

SUPPLY (1988-89, NO. 1) BILL 1988

EXPLANATORY MEMORANDUM

This Bill provides Supply for the first four months of the 1988-89 financial year and includes program appropriations for both Recurrent and Works and Services Expenditure. The provision of Supply for four months is consistent with the presentation of the annual Budget to Parliament in August.

The Recurrent expenditure provisions in the Bill have been calculated as those required to cover the on-going operating costs of agencies during the Supply period having regard to salary and wage rates at 22 February 1988 and existing operating cost levels, including subsidies.

In calculating the Supply provision included in the Bill for each program, no new policy initiatives involving additional expenditure have been included. Amounts included have been calculated on the basis of unchanged policies and include the operating costs of policy initiatives introduced in the 1987-88 financial year which will be on-going in the 1988-89 Supply period.

In general the program format for agencies is consistent with that which applied in the 1987-88 Appropriation Act. Where changes have been made reference is made in the notes relating to the particular agencies. The major changes which have been made are:

- changes to the program format of Conservation, Forests and Lands to better

- reflect the service delivery objectives of that Agency;
- a recasting of the program structure of Education to better reflect the service delivery objectives of the Agency;
- the transfer of the Office of Corrections from the Attorney-General to the Minister for Police and Emergency Services;
- the transfer of the Training responsibilities from the Department of Labour to Education consequent upon the establishment of the State Training Board;
- the amalgamation of Housing and Public Works to form Housing and Construction;
- the creation of Tourism as a separate Ministry and the transfer of the provisions relating to Tourism from Industry, Technology and Resources;
- the transfer of responsibility for part of the Groundwater Division, to Water Resources from Industry, Technology and Resources.

Agencies are aware that during the Supply period programs are not to be expanded above the levels which operated during 1987-88 which means that the provision required to meet Recurrent' expenditure during the Supply period is related to the 1987-88 Budget updated for salary awards and cost increases and the full operating effect of new policies introduced during that year. Because of the constraint on expansion during the Supply period it is appropriate to relate the amounts estimated to be required in each program in the Table' to the Recurrent Budget of the previous year, after allowance is made for any transfer of functions.

Allowance must be made when making such a comparison for Recurrent payments which are not made on a regular or even basis during the year - for example, subsidies which may be paid

quarterly or half-yearly or payments of a seasonal nature. Such variations have been taken into account in calculating the Supply provision and where such variations do occur, and where the amount to be provided is significant, an explanation is provided. In addition, in calculating the percentage that the Supply provision for 1988-89 bears to the appropriations for that agency in 1987-88, allowance has been made for the calculation to be prepared on a comparative basis; that is, the 1987-88 base is adjusted for any major accounting changes.

For information purposes, Recurrent expenditure has been dissected into salary and related costs and other Recurrent expenses. The Supply provision included in the Bill for each program for Recurrent purposes is an aggregation of each of these two elements, and whilst variations may occur within a program between each of these elements, the purpose of the Table is to indicate the magnitude of each. Whereas Recurrent expenditure normally follows the same pattern from year to year, this is not necessarily true for Works and Services expenditure. Works and Services programs are dependent on a number of variables such as seasonal conditions and the particular status which individual projects may reach during the period. The amounts included in the Supply provisions for Works and Services expenditure are those which it is expected will be expended during the Supply period on annual maintenance and minor works activities and individual projects of agencies, assuming normal conditions.

It should be noted that the amounts in the Table are expressed in thousands of dollars.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>PARLIAMENT</u>					
103	Legislative Council	80	120	200	
104	Legislative Assembly	140	1,280	1,420	
105	Parliamentary Library	210	50	260	
106	Parliamentary Debates	350	10	360	
107	Parliamentary Support Services	1,820	1,790	<u>3,610</u>	<u>600</u>
				<u>5,850</u>	<u>600</u>
	Percentage of 1987-88 Budget			32.6	35.5

Section 94 of the Constitution Act 1975 provides for a standing appropriation to meet expenses of \$100,000 for the Legislative Council and \$275,000 for the Legislative Assembly. Additional expenditure is provided by way of annual appropriation and, as expenditure is initially charged to the standing appropriation in each case, Supply is only required in the four months period in excess of these amounts.

