

WATER SUPPLY WORKS AND SERVICES BILL 1975.

EXPLANATORY MEMORANDUM.

This Bill is to give Parliamentary authority for the expenditure of \$49,000,000 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>		
			\$		\$	
1971	..	No. 8215	..	30,000,000	Financial Year 1971-72	18,632,985
1972	..	No. 8362	..	30,000,000	Financial Year 1972-73	17,990,430
1973	..	No. 8498	..	31,500,000	Financial Year 1973-74	19,690,813
1974	..	No. 8629	..	39,000,000	Financial Year 1974-75	25,829,571
1975	..	Present Bill	..	49,000,000	Amount Allotted 1975-76	32,223,000

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, 1975, was \$475,623,000. Of this amount, \$361,653,000 is borne by the State of Victoria. The remainder (\$113,970,000), is borne by the following :—

	\$
(a) Waterworks Trusts and Local Governing Bodies	45,186,000
(b) Urban Districts controlled by the State Rivers and Water Supply Commission	40,109,000
(c) Other Commission Districts	11,914,000
(d) River Improvement and Drainage Trusts	1,446,000
(e) Latrobe Valley Water and Sewerage Board	10,645,000
(f) Dandenong Valley Authority	618,000
(g) Commission plant and machinery, workshops, &c.	4,052,000
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	113,970,000
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The net capital liability of works of country sewerage authorities as at 30th June, 1975, was \$22,470,000 of which \$11,709,000 is borne by the State. The remainder, \$10,761,000 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 \$3,527,000 representing capital liability of \$1,778,000 in respect of two Waterworks Districts, \$13,000 in respect of two Rural Districts and \$1,736,000 in respect of 25 Urban Districts was so transferred during the financial year ended 30th June, 1975. The clauses contained in the Water Supply Works and Services Bill 1975 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 \$27,260,000 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.

A total of \$19,350,000 is planned for expenditure during the 1975-76 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 1975-76 financial year.	Proposed Provision in Bill.
1	STATE WORKS—STORAGES AND HEADWORKS.	\$	\$
	Sub-Item.		
	1 Tarago-Westernport Pipeline 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 1050 mm steel pipeline between the Tarago Reservoir and Tyabb. The revised estimated cost of the project is \$15,500,000 and expenditure to the end of the last financial year amounted to \$9,687,000 from the Works and Services Account supplemented by a further \$100,000 from Commonwealth Employment Grant in 1974-75.	4,700,000	5,000,000
	2 Rosslynne 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. An amount of \$14,000 was expended on these works during 1974-75 from Commonwealth Employment Grant. Only minor works remain to be completed and it is expected that the project will be finished this financial year.	95,000	100,000

Item.	Details.	Proposed Expenditure during 1975-76 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.</p> <p>The sub-item also provides for completion of the Tandarra Calivil Project and land compensation associated with the first stage of Lake Merrimu Project. Expenditure on this sub-item will be supplemented by an estimated \$101,000 in 1975-76 from Commonwealth Employment Grant, \$86,000 on Waranga Western Channel Improvements and \$15,000 on the Tandarra Calivil Project.</p>	476,000	600,000
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 distributory efficiency and reduction in water losses will result together with a greatly reduced cost of operation when the scheme is completed.</p> <p>This scheme was initially financed from the Works and Services Account, 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 connexions for the main pipelines to the domestic holding tanks, has been financed from a special Commonwealth Grant of \$2,000,000 which has been fully expended at 30th June, 1975. This scheme was further supplemented by Commonwealth Employment Grant expenditure of \$9,000 in 1974-75 and an estimated \$12,000 in 1975-76.</p> <p>The authority sought under this sub-item is needed to meet expenditure from the Works and Services Account on connexions between main pipelines and domestic holding tanks and works on the main pipelines previously financed by Commonwealth Grant.</p>	250,000	120,000
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 as well as the growing urban area at Melton and provides for expected urban and industrial development in the area immediately west of the metropolis. The second stage of the Project will further supplement supplies to the Storage.</p> <p>The scheme involves the construction of a small diversion weir on the Lerderderg River and a tunnel between the Lerderderg River and Goodmans Creek. Works are estimated to cost \$6,600,000.</p>	2,050,000	3,500,000
	Total Item 1 . .	7,571,000	9,320,000

