



EXPLANATORY NOTES
ON
APPROPRIATION BILLS (NOS. 3 AND 4)
1982-83

**EXPLANATIONS OF
ADDITIONAL APPROPRIATIONS
AS PREPARED BY THE
DEPARTMENTS CONCERNED.**

APPROPRIATION BILL (NO. 3)

1982-83

ATTORNEY-GENERAL'S DEPARTMENT

DIVISION: 175 AUSTRALIAN LEGAL AID OFFICE
 SUB-DIVISION: 2 Administrative Expenses
 ITEM: 07 Private legal practitioners - Payment in
 respect of Legal Aid Services

| ADDITIONAL ESTIMATE(A) 1982/83 \$ | ORIGINAL APPROPRIATION(B) 1982/83 \$ | ACTUAL EXPENDITURE(C) 1981/82 \$ | VARIATION (A+B) AND C \$ % | |
|--|---|---|----------------------------------|-------|
| 2,739,000 | 7,971,000 | 9,209,984 | +1,500,016 | 16.29 |

PURPOSE OF ITEM:

To provide for the payment of accounts received from private legal practitioners in respect of work performed on legal matters referred to them in accordance with approved procedures and financial controls.

GENERAL COMMENT:

The increase in this item is due to an increase in the Family Law scale of fees, a higher number of accounts carried forward, an increase in matters which were previously handled by the Legal Services Commission of NSW and a greater number of claims being received.

REASONS FOR VARIATION

| | \$ | \$ |
|---|------------|-------------------|
| Original Appropriation | | 7,971,000 |
| Increase in Family Law scale | + 375,000 | |
| Consideration of additional matters from LSC of NSW and an increased number of claims | +1,735,000 | |
| Greater numbers of accounts carried forward from 1981/82 | + 629,000 | 2,739,000 |
| Revised Estimate 1982-83 | | <u>10,710,000</u> |

ATTORNEY-GENERAL'S DEPARTMENT

DIVISION: 175 AUSTRALIAN LEGAL AID OFFICE
 SUB-DIVISION: 2 Administrative Expenses
 ITEM: 08 Legal Aid Commissions - Reimbursement for
 legal aid provided in the Federal area in
 accordance with agreements between the
 Commonwealth and the States and between the
 Commonwealth and the Northern Territory

| ADDITIONAL ESTIMATE(A) 1982/83 \$ | ORIGINAL APPROPRIATION(B) 1982/83 \$ | ACTUAL EXPENDITURE(C) 1981/82 \$ | VARIATION (A+B) AND C \$ | % |
|--|---|---|--------------------------------|-------|
| 9,857,000 | 22,830,400 | 17,091,200 | +15,596,200 | 91.25 |

PURPOSE OF ITEM:

To provide for payments to the States for the provision of legal aid in the Federal area that was previously provided by the Australian Legal Aid Office.

GENERAL COMMENT:

The additional requirement is to cover increased payments to private practitioners, increased salaries and administrative costs and an under estimate by the Victorian Legal Aid Commission.

REASONS FOR VARIATION

| | | |
|--|-------------|-------------------|
| | \$ | \$ |
| Original Appropriation | | 22,830,400 |
| Additional payments to private practitioners | + 3,737,000 | |
| Determination increases in salaries and administrative costs | + 2,307,000 | |
| Under estimate by VLAC | + 3,813,000 | + 9,857,000 |
| Revised Estimate 1982-83 | | <u>32,687,400</u> |

DEPARTMENT OF DEFENCE

DIVISION: 233 ADMINISTRATIVE AND OTHER EXPENDITURE
 SUB-DIVISION: 1 Administrative Expenses
 ITEM: 04 Fuel, light, power, water supply and sanitation

| ADDITIONAL ESTIMATE(A) 1982/83 \$ | ORIGINAL APPROPRIATION(B) 1982/83 \$ | ACTUAL EXPENDITURE(C) 1981/82 \$ | VARIATION (A+B) AND C \$ % |
|--|---|---|----------------------------------|
| 14,615,000 | 52,494,000 | 48,806,034 | +18,302,966 37.5 |

The Revised Estimate includes \$53,000 for NDO and \$23,000 for DSTO.

PURPOSE OF ITEM:

The item covers payment for the supply of fuel, light, water and power to establishments, ships, units and offices; office cleaning costs, sanitation charges, rubbish removal, road cleaning and similar municipal type charges.