The Works and Services expenditure for Parliament is provided under Program No. 107 Parliamentary Support Services. During the Supply period expenditure will be incurred for minor works and the completion of works currently being undertaken at Parliament House.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>AGRICULTURE AND RURAL AFFAIRS</u>					
132	Corporate Services and Management Support	2,670	340	3,010	100
133	Agricultural Development	16,050	11,710	27,760	3,390
134	Policy and Rural Affairs	1,260	740	2,000	275
135	Special Community Services	280	1,300	1,580	10
136	Rural Finance				<u>5,750</u>
				<u>34,350</u>	<u>9,525</u>
	Percentage of 1987-88 Budget			34.2	33.7

The above provisions allow for the continuation of recurrent expenditure undertaken by the Department in 1987-88.

The amounts provided for Works and Services expenditure in Programs 132, 133, 134 and 135 relate primarily to construction and maintenance work, the purchase of equipment etc. Included in Program 133 Agricultural Development, is expected expenditure on the Veterinary Research Laboratories at Attwood. Expenditure in Program 136 relates to the lending and expenditure activities of the Rural Finance Commission.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>ARTS</u>					
142	Corporate Services	610	510	1,120	3,520
143	Development of Arts Institutions and Resources	5,450	21,400	26,850	4,080
144	Development of Cultural Activities	330	5,330	<u>5,660</u>	<u>1,850</u>
				<u>33,630</u>	<u>9,450</u>
	Percentage of 1987-88 Budget.			55.6	34.1

In preparing estimates of Supply requirements for Program No. 143 allowance has been made for the full payment of grants to municipal libraries during this period.

Allowance has been made for a greater than pro-rata proportion of Works and Services expenditure associated with Film Victoria (Program 143), and the Bicentennial Celebrations (Program 142).

Allowance has been made in the provision for Works and Services under Program 144 - Development of Cultural Activities, for works expenditure at the Bendigo Capital Theatre and the Ballarat Memorial Theatre.

The Government's contribution towards the staging of the third Spoleto Festival, which is anticipated to occur in September 1988, has also been allowed for in these estimates (Program 144).

TABLE -- continued

Program No.	Recurrent			Works and Services	
	Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent		
	\$'000	\$'000	\$'000	\$'000	
<u>ATTORNEY-GENERAL</u>					
ATTORNEY-GENERAL'S DEPARTMENT					
162	Corporate Services	1,670	1,250	2,920	1,140
163	Corporate Affairs Services	3,210	1,840	5,050	600
165	Policy and Human Rights	310	940	1,250	20
166	Solicitor Services to the State	770	360	1,130	
168	Administration of Justice	8,960	6,600	<u>15,560</u>	<u>6,000</u>
				<u>25,910</u>	<u>7,760</u>
	Percentage of 1987-88 Budget			34.5	29.2
OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS					
169	Criminal Prosecution Services to the State	1,920	1,620	<u>3,540</u>	<u>40</u>
	Percentage of 1987-88 Budget			36.3	26.7

There are two distinct operating units under the Attorney-General

- Attorney-General's Department
- Office of the Director of Public Prosecutions.

Following the passing of legislation which established the State Trust Corporation of Victoria it is no longer necessary to provide for funding through the Budget for the expenditure associated with the Public Trustee which in previous years was included as Program 164 Public Trustee Services.

It should be noted that the Minister Responsible for Corrections is now the Minister for Police and Emergency Services; Supply requirements for the Office of Corrections are now included under Police and Emergency Services.

