to the production component of the royalty system, the report cited certain procedural weaknesses in the annual verification of Bass Strait production conducted by the Designated Authority. The matters raised by audit were taken into account in the formulation of testing programs by the Designated Authority for the examination of 1980 production, which was conducted in May 1981.

On a wider scale, the Designated Authority, in conjunction with the Commonwealth Department of National Development and Energy, is involved in a program aimed at enhancing the machinery available for confirmation of the accuracy and reliability of measurement and sampling procedures in Bass Strait. The two principal elements of this program currently in course are:

- (i) proposed engagement of an international consultancy group to carry out an assessment of petroleum sampling procedures; and
- (ii) action by the licensees to enable registration of metering procedures with the National Association of Testing Authorities (NATA).

The audit assessment of the monitoring role of the Designated Authority in relation to the accounting component of the royalty system, concluded that the Designated Authority has not been in a position to undertake a comprehensive review of royalty accounting procedures. This situation is due, to a large extent, to the extensive period of non-agreement between the parties on certain highly significant principles. However, a critical lack of suitably qualified royalty accounting personnel has meant that, over the years, the primary forum for monitoring of accounting data by the Designated Authority has been monthly "royalty" meetings with the licensees. An effective verification program to take account of the multitude of components which impact the accounting process of the system requires a sound knowledge of the licensees' royalty accounting procedures, a regular examination of source documents and a close monitoring of capital, income and expenditure transactions.

The need for specialist royalty personnel within the Designated Authority had been raised in an earlier audit report and was again emphasised by audit in discussions during the year.

In the latter part of 1980-81, the Designated Authority took steps to acquire specialist expertise in both the production and accounting areas. Application was made to the Public Service Board for the creation of positions of royalty engineer and royalty accountant to allow for co-ordination of engineering and accounting functions into a comprehensive internal monitoring program. Approval was received for the creation of a position of royalty engineer and action is in course for the filling of that position. At the date of preparation of this report it is understood that the application for appointment of a royalty accountant is still under consideration by the Board.



The report's overall conclusion was that development of formal documentation by the parties of mutually agreed principles and procedures, accompanied by establishment within the Designated Authority of a specialist royalty review section, was essential for effective verification of oil and gas royalties in both past and future periods.

### Payments from the Consolidated Fund

Details of departmental payments for the past two years are:

	1980-81	1979-80
	\$	\$
SPECIAL APPROPRIATION		
Royalty payments to Commonwealth	54 566 851	43 336 575
VOTE		
Minerals and Energy		
Salaries and allowances	5 072 358	4 294 551
Overtime and penalty rates	35 773	32 299
Payments in lieu of long service leave	55 524	42 541
General expenses	920 677	790 910
Payroll tax	284 115	240 037
Boring for water, coal and other minerals etc.	1 106 042	997 052
Geological Surveys and Surveys etc. for Mineral		
Deposits	92 432	73 963
Covering Abandoned Shafts	25 651	25 338
Contribution		
Coal Mine Workers' Pensions Fund	183 000	177 450
Victorian Brown Coal Council	1 130 000	600 000
Liquid Fuels Conservation Publicity Campaign	223 540	108 026
Victorian Solar Energy Council	132 335	..
Solar Energy Research	87 665	74 975
Other services	26 760	24 480
Treasury-Workers compensation	77 752	71 535
WORKS AND SERVICES ACCOUNT		
Drilling Plant Equipment, etc.	1 049 863	1 037 129
Victorian Solar Energy Research Committee		
Trust Account	385 000	500 000
	<u>65 455 338</u>	<u>52 426 861</u>

Included in the departmental payments in 1980-81 is expenditure, assessed by the Department to be \$4 276 714, 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 \$1 250 000 was received in July 1981.

## Trust Account

### *Victorian Solar Energy Research Committee Trust Account*

This account recorded funds made available to the Victorian Solar Energy Research Committee for disbursement on approved solar research projects. The Committee ceased to operate from 17 December 1980, the date of proclamation of the Victorian Solar Energy Council Act 1980, which established a body corporate called the Victorian Solar Energy Council, to encourage and promote the research and development of solar energy.

Section 13 of the Victorian Solar Energy Council Act 1980, required that all funds standing to the credit of the Victorian Solar Energy Research Committee Trust Account be transferred to the general fund of the Council. The balance of the trust account was transferred to the general fund on 20 March 1981. Expenditure of the Council on research etc. from 17, December 1980 to that date was met from the trust account.

Transactions of the trust account for the period 1 July 1980 to 20 March 1981 were:

	\$
Balance 1 July 1980	642
Receipts	
Works and Services Account	385 000
Other	211
	<hr/>
	385 853
	<hr/>
Payments	
Research, Development and Demonstration Projects	269 323
	<hr/>
Balance at 20 March 1981, transferred to General Fund of Victorian Solar Energy Council	116 530
	<hr/>

Fees and operating expenses of the Committee and certain expenses of the Council, which together amounted to \$87 665 were met during the year from the departmental vote item, Victorian Solar Energy Research Committee—Fees and expenses. It is considered that there was no authority for the Council expenditure to have been met from the departmental vote.

Comment on the accounts of the Victorian Solar Energy Council is included in my supplementary report.

## Victorian Brown Coal Council

The Victorian Brown Coal Council was established as a body corporate under the provisions of the Victorian Brown Coal Council Act 1978.

The main functions of the Council are to promote and co-ordinate research into and development of the potential uses of brown coal, primarily in areas of coal conversion, and to promote and undertake research into and development of processes that may facilitate or extend the use of brown coal.

Section 13 of the Act requires the Council to establish a general fund. A separate account, known as the Victorian Brown Coal Council Trust Account, has been established within the Trust Fund to record the financial transactions of the Council.

	1980-81	1979-80
	\$	\$
Balance 1 July	1 165 835	8
<b>RECEIPTS</b>		
Transfer-Victorian Brown Coal Research Committee Trust Account	..	969 187
Industry Contributions	..	550 000
Government Contribution	1 130 000	600 000
Other	59 299	30 485
	<u>2 355 134</u>	<u>2 149 680</u>
<b>PAYMENTS</b>		
Joint Industry-Council Coal Research Projects	599 184	420 253
Victorian Government Share-Coal to Oil Study	257 454	212 563
Victorian Government Projects	474 136	59 970
Administration	413 500	291 059
	<u>1 744 274</u>	<u>983 845</u>
Balance 30 June	<u>610 860</u>	<u>1 165 835</u>

# PARLIAMENT

The costs of Parliament met by the Consolidated Fund for the year ended 30 June 1981, compared with the previous year, were as follows:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>VOTE AND SPECIAL APPROPRIATIONS</b>		
Ministers' and Members'		
Salaries and allowances	5 990 818	5 299 235
Government contribution to Parliamentary contributory superannuation fund	3 279 992	3 279 992
	9 270 810	8 579 227
 Expenses of:		
Legislative Assembly	810 379	740 907
Legislative Council	366 304	298 513
	1 176 683	1 039 420
 House Committee		
Salaries and allowances	2 042 343	1 548 036
Overtime and penalty rates	16 563	11 792
General expenses		
Refreshment rooms	332 000	302 000
Other	380 845	272 927
	2 771 751	2 134 755
 Printing of Hansard etc.	1 741 024	1 300 150
 Parliamentary Library		
Salaries and allowances	247 463	230 625
Overtime and penalty rates	3 646	2 747
Payments in lieu of long service leave	13 565	7 624
General expenses	41 491	47 499
	306 165	288 495
 Parliamentary debates		
Salaries and allowances	519 308	470 187
Overtime and penalty rates	3 333	1 365
Payments in lieu of long service leave	..	29 078
General expenses	10 947	14 582
	533 588	515 212

	1980-81	1979-80
	\$	\$
Parliamentary Committees		
General expenses	297 920	77 443
Payroll tax	490 336	404 222
Treasury Vote		
Workers compensation	142 662	125 872
WORKS AND SERVICES ACCOUNT		
New works and renovations		
Parliament House	263 360	315 174
Adaptation works - Electorate Offices	169 762	430 755
	<u>17 164 061</u>	<u>15 210 725</u>

Moneys received by Parliament and credited to the Consolidated Fund during the past two years were as follows:

	1980-81	1979-80
	\$	\$
RECEIPTS		
Miscellaneous		
Sale of publications	4 069	3 285
Other	416	358
	<u>4 485</u>	<u>3 643</u>

## DEPARTMENT OF PLANNING

The Department of Planning, created by Order-in-Council with effect from 30 June 1980, replaced the Ministry for Planning and the Town and Country Planning Board which were abolished on 17 March 1981 and 2 February 1981 respectively. The new Department is responsible for implementation of government planning policies, the co-ordination and administration of the planning functions of regional planning authorities and all other responsible planning authorities throughout Victoria. It also provides advice and assistance to these bodies to ensure that the planning process is fully co-ordinated and consistent with government policies.

### Consolidated Fund

The comparative statement hereunder shows the payments in the past two years; the figures in respect of 1979-80 represent payments of the Ministry for Planning and the Town and Country Planning Board.

	1980-81	1979-80
	\$	\$
<b>VOTE</b>		
Salaries and allowances	3 043 100	2 602 314
Overtime and penalty rates	31 141	10 377
Payments in lieu of long service leave	45 932	24 115
General expenses	417 091	386 079
Payroll tax	176 994	157 878
Fees, expenses and salaries - Boards, Tribunals, Councils etc.	569 171	521 774
Regional Planning Authorities - Grants	616 000	603 862
Other	23 000	15 000
Treasury - Workers compensation	48 276	45 718
<b>WORKS AND SERVICES ACCOUNT</b>		
Purchase of land for public purpose	273 180	259 606
Urban Development	1 401 865	2 055 468
Historic Buildings	186 941	162 604
Royal Show Display	..	4 477
	6 832 691	6 849 272

Receipts for the year amounted to \$3 011, being \$2 425 fees for planning certificates and \$586 fees for departmental service.

# MINISTRY FOR POLICE AND EMERGENCY SERVICES

The Ministry for Police and Emergency Services was created from the 1 July 1979 by Order in Council of 26 June 1979, and is responsible for the following functions:

- (a) the maintenance of law and order;
- (b) emergency services;
- (c) prevention and suppressive of fires;
- (d) registration of private agents; and
- (e) administration of functions arising from the Motor Boating Act 1961 and the Road Traffic Act 1958.

The administration of the registration and licensing functions arising from the Motor Car Act 1958, which are carried out by the Motor Registration Branch, was transferred to the Transport Regulation Board on 29 April 1981, pursuant to the provisions of the Motor Registration Act 1980. However, the salaries of the staff of this Branch continued to be met from the Ministry for Police and Emergency Services Vote during the period 29 April 1981 to 30 June 1981. It is considered that there was no authority for such expenditure to be charged to this Vote during this period.

The accounts of the sub-departments and branches administered by the Ministry of Police and Emergency Services are discussed hereunder.

Details relating to the Metropolitan Fire Brigades Board, Metropolitan Fire Brigades Superannuation Board and the Country Fire Authority are given in my supplementary report.

## Central Administration of the Ministry

A summary of receipts and payments in respect of the Consolidated Fund for the year is:

	1980-81	1979-80
	\$	\$
PAYMENTS		
VOTE		
Police and Emergency Services		
Salaries and allowances	803 817	741 649
Overtime and penalty rates	841	760
Payments in lieu of long service leave	29 961	9 996
General expenses	51 382	47 390
Payroll tax	39 824	37 004
State Employees Retirement Benefit Fund	26 486	..
Metropolitan Fire Brigades Board		
contribution towards operating expenses	5 510 375	4 646 123

	1980-81	1979-80
	\$	\$
Metropolitan Fire Brigades Board - Grant for Experimental Road Accident Rescue Vehicle	222 685	200 357
Ex Gratia Payments in respect of former Employees of the Metropolitan Fire Brigades Board	163 150	..
Other services	106 401	75 722
	<hr/>	<hr/>
Treasury-Workers compensation	6 954 922 13 341	5 759 001 16 662
	<hr/>	<hr/>
	6 968 263	5 775 663
	<hr/>	<hr/>
RECEIPTS		
Recoup-administration of Motor Boating Act	537	4 769
Licences-sundry	..	998
Other	2 595	4 309
	<hr/>	<hr/>
	3 132	10 076
	<hr/>	<hr/>

### Internal Audit

To date no steps have been taken by the Ministry to establish an internal audit section, and, in my opinion such a section is urgently required.

### State Emergency Service

This branch is responsible for planning, organising, co-ordinating and implementing measures designed to guard against or minimise the effects of emergencies harmful to life, health or property. receipts and payments of the Consolidated Fund for the last two years were:

	1980-81	1979-80
	\$	\$
PAYMENTS		
SPECIAL APPROPRIATIONS		
Voluntary Civil Defence Workers Compensation	345	1 072
VOTE		
Police and Emergency Services		
Salaries and allowances	629 035	479 254
Overtime and penalty rates	13 420	10 439
Payments in lieu of long service leave	3 251	6 900
General expenses	206 367	164 694
Other services-subsidies to municipal emergency service units	29 253	19 849
Payroll tax	31 796	23 768
Treasury-Workers compensation	8 800	8 406
WORKS AND SERVICES ACCOUNT		
Fire access roads	90 513	209 939
State Emergency Service Unit	15 000	18 851
Rural fire fighting unit subsidies	149 838	49 854
	<hr/>	<hr/>
	1 177 618	993 026
	<hr/>	<hr/>
RECEIPTS		
Recoup from Commonwealth	360 370	219 851
	<hr/>	<hr/>



## Police

Receipts and payments for the year are compared hereunder with corresponding figures for the previous year:

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>SPECIAL APPROPRIATIONS</b>		
Pensions and Superannuation etc.	10 647 493	8 690 604
<b>VOTE</b>		
Police and Emergency Services		
Salaries and allowances	170 517 629	148 898 969
Overtime and penalty rates	4 621 833	3 573 873
Payment in lieu of long service leave	2 250 240	1 641 364
Payroll tax	8 593 478	7 457 855
Purchase and maintenance of motor vehicles	10 915 265	9 224 171
Postage and telephones	3 325 769	2 794 201
Travelling expenses	2 067 923	1 770 116
Office Requisites, equipment, printing, stationery	1 223 923	1 199 352
Radio equipment etc.	2 243 906	1 599 999
Fuel etc.	1 686 158	1 389 647
Personal equipment etc.	707 879	804 802
Other services-Police Pensions Fund	5 150 000	4 650 000
Incidental and other expenses	1 803 631	1 293 558
<b>Treasury</b>		
Workers compensation	2 739 905	2 338 511
<b>WORKS AND SERVICES ACCOUNT</b>		
Police Academy - Physical Education Block	228 565	794 401
Police buildings and residences etc.	6 951 016	6 968 205
E.D.P. - Development Costs	199 962	217 675
Purchase of helicopter and associated parts	475 741	444 600
Purchase of 380 William Street Building	515 024	681 849
Russell Street		
Replacing P.A.B.X. System	1 606 710	367 634
Communication System	774 000	40 000
Commonwealth Heads of Government Meeting	81 294	..
	239 327 344	206 841 386
<b>RECEIPTS</b>		
Departmental Services	3 143 112	3 049 618
Firearms and other licences	63 511	65 107
Recoup of Administrative expenses		
Motor Registration Branch	13 637 138	11 687 543
Wildlife Management	88 236	69 253
Learner and Driver Testing Fees etc.	3 106 195	2 732 696
Miscellaneous	730 895	641 962
	20 769 087	18 246 179

### *Traffic Penalties*

Penalties received under the provisions of the Road Traffic (Infringements) Acts, and not included in the above receipts, amounted to \$10 169 379 in 1980-81. These moneys form portion of the Consolidated Fund Receipts item, Fines-Supreme and other Courts.

## *Police Air Wing*

A Dauphin SA 365 C twin engined helicopter was purchased on 29 January 1979 at a cost of 7 893 950 French francs (\$A 1 658 254) which included interest at 8.5 per cent. per annum amounting to 838 950 French francs (\$A 175 048).

The terms of the purchase required a down payment of \$A 295 242 which was made in 1978-79 and a further six half-yearly progress payments. The amounts payable are calculated by applying the rate of conversion of French francs into Australian dollars at date of payment.

Progress payments of \$A 428 956 were made during 1980-81 from the Works and Services Account making the total amount paid to date \$A 975 685.

The leasing of two fixed-wing aircraft, other ad hoc hirings of aircraft and their running costs are still being met from the Motor Vehicles item of the Vote. For the year 1980-81 these expenses amounted to \$526 615 compared with \$517 223 in 1979-80.

## *Police Hospital*

The major items of running costs of the Police Hospital are contained within the Police Votes for salaries and general expenses. The sum of \$14 175 appropriated separately for the hospital relates only to the supply of provisions.

## **Trust Accounts**

### *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 the 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 \$3 139 380.

Sub-section (5AA) of Section 55 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, \$5 150 000 was paid into the Police Pensions Fund from the Ministry for Police and Emergency Services Vote.

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

	1980-81	1979-80
	\$	\$
Balance 1 July	145 689	87 391
<b>RECEIPTS</b>		
Contribution from Consolidated Fund-Vote	5 150 000	4 650 000
Deductions from pay	75 392	102 230
	<u>5 371 081</u>	<u>4 839 621</u>
<b>PAYMENTS</b>		
Pensions	2 066 823	1 836 020
Gratuities	2 182	2 026
Deductions refunded on resignation	77 182	95 357
Pensions Supplementation Fund	3 139 380	2 760 529
	<u>5 285 567</u>	<u>4 693 932</u>
Balance 30 June	<u>85 514</u>	<u>145 689</u>

### *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 \$6 800 which comprised the State's contribution of \$4 000, and fines amounting to \$2 800. Pension payments totalled \$2 203.