Item.	Details.	Proposed Expenditure during 1975-76 financial year.	Proposed Provision in Bill.
2	OTHER STATE WORKS.	\$	\$
	Sub-Item.		
1	<p>Irrigation Districts</p> <p>(a) Goulburn Murray Major 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 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.</p> <p>Continuing efforts are being made to avoid salinity problems and to maintain the efficiency of irrigation practices. The amount of \$1,300,000 budgeted for expenditure in 1975-76 therefore includes approximately \$960,000 for expenditure on drainage works.</p> <p>These allocations will be supplemented in 1975-76 by estimated expenditure of \$299,000 from Commonwealth Employment Grant.</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. The amount of \$1,142,000 provided for expenditure in 1975-76 includes \$617,000 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 \$118,000 in the 1975-76 financial year.</p> <p>During 1975-76 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. The estimated expenditure from the Works and Service Accounts on the replacement of channels with pipelines is \$160,000 comprising \$36,000 in the Merbein Irrigation District, \$67,000 in the Nyah Irrigation District, \$47,000 in the Red Cliffs Irrigation District and \$10,000 in the Tresco Irrigation District.</p> <p>In addition to expenditure from the Works and Service Account 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 renewals of irrigation and drainage structures. I.D.M.E.R. Account 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>However rising costs which have not been matched by corresponding increases in revenue have continued to adversely affect increases in I.D.M.E.R. Account funds. Operations were such during 1974-75 that surpluses available for payment into the I.D.M.E.R. Account totalled only \$31,000 in respect of Campaspe Irrigation District.</p>	<p>3,242,000 (1,300,000)</p> <p>(1,142,000)</p>	<p>5,250,000 (2,150,000)</p> <p>(1,800,000)</p>

Item.	Details.	Proposed Expenditure during 1975-76 financial year.	Proposed Provision in Bill.
2	OTHER STATE WORKS— <i>continued.</i>	\$	\$
	Sub-Item.		
	<p>Expenditure of I.D.M.E.R. Account funds in the Goulburn Murray Irrigation District amounted to \$980,000 in 1972-73, \$1,035,000 in 1973-74, \$394,000 in 1974-75 and \$53,000 is planned to be spent in 1975-76.</p> <p>Expenditure on these works in 1974-75 was supplemented by Commonwealth Employment Grant \$128,000. Expenditure from the Grant in 1975-76 is estimated to be \$171,000.</p>		
	<p>(c) Drainage in Irrigation Areas</p> <p>In addition to the regular programme for installation of groundwater pumps, an emergency has arisen in the Shepparton region as far north as Cobram and west to Rochester requiring urgent action to greatly enlarge drainage and groundwater control measures in this area.</p> <p>The combined effect of irrigation and heavy rainfall in this area has led to a dramatic rise in water tables causing drainage and salinity problems with very serious consequences to fruit growers, and these works are essential to lower the water tables.</p> <p>The amount provided in the Bill will enable the Commission to install 40 to 50 additional groundwater extraction bores, and for extension and improvement of surface drainage in the horticultural areas.</p>	(800,000)	(1,300,000)
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 this financial year is the continuation of the replacement of the pipeline from Castlemaine to improve the water supply to Maldon estimated to cost \$1.4 m. \$320,000 was expended during 1974-75 mainly on the purchase of pipes and it is estimated that \$710,000 will be expended during 1975-76 which will complete the pipeline to the low level service basin at Maldon. Completion of the project during 1976-77 is included in the provision.</p> <p>Another major project to be continued in 1975-76 is construction of a new supply main from Crusoe Reservoir to Specimen Hill Reservoir to supply the low level areas in the northern part of Bendigo. The revised estimated cost of the project is \$1,300,000 and estimated expenditure on the scheme during 1975-76 is \$240,000.</p> <p>Other projects include improvements to water supplies in Raywood \$23,000, Spring Gully \$80,000, White Hills \$40,000 and Kangaroo Flat \$30,000.</p> <p>The sum of \$190,000 has been allocated for reticulation extensions and replacements during 1975-76.</p> <p>Expenditure on this sub-item was supplemented by \$23,000 from Commonwealth Employment Grant in 1974-75. Estimated expenditure from the Grant in 1975-76 is \$62,500.</p>	1,620,000	2,400,000
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>A major project to be continued this financial year is construction of the Tyabb Storage. Estimated expenditure for 1975-76 is \$498,000.</p> <p>Commencement of the initial stage of a scheme to supply water to the township of Upper Beaconsfield, estimated to cost \$775,000, was made last financial year. The work to be undertaken this year includes construction of pumping stations, rising mains and storage tanks at an estimated cost of \$365,000.</p> <p>Continuation of works on installation of a pumping station and distributory mains to augment the supply to Mt. Eliza will be carried out this financial year at an estimated cost of \$97,000.</p>	2,810,000	4,500,000

