

WATER SUPPLY WORKS AND SERVICES BILL 1973.

EXPLANATORY MEMORANDUM.

This Bill is to give Parliamentary authority for the expenditure of \$31,500,000 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>			
				\$			\$
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	..	No. 8362	..	30,000,000	Financial Year 1972-73		17,990,430
1973	..	Present Bill	..	31,500,000	Amount Allotted 1973-74		19,240,000

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, 1973, was \$441,417,000. Of this amount, \$335,859,000 is borne by the State of Victoria. The remainder (\$105,558,000), is borne by the following :—

							\$
(a) Waterworks Trusts and Local Governing Bodies	..	..	..	..	..	..	42,304,000
(b) Urban Districts controlled by the State Rivers and Water Supply Commission	..	..	..	..	..	..	37,133,000
(c) Other Commission Districts	..	..	..	..	..	..	9,173,000
(d) River Improvement and Drainage Trusts	..	..	..	..	..	..	1,616,000
(e) Latrobe Valley Water and Sewerage Board	..	..	..	..	..	..	10,799,000
(f) Dandenong Valley Authority	..	..	..	..	..	..	622,000
(g) Commission plant and machinery, workshops, &c.	..	..	..	..	..	..	3,911,000
							105,558,000

The net capital liability of works of country sewerage authorities as at 30th June, 1973, was \$20,185,000 of which \$9,717,000 is borne by the State. The remainder, \$10,468,000 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 \$2,761,000 representing capital liability of \$289,000 in respect of one Waterworks District, \$365,000 in respect of one Rural District and \$2,107,000 in respect of 24 Urban Districts was so transferred during the financial year ended 30th June, 1973. The clauses contained in the Water Supply Works and Services Bill 1973 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 \$18,750,000 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 \$12,560,000 is planned for expenditure during the 1973-74 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 1973-74 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. Only minor works remain to be completed and it is expected that the project will be finished this financial year.	75,000	90,000
2	Rossllynne Reservoir Project This scheme 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. The dam embankment and outlet tower have been constructed and supplies have been made to the Sunbury Waterworks Trust. Outstanding works include completion of the spillway, fencing, perimeter access road and tree planting. The project will be substantially completed this financial year.	850,000	500,000

Item.	Details.	Proposed Expenditure during 1973-74 financial year.	Proposed Provision in Bill.
1	STATE WORKS—STORAGES AND HEADWORKS.— <i>continued.</i>	\$	\$
	Sub-item.		
3	<p>Other Storages and Headworks</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 continuation of works associated with the enlargement of Tarago Reservoir and improvements to the Waranga Western Channel. Other works to be undertaken include reconstruction of the Dimboola Weir, situated on the Wimmera River 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> <p>This sub-item also provides for the completion of the Lake Mokoan Project, the Tandarra-Calivil Project and minor works associated with the first stage of the Lake Merrimu Project.</p>	315,000	550,000
4	<p>Millewa Pipelines Project</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>This scheme was initially financed from Works and Services funds, supplemented by Commonwealth Grant Rural Employment Relief funds. As from the commencement of the financial year 1972-73, the balance of the cost of the project, apart from the connections from the main pipelines to the domestic holding tanks, has been financed from a special Commonwealth Grant and an amount of up to \$2,000,000 will be made available. Expenditure of Commonwealth funds amounted to \$575,000 during 1972-73 and estimated expenditure for 1973-74 is \$800,000.</p> <p>The authority sought under this sub-item is needed to meet expenditure from Works and Services funds on connections between main pipelines and domestic holding tanks.</p>	80,000	100,000
5	<p>Lake Merrimu Project Stage II</p> <p>The first stage of the Lake Merrimu Project comprised a dam on the Coimadai Creek and a tunnel to divert the waters of Goodmans Creek into the new storage. This scheme makes available 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.</p> <p>The second stage of the Project will further supplement supplies to the storage. The scheme involves the construction of a small diversion weir on the Lerderderg River and a tunnel approximately two and a half miles long between the Lerderderg River and Goodmans Creek. Works are estimated to cost \$4.1 million and tunnelling is planned to commence in March 1974.</p>	130,000	850,000
6	<p>Tarago-Westernport Pipeline</p> <p>The accelerated urban growth in the Mornington Peninsula District and industrial development in the Westernport area has made necessary the construction of additional conveyance capacity between headworks and the district. This is being achieved by the construction of a 42 inch steel pipeline between the Tarago Reservoir and Tyabb.</p> <p>The revised estimated cost of the project is \$13,000,000. Works were commenced under the authority of Item 2.3 of the Table to Section 4 of the previous Works and Services Act and expenditure to the end of last financial year amounted to \$1,360,000. A contract has been entered into for an amount of over \$4 million for the supply of steel pipes for the project.</p>	3,475,000	5,000,000
	Total Item 1	4,925,000	7,090,000