## Road Safety and Traffic Authority

The Road Safety and Traffic 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, 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:

	1980-81	1979-80
	\$	\$
Balance 1 July	4 959 134	4 891 198
<b>RECEIPTS</b>		
Motor Car Registration surcharges	4 849 862	4 687 807
Transfer from Country Roads Board Fund	741 479	785 709
Transfer from Drivers' Licence Suspense Account	..	200 000
Consolidated Fund-Vote	88 964	63 665
Commonwealth Government Road Safety Grant	30 000	30 000
Other	4 801	3 182
	<u>10 674 240</u>	<u>10 661 561</u>
<b>PAYMENTS</b>		
Salaries and Overtime Administration	2 384 423	2 067 743
Office expenses	121 784	62 326
Motor Vehicles	62 417	60 845
Payroll tax	121 200	106 665
Rent and maintenance	314 688	211 329
Other	144 098	111 387
Oncost recouped-capital projects	(399 179)	(158 245)
Members-salaries and expenses	82 155	70 139
Public Advice Division	777 169	632 520
Research	179 598	163 395
Data Processing	170 685	117 962
Revenue collection costs	46 935	72 409
Capital expenditure on the purchase and installation of traffic control systems and subsidies to municipalities for their maintenance	4 276 546	2 183 952
	<u>8 282 519</u>	<u>5 702 427</u>
Balance 30 June	<u>2 391 721</u>	<u>4 959 134</u>

## 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:

	1980-81	1979-80
	\$	\$
<b>SPECIAL APPROPRIATIONS AND VOTE</b>		
Governor and Governor's Office		
Salaries and allowances	564 728	528 261
Overtime and penalty rates	76 280	65 079
Payments in lieu of long service leave	..	11 194
General expenses	145 077	109 313
Other Services		
Allowance to meet expenses for services in connection with Government House	77 000	70 000
Payroll tax	42 038	25 185
Clerk of the Executive Council		
Salaries and allowances	27 123	24 558
General expenses	288	1 446
Payroll tax	1 779	1 042
Treasury Vote		
Workers compensation	10 735	10 052
<b>WORKS AND SERVICES ACCOUNT</b>		
Government House Renovations	188 066	195 238
Government House Gardens	44 020	31 121
	1 177 134	1 072 489

# 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:

	1980-81	1979-80
	\$	\$
VOTE		
Premier		
Salaries and allowances	4 218 169	3 639 949
Overtime and penalty rates	394 448	354 140
Payments in lieu of, long service leave	44 869	34 641
General administration expenses	1 117 352	957 183
Payroll tax	274 959	271 202
Expenses for entertainment of visitors	185 388	154 182
Air travel-Members of Parliament and Ministers etc.	184 230	142 440
Werribee Park-contribution towards operating expenses	611 855	540 996
State Employees Retirement Benefits Fund-contribution	12 853	..
Equal Opportunity Board	344 479	208 120
State Artist	66 593	46 749
State Historian	37 893	32 274
Victoria Promotion	1 613 126	1 002 100
Victorian Representation in Japan	497 897	241 601
Victorian Garden State Committee	169 356	168 575
Exhibition Buildings Melbourne Centennial Celebration Grant	153 806	..
Victoria 150th Anniversary Celebrations	157 984	..
Jobs from Growth Campaign	164 940	..
Victorian Employment Committee	651 760	390 018
Inquiry into ownership and control of newspapers in Victoria	63 847	..
Overseas missions and visits	166 705	71 621
Other Services	360 817	569 452
Treasury		
Workers compensation	70 030	65 732
WORKS AND SERVICES ACCOUNT		
Werribee Park	126 087	125 626
1988 International Exposition Study	39 279	..
Victoria's representation in Japan-refurbishing of office	321 429	..
Royal Show Exhibit	11 680	11 252
Victorian Promotion Committee	465	66 295
State Artist-Relocation of studio	14 500	..
State Relief Committee	29 345	..
5A Parliament Place-Alterations	..	21 957
	<u>12 106 141</u>	<u>9 116 105</u>

	1980-81	1979-80
	\$	\$
RECEIPTS		
Werribee Park	320 944	300 180
Rents and hirings	14 342	13 035
Community Services Bureau-Sales	101 132	41 264
Other	6 110	25 503
	<hr/>	<hr/>
	441 425	379 982
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The role of the Victorian Employment Committee was taken over during 1980-81 by the newly created Ministry for Employment and Training.

#### *Victoria Promotion Overseas*

Payments by the Department from the Consolidated Fund in the promotion of Victoria overseas (excluding the cost of operations of the Agent-General's Office and overseas missions) increased from \$1 243 701 in 1979-80 to \$2 111 023 in 1980-81. In addition, a sum of \$321 894 was expended from the Works and Services Account in the year under review, compared with \$66 295 in 1979-80.

Apart from rises in costs generally, the additional payments included:

	\$
(a) Victoria's representation in Japan-Tokyo	
Refurbishing rented office premises	321 429
Golf club membership-Victoria's representative	42 637
(b) Victoria's representation on North American West Coast (Los Angeles)	
Establishment of new office - expenses, including premium on accommodation, rental and salaries	340 000

#### 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:

	1980-81	1979-80
	\$	\$
VOTE		
Premier		
Salaries and allowances	478 965	386 517
General administration expenses	225 834	150 570
Agent-General's allowance	21 983	21 983
Payroll tax	9 071	16 406
United Kingdom migration	39 923	62 751
Tourism office	90 873	56 559
Treasury		
Workers compensation	6 946	6 480
WORKS AND SERVICES ACCOUNT		
Refurbishment of London office	43 322	..
	<hr/>	<hr/>
	916 917	701 266
	<hr/>	<hr/>

### 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:

	1980-81	1979-80
	\$	\$
SPECIAL APPROPRIATIONS AND VOTE		
Salaries and allowances	3 610 495	2 981 365
Overtime and penalty rates	4 891	5 936
Payments in lieu of long service leave	2 835	12 817
General administration expenses	1 009 044	681 779
Payroll tax	172 536	126 799
Training course fees and expenses	282 500	267 718
Treasury Vote		
Workers compensation	53 681	50 605
WORKS AND SERVICES ACCOUNT		
Computer System Development Personnel	33 369	37 347
	<hr/>	<hr/>
	5 169 351	4 164 366
	<hr/>	<hr/>

### 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 of vacant positions.



The following is a summary of the payments from the Consolidated Fund in respect of the Board during the last two years:

	1980-81	1979-80
	\$	\$
VOTE		
Premier		
Salaries and allowances	117 429	98 654
Overtime and penalty rates	3 789	2 596
General administration expenses	13 703	8 677
Payroll tax	5 948	4 298
Members' fees	2 969	2 178
Treasury		
Workers compensation	1 819	1 751
	<u>145 657</u>	<u>118 154</u>

### 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 moneys received during the last two years were as follows:

	1980-81	1979-80
	\$	\$
PAYMENTS		
SPECIAL APPROPRIATION AND VOTE		
Salaries and allowances	2 392 886	2 024 348
Overtime and penalty rates	4 650	4 993
Payments in lieu of long service leave	20 335	63 720
General administration expenses	172 676	151 499
Payroll tax	119 074	86 137
Cadetships	27 868	28 648
Overseas Study Tour-Auditor-General	8 621	..
Treasury Vote		
Workers compensation	36 467	35 015
	<u>2 782 577</u>	<u>2 394 360</u>
RECEIPTS		
Audit fees	474 844	519 977
Other	3 364	8 873
	<u>478 208</u>	<u>528 850</u>

## Audit Fees

Fees are not charged for the audit of Departments and certain Authorities. The decrease in the collection of fees during 1980-81 compared with the previous year was due to audit fees of approximately \$150 000 in respect of a number of large statutory authorities not being collected until 1981-82.

## 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 and to administrative actions taken by municipal officers.

The payments from the Consolidated Fund during the last two years were:

	1980-81	1979-80
	\$	\$
SPECIAL APPROPRIATION AND VOTE		
Salaries and allowances	440 126	384 065
Overtime and penalty rates	5 047	3 180
General expenses	17 690	16 306
Payroll tax	22 259	16 302
Treasury Vote		
Workers compensation	7 887	7 846
	<hr/>	<hr/>
	493 009	427 699
	<hr/>	<hr/>

## DEPARTMENT OF PROPERTY AND SERVICES

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

The main objects of the Department are to:

- (a) monitor all aspects of real estate dealings in excess of \$100 000 by government departments and authorities;
- (b) be responsible for the functions of the Government Printing Office, the Government Computing Service and the Public Record Office;
- (c) collect and register statistical information; and
- (d) conduct elections of members of the Victorian Parliament and a number of government and semi-government bodies.

### Payments from the Consolidated Fund

The comparative statement hereunder shows payments of the Department for 1979-80 and 1980-81, other than those for the Government Printing Office.

	1980-81	1979-80
	\$	\$
<b>PROPERTY AND SERVICES</b>		
VOTE		
Property and Services		
Salaries and allowances	429 460	353 777
Overtime and penalty rates	3 448	4 039
General expenses	39 250	37 238
Payroll tax	21 156	17 577
Long service leave	35 396	..
Treasury-Workers compensation	9 205	4 068
<b>WORKS AND SERVICES ACCOUNT</b>		
Furnishing and fittings etc.	125 151	412
Total Property and Services	663 066	417 111
<b>GOVERNMENT COMPUTING SERVICE</b>		
VOTE		
Government Computing Service		
Salaries and allowances	1 626 595	1 361 198
Overtime and penalty rates	61 235	59 037
Payments in lieu of long service leave, retiring gratuities	5 766	6 851
Hire, maintenance and purchase of equipment and systems	1 531 949	1 069 946
General expenses	48 598	33 615
Payroll tax	82 938	69 554
Treasury-Workers compensation	25 521	23 724

	1980-81	1979-80
	\$	\$
WORKS AND SERVICES ACCOUNT		
Computer Equipment, Consultants' Fees etc.	518 254	1 957 025
Total Government Computing Service	<u>3 900 856</u>	<u>4 580 950</u>
PUBLIC RECORD OFFICE		
VOTE		
Public Record Office		
Salaries and allowances	392 778	332 426
Overtime and penalty rates	5 674	5 300
Payments in lieu of long service leave, retiring gratuities	27 340	6 671
General expenses	124 315	117 724
Payroll tax	19 973	16 488
Treasury-Workers compensation	6 069	5 424
WORKS AND SERVICES ACCOUNT		
Equipment etc.	218 076	49 812
Total Public Record Office	<u>794 225</u>	<u>533 845</u>
STATE ELECTORAL OFFICE		
SPECIAL APPROPRIATIONS		
Electoral Expenses	193 683	606 937
VOTE		
Property and Services		
Salaries and allowances	146 008	154 439
Payroll tax	7 202	7 190
Total State Electoral Office	<u>346 893</u>	<u>768 566</u>
GOVERNMENT STATIST		
VOTE		
Government Statist		
Salaries and allowances	1 809 930	1 658 713
Overtime and penalty rates	4 500	4 100
Payments in lieu of long service leave, retiring gratuities	22 588	30 005
General expenses	279 557	218 128
Other services	744	845
Payroll tax	89 858	75 946
Treasury-Workers compensation	29 881	28 670
Total Government Statist	<u>2 237 058</u>	<u>2 016 407</u>

### Receipts (Other than Government Printing Office)

The following statement shows Departmental receipts:

	1980-81	1979-80
	\$	\$
Fees and charges - Government Computing Service	4 905 946	3 285 007
Government Statist	1 499 173	1 351 371
Other	119 873	91 930
	<u>6 524 992</u>	<u>4 728 308</u>

Fees and charges received for E.D.P. services provided by the Government Computing Service increased by \$1 620 939 during the current year, from \$3 285 007 in 1979-80 to \$4 905 946 in 1980-81. Reasons for this increase were:

- (a) additional usage of facilities resulting mainly from a full year of operation of the new Burroughs 6800 computer; and
- (b) the collection of approximately \$560 000 of outstanding accounts at 30 June 1980, during 1980-81.

#### Trust Account

The Department expended \$7 088 during 1980-81 from the Special Youth Employment Training Program Trust Account.

#### Government Printing Office

The financial statements of the Government Printing Office for 1980-81 were not available for audit at the date of preparation of this report. Comments will be included in a later report.

## PUBLIC WORKS DEPARTMENT

The Public Works Department is the principal design and construction authority for Government Departments other than Railways and Water Supply. 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.

### Consolidated Fund

A summary of receipts to and payments from the Consolidated Fund in each of the past two years is set out hereunder:

	1980-81	1979-80
	\$	\$
PAYMENTS		
SPECIAL APPROPRIATIONS		
General expenses	15 850	16 496
	<hr/>	<hr/>
PUBLIC WORKS		
VOTE		
Public Works		
Salaries and allowances	20 443 896	18 495 719
Overtime and penalty rates	136 043	125 405
Payments in lieu of long service leave	295 660	277 826
State Employees Retirement Benefits Fund	377 054	..
General expenses	2 003 978	1 611 303
Payroll tax	1 034 048	1 197 883
Public building services-maintenance etc.	8 438 368	7 216 639
Rents and allowances	18 068 726	17 149 639
Other services	5 580 874	4 640 753
Treasury-Workers compensation	334 618	323 074
WORKS AND SERVICES ACCOUNT		
Public Offices etc.	6 243 976	4 315 641
Contribution to Public Works Stores		
Suspense Account	..	1 412 900
Computerised Systems	235 850	452 575
State Square	12 957	70 955
	<hr/>	<hr/>
	63 206 048	57 290 312
	<hr/>	<hr/>
PORTS AND HARBORS		
VOTE		
Ports and Harbors		
Salaries and allowances	2 389 920	2 174 604
Overtime and penalty rates	51 630	44 820
Payments in lieu of long service leave	31 211	29 457
General expenses	240 295	224 970
Payroll tax	122 677	142 774
Wharves and jetties-maintenance etc.	1 183 749	1 005 063
Dredging and blasting	3 673 098	2 960 826
Contribution to Portland Harbor Trust	1 530 000	1 500 000

	1980-81	1979-80
	\$	\$
Westernport-operating expenses	3 259 639	2 788 000
Other services	728 764	644 362
Treasury-Workers compensation	39 883	38 553
WORKS AND SERVICES ACCOUNT		
Wharves, Jetties, Navigational Aids etc.	2 484 460	2 048 356
Foreshore Protection	1 691 589	1 123 260
Westernport Works etc.	1 337 633	433 401
Marine Plant and Dredging Equipment	383 637	407 112
Other	385 215	361 108
	<hr/>	<hr/>
	19 533 400	15 926 666
	<hr/>	<hr/>
Total Payments	82 755 298	73 233 474
	<hr/>	<hr/>
RECEIPTS		
Recoveries of Debt Charges		
Chalet-Mt. Buffalo	4 423	3 667
Harbor Revenue		
Westernport	5 014 524	4 871 375
Other shipping charges	52 338	46 898
Charges for Departmental Services		
Recoup of administrative expenses	13 393 683	12 690 115
Petrol Distribution Centre	793 848	641 233
Garage	388 192	402 254
A.J. Wagglen Floating Dock	81 060	89 455
Slipway and Launching dues	86 076	86 227
Miscellaneous Receipts		
Recoup of rent and other charges	1 977 956	1 549 333
Windsor Hotel	754 333	189 105
Sale of Government Property	79 737	100 227
National Apprenticeship Assistance Scheme	..	24 451
Other	156 090	27 851
Loan Repayments	1 144 827	953 408
	<hr/>	<hr/>
	23 927 107	21 675 599
	<hr/>	<hr/>

### *Design, Supervision and Administration Charge*

Works carried out under the supervision of the Department during 1980-81 were financed from Works and Services Account, \$166 173 473 and Trust or Special Funds, \$16 193 997. The total for the year from both sources was \$182 367 470 compared with \$179 449 582 in 1979-80. These works, consisting mainly of the construction of buildings, the carrying out of works and the provision of services for various Departments, are subject to oncost charges, approved by Treasury, to recoup part of the departmental expenses involved in the design, supervision and administration of the works. The approved rate for 1980-81 was 12 per cent. on works and 2 per cent. on the purchase of property. Recoups to the Consolidated Fund in respect of these charges amounted to \$13 393 683 in 1980-81 compared with \$12 690 115 in 1979-80.

### *Rent and Maintenance etc.*

Payments made by the Department for rent and maintenance etc. of public offices and buildings during 1980-81 compared with 1979-80 are shown below:

	1980-81	1979-80
	\$	\$
Rent	18 068 726	17 149 639
Maintenance, including lighting, heating, cleaning etc.	8 438 368	7 216 639

Information recorded by the Department does not facilitate apportionment of these costs to the respective Departments.

The larger payments of rent and associated outgoings included in the amount of \$18 068 726 related to accommodation at the following locations:

	1980-81	1979-80
	\$	\$
"Enterprise House" 555 Collins Street	2 530 099	2 392 623
232, 240, 250 Victoria Parade	1 070 582	1 079 006
"Nauru House" 80 Collins Street	847 901	894 248
"Myer House" 250 Elizabeth Street	846 364	846 364
500 Bourke Street	734 088	465 446
35 Spring Street	608 511	713 573
456 Lonsdale Street	585 000	597 240
55 Swanston Street	440 000	440 000

### *Public Works Department Garage*

Receipts to and payments from the Consolidated fund in respect of the Public Works garage operations for the past two years are shown below:

	1980-81	1979-80
	\$	\$
Receipts	388 192	402 254
Payments	443 749	383 597

The decrease in receipts in 1980-81 resulted mainly from an increase in amounts not collected at 30 June from \$88 151 to \$114 142.

Operating accounts of the garage, maintained by the Department, showed a net loss of \$14 109 for 1980-81 compared with a net profit of \$2 704 in the previous year. A decline of 5 per cent. in the number of vehicles serviced during 1980-81 was the main reason for the adverse result.

### *State Petrol Distribution Centre*

Receipts and payments of the Consolidated Fund in respect of the Petrol Distribution Centre operations for the past two years were:

	1980-81	1979-80
	\$	\$
Receipts	793 848	641 233
Payments	818 250	741 992



Operating accounts of the centre, maintained by the Department indicated a net profit of \$3 203 in 1980-81 compared with \$12 681 in 1979-80.

Amounts not collected at 30 June 1981 totalled \$220 387 (1980, \$170 512).

#### *Windsor Hotel*

Collections in respect of the leasehold of the Windsor Hotel during 1980-81 totalled \$754 333 compared with \$189 105 in 1979-80.

The main reasons for the increase were:

- (a) receipt of \$283 075, being the Department's share of the profit under the old lease, for the period 1 July 1979 to 22 August 1980; and
- (b) higher rental collections resulting from the new lease entered into from 22 August 1980.

The new lease also provides for substantial capital works of approximately \$6 million to be carried out by the lessee. These costs are to be met by the lessee \$4 million and the lessor (Public Works Department), \$2 million.

Payments from the Works and Services Account by the Department for its share, during 1980-81, amounted to \$74 041.

#### *Westernport*

The Ports and Harbors Division of the Department is responsible for the operation and maintenance of the port facilities and services at Westernport under the provisions of the Westernport (Oil Refinery) Act 1963, the Westernport Development Act 1967 and the Westernport Steel Works Act 1970.

The port facilities have been developed to service the B.P. refinery at Crib Point, the Esso-Haematite fractionation plant and crude oil storage at Long Island Point and the John Lysaght iron and steel works at Tyabb.

The State is required to meet the costs of maintaining and repairing the various jetties and other costs such as dredging the harbor. Charges are levied for the various services provided and wharfage is also charged on cargo loaded and unloaded.

Receipts and payments of the Consolidated Fund in respect of Westernport operations for the past two years are summarised below:

	1980-81 \$	1979-80 \$
<b>RECEIPTS</b>		
Harbor Services		
Towage	1 658 921	1 486 394
Tonnage etc.	1 299 494	1 459 881
Mooring	606 504	544 783
Other	317 043	80 824
	<hr/>	<hr/>
	3 881 962	3 571 882
	<hr/>	<hr/>
Wharfage	1 132 562	1 299 493
	<hr/>	<hr/>
	5 014 524	4 871 375
	<hr/>	<hr/>
<b>PAYMENTS</b>		
<b>VOTE</b>		
Tug Operation	1 709 478	1 467 091
Mooring Contract	524 803	470 079
Depot and Buoy expenses	203 085	167 556
Maintenance and Repair of jetties	118 875	143 150
Administration Costs	185 106	161 164
Navigational Aids, lights etc.	147 575	113 028
Other	370 717	265 932
	<hr/>	<hr/>
	3 259 639	2 788 000
	<hr/>	<hr/>
<b>WORKS AND SERVICES</b>		
Depot Building-Stony Point	..	145 694
Hydraulic Gangway-Crib Point Jetty	16 193	97 408
Berthing Dolphin-Repairs	1 122 565	..
Mobile Crane Replacement	78 400	..
Harbor Facilities	106 600	94 150
Other	13 875	96 149
	<hr/>	<hr/>
	1 337 633	433 401
	<hr/>	<hr/>

### *Berthing Dolphin - Renovations and Repairs*

As a result of several shipping accidents over a number of years, together with the generally worn-down condition of the jetty, major repairs and renovations amounting to \$1 122 565 were carried out at Westernport during 1980-81.