Item.	Details.	Proposed Expenditure during 1975-76 financial year.	Proposed Provision in Bill.
2	OTHER STATE WORKS— <i>continued.</i>	\$	\$
	Sub-Item.		
	<p>The sum of \$84,000 has been included in the works programme for 1975-76 for improvements to the water supply at Cranbourne.</p> <p>An amount of \$500,000 will be expended during 1975-76 on the acquisition of land required for the future enlargement of Devilbend Reservoir. Also included in the programme for land acquisition are \$200,000 for a storage basin at Mt. Eliza, \$93,000 for the Tyabb-Mornington Pipeline and \$134,000 for a storage basin at Pakenham.</p> <p>General reticulation extensions to meet normal housing development during the financial year are estimated to cost \$65,000 and \$120,000 will be expended on the purchase of domestic and bulk meters.</p> <p>Expenditure during 1974-75 was supplemented by \$40,000 from the Commonwealth Employment Grant.</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>Major pipeline works to be undertaken this financial year include the first stage of replacement of the Portarlington pipeline \$30,000, replacement of the Birregurra Pipeline \$30,000 and relocation of the Bellarine Pipeline at Leopold \$30,000.</p> <p>Reticulation improvements to be carried out during 1975-76 are estimated to cost \$110,000, including improvements to water supplies in the Wallington Area \$40,000 and Drysdale Area \$40,000.</p> <p>Expenditure in 1975-76 will be supplemented by an estimated \$15,600 from Commonwealth Employment Grant.</p>	290,000	500,000
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 1975-76 allocation will be spent on the South Otway Project which will supplement supplies to towns served by the Otway System, including Warrnambool. This financial year it is planned to spend \$700,000 which will substantially complete the pipeline.</p> <p>Commencement will also be made during 1975-76 on a scheme, estimated to cost \$150,000, to improve supply pressures in the township of Simpson.</p>	1,100,000	1,200,000
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> <p>This sub-item has been supplemented by expenditure from Commonwealth Employment Grant, \$12,000 in 1974-75 and an estimated \$25,000 in 1975-76.</p>	427,000	500,000
7	<p>Flood Protection Districts</p> <p>Approval is required for replacement of bridges and other structures and improvements to flood protection works within the Koo-wee-rup Flood Protection District. This sub-item has been supplemented by expenditure from Commonwealth Employment Grant \$4,000 in 1974-75 and an estimated \$10,000 in 1975-76.</p>	90,000	150,000
8	<p>Surveys, Investigations, Designs and Research</p> <p>Authority is needed for expenditure on surveys, designs, investigations and hydrological studies in connexion 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>	1,510,000	2,000,000

Item.	Details.	Proposed Expenditure during 1975-76 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 store-sheds, 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 any new building. Preliminary planning and design and alterations to the existing site to prepare for the future construction of extensions of the Commission's Head Office building in Armadale, will involve expenditure of \$200,000 in 1975-76. The estimated total cost is \$1,950,000. These extensions are required to alleviate accommodation problems which have arisen within the present building.</p>	415,000	1,000,000
10	<p>Private Diversions—Meter Installations</p> <p>The Commission has embarked upon a programme of installation of 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>	45,000	100,000
11	<p>Impact Studies and Environment Surveys</p> <p>This sub-item was 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 minimize 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 Ministry of Conservation and other bodies concerned with environmental problems.</p>	20,000	100,000
12	<p>Groundwater Meter Installations</p> <p>This sub-item provides authority for expenditure on the metering of groundwater supplies extracted under licences issued by the Commission in accordance with the provisions of the <i>Groundwater Act</i> 1969. 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>	10,000	40,000
13	<p>Water Supply Stores Suspense Account</p> <p>This sub-item was inserted to enable the Commission to augment the amount available in the Water Supply Stores Suspense Account for the purchase in bulk of fuel, stores and equipment pending their use and consumption on, or hire to, authorized works. The total amount available for this purpose was increased in 1974-75 by \$200,000, the first increase since 1955. Continued rising prices have necessitated a further increase of \$200,000 in 1975-76.</p>	200,000	200,000
	Total Item 2	11,779,000	17,940,000
	Grand Total State Works	19,350,000	27,260,000

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. \$100,000 has been allocated for expenditure in 1975-76.