Item.	Details.	Proposed Expenditure during 1973-74 financial year.	Proposed Provision in Bill.
2	OTHER STATE WORKS.	\$	\$
	Sub-item.		
	<p data-bbox="165 512 183 538">1</p> <p data-bbox="221 512 1075 604">Irrigation Districts</p> <p data-bbox="242 538 1075 604">(a) Goulburn Murray Works</p> <p data-bbox="242 604 1075 695">Major Works Centres located at Rochester and Tatura are currently carrying out an extensive construction programme in the Goulburn Murray Irrigation District. 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 data-bbox="242 695 1075 856">The comprehensive programme of channel and structure remodelling carried out under the authority of this sub-item, together with improved maintenance and better training and supervision of water distribution staff, have greatly increased the efficiency of water deliveries over the past decade. The quantity of water delivered to land as a percentage of water supplied at headworks in respect of the Goulburn Murray Irrigation District rose from 50.8% in 1962-63 to 72.5% in 1972-73.</p> <p data-bbox="242 856 1075 1061">Severe drought conditions were encountered during the 1972-73 irrigation season which resulted in unprecedented demands for irrigation supplies. By 31st December, 1972, supplies delivered by the Commission to the Goulburn Murray Irrigation District were 40% higher than in any previous irrigation season. The strain on reserves was substantially alleviated with the onset of heavy rains in the late Summer and through the Autumn. All major irrigation storages have subsequently filled, which has enabled the Commission to make an early announcement of a water sales allocation of 50% of water right for the 1973-74 irrigation season in the Goulburn Murray Irrigation District.</p> <p data-bbox="242 1061 1075 1200">Continuing efforts are being made to avoid salinity problems and to maintain the efficiency of irrigation practices. The amount of \$1,500,000 budgeted for expenditure in 1973-74 therefore includes approximately \$870,000 for expenditure on drainage works. This latter sum includes \$40,000 for the installation of ground-water pumps in the Murray Valley and Tongala-Kyabram areas to control rising water tables and guard against salinity problems.</p> <p data-bbox="242 1200 1075 1226">(b) Irrigation and Water Supply Districts</p> <p data-bbox="242 1226 1075 1280">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 data-bbox="242 1280 1075 1347">The amount of \$900,000 provided for expenditure in 1973-74 includes \$580,000 for expenditure on irrigation and drainage works in the Goulburn Murray Irrigation District.</p> <p data-bbox="242 1347 1075 1467">Drainage works to be carried out by District Centres in the Goulburn Murray Irrigation District are estimated to cost \$125,000 in the 1973-74 financial year; this sum includes \$61,000 which will be spent on the Swan Hill Flats Drainage Scheme. Approximately \$39,000 will be spent on drainage construction in Central Gippsland during the current financial year.</p> <p data-bbox="242 1467 1075 1534">During 1973-74 works will be continued in the Mallee Irrigation Districts on the replacement of open channels with pipelines to increase the efficiency of operations through the reduction of water losses by evaporation and seepage.</p> <p data-bbox="242 1534 1075 1634">The estimated expenditure of Works and Services funds on the replacement of channels with pipelines is \$208,000, comprising \$45,000 in the Tresco Irrigation District, \$40,000 in the Merbein Irrigation District, \$60,000 in the Nyah Irrigation District and \$63,000 in the Red Cliffs Irrigation District.</p> <p data-bbox="242 1634 1075 1787">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 data-bbox="1110 512 1215 566">2,400,000 (1,500,000)</p> <p data-bbox="1131 1200 1222 1226">(900,000)</p>	<p data-bbox="1247 512 1338 566">3,400,000 (2,000,000)</p> <p data-bbox="1254 1200 1345 1226">(1,400,000)</p>