TABLE - continued

ATTORNEY-GENERAL Continued

The Works and Services Supply of \$7,760,000 for the Attorney-General's Department covers the on-going works and services activities of the Department during the Supply period and includes expenditure on County Court facilities and the Coronial Services Centre.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>COMMUNITY SERVICES</u>					
192	Policy and Corporate Support Services	4,470	1,230	5,700	500
193	Community Support	1,970	38,500	40,470	2,050
194	Family and Children's Services	5,300	35,330	40,630	2,710
195	Alternative Accommodation and Care	6,260	19,040	25,300	900
196	Youth Services	5,820	1,690	7,510	740
197	Intellectual Disability Services	26,400	4,740	31,140	3,900
198	Concessions to Pensioners and Beneficiaries	10	29,660	<u>29,670</u>	
				<u>180,420</u>	<u>10,800</u>
	Percentage of 1987-88 Budget			37.8	35.0

The Supply provisions allow for the maintenance of the Department's existing activities and programs, including major programs jointly funded by the Commonwealth and the State such as the Home and Community Care Program (HACC) and the Supported Accommodation Assistance Program (SAAP).

The amounts provided for Recurrent expenditure make allowance for the cash flow impact of grants and subsidies which are not paid on a regular basis.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>CONSERVATION, FORESTS AND LANDS</u>					
202	Corporate Services	4,900	1,960	6,860	370
207	Land Resource Management	21,710	12,260	33,970	19,280
208	Fisheries Management	2,080	1,110	<u>3,190</u>	<u>320</u>
				<u>44,020</u>	<u>19,970</u>
	Percentage of 1987-88 Budget			34.2	33.1

The Department of Conservation, Forests and Lands has implemented a new program structure for the 1988-89 financial year. The Supply Act reflects the new structure.

As an indication of the previous locations of the above expenditure, the following information is provided:

<u>Supply 1988-89</u>		<u>Appropriation Act 1987-88</u>
<u>Program No.</u>		<u>Program No.</u>
202	Corporate Services	202 (Part)
207	Land Resource Management	202 (Part) 203 (Part) 204 (Part) 205 (Part)
208	Fisheries Management	202 (Part) 203 (Part) 204 (Part) 205 (Part)

The amounts provided for Recurrent expenditure will allow the Department to continue normal operations during the Supply period.

Expenditure associated with the Timber Industry Strategy has been provided for in both the Recurrent and Works and Services Programs.

The Works and Services provision of \$19,970,000 is required to cover the ongoing costs of the Department's Works and Services Program, insofar as those projects have an impact in the Supply period.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>CONSUMER AFFAIRS</u>					
242	Corporate Services	600	110	710	350
243	Community and Consumer Services	1,140	1,070	<u>2,210</u>	<u>10</u>
				<u>2,920</u>	<u>360</u>
	Percentage of 1987-88 Budget			37.7	53.9

The Supply calculation for Recurrent Services includes a provision for the Community Credit - Anti Poverty Grants Scheme and other expected cash flow requirements during the Supply period where the timing of grants requires expenditure greater than pro-rata.

The amount provided for Works and Services in the Supply period is greater than pro-rata due to completion during the Supply period of works commenced in 1987-88.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>EDUCATION</u>					
291	Education Ministry Services	1,260	680	1,940	
292	School Education Planning and Co-ordination	12,710	6,810	19,520	540
293	School Education	519,950	56,060	576,010	55,000
294	Schools Support	20,670	55,480	76,150	1,780
295	Equal Education Opportunity	13,450	4,760	18,210	
296	Further Education		4,500	4,500	
297	Vocational Education		103,250	103,250	25,000
298	Higher Education		10,790	10,790	8,200
299	Non-Government School Education	130	120,980	<u>121,110</u>	<u>500</u>
				<u>931,480</u>	<u>91,020</u>
	Percentage of 1987-88 Budget			37.6	34.2

The Ministry of Education has implemented a new program structure for the 1988-89 financial year and the Supply Act reflects this new structure.

