

SUPPLY (1987-88, NO. 1) BILL 1987

EXPLANATORY MEMORANDUM

This Bill provides Supply for the first four months of the 1987-88 financial year and Program appropriations are proposed for both Recurrent and Works and Services expenditure consistent with the position adopted in the 1986-87 Appropriation Act. With the announced intention of presenting the Budget to Parliament in August it has been deemed appropriate to provide for Supply for four months only.

In the case of Recurrent expenditure the amounts have been calculated as those required to cover the on-going operating costs of agencies during this period having regard to salary and wage rates at 2 March, 1987 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 on-going activities, including the operating costs of policy initiatives introduced in the 1986-87 financial year which will be on-going in the 1987-88 Supply period. Allowance has also been made for the effect during the Supply period of the operation of the Government's decision to achieve on-going productivity savings in the delivery of services.

In general, the program format for agencies is consistent with that which applied in the 1986-87 Appropriation Act. Where changes have been made reference is made in the notes relating to the particular agency. The major changes which have been made are:

- changes to the program format of Labour to better reflect the service delivery objectives of that Agency, and
- a recasting of the program structure of Agriculture and Rural Affairs to better reflect the service delivery objectives of the Agency.

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Agencies are aware that during the Supply period programs are not to be expanded above the levels which operated during 1986-87, which means that the provision required to meet Recurrent expenditure during the Supply period is related to the 1986-87 Budget updated for salary awards and cost increases and the full operating effect of new policies introduced during that year. Because of this relationship and the constraints imposed 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.

In making such a comparison, allowance must be made 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. In calculating the Supply provision, account has been taken of such variations. 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 1987-88 bears to the appropriations for that Agency in 1986-87, allowance has been made for the calculation to be prepared on a comparative basis; that is, the 1986-87 base has been 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 seasonal variations on the Recurrent side of the expenditure normally follow the same general pattern from year to year, this is not necessarily true for expenditure on Works and Services. Capital 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 can be expected to be spent during the Supply period on the 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
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	Services
		\$'000	\$'000	\$'000	\$'000
<u>PARLIAMENT</u>					
103	Legislative Council	70	130	200	
104	Legislative Assembly	130	1,330	1,460	
105	Parliamentary Library	175	65	240	
106	Parliamentary Debates	380	30	410	
107	Parliamentary Support Services	1,710	1,880	<u>3,590</u>	<u>500</u>
				<u>5,900</u>	<u>500</u>
	Percentage of 1986/87 Budget			37.9	37.6

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 Parliamentary Support Services Program includes an amount to cover additional electorate office support for Members of Parliament

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. In addition, expenditure for both rentals and outgoings and adaptation works for electoral offices has been included in this Program.

TABLE - continued

Program No.	Salaries & Related Costs	Recurrent Other Recurrent Expenses	Total Recurrent	Works and Services
-----	----- \$'000	----- \$'000	----- \$'000	----- \$'000
<u>AGRICULTURE AND RURAL AFFAIRS</u>				
132 Corporate Services and Management Support	2,740	1,510	4,250	100
133 Agricultural Development	15,640	10,220	25,860	1,200
134 Policy and Rural Affairs	920	410	1,330	20
135 Special Community Services	220	900	1,120	30
136 Rural Finance				<u>5,000</u>
			<u>32,560</u>	<u>6,350</u>
Percentage of 1986/87 Budget			33.7	36.4

The Department of Agriculture and Rural Affairs has implemented a new program structure for the 1987/88 financial year, and the Supply Act reflects this new structure.

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

Supply 1987/88
Program No.

Appropriation Act 1986/87
Program No.

132 Corporate Services and Management
Support
133 Agricultural Development
134 Policy and Rural Affairs
135 Special Community Services
136 Rural Finance

Part of 122
Parts of 123, 124, 125
Parts of 123, 124, 125
Parts of 123, 124, 125
Part of 122.

TABLE - continued

AGRICULTURE AND RURAL AFFAIRS - continued

The amounts provided above allow for similar types of expenditure as undertaken in 1986/87.

