

# WATER SUPPLY WORKS AND SERVICES BILL 1972.

## EXPLANATORY MEMORANDUM.

This Bill is to give Parliamentary authority for the expenditure of \$30,000,000 for carrying out works of country water supply, drainage, sewerage, flood protection and river improvement, as set out in the Tables to the clauses of the Bill.

Expenditure authorized in previous Acts and actual expenditure in recent years are set out hereunder :—

<i>Previous Acts.</i>				\$	<i>Actual Expenditure.</i>		\$
1968	..	No. 7743	..	30,100,000	Financial Year 1968-69		18,642,000
1969	..	No. 7908	..	30,000,000	Financial Year 1969-70		18,557,000
1970	..	No. 8031	..	30,000,000	Financial Year 1970-71		17,459,000
1971	..	No. 8215	..	30,000,000	Financial Year 1971-72		18,633,000
1972	..	Present Bill	..	30,000,000	Amount Allotted 1972-73		17,980,430

The full amount of the provision for which authority is sought in the Bill will not be expended during the current financial year, but Parliamentary authority is required so that investigations may proceed, plans may be prepared for improvements to town water supplies controlled by local authorities, and works already authorized may be continued or commenced after the close of the financial year prior to the enactment of the next Works and Services Act.

## CAPITAL LIABILITY.

The net capital liability debited to country water supply works and related works as at 30th June, 1972, was \$425,549,000. Of this amount, \$324,635,000 is borne by the State of Victoria. The remainder (\$100,914,000), is borne by the following :—

	\$
(a) Waterworks Trusts and Local Governing Bodies .. .. .	40,502,000
(b) Urban Districts controlled by the State Rivers and Water Supply Commission ..	35,367,000
(c) Other Commission Districts .. .. .	8,534,000
(d) River Improvement and Drainage Trusts .. .. .	1,174,000
(e) Latrobe Valley Water and Sewerage Board .. .. .	10,837,000
(f) Dandenong Valley Authority .. .. .	624,000
(g) Commission plant and machinery, workshops, &c. .. .. .	3,876,000
	100,914,000

The net capital liability of works of country sewerage authorities as at 30th June, 1972, was \$19,168,000 of which \$9,153,000 is borne by the State. The remainder, \$10,015,000 is debited to the sewerage authorities.

In 1937, pursuant to the Water Act, No. 4513, the capital liability was adjusted by transferring from the direct debit of districts to the "Capital Expenditure Borne by the State Account" such amounts of the capital liability for works as could not be borne by districts on the basis of the existing rates and charges. In 1944, legislation was enacted consequent upon which a further portion of the capital liability was transferred to the State. It has since been the practice to charge all expenditure, as incurred on country water supply works under the jurisdiction of the Commission, to the State. Authority has been contained in each subsequent Loan Act and Works and Services Act and is continued in this Bill for the Governor in Council on the recommendation of the Minister of Water Supply to transfer such portion of the capital liability from the State to the district having regard to development. An amount of \$3,365,000, representing capital liability of \$1,599,000 in respect of two Waterworks Districts, \$83,000 in respect of one Rural District and \$1,683,000 in respect of forty Urban Districts was so transferred during the financial year ended 30th June, 1972. The clauses contained in the Water Supply Works and Services Bill 1972 are in accord with this procedure.

### NOTES ON THE TABLES.

#### CLAUSE 4 STATE WORKS.

The Table to this clause provides authority for the expenditure of \$18,260,000 on the construction of works, as set out under the respective items of the Table, under the direct control of the State Rivers and Water Supply Commission. The authority provides for the continuation of works on hand and for the commencement of construction of approved major projects.

The total of \$11,825,430 is planned for expenditure during the 1972-73 financial year under the terms of this clause.

Details of works to be undertaken under the items of the Table are provided below :—