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|---------------------------------------|--|--------------------------------------|----------------------------------|
| a. Fuel | 9,117,000 | 10,791,000 | + 1,674,000 |
| b. Light & Power | 27,438,000 | 36,486,000 | + 9,048,000 |
| c. Water Supply | 4,531,000 | 5,948,000 | + 1,417,000 |
| d. Sanitation | 3,577,000 | 4,326,000 | + 749,000 |
| e. Extermination of Vermin | 120,000 | 166,000 | + 46,000 |
| f. Rates/payments in lieu of rates | 1,569,000 | 1,907,000 | + 338,000 |
| g. Contract cleaning | 5,347,000 | 6,565,000 | + 1,218,000 |
| h. Utility charges overseas | 1,127,000 | 1,283,000 | + 156,000 |
| i. Less Recoveries | <u>CR332,000</u> | <u>CR363,000</u> | <u>- 31,000</u> |
| Total Division 233/1/04 | <u>52,494,000</u> | <u>67,109,000</u> | <u>+14,615,000</u> |

REASONS FOR VARIATION

\$

a. Fuel

(1) Price Variations

. Price increases since preparation of Budget +1,040,000

(2) Other Changes

. Underestimate of gas usage on changeover from oil + 237,000

. Underestimate of fuel requirements based on trends to date + 396,000

. Other miscellaneous changes + 1,000

+ 634,000

Total Variation a.

+1,674,000

b. Light and Power

(1) Price Variations

. Price increases since preparation of Budget +7,604,000

(2) Exchange Fluctuations since Budget

+ 286,000

(3) Other Changes

. Increased requirement due to opening of Bonegilla (Army Apprentices School) + 388,000

. Increased requirement due to operation of Humpty Doo Transmitting Station with effect from September 1982 + 652,000

. Other miscellaneous changes + 118,000

+1,158,000

Total Variation b.

+9,048,000

c. Water Supply

(1) Price Variations

. Price increases since preparation of Budget + 865,000

(2) Exchange Fluctuations since Budget

+ 16,000

| | |
|--|-------------------|
| (3) Other Changes | \$ |
| . Increased requirement due to opening of Bonegilla (Army Apprentices School) | + 132,000 |
| . Increased usage due to drought conditions | + 407,000 |
| . Other miscellaneous changes | <u>- 3,000</u> |
| | <u>+ 536,000</u> |
| Total Variation c. | <u>+1,417,000</u> |
| d. Sanitation | |
| (1) Price Variations | |
| . Price increases since preparation of Budget | <u>+ 618,000</u> |
| (2) Exchange Fluctuations since Budget | <u>+ 3,000</u> |
| (3) Other Changes | |
| . Increased requirements due to opening of Bonegilla (Army Apprentices School) | + 30,000 |
| . Other miscellaneous changes | <u>+ 98,000</u> |
| | <u>+ 128,000</u> |
| Total Variation d. | <u>+ 749,000</u> |
| e. Extermination of Vermin | |
| (1) Price Variations | |
| . Price increases since preparation of Budget | <u>+ 15,000</u> |
| (2) Other Changes | |
| . Increased requirement | <u>+ 31,000</u> |
| Total Variation e. | <u>+ 46,000</u> |
| f. Rates/payments in lieu of rates | |
| (1) Price Variations | |
| . Price increases since preparation of Budget | <u>+ 236,000</u> |
| (2) Other Changes | |
| . Underestimate of requirement to meet rates in VIC, SA, and ACT | <u>+ 102,000</u> |
| Total Variation f. | <u>+ 338,000</u> |

| | |
|---|--------------------|
| g. Contract Cleaning | \$ |
| (1) Price Variations | |
| . Price increases since preparation of Budget | <u>+ 874,000</u> |
| (2) Other Changes | |
| . Increased requirements due to opening of Bonegilla (Army Apprentices School) | + 125,000 |
| . New cleaning contracts to meet additional cleaning requirements since Budget and other miscellaneous variations | <u>+ 219,000</u> |
| | <u>+ 344,000</u> |
| Total Variation g. | <u>+ 1,218,000</u> |
| h. Utility charges South East Asia | |
| (1) Price Variations | |
| . Price increases since preparation of Budget | <u>+ 18,000</u> |
| (2) Exchange Fluctuations since Budget | <u>+ 138,000</u> |
| Total Variation h. | <u>+ 156,000</u> |
| i. Recoveries | |
| (1) Other Changes | |
| . Miscellaneous minor variations | <u>- 31,000</u> |
| Total Variation Division 233/1/04 | <u>+14,615,000</u> |