Item.	Details.	Proposed Expenditure during 1973-74 financial year.	Proposed Provision in Bill.
2	OTHER STATE WORKS.— <i>continued.</i>	\$	\$
	Sub-item.		
	<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>Rising costs which have not been matched by corresponding increases in revenue have continued to adversely affect increases in I.D.M.E.R. A/c. funds. Operations were such during 1972-73 that surpluses available for payment into the I.D.M.E.R. A/c. again arose only in respect of the Goulburn Murray, Campaspe and Macalister Irrigation Districts.</p> <p>Expenditure of I.D.M.E.R. A/c. funds in the Goulburn Murray Irrigation District amounted to \$756,000 in 1971-72, \$979,519 in 1972-73 and \$1,075,000 is planned to be spent in 1973-74.</p>		
2	<p>Coliban System</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>The principal project to be undertaken in the present financial year is the continuation of the construction of a new supply main from Crusoe Reservoir to Specimen Hill Reservoir. This scheme is required to supply the low level areas in the northern part of Bendigo. The revised estimated cost of the project, including the construction of a new outlet at the Crusoe Reservoir, is \$1,100,000. Estimated expenditure on the scheme during 1973-74 is \$185,000.</p> <p>Other projects to be undertaken this financial year include the construction of a pump station, tank and chlorination unit to improve water quality and pressures within the Township of Marong.</p> <p>An estimated amount of \$40,000 will be spent during 1973-74 for the commencement of the duplication of the supply main to the Eaglehawk area to improve supply pressures. A new supply main will also be constructed from the Big Hill Reservoir to serve industrial and urban development in the Big Hill area. Expenditure on this latter scheme is expected to amount to \$50,000 this financial year.</p> <p>The sum of \$150,000 has been allocated for reticulation extensions and replacements during 1973-74.</p>	600,000	800,000
3	<p>Mornington Peninsula System</p> <p>Continued urban and industrial development has resulted in a rapid increase in demand for water in the area served by the Mornington Peninsula System. A major programme of installation, enlargement and extension of main supply works, pipelines and reticulation mains will be undertaken during the current financial year to meet this increased demand.</p> <p>Schemes to be implemented include the expenditure of \$230,000 on improvements to the Western outlet of the Beaconsfield Reservoir and the supply of pipes for the undergrounding of the Berwick-Hallam aqueduct which comprises part of a proposed new water supply scheme for the Berwick Corridor, estimated to cost \$3 million.</p> <p>The Commission will undertake a scheme to supply new residential development in the Carrum Downs area. Works are estimated to cost \$1 million, towards which subdividers will be required to make a substantial contribution.</p> <p>Reticulation works will be carried out to serve a new Housing Commission estate at Hastings. Works and Services funds estimated at \$40,000 will be expended in 1973-74.</p> <p>The sum of \$165,000 has been included in the works programme for 1973-74 for the replacement of the syphon across Diamond Creek which forms part of the race conveying water from the Bunyip River to Beaconsfield.</p>	1,600,000	2,500,000