Item.	Details.	Proposed Expenditure during 1972-73 financial year.	Proposed Provision in Bill.
1	STATE WORKS—STORAGES AND HEADWORKS.	\$	\$
	Sub-Item.		
1	Eppalock Reservoir Project (Campaspe Channels) .. .. . This project was undertaken to enlarge and reconstruct the Campaspe Irrigation District and works have been carried out in association with the development programme of the Rural Finance and Settlement Commission. All irrigation supply works in the area have been completed and it is expected that the remaining drainage works will be finished this financial year.	60,000	70,000
2	Lake Merrimu Project .. .. . This storage provides a reserve supply for the Bacchus Marsh and Werribee Irrigation Districts and provides for expected urban and industrial development in the area immediately west of the metropolis. The principal works to be undertaken during the current financial year are the completion of outlet facilities required for the provision of a supply to the Melton Waterworks Trust.	40,000	80,000
3	Tandarra—Calivil Pondage .. .. . Works undertaken on this scheme involve the construction of a small storage adjacent to the Waranga Western Main Channel at the off-take of the Pyramid No. 1 Channel. The pondage will improve the operating efficiency of the Waranga Western Channel and will permit a greater flexibility in supplies to the 220,000 acres of irrigated lands in the Calivil and Tragowel Plains areas. Only minor works remain to be completed this financial year.	70,000	80,000

Item.	Details.	Proposed Expenditure during 1972-73 financial year.	Proposed Provision in Bill.
1	STATE WORKS—STORAGES AND HEADWORKS— <i>continued.</i>	\$	\$
Sub-Item.			
4	<p><b>Lake Mokoan Project</b> . . . . .</p> <p>Provision is required for the completion of remaining minor works. The project involved the construction of an off-river storage at Winton Swamp near Benalla. Operated in conjunction with Lake Nillahcootie and Lake Eildon, the storage supplements supplies to irrigators in the northern areas of the State.</p> <p>Excess flows in the Broken Creek and its tributary Hollands Creek are fed into the storage by means of a large diversion channel. The outlet channel follows the course of Stockyard Creek and joins the River above Casey's Weir.</p> <p>The project also entailed the construction of levees and bridge works along the Broken River between the Nillahcootie Dam and the Diversion Weir to protect river flats during periods of regulated diversion from the Nillahcootie Reservoir.</p> <p>Forces based at Lake Mokoan are also currently engaged on the construction of a new dam, located about twenty five miles south east of Benalla, on Upper Ryans Creek, a tributary of the Broken River.</p> <p>The project, which is currently estimated to cost \$720,000, is being carried out on behalf of and at the expense of the Benalla Waterworks Trust.</p> <p>The storage will be used to provide a supply for domestic and industrial purposes in Benalla.</p>	114,000	120,000
5	<p><b>Rosslynne Reservoir Project</b> . . . . .</p> <p>This project involves the construction of a storage on Jackson's Creek, a feeder stream of the Maribyrnong River, to provide for urban development at Sunbury and areas north-west of the metropolis and to provide a safeguard for irrigation by diversion below the dam.</p> <p>During 1972-73 the embankment will be sufficiently completed to allow the storage of a substantial volume during the winter of 1973; works on the outlet tower will be finished, leaving the spillway to be completed.</p> <p>The scheme also includes the construction of a small dam upstream of the main embankment to provide a temporary supplementary supply for Sunbury for the 1972-73 summer.</p>	1,530,000	2,500,000
6	<p><b>Other Storages and Headworks</b> . . . . .</p> <p>Provision is made under this sub-item to meet the cost of improvements to be carried out on storages, headworks and main channels including camping, picnic, and recreational facilities and conveniences at storages.</p> <p>The principal projects for the present financial year include further works on the enlargement of Tarago Reservoir in West Gippsland and improvements to the Waranga Western Channel. Other works to be undertaken include reconstruction of the Dimboola Weir, situated on the Wimmera River, the provision of an outlet structure at the Kerang North West Lakes and the building of a structure on the Broken Creek at the junction with Majors Creek. The latter proposal is necessary to safeguard supplies to water users on Majors Creek, by regulation of diversion of water into that stream.</p>	226,300	1,000,000
7	<p><b>Millewa Pipelines Project</b> . . . . .</p> <p>This project involves the replacement of the present earthen channel distribution system supplying stock and domestic needs throughout the Millewa Waterworks District by a new pipeline scheme; greatly improved distributary efficiency and reduction in water losses will result.</p> <p>Expenditure to the end of last financial year amounted to \$910,000, comprising \$864,000 of Works and Services funds and \$46,000 of Commonwealth Grant Rural Employment Relief funds. As from the commencement of this financial year, the balance of the cost of the project, apart from the connexion from the main pipelines to the domestic holding tanks, will be financed from a special Commonwealth Grant. Up to \$2,000,000 will be made available by the Commonwealth and estimated expenditure from Commonwealth Grant during 1972-73 is \$600,000.</p> <p>The authority sought under this sub-item is needed to meet expenditure from Works and Services funds on connexions between main pipelines and domestic holding tanks.</p>	20,000	100,000