### Trust Accounts

#### *Public Works Stores Suspense Account*

This account was established under the provisions of the Public Works Loan Application Act 1947. Advances authorised by legislation at 30 June 1981 totalled \$2 202 900.

Moneys in the account are available for:

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

pending allocation to the respective appropriations or funds for the various works and services in which they are used. The amounts when charged are credited to the account.

Details of the account at 30 June 1981 compared with 1980 were:

	30.6.81	30.6.80
	\$	\$
Cash funds available—held by Treasury	115 273	55 271
Amount retained by Treasury to meet expenses etc.	2 168	2 168
Issues pending recoupment	649 077	980 577
Value of stores on hand	1 568 203	1 296 705
	<hr/>	<hr/>
Total funds made available	2 334 721	2 334 721
Less Excess of funds representing valuation of Education Department stock taken over in excess of cost	131 821	131 821
	<hr/>	<hr/>
Amount authorised by legislation	2 202 900	2 202 900
	<hr/>	<hr/>

*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 \$2 109 678 and total debits \$2 086 461. At 30 June 1981, the balance of the fund was \$821 554 (1980, \$798 337).

*Public Works Agency Trust Account*

Payments for projects financed from agency funds amounted to \$4 898 725. Major payments for works carried out by the Department as agent were in respect of the following projects:

	\$
Olympic and Beaurepaire Swimming Pools	1 739 630
National Parks New Residences	210 693
Werribee Park State Equestrian Centre	149 439

At 30 June 1981 the balance in the trust account was \$1 437 871 (1980, \$2 102 264).

## Other Matters

### *Deferred Payment Contracts*

Payments during 1980-81 in respect of deferred payment contracts entered into in previous years totalled \$5 700 416 and consisted of repayment of principal \$4 701 854, and interest \$998 563. Included in this amount was an amount of \$426 774 which was not due to be paid until 7 July 1981. The contracts provide for finalisation of payments (due in July each year) over the next 2 financial years or earlier if it is so decided. Principal outstanding at 30 June 1981 was \$6 647 739.

### *Electronic Data Processing - "WREN" System*

At 30 June 1981, the sum of \$2 043 148 had been expended on systems development and hardware. Salaries paid to Public Works Department personnel involved in the development, implementation and testing of the system are not included in this amount.

At the date of preparation of this report the Department has indicated it proposes to have an independent review of this project undertaken in an endeavour to finalise the contract between the Department and the consultant.

### *Internal Audit*

Following a review of the organisation and procedures of the Internal Audit Section of the Public Works Department an audit report was forwarded to the Department. The report raised, from the external auditor's viewpoint, certain shortcomings in the documentation of work performed.

The audit has been informed that steps will be taken to remedy these matters.

DEPARTMENT OF STATE DEVELOPMENT  
DECENTRALIZATION AND TOURISM

The State Development Decentralization and Tourism Act 1978 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.

Payments from the Consolidated Fund

Payments of the Department for the past two years are summarised hereunder:

	1980-81	1979-80
	\$	\$
<b>VOTE</b>		
State Development		
Salaries and allowances	2 034 925	1 791 901
Payments in lieu of long service leave	45 631	23 937
Overtime and penalty rates	25 952	10 020
General expenses	598 247	513 851
Other services		
Tourist Fund	1 254 785	587 000
Victorian Government Travel Authority	2 826 100	2 337 200
Development Fund	4 920 000	4 911 395
Incentive payments to approved Decentralised		
Secondary Industries	25 493 569	21 343 982
Transport concessions to approved Decentralised		
Secondary Industries—Payment to Victorian		
Railways	2 121 741	1 435 000
Small Business Development Corporation	559 878	427 750
Geelong Regional Commission	865 000	600 000
Albury-Wodonga Development Corporation	335 000	300 000
Victorian Development Corporation	352 397	186 044
Other Grants, expenses etc.	148 044	184 292
Treasury		
Workers compensation	32 502	34 810
<b>WORKS AND SERVICES ACCOUNT</b>		
Public Buildings etc.	80 021	83 688
Contributions to Tourist Fund	240 000	230 000
Subsidies to Municipalities	1 269 020	17 608
Urban and Regional Development	176 181	545 668
Purchase and Improvement—Crown Land	5 000	149 987
Contributions to Major Tourist Projects	500 000	499 970
Mineral Water Feasibility Study	..	200
Contributions to Development Fund	80 000	70 900
	43 963 993	36 285 203

Included in the item General Expenses are payments totalling \$73 675 on account of the Ministry for Economic Development. It is considered that there was no authority for such payments to be charged to the departmental Vote. Comments on the Ministry for Economic Development are included on page 88 of this report.

## *Incentive Payments*

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 manufacturing or processing industries at decentralised or special establishments, as defined in the Act. The amount charged to Vote in 1980-81 in respect of incentive payments to approved decentralised secondary industries, \$25 493 569, consisted of payroll tax rebates, \$25 240 369, land tax rebates, \$185 741, and \$67 459 on account of refunds of licence fees for commercial goods vehicles.

During the year the Department detected that, in previous years, it had paid claims submitted by decentralised industries for payroll tax rebates of \$451 773 and land tax rebates of \$24 345 to which the industries were not entitled. The majority of the amounts referred to have been recovered either by way of deduction from rebates paid in 1980-81, or by repayment by the industry concerned. The Minister approved the non-recovery of an incorrect payroll tax rebate of \$16 009.

## *Other Grants*

The following statutory authorities which were recipients of grants from the departmental Vote, are not subject to audit by my Office - the Small Business Development Corporation, the Geelong Regional Commission and the Albury-Wodonga Corporation. The last named authority is, however, subject to audit 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 \$46 424 in 1980-81 compared with \$26 025 in 1979-80.

## **Trust Accounts 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:

	1980-81	1979-80
	\$	\$
Balance 1 July	871 563	202 690
<b>RECEIPTS</b>		
Contributions from Consolidated Fund		
Vote	4 920 000	4 911 395
Works and Services Account	80 000	70 900
	<u>5 871 563</u>	<u>5 184 985</u>
<b>PAYMENTS</b>		
Fuel and Bulk Liquid Petroleum Gas Subsidies	3 020 115	1 798 610
Freight Subsidies	633 116	633 231
Removal of Plant, Machinery, Furniture, etc.	931 784	1 151 876
Loans to Approved Decentralised Industries		
State Electricity Commission Self Help Scheme	416 559	309 983
Industrial Estates	..	70 900
Employment Incentives	372 100	248 175
Grants and Subsidies to Approved Decentralised		
Secondary Industries	19 712	44 102
Development Committees	33 000	44 000
Miscellaneous Grants	4 462	12 545
	<u>5 430 848</u>	<u>4 313 422</u>
Balance 30 June	<u>440 715</u>	<u>871 563</u>

Loans to approved decentralised industries from the Development Fund during 1980-81 totalled \$416 559. Instalments of principal and interest collected during the year and credited to the Consolidated Fund amounted to \$305 600. The amount still to be repaid, at 30 June 1981 in accordance with the terms of the loans, was \$2 044 831 of which \$57 400 relates to a loan to a company which has been placed in liquidation. Loan repayment instalments and interest outstanding in excess of one month at 30 June 1981 amounted to \$57 857.

#### Tourist Fund

The State Development Decentralization and Tourism Act 1978 provides that moneys to the credit of the Tourist Fund shall be applied to the administration of the State Development Decentralization and Tourism Act 1978 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.

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

	1980-81	1979-80
	\$	\$
Balance 1 July	642 612	338 850
RECEIPTS		
Contributions		
Country Roads Board Fund	1 482 958	1 571 418
Consolidated Fund		
State Development Vote	1 254 985	587 200
Works and Services		
Account	240 000	230 000
Motor Boat Registration Fees		
and Fines (net of refunds)	1 152 176	1 130 524
Less Costs and Expenses of		
Collection and Administration	(661 236)	(546 616)
Interest on Loans to certain		
Bodies	96 026	86 137
Loan Repayments	107 435	140 479
Other	8 163	8 980
	<hr/>	<hr/>
	4 323 119	3 546 972
	<hr/>	<hr/>
PAYMENTS		
Grants and Subsidies for		
Developmental and		
Maintenance Works*	863 273	582 437
Loans*		
Developmental Works	326 400	149 000
Special Grants to Approved		
Bodies*	543 765	31 660
Grants and Subsidies to		
Regional Tourist		
Authorities*		
Administration and Promotion	1 088 000	908 414
Information Centres	231 161	104 952
Publicity and Promotion		
Departmental	114 179	167 635
Grants and Subsidies	400 000	349 100
Grants and Subsidies etc.		
Motor Boating Facilities	322 804	544 537
Administrative Expenses		
Tourist Bureaux	..	1 059
Research	110 589	48 087
Committee and other Expenses	125 953	17 479
	<hr/>	<hr/>
	4 126 124	2 904 360
	<hr/>	<hr/>
Balance 30 June		
General	19 612	585 877
Motor Boating	177 383	56 735
	<hr/>	<hr/>
	196 995	642 612
	<hr/>	<hr/>

\* Details of these Grants and Loans are shown in Appendix A-2 to this report



## 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:

	1980-81	1979-80
	\$	\$
Balance 1 July (held in Tourist Fund)	56 735	6 079
<b>RECEIPTS</b>		
Registration Fees (net)	1 116 384	1 098 800
Fines	35 792	31 724
Loan Instalments		
Redemption	3 644	2 219
Interest	2 282	1 602
Other	4 619	7 464
	<u>1 219 456</u>	<u>1 147 888</u>
<b>PAYMENTS</b>		
Grants and Subsidies etc.		
Motor Boating Facilities	322 804	544 537
Cost of Administration		
Transport Regulation Board	228 098	223 069
Ministry for Police and Emergency Services	433 138	308 144
Purchase of Motor Boats and Equipment and Other Expenses	58 033	15 403
	<u>1 042 073</u>	<u>1 091 153</u>
Balance 30 June (held in Tourist Fund)	<u>177 383</u>	<u>56 735</u>

### Other Trust Accounts

#### *Australian Standing Committee on Tourism Trust Account*

This account was established for the purpose of recording the receipt of contributions from the participating bodies and the subsequent disbursement of these funds. Receipts for 1980-81 totalled \$90 000, and payments \$65 269. The balance in the account at 30 June 1981 was \$52 428.

#### *Special Youth Employment Training Program Trust Account*

The Department made payments totalling \$27 020 from the Special Youth Employment Training Program Trust Account during 1980-81.

# 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.

## Consolidated Fund

The following payments were made during the years 1979-80 and 1980-81.

	1980-81	1979-80
	\$	\$
<b>VOTE</b>		
Ministry of Transport		
Salaries and allowances	421 162	361 107
Overtime and penalty rates	99	158
Payments in lieu of long service leave	40 246	10 113
General expenses	74 392	77 465
Payroll tax	20 686	18 131
Payment in respect of Passenger Transport		
Tramways	37 500 000	33 000 000
Private Bus Services	..	463 828
Freight Subsidy-Railways	3 605 149	2 560 000
Transport Study	211 498	30 058
Australian Transport Advisory Council - Expenses	4 258	..
XVIIth World Road Congress 1983 - Grant	20 000	..
Chartered Institute of Transport (Victoria) - Grant	1 500	1 500
Treasury		
Workers compensation	6 491	5 738
	41 905 481	36 528 098
<b>WORKS AND SERVICES ACCOUNT</b>		
Bicycle Facilities	600 000	310 000
	42 505 481	36 838 098

Collections credited to the Consolidated Fund amounted to \$411 362 compared with \$391 599 for 1979-80.

### Trust Accounts

#### Transport Fund

This fund may be applied as the Minister directs for the improvement of transport in Victoria.

Transactions of the fund for the years 1979-80 and 1980-81 are set out below:

	1980-81	1979-80
	\$	\$
Balance 1 July	2 944 468	5 532 288
<b>RECEIPTS</b>		
Roads and Special Projects Fund*	22 970 593	17 427 280
Motor Registration Branch-Additional Fees (net)+	7 473 900	7 547 302
Transport Regulation Board	..	735 671
Victorian Railways Board	457 410	377 633
Melbourne Metropolitan Tramways Board	107 589	96 421
Bus Operators Loans		
Principal	299 147	237 790
Interest	57 851	52 807
Ferry Loan		
Principal	39 913	87
Interest	170	527
Other	13 308	89 885
	<u>34 364 349</u>	<u>32 097 691</u>
<b>PAYMENTS</b>		
Country Roads Board	..	5 464 883
Victorian Railways Board	10 129 370	4 215 656
Railway Construction and Property Board-advance	4 250 000	2 543 865
Ministry of Transport		
Passenger Interchange	879 235	597 723
Salaries	359 929	339 635
Payroll tax	18 625	17 808
Planning and Research	752 195	816 081
Private Bus Operators		
Subsidies	15 780 348	13 931 544
Loans	40 000	811 181
Driver Training	35 235	5 750
State Bicycle Committee	5 489	..
Consultative Committees	24 154	18 782
Transport Information	320 712	328 711
Metropolitan Transit Council	14 000	15 427
Advance-Purchase of Ferry	..	40 000
Special Roadwork Projects	460	6 177
Grants to Municipalities - Specialised		
Transport Needs	23 300	..
State Bicycle Fund	660 000	..
Transport Regulation Board - advance	200 000	..
Other Projects	385 000	..
	<u>33 878 052</u>	<u>29 153 223</u>
Balance 30 June	<u>486 297</u>	<u>2 944 468</u>

\* Amount determined by the Minister pursuant to the Business Franchise (Petroleum Products) Act 1979

+ Costs of collection were \$949 813 and \$882 295 respectively

## Transport Regulation Board - Contribution

Pursuant to the provisions of Section 9(2)(a)(iii) of the Ministry of Transport Act 1958, the Transport Regulation Board is required to make an annual contribution to the Transport Fund.

For the year 1980-81 the Board did not make this contribution. Further comment is made on page 205 of this report.

## Transport Regulation Board - Advance

An advance of \$200 000 was made to the Transport Regulation Board to provide a working balance in the Transport Regulation Fund.

## Loans to Private Bus Operators

A summary of secured and unsecured loans made since 1974-75 to private bus operators and repayments of these loans at 30 June 1981 follows:

	\$	\$
LOANS FROM		
(a) Transport Fund		
Unsecured loans under Government Concessional Loan Scheme	2 072 574	
Unsecured loans for dial-a-bus services	45 900	
Secured loans for buses purchased following closure of country passenger rail services	* 640 287	
	<hr/>	
	2 758 761	
Less Repayments	+1 037 709	
	<hr/>	
		1 721 052
(b) Works and Services Account		
Unsecured loans under Government Concessional Loan Scheme	3 394 698	
Less Repayments	+1 141 126	
	<hr/>	
		2 253 572
		<hr/>
Total Outstanding		3 974 624
		<hr/>

\* Secured by chattel mortgages, a second mortgage and debenture deeds

+ Collections are being made by the Transport Regulation Board on behalf of the Ministry

## State Bicycle Fund

The purpose of the fund is to record the receipts and payments of funds relating to the operation of the Bike Plan.

A summary of transactions for the two years in respect of the trust account is given hereunder:

	1980-81	1979-80
	\$	\$
Balance 1 July	331	28 079
<b>RECEIPTS</b>		
Works and Services Account		
Geelong Bike Plan	260 000	260 000
Melbourne Bicycle Strategy Plan	100 000	50 000
Hawthorn Bridge - Bike Track Extensions	240 000	..
Transport Fund Contribution	660 000	..
Miscellaneous	200	5 895
	1 260 531	343 974
<b>PAYMENTS</b>		
Melbourne and Metropolitan		
Melbourne Bicycle Strategy Plan		
Consultants' Fees	100 000	72 313
Yarra River Cycle Path	240 000	..
Metropolitan Cycle Tracks	174 462	..
Outer Metropolitan and Country Cycle Paths	149 556	..
State of Victoria		
Engineering	63 691	5 550
Education, Enforcement and Encouragement	146 513	46 922
Administration	8 168	9 047
Geelong Bicycle Plan		
Engineering	182 298	176 492
Education, Enforcement and Encouragement	73 163	22 819
Administration	4 535	10 500
General Consultancy Studies	65 500	..
	1 207 886	343 643
Balance 30 June	52 645	331

### Other Matter

#### *Funds from Commonwealth Sources*

Commonwealth financial assistance for transport planning and research projects is being provided by way of 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 1980-81 were \$268 030 compared with \$260 445 for 1979-80.

The amounts actually recoverable from the Commonwealth in respect of payments on approved projects will not be fully determined until audited statements have been submitted by the Ministry to the Commonwealth.

## Railway Construction and Property Board

Statements of accounts of the Railway Construction and Property Board, together with comments on the year's transactions, are included in my supplementary report.

## Victorian Railways Board

Statements of accounts of the Victorian Railways Board, together with comments on the year's transactions, are included in my supplementary report.

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# 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.

Following the proclamation of certain sections of the Motor Registration Act 1980, the Board became responsible, from 29 April 1981, for the administration of registration and licensing functions under the Motor Car Act 1958 and the Recreation Vehicles Act 1973. These functions were previously administered by the Ministry for Police and Emergency Services. The effect of the amending legislation was that the Motor Registration Branch became a branch of the Transport Regulation Board.

## Transport Regulation Fund

Fees and fines under the Transport Regulation Act 1958 and Part I of the Commercial Goods Vehicles Act 1958, and fees under the Motor Car Act 1958 for the registration of certain omnibuses are paid into the Transport Regulation Fund. Costs of administration and other authorised charges are met therefrom.

The receipts and payments of the fund together with corresponding figures for the previous year are summarised hereunder:

	1980-81	1979-80
	\$	\$
Balance 1 July	132 732	597 005
<b>RECEIPTS</b>		
Licence Fees (including Transfer Fees)	6 947 351	6 298 971
Permits - Goods and Passengers	1 374 698	1 289 057
Drivers' Certificates	66 518	63 100
Metropolitan Omnibus Registration Fees	2 164	2 090
Ministry of Transport		
Project Allocations	360 300	82 765
Advance from Transport Fund	200 000	..
Fines	387 833	310 839
Miscellaneous Receipts	37 510	34 897
	9 509 106	8 678 724
<b>PAYMENTS</b>		
Salaries and related costs	6 963 306	6 443 499
Administrative expenses	759 051	791 241
Government proportion of Superannuation Pensions	861 461	752 242
Replacement and maintenance of vehicles	217 174	276 127

	1980-81	1979-80
	\$	\$
Maintenance expenses	196 975	170 000
T.R.B. Projects	371 619	87 489
Vic Rail Cost Study	156 746	..
Licensing and Registration costs	99 051	..
Miscellaneous expenses	80 264	77 953
Transport Fund	..	735 671
Capital expenditure	5 637	9 470
	<u>9 711 284</u>	<u>9 343 692</u>
Less Recoup		
Costs of Collection		
Motor Boat Registrations	228 098	223 069
Road Charges (Commercial Goods Vehicles Act 1958)	89 236	574 631
	<u>317 334</u>	<u>797 700</u>
	<u>9 393 950</u>	<u>8 545 992</u>
Balance 30 June	<u>115 156</u>	<u>132 732</u>

By letter of 19 June 1981, the Minister of Transport advised the Board of a Government decision to abolish, from 1 July 1981, truck, tow truck, bus and taxi licence fees and fees payable in respect of primary producer owned and operated vehicles. The Board ceased to collect such fees with effect from the date of the Minister's letter. The Minister also advised that the Board should prepare to return truck licence fees which had been received in anticipation of regulations originally proposed to be introduced on 1 July 1981.