As an indication of the previous programs under which expenditure was incurred, the following information is provided:

TABLE - continued

EDUCATION - Continued

<u>Supply 1988-89</u>	<u>Appropriation Act 1987-88</u>
<u>Program No.</u>	<u>Program No.</u>
291 Education Ministry Services	281 (Part)
292 School Education Planning and Co-ordination	281 (Part) 282 (Part)
293 School Education	283 (Part)
294 Schools Support	281 (Part) 282 (Part)
	283 (Part) 285
295 Equal Education Opportunity	286
296 Further Education	287 (Part)
297 Vocational Education	287 (Part)
298 Higher Education	281 (Part)
299 Non-Government School Education	288

The Recurrent expenditures are generally of a continuing nature throughout the year. However, it is necessary in the Supply calculation to cover the payment of 50% of Education allowances and Maintenance allowances under Program No. 294 and Program No. 299. In addition, under Program No. 299 some three-quarters of the grants to Non-Government Schools are paid during the Supply period and provision has been made for these payments. It should be noted that expenditures in respect of the Education Expense Allowance introduced in the 1987-88 Budget are payable in the first half of a school year and consequently no provision is required during the Supply period.

The allocation in Program 298 Higher Education reflects the cost of the progressive transfer of nurse education from Hospitals to Colleges of Advanced Education.

The provision for Program No. 297 has been increased to provide for the transfer of the training responsibilities from the Department of Labour and the Industrial Training Commission as part of the establishment of the State Training Board. The amount included in Supply for this purpose is \$5.2 million.

Account has also been taken in Programs No. 295, 297 and 299 of the Commonwealth Government statement that the 'Participation and Equity Program' will not be renewed beyond 1987.

In the case of Works and Services the amount provided is that which it is estimated will be required to cover the cash outgoings during the Supply period on account of the Education Works and Services program.

TABLE - continued

Program No.		<u>Recurrent</u>			Works and Services
		<u>Salaries & Related Costs</u>	<u>Other Recurrent Expenses</u>	<u>Total Recurrent</u>	
		<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<u>ETHNIC AFFAIRS</u>					
342	Corporate Services	295	100	395	40
343	Access to Government Services	125	275	400	
344	Ethnic Migrant Participation	150	145	295	
345	Community Awareness	55	50	<u>105</u>	<u>40</u>
				<u>1,195</u>	<u>40</u>
	Percentage of 1987-88 Budget			28.6	37.7

The amount provided for Recurrent Services is less than pro-rata due to the timing of grants paid to community organisations which results in less expenditure during the Supply period.

The amounts provided for salaries and related costs reflect a re-allocation of these resources between the four programs.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>HEALTH</u>					
381	Central Office and Centrally Administered Services	8,550	2,220	10,770	1,000
383	Community and Public Health Services	7,670	9,990	17,660	1,400
384	Psychiatric Services	60,100	13,990	74,090	11,370
385	Short-term Hospital Services	370	110	480	30,300
386	Long-term Institutional Services		1,320	1,320	1,200
387	Statewide Services	1,500	7,410	8,910	3,350
389	Hospitals & Charities Fund Contribution		463,000	<u>463,000</u>	
				<u>576,230</u>	<u>48,620</u>
	Percentage of 1987-88 Budget			36.1	30.4

The above program structure is the same as that which applied in the 1987-88 Appropriation Act.

The amount provided for Recurrent expenditure during the Supply period is the amount calculated as being necessary to cover the on-going activities of the Department.

The amount of \$463.0 million provided as a contribution to the Hospital and Charities Fund takes into account the amounts which will be made available to that Fund during the Supply period, from the proceeds of Totalizator and Tattersalls duty. This amount reflects an assessment of hospital cash flow requirements during the Supply period insofar as they require funding through annual appropriation.