Item.	Details.	Proposed Expenditure during 1972-73 financial year.	Proposed Provision in Bill.
1	<p style="text-align: center;"><b>STATE WORKS—STORAGES AND HEADWORKS—continued.</b></p> <hr/> <p><b>Sub-Item.</b></p> <p>8 Nangiloc-Colignan Drainage Project . . . . .</p> <p>A scheme has been proposed to dispose of drainage waters, often highly saline, from an area of 2,400 acres of private irrigation in the Nangiloc-Colignan area, situated to the south-east of Red Cliffs. In order to avoid any increase in the salinity of Murray water, this drainage water will be pumped and channelled to a dry lake evaporating basin, located in the Kulkyne State Forest.</p> <p>Under the terms of the scheme, landholders will contribute on the basis of \$20 per acre to be financed initially from Works and Services funds, but to be repayable without interest after five years, with provision for an extension to ten years if this is found to be necessary. The area will be constituted as a Drainage District under the provisions of the Water Act.</p> <p>No funds are available for expenditure this financial year, but provision is needed in the Bill to authorize commencement of works during the financial year 1973-74 when it is hoped funds will be allocated.</p> <p style="text-align: right;">TOTAL Item 1 . . . . .</p>	\$	\$
		50,000	
		2,060,300	4,000,000
2	<p><b>OTHER STATE WORKS</b></p> <p>1 Irrigation Districts . . . . .</p> <p>(a) Goulburn-Murray Works . . . . .</p> <p>Major Works Centres located at Rochester and Tatura are currently carrying out an extensive construction programme in the Goulburn Murray Irrigation District</p> <p>Authority is sought for the continuation of this programme which involves the enlargement and remodelling of main irrigation channels and other distributary works to enable full use to be made of additional water made available for irrigation following completion of major storages.</p> <p>The continual programme of channel and structure remodelling, together with better maintenance, and improvement in training and supervision of water distribution staff, have resulted in a steady improvement in the efficiency of water deliveries in the past ten years. For example, in the Goulburn Murray Irrigation District, the quantity of water delivered to land as a percentage of water supplied at headworks increased from 49·6 per cent. in 1961-62 to 71·8 per cent. in 1971-72. In addition, record volumes of water were delivered in 1971-72 and deliveries in the Goulburn Murray Irrigation District were 16 per cent. greater than ever before.</p> <p>Substantial efforts are being made to ensure that irrigation practices are efficient and that salinity problems are avoided. The sum of \$1,649,000 budgetted for expenditure in the 1972-73 financial year therefore includes \$911,000 for drainage works ; the balance of \$738,000 will be spent on irrigation projects.</p> <p>(b) Irrigation and Water Supply Districts . . . . .</p> <p>Authority is sought for the construction by District Centres of water supply and drainage works to serve Irrigation Districts and the Urban Districts therein.</p> <p>The amount of \$1,021,580 provided for expenditure in 1972-73 includes \$594,000 for expenditure on irrigation and drainage works in the Goulburn Murray Irrigation District.</p> <p>Drainage works to be carried out by District Centres in the Goulburn Murray Irrigation District are estimated to cost \$137,000 in the 1972-73 financial year ; this sum includes \$54,000 which will be spent on the Swan Hill Flats Drainage Scheme. Approximately \$40,000 will be spent on drainage construction in Central Gippsland during the current financial year.</p> <p>The Commission will continue during 1972-73 with its programme of replacing open channels with pipelines in the Mallee Irrigation Districts.</p> <p>These works will reduce water losses from seepage and evaporation and will reduce maintenance costs.</p>	\$	\$
		2,670,580	3,500,000
		(1,649,000)	(2,100,000)
		(1,021,580)	(1,400,000)