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. 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	550	450	1,000	4,000
143 Development of Arts Institutions and Resources	5,740	20,310	26,050	11,900
144 Development of Cultural Activities	330	4,840	<u>5,170</u>	<u>1,490</u>
			<u>32,220</u>	<u>17,390</u>
Percentage of 1986/87 Budget			59.5	55.8

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. In previous years only two quarterly payments were made in Supply, but following changes to the timing of these payments in the 1986/87 Budget, half yearly payments will be made in July and October.

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

The Government's contribution towards the staging of Melbourne's second Spoleto Festival, which will commence in September 1987, has also been allowed for in these estimates (Program 144).

TABLE - continued

Program No.	Salaries & Related Costs	Recurrent Other Recurrent Expenses	Total Recurrent	Works and Services
-----	\$'000	\$'000	\$'000	\$'000
<u>ATTORNEY-GENERAL</u>				
ATTORNEY-GENERAL'S DEPARTMENT				
162 Corporate Services	1,650	2,040	3,690	2,400
163 Corporate Affairs Services	2,830	1,700	4,530	600
164 Public Trustee Services	1,510	170	1,680	
166 Solicitor Services to the State	700	440	1,140	
168 Administration of Justice	8,640	5,440	<u>14,080</u>	<u>8,000</u>
			<u>25,120</u>	<u>11,000</u>
Percentage of 1986/87 Budget			34.2	57.5
OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS				
169 Criminal Prosecution Services to the State	1,830	1,450	<u>3,280</u>	<u>50</u>
Percentage of 1986/87 Budget			35.2	33.1
OFFICE OF CORRECTIONS				
177 Corporate Services	2,470	540	3,010	210
178 Custodial Services	13,690	6,210	19,900	10,340
179 Community Based Corrections	2,960	550	<u>3,510</u>	<u>200</u>
			<u>26,420</u>	<u>10,750</u>
Percentage of 1986/87 Budget			34.6	43.5

There are three distinct operating units under the Attorney-General.

TABLE - continued

ATTORNEY-GENERAL - continued

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

The Corporate Services Program reflects the effect of the first full year operating cost of the Guardianship Board and Public Advocate. In addition this Program reflects the transfer of the Appeal Costs Act Item to the Administration of Justice Program.

TABLE - continued

Program No.		Recurrent		Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	
		\$'000	\$'000	\$'000
<u>COMMUNITY SERVICES</u>				
192	Policy and Corporate Support Services	4,280	600	4,880
193	Community Support	2,230	36,920	39,150
194	Family and Children's Services	3,260	26,170	29,430
195	Alternative Accommodation and Care	6,740	18,220	24,960
196	Youth Services	6,210	1,830	8,040
197	Intellectual Disability Services	25,080	4,510	29,590
198	Concessions to Pensioners and Beneficiaries	10	28,600	28,610
				<u>164,660</u>
				<u>9,880</u>
	Percentage of 1986/87 Budget			38.0
				32.0

The above program structure is the same as that which applied in the 1986/87 Appropriation Act.

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 and the Supported Accommodation Assistance Program.

Under Program 197, allowance has also been made for the implementation of the Intellectually Disabled Persons Services Act, an initiative introduced in the 1986/87 Budget.

TABLE - continued

Program No.	Salaries & Related Costs	Recurrent Other Recurrent Expenses	Total Recurrent	Works and Services
-----	\$'000	\$'000	\$'000	\$'000
<u>CONSERVATION, FORESTS AND LANDS</u>				
202 Corporate Services	8,500	6,280	14,780	2,140
203 Productive Resource Use	4,680	2,090	6,770	6,560
204 Recreation and Conservation Resource Use	4,810	1,740	6,550	4,850
205 Resource Protection	10,140	4,100	<u>14,240</u>	<u>2,350</u>
			<u>42,340</u>	<u>15,900</u>
Percentage of 1986/87 Budget			35.2	32.3

The Department of Conservation, Forests and Lands has maintained a similar Program structure as in previous years. The amounts provided above will allow the Department to continue normal activities.

Expenditure associated with the implementation of the Timber Industry Strategy has been provided for in both the Recurrent and Works and Services Programs. The Works and Services appropriation meets the on-going costs of the Department and allows for the completion of construction work at the Keith Turnbull Research Institute.