Subsequent correspondence between the Board and the Minister indicated that it was the intention of the Government for the refund arrangements to have wider application than the specific reference by the Minister on 19 June 1981, and that the following groups should be refunded the portion of fees paid relating to the period beyond 1 July 1981:

- (a) operators who held commercial goods, tow trucks and primary producer licences which would have been current beyond 1 July 1981, and who had not paid the proposed new fees for the period beginning 1 July; and
- (b) operators of commercial goods, tow trucks and primary producer vehicles who paid the proposed new fees for the period beyond 1 July 1981.

The consequences of the above-mentioned decisions were:

- (a) the major source of income to the Transport Regulation Fund was not available after 1 July 1981; and
- (b) refunds of licence fees amounting to approximately \$3 400 000 would be necessary in 1981-82.



In June 1981, an amount of \$200 000 was advanced from the Transport Fund to the Transport Regulation Fund to maintain that Fund's liquidity.

The Transport Regulation Act 1958 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. The amount required to be paid in 1980-81 was \$765 322, however, in view of the poor financial position of the Transport Regulation Fund, the Board was unable to make this statutory transfer.

#### *Ministry of Transport - Project Allocations*

During 1980-81, an amount of \$360 300 was received from the Ministry of Transport as reimbursement of the following expenditure from the Transport Regulation Fund in connection with projects undertaken by the Board:

	\$
Balance of 1979-80 approved project costs	15 749
Current year's approved expenditure on projects	344 551
	<hr/>
	360 300
	<hr/>

Not all costs associated with projects undertaken by the Board are met from the Transport Regulation Fund. In the year under review, the Board supervised several projects with aggregate costs, other than salary costs of Board staff, of \$122 413 met directly from the Transport Fund. The salary costs of Board staff were paid from the Transport Regulation Fund.

Although the costs of certain projects undertaken by the Board may be recouped from the Transport Fund, up to limits approved by the Minister, it is considered that the provisions of sub-section (2) of Section 41 of the Transport Regulation Act 1958 requiring the approval of the Governor in Council to certain payments from the Transport Regulation Fund are applicable to all amounts (including salaries) charged to the Transport Regulation Fund in connection with Board projects. It has not been the practice of the Board to obtain such approval.

#### *Vic Rail Cost Study*

In 1980, the Board engaged the services of consultants to undertake the second stage of a study concerned with cost/price relationships in railway operations in Victoria. The consultants had earlier been commissioned by the Ministry of Transport to carry out stage I of the study which was specifically related to the carriage of grain in Victoria.

The costs, in 1980-81, of the second stage of the study amounted to \$156 746 and were met from the Transport Regulation Fund. Although Ministerial approval was given for this expenditure to be charged to the Transport Regulation Fund, the formal approval of the Governor in Council, under the terms of sub-section (2) of Section 41 of the Transport Regulation Act 1958, was not obtained by the Board.

### *Licensing and Registration Costs*

Expenses amounting to \$99 051 in relation to the Board's new licensing and registration responsibilities were met from the Transport Regulation Fund in 1980-81. As these costs form part of the costs of collection of licence and registration fees, they are recoupable from the Country Roads Board Fund.

The salaries of the staff of the Motor Registration Branch from 29 April to 30 June 1981, a period when the operation of the Branch was under the Board's administration, were charged to the vote item, Police and Emergency Services. Comment on these costs is given on page 171 of this report.

### *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 1980-81 amounted to \$1 116 384, compared with \$1 098 800 in 1979-80. The costs of collection and administration recouped were \$228 098, compared with \$223 069 in 1979-80.

### *Suspense Account Transactions*

Transactions processed through the Board's Suspense Account during 1980-81 included the following:

- (a) a total of \$145 000 was received from the Ministry of Transport for the purchase of property at Wodonga for use as a new regional office. A deposit of \$14 500 was paid by the Board in May 1981. The balance of the purchase price, \$130 500, was disbursed in July 1981;
- (b) on 25 June 1981, the Board received an amount of \$47 540 from the Ministry of Transport in connection with a project for the supply and installation of route map display units. The amount was unexpended at 30 June; and
- (c) expenditure totalling \$43 809 on two projects under the Commonwealth's Transport Planning and Research (Financial Assistance) Act 1977.

It is considered that the operation of the Board's Suspense Account should be restricted, as far as practicable, to unidentified or miscellaneous items held pending clearance action. Transactions of the nature described above are more related to the Board's statutory activities and, as such, should be recorded in the Transport Regulation Fund.

### Internal Audit

In April 1981, the Board established an Internal Audit Section comprising 3 officers.

An evaluation of the internal audit function at the Board will be undertaken during 1981-82.

## Motor Registration Branch

Functions of the Motor Registration 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:

	1980-81	1979-80
	\$	\$
Fees under the Motor Car Act 1958	153 112 675	157 988 326
Third Party Insurance Premiums	240 843 781	207 846 718
Stamp Duty	64 579 917	53 550 477
Miscellaneous Receipts	21 453	22 367
	<u>458 557 826</u>	<u>419 407 888</u>

In accordance with statutory direction these collections were credited to:

	1980-81	1979-80
	\$	\$
COUNTRY ROADS BOARD FUND		
Motor Fees	79 155 751	84 186 393
Drivers', Motor Driving Instructors' and Examiners' Licence Fees	3 488 915	3 253 143
	<u>82 644 666</u>	<u>87 439 536</u>
TRANSPORT FUND		
Additional Registration Fees	8 423 713	8 429 597

	1980-81 \$	1979-80 \$
MUNICIPALITIES ASSISTANCE FUND		
Drivers' and Motor Driving Instructors' Licence Fees	5 783 577	5 334 205
TRANSPORT REGULATION FUND		
Omnibus Registration Fees	2 164	2 090
ROADS (SPECIAL PROJECTS) FUND		
Proportion of Registration Fees	..	38 322 174
CONSOLIDATED FUND		
Proportion of Registration Fees	36 485 408	..
Drivers' and Motor Driving Instructors' Licence Fees	11 567 153	10 668 411
Insurance Surcharges	16 833 208	12 483 916
Stamp Duty	64 579 917	53 550 477
Personalised Number Plates	149 109	122 797
Recreation Vehicles Fees	6 545	6 576
Miscellaneous Receipts	21 453	22 367
	<hr/>	<hr/>
	129 642 793	76 854 544
DRIVERS' LICENCE SUSPENSE ACCOUNT		
Drivers' Licence Fees etc.	2 968 738	2 742 333
TRAFFIC AUTHORITY FUND		
Registration Surcharges	4 849 862	4 687 807
MOTOR ACCIDENTS BOARD		
Drivers' Licence Surcharges	231 740	232 800
APPROVED THIRD PARTY INSURER		
Net Premiums collected on behalf of the State Insurance Office	224 010 573	195 362 802
	<hr/>	<hr/>
	458 557 826	419 407 888

#### Fees under the Motor Car Act 1958

Fees collected by the Branch under the Motor Car Act 1958 in 1980-81 amounted to \$153 112 675 compared with \$157 988 326 in the previous year. The reduction in registration fees, operative from 1 January 1980, was the major reason for the decrease in collections in 1980-81.

#### Third Party Insurance

The increase of \$32 997 063 in the total premiums collected on behalf of the authorised insurer in 1980-81 resulted from the full year's effect of both the increase in rates for third party insurance from 12 May 1980, and the increase in the insurance surcharge fee from 1 December 1979.

## Stamp Duty

Collections in 1980-81 were \$64 579 917 compared with \$53 550 477 in the previous year.

The increase of \$11 029 440 was due mainly to the full year's effect of higher rates of duty payable on transfer of motor cars from 19 December 1979, and to the increase in the market value of motor cars generally.

## Consolidated Fund - Proportion of Registration Fees

The proportion of registration fees set out in Section 7A of the Motor Car Act 1958 was from 1 July 1980, in accordance with the provisions of the Transport (Road Funds) Act 1980, credited to the Consolidated Fund. Such fees had in the previous year been credited to the Roads (Special Projects) Fund.

## Costs of Collection

Costs of collection in respect of fees under the Motor Car Act 1958 are apportioned between the participating funds, including the Consolidated Fund, with the exception that in respect of amounts credited to the Consolidated Fund under Section 7A of the Act, the relevant costs of collection are borne by the Country Roads Board Fund.

# 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;

Stamp Duties Office; and

State Insurance Office.

## Treasury - Central Administration

Costs of administration of the Treasury proper charged to the Consolidated Fund for the past two years were:

	1980-81	1979-80
	\$	\$
VOTE		
Treasury		
Salaries and allowances	1 946 269	1 603 937
Overtime and penalty rates	37 444	25 284
Payments in lieu of long service leave	337	12 392
E.D.P. expenses	88 921	90 768
General expenses	229 213	180 433
Payroll tax	96 824	79 805
Workers compensation	27 005	26 023
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)	24 275 791	23 138 930
Payment to Government Printing Office equivalent to revenue paid to Consolidated Fund	16 186 112	14 635 682
Melbourne and Metropolitan Board of Works Contribution towards principal and interest payments on capital works which benefit other than the Metropolitan Area	14 205 550	..
West Gate Bridge Authority - Advance towards interest payments on borrowings	10 000 000	..

	1980-81	1979-80
	\$	\$
Payment of commission in respect of Tattersall Consultations to Governments of New Zealand, Northern Territory, South Australia, Tasmania and Western Australia	9 911 125	4 069 778
Contribution to Cost of Employment Schemes	1 993 000	4 500 000
Victorian Natural Disasters Relief Account	1 900 000	2 500 000
Half cost of consideration Melbourne Wholesale Fruit and Vegetable Market	748 363	756 941
Miscellaneous (including grants and contributions to appeals, social organisations etc. (detailed in the Treasurer's Statement)	3 218 719	1 967 252
	<hr/>	<hr/>
	84 864 673	53 587 225
	<hr/>	<hr/>

### *Workers Compensation*

The net workers compensation premium paid by Treasury is apportioned across Departments on the basis of the salaries, allowances, overtime and penalty rates charged to the Consolidated Fund in the previous year.

### *Contribution - Melbourne and Metropolitan Board of Works*

The State Government has agreed to reimburse the Board for interest and redemption in respect of capital works carried out by the Board which are attributable to non-metropolitan water consumers.

An amount of \$111 461 000 is to be reimbursed to the Board by half-yearly instalments covering interest and principal. The arrangement is subject to review every 3 years.

### *Advance - West Gate Bridge Authority*

The Treasurer approved advances totalling \$19 000 000 to the Authority during the year. \$10 000 000 of this sum was advanced from the Consolidated Fund and \$9 000 000 from the Works and Services Account.

The advances or such proportions as the Treasurer determines are repayable at one months notice and interest charges have been deferred for a period of 5 years from 1 July 1980.

### *Internal Audit*

With the exception of the internal audit section of the State Insurance Office and two internal audit positions in branches of the Treasury Department, one at the State Superannuation Board and one at the Stamp Duties Office, there is no internal audit section in the central administration of Treasury.

In view of the very large amounts of revenue collected by the Treasury Department, it is considered that, as an aid to the efficient and effective management of the Department, it should establish an internal audit function to embrace the activities of the central administration and all its branches.

*Payments to the Commonwealth on account of Loans and Advances*

Payments under this head represent debt charges due to the Commonwealth on account of loans made to, or through, the State for specific purposes. Details are:

	1980-81	1979-80
	\$	\$
Housing (Commonwealth-State Housing Agreement (Servicemen) and Commonwealth's Housing Assistance Act)	2 055 556	2 045 349
Shepparton Preserving Company	552 563	589 313
Marginal Dairy Farms	1 687 744	1 861 795
Dartmouth Dam	842 725	842 725
Rural Reconstruction	5 166 899	4 782 578
Sewerage Program	7 385 571	7 385 571
States Grants (Fruit Canneries) Act 1976	239 983	525 326
States Grants (Beef Industry) Act 1975	543 434	349 026
Softwood Forestry Agreement Act 1972	109 396	62 042
Lands Commission (Financial Assistance) Act 1973- Emerald Hill	611 376	628 836
Albury-Wodonga Development (Financial Assistance) Act 1973	..	6 609
	<hr/>	<hr/>
	19 195 247	19 079 170
	<hr/>	<hr/>

With the exception of payments in respect of the Dartmouth Dam and the Softwood Forestry, these amounts have been recouped or are subject to recoup, in whole or in part, from the authorities or bodies involved.

**Trust Accounts**

*Insurers Guarantee and Compensation Supplementation Fund*

This fund was established under the Workers Compensation Act 1978 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 may also be applied in the making of repayable advances to the Workers Supplementation Fund.

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 summaries set out the transactions in the fund.

	1980-81	1979-80
	\$	\$
Balance 1 July	57 077 075	61 414 488
<b>RECEIPTS</b>		
Surcharge Levies	1 285	22 084
Income from Investments	5 498 374	5 477 616
	<u>5 499 659</u>	<u>5 499 700</u>
	<u>62 576 734</u>	<u>66 914 188</u>
<b>PAYMENTS</b>		
Claims	11 696 630	9 437 916
Administrative Costs	585 669	363 435
Refunds-Surcharge Levies	64 409	35 762
Advances-Workers Supplementation Fund	3 285 000	..
	<u>15 631 708</u>	<u>9 837 113</u>
Balance 30 June	<u>46 945 026</u>	<u>57 077 075</u>
<b>Represented by:</b>		
Investments	46 901 000	56 501 000
Cash	44 026	576 075
	<u>46 945 026</u>	<u>57 077 075</u>

At 30 June 1981, the investments of the fund comprised Bank Term Deposits, \$9 500 000, Short Term Money Market \$650 000, Commonwealth Government Loans \$7 896 000, and Semi-Government Securities, \$28 855 000.

On 8 January 1980, the Supreme Court of Victoria appointed a liquidator to handle the affairs of Palmdale Insurance Ltd. The liquidator, in accordance with section 103 of the Workers Compensation Act 1958, advised the Insurance Commissioner, who is responsible for the administration of the Insurers Guarantee Compensation and Supplementation Fund, that the company was unable to provide indemnity under the workers compensation policies it had issued.

Claims paid during the year in respect of Palmdale Insurance Ltd. (in liquidation) amounted to \$7 375 649 compared with \$3 456 409 in the previous year. Increases in the costs of administration were mainly associated with handling these claims:

To date the following matters are still to be determined:

- (a) the amount of refund which would normally have been recoverable by the Company under the various compensation provisions of the Workers Compensation Act 1958, had the Company continued in business; and
- (b) amounts recoverable from reinsurers.

An actuarial estimate of gross claims outstanding (including administration expenses) at 30 June 1981 for Palmdale Insurance Ltd. (in liquidation) ranges from a "low" estimate of \$26.8 million to a "high" of \$50.1 million.

*Workers Supplementation Fund*

This fund was established under the provisions of the Workers Compensation (Miscellaneous Provisions) Act 1979 to recompense employers and insurers for additional amounts paid due to the increased rates of compensation payable:

- (a) after 30 November 1979; and
- (b) for injuries occurring before 1 July in a year in which the rates of compensation are increased after 1 July, in line with movements in the average weekly earnings.

The fund is financed by means of a surcharge levied, presently at the rate of 6 per cent. on the statutory premium element of premiums received by an insurer.

	1980-81	1979-80
	\$	\$
Balance 1 July	1 774 760	..
RECEIPTS		
Surcharge Levies	18 763 141	1 960 870
Interest	342 030	11 417
Advances Insurers Guarantee Supplementation Fund	3 285 000	..
	<hr/>	<hr/>
	24 164 931	1 972 287
	<hr/>	<hr/>
PAYMENTS		
Claims	24 068 370	163 003
Administrative Costs	86 714	34 524
	<hr/>	<hr/>
	24 155 084	197 527
	<hr/>	<hr/>
Balance 30 June	9 847	1 774 760
	<hr/>	<hr/>
Represented by:		
Investments	..	950 000
Cash	9 847	824 760
	<hr/>	<hr/>
	9 847	1 774 760
	<hr/>	<hr/>

## 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 for in the Tender Board Vote.

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

	1980-81	1979-80
	\$	\$
<b>PAYMENTS</b>		
<b>VOTE</b>		
Tender Board		
Salaries and allowances	144 102	125 988
Overtime and penalty rates	2 929	1 129
General expenses	16 846	14 213
Transport and cartage	986 392	624 991
Treasury		
Payroll tax	7 176	6 227
Workers compensation	2 226	1 874
	1 159 671	774 422
<b>RECEIPTS</b>		
Recoup of freight and transport charges	12 719	8 720

The increased payments for transport and cartage during the year was mainly due to:

- (a) a more regular distribution of stores to schools; and
- (b) substantial increases in the costs of freight and cartage.

### State Superannuation Board of Victoria

In accordance with the provisions of the Superannuation Act 1958, the expenses incurred in managing the property investments of the Board and certain other expenses which the Treasurer so directs pursuant to sub-section (2) of Section 6 D, can be met from the Superannuation Fund. To date no such direction has been made by the Treasurer.

Costs of administering the Board and charged to the Consolidated Fund for the past two years are shown hereunder:

	1980-81	1979-80
	\$	\$
<b>VOTE</b>		
State Superannuation Board		
Salaries and allowances	1 277 987	1 100 462
Overtime and penalty rates	29 784	15 569
E.D.P. expenses	846 278	750 000
Medical expenses	254 520	227 218

	1980-81	1979-80
	\$	\$
General expenses	279 629	239 731
Other services	108 297	60 308
Treasury		
Payroll tax	63 831	54 667
Workers compensation	19 667	17 141
WORKS AND SERVICES ACCOUNT		
E.D.P. Development costs	332 400	..
	<u>3 212 393</u>	<u>2 465 096</u>

Further comment on the Board and the operations of the superannuation funds administered by the Board is made in my supplementary report.

### Taxation Office

The responsibilities of the Taxation Office include the collection of probate duty, land tax, gift duty and payroll tax. Details of collections from these sources together with comments on the non-assessment of land tax were given earlier in this report under the general head of Receipts on page 13.