Item.	Details.	Proposed Expenditure during 1972-73 financial year.	Proposed Provision in Bill.
2	OTHER STATE WORKS— <i>continued.</i>	\$	\$
	Sub-Item.		
	<p>Estimated expenditure on the replacement of channels with pipelines is \$175,000 during 1972-73, comprising \$42,000 in Tresco Irrigation District, \$41,000 in Merbein Irrigation District, \$52,000 in Nyah Irrigation District and \$40,000 in Red Cliffs Irrigation District.</p> <p>In addition to the Works and Services funds being expended in Irrigation Districts, considerable sums are also being spent from the Irrigation Districts Maintenance Equalization and Renewals Account, often referred to as the I.D.M.E.R. Account. This account, which was established in 1959 by an amendment to the Water Act, enables cash surpluses arising from the financial operation of an Irrigation District to be returned to the District to meet the cost of accrued maintenance and the renewal of irrigation and drainage structures.</p> <p>I.D.M.E.R. A/c. funds are used for such works as the remodelling and enlarging of channels, the replacement of bridges and other structures and the replacement and repair of residential accommodation and various items subject to wear and tear in the operation of an irrigation district.</p> <p>Current inflationary trends continue to adversely affect the operations of irrigation districts and the rural economy as a whole. Rising costs mitigate against increases of I.D.M.E.R. A/c funds and lower the value in real terms of any cash surpluses that do arise.</p> <p>District operations were such last year that surpluses available for payment into the I.D.M.E.R. A/c arose only in respect of the Goulburn Murray, Campaspe and Macalister Irrigation Districts.</p> <p>In 1970-71, expenditure of I.D.M.E.R. A/c funds in the Goulburn Murray Irrigation District amounted to \$518,000, \$756,000 were expended in 1971-72 and budgetted expenditure for 1972-73 is \$878,000.</p>		
2	<p><b>Coliban System</b></p> <p>The provision under this sub-item is sought for improvements, enlargements and extensions of water supply channels and mains and reticulation works.</p> <p>During the current financial year, construction is continuing of a new supply main from Crusoe Reservoir to Specimen Hill Reservoir which is needed to augment supplies to the low level areas in the northern part of Bendigo. The project is estimated to cost \$500,000 of which \$220,000 is programmed for expenditure during 1972-73.</p> <p>Other projects to be undertaken during 1972-73 include channel works, estimated to cost \$45,000, and reticulation works for which \$122,000 has been allocated.</p>	459,600	660,000
3	<p><b>Mornington Peninsula System</b></p> <p>The demand for water in the areas served by the Mornington Peninsula Water Supply System continues to increase at a fast rate. This has resulted from the rapid expansion generally throughout the area, together with industrial development in the Westernport region.</p> <p>In order to meet the increased demand, a comprehensive programme of installation, enlargement and extension of main supply works, pipelines and reticulation mains will be undertaken during the present financial year.</p> <p>The principal project currently on hand is the construction of the Tarago-Westernport pipeline. The future industrial growth and associated urban development in the Westernport area has made necessary the construction of this 42 inch pipeline to take water directly from the recently enlarged Tarago Reservoir to a major storage yet to be built near Tyabb. The total estimated cost of the scheme is \$8 million and \$1.6 million has been allocated for expenditure in 1972-73. The planned completion date for the project is December, 1974.</p> <p>Other pipeline projects include the completion of the Bittern No. 3 Pipeline, the commencement of works at Beaconsfield Reservoir to improve the outlet to the Berwick-Hallam aqueduct and the construction of a 2 mile 24 inch diameter pipeline between the Frankston Reservoir and the South Frankston Service Basins.</p>	3,930,000	5,600,000