CLAUSES 6 TO 10—WATERWORKS TRUSTS.

The amount of \$7,830,000 included in the Tables to clauses 6 to 10 represents provision for expenditure to at least 95 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 1975-76 by these authorities is \$4,330,000. 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, 1975, 208 local authorities had been formed to serve 320 cities and towns.

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 \$3,957,600 in 1974-75. It is expected that private borrowing for 1975-76 will be around \$5 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.

New town supplies constructed by Local Authorities began operating in seven towns during the 1974-75 financial year at Buchan, Cann River, Kialla, Navarre, North Avonsleigh, Sandford and Tylden.

Approval was given for existing Trusts to construct new town supplies at Girgarre, Rockbank, Merino, Diggers Rest and Bulla, whilst newly constituted Trusts are constructing works to serve the townships of Dookie and Skenes Creek.

Provision has been made this financial year for the commencement of new schemes for four towns (Wickliffe, Bellbridge, Airey's Inlet and Lake Boga). The Lakes Entrance Waterworks Trust will continue construction of a mass gravity concrete dam on the Nicholson River upstream of the offtake weir. This dam with a design capacity of 636 Ml (140 MG) will ensure an adequate supply to the Trust's existing Urban and Rural consumers and will enable the possible future extension of supply to other areas such as Pine Hills, Kalimna West, Nungurner and Lake Tyers. The total cost of the dam is estimated at \$840,000 and the anticipated completion time of the project, which includes construction of an access road and ancillary works, is mid 1976.

The Ballarat Water Commissioners are continuing with the construction of a large pumping station at Bungal Dam and completion of the 600 mm diameter ring main between the pumping station and Warrenheip Service Basin. Anticipated expenditure on these works this year will be of the order of \$1.5 m.

The eighteen 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 19 of the Table to clause 9 for new town supplies which might be approved for either existing or proposed authorities.

The amount of \$200,000 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 provide sewerage facilities to Leopold. 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 \$2,400,000 included in the Table to clause 11 of the Bill represents provision for advances towards the cost of sewerage works of at least thirteen authorities in country centres. The amount for actual expenditure during 1975-76 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 1975-76 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 \$16,300,000 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 1974-75 was \$3,165,429 and this annual subsidy is increasing by approximately \$500,000 each year. Total interest subsidy payments since 1943 to sewerage authorities now amount to \$20,250,551 of which \$20,050,551 has been paid since 1955.

One new Sewerage Authority was constituted during the year at Winchelsea.

The number of country sewerage authorities is now 114 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.

During the year four new sewerage schemes were completed (Heywood, Kilmore, Myrtleford and Serviceton) bringing the total number of sewerage systems either completed or in part operation to 97.

New schemes are under construction in the thirteen towns of Cobden, Cranbourne, Dromana-Rosebud, Edenhope, Hastings, Lakes Entrance, Melton, Merbein, Pakenham, Rainbow, Robinvale, Sunbury and Yea whilst Authorities have been constituted to construct and manage works in a further seventeen towns.

Major extensions were undertaken during the year in Dandenong, Lilydale, Frankston, Bendigo, Ballarat, Maffra, Horsham, Colac, Maryborough, Mooroopna, Mornington, Portland, Sale and Wodonga.

The Mooroopna Sewerage Authority has virtually completed replacement of its original sewerage treatment works which were of insufficient capacity to accept and treat wastes from the Ardmona Cannery. The principal works involve the construction of 230 acres of stabilization lagoons at a new site some four miles from the township of Mooroopna. The works, which include modification of the existing pumping station and installation of a new rising main, have cost some \$1,000,000. The authority will now be in a position to adequately treat the Cannery's wastes together with the normal inflow of domestic sewage.

Similarly the Maryborough Sewerage Authority is undertaking major amplification of its treatment and disposal system.

CLAUSE 12—RIVER IMPROVEMENT TRUSTS.

The amount of \$1,430,000 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-four 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 1975-76 on planned works by these authorities is \$800,000.

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 1975-76 includes a special project allocation of \$50,000 provided to the Longwarry Drainage Trust towards construction of a flood retarding basin on the King Parrot Creek.

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 1975-76. 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 \$700,000 for 1975-76.