The Works and Services provision of \$48.6 million has been assessed as the amount required to meet the cash flows associated with on-going projects during the Supply period.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>HOUSING AND CONSTRUCTION</u>					
HOUSING					
404	Acquisition of Rental Stock				58,250
405	Provision of Home Ownership Assistance		420	420	1,910
407	Provision and Maintenance of Housing for Servicemen				50
409	Tenant Support and Improvement of the Public Housing Environment				19,300
410	Private and Community Rental				4,690
411	Rental Operations				<u>8,890</u>
				<u>420</u>	<u>93,090</u>
	Percentage of 1987-88 Budget			32.5	34.1
PUBLIC WORKS					
414	Management and Policy	320	10	330	
415	Client Program and Project Delivery and Consultancy Services	9,770	2,780	12,550	1,000
416	Construction Services	300	30	<u>330</u>	<u>120</u>
				<u>13,210</u>	<u>1,120</u>
	Percentage of 1987-88 Budget			33.3	31.4

The Supply calculations for Housing and Construction have been prepared on the basis of amalgamation of the two previously separate departments, Housing and Public Works.

TABLE - continued

HOUSING AND CONSTRUCTION - Continued

The decision has been taken in the preparation of the Supply estimates to take the estimated cash flow for the existing programs of the previous two agencies under the new Department of Housing and Construction. When a final decision is made on the most efficient organisation for the use of current resources appropriate adjustment will be made.

In the case of Housing the amounts provided during the Supply period are supplemented by funds generated internally by Housing, chiefly through its rental operations and home ownership assistance programs. The pattern of expenditures during Supply is anticipated to be consistent with that approved in the 1987-88 Budget.

In the case of Public Works, expenditures occur on a regular basis during the financial year and Supply has been calculated accordingly.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>INDUSTRY, TECHNOLOGY AND RESOURCES</u>					
472	Corporate Services	1,400	750	2,150	170
473	Services to Industry and Commerce	1,930	21,730	23,660	1,790
474	Minerals and Groundwater Development	1,810	330	2,140	400
475	Energy Resources and Conservation	960	1,530	<u>2,490</u>	<u>470</u>
				<u>30,440</u>	<u>2,830</u>
	Percentage of 1987-88 Budget			31.4	20.8

The amount provided for Recurrent expenditure has been assessed having regard to the cash flow requirements during the Supply period.

Expenditure in Program 474 Minerals and Groundwater Development will be less in 1988-89 because of the transfer of part of the groundwater functions, including salinity control, to the Ministry for Water Resources. The amount of this transfer in the Supply period is assessed at \$600,000.

Following the appointment of a Minister for Tourism, expenditure relating to the Victorian Tourism Commission has been transferred to Program 663. Expenditure relating to the Alpine Resorts Commission has been included in Program 473.

Expenditure on Works and Services during the Supply period will be less than could be expected on a pro-rata basis as a result of projects nearing completion.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>LABOUR</u>					
482	Corporate Services	1,520	2,555	4,075	300
484	Employment	290	960	1,250	
485	Building and Construction Industry	680	70	750	10
486	Occupational Health and Safety	1,170	1,540	2,710	30
487	Industrial Tribunals and Award Services	420	830	1,250	
488	Industrial Relations	640	40	680	
489	Regional Services	2,920	330	3,250	130
492	Youth Affairs	130	1,190	1,320	
493	Youth Guarantee	240	5,230	<u>5,470</u>	
				<u>20,755</u>	<u>470</u>
	Percentage of 1987-88 Budget			34.3	15.4

The Supply calculation takes into account the transfer of the training function to the State Training Board in Education. In 1987-88 the training function was provided under Program 483 and consequently no provision is required in Supply for 1988-89 under this Program. In addition the expenditure on Commonwealth Trainee Advisers previously provided in Program 489 Regional Services has also been transferred to Education and no provision is made in the Program during Supply.

The amount required for the remainder of Labour is the estimated cash flow requirements during the Supply period. In the case of Works and Services the amount provided is less than pro-rata due to the expected completion of projects during the 1987-88 financial year.

The name for Program 487 has been changed to better reflect the service delivery objectives of the Program.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>LOCAL GOVERNMENT</u>					
502	Corporate Services	580	210	790	20
504	Financial Assistance	60	50	110	900
505	Advisory and Regulatory Services	270	50	<u>320</u>	—
				<u>1,220</u>	<u>920</u>
	Percentage of 1987-88 Budget			34.1	29.3

The amounts listed above reflect the anticipated cash flow during the Supply period under the same programs which were detailed in the 1987-88 Appropriation Act.