DEPARTMENT OF DEFENCE

DIVISION: 233 ADMINISTRATIVE AND OTHER EXPENDITURE
 SUB-DIVISION: 1 Administrative Expenses
 ITEM: 08 Personal injury and damage to property
 - Compensation

| ADDITIONAL ESTIMATE(A) 1982/83 \$ | ORIGINAL APPROPRIATION(B) 1982/83 \$ | ACTUAL EXPENDITURE(C) 1981/82 \$ | VARIATION (A+B) AND C \$ | % |
|--|---|---|--------------------------------|------|
| 3,471,000 | 1,743,000 | 3,428,691 | 1,785,309 | 52.1 |

PURPOSE OF ITEM:

The item covers payment of claims against the Commonwealth arising from personal injury (not chargeable to Compensation (CGE Act - Item 233/1/07) or damage to property.

GENERAL COMMENT:

Advances totalling \$1,999,000 have been drawn from the Advance to the Minister for Finance, pending passing of Additional Estimates 1982/83 to meet claims received in excess of the Budget Estimates appropriation.

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|-------------------------|--|--------------------------------------|----------------------------------|
| a. Personal Injury | 1,051,000 | 3,945,000 | +2,894,000 |
| b. Damage to Property | <u>692,000</u> | <u>1,269,000</u> | + <u>577,000</u> |
| Total Division 233/1/08 | <u>1,743,000</u> | <u>5,214,000</u> | <u>+3,471,000</u> |

REASONS FOR VARIATION

a. Personal Injury

(1) Other Changes

| | |
|---|-------------------|
| • Settlement of large outstanding cases not foreseen at time of preparing Budget | <u>+2,894,000</u> |
|---|-------------------|

| | |
|--|--------------------|
| b. Damage to Property | \$ |
| (1) Other Changes | |
| . Higher than anticipated number of claims paid for damage to property during various service activities | + 204,000 |
| . Provision for ordnance/clearance in relation to the WA Natural Gas Pipeline | + 178,000 |
| . Additional provision for the clearance of munitions at Warnbro Sound WA | + <u>195,000</u> |
| | + <u>577,000</u> |
| Total Variation Division 233/1/08 | + <u>3,471,000</u> |

DEPARTMENT OF DEFENCE SUPPORT

DIVISION: 263 ADMINISTRATIVE
 SUB-DIVISION: 2 Administrative Expenses
 ITEM: 06 Fuel, light, power, water supply and sanitation

| ADDITIONAL ESTIMATE(A) 1982/83 \$ | ORIGINAL APPROPRIATION(B) 1982/83 \$ | ACTUAL EXPENDITURE(C) 1981/82 \$ | VARIATION (A+B) AND C \$ | % |
|--|---|---|--------------------------------|----|
| 2,302,000 | 2,556,000 | 2,771,681 | +2,086,319 | 75 |

PURPOSE OF ITEM:

The item provides for fuel, light, power, water supply and sanitation for Defence Support offices and establishments.

GENERAL COMMENT:

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|---------------|--|--------------------------------------|----------------------------------|
| Fuel | 179,200 | 194,700 | + 15,500 |
| Light & Power | 2,146,000 | 4,272,500 | +2,126,500 |
| Water | 57,400 | 217,400 | + 160,000 |
| Sanitation | <u>173,400</u> | <u>173,400</u> | <u>nil</u> |
| | <u>2,556,000</u> | <u>4,858,000</u> | <u>+2,302,000</u> |

FUNCTIONAL DISSECTION

| | BUDGET ESTIMATE 1982/83 \$ | ADDITIONAL ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|----------------------|-------------------------------------|---|----------------------------------|
| Dockyards | 2,344,000 | 4,622,000 | +2,278,000 |
| Industry Development | 66,000 | 66,000 | NIL |
| Administrative | <u>146,000</u> | <u>170,000</u> | <u>+ 24,000</u> |
| | <u>2,556,000</u> | <u>4,858,000</u> | <u>+2,302,000</u> |