The Dandenong Valley Authority is now in its tenth year of construction of large-scale works. The Authority has completed remodelling works on the Dandenong, Eumemmering and Mile Creeks and other tributary streams within the catchment, to prevent flooding of lands developed, and proposed, for housing and industrial purposes.

The Authority has acquired rural lands along the Dandenong Creek and its tributaries for flood retarding basins and has completed several flood storages. It has also completed a number of large-scale drainage schemes associated with urban development, by agreement with the municipal councils and landowners concerned. These sub-catchment drainage schemes now represent a large portion of the Authority's field activities.

The Authority's total capital works programme for 1975-76 is estimated to cost in the vicinity of \$2,614,500.

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 Water and Sewerage Board on works pursuant to the provisions of the *Latrobe Valley Act 1958*.

The amount of \$150,000 under Item 1 is required for extensions to the water supply system. Under Item 2, a further \$350,000 is provided to continue works for the treatment and disposal of waste and sewage.

The amount of \$200,000 has been provided for these purposes in 1975-76.

CLAUSE 15—RIVER MURRAY WORKS.

The amount of \$5,000,000 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 \$4,000,000 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 was jointly proclaimed by the States and the Commonwealth. Under the terms of the Legislation, costs of the scheme are 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 agreement with the Commonwealth Government to provide the half share by way of special loan was limited to expenditure up to the amount of \$70.4 m. As the estimated expenditure now exceeds this amount, agreement of the Commonwealth Government to extend the present agreement has been sought but at this stage, the Commonwealth Government has deferred a decision until after the end of the current financial year.

The Works and Services Programme for the 1975-76 financial year includes \$3,400,000 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 Dartmouth Dam, on the Mitta Mitta River in north-eastern Victoria, is estimated to cost \$99 million and is being 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 dam, estimated to be completed in the 1977-78 financial year, will impound a storage volume of 4 million megalitres and when full will supply each of the States with additional water for irrigation, city 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 turbo-generator of 150 MW capacity.

The construction of the project is being carried out mostly by contract, however, some sections of the scheme are being 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 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 completed the portals to the diversion tunnel and access tunnel to the low level outlet works valve house.

The construction of the dam is being undertaken by Thiess Bros. Pty. Ltd. under two major contracts. The first contract was let in April, 1973, for the diversion tunnel, intake shaft, valve chamber and access tunnel. The tunnel, through which the river is being diverted during construction, will later serve as a low level outlet for the dam. The second major contract for the embankment, spillway, high level tunnel and other works was let in May, 1974.

The sum of \$1,000,000 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 1975-76 is estimated at \$700,000.

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 1975-76.

CLAUSE 17—MELBOURNE AND METROPOLITAN BOARD OF WORKS.

Water supply and sewerage reticulation in the Werribee area were until recently 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 is completing new works at a cost of some \$2,440,000 for the enlargement of the water supply system and \$4,000,000 for the augmentation of sewerage facilities.

The transfer of responsibility to the Board for water supply and sewerage of 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.

It has been agreed that the Board receive a special capital grant of \$2,162,000 in respect of the water supply and sewerage works. This amount includes a grant arrived at by application of the formula applying generally to country town supplies and also includes grant in lieu of 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.

The amount of \$1,000,000 in the Bill represents provision for payment of portion of this grant.

In addition, provision of \$2,500,000 is made in the Bill for capital grants to the Melbourne and Metropolitan Board of Works for approved works of water supply.

CLAUSE 18—APPROVED WORKS PENDING REIMBURSEMENT BY LANDHOLDERS.

The amount of \$400,000 included in the Table to clause 18 of the Bill represents provision for initial expenditure incurred by the Commission in financing certain water supply works carried out under the provisions of the Local Government (Subdivision of Land) Act 1973. Expenditure on these works is repayable in instalments by the landholders concerned.

The amount of \$200,000 has been provided for these purposes in 1975–76.

CLAUSE 19—WASTE WATER TREATMENT STUDY.

The amount of \$200,000 included in the Table to clause 20 of the Bill represents provision for expenditure by the Commission and other Government and Semi-Government bodies on the development and comparison of methods of advance waste water treatment.

The study also includes the detection and limitations of public health dangers in situations where waste water is re-used and the education of the general public and development of markets for re-use of waste water. The total estimated cost of the study is \$593,000.

The amount of \$123,000 has been provided for these purposes in 1975–76.