The Supply estimate for Works and Services is less than pro-rata due to the completion in 1987-88 of relocation works.

TABLE - continued

Program No.		Recurrent		Total Recurrent	Works and Services
		Salaries & Related Costs	Other Recurrent Expenses		
		\$'000	\$'000	\$'000	\$'000
<u>PLANNING AND ENVIRONMENT</u>					
562	Corporate Services	2,180	1,900	4,080	1,430
563	Urban and Regional Development	2,920	480	3,400	3,420
564	Heritage and Environment	690	480	1,170	160
565	Environment Protection and Control	2,500	890	3,390	210
566	Public Land Use Planning and Water Supply Catchments	210	120	330	
				<u>12,370</u>	<u>5,220</u>
	Percentage of 1987-88 Budget			34.2	21.5

The program structure for this agency is the same as shown in the 1987-88 Appropriation Act.

The estimated recurrent expenditure requirements for Supply have been calculated as the cash flow for the on-going operations of the Department.

The requirements for works and services are less than pro-rata because of the completion of projects in the 1987-88 financial year

TABLE - continued

Program No.	Recurrent			Works and Services	
	Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent		
	\$'000	\$'000	\$'000	\$'000	
<u>POLICE AND EMERGENCY SERVICES</u>					
MINISTRY FOR POLICE AND EMERGENCY SERVICES					
581	Ministry Services	870	340	1,210	40
582	Police Corporate Services	34,480	14,070	48,550	6,750
583	Police Community Safety and Security	62,030	5,090	67,120	1,800
584	Police Crime Investigation	15,800	1,780	17,580	
585	Police Road Traffic Control, Safety and Enforcement	10,700	1,390	12,090	20
586	State Emergency Service	590	240	830	90
587	Country Fire Authority		10,680	10,680	
588	Metropolitan Fire Brigades Service		6,070	<u>6,070</u>	
				<u>164,130</u>	<u>8,700</u>
	Percentage of 1987-88 Budget			36.9	25.8
OFFICE OF CORRECTIONS					
597	Corporate Services	2,450	650	3,100	150
598	Custodial Services	15,110	6,450	21,560	18,850
599	Community Based Corrections	3,110	620	<u>3,730</u>	<u>190</u>
				<u>28,390</u>	<u>19,190</u>
	Percentage of 1987-88 Budget			36.0	45.7

During 1987-88 the Office of Corrections which was previously the responsibility of the Attorney-General became the responsibility of the Minister for Police and Emergency Services.

TABLE - continued

POLICE AND EMERGENCY SERVICES - Continued

MINISTRY FOR POLICE AND EMERGENCY SERVICES

The majority of recurrent expenditures in Programs 582 to 585 are related to Salaries and operating support costs of the Police. In Program 582 provision is made for the contribution to the Police Pensions Fund.

The recurrent expenditures during the Supply period under Programs 587 and 588 relate to the Government's contribution to the Country Fire Authority and the Metropolitan Fire Brigades Service respectively. These payments are made quarterly and it is necessary to provide for six months' payment during the Supply period in each case.

The major Works and Services expenditures relate to Program 582 which are primarily associated with the works expenditures on the Police Building Program. Allowance has been made for the cash flow relating to projects which have been approved and/or commenced during the 1987-88 financial year. No provision is required during the Supply period for the cost of advances under the State Development Program.

OFFICE OF CORRECTIONS

The amounts provided for recurrent expenditure during the Supply period are the estimated cash flow requirements taking into account training needs in relation to the opening of the Remand Centre.