| REASONS FOR VARIATION | \$ | \$ |
|--|---------|----------|
| (1) Price | | 713,500 |
| <ul style="list-style-type: none"> Rates of charge for the supply of electricity have increased significantly in NSW and VIC. The date at which new charges became effective, and the level of these increases have varied at both State and local council level. The additional provision makes allowance for the part-year effect of the increases. | 688,000 | |
| <ul style="list-style-type: none"> Water rates have also increased in NSW and VIC. Once again, the dates at which the new charges became effective and the level of the increases have varied at State and local council level. The additional provision makes allowance for the part-year effect of the increases. | 10,000 | |
| <ul style="list-style-type: none"> Average increase of 29% for fuel with effect from September 1982. | 15,500 | |
| (2) Exchange Rate Variations | | NIL |
| (e) Real Increases | | 1,588,50 |
| <ul style="list-style-type: none"> Increased power consumption at Garden Island Dockyard due to introduction of new frequency converter which allows ships alongside to operate 60Hz equipment, and the berthing of FFG's which have an increased consumption rate over DE's and DDG's. | 757,900 | |
| <ul style="list-style-type: none"> Claims for electricity and water charges forwarded for payment to Defence Finance Office, Sydney on 15 June 1982. These claims were subsequently paid in 1982/83. | 170,600 | |
| <ul style="list-style-type: none"> Special account for upgrading of water services to Garden Island Dockyard. | 150,000 | |

| | \$ |
|---|---------|
| . General increased usage of electricity at Garden Island Dockyard. | 352,000 |
| . Increased electricity usage arising from the occupancy of the new administration building (Nelson House) at Williamstown Naval Dockyard. | 158,000 |

DEPARTMENT OF DEFENCE SUPPORT

DIVISION: 264 DEFENCE INDUSTRIAL CAPACITY
 SUB-DIVISION: 1 Maintenance of Production Capability
 ITEM: 01 Munitions Industry

| ADDITIONAL ESTIMATE(A) 1982/83 \$ | ORIGINAL APPROPRIATION(B) 1982/83 \$ | ACTUAL EXPENDITURE(C) 1981/82 \$ | VARIATION (A+B) AND C \$ | % |
|--|---|---|--------------------------------|----|
| 6,604,000 | 57,800,000 | 56,892,937 | +7,511,063 | 13 |

PURPOSE OF ITEM:

The item provides funds for expenditure to retain, in the munitions factories, the production capabilities essential for the manufacture or support of defence material and equipment.

GENERAL COMMENT:

The requirement for funding of overhead costs in Government Factories from this item varies from factory to factory and is influenced by:

- . the workload levels expressed in forecast production hours;
- . the workload mix - rates at which customers are charged for work varies between classes of customers. Commercial customers are charged at higher rates than Department of Defence and therefore contribute more to overheads;
- . different overhead cost structures between factories owing to the differing natures of the products and the indirect support required.

Because peacetime workloads are low, it is not practical to recover from our customers full overhead costs associated with these capabilities.

Factory overheads, other than those recovered, become a charge to this appropriation. Work undertaken by the Munitions Factories for the Defence Services is charged at the "Defence Munitions Manhour Rate". This rate, which is set annually, is designed to recover all costs of the direct production workers, including personal overheads. When the factories operate at a level above a nominated base activity level, an incremental cost is applied to cover increased overheads generated by the higher level of production. This method of charging relieves the equipment and stores appropriations of the Department of Defence of the burden of maintaining, inter alia, under utilised production capabilities.

The "Defence Munitions Manhour Rate" on which the 1982-83 estimates are based is \$15.20 per hour as compared with \$11.80 in 1981-82.

Non-service customers are charged at current market rates whenever possible but never less than direct cost plus 15% on labour cost at direct manhour rates.

The expenditure estimates are based on a forecast workload of 2.773m production hours (2.816m Budget) and forecast staffing levels of the 1588 PSA and 3979 S&D Act personnel. (1576 PSA and 4015 S&D Act at Budget). (Additional forecast numbers of PSA Personnel is due to requirements brought about by the continued phasing in of the Murad and quarterdeck projects).

The current workload is down .043m hours on the Draft Budget estimate and this has occurred specifically in the defence workload area due mainly to production difficulties on some resulting from design difficulties and the late receipt of materials and components. Commercial workload has increased by approximately .006m hours.