Details of the receipts (other than direct taxation) and payments of the Office for the past two years are as follows:

	1980-81	1979-80
	\$	\$
PAYMENTS		
VOTE		
Taxation Office		
Salaries and allowances	4 299 737	3 658 101
Overtime and penalty rates	151 941	86 304
Payments in lieu of long service leave	78 692	76 254
E.D.P. expenses	1 687 108	1 300 501
Municipal valuations	255 297	84 128
General expenses	443 043	338 363
Treasury		
Payroll tax	217 356	183 414
Workers compensation	67 466	67 383
WORKS AND SERVICES ACCOUNT		
E.D.P. Design expenses	296 745	505 142
	<u>7 497 385</u>	<u>6 299 590</u>
RECEIPTS		
Fees	360 970	297 939
Other	1 391	1 574
	<u>362 361</u>	<u>299 513</u>

## Stamp Duties Office

The Stamp Duties Office is responsible for the collection of stamp duty under the provisions of the Stamps Act 1958, and the Cattle Compensation Act 1958 and for licences issued under the Business Franchise (Tobacco) Act 1974 and the Business Franchise (Petroleum Products) (Licence Fees) Act 1979. Details of collections and comments on the non-imposition of penalties were given earlier in this report under the head of Receipts on pages 21 and 22.

Details of the receipts (other than direct taxation) and payments of the Office for the past two years are as follows:

	1980-81	1979-80
	\$	\$
<b>VOTE</b>		
Stamp Duties Office		
Salaries and allowances	2 192 978	2 175 704
Overtime and penalty rates	60 892	16 232
Payments in lieu of long service leave	27 020	61 587
E.D.P. expenses	6 856	14 124
Commission on sale of duty stamps	980 000	658 027
General expenses	428 462	355 630
Treasury		
Payroll tax	110 442	107 369
Workers compensation	39 240	31 951
<b>WORKS AND SERVICES ACCOUNT</b>		
E.D.P. expenses	..	10 933
	3 845 890	3 431 557
<b>RECEIPTS</b>		
Discount on stamps repurchased	44 089	39 662
Sale of betting books	22 523	19 302
Other	11 586	3 367
	78 198	62 331

## State Insurance Office

Statements of the accounts of the State Insurance Office together with comments on the years transactions, are included in a later report.

# 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:

- (a) the Minister of Water Supply;
- (b) the Water Resources Council; and
- (c) the Director of Water Resources and such other officers and employees as are necessary to carry out the functions of the Ministry.

Funds for the purposes of the Ministry were provided in the annual Appropriation Act. Payments for the past two years are shown hereunder:

	1980-81	1979-80
	\$	\$
Salaries and allowances	275 654	212 002
General expenses	45 139	43 831
Other Services-Drainage Tribunal, Chairman's salary and members' fees, Sewerage Treatment Operator Training Centre	53 681	59 817
	<hr/>	<hr/>
	374 474	315 650
	<hr/>	<hr/>

## State Rivers and Water Supply Commission

The State Rivers and Water Supply Commission, in its function of administering the Water Act 1958, 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. The Commission also exercises supervision over waterworks trusts, river improvement trusts, local governing bodies and sewerage authorities throughout the State. The local governing bodies and sewerage authorities are not subject to my audit. 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 Organisation, to assist with, or carry out, developmental works in any country, State or Territory outside Victoria.

## Consolidated Fund

Details of the receipts and payments of the Consolidated Fund are set out in the following statement:

PAYMENTS CHARGES TO THE CONSOLIDATED FUND	Country Sewerage \$	Country Water Supply \$	1980-81 Total \$	1979-80 Total \$
<b>SPECIAL APPROPRIATION</b>				
Pensions	..	3 317 435	3 317 435	2 912 799
National Debt Sinking Fund	..	1 403 985	1 403 985	1 362 673
Interest	..	49 443 749	49 443 749	46 052 884
Exchange	..	12 929	12 929	20 876
Water Supply Maintenance and Renewals Account	..	1 457 950	1 457 950	943 341
I.D.M.E.R. Account	..	59 150	59 150	19 924
<b>VOTE</b>				
Salaries and allowances	7 218	28 678 053	28 685 271	25 552 585
Overtime and penalty rates	..	48 286	48 286	39 730
Long service leave	..	663 885	663 885	588 896
Payroll tax	..	2 195 656	2 195 656	1 965 820
Workers compensation	..	1 478 798	1 478 798	602 551
State Employees Retirement Benefits	..	335 495	335 495	..
General expenses	..	2 716 581	2 716 581	2 410 563
Interest subsidies	10 043 399	3 942 118	13 985 517	11 641 226
Rate Subsidies	..	37 176	37 176	22 928
Coliban	..	733 336	733 336	625 388
Irrigation and Drainage Districts	..	6 863 000	6 863 000	6 175 917
Waterworks Districts	..	5 710 896	5 710 896	4 384 919
Flood Protection Districts	..	159 995	159 995	143 573
Removal of sand drift	..	..	..	199 999
Private diversions including headworks	19 295	213 552	232 847	201 123
River Murray Commission	..	250 000	250 000	250 000
Laboratory expenses	..	1 410 941	1 410 941	1 195 212
Other Services	..	616 518	616 518	280 591
<b>WORKS AND SERVICES ACCOUNT</b>				
Trusts etc. (for advances)	2 300 000	4 200 000	6 500 000	6 347 886
Storages and Headworks	..	6 364 189	6 364 189	3 280 608
Other State Works	..	17 125 798	17 125 798	18 327 959
Works pending reimbursement by landholders	..	500 000	500 000	550 000
Dandenong Valley Authority	..	700 000	700 000	900 000

	\$	\$	1980-81 \$	1979-80 \$
Waste water				
treatment studies	..	426 082	426 082	140 269
River Murray Works	..	2 074 144	2 074 144	3 583 400
Melbourne and Metropolitan				
Board of Works	300 000	286 834	586 834	300 000
Plant and Machinery	..	88 306	88 306	79 542
		<u>          </u>	<u>          </u>	<u>          </u>
Total Payments		12 669 912	143 514 837	156 184 749
		<u>          </u>	<u>          </u>	<u>          </u>

RECEIPTS

Debt Charges Water Trusts and other Corporations etc.		1 177 049	2 490 738	3 667 787	3 894 336
Rates etc.					
Coliban	..	2 675 768	2 675 768	2 156 129	
Irrigation Districts	..	17 357 444	17 357 444	15 042 240	
Waterworks Districts	..	5 236 752	5 236 752	4 572 245	
Rural Districts	..	408 164	408 164	386 559	
Urban Districts	..	11 703 066	11 703 066	9 889 975	
Flood Protection					
Districts	..	237 255	237 255	210 309	
Miscellaneous	..	1 529 646	1 529 646	1 295 286	
Sewerage Districts	35 934	..	35 934	31 893	
Recoup of amounts paid from the Consolidated Fund	..	12 947 761	12 947 761	11 396 600	
Loan Repayments	508 798	1 095 156	1 603 954	1 105 056	
		<u>          </u>	<u>          </u>	<u>          </u>	
Total Receipts		1 721 781	55 681 750	57 403 531	
		<u>          </u>	<u>          </u>	<u>          </u>	

Comments on certain items of receipts and payments follow:

(a) Rate Collections

Collections from various water districts increased overall by \$5 595 352 and resulted from:

- (i) the higher level of rates charged; and
- (ii) the increased sales of water

A dissection of the total collectable sum in each of the past two years and the amounts owing at 30 June 1981 is given in the statement hereunder:

	Total Collectable		Arrears
	1980-81 \$	1979-80 \$	30 June 1981 \$
Coliban	2 986 359	2 357 342	351 074
Irrigation Districts	21 068 020	17 572 512	4 456 505
Waterworks Districts	5 912 437	5 046 622	765 572
Rural Districts	474 652	423 074	72 885
Urban Districts	13 153 002	11 106 443	1 536 935
Flood Protection Districts	272 183	240 529	40 617
Sundries	1 356 079	1 192 668	98 165
	<u>          </u>	<u>          </u>	<u>          </u>
	45 222 732	37 939 190	7 321 753
	<u>          </u>	<u>          </u>	<u>          </u>



Excluding sundry Head Office collections, the collection of current assessments, expressed as a percentage of the total current amount collectable was 82.9 per cent. in 1980-81, compared to 85.4 per cent. in the previous year.

The increase in arrears at 30 June 1981 compared with 1980 was mainly due to increased sales of water as a result of the dry conditions prevailing throughout the year. Further, a large percentage of the water sales are not collected until the 1981-82 year.

(b) Works and Services Account

Payments from the Works and Services Account included the sum of \$23 489 987 in respect of works undertaken by the Commission. The main items were:

	\$
Irrigation Districts	
Principally the construction of main channels and drainage works	4 940 134
Mornington Peninsula System	
Installation, enlargement and extension of main supply works, pipelines and reticulation	5 091 720
Tanjil River Project	3 445 000
Surveys, Investigations, Designs and Research	2 857 512
Mitchell River Project	1 227 796

(c) Increases in Payments (other than Works and Services)

The table below shows a comparison, with the previous year, of major items of payments which have increased due mainly to a general rise in costs. The substantial increase in workers compensation insurance was mainly due to:

- (i) additional claims paid; and
- (ii) an increase in the provision for outstanding claims at 30 June.

	1980-81	1979-80	Increase
	\$	\$	\$
Interest	49 443 749	46 052 884	3 390 865
Salaries	28 685 271	25 552 585	3 132 686
Interest Subsidies	13 985 517	11 641 226	2 344 291
Waterworks	5 710 896	4 384 919	1 325 977
Workers Compensation	1 478 798	602 551	876 247
Irrigation	6 863 000	6 175 917	687 083
Pensions	3 317 435	2 912 799	404 636

## Trust Accounts

### *Irrigation Districts Maintenance Equalisation 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 1980-81 was \$59 150, and this sum was provided from Consolidated Fund by way of Special Appropriation. Payments during the year totalled \$19 658 and the balance of the fund at 30 June 1981 was \$97 405 (1980, \$51 144).

### *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 1980-81 was \$1 457 950 and this sum was provided from the Consolidated Fund by way of Special Appropriation. Payments during the year totalled \$443 265 and the balance of the fund at 30 June 1981 was \$2 756 809 (1980, \$1 554 689).

### *Water Supply Stores Suspense Account*

Up to and inclusive of 30 June 1981, funds amounting to \$3 412 000 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 Statement, the balance at credit of the Water Supply Stores Suspense Account is shown as \$503. This amount is represented in the Commission's accounts by:

	\$
Credit Balances of Hire Plant Accounts	250 869
Less increase in District Stocks	250 366
	<hr/>
	503
	<hr/>

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 the 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 1981 were:

	Plant	Tools and Stores
	\$	\$
At Construction Works	185 270	518 303
Stores Suspense Accounts (Depots)	343 746	2 987 228
At Central Plant Workshops (Suspense Accounts)	69 192	473 482
At Central Plant Workshops pending transfer or disposal	1 094	1 711

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 \$88 306. The capital liability at 30 June 1981 in respect of this class of plant and machinery was \$4 115 085.

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 1981, the balance in the fund for the replacement of hire plant and machinery was \$2 400 138 (1980, \$1 772 290).

#### *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 at the Treasury. 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 1980-81 was \$25 875. However, in recent years, no payment has been made to the fund and, at 30 June 1981, no balance was held in the fund at the Treasury. At the same date, the balance of the account in the books of the Commission was \$825 733.

### *Water Supply Development Account*

The Water Act 1958 provides 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 \$1 430 847. Payments therefrom totalled \$2 777 704. The balance of the account at the close of the year was \$625 346 (1980, \$1 972 203).

### *Dartmouth Dam Construction Account*

The 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 \$2 476 419 and payments to \$2 558 265. The balance in the account at 30 June 1981 was \$106 579 (1980, \$188 425).

### *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 \$2 634 119 and payments to \$3 201 097. The balance in the account at 30 June 1981 was \$528 499 (1980, \$1 095 477).

### *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 which are collected by the Department of Crown Lands and Survey 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 \$145 731 and \$250 318 respectively. The balance in the fund at 30 June 1981 was \$157 279 (1980, \$261 866).

### *National Water Resources Program Trust Account*

An agreement, made under the provisions of the National Water Resources (Financial Assistance) Act 1978, provides Commonwealth financial assistance in respect of salinity control projects in the Murray River Valley.

In the year, contributions amounted to \$4 046 510 and payments to \$3 881 344. The balance in the account at 30 June 1981 was \$227 936 (1980, \$62 770).

*Tanjil Dam Construction Account*

The 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 Tanjil Dam.

In the year, receipts, including recoups of expenditure from the State Electricity Commission of Victoria (\$3.4 million), amounted to \$6 845 000 and payments to \$6 838 249. The balance in the account to 30 June 1981 was \$6 806 (1980, \$55).

*Other Trust Accounts*

During the year the following payments were met from the undermentioned trust accounts.

	\$
Victorian Natural Disasters Relief Account	755 052
Water Supply Recreational Areas Trust Account	95 038
Special Youth Employment Training Program Trust Account	73 916
Rural Employment Scheme 1979-80 No. 1 Account	11 075
Water Resources Research Trust Account	59 367
Sewerage Treatment Operator Training Trust Account	20 781
Eildon Sewerage District Depreciation Fund	2 690
Water Supply Research Trust Account	3 378

**Other Matters**

*Interest Subsidies*

The provisions of section 304 of the Water Act 1958, section 72 of the Sewerage Districts Act 1958 and section 46A of the Mildura Irrigation and Water Trusts Act 1958, authorise the payment of interest subsidies on certain borrowed moneys to Authorities constituted in accordance with the provisions of those Acts.

The subsidies are paid where the interest rate paid on the moneys borrowed by authorities for capital works exceeds 3 per cent in any financial year.

Under the respective acts the Treasurer is required to pay to the authorities the amounts certified to by the Auditor-General.

During the year, amounts totalling \$13 816 060 were certified for payment in accordance with the relevant legislation. Details are:

	\$
Sewerage authorities	9 970 928
Waterworks trusts	2 646 918
Local governing bodies	864 354
Authorities under special acts	330 748
River improvement trusts	3 112
	<hr/>
	13 816 060
	<hr/>

The Treasurer's Statement shows the following amounts as being paid from the State Rivers and Water Supply Commission Vote:

	\$
Division 740 Item 3 (8)	10 043 399
Division 740 Item 3 (9)	3 942 117
	<hr/>
	13 985 516
	<hr/>

The additional amount paid of \$169 456 is made up as follows:

	\$
"Ex-gratia" payments to a number of Authorities as approved by the Treasurer	90 652
"Special interest subsidy" paid to the Geelong Waterworks and Sewerage Trust as approved by the Treasurer	78 804
	<hr/>
	169 456
	<hr/>

In my opinion, the additional amount of \$169 456 is not a proper charge against the State Rivers and Water Supply Commission Vote.

#### *Internal Audit*

On two occasions audit reports have drawn the attention of the Commission to the desirability of establishing an internal audit function within the Commission. However, such a function has not yet been established.

In view of the range of the Commissions activities and having regard to the fact that a substantial portion of these activities are managed from District centres spread throughout the State an internal audit function is essential.

#### **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 1980-81 on these works amounting to \$3 808 573, including an amount of \$2 558 265 on the construction of Dartmouth Dam. (Refer page 224 of this report).

In 1980-81, under the authority of Water Supply Works and Services Acts Nos. 9311 and 9507, Victoria contributed \$2 074 144 for the construction of works bringing the state's total contribution for construction at 30 June 1981, to \$49 575 369. 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 office.

#### *Waterworks Trusts*

Supervision of the 183 constituted Waterworks Trusts is vested in the State Rivers and Water Supply Commission. The accounts of the Trusts which are prepared on an accrual basis are required by Section 169 of the Water Act 1958 to be audited by my officers.

Funds for capital works by the Trusts have been provided principally from advances made available by the State. Works have also been financed from the Trusts' own resources and from loans raised under the provisions of the Act. The Water Authorities (Constitution and Powers) Act 1979 provides that, subject to the prior approval of the Minister, the Depreciation Fund of a Trust may be applied by way of advance towards the payment of the cost of the purchase or construction of any approved works. The Minister is to determine the terms and conditions of the repayment of the advance. During the year advances totalling \$1 761 768 and bearing interest at the rate of 3 per cent. were approved by the Minister.

In 1980-81, advances to various Trusts by the State from the Works and Services Account amounted to \$2 321 812. Repayments on account of advances amounted to \$193 430 and the following amounts were, by direction of the Governor in Council, adjusted against the capital expenditure borne by the State:

- (a) liability relieved from Trusts \$679 094; and
- (b) amounts transferred to State Rivers and Water Supply Commission and other Trusts \$246 518.

The net increase during the year in the Trusts' indebtedness for State loans was \$1 202 770. Details are listed in the Treasurer's Statement.

#### *River Improvement Trusts*

The accounts of 27 River Improvement Trusts and 4 Drainage Trusts, which are constituted under the River Improvement Act 1958, and prepared on an accrual basis are subject to audit by my officers, as required by the provisions of the Act.

The position of advances made to the various Trusts is shown in the Treasurer's Statement. For the year 1980-81, advances totalled \$900 000, repayments in respect of advances amounted to \$7 542 and certain Trusts were relieved of liability to the extent of \$769 048 which the Governor in Council directed be borne by the State. The net increase in the Trusts' indebtedness for State loans was \$123 410.

### *Local Governing Bodies*

Pursuant to Section 184 of the Water Act 1958 the Commission exercises control over 16 local governing bodies constituted by the Governor in Council, to construct and maintain Waterworks. The books and accounts of the local governing bodies are not subject to my audit.

In the year 1980-81 funds advanced by the State for capital works totalled \$592 250. Repayments on account of advances amounted to \$42 000 and certain local governing bodies were relieved of liability to the extent of \$459 228. This sum, by direction of the Governor in Council, is to be borne by the State. The net increase during the year in the local governing bodies indebtedness for State loans was \$91 023. Details are listed in the Treasurer's Statement.

### *Authorities under Special Acts*

In addition to waterworks trusts and local governing bodies constituted under the Water Act 1958, there are 5 other authorities constituted under special acts of Parliament.

Advances by the State to these authorities for capital works in 1980-81 totalled \$1 375 188. Total loans to 30 June 1981 are listed in the Treasurer's Statement. Repayments in respect of advances amounted to \$179 270 and at the direction of the Governor in Council, certain authorities were relieved of liability to the extent of \$1 248 807. This sum is to be borne by the State. The net decrease in the authorities indebtedness for State loans was \$52 889.

### *Country Sewerage*

In addition to its function of administering the Water Act 1958, the Commission under the provisions of the Sewerage Districts Act 1958 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 1958, the accounts of the Authorities are not subject to my audit.

Under the provisions of the Sewerage Authorities (Constitution and Powers) Act 1979, the Minister may approve the use of the Depreciation Fund of an Authority for the purchase or construction of approved works. During the year, advances totalling \$52 000 and bearing interest at the rate of 3 per cent. were approved by the Minister.



Advances by the State for capital works in 1980-81 totalled \$1 800 000. Total loans to 30 June 1981 are listed in the Treasurer's Statement. Repayments in respect of advances amounted to \$435 565 and certain Authorities were relieved of liability to the extent of \$1 800 000, which the Governor in Council directed be borne by the State. The net decrease in the Authorities' indebtedness for State loans was \$435 565.