The amount required for Works and Services is greater than pro-rata to allow for the cash flow requirement

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>PREMIER</u>					
601	Office of the Governor	330	130	460	300
602	Corporate Support Services	1,090	400	1,490	90
603	Central Policy Co-ordination	1,980	1,000	2,980	80
604	Ministerial and Parliamentary Services	250	190	440	
607	Administrative Review (Ombudsman)	240	30	270	10
608	Promotions Appeal Board	90	10	100	
609	Office of the Auditor-General	1,750	500	2,250	90
610	Public Service Board	1,760	940	<u>2,700</u>	<u>50</u>
				<u>10,690</u>	<u>620</u>
	Percentage of 1987-88 Budget			34.6	28.8

The above provisions allow for the continuation of the activities undertaken by the Department during 1987-88.

Allocations under the Works and Services program provide for normal maintenance works, purchase of equipment etc. Funds have been provided to allow for the continuation of Fire Protection works at Government House.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>PROPERTY AND SERVICES</u>					
622	Corporate Services	1,390	230	1,620	60
623	Information and Government Services	2,980	1,550	4,530	150
624	Government Printing and Publishing	3,540		3,540	560
625	Land Information Services	8,860	3,330	12,190	620
629	Property Services	2,020	31,800	<u>33,820</u>	<u>3,000</u>
				<u>55,700</u>	<u>4,390</u>
	Percentage of 1987-88 Budget			35.1	20.1

Funds have been provided for the continuation of the activities of the Department of Property and Services at similar levels to 1987-88. The Recurrent provision under Program 629 takes into account increased rental commitments in the Supply period. The recurrent provision under Program 623 is less than pro-rata as no provision is now required to be made for the Petrol Distribution Centre and State Vehicle Centre which were closed during 1987-88.

The Works and Services provisions cover a range of activities in the maintenance and construction area. Provision has been made for the finalisation of the purchase of 49 Spring Street, Melbourne. Expenditure is less than pro-rata due to the completion of projects during the 1987-88 financial year.

TABLE - continued

Program No.		<u>Recurrent</u>			Works and Services
		<u>Salaries & Related Costs</u>	<u>Other Recurrent Expenses</u>	<u>Total Recurrent</u>	
		\$'000	\$'000	\$'000	\$'000
<u>SPORT AND RECREATION</u>					
650	Corporate Services	440	140	580	20
651	Sport, Recreation and Leisure	920	2,570	3,490	2,130
652	Racing and Gaming	400	60	460	
				<u>4,530</u>	<u>2,150</u>
	Percentage of 1987-88 Budget			33.2	29.4

The Supply estimate for Works and Services has been calculated having regard to the cash flow requirements under the State/Commonwealth National Sports Facilities Program. In the case of Programs 650 and 652 the decrease compared with 1987-88 is on account of the completion of projects in that year.

TABLE - continued

Program No.	Recurrent			Works and Services
	Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
	\$'000	\$'000	\$'000	\$'000
<u>TOURISM</u>				
663 Tourism		6,860	6,860	1,880
Percentage of 1987-88 Budget			32.6	34.7

As a result of the creation of a separate Ministry for Tourism provision is made in the Supply for expenditures associated with the Ministry during the Supply period. This expenditure was provided in the 1987-88 Appropriation Act under Program 476. The provision included under Program 663 is the cash flow associated with the expenditures detailed under Program 476 in the 1987-88 Appropriation Act with the exception of those relating to the Alpine Resorts Commission which have been included in Program 473 of Industry, Technology and Resources.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	
<u>TRANSPORT</u>					
682	Central Corporate Services	1,150	3,310	4,460	13,000
683	Metropolitan Passenger Services		101,000	101,000	70,000
684	Country, Provincial and Interstate Corporate Services		4,210	4,210	5,210
685	Country, Provincial and Interstate Passenger Services		26,210	26,210	8,690
686	Freight Services		25,330	25,330	24,330
687	Road Safety and Traffic Management		14,500	14,500	19,500
688	Corporate Services - Road Construction Authority		15,000	15,000	4,000
689	Urban Arterial Roads Management		39,000	39,000	25,000
690	Rural Arterial Roads Management		25,000	25,000	13,000
691	Local Roads Management		17,500	17,500	10,000
695	National Roads Management				25,000
696	Ports Management	2,710	2,080	<u>4,790</u>	<u>1,770</u>
				<u>277,000</u>	<u>219,500</u>
	Percentage of 1987-88 Budget			34.4	35.4

The above estimates for the Transport portfolio provide for estimated cash flows during the Supply period and are based on the programs that formed the 1987-88 Appropriation Act.