Item.	Details.	Proposed Expenditure during 1973-74 financial year.	Proposed Provision in Bill.
2	OTHER STATE WORKS.— <i>continued.</i>	\$	\$
Sub-item.			
	<p>A booster pump will be installed on the Mornington Pipeline during the present financial year, which, together with recently completed new works at the Mornington Reservoir, will result in an improved supply situation in the Mt. Eliza, Mornington and Mt. Martha areas during the high summer demand period.</p> <p>The Commission proposes to commence equipping a new operations centre within the Frankston Office to improve the efficiency of water distribution and customer service. Provision has been made for the installation of radio and telemetering equipment during 1973-74 as part of this project.</p> <p>General reticulation extensions to meet normal housing development during the financial year are estimated to cost \$370,000.</p>		
4	<p>Bellarine Peninsula System</p> <p>Authority is sought to enlarge and extend the existing distribution and reticulation systems, including the metering of supplies.</p> <p>The major project for 1973-74 is a scheme to improve supply to the Barwon Heads area, which involves the laying of a new 18 inch pipeline from Ocean Grove to replace the existing wooden pipeline. Estimated expenditure for 1973-74 is \$110,000.</p> <p>The amount of \$64,000 has been included in the current works programme for the installation of a new protective coating system for the Clifton Springs and St. Leonards tanks.</p>	290,000	480,000
5	<p>Otway System</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 major portion of the 1973-74 allocation will be spent on the South Otway Project which will supplement supplies to towns served by the Otway System, including Warrnambool.</p> <p>This financial year, it is planned that the South Otway Pipeline be fully operational to within ten miles of Allansford.</p> <p>Other works proposed for 1973-74 include the installation of a pilot water treatment plant at the South Otway Pumping Station to study the processes required for the treatment of water in the South Otway System.</p> <p>Commencement will also be made during 1973-74 on a scheme, estimated to cost \$150,000, to improve supply pressures in the Township of Simpson. Rural reticulation works in the South Camperdown area will also be put in hand during the current financial year.</p>	1,000,000	1,350,000
6	<p>Waterworks Districts, Generally</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>	270,000	500,000
7	<p>Flood Protection Districts</p> <p>Approval is required for replacements of bridges and other structures and improvements to flood protection works within the Koo-Wee-Rup Flood Protection District.</p>	100,000	150,000
8	<p>Surveys, Investigations, Designs and Research</p> <p>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.</p>	780,000	1,000,000

Item.	Details.	Proposed Expenditure during 1973-74 financial year.	Proposed Provision in Bill.
2	OTHER STATE WORKS.— <i>continued.</i>	\$	\$
Sub-item.			
9	<p>Works Generally—Workshops, Storesheds, Administrative and other buildings ..</p> <p>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.</p> <p>Principal projects to be commenced during 1973-74 include the extension of the Commission's Head Office building in Melbourne which is estimated to cost a total of \$1,100,000 with an expenditure of \$150,000 in the current financial year. These extensions are required to alleviate accommodation problems which have arisen within the present building.</p> <p>The programme for the present financial year also includes an amount of \$200,000 for the extension of the Commission's Head Office Laboratory. The existing facilities have proved inadequate for the increased work load which has arisen in recent years, mainly as a result of additional testings arising from the Commission's role as agent for the Environment Protection Authority and the expansion of the Commission's urban reticulation supply systems.</p> <p>Works have commenced on this project which is estimated to cost a total of \$330,000.</p>	505,000	1,100,000
10	<p>Private Diversions—Meter Installations</p> <p>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.</p>	40,000	100,000
11	<p>Impact Studies and Environment Surveys</p> <p>This is a new sub-item which has been inserted to enable the Commission to undertake a programme of environmental surveys of existing works and impact studies in relation to future projects. The objective of the studies is to minimise the dangers to the environment and ecological systems which can result from major construction projects. The investigations will be carried out in co-operation with the newly established Ministry of Conservation and other bodies concerned with environmental problems.</p>	20,000	180,000
12	<p>Groundwater Meter Installations</p> <p>This is a new sub-item under which authority is sought for expenditure on the metering of groundwater supplies extracted under licences issued by the State Rivers and Water Supply Commission in accordance with the provisions of the <i>Groundwater Act 1969</i>.</p> <p>The metering of supplies is necessary to obtain details of quantities extracted, control of usage in the event of a restriction being imposed and for the assessment of groundwater resources and water use requirements.</p>	30,000	100,000
	Total Item 2	7,635,000	11,660,000
	GRAND TOTAL STATE WORKS	12,560,000	18,750,000

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. \$150,000 has been allocated for expenditure in 1973-74.

Item.	Description of Works	Proposed Expenditure during 1973-74 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.	\$ 150,000	\$ 200,000

CLAUSES 6 TO 10 WATERWORKS TRUSTS.

The amount of \$6,070,000 included in the Tables to clauses 6 to 10 represents provision for expenditure to at least 73 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 1973-74 by these authorities is \$2,850,000. 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, 1973, 205 local authorities had been formed to serve 312 cities and towns, representing a capital outlay of \$70,288,000.

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 \$1,992,000 in 1972-73. It is expected that private borrowing for 1973-74 will be around \$2 million.

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.

Seven new town supplies constructed by local authorities began operating during the past financial year. These towns were Archies Creek, Briagolong, Corinella, Dalyston, Gheringhap, Derrinallum and Newmerella. In addition to these towns construction commenced on new schemes for Gellibrand, Moyston and Ventnor.