Item.	Details.	Proposed Expenditure during 1972-73 financial year.	Proposed Provision in Bill.
2	OTHER STATE WORKS— <i>continued.</i>	\$	\$
Sub-Item.	<p>The sum of \$285,000 has been provided this financial year for expenditure on storages and service basins. Schemes to be carried out include the construction of a new outlet and other works at the Mornington Reservoir, estimated to cost \$85,000, which will increase the usable capacity of the Mornington Reservoir from 19 million gallons to 58 million gallons. A 1½ million gallon steel storage tank is being erected to augment the water supply at McCrae. Estimated expenditure during 1972-73 on this scheme is \$100,000.</p> <p>New schemes to be undertaken in the current financial year will cost \$354,000 of which \$210,000 will be spent on a project to supply the Dromana High Level Area.</p> <p>Provision has been made in the 1972-73 construction programme for the expenditure of \$665,000 on reticulation extensions and improvements, and on installation of meters.</p>		
4	<p><b>Bellarine Peninsula System</b> . . . . .</p> <p>Authority is sought for works to enlarge and extend the existing distribution and reticulation systems, including the metering of supplies.</p> <p>Funds allocated for 1972-73 provide for the completion of the Mount Duneed Scheme which will provide for a reticulated water supply for stock and domestic purposes to the rural area extending from Mount Duneed to Connewarre and including the township of Breamlea.</p> <p>Provision has also been made for the upgrading of the protective coatings on the St. Leonards and Clifton Springs steel storage tanks, estimated to cost \$52,000 during 1972-73. It is also planned to install a booster pump in the St. Leonards tank to meet peak holiday water demands and to allow additional connections to the system.</p>	351,400	600,000
5	<p><b>Otway System</b> . . . . .</p> <p>This sub-item provides for the enlargement of headworks and improvements to storages, service basins and distributary and reticulation works, including the metering of supplies.</p> <p>The bulk of the 1972-73 allocation will be expended on the South Otway Project which will supplement supplies to towns served by the Otway System, including Warrnambool.</p> <p>The Lismore-Derrinallum Scheme, which involves the construction of a trunk main and additional works at Donalds Hill Reservoir to enable a bulk supply to be provided to the Lismore-Derrinallum Waterworks Trust, is programmed for completion this financial year.</p> <p>Works will also be undertaken to improve the water supply in the township of Simpson.</p>	1,011,500	1,600,000
6	<p><b>Waterworks Districts, Generally</b> . . . . .</p> <p>Works for which authority is sought include the extension and enlargement of channels and pipelines, the construction of urban storages and improvements to urban and rural supply works within Waterworks Districts, principally in the extensive Wimmera-Mallee System.</p> <p>This sub-item also provides for further works on the reticulation systems in the Wonthaggi and Newstead Urban Districts.</p>	340,850	500,000
7	<p><b>Flood Protection Districts</b> . . . . .</p> <p>Approval is required for replacements of bridges and other structures and improvements to flood protection works within the Kooweerup Flood Protection District.</p> <p>The 1972-73 Works and Services allocation also provides for bridge reconstruction works on the Lang Lang River Cut resulting from severe scouring of the bed.</p>	101,200	200,000

Item.	Details.	Proposed Expenditure during 1972-73 financial year.	Proposed Provision in Bill.
2	OTHER STATE WORKS— <i>continued.</i>	\$	\$
	Sub-Item.		
8	Surveys, Investigations, Designs and Research Authority is needed for expenditure on surveys, designs, investigations and hydrological studies in connection with further projects; for the compilation of data in respect of the water resources of the State of Victoria; for computer usage investigation and investigation and engineering research generally.	660,000	1,000,000
9	Works Generally—Workshops, Storesheds, Administrative and other buildings. This sub-item provides for the purchase, acquisition, erection, enlargement, extension, remodelling, alteration and improvement of and additions to administrative buildings, workshops and storesheds, buildings for testing and research purposes and other buildings. Also included is the equipping, fitting, furnishing and all other expenses incidental to the transfer to and establishment of such buildings. The main projects to be undertaken during 1972-73 include the completion of the Commission's new office at Tatura, extensions to the existing office at Shepparton and completion of a new storeyard at Cohuna. These works form part of the programme of necessary improvements and replacements of offices and stores in country centres. Provision has also been made during 1972-73 for preliminary works required in connexion with a proposed extension to the Commission's Head Office building.	200,000	500,000
10	Private Diversions—Meter Installations The State Rivers and Water Supply Commission has embarked upon a programme of installing water meters to record and control usage of water by private diverters located outside district boundaries. These measures have resulted in greatly improved regulation of supplies used by these diverters.	40,000	100,000
	Total Item 2 .. .. .	9,765,130	14,260,000
	Grand Total State Works .. .. .	11,825,430	18,260,000

#### CLAUSE 5 PLANT AND MACHINERY.

The amount of \$200,000 included in the Table to clause 5 of the Bill is required to cover the cost of purchase of movable plant and machinery by the State Rivers and Water Supply Commission for use on construction and maintenance works. \$50,000 has been allocated for expenditure in 1972-73.

Item.	Description of Works.	Proposed Expenditure during 1972-73 financial year.	Proposed Provision in Bill.
1	Purchase or Acquisition of Movable Plant and Machinery Plant purchased under this provision will be operated on works at hire rates sufficient to provide for interest on capital account, redemption, maintenance, and adequate depreciation to renew the plant when necessary	\$ 50,000	\$ 200,000

## CLAUSES 6 TO 10 WATERWORKS TRUSTS.

The amount of \$6,050,000 included in the Tables to clauses 6 to 10 represents provision for expenditure to at least 67 locally controlled centres on investigations, improvements and extensions of the respective town water supply systems.