These programs cover the functions of the Transport Authorities and the Ministry insofar as they require appropriation from the Consolidated Fund.

TABLE - continued

TRANSPORT - Continued

An amount of \$219,500,000 has been included in the Supply provisions for Works and Services expenditure. This estimate provides for expected cash flows during the period and takes into account expected contractual payments during the period.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>TREASURER</u>					
722	Corporate Services	960	200	1,160	100
723	Managing Budget Sector Resources	7,700	3,130	10,830	720
724	Developing Economic and Financial Plans and Strategies, Reviewing Performance	860	130	990	
725	Developing and Managing State Financial Services	640	490	1,130	
726	Transfer and Other Payments		262,100	262,100	85,800
729	Advance to Treasurer		42,400	<u>42,400</u>	<u>27,600</u>
				<u>318,610</u>	<u>114,220</u>
	Percentage of 1987-88 Budget (excluding Treasurer's Advance)			43.8	29.3

The program allocations provided above relate to cash flow requirements in respect of expenditures detailed in the 1987-88 Appropriation Act for Treasurer.

The allocation for recurrent expenditure under Program 726, Transfer and Other Payments, includes provision for the estimated interest payments during the Supply period in respect of borrowings by the Capital Works Authority, including borrowings during the 1987-88 financial year.

In preparing recurrent estimates of Supply requirements for Program 726, Transfer and Other Payments, allowance has been made for that element of the financing charges which fall due during the period on the debt transferred from the transport authorities in accordance with the arrangements for centralised management of Budget Sector debt.

TABLE - continued

TREASURER - continued

The Works and Services provision during the Supply period for Program 726 includes provision for the estimated expenditure during the period for the two sectors of the Capital Development Fund - The State Development Program and the Major Initiatives Program and for that element of Transport financing charges met from Works and Services, in accordance with the arrangements for debt management.

Provision has also been included for an Advance to Treasurer for both recurrent and works and services purposes. This is the same practice as was adopted during the 1987-88 Supply period. In the case of Works and Services the provision will be used where the total amount provided for an agency is insufficient to meet the cost of on-going projects or programs. Therefore, if particular projects or programs progress at a faster rate than has been anticipated for the Supply period they will be able to continue during the Supply period rather than being stopped or slowed down with the consequent disruption to the project, program, contractors or workforce that may be associated with it.

TABLE - continued

Program No.		Recurrent			Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>WATER RESOURCES</u>					
761	State Water Planning and Policy	1,610	3,050	4,660	1,970
766	Corporate Support Services				1,650
767	Water Supply and Drainage		19,970	19,970	7,000
769	Investigations, Operations Planning and Management		5,400	5,400	3,100
				<u>30,030</u>	<u>13,720</u>
	Percentage of 1987-88 Budget			32.4	28.9

The above programs reflect the arrangements which exist within the Water Resources area insofar as it impacts on the Budget.

Part of the Groundwater Division, previously in the Department of Industry, Technology and Resources was transferred to Water Resources and is reflected in the amounts made available under Program 761.

The Works and Services amounts provided for the Rural Water Commission are estimated to be applied during the Supply period as follows :-

		\$'000
Program 766 :-	Technical Services	150
	Administrative Services	1,450
	Workshops etc.	50
Program 767 :-	Irrigation and Drainage	4,700
	Domestic and Stock	700
	Urban	1,600
Program 769 :-	Water Resource Management	1,470
	Advances to River Management Boards	650
	Grant to Dandenong Valley Authority	130
	Contribution to works, Murray/Darling Basin Act	850