# DEPARTMENT OF YOUTH, SPORT AND RECREATION

The objects of the Department of Youth, Sport and Recreation, established under the provisions of the Youth, Sport and Recreation Act 1972 are stated in the Act as:

- (a) to assist in the growth of the individuality and character of the youth of Victoria;
- (b) to promote the fitness and general health of the people of Victoria; and
- (c) to improve the facilities available to the people of Victoria for leisure-time pursuits.

The Department is also responsible for the administration of the Racing Act 1958.

## Payments from the Consolidated Fund

Payments charged against the Consolidated Fund for the past two years are compared hereunder:

	1980-81	1979-80
	\$	\$
<b>SPECIAL APPROPRIATION</b>		
Racing-amount required to provide for minimum dividend of 50 cents	75 105	112 382
<b>VOTE</b>		
Youth, Sport and Recreation		
Salaries and allowances	1 037 545	903 217
Overtime and penalty rates	2 792	2 328
Payments in lieu of long service leave	..	33 394
General expenses	226 695	185 001
Payroll tax	50 370	43 264
Racing Administration (including salaries, allowances and general expenses)	322 279	285 612
Contribution to Totalizator Agency Board	2 370 000	..
Treasury		
Workers compensation	20 860	19 199
<b>WORKS AND SERVICES ACCOUNT</b>		
Municipal Subsidies-Rural Employment	90 398	1 117 187
Government Pavilion-Royal Showgrounds	13 500	11 446
Olympic Park Committee of Management - Special Loan	*300 000	..
Establishment costs - Camp Manyung	26 856	..
Transfer to 1988 Olympic Games Application Account	160 000	..
	4 696 400	2 713 030

\* Special loan, interest free for 5 years. At the date of this report the Treasurer had not made a determination in respect of the terms of repayment.

The contribution from the Consolidated Fund to the Totalizator Agency Board in 1980-81 represents the amount required to maintain a distribution level to the participating racing clubs at 3.525 per cent. of the Totalizator Agency Board turnover.

### 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.

Two of these trust funds, namely the Sports and Recreation Fund and the Recreation Operating Fund, are also utilised, at the direction of the Treasurer to pay the salaries of certain departmental officers performing general administrative duties not directly related to Trust Fund activities. It is my opinion that the Trust Funds should not be used for this purpose and the expenditure involved be met from Vote.

Brief comments on each of the 4 funds are given in the following paragraphs:

#### *Youth Fund*

Receipts of the fund amounted to \$1 994 286. This amount consisted of the fund's share of off-course totalizator receipts, as determined by the Treasurer which amounted to \$1 962 480 in 1980-81 compared with \$1 924 000 in 1979-80 and other receipts totalling \$31 806. In 1980-81, \$1 949 613 was expended from the fund, a decrease of \$73 902 compared with the previous year. Payments consisted of:

	1980-81	1979-80
	\$	\$
Grants to Youth Organisations for buildings, operating expenses and leadership training	884 984	925 070
Youth Programs	445 654	342 118
Municipal Recreation Officers-Salary Subsidies	216 848	212 349
Community School and School Holiday Programs	206 044	183 652
Youth, Family and Departmental Recreation Camps	13 611	130 178
Youth Conferences	..	71 230
Community Recreation Advisers-Salaries	64 823	63 775
Duke of Edinburgh Scheme	66 994	55 351
Youth Employment	8 742	21 768
Other	41 913	18 024
	<u>1 949 613</u>	<u>2 023 515</u>

At 30 June 1981, the balance of the fund was \$569 260 (1980, \$524 587).

## Sports and Recreation Fund

The receipts of the fund for the past two years are summarised below:

	1980-81	1979-80
	\$	\$
Share of off-course and Tabella Totalizators	5 744 227	5 319 999
Special Appropriations under the Tattersall Consultations Act 1958	1 330 499	1 641 121
Commonwealth Contributions	433 853	53 700
Loan Repayments (Municipalities)	553 738	279 530
"Life Be In It" (Royalties, sales etc.)	289 175	163 930
Other receipts	147 401	46 715
	<u>8 498 893</u>	<u>7 504 995</u>

Payments from the fund amounted to \$7 788 618 in 1980-81 as compared with \$9 756 718 in 1979-80. A detailed comparative statement of payments from the fund appears below:

	1980-81	1979-80
	\$	\$
Assistance to Municipalities		
Major Capital Projects-Grants	1 384 969	1 754 905
Loans	962 750	1 508 538
Municipal Recreation Officers-Salary Subsidies	436 525	424 698
Other Municipal Assistance	186 888	155 258
State Indoor Sports and State Swimming Centre	1 601 260	2 997 545
Allocation to Recreation Operating Fund	656 345	500 000
Salaries and expenses	169 878	155 841
Grants to parent sporting and recreation associations for sports and recreation development	562 034	569 764
"Life Be In It"		
Salaries	105 103	124 160
Programs	182 799	178 690
Royalties	131 309	137 059
Grants	..	19 999
Water Safety	304 162	378 246
Special Provisions (including Maintenance grants to Royal Agricultural Society, Yarra Bend and Albert Parks)	137 311	156 858
Community Recreation Advisers-Salaries	130 481	126 841
Special Grants	39 450	30 404
Sports and Recreation Programs	255 274	187 724
Camps - Departmental (Capital Works)	212 374	117 209
Other (Maintenance Grants)	85 882	56 085
Conference and Printing Centre	116 689	76 185
Sports Aid Foundation - Grants and Loans	45 000	40 000
Soccer Ground Improvements	27 994	24 337
Other	54 141	36 372
	<u>7 788 618</u>	<u>9 756 718</u>

The balance of the fund at 30 June 1981 was \$3 567 453 (1980, \$2 857 177).

Loans to Municipalities outstanding at 30 June 1981 totalled \$2 774 270.

## *Recreation Operating Fund*

The Recreation Operating Fund was established under the Youth, Sport and Recreation (State Recreation Council) Act 1977 to record operations relating to the provision of recreational camps, activities and programs. Receipts of the fund amounted to \$1 400 907 in 1980-81 compared with \$1 162 436 in 1979-80 and comprised the following:

	1980-81	1979-80
	\$	\$
Transfer from Sports and Recreation Fund	656 345	500 000
Camp Fees	578 471	481 842
Recreation Activities Fees	142 488	173 310
Other receipts	23 603	7 284
	<u>1 400 907</u>	<u>1 162 436</u>

Payments totalled \$1 385 904 in 1980-81 and \$1 177 936 in 1979-80 and consisted, mainly, of payments on the following items:

	1980-81	1979-80
	\$	\$
Camps	678 416	547 393
Recreation Activities	204 894	206 338
Administrative Salaries and Expenses	502 593	424 205

The balance of the fund at 30 June 1981 was \$66 760.

The Recreation Development Division of the Department is responsible for the operation of six recreation camps, which are made available to schools, youth, sporting and community organisations. Operations during 1980-81 resulted in a deficit of \$96 826 compared with a deficit of \$65 551 in 1979-80.

Although audit reports have criticised certain aspects of camping administration, including inadequate costing and lack of control over accommodation, significant improvements have not resulted.

## *Australian Football Fund*

Moneys credited to the fund, being its share of off-course totalizator and Tabella totalizator receipts, amounted to \$200 076 in 1980-81 compared with \$181 387 in 1979-80. 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 1980-81 amounted to \$194 418 (\$177 975 in 1979-80). The balance of the fund at 30 June 1981 was \$14 587.

## 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	Trotting	Racing	Trotting
	1980-81	1980-81	1979-80	1979-80
	\$	\$	\$	\$
Balance 1 July	1 690 650	519 417	1 514 862	403 787
<b>RECEIPTS</b>				
Share of off-course totalizators	3 100 545	1 043 825	2 814 855	955 948
Treasurer of Victoria				
Special Appropriations	*1 221 574	*371 724	*836 971	*256 553
Interest on Investments	144 007	25 649	112 777	14 274
Loan Repayments	39 268	12 500	41 168	10 000
	<u>6 196 044</u>	<u>1 973 115</u>	<u>5 320 633</u>	<u>1 640 562</u>
<b>PAYMENTS</b>				
Improvements-Grants	2 445 558	707 872	2 442 421	859 485
Loans	374 804	10 000	376 874	..
Administrative Expenses	100 231	34 488	80 688	28 660
Totalizator Equipment - Grants	1 328 000	395 000	730 000	233 000
	<u>4 248 593</u>	<u>1 147 360</u>	<u>3 629 983</u>	<u>1 121 145</u>
Balance 30 June	<u>1 947 451</u>	<u>825 755</u>	<u>1 690 650</u>	<u>519 417</u>
Loans to Clubs outstanding at 30 June	<u>2 601 226</u>	<u>354 882</u>	<u>2 265 690</u>	<u>357 382</u>

\* Pursuant to the provisions of the Racing (Amendment) Act 1978 which provides for 0.25 per cent. of the commission deducted from certain totalizator pools to be paid to the Development Funds from the Consolidated Fund for race meetings conducted on or after 1 August 1979. This provision is to be terminated on or before 1 August 1985.

### *Greyhound Racing Grounds Development Fund*

	1980-81	1979-80
	\$	\$
Balance 1 July	513 695	473 948
<b>RECEIPTS</b>		
Share of off-course totalizators	626 440	586 160

	1980-81	1979-80
	\$	\$
Treasurer of Victoria - Special Appropriation	*204 587	*130 127
Interest on Investments	19 626	22 943
	<hr/>	<hr/>
	1 364 348	1 213 178
	<hr/>	<hr/>

**PAYMENTS**

Improvements-Grants	603 652	554 691
Totalizator Equipment Grant	217 872	115 941
Administrative Expenses	36 234	28 851
	<hr/>	<hr/>
	857 758	699 483
	<hr/>	<hr/>
Balance 30 June	506 590	513 695
	<hr/>	<hr/>

\* see note on page            of this report

**Other**

*School Vacation Care Program (Commonwealth) Trust Account*

During 1980-81, \$303 942 was expended in providing grants to organisations providing vacation care programs. The comparative figure for 1979-80 was \$277 545.

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

During 1980-81 \$302 981 was expended from this account in providing grants and equipment to organisations providing education programs outside of normal school hours. The comparative figure for 1979-80 was \$226 173.

*Rural Employment Scheme 1979-80 No. 1 Account*

During 1980-81 \$480 944 was expended on subsidies to municipalities for approved works to relieve unemployment. The comparative figure for 1979-80 was \$129 435.

*1988 Olympic Games Application Account*

This account was established to record operations relating to Melbournes unsuccessful application to be host city for the 1988 Olympic Games. The Commonwealth agreed to meet half the cost of the application up to a limit of \$280 000.

Receipts of the fund amounting to \$228 238, consisted of \$160 000 provided from Works and Services Account, and Commonwealth contributions of \$68 238.

Payments consisted of:

	\$
Consultancy	75 986
Salaries	30 150

	\$
*Printing of 650 invitations	80 345
Travelling	9 883
Printing	9 357
Vehicle Hire	4 351
Other	10 480
	<hr/>
	220 552
	<hr/>

\* Final cost of printing the invitations was \$93 390. Delivery to the department was completed in August 1981.

The balance of the account at 30 June 1981 was \$7 686.



## 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 in the Treasurer's Statement of the contingent liability of the State in respect of guarantees issued by the Treasurer and of the contingent liability for government guarantees in respect of borrowings by State instrumentalities.

Other guarantees listed in the Treasurer's Statement totalling \$4 230 000 are not authorised by statute.

As indicated in the Treasurer's Statement the contents have been prepared from information provided by the instrumentalities and certain of the figures are subject to audit verification.

A further reference to guarantees is given on page 145 of this report.

### 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 1981.

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Date	Department etc.	Amount	Particulars
		\$	
7.7.77	Treasury-Office of Comptroller of Stamps	8 224	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 \$2 380 remained unsatisfied at the close of the year.

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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 1980-81, the Treasurer has not been acquitted to the extent of \$6 153 679 which is the amount of advances to Departments etc. not adjusted prior to 30 June 1981.

### Defalcations and Irregularities

As required by Section 47 of the Audit Act 1958, particulars of reported 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. In the majority of instances, the police were notified and, where applicable, claims were made on insurers.

#### Agriculture

##### *Division of Agricultural Chemistry*

An officer of the Division, who has since resigned, submitted fraudulent claims for reimbursement of travelling expenses in respect of other officers of the Division and misappropriated the proceeds. The total sum involved has not yet been determined. Police have been notified and departmental enquiries are continuing.

##### *Other*

A minor irregularity relating to the theft of postage stamps at the Warrnambool office of the Department was also reported.

#### Education

##### *Latrobe University*

A staff member submitted applications for grants in respect of study tours without disclosing that he was also in receipt of grants from another University source. A total of \$7 512 is to be repaid to the University and at date of preparing this report the sum due had been reduced to \$4 833.

Minor thefts of cash from a number of University departments were also reported during the year.

*Other*

Minor irregularities relating to the theft of cash were also reported in respect of the Ballarat Regional Office, the Mildura Primary School, and various departments of Melbourne and Monash Universities.

**Forests**

*Eastern Otways Forest District*

An acting District Forester, in June 1980, authorised a progress payment of \$18 257 for the supply of crushed rock which had not at that time been delivered. The amount of \$18 257 was repaid by the contractor but this cheque was subsequently dishonoured by the bank. The contractor finally adjusted the overpayment by the delivery of further crushed rock and disciplinary action against the officer is pending.

*Other*

Minor losses and thefts were reported in respect of the Delatite Arm Reserve and the Mansfield Forest District.

**Gas and Fuel Corporation**

*Traralgon Branch*

A total of \$72 000 was misappropriated by an employee at the branch over a period of 5 years to December 1980. Criminal charges have been laid against the employee concerned and his services terminated.

**Health Commission of Victoria**

*Kingsbury Training Centre*

The Commission's internal audit section established irregularities by a former trust officer largely involving the substitution of pension and other cheques for cash misappropriated totalling \$11 630. The former trust officer was charged, sentenced to a term of imprisonment, and ordered to make restitution of the sum involved. The Commission has sought legal advice regarding the means by which it can enforce the order for restitution.

*Other*

A minor irregularity relating to the theft of petty cash was reported in respect of the Camberwell Clinic.

## Housing Commission

### *Fitzroy Sub-office*

During an armed hold-up the sum of \$7 099 was stolen from this sub-office. Police were notified but at date of this report the perpetrators of the hold-up had not been identified.

### Law

#### *Elsternwick Magistrates' Court*

The clerk at this court failed to account for a total of \$4 028 payable to the revenue and poor box accounts. He was found guilty on two counts of theft, sentenced to a term of imprisonment to be served at an attendance centre and ordered to make restitution of the sum involved. The department is taking steps with regard to both disciplinary action and recovery of the sum misappropriated.

#### *Other*

A minor irregularity was reported in relation to Prahran Magistrates' Court.

### Local Authorities Superannuation Board

An officer of the Board negotiated inwards cheques totalling \$58 533 drawn in favour of L.A.S.B. through a private account opened by him in a business name with the same initials. The officer is no longer employed by the Board, police enquiries are continuing, and the sum of \$50 000 is expected to be recovered under a fidelity guarantee insurance policy.

### Victorian Railways Board

15 officers and employees were found guilty of offences in respect of losses of money or other property; 14 of these cases were heard by the courts and one by the Board of Discipline.

One case at Orbost station involved a cash deficiency amounting to \$6 077 of which restitution has been made to the extent of \$3 089. Further action is in progress for the recovery of the balance of \$2 988. Other cases involved lesser amounts.

A case of arson involving a railway carriage to the value of \$181 381 of which \$20 000 was ordered by the Court to be repaid at the minimum rate of \$20 per month. Repayments to 30 June 1981, totalled \$460.

Armed robberies and thefts occurred at 26 railway locations with an initial loss of cash, tickets and stock amounting to \$9 114. Cash losses totalling \$1 165 were recovered. A number of these cases are still subject to departmental investigations or are awaiting the results of police enquiries.

In addition, and resulting from an investigation into the administration of the lost property store, the general manager, in September, 1980, terminated the services of the claims agent and the foreman of the lost property store and took disciplinary action against a number of persons employed in the claims division and the lost property store.

### State Superannuation Board

During the year it was established that, due to clerical errors, incorrect data was contained in the Board's computer pension file. As a result numerous under and over payments of pension occurred over an extended period. Underpayments totalling \$142 079 have been paid to the respective pensioners and further cases are being investigated.

Overpayments totalling \$129 224 were established but the Board, following a direction of the Treasurer, has acted to recover only those amounts overpaid in the year of detection together with any that had occurred in the previous financial year. The application of this policy reduced the amount recoverable to \$59 501 of which \$12 820 had been recovered as at 31 August 1981.

### Totalizator Agency Board

Misappropriations by Board employees, agents or their staff totalling \$12 838 were detected in the accounts at 4 offices and involved reprocessing paid tickets or failing to account for cash receipts. Recovery has been made or is in course and police are investigating. 24 hold-ups occurred during the year, the total amount stolen being \$26 368. In 14 cases arrests have been made.

### Other

Thefts and losses of a minor nature were also reported by the Departments of Community Welfare Services, Crown Lands and Survey, and of the Premier and the Ministries for Conservation, and Police and Emergency Services, the Country Roads Board, the State Development Corporation and the Victorian Institute of Marine Science.

### Loss and Theft of Stores

In the year under review, reports were received of a number of instances of loss and theft of stores. Particulars of the larger losses reported are furnished below:

DEPARTMENT OR AUTHORITY	ITEMS LOST OR STOLEN	TOTAL \$
Education Department	Schools' Equipment etc.	61 406
University of Melbourne	Audio, Video and Photographic Equipment	16 461
	Scientific and teaching equipment	12 152

DEPARTMENT OR AUTHORITY	ITEMS LOST OR STOLEN	\$	TOTAL \$
	Office Furniture and Equipment	3 290	
	Other	7 079	
		<hr/>	37 982
State Electricity Commission	Tools and Equipment		20 557
Monash University	Audio, Video and Electronic Equipment Equipment		12 572
Bendigo College of Education	Electronic and Photographic Equipment etc.		7 000
Swinburne Institute of Advanced Education	Video and Electronic Equipment Other	5 800 962	
		<hr/>	6 762
Public Works Department	Tools and Equipment		5 621
State Rivers and Water Supply Commission	Tools and Equipment		5 569

Other reports of minor losses and thefts of stores were received from the Departments of Agriculture, Community Welfare Services, and Property and Services, the Ministries for Conservation, and Police and Emergency Services, the Land Conservation Council, the Ballarat College of Advanced Education, Deakin and LaTrobe Universities, the Victorian Railways Board, and the Swan Hill Pioneer Settlement.