DISSECTION

| BUDGET ESTIMATE \$ | | ADDITIONAL ESTIMATE \$ | | INCREASE DECREASE \$ | |
|--------------------------|-------------------|------------------------------|-------------------|----------------------------|-------------------|
| Production Hours | Expenditure \$ | Production Hours | Expenditure \$ | Production Hours | Expenditure \$ |
| 2,816,000 | 57,800,000 | 2,773,000 | 64,404,000 | -43,000 | +6,604,000 |

REASONS FOR VARIATION

The increased requirement has resulted from:

| | | | |
|----------------------------|----|-----------|-----------|
| | \$ | \$ | \$ |
| 1. Price Increases | | | 6,317,000 |
| a. Salary & Wage Increases | | 5,281,000 | |

Salaries

| | | |
|---|---|---------|
| - | Technical Officers & Draftsman (Det 123/82 effective 3 June 1982) | 608,000 |
| - | Foreman (Det 79/82 effective 8/4 & 3 June 1982) | 502,000 |
| - | Clerical Officers (Det 132/82 effective 12 August 1982) | 519,000 |
| - | Engineers (Det 623/82 effective 23 September 1982) | 397,000 |

| | | | |
|---|-----------|-----------|---------|
| Indirect Wages | \$ | \$ | \$ |
| - S&D Act Personnel (Det 39/51 effective 7 June 1982) | 1,454,000 | | |
| - Transport Workers (Det 471/72 effective 27 May & 1 August 1982) | 51,000 | | |
| - Storemen (Det 480/82 effective 14 June 1982) | 131,000 | | |
| Direct Wages | | | |
| - S&D Act Personnel (Det 39/51) | 1,619,000 | | |
| (b) Indirect Supplies & Expenses | | 1,036,000 | |
| - Electricity & Gas - net of price increases & reduction in usage of power & other offsetting savings | 947,000 | | |
| - Compensation - increased rates | 79,000 | | |
| 2. Exchange Rate Fluctuation | | | NIL |
| 3. Real Increases/Decreases | | | 287,000 |
| (a) Compensation increased cases | | 366,000 | |
| (b) Reduction in forecast workload (-43,000 hours) | | 560,000 | |
| (c) Lower forecast level of S&D Act personnel (-36) | | -564,000 | |
| (d) Additional forecast numbers of salaried (PSA) personnel (+12) | | 260,000 | |
| (e) Increased forecast non-operating profits | | -61,000 | |
| (f) Increased forecast pricing profits | | -274,000 | |

DEPARTMENT OF EDUCATION AND YOUTH AFFAIRS

DIVISION: 270 ADMINISTRATIVE
 SUB-DIVISION: 4 Student Assistance Programs
 ITEM: 02 Tertiary students

| ADDITIONAL ESTIMATE(A) 1982/83 \$ | ORIGINAL APPROPRIATION(B) 1982/83 \$ | ACTUAL EXPENDITURE(C) 1981/82 \$ | VARIATION (A+B) AND C \$ % | |
|--|---|---|----------------------------------|-----|
| 6,511,000 | 179,311,500 | 169,434,160 | +16,388,340 | 9.7 |

PURPOSE OF ITEM:

To provide for expenditure on the Tertiary Education Assistance Scheme under which a means-tested living allowance and other benefits are available on a non-competitive basis to students undertaking full-time study in approved courses at universities, colleges of advanced education, TAFE colleges and certain non-government institutions. A small expenditure component is also provided under the Commonwealth Teaching Service Scholarships Scheme which is being phased out.

GENERAL COMMENT:

Allowance levels for 1983 were increased in the 1982-83 Budget by 20% as follows:

At home - from \$1,675 to \$2,010 pa.
 Away and Independent - from \$2,583 to \$3,100 pa.

The Marginal Adjusted Family Income was increased by 11% from \$11,034 to \$12,248.

About 2,500 new beneficiaries were expected as a result of the extension of the allowance range. The Marginal Adjusted Family Income increase was approximately in line with movements in Average Weekly Earnings and was not expected to result in an increase in numbers.

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|---------------------------------|--|--------------------------------------|----------------------------------|
| Living and Dependants Allowance | 171,360,500 | 177,247,500 | +5,887,000 |
| Incidentals Allowance | 6,302,500 | 6,755,000 | + 452,500 |
| Fares | <u>1,648,500</u> | <u>1,820,000</u> | + 171,500 |
| Total | <u>179,311,500</u> | <u>185,822,500</u> | <u>+6,511,000</u> |

REASONS FOR VARIATION

Expenditure is expected to exceed the Appropriation of \$179,311,500 by \$6,511,000 because:

- . Expenditure in the July-December 1982 period was about \$1.19 million more than expected. The increased expenditure has been brought about by a higher number of students than expected (86,541 compared to the estimate of 86,200) and the average benefit per student being higher than expected (\$1,063 compared to the estimate of \$1,052).
- . Allowance levels were increased by 20% for 1983 and this was expected to result in an increase in the number of students assisted of about 3%, from 86,200 in 1982 to 88,700 in 1983. On the basis of applications actually received to date, the number of students to be assisted in 1983 is now expected to be about 92,000.
- . Expenditure in the January-June 1983 period so far indicates that the average benefit in this period will be higher than estimated, \$1,125 per student compared to \$1,115.