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	570	110	680	70
243 Community and Consumer Services	1,130	290	<u>1,420</u>	<u>10</u>
			<u>2,100</u>	<u>80</u>
Percentage of 1986/87 Budget			28.4	30.4

The Supply calculation for Recurrent Services is less than pro-rata since the calculation reflects the fact that Community Credit - Anti-Poverty Strategy grants are made outside the Supply period.

The amount required for Works and Services in the Supply period is less than pro-rata due to the completion of projects in 1986/87.

TABLE - continued

Program No.		Salaries	Recurrent	Total	Works and
		& Related Costs	Other Recurrent Expenses	Recurrent	Services
		\$'000	\$'000	\$'000	\$'000
<u>EDUCATION</u>					
281	Education Ministry Services	1,420	10,340	11,760	11,700
282	Corporate Services	21,770	4,030	25,800	3,100
283	School Education	505,020	97,980	603,000	53,700
285	School Development and Resource Services	14,780	4,860	19,640	200
286	Equal Educational Opportunities	13,860	4,850	18,710	
287	Technical and Further Education		97,360	97,360	25,000
288	Non-Government Schools	120	118,710	<u>118,830</u>	<u>500</u>
				<u>895,100</u>	<u>94,200</u>
	Percentage of 1986/87 Budget			38.0	34.0

The provision for Program No. 281 has been increased to take account of the full year effect of the introduction of the Co-ordination Divisions of the Ministry and the transfer of other units from the Schools Division into those Divisions.

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 under Program No. 283 and Program No. 288. In addition, under Program No. 288 some three-quarters of the grants to Non-Government Schools are paid during the Supply period and provision has been made for these payments.

Allocations in Program No. 281 for both recurrent and capital purposes, reflect the cost of the progressive transfer of nurse education from Hospitals to Colleges of Advanced Education.

TABLE - continued

Program No. -----	Recurrent			Works and Services
	Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
	\$'000	\$'000	\$'000	\$'000
<u>ETHNIC AFFAIRS</u>				
342 Corporate Services	410	110	520	40
343 Access to Government Services	95	275	370	
344 Ethnic Migrant Participation	125	165	290	
345 Community Awareness	50	60	<u>110</u>	<u>-</u>
			<u>1,290</u>	<u>40</u>
Percentage of 1986/87 Budget			32.0	32.0

The programs listed above reflect the expected cash flow during the Supply period under the same programs which were detailed in the 1986/87 Appropriation Act.

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	12,100	13,300	25,400	2,810
383	Community Health Services	4,460	2,650	7,110	2,500
384	Psychiatric Services	57,220	14,210	71,430	5,560
385	Short-term Hospital Services	290	120	410	31,000
386	Long-term Institutional Services		750	750	1,400
387	Regional Services	180	1,760	1,940	1,620
389	Hospital & Charities Fund Contribution		425,000	<u>425,000</u>	-
				<u>532,040</u>	<u>44,890</u>
	Percentage of 1986/87 Budget			37.1	32.1

The Health programs for 1987/88 Supply are generally the same programs that applied in the 1986/87 Appropriation Act. The differences in program composition with respect to recurrent funding are:

- (i) With the Health Department now operating to an increasing extent through regional structures some of the operating expenses in Program 381, Central Office and Centrally Administered Services have been transferred to Program 387, Regional Services,
- (ii) Operations of the Heatherton Hospital previously funded from Program 385 are shown in Program 384 in Supply.

TABLE - continued

HEALTH - continued

(iii) Program 387 in Supply reflects the anticipated funding requirements of the administration of the Isolated Patients Transport and Accommodation Scheme (IPTAS) which was taken over from the Commonwealth, effective 1 January, 1987.

The Works and Services provision of \$44.89 million is required to cover the on-going capital costs of the Health Works and Services Program. This covers on-going projects insofar as they have an impact in the Supply period. Details of the types of expenditure under these programs are the same as those shown in the 1986/87 Appropriation Act.

TABLE - continued

Program No.		Recurrent		Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent
		\$'000	\$'000	\$'000
<u>HOUSING</u>				
404	Acquisition of Rental Stock			53,660
405	Provision of Home Ownership Assistance		360	360
407	Provision and Maintenance of Housing for Servicemen			140
409	Tenant Support and Improvement of the Public Housing Environment			20,880
410	Private and Community Rental			3,590
411	Rental Operations			<u>5,230</u>
				<u>360</u>
	Percentage of 1986/87 Budget			25.0
				33.4

The amounts provided through Supply are supplemented by funds generated internally by the Ministry of Housing, chiefly through its rental operations and home ownership assistance programs. The pattern of expenditures by program during Supply is anticipated to be consistent with that approved in the 1986/87 Budget.