STATEMENT NO. I

A comparison, on a monetary and proportional basis, of payments from the Consolidated Fund\* in 1980-81 with those in the previous year is given below:

Nature of Payments	1980-81		1979-80	
	Amount	Percentage of Funds Available	Amount	Percentage of Funds Available
	\$		\$	
<b>SOCIAL</b>				
Education, Health and the Environment, Housing, Welfare, Payments to Hospitals and Charities Fund etc.	2 342 386 454	51.42	2 109 149 669	52.71
<b>DEBT CHARGES+</b>				
Interest, Sinking Fund, Repayments, (including Housing and Soldier Settlement)	435 916 589	9.57	387 757 736	9.69
<b>TRANSPORT</b>				
Railways				
Working Expenses and Payments from Works and Services Account++	490 908 680	10.78	430 730 648	10.76
Pensions	29 358 597	.64	25 436 867	.63
Melbourne and Metropolitan Tramways Board	37 500 000	.82	33 000 000	.82
Ministry of Transport, Roads and Special Projects Fund and Other	127 080 800	2.79	47 227 468	1.18
<b>PRIMARY PRODUCTION</b>				
Agriculture, Lands, Soldier Settlement, Forests, Country Water Supply etc.	236 095 686	5.18	216 520 590	5.41
<b>LAW AND ORDER</b>				
Law, Police, Prisons etc.	297 737 141	6.54	255 613 733	6.39
<b>STATE ELECTRICITY COMMISSION</b>				
Advances	4 000 000	.09	..	..
<b>OTHER PUBLIC WORKS AND SERVICES</b>				
Works and Advances	403 279 104	8.85	325 271 059	8.13

	1980-81		1979-80	
	\$	Percentage	\$	Percentage
PENSIONS				
Retired Officers, Officers' Widows etc. excluding Railways, (including costs of administration)	116 757 441	2.56	97 413 405	2.43
TOTAL PAYMENTS	4 521 020 492	99.24	3 928 121 175	98.15
FUNDS RETAINED IN THE WORKS AND SERVICES ACCOUNT	22 306 572	.49	41 587 096	1.04
FUNDS RETAINED IN THE CONSOLIDATED FUND	12 424 169	.27	32 395 680	.81
TOTAL FUNDS AVAILABLE	4 555 751 233	100.00	4 002 103 951	100.00

\* Includes payments through the Works and Services Account

+ Includes Railway Debt Charges

++Excludes Debt Charges, includes Melbourne Underground Rail Loop Authority

The increase from \$47 227 468 to \$127 080 800 under the heading of Transport was mainly due to the following:

- (a) an additional amount of \$59 244 231 appropriated to the Roads and Special Projects Fund, resulting from the increased revenue from petroleum products licences and certain fees received under Section 7A of the Motor Car Act 1958 (effective from 1 July 1980) which are appropriated to the fund; and
- (b) Advances totalling \$19 000 000 to the West Gate Bridge Authority (for details refer to page 211 of this report).



## STATEMENT NO. 2

## TRUST FUND

The Treasurer's liability on account of the Trust Fund at 30 June 1980 and 1981 was:

	30.6.81	30.6.80
	\$	\$
VARIOUS FUNDS AS PER TREASURER'S STATEMENT		
Amounts lodged and invested	78 469 692	87 542 801
General Account balances	*224 522 592	232 398 346
	<u>302 992 284</u>	<u>319 941 147</u>
REPRESENTED BY		
Stocks and Securities		
Bank Term Deposits	17 824 605	22 385 010
Commonwealth Government Inscribed Stock etc.	15 042 339	15 371 759
Convertible Certificates of Deposit	..	5 750 000
Country Fire Authority Debentures	250 000	200 000
Gas and Fuel Corporation of Victoria Registered Debenture Stock	3 468 740	3 482 600
Gas and Fuel Corporation of Victoria-Shares	15 709 798	15 694 696
Geelong Waterworks and Sewerage Authority Inscribed Stock	500 000	500 000
Grain Elevators Board Inscribed Stock	68 000	68 000
Port of Melbourne Authority Inscribed Stock	590 000	590 000
Melbourne and Metropolitan Board of Works Inscribed Stock etc.	9 696 760	10 196 760
Mortgage Loan - Port Phillip Pilots	52 000	..
Pilot Vessels-Registered Mortgage Debentures	..	19 000
State Electricity Commission Inscribed Stock etc.	7 650 850	7 642 350
Westgate Bridge Authority Debenture Stock	5 500 000	5 500 000
Melbourne Underground Rail Loop Authority Inscribed Stock	4 284 300	4 284 000
Melbourne and Metropolitan Tramways Board Inscribed Stock	5 538 000	5 109 000
Short Term Money Market	650 000	..
Blue Moon Fruit Co-operation Ltd. - Shares	..	20
Camperdown Glenormiston Dairy Co. Ltd. - Shares	..	140
Other	..	8 566
	<u>86 825 392</u>	<u>96 801 901</u>
Cash Advanced		
For Deficits incurred to 30 June 1970	21 782 281	21 782 281
For Other Advances	7 299 708	4 774 433
Cash and Investments as per Treasurer's Statement	187 084 903	196 582 532
	<u>302 992 284</u>	<u>319 941 147</u>

\* Includes balances invested on account of the Treasurer's Investment Account-General, \$8 355 700

STATEMENT NO. 3  
Debt Charges Account

The following particulars have been compiled from the Treasurer's Statement with the object of indicating the portion of the receipts which may be regarded as having been available to meet the Debt Charges paid for the year 1980-81.

	1980-81	1979-80	1980-81	1979-80
RECEIPTS	\$	\$	\$	\$
PAID TO THE CONSOLIDATED FUND				
ON ACCOUNT OF INTEREST,				
SINKING FUND ETC. ON ADVANCES				
FROM THE STATE				
State Electricity Commission	26 281 957	24 371 713	318 103 318	274 095 474
Melbourne and Metropolitan Board of Works	18 470 989	18 471 991	468 858	557 296
Rural Finance and Settlement Commission	2 961 320	4 227 597	1 858 997	1 824 129
Housing Commission	3 492 019	3 493 970	40 141 182	38 208 449
Victorian Development Corporation	3 390 791	3 203 490	..	..
Country Roads Board	2 935 344	2 952 463	..	..
Water, Sewerage etc. Authorities	2 771 328	2 925 943	..	..
Other Authorities	4 919 918	4 720 500	..	..
DEBIT TO THE CONSOLIDATED FUND			360 572 355	314 686 363
ON ACCOUNT OF DEBT CHARGES				
ON PUBLIC DEBT				
ON OTHER LOANS				
Interest and Principal				
Commonwealth-State Housing Agreement	26 207 911	21 771 239	57 575 204	55 408 212
Commonwealth	(14 519)	(6 070)		
Special Assistance Loans for Soldiers Settlement				
National Sewerage Program			629 339	629 339
Rural Reconstruction			7 385 571	7 385 571
Shepparton Preserving Company			5 166 899	4 782 578
Marginal Dairy Farms	42 294 796	40 934 674	552 563	589 313
Dartmouth Dam	15 248 935	14 502 892	1 687 744	1 861 795
Fruit Canneries			842 725	842 725
Beef Industry			239 983	525 326
Softwood Forestry			543 434	349 026
Emerald Hill			109 396	62 042
Albury-Wodonga			611 376	628 836
..			..	6 609
PAID TO THE CONSOLIDATED FUND				
Interest on Public Account				
Less Interest paid on Deposits				
RECOUP OF INTEREST, PRINCIPAL				
ETC.-OTHER LOANS				
Commonwealth-State Housing Agreement				
Housing Commission				
Home Builders' Account				
Commonwealth				
Special Assistance Loans for Soldiers Settlement				
National Sewerage Program				
Rural Reconstruction				
Shepparton Preserving Company				
Marginal Dairy Farms				
Dairy Adjustment-Carry on Scheme				
Fruit Canneries				
Beef Industry				
Emerald Hill				
Grape Growers - Carry On Scheme				
..				
BALANCE				
Amount which had to be met from	270 400 068	229 310 093	435 916 589	387 757 735
Taxation and other sources	435 916 589	387 757 735	435 916 589	387 757 735

Appendix A - I  
 ENDOWMENTS AND GRANTS FROM THE CONSOLIDATED  
 FUND TO ORGANISATIONS NOT SUBJECT TO AUDIT  
 BY THE AUDITOR-GENERAL

	1980-81	1979-80		+ Increase
	\$	\$	-	Decrease
				\$
SOCIAL				
Action for Family Planning	20 000	..	+	20 000
Anti-Cancer Council of Victoria	105 000	35 000	+	70 000
The Asthma Foundation of Victoria	15 000	15 000		..
Austcare Appeal	27 500	25 000	+	2 500
Australia Day Council	14 000	12 500	+	1 500
Australian Council for Educational Research	87 151	81 420	+	5 731
Australian Institute of Urban Studies	16 000	15 000	+	1 000
Australian Kidney Foundation	25 000	25 000		..
Baker Medical Research Institute	110 000	80 000	+	30 000
Bendigo Region Community Liaison Project	..	12 410	-	12 410
Braille and Talking Book Library	187 500	..	+	187 500
Brotherhood of St. Laurence	50 000	..	+	50 000
Buoyancy Foundation of Victoria	..	15 000	-	15 000
Bush Nursing Hospitals	470 000	470 000		..
Child Accident Prevention Foundation of Australia	100 000	50 000	+	50 000
Children's Protection Society Appeal	25 000	..	+	25 000
Community Aid Abroad Appeal	..	10 000	-	10 000
Community Health Projects-Women's Refuges	1 157 688	1 023 200	+	134 488
Community Legal Services	16 400	..	+	16 400
Criminology Research Fund	14 000	8 400	+	5 600
Deafness Foundation (Victoria)	12 000	10 000	+	2 000
Eighth Asian Congress of Obstetrics and Gynaecology	15 000	..	+	15 000
Environment Studies Association of Victoria	24 000	27 500	-	3 500
Ethnic Groups	100 000	99 995	+	5
Family and Community Services Program	4 087 935	3 702 670	+	385 265
Family Planning Association of Australia	22 500	22 500		..
Family Supportive Services	262 862	163 720	+	99 142
Fitzroy Adventure Playground	15 072	12 350	+	2 722
Freedom From Hunger Campaign	25 000	22 500	+	2 500
Howard Florey Institute of Experimental Physiology and Medicine	185 000	165 000	+	20 000
Inter-church Trade and Industry Mission (Victoria)	15 000	12 500	+	2 500
MacFarlane Burnet Biomedical Research Scholarships	12 753	..	+	12 753
Italian Earthquake Appeal	30 000	..	+	30 000
McDonald House, Hostel Centre	19 000	19 000		..
Mercy Family Care Centre	81 000	..	+	81 000
Moreland Hall Alcoholism Rehabilitation Centre	..	15 000	-	15 000
National and State Monitoring of Student Achievements	49 124	42 420	+	6 704
National Heart Foundation-National Blood Pressure Study	15 000	15 000		..
National Heart Foundation of Australia- Victorian Division	15 000	15 000		..
National Neurological Foundation	15 000	12 500	+	2 500
National Safety Council	54 000	54 000		..
National Vision Research Institute of Australia	27 000	25 000	+	2 000
"Odyssey" Victoria	527 515	145 000	+	382 515

	1980-81	1979-80	Increase Decrease
	\$	\$	\$
Peninsula Ambulance Service	30 000	30 000	..
Prince Henry's Medical Research Institute	45 000	40 000 +	5 000
Royal Victorian Institute for the Blind	524 660	450 387 +	74 273
St. John Ambulance Brigade	54 500	49 000 +	5 500
St. John's Homes Care - Force Appeal	..	10 000 -	10 000
St. Vincent's School of Medical Research	22 000	20 000 +	2 000
Salvation Army Centenary Appeal	10 000	.. +	10 000
Salvation Army-Red Shield Appeal	15 000	.. +	15 000
Senior Detective Bob Lane Appeal	..	10 000 -	10 000
Sexual Assault Clinic, Queen Victoria Medical Centre	2 740	15 375 -	12 635
Specific Learning Difficulties Association of Victoria	13 334	13 333 +	1
Tenants' Advice Service	36 000	10 000 +	26 000
Victoria Conservation Trust	95 000	79 600 +	15 400
Victorian Council on the Ageing	65 000	50 000 +	15 000
Victorian Foundation on Alcoholism and Drug Dependency	75 000	55 000 +	20 000
Victorian Playgroup Association	10 875	6 875 +	4 000
Voluntary Alcoholism and Drug Dependency Agencies	156 000	.. +	156 000
Walter and Eliza Hall Research Institute	406 000	360 000 +	46 000
Working Party on the Drug Problem	13 107	35 489 -	22 382
<b>CULTURAL</b>			
Art Foundation of Victoria	372 900	450 555 -	77 655
Australian National Memorial Theatre, Schools	43 400	48 880 -	5 480
Confederation of Australasian Art Centres	30 000	30 000	..
Country Art Galleries	570 876	498 964 +	71 912
Cultural Development Groups	4 198 464	3 511 738 +	686 726
Melbourne Symphony Orchestra	..	150 000 -	150 000
Municipal and Regional Libraries	13 233 358	12 030 542 +	1 202 816
Orchestral Concerts	..	60 000 -	60 000
The Mountain Gallery	12 250	12 250	..
Victorian Art Purchase Fund	12 000	10 000 +	2 000
Victorian Concert Orchestra	55 000	53 000 +	2 000
<b>SUNDRY</b>			
Advisory Council for Inter-Government Relations	41 250	37 500 +	3 750
Albury-Wodonga Development Corporation	335 000	300 000 +	35 000
Australian Arbo-Encephalitis Protection Program	111 677	71 502 +	40 175
Australian Environment Council Fund	5 360	13 930 -	8 570
Australian Offshore Powerboat Club	..	25 000 -	25 000
Australian Plague Locust Commission	98 816	86 110 +	12 706
Biennial Conference of the Australian Stipendiary Magistrates' Association	5 000	10 000 -	5 600
Cemeteries, Improvement and Maintenance	18 000	16 000 +	2 000
Central Fingerprint Bureau, Sydney	144 810	104 626 +	40 184
Christmas Decorations Contribution- City of Melbourne	20 000	.. +	20 000
Commonwealth Advisory Library	11 775	10 868 +	907
Commonwealth Agriculture Bureaux	14 156	16 998 -	2 842
Commonwealth Games Appeal	15 000	.. +	15 000
Commonwealth Parliamentary Association- Victoria Branch	131 460	98 760 +	32 700

	1980-81	1979-80	Increase Decrease
	\$	\$	\$
Conservation Council of Victoria	19 500	10 000 +	9 500
Council for Christian Education in Schools	179 000	150 000 +	29 000
Fourth World Bowls Championship	..	10 000 -	10 000
Geelong Regional Commission	865 000	600 000 +	265 000
Great Circle Yacht Race	5 000	50 000 -	45 000
Industrial Design Council of Australia (Victorian Branch)	53 000	41 000 +	12 000
International Hand Surgery Congress - Melbourne	..	10 000 -	10 000
International Hospital Federation Congress	15 000	.. +	15 000
International Year of the Child	..	121 500 -	121 500
Interstate Corporate Affairs Commission	11 315	17 667 -	6 352
Journal of Experimental Agriculture and Animal Husbandry	17 500	17 500	..
Keep Australia Beautiful Council	110 000	100 000 +	10 000
Law Week Committee	25 000	.. +	25 000
The Lost Dogs Home	30 000	21 400 +	8 600
Mansfield Autistic Play School	17 000	17 000	..
Mansfield Travelling Teaching Service	38 676	19 832 +	18 844
Melbourne Landmark Committee	1 698	130 345 -	128 647
Melbourne to Hobart West Coaster Yacht Committee	..	50 000 -	50 000
The National Corporation and Security Commission	251 591	61 661 +	189 930
National Council of Women of Victoria	13 000	11 000 +	2 000
National Dairy Recording Scheme	12 549	9 000 +	3 549
National School of Drilling	11 000	10 000 +	1 000
National Trust of Australia (Victoria)	52 000	45 000 +	7 000
National Resources Conservation League	10 000	10 000	..
Permanent International Association of Road Congresses	20 000	.. +	20 000
Regional Planning Authorities	616 000	603 862 +	12 138
Royal Historical Society of Victoria	12 000	10 000 +	2 000
Royal Society for the Prevention of Cruelty to Animals	263 200	160 000 +	103 200
Seventh International Symposium on Small Business	..	25 000 -	25 000
Sixth Symposium of the International Society of Re-Constructive Micro-Surgery	10 000	.. +	10 000
Sir Robert Menzies Memorial Trust	..	100 000 -	100 000
Standards Association of Australia	23 000	15 000 +	8 000
Triennial World Computer Congress	..	10 000 -	10 000
United World Colleges (Australia) Trust	14 000	12 000 +	2 000
Uniting Church in Victoria, Public Appeal	25 000	.. +	25 000
Victoria Promotion London-Committee	413 301	339 187 +	74 114
Victoria Promotion Trust Fund	1 199 825	662 913 +	536 912
Victorian Autistic Children's Association, Western Centre	..	10 000 -	10 000
Victorian Council of School Organisations	35 000	24 000 +	11 000
Victorian Federation of State Schools Parents' Clubs	35 000	26 700 +	8 300
Victorian Medical Post-Graduate Education Foundation	35 000	15 000 +	20 000

	1980-81	1979-80		Increase Decrease
	\$	\$		\$
Victorian Rural Fire Brigades Association	15 500	13 500	+	2 000
Victorian Urban Fire Brigades Association	15 500	13 000	+	2 500
Water Research Foundation of Australia Ltd.	15 000	15 000		..
World Conference on Mission and Evangelism	..	10 000	-	10 000
	<u>33 589 923</u>	<u>28 920 534</u>	+	<u>4 669 389</u>

NOTE: Grants and Endowments of less than \$10 000 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 organisations from a number of trust accounts.