DEPARTMENT OF EDUCATION AND YOUTH AFFAIRS

DIVISION: 270 ADMINISTRATIVE
 SUB-DIVISION: 4 Student Assistance Programs
 ITEM: 03 Secondary students

| ADDITIONAL ESTIMATE(A) 1982/83 \$ | ORIGINAL APPROPRIATION(B) 1982/83 \$ | ACTUAL EXPENDITURE(C) 1981/82 \$ | VARIATION (A+B) AND C \$ % | |
|--|---|---|----------------------------------|------|
| 6,559,000 | 22,612,000 | 15,558,810 | +13,612,190 | 87.5 |

PURPOSE OF ITEM:

To provide a means-tested allowance to assist low income families to maintain their children at school for the final two years of secondary education.

GENERAL COMMENT:

The Allowance level was increased for 1983 by 20% from \$726 to \$871 pa. The Marginal Adjusted Family Income was increased by 44.4% from \$8,482 to \$12,248.

The combined result of these increases was expected to be an increase in the numbers of beneficiaries.

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|------------|--|--------------------------------------|----------------------------------|
| Allowances | 22,612,000 | 29,171,000 | +6,559,000 |

REASONS FOR VARIATION

Expenditure is expected to exceed the Appropriation of \$22,612,000 by \$6,559,000 because:

- Actual expenditure in the period July-December 1982 exceeded original estimates by \$550,000 which reflected an increase in the actual number of students assisted in the period (27,025) above the estimate of 25,910.
- It was originally estimated that some 33,500 students would be assisted in 1983, an increase of 30% over 1982 numbers, as a consequence of the substantial relaxation of the means test and a marked increase in the maximum value of the allowance. The Marginal Adjusted Family Income (MAFI) at which the maximum allowance is payable was raised by 44% from \$8,482 to \$12,248 and the maximum allowance was increased by 20% from \$726 pa to \$871 pa.

However it was not known at the time estimates were prepared that it would be decided towards the end of the year to launch an advertising campaign designed amongst other things to encourage families to keep their children at school for the last two years of secondary education.

Available evidence suggests that the campaign has been successful and several States have reported significant increases in enrolments in Years 11 and 12. A consequence has been an unexpected upsurge in the number of applicants for SAS. We now expect 51,000 students to be assisted in 1983, an increase of 89% over 1982.

- . It was originally assumed that a significant proportion of the additional numbers would receive only partial benefits because of the operation of the means test. However, expenditure patterns to date suggest that the average benefit will be higher than expected, \$535 compared to the estimate of \$518 per child.

DEPARTMENT OF EDUCATION AND YOUTH AFFAIRS

DIVISION: 279 THE AUSTRALIAN NATIONAL UNIVERSITY
 SUB-DIVISION: 1 Running Expenses - Supplementary grant

| ADDITIONAL ESTIMATE(A) 1982/83 \$ | ORIGINAL APPROPRIATION(B) 1982/83 \$ | ACTUAL EXPENDITURE(C) 1981/82 \$ | VARIATION (A+B) AND C \$ | % |
|--|---|---|--------------------------------|-----|
| 7,445,000 | 112,024,700 | 112,108,506 | +7,361,194 | 6.6 |

PURPOSE OF ITEM:

This item provides recurrent expenditure in relation to the ANU, and is in keeping with grants recommended by the Commonwealth Tertiary Education Commission.

GENERAL COMMENT:

In accordance with established policy, the Commonwealth Tertiary Education Commission recommends funds on a calendar year basis in the form of block grants.

As the amounts shown in Appropriation Bills are on a financial year basis they combine figures from two calendar year periods.

Financial statements of the University's operations are provided in its Annual Report which is presented to the Parliament each year.

The dissection provided represents the anticipated cash flow requirements of the university during 1982/83.