Recurrent payments during the Supply period in respect of home loan subsidies are less than pro rata because payments are made four times during the year and only one payment falls due during the period.

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	1,420	730	2,150	380
473 Services to Industry and Commerce	2,010	25,510	27,520	420
474 Minerals and Groundwater Development	1,880	900	2,780	610
475 Energy Resources and Conservation	920	1,370	2,290	920
476 Tourism		7,620	<u>7,620</u>	<u>1,800</u>
			<u>42,360</u>	<u>4,130</u>
Percentage of 1986/87 Budget			38.2	29.2

The cash flow for the Supply period associated with Program 473 is greater than could be expected on a pro-rata basis. This is because most of the payments associated with certain incentive payments including payroll tax rebates fall within the Supply period.

TABLE - continued

Program No.		Salaries & Related Costs	Recurrent Other Recurrent Expenses	Total Recurrent	Works and Services
		\$'000	\$'000	\$'000	\$'000
<u>LABOUR</u>					
482	Corporate Services	1,590	2,480	4,070	380
483	Training	610	4,450	5,060	90
484	Employment	320	30	350	
485	Building and Construction Industry	620	70	690	
486	Occupational and Public Health and Safety	1,170	1,410	2,580	110
487	Conciliation and Arbitration	280	470	750	100
488	Industrial Relations	660	40	700	
489	Regional Operations	2,600	290	2,890	250
492	Youth Affairs	120	40	160	
493	Youth Guarantee	210	6,000	6,210	
				<u>23,460</u>	<u>930</u>
	Percentage of 1986/87 Budget			33.2	24.1

The department has further refined its program structure following earlier Machinery of Government changes. The new program structure as shown above will take effect in the Supply period and is the outcome of the department's moves to regionalise existing services of an operational nature to provide direct client service delivery. Services which are primarily of a policy nature will continue to be delivered through the remaining programs.

TABLE - continued

LABOUR - continued

As an indication of the previous location of the above expenditures and their new locations, the following information is provided.

<u>Supply 1987/88</u>	<u>Appropriation Act 1986/87</u>
<u>Program No.</u>	<u>Program No.</u>
482 Corporate Services	322 (Part)
483 Training	323 (Part)
484 Employment	324
485 Building and Construction Industry	325
486 Occupational and Public Health and Safety	326 (Part)
487 Conciliation and Arbitration	327
488 Industrial Relations	328
489 Regional Operations	322 (Part), 323 (Part)
	326 (Part), 331
492 Youth Affairs	332 (Part)
493 Youth Guarantee	332 (Part), 333

The Supply estimate for Works and Services is less than pro-rata due to the anticipated completion of projects commenced in 1986/87.

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	640	230	870	200
504 Financial Assistance	70	50	120	900
505 Advisory and Regulatory Services	170	20	190	-
			<u>1,180</u>	<u>1,100</u>
Percentage of 1986/87 Budget			36.1	36.4

The programs shown above relate to the same program structure as presented in the 1986/87 Appropriation Act. The estimated expenditure requirements for Supply have been made against the items shown in the Appropriation Act.

TABLE - continued

Program No.		Recurrent		Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent
		\$'000	\$'000	\$'000
<u>PLANNING AND ENVIRONMENT</u>				
562	Corporate Services	1,940	1,980	3,920
563	Land Use Planning	2,660	470	3,130
564	Heritage and Environment	850	490	1,340
565	Environment Protection and Control	2,340	1,250	3,590
566	Public Land and Water Supply Catchments - Land Use Planning and Monitoring	200	120	320
				<u>12,300</u>
				<u>3,620</u>
	Percentage of 1986/87 Budget			33.9
				29.6

The program structure for this agency is the same as shown in the 1986/87 Appropriation Act. The estimated expenditure requirements for Supply have been made against the items shown in the Appropriation Act.