The amount of actual expenditure on planned works proposed during 1972-73 by these authorities is \$2,450,000. In no case does the Treasurer of Victoria advance a loan to a waterworks trust or local governing body until the proposal has been examined by the State Rivers and Water Supply Commission. At 30th June, 1972, 203 local authorities had been formed to serve 298 cities and towns, representing a capital outlay of \$65,684,000.

With the object of assisting local urban authorities to establish and extend local water supply works, the Governor in Council is authorized, on the recommendation of the Minister of Water Supply, to determine what part of the amount advanced shall be transferred from the debit of the respective authorities to the State, the amount to be transferred being determined in accordance with a formula applying generally to country town supplies.

A feature of the expenditure on works of water supply by local authorities has been the continued increase in the private borrowing programme by these authorities to augment the amount of government money being provided.

In 1966-67 the amount of private borrowing so obtained was \$68,000 and this has increased to \$1,675,000 in 1971-72. It is expected that private borrowing for 1972-73 will be around \$1.8 million, which includes an amount of \$250,000 by the West Moorabool Water Board for the completion of the new Bungal dam, which is expected to cost \$4.75 million. This project will augment water supplies to the major provincial cities of Geelong and Ballarat and assist in coping with the industrial and domestic development of these two cities.

Private borrowing does not increase the interest rates to be met by local authorities as the Government meets all costs in excess of 3 per cent per annum.

Nine new town supplies constructed by local authorities began operating during the past financial year. These towns were Redbank, Elmhurst, Bannockburn, Lethbridge, Tarrington, Toolernvale, Toongabbie, Woori Yallock and Launching Place. New schemes for Clematis, Menzies Creek, Tylden, Tawonga, Moyston, Snake Valley and Coronet Bay were commenced during the year.

Three new Trusts have been constituted to construct and manage new supplies at Swifts Creek, Buchan and Sandford.

Construction is scheduled to commence shortly on water treatment plants at Yarrawonga, Maffra and Morwell and approval has been given for new filtration plants to serve Traralgon, Tyers, Glengarry and Rosedale.

The Sunbury Waterworks Trust has embarked upon a major construction programme which will provide an assured water supply to Sunbury in the future. The scheme involves the installation of a supply main from the Commission's Rosslynne Reservoir to the Trust's storages at Sunbury.

A comprehensive water supply scheme at Linton, located to the south-west of Ballarat, will benefit adjoining rural areas and provide an improved supply of water for Linton and Snake Valley. The scheme will also supply a kaolin processing plant at Pittong.

The fourteen authorities listed in the Table to clause 9 are those with new water supplies where construction has commenced or has been authorized to commence, and where, in addition to the assistance provided by way of interest subsidies and capital grants under the formula already mentioned, special additional assistance will be provided to ensure that the rate in each case need not be greater than 17.5 cents in the dollar of net annual valuation. This additional assistance will be provided by deferring portion of an authority's loan liability. The amount of liability to be charged to the "Capital Expenditure Borne by the State Account" in each case will be determined by the Governor in Council on the recommendation of the Minister of Water Supply. The amounts of deferred liability will be reviewed each year and adjusted by the Governor in Council for each authority as development occurs and enables the authority to carry a larger proportion of its loan liability with the maximum rate.



Provision is made within Item 15 of the Table to clause 9 for new town supplies which might be approved for either existing or proposed authorities.

The amount of \$20,000 included in the Table to clause 10 of the Bill represents provision for advances to be made to the Geelong Waterworks and Sewerage Trust towards the cost of works to supply and reticulate the township of Lara. Amounts so advanced shall be charged to the "Capital Expenditure Borne by the State Account" in each year and shall not be debited to the Trust.

#### CLAUSE 11 SEWERAGE AUTHORITIES.

The amount of \$1,500,000 included in the Table to clause 11 of the Bill represents provision for advances towards the cost of sewerage works of at least nine authorities in country centres. The amount for actual expenditure during 1972-73 on planned works by these authorities is \$900,000.

With the object of assisting sewerage authorities to establish and extend country sewerage works, the Governor in Council is authorized on the recommendation of the Minister of Water Supply to determine what part of the amount advanced shall be transferred from the debit of the respective sewerage authorities to the State, and in these cases also, the amount so transferred is determined in accordance with a formula having general application throughout the State.

The amount of \$900,000 provided to sewerage authorities for 1972-73 will be applied as interest free grants.