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|--------------------------------------|--|--------------------------------------|----------------------------------|
| Salaries and Related Payments | | | |
| - University | 85,264,000 | 90,941,000 | +5,677,000 |
| - Centre of Excellence | 161,900 | 161,900 | NIL |
| - Community Languages | <u>48,000</u> | <u>51,800</u> | <u>+ 3,800</u> |
| Total Salaries and Related Payments | <u>85,473,900</u> | <u>91,154,700</u> | <u>+5,680,800</u> |
| Non-Salary Items and Equipment | | | |
| - University | 26,802,700 | 28,560,000 | +1,757,300 |
| - Centre of Excellence | 201,100 | 201,100 | NIL |
| - Community Languages | <u>32,000</u> | <u>33,600</u> | <u>+ 1,600</u> |
| Total Non-Salary Items and Equipment | <u>27,035,800</u> | <u>28,794,700</u> | <u>+1,758,900</u> |
| Halls of Residence | <u>165,000</u> | <u>170,300</u> | <u>+ 5,300</u> |
| Total Recurrent | <u>112,674,700*</u> | <u>120,119,700*</u> | <u>+7,445,000</u> |

* Includes \$650,000 grant included under the Special Appropriation - Australian National University Act 1946.

REASON FOR VARIATION

At the time of preparation of the 1982/83 Budget Estimates grants for 1983 had not been approved. These grants have since been finalised and the effect is reflected in the 1982/83 Additional Estimate.

DEPARTMENT OF EMPLOYMENT AND INDUSTRIAL RELATIONS

DIVISION: 287 ADMINISTRATIVE
 SUB-DIVISION: 4 Trade Training
 ITEM: 02 Special apprentice training schemes

| ADDITIONAL ESTIMATE(A) 1982/83 \$ | ORIGINAL APPROPRIATION(B) 1982/83 \$ | ACTUAL EXPENDITURE(C) 1981/82 \$ | VARIATION (A+B) AND C \$ % | |
|--|---|---|----------------------------------|--------|
| 5,140,000 | 5,000,000 | 3,359,583 | +6,780,417 | +201.8 |

GENERAL COMMENT

PURPOSE OF ITEM:

This item groups together a number of special programs aimed at supporting trade training.

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|---|--|--------------------------------------|----------------------------------|
| Special Trade Training Scheme | 1,300,000 | 5,130,000 | +3,830,000 |
| Group One Year Apprenticeship Scheme | 1,800,000 | 1,800,000 | - |
| Group Apprenticeship Support Scheme | 700,000 | 450,000 | - 250,000 |
| Special Assistance | 1,200,000 | 2,760,000 | +1,560,000 |

REASON FOR VARIATION

Special Assistance Program - the revised estimate for 1982/83 is based on an average cost of \$1000pa for apprentice to end December 1982 in respect of 1200 apprentices, and a further 1200 apprentices from 1 January 1983 at an average cost of \$1300pa. Costs have risen due to an increase in rates from 1 January 1983, and numbers of approvals are expected to increase in 1983 due to a decline in the economic climate.

Special Trade Training Scheme - This program is directed at developing new approaches to trade training. The main variation in the appropriation estimate is for the creation of 2000 additional trade based pre-employment course places in 1983 (over and above the level of 1982 places). It is a program which aims to compensate, to an extent, for the significant expected downturn in apprentice intakes in 1983.

Group Apprenticeship Support Scheme - the revised estimate and resultant savings of \$250,000 reflect the contraction of apprenticeship opportunities during 1982/83 and slowed growth in the number of schemes.

DEPARTMENT OF FOREIGN AFFAIRS

DIVISION: 318 AUSTRALIAN DEVELOPMENT ASSISTANCE BUREAU
 SUB-DIVISION: 9 Emergency Humanitarian Assistance and
 Disaster Relief

| ADDITIONAL ESTIMATE (A) 1982-83 \$ | ORIGINAL APPROPRIATION (B) 1982-83 \$ | ACTUAL EXPENDITURE (C) 1981-82 \$ | VARIATION (A+B) AND C \$ % | |
|---|--|--|----------------------------------|----|
| 10,000,000 | 8,855,000 | 10,185,078 | +8,669,922 | 85 |

PURPOSE OF ITEM:

This item provides for humanitarian relief assistance on both a bilateral and multilateral basis, in disaster and refugee situations. Assistance is provided in response to special and ad hoc appeals from affected countries, UN agencies such as the United Nations High Commissioner for Refugees (UNHCR), United Nations Disaster Relief Organisation (UNDRO), international non-government organisations such as the International Committee of the Red Cross (ICRC), the League of Red Cross Societies, as well as from Australian non-government organisations (NGOs).

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|---|--|--------------------------------------|----------------------------------|
| Contribution to humanitarian relief and assistance in disaster and refugee situations | 8,855,000 | 18,855,000 | +10,000,000 |

REASON FOR VARIATION

To meet Australia's commitment of \$10m for reconstruction assistance in Lebanon, announced by the former Government in August 1982.