One new Trust was constituted to construct and manage new supplies to Rokewood, Corindhap, Dereel, Napoleons and Little Hard Hills.

Water treatment plants are being installed at Yarrawonga, Maffra, Mirboo North, Woodend, Boort and Morwell. In addition approval has been given for new filtration plants to serve Murchison and Toora.

To meet the increased development occurring at Wodonga, the Wodonga Waterworks Trust commenced the construction of a 32 ml (7 M.G.) capacity storage. A 750 mm (30 inch) diameter steel pipeline is being installed from this new storage into the city to meet the peak demands for water during the summer months.

It is expected that far more extensive works will be required to meet future development in the area when the Albury-Wodonga regional complex is realised.

During the year the Melton Waterworks Trust completed a pumping station and 600 mm (24 inch) diameter steel main to enable water to be pumped from the Commission's Lake Merrimu to the Trust's treatment plant. This will ensure adequate water for the future development in the town which at the present time is developing at the rate of 700 houses per annum.

The 21 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 22 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 seven authorities in country centres. The amount for actual expenditure during 1973-74 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 1973-74 will be applied principally 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 \$12,500,000 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 1972-73 was \$2,235,182 and this annual subsidy is increasing by approximately \$300,000 each year. Total interest subsidy payments since 1943 to sewerage authorities now amount to \$14,488,534 of which \$14,288,534 have been paid since 1955.

Two new Sewerage Authorities were constituted during the year at Edenhope and Inverloch.

The number of country sewerage authorities is now 111, 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.

Seven new sewerage schemes, those of Anglesea, Apollo Bay, Barwon Heads, Beaufort, Nathalia, Numurkah and Wonthaggi were brought into operation over the past twelve months. Construction of new schemes began at Hastings, Heywood, Kilmore, Merbein, Robinvale and Serviceton.

Approval was given during the year to the Mooroopna Sewerage Authority constructing additional works in order to receive wastes from a local fruit cannery into its system: At Wangaratta, construction commenced on a plant to receive the trade wastes from two textile factories.

The Geelong Waterworks and Sewerage Trust began works on sewerage Housing Commission Estates at Whittington and North Corio and further areas within the Trust's district were provided with a reticulated sewerage system.

CLAUSE 12 RIVER IMPROVEMENT TRUSTS.

The amount of \$1,150,000 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 1973-74 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 1973-74 includes \$60,000 to be applied towards the restoration of flood damage in some Trust districts and a special project allocation of \$50,000 provided to the Tarwin River Improvement Trust for major works on the Tarwin 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 1973-74. 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 1973-74.

The Authority continued, under the general supervision of the Commission, its programme of stream remodelling on the Eumemmerring, 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 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 1973-74 is estimated to cost in the vicinity of \$1,538,000.

CLAUSE 14 LATROBE VALLEY WORKS.

The amount of \$500,000 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 \$400,000 is provided to continue works for the treatment and disposal of waste and sewage.

The amount of \$150,000 has been provided for these purposes in 1973-74.

CLAUSE 15 RIVER MURRAY WORKS.

The amount of \$2,650,000 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 \$1,800,000 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 1973-74 financial year includes \$950,000 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 100 mw capacity.

The construction of the project will be carried out mostly by contract, however, some sections of the scheme will be undertaken by the State Rivers and Water Supply Commission using day labour forces. Works carried out by the State Rivers and Water Supply Commission to date include the construction of the access road to the New Dartmouth Township, establishment of a major part of the accommodation facilities and installation of water supply and sewerage works to serve the township. The State Rivers and Water Supply Commission has also undertaken the preparation of the diversion tunnel and access tunnel portals.

Two major contracts will be let for the construction of the dam. The first contract was let in May, 1973 to Thiess Bros. Pty. Ltd. for the diversion tunnel, intake shaft valve chamber and access tunnel. The tunnel through which the river will be diverted whilst the dam is being constructed, will later serve as a low level outlet for the dam.

It is planned that the second major contract for the embankment, spillway, high level tunnel and other works will be let in May, 1974.

The sum of \$850,000 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 1973-74 is estimated at \$550,000.

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 1973-74.

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 \$400,000 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 1973-74.

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 3 per cent. paid on privately raised loans.