In addition to these Government Grants, which this year are expected to form only a portion of the actual expenditure by sewerage authorities, a programme of private borrowing amounting to \$9,800,000 has been approved. Since 1943, the Government has paid subsidies to sewerage authorities in respect of interest charges in excess of 3 per cent. per annum. The actual subsidy paid on behalf of sewerage authorities in 1971-72 was \$1,958,367 and this annual subsidy is increasing by approximately \$300,000 each year. Total interest subsidy payments since 1943 to sewerage authorities now amount to \$12,253,352 of which \$12,053,352 have been paid since 1955.

Five new Sewerage Authorities were constituted during the year at Cowes, Cranbourne, Serviceton, Sunbury and Tongala.

The number of country sewerage authorities is now 110, in addition to the Geelong Waterworks and Sewerage Trust and the Latrobe Valley Water and Sewerage Board. All these authorities operate under the general supervision of the Commission, which itself operates the Eildon system.

Six new sewerage schemes, those of Ocean Grove, Port Fairy, Sealake, Wycheproof, Torquay and Cobram, were brought into operation over the past twelve months. Construction of new schemes began at Apollo Bay, Beaufort and Wonthaggi and approval was given to the Bendigo Sewerage Authority to extend its system to include Epsom Village.

During the year, construction began on works for treating abattoir wastes at Kyneton and approval was given for the construction of a plant at Wangaratta to treat wastes from local textile factories.

The Geelong Waterworks and Sewerage Trust began works on sewerage North Highton and further areas within the Trust's district were provided with a reticulated sewerage system.

#### CLAUSE 12 RIVER IMPROVEMENT TRUSTS.

The amount of \$1,010,000 included in the Table to clause 12 of the Bill is required to implement the provisions of the *River Improvement Act* 1958 which empowers the Treasurer of Victoria to make advances by way of loan to river improvement and drainage authorities for the purposes of undertaking river improvement and land drainage works. Thirty Trusts are now operating, and others are proposed. No advance is made for the purpose of river improvement until each proposal has been examined by the Commission. The allocation of funds for reimbursement of actual expenditure during 1972-73 on planned works by these authorities is \$660,000.

In view of the national importance of these works, the Governor in Council is authorized on the recommendation of the Minister of Water Supply, to determine what part of the amounts advanced shall be transferred from the debit of any local authority to the State.

River Improvement Trusts have been formed to carry out works to provide maximum waterways in streams consistent with natural conditions and to alleviate flooding, to arrest erosion of valuable river frontage bordering farm properties or public utilities, to reduce the siltation of reservoirs, to preserve wildlife and to safeguard recreational areas.

The allocation for 1972-73 includes \$100,000 to be applied towards the restoration of flood damage, mostly in East Gippsland, and a special project allocation of \$50,000 provided to the Avon River Improvement Trust for urgent works on the Avon River.

#### CLAUSE 13 DANDENONG VALLEY AUTHORITY.

The amount of \$250,000 included in the Table to clause 13 of the Bill represents the provision for grants to the Dandenong Valley Authority in respect of river improvement and drainage works.

The Authority's works are financed by private borrowings and grants, the Government having agreed to provide \$200,000 in 1972-73. The basis of subsidies towards river improvement and drainage works and towards the purchase of land required for flood retention basins has been approved by the Government.

Approval has been granted for private borrowing by the Authority amounting to \$600,000 for 1972-73.

The Authority continued, under the general supervision of the Commission, its programme of stream remodelling on the Eumemmering, Mile, Blind, Dandenong, Ferny, Ferntree Gully and Kananook Creeks during the year. Works also continued on the construction of drains throughout the Dandenong Creek catchment. Additional lands were purchased for flood retarding basins and construction work proceeded on several of these.

Construction works were also carried out on sub-catchment drainage schemes, in which landowners share the cost with the Authority. Further contributory drainage schemes will commence to enable housing and industrial development to continue.

The Authority's total capital works programme for 1972-73 is estimated to cost in the vicinity of \$1,107,000.

#### CLAUSE 14 LATROBE VALLEY WORKS.

The amount of \$200,000 included in the Table to clause 14 of the Bill represents provision for expenditure by the Latrobe Valley Water and Sewerage Board on works pursuant to the provisions of the *Latrobe Valley Act 1958*.

The amount of \$100,000 under Item 1 is required for extensions to the water supply system. Under Item 2, a further \$100,000 is provided to continue works for the treatment and disposal of waste and sewage.

The amount of \$100,000 has been provided for these purposes in 1972-73.