## Appendix A-2

### TOURIST FUND

#### Grants and Subsidies for Developmental and Maintenance Works - 1980-81

	\$
Municipalities etc.	
Sewerage	270 507
Other Works	572 766
Forests Commission	4 000
Phillip Island Koala Reserve Committee of Management	16 000
	<hr/>
	863 273
	<hr/>

#### Loans - Developmental Works - 1980-81

	\$
Shire of Bass	22 000
Shire of Bright	50 000
Shire of Kerang	20 000
Shire of Korumburra	50 000
Shire of Orbost	30 400
Shire of Stawell	25 000
Shire of Winchelsea	80 000
Borough of Wonthaggi	49 000
	<hr/>
	326 400
	<hr/>

#### Special Grants to Approved Bodies - 1980-81

Ballarat Historical Park Association	252 765
Melbourne Moomba Festival Ltd.	120 000
Quest of Quests Pty. Ltd.	65 000
Melbourne-Hobart Yacht Race Committee	50 000
Australian Off-Shore Power Boat Club	25 000
Victorian Government Travel Authority-V.F.L.	
Grand Final Promotion	18 000
Town of Stawell	9 000
Australian Historical and Tourist Park Association	4 000
	<hr/>
	543 765
	<hr/>

# Grants and Subsidies to Regional Tourist Authorities - 1980-81

## ADMINISTRATION AND PROMOTION

	\$
Melbourne Tourism Authority	555 000
Central Highland Regional Tourist Authority	45 000
Gippsland Regional Tourist Authority	50 000
Goulburn Regional Tourist Authority	45 000
North Central Regional Tourist Authority	50 000
North East Regional Tourist Authority	45 000
North West Regional Tourist Authority	68 000
Otway/Geelong Regional Tourist Authority	40 000
South West Regional Tourist Authority	50 000
Victorian Eastern Development Association	45 000
Westernport/Healesville Regional Tourist Authority	50 000
Wimmera Regional Tourist Authority	45 000
	1 088 000

## INFORMATION CENTRES

Central Highlands Regional Tourist Authority	8 000
Goulburn Regional Tourist Authority	18 048
North East Regional Tourist Authority	90 000
South West Regional Tourist Authority	25 113
Victorian Eastern Development Association	90 000
	231 161
	1 319 161



Appendix B  
 STATEMENT OF STORES HELD AS ADVISED BY  
 GOVERNMENT DEPARTMENTS AND PUBLIC AUTHORITIES

Department, Ministry or Public Authority	Nature of Major Items	Value Advised 1981	Value Advised 1980
		\$	\$
<b>DEPARTMENTS, MINISTRIES</b>			
Agriculture	Machinery and Equipment Parts, Fuel, Seed, Publications	1 293 196	1 487 491
Community Welfare Services	Clothing, Hardware, Materials	1 441 099	1 143 221
Conservation			
Fisheries and Wildlife Division	Publications, Stationery Field Equipment	47 417	54 383
Land Conservation Council	Stationery, Publications	5 247	7 937
Crown Lands and Survey	Implements, Equipment, Plans, Photographic Materials	1 892 803	2 669 758
Education	School and Office Requisites, Books, Equipment	2 652 926	3 196 165
Forests	Vehicle Parts, Fuel, General	302 244	293 644
Health Commission	Hardware, Textiles and Clothing, Provisions and General	1 856 361	1 395 316
Minerals and Energy	Vehicle, Radio and General Stores	978 463	652 612
Police and Emergency Services - Police	Radio and Vehicle Parts, Clothing, Office Requisites	3 029 459	1 954 337
Property and Services- Government Printer	Paper, Stationery, Publications	6 194 917	3 405 208
Public Works	Mechanical and Electrical Equipment, Spare Parts, Furniture, Fuel	2 590 145	2 392 164
Railways	Engineering, Refreshment Services, General Stores	9 950 000	15 168 661
Water Supply	Equipment, Tools, General Stores	3 980 724	4 150 025
<b>PUBLIC AUTHORITIES</b>			
Cancer Institute Board	Medical, Technical and General Stores	381 645	296 441
Council of Adult Education	Theatrical and Audio Visual Equipment	58 143	60 500

Department, Ministry or Public Authority	Nature of Major Items	Value Advised 1981 \$	Value Advised 1980 \$
Country Fire Authority	Fire Appliances, Radio, Hose, Spare Parts, Uniforms	654 015	523 401
Country Roads Board	Vehicle Parts and Accessories, Camping Equipment, General Stores	3 361 089	3 440 107
Gas and Fuel Corporation	Gas Appliances, Fittings, General Stores	21 615 795	19 346 850
Geelong Harbor Trust	Engineering, Maintenance and Other Stores	82 704	75 886
Housing Commission	Building Materials, Stationery, Fuel	790 811	1 057 786
La Trobe University	Stationery, Office Requisites	81 661	81 232
Latrobe Valley Water and Sewerage Board	Construction Materials, Pipes	16 086	17 442
Melbourne and Metro- politan Board of Works	Engineering Stores, Spare Parts, Pipes, Meters	13 413 000	11 602 000
Melbourne and Metro- politan Tramways Board	Engineering Stores and Parts, Uniforms, Equipment	2 555 152	2 120 021
Metropolitan Fire Brigades Board	Fire Appliances, Electrical and Engineering Stores, Uniforms	1 001 048	735 000
Monash University	Building Materials, Stationery, Books, Chemicals	1 851 435	1 644 724
Port of Melbourne Authority	Maintenance and Engineering Stores	3 394 175	2 039 675
Portland Harbor Trust	Maintenance and Engineering Stores	153 418	102 178
Rural Finance Commission	Constructional and General Stores	2 562	3 726
State Electricity Commission	Electrical, Maintenance and Constructional Stores	43 789 102	33 955 703
State Relief Committee	Clothing, Bedding, Hardware	81 876	91 073
Transport Regulation Board	Stationery and Office Requisites	412 252	130 878
University of Melbourne	Building Materials, Stationery	174 309	195 392
Victorian Egg Marketing Board	Eggs, Packing Materials, Egg Products	1 702 134	1 619 700
	Total	<u>131 787 413</u>	<u>117 110 637</u>

## 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 +Increase Council -Decrease		
	Div.	Sub- Div.	Item				
				\$	\$	\$	
<b>PARLIAMENT</b>							
	102	3	1	312 600	331 855 +	19 255	
			2	109 000	89 745 -	19 255	
	106	1	2	220 000	218 435 -	1 565	
			4	12 000	13 565 +	1 565	
						<u>+</u>	<u>20 820</u>
<b>PREMIER</b>							
	120	1	2	560 000	555 119 -	4 881	
			3	71 400	76 281 +	4 881	
	121	1	2	4 508 049	4 551 185 +	43 136	
			3	392 000	393 994 +	1 994	
			4	90 000	44 870 -	45 130	
		2	21	53 000	47 203 -	5 797	
			23	191 000	185 388 -	5 612	
			30	611 000	622 409 +	11 409	
		3	3	594 600	603 504 +	8 904	
			10	73 800	66 594 -	7 206	
			19	415 000	413 302 -	1 698	
	136	2	20	90 000	93 533 +	3 533	
			22	6 000	2 467 -	3 533	
						<u>+</u>	<u>73 857</u>
<b>STATE DEVELOPMENT, DECENTRALIZATION AND TOURISM</b>							
	150	1	2	2 120 000	2 100 776 -	19 224	
			3	22 360	25 953 +	3 593	
			4	30 000	45 631 +	15 631	
		3	10	2 350 000	2 341 122 -	8 878	
			12	551 000	559 878 +	8 878	
						<u>+</u>	<u>28 102</u>

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 +Increase -Decrease		
	Div.	Sub-Div.	Item		Council		
				\$	\$	\$	
<b>POLICE AND EMERGENCY SERVICES</b>							
	187	2	22	1 070 000	1 035 327 -	34 673	
			23	2 235 000	2 243 906 +	8 906	
			25	130 000	137 288 +	7 288	
			30	8 575 000	8 593 479 +	18 479	
							<u>+ 34 673</u>
<b>COMMUNITY WELFARE SERVICES</b>							
	240	2	20	65 000	81 147 +	16 147	
			30	1 725 600	1 709 453 -	16 147	
		3	7	5 500	4 350 -	1 150	
			11	41 500	42 650 +	1 150	
	244	2	23	2 102 000	1 847 315 -	254 685	
			24	2 030 000	2 284 685 +	254 685	
		3	1	3 300	1 704 -	1 596	
			3	31 000	17 388 -	13 612	
			6	385 000	400 208 +	15 208	
	246	1	3	2 157 000	2 173 271 +	16 271	
			4	120 000	103 729 -	16 271	
		2	22	2 143 000	2 145 455 +	2 455	
			25	110 000	107 545 -	2 455	
	252	1	3	3 529 000	3 537 856 +	8 856	
			4	110 000	101 144 -	8 856	
							<u>+ 314 772</u>
<b>YOUTH, SPORT AND RECREATION</b>							
	270	1	2	987 789	990 359 +	2 570	
			4	5 000	2 430 -	2 570	
							<u>+ 2 570</u>

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 +Increase Council -Decrease	
	Div.	Sub- Div.	Item		\$	\$
<b>LABOUR AND INDUSTRY</b>						
	280	1	2	6 450 000	6 396 983 -	53 017
			4	70 000	123 017 +	53 017
		2	20	65 000	58 807 -	6 193
			22	70 000	76 193 +	6 193
		3	2	10 550	8 990 -	1 650
			5	4 000	5 650 +	1 650
						<u>+ 60 860</u>
<b>CONSUMER AFFAIRS</b>						
	285	3	2	67 000	72 853 +	5 853
			3	8 000	2 147 -	5 853
						<u>+ 5 853</u>
<b>EDUCATION</b>						
	301	1	3	236 500	238 613 +	2 113
			4	100 000	97 887 -	2 113
		2	20	687 000	538 678 -	148 322
			26	91 250	70 129 -	21 121
			29	15 000	13 480 -	1 520
			30	43 170 000	43 340 963 +	170 963
		3	2	39 510 000	40 079 697 +	569 697
			7	285 000	240 567 -	44 433
			12	87 700	85 408 -	2 292
			13	300 000	172 818 -	127 182
			15	2 292 000	2 406 566 +	114 566
			20	80 000	51 091 -	28 909
			22	30 000	19 885 -	10 115
			28	920 000	819 779 -	100 221
			34	32 000	.. -	32 000
			35	334 000	284 759 -	49 241
			44	74 000	24 585 -	49 415
			48	25 000	13 100 -	11 900
			51	328 000	99 445 -	228 555

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 +Increase Council -Decrease		
	Div.	Sub- Div.	Item				
				\$	\$	\$	
<b>EDUCATION—Continued</b>							
	304	3	1	1 995 000	2 109 653	+	114 653
			5	460 000	346 500	-	113 500
			6	1 316 300	1 315 147	-	1 153
	305	2	22	750 000	717 908	-	32 092
			25	203 500	182 156	-	21 344
			26	18 600 000	18 653 436	+	53 436
	306	2	22	2 860 000	2 523 130	-	336 870
			26	17 900 000	18 236 870	+	336 870
	308	1	2	28 435 561	28 533 210	+	97 649
			4	150 000	52 351	-	97 649
	309	1	2	20 066 288	20 080 490	+	14 202
			4	140 000	125 798	-	14 202
		3	10	332 000	334 784	+	2 784
			11	3 000	216	-	2 784
	320	1	2	174 000	166 560	-	7 440
			4	44 000	51 440	+	7 440
							<u>+1 484 373</u>
<b>ATTORNEY—GENERAL</b>							
	350	1	2	2 490 262	2 524 738	+	34 476
			4	80 000	45 524	-	34 476
		2	22	6 000	1 656	-	4 344
			23	120 000	125 344	+	5 344
			25	1 000	..	-	1 000
		3	6	930 000	863 511	-	66 489
			7	629 000	695 489	+	66 489
	353	1	2	2 506 478	2 509 215	+	2 737
			4	25 000	22 263	-	2 737
	356	2	20	28 500	22 407	-	6 093
			26	1 350 000	1 335 137	-	14 863
			27	1 088 000	1 108 956	+	20 956
	359	1	3	40 000	48 170	+	8 170
			4	150 000	141 830	-	8 170
	362	1	3	5 600	10 473	+	4 873
			4	25 000	20 127	-	4 873
		2	20	32 000	23 599	-	8 401
			22	50 000	58 401	+	8 401
							<u>+ 151 446</u>

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 +Increase Council -Decrease		
	Div.	Sub- Div.	Item		\$	\$	\$
<b>TREASURER</b>							
	400	1	3	27 000	37 445 +	10 445	
			4	15 000	4 555 -	10 445	
		2	21	35 200	21 570 -	13 630	
			30	482 000	495 630 +	13 630	
		3	4	5 250 000	5 196 020 -	53 980	
			13	2 950	5 600 +	2 650	
			14	165 500	185 245 +	19 745	
			19	3 000	4 987 +	1 987	
			21	310 000	339 598 +	29 598	
	401	3	4	2 166 200	2 050 066 -	116 134	
			6	5 124 200	5 166 899 +	42 699	
			9	470 000	543 435 +	73 435	
	415	1	3	19 000	26 000 +	7 000	
			4	7 000	.. -	7 000	
		3	1	24 200	25 307 +	1 107	
			3	35 000	33 893 -	1 107	
	424	1	2	2 323 000	2 276 807 -	46 193	
			3	14 700	60 893 +	46 193	
		2	20	14 200	6 857 -	7 343	
			22	724 000	731 343 +	7 343	
							<u>+ 255 832</u>
<b>CONSERVATION</b>							
	435	1	2	2 075 744	2 092 855 +	17 111	
			3	11 300	9 762 -	1 538	
			4	30 000	14 427 -	15 573	
		2	22	71 600	40 576 -	31 024	
			30	675 000	706 024 +	31 024	
		3	1	36 960	35 455 -	1 505	
			16	30 000	31 505 +	1 505	
	437	1	2	3 531 460	3 533 298 +	1 838	
			4	10 000	8 162 -	1 838	
	441	1	2	2 902 965	2 927 237 +	24 272	
			4	40 000	15 728 -	24 272	
		3	9	6 180	7 402 +	1 222	
			10	7 000	5 778 -	1 222	
							<u>+ 76 972</u>

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 +Increase Council -Decrease		
	Div.	Sub- Div. Item				
				\$	\$	\$
<b>LANDS</b>						
	450	2	30	1 096 000	1 100 910 +	4 910
			31	245 000	240 090 -	4 910
	459	1	2	1 134 090	1 136 120 +	2 030
			4	10 000	7 970 -	2 030
						<u>+ 6 940</u>
<b>PUBLIC WORKS</b>						
	480	3	1	7 945 000	8 006 482 +	61 482
			2	18 450 000	18 068 726 -	381 274
			4	1 825 000	2 080 000 +	255 000
			5	1 002 000	1 051 193 +	49 193
			10	77 050	85 300 +	8 250
			12	436 400	443 749 +	7 349
	490	1	2	2 370 762	2 373 131 +	2 369
			3	54 000	51 631 -	2 369
		3	1	1 155 000	1 167 834 +	12 834
			5	149 070	136 236 -	12 834
						<u>+ 396 477</u>
<b>PROPERTY AND SERVICES</b>						
	503	1	2	426 000	420 259 -	5 741
			4	21 600	27 341 +	5 741
	508	1	2	1 830 000	1 813 912 -	16 088
			4	6 500	22 588 +	16 088
						<u>+ 21 829</u>



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 +Increase Council -Decrease		
	Div.	Sub- Div.	Item				
				\$	\$	\$	\$
<b>LOCAL GOVERNMENT</b>							
	510	2	20	60 500	61 701 +	1 201	
			21	55 000	52 512 -	2 488	
			30	240 000	241 287 +	1 287	
	516	1	2	2 115 054	2 128 804 +	13 750	
			4	25 000	11 250 -	13 750	
	519	1	2	564 014	578 533 +	14 519	
			4	15 000	481 -	14 519	
						<u>+ 30 757</u>	
<b>PLANNING</b>							
	521	1	3	12 200	16 268 +	4 068	
			4	50 000	45 932 -	4 068	
		3	1	49 500	46 602 -	2 898	
			3	367 000	369 898 +	2 898	
						<u>+ 6 966</u>	
<b>MINERALS AND ENERGY</b>							
	540	1	2	4 201 481	4 204 160 +	2 679	
			4	50 000	47 321 -	2 679	
		2	20	39 900	30 344 -	9 556	
			21	40 000	33 941 -	6 059	
			30	268 500	284 115 +	15 615	
		3	4	31 850	25 651 -	6 199	
			8	15 000	.. -	15 000	
			16	850 000	871 199 +	21 199	
						<u>+ 39 493</u>	

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 +Increase Council -Decrease		
	Div.	Sub- Div.	Item				
				\$	\$	\$	
AGRICULTURE							
570	2	30	2 090 000	2 137 287	+	47 287	
		31	160 000	112 713	-	47 287	
576	1	2	2 691 707	2 733 148	+	41 441	
		4	55 000	13 559	-	41 441	
582	3	6	152 700	155 070	+	2 370	
		8	283 500	276 640	-	6 860	
		11	20 200	21 644	+	1 444	
		15	85 420	86 792	+	1 372	
		26	160 100	161 774	+	1 674	
585	1	2	11 324 055	11 345 358	+	21 303	
		4	135 000	113 697	-	21 303	
	3	9	909 300	918 373	+	9 073	
		17	5 000	2 408	-	2 592	
		19	90 300	107 780	+	17 480	
		20	28 850	4 889	-	23 961	
588	1	2	8 290 292	8 315 210	+	24 918	
		3	11 300	7 184	-	4 116	
		4	110 000	89 198	-	20 802	
	3	3	54 000	56 697	+	2 697	
		6	93 800	91 103	-	2 697	
						<u>+ 171 059</u>	
HEALTH							
620	1	3	95 000	73 295	-	21 705	
		4	110 000	131 705	+	21 705	
	2	20	154 000	151 502	-	2 498	
		30	910 500	1 000 639	+	90 139	
		31	150 000	62 359	-	87 641	
625	3	4	7 129 000	6 469 049	-	659 951	
		8	125 000	159 996	+	34 996	
		15	525 000	556 173	+	31 173	
		16	31 400 000	31 976 297	+	576 297	
		17	1 779 000	1 781 842	+	2 842	
		23	89 600	104 243	+	14 643	

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 +Increase Council -Decrease	
	Div.	Sub- Div.	Item		\$	\$
<b>HEALTH-Continued</b>						
	627	3	5	2 300 000	2 234 409 -	65 591
			7	9 650 000	9 715 591 +	65 591
	631	1	2	27 775 600	27 845 906 +	70 306
			3	4 390 000	4 334 080 -	55 920
			4	240 000	225 614 -	14 386
		3	1	153 000	143 573 -	9 427
			2	29 250	38 677 +	9 427
	634	3	1	3 567 000	3 711 100 +	144 100
			4	822 000	677 900 -	144 100
						<u>+1 061 219</u>
<b>ARTS</b>						
	650	1	2	754 455	756 519 +	2 064
			4	22 000	19 936 -	2 064
		2	20	28 900	19 687 -	9 213
			30	523 000	532 213 +	9 213
		3	2	4 100 000	4 131 124 +	31 124
			9	7 000	5 903 -	1 097
			15	25 000	14 544 -	10 456
			17	70 000	50 429 -	19 571
	652	1	3	273 000	274 706 +	1 706
			4	35 000	33 294 -	1 706
						<u>+ 44 107</u>
<b>RAILWAY CONSTRUCTION AND PROPERTY BOARD</b>						
	710	2	25	8 000	6 845 -	1 155
			30	12 210	13 365 +	1 155
						<u>+ 1 155</u>

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 +Increase Council -Decrease		
	Div.	Sub- Div.	Item				
				\$	\$	\$	
<b>TRANSPORT</b>							
	720	3	2	40 900 000	40 694 850 -	205 150	
			4	3 400 000	3 605 150 +	205 150	
							<u>+ 205 150</u>
<b>FORESTS</b>							
	730	1	3	350 000	403 617 +	53 617	
			4	400 000	346 383 -	53 617	
		2	20	126 400	123 513 -	2 887	
			30	571 000	596 657 +	25 657	
			31	130 000	107 230 -	22 770	
							<u>+ 79 274</u>
<b>WATER RESOURCES</b>							
	740	1	3	50 000	48 287 -	1 713	
			4	660 000	661 713 +	1 713	
		2	23	81 700	88 329 +	6 629	
			24	100 000	74 147 -	25 853	
			25	392 000	411 224 +	19 224	
		3	2	6 625 000	6 863 000 +	238 000	
			3	5 750 000	5 710 896 -	39 104	
			8	10 250 000	10 043 400 -	206 600	
			9	3 920 000	3 929 337 +	9 337	
			13	147 000	145 367 -	1 633	
							<u>+ 274 903</u>
					TOTAL	<u>+4 849 459</u>	

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