TABLE - continued

Program No.		Salaries	Recurrent	Total	Works and
		& Related Costs	Other Recurrent Expenses	Recurrent	Services
		\$'000	\$'000	\$'000	\$'000
<u>POLICE AND EMERGENCY SERVICES</u>					
581	Ministry Services	840	160	1,000	40
582	Police Corporate Services	30,150	11,870	42,020	7,100
583	Police Community Safety and Security	59,370	3,900	63,270	440
584	Police Crime Investigation	14,980	1,270	16,250	
585	Police Road Traffic Control, Safety and Enforcement	10,120	1,070	11,190	100
586	State Emergency Services	620	200	820	40
587	Country Fire Authority		10,040	10,040	
588	Metropolitan Fire Brigades Service		5,730	5,730	-
				<u>150.320</u>	<u>7,720</u>
	Percentage of 1986/87 Budget			35.4	20.5

The majority of recurrent expenditures in Programs 581 to 586 are related to salaries and operating support costs, the main exception being the contribution to the Police Pensions Fund which is provided under Program 582. The 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 in turn is primarily associated with the works expenditures on the Police Buildings Program. Allowance has been made in the 1987/88 Supply period for the cash flow relating to projects which have been approved and/or commenced during the 1986/87 financial year.

TABLE - continued

Program No.		Recurrent		Works and Services
		Salaries & Related Costs	Other Recurrent Expenses	
		\$'000	\$'000	\$'000
<u>PREMIER</u>				
601	Office of the Governor	320	120	440
602	Corporate Support Services	1,110	380	1,490
603	Central Policy Co-ordination	1,940	920	2,860
604	Ministerial and Parliamentary Services	245	175	420
607	Administrative Review (Ombudsman)	240	30	270
608	Promotions Appeal Board	65	15	80
609	Office of the Auditor-General	1,740	300	2,040
610	Public Service Board	1,670	860	2,530
				<u>10,130</u>
	Percentage of 1986/87 Budget			34.0
				37.6

The above provisions allow for the continuation of the activities undertaken by the Department during 1986/87.

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

TABLE - continued

Program No.		Salaries & Related Costs	Recurrent Other Recurrent Expenses	Total Recurrent	Works and Services
		\$'000	\$'000	\$'000	\$'000
<u>PROPERTY AND SERVICES</u>					
622	Corporate Services	1,400	250	1,650	180
623	Information and Government Services	2,670	2,240	4,910	140
624	Government Printing and Publishing	3,560		3,560	500
625	Land Information Services	8,720	3,210	11,930	760
629	Property Services	2,080	32,530	34,610	9,200
				<u>56,660</u>	<u>10,780</u>
	Percentage of 1986/87 Budget			39.6	49.1

Funds have been provided to continue the activities of the Department of Property and Services at similar levels to 1986/87. The Recurrent provision under Program 629 takes into account increased rental commitments in the Supply period.

The Works and Services provisions cover a range of activities, especially in the maintenance and construction area. Provision has been made for the finalisation of the purchase of 565 Lonsdale Street, Melbourne.

TABLE - continued

Program No.	Recurrent			Works and Services
	Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
	\$'000	\$'000	\$'000	\$'000
<u>PUBLIC WORKS</u>				
644 Management and Policy	320	10	330	
645 Client Program and Project Delivery and Consultancy Services	10,020	2,530	12,550	1,000
646 Construction Services	300	50	350	200
			<u>13,230</u>	<u>1,200</u>
Percentage of 1986/87 Budget			33.4	37.5

The program structure shown above is comparable with the 1986/87 Appropriation Act and includes expenditures as outlined in the individual appropriations contained in that Act.

TABLE - continued

Program No.	Recurrent			Works and Services
	Salaries & Related Costs	Other Recurrent Expenses	Total Recurrent	
	\$'000	\$'000	\$'000	\$'000
<u>SPORT AND RECREATION</u>				
650 Corporate Services	410	160	570	30
651 Sport, Recreation and Leisure	875	2,455	3,330	1,180
652 Racing and Gaming	380	70	<u>450</u>	<u> </u>
			<u>4,350</u>	<u>1,210</u>
Percentage of 1986/87 Budget			33.7	13.8

The Supply estimate for Works and Services is less than pro-rata due to the anticipated completion of projects commenced in 1986/87 under the National Sports Facilities Program and reduced cash flow requirements in the Supply period on remaining departmental projects.