#### CLAUSE 15 RIVER MURRAY WORKS.

The amount of \$1,900,000 included in the Table to clause 15 of the Bill represents provision for the contribution by the State of Victoria towards the cost of works constructed under agreements ratified by the River Murray Waters Acts. The River Murray Agreement prescribes that the contracting Governments shall each contribute one-fourth of the total aggregate capital expenditure.

As the River Murray Works are national works, the amount of the State contribution will be charged to the "Capital Expenditure borne by the State Account".

The amount of \$1,000,000 included in Item 1 is required as authority for contributions by the State of Victoria towards the cost of the Dartmouth Dam Project.

Legislation authorizing work to start on the Dartmouth Dam Project has been jointly proclaimed by the States and the Commonwealth. Under the terms of the legislation, the costs of the scheme will be shared equally between South Australia, Victoria, New South Wales and the Commonwealth. However, one half of the States' contribution will be met from a special loan from the Commonwealth with repayments commencing at the expiry of ten years from the date of payment by the Commonwealth.

The Works and Services Programme for the 1972-73 financial year includes \$625,000 as provision for contributions, exclusive of payments from Commonwealth special loan funds, to the River Murray Commission towards the cost of the project. The approval sought in the Bill does not provide for any payments out of Commonwealth special loan funds.

The dam, on the Mitta Mitta River in north-eastern Victoria, is estimated to cost \$64 million and will be constructed for the River Murray Commission by the State Rivers and Water Supply Commission of Victoria, with the Snowy Mountains Engineering Corporation acting as design consultants for the Commission. The Dartmouth Dam, estimated to be completed in the 1977-78 financial year, will impound a storage 3.7 million megalitres when full and will supply each of the States with additional water for irrigation and town supplies, including water for Adelaide.

Provision is being included in the project for hydro-electric power development by the State Electricity Commission of Victoria, which proposes to install a single turbine and alternator of 150 MW capacity.

Construction of the access road and the Dartmouth township are under way. The first major contract for the project will be for the construction of the river diversion tunnel, which will be 6 m. to 10 m. in diameter and 823 m. long. It is expected that the successful tenderer will commence work at the site about March, 1973.

The sum of \$900,000 has been included in Item 2 of the Table for works other than the Dartmouth Dam Project, towards which the State of Victoria is required to contribute under the River Murray Agreements. Expenditure during 1972-73 is estimated to be \$500,000.

#### CLAUSE 16 ROYAL SHOW EXHIBIT.

The amount of \$30,000 included in the Table to clause 16 of the Bill represents provision for the cost of an exhibit at the Royal Agricultural Showgrounds, Melbourne, for the purpose of preparing and providing information relating to the proper utilization of water as applied to agriculture and the rural economy of the State of Victoria.

Amounts so expended shall be charged to the "Capital Expenditure borne by the State Account".

The amount of \$20,000 has been provided for these purposes in 1972-73.

#### CLAUSE 17 MELBOURNE AND METROPOLITAN BOARD OF WORKS.

Water supply and sewerage reticulation in the Werribee area has until recently been the responsibility of the Werribee Shire Council and the Werribee Sewerage Authority respectively. Rapid population growth which has occurred in recent years in the Werribee area has brought about the need for a large scale capital works programme to expand the existing water and sewerage systems.

Investigations indicated that these works could best be carried out if the responsibility for water supply and sewerage in the Werribee area was transferred to the Melbourne and Metropolitan Board of Works. The Board accepted these proposals subject to certain conditions and this transfer became effective as on 1st October, 1972.

The Melbourne and Metropolitan Board of Works has now embarked upon new works estimated to cost \$1,738,000 for the enlargement of the water supply system and \$1,995,000 for the augmentation of sewerage facilities.

The transfer of responsibility to the Board for water supply and sewerage at Werribee was made on the basis that the Board would be given financial assistance equivalent to that which would have been given had the works been carried out by the Werribee Shire Council and the Werribee Sewerage Authority.

Application of the formula, applying generally to country town supplies, to the water supply works to be carried out by the Board entitles the Board to a Formula Grant of \$869,000 towards the cost of the works.

The authority of \$600,000 sought in the Bill is required to meet portion of this payment. An amount of \$250,000 has been provided in the Works and Services Programme for advances to the Board as Formula Grant during the financial year 1972-73.

In addition, it has been agreed that the Board receive special capital grants of \$502,000 in respect of the water supply works and \$882,000 in respect of the sewerage works in lieu of the annual subsidies available to local authorities operating under the Water Act or Sewerage Districts Act, for interest in excess of three per cent. paid on privately raised loans.