TABLE - continued

Program No.		Recurrent			Works and
		Salaries	Other	Total	Services
		& Related Costs	Recurrent Expenses	Recurrent	
		\$'000	\$'000	\$'000	\$'000
<u>TRANSPORT</u>					
682	Central Corporate Services	1,330	5,190	6,520	
683	Metropolitan Passenger Services		92,000	92,000	85,000
684	Country, Provincial and Interstate Corporate Services		6,800	6,800	7,860
685	Country, Provincial and Interstate Passenger Services		27,700	27,700	10,710
686	Freight Services		20,600	20,600	18,940
687	Road Safety and Traffic Management		9,760	9,760	20,000
692	Corporate Services - Road Construction Authority		19,300	19,300	3,700
693	Metropolitan Roads Facilities		38,400	38,400	24,600
694	Rural and Provincial City Road Facilities		30,300	30,300	15,700
695	National Roads				24,000
696	Ports Management	3,030	1,830	4,860	1,430
				<u>256,240</u>	<u>211,940</u>
	Percentage of 1986/87 Budget			33.4	31.1

The above estimates for the Transport portfolio provide for estimated cash flows during the Supply period and are based on the same programs that formed part of the 1986/87 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 \$211.94 million 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.

As a result of the debt management arrangements put in place in the 1986/87 budget provision for financing charges is provided under Treasurers Program 726 - Transfer and Other Payments.

TABLE - continued

Program No.		Salaries & Related Costs	Recurrent Other Recurrent Expenses	Total Recurrent	Works and Services
		\$'000	\$'000	\$'000	\$'000
<u>TREASURER</u>					
722	Corporate Services	850	100	950	150
723	Managing Budget Sector Resources	7,560	3,300	10,860	800
724	Developing Economic and Financial Plans and Strategies, Reviewing Performance	720	180	900	
725	Developing and Managing State Financial Services	520	440	960	
726	Transfer and Other Payments		217,800	217,800	100,300
729	Advance to Treasurer		40,000	<u>40,000</u>	<u>26,000</u>
				<u>271,470</u>	<u>127,250</u>
	Percentage of 1986/87 Budget (excluding Treasurer's Advance)			47.4	38.9

The program allocations provided above relate to cash flow requirements in respect of expenditures detailed in the 1986/87 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 during the 1986/87 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

Allowance has also been made for interest payments on Capital Works Authority debt during the period. In respect of borrowings by the Authority during 1986/87 interest payments during the Supply period are greater than a pro-rata proportion of the interest paid on these borrowings in 1986/87.

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 put in place in the 1986/87 Budget.

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 1986/87 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.		Salaries & Related Costs	Recurrent Other Recurrent Expenses	Total Recurrent	Works and Services
		\$'000	\$'000	\$'000	\$'000
<u>WATER RESOURCES</u>					
761	State Water Planning and Policy	1,430	2,690	4,120	1,820
766	Corporate Support Services				1,600
767	Water Supply and Drainage		18,300	18,300	7,200
769	Investigations, Operations Planning and Management		5,400	<u>5,400</u>	<u>3,500</u>
				<u>27,820</u>	<u>14,120</u>
	Percentage of 1986/87 Budget			30.4	30.8

The above programs are those under which appropriation was taken in the 1986/87 Appropriation Act and reflect the arrangements which exist within the Water Resources area insofar as it impacts on the Budget.

The amount provided in Program 761 includes an allowance for one quarterly payment for subsidies to urban water and sewerage authorities.

The areas in which the Works and Services appropriations available to the Rural Water Commission are estimated to be applied in the Supply period are as follows:-

TABLE - continued

WATER RESOURCES - continued

		\$'000
Program No. 766 - Corporate Support Services		
Technical Services		160
Administrative Services		1,430
Workshops etc.		10
Program No. 767 - Water Supply and Drainage		
Irrigation and Drainage		4,800
Domestic and Stock		720
Urban		1,680
Program No. 769 - Investigations, Operations Planning and Management		
Water Resource Management		1,600
Advances to River Improvement Trusts		600
Grant to Dandenong Valley Authority		100
Contribution towards works constructed under agreements ratified by the River Murray Waters Act 1982		1,200