The commitment would be broken up thus:

| | | |
|-------------|---|--|
| \$100,000 | - | disbursement through Australian Aid for Lebanon Committee |
| \$5,000,000 | - | UNICEF |
| \$4,900,000 | - | bilateral projects of rehabilitation for medical, educational and agricultural facilities. |

DEPARTMENT OF IMMIGRATION AND ETHNIC AFFAIRS

DIVISION: 360 ADMINISTRATIVE
 SUB-DIVISION: 5 Adult Migrant Education Services
 ITEM: 01 For expenditure under the Immigration
 (Education) Act 1971

| ADDITIONAL ESTIMATE (A) 1982-83 \$ | ORIGINAL APPROPRIATION (B) 1982-83 \$ | ACTUAL EXPENDITURE (C) 1981-82 \$ | VARIATION (A+B) AND C \$ | % |
|---|--|--|--------------------------------|------|
| 4,900,000 | 34,200,000 | 32,241,697 | +6,858,303 | 21.3 |

PURPOSE OF ITEM:

The funds sought under this Item are to provide English language instruction and orientation information classes for adult migrants including refugees and to provide a range of associated supporting services and facilities.

GENERAL COMMENT:

The increase enables continuation of services at the levels provided for in the 1982-83 Budget context.

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|---|--|--------------------------------------|----------------------------------|
| On-arrival Education Program | 14,677,000 | 18,028,000 | 3,351,000 |
| On-going Program | 14,960,000 | 16,323,00 | 1,363,000 |
| Program Administration and Support Services | <u>4,563,000</u> | <u>4,749,000</u> | <u>186,000</u> |
| | <u>34,200,000</u> | <u>39,100,000</u> | <u>4,900,000</u> |

REASONS FOR VARIATION

The appropriation increase provides for cost increases and other variations that have occurred since the Budget. These factors are -

- (i) Increases in the rates of payment for living allowances (the rate is tied to the rate of unemployment benefits) effective 1 November 1982 plus the commencement of living allowance payment to part-time students 2,511,00
- (ii) Salary, salary-related and other cost increases for teachers, facilities and services engaged in delivery of the program 2,389,000
- Additional appropriation sought 4,900,000

DEPARTMENT OF THE SPECIAL MINISTER OF STATE

DIVISION: 161 AUSTRALIAN ELECTORAL OFFICE
 SUB-DIVISION: 2 Administrative Expenses
 ITEM: 06 Conduct of Commonwealth elections,
 referendums and industrial ballots

| ADDITIONAL ESTIMATE (A) 1982-83 \$ | ORIGINAL APPROPRIATION (B) 1982-83 \$ | ACTUAL EXPENDITURE (C) 1981-82 \$ | VARIATION (A+B) AND C | |
|---|--|--|--------------------------|------|
| | | | \$ | % |
| 18,141,000 | 955,000 | 601,278 | +18,494,722 | 3076 |

PURPOSE OF ITEM:

This item provides for costs incurred in the conduct of Commonwealth elections (including by-elections) and referendums, industrial ballots and miscellaneous elections.

GENERAL COMMENT:

From 1 July 1982 this item included provision for the conduct of industrial ballots and miscellaneous elections, which were formerly met from within item 161/2/05 - Administration of the Commonwealth Electoral Act 1918.

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|---|--|--------------------------------------|----------------------------------|
| Federal Election | | | |
| . Staffing Costs | - | 12,800,000 | +12,800,000 |
| . Postage & Telephones | - | 850,000 | +850,000 |
| . Advertising | - | 1,200,000 | +1,200,000 |
| . Freight & Cartage | - | 700,000 | +700,000 |
| . Premises | - | 500,000 | +500,000 |
| . Form Printing | - | 1,318,000 | +1,318,000 |
| . Tally Room | - | 250,000 | +250,000 |
| . Other | - | 250,000 | +250,000 |
| Restocking election forms & equipment (pre-election) | 135,000 | 113,000 | -22,000 |
| By-elections | - | 260,000 | +250,000 |
| ACT House of Assembly election | 20,000 | 20,000 | - |
| Industrial and miscellaneous elections | 800,000 | 835,000 | +35,000 |
| | <u>955,000</u> | <u>19,096,000</u> | <u>+18,141,000</u> |

REASON FOR VARIATION

The additional funds are required to meet the costs of the House of Representatives and full Senate elections on 5 March 1983, by-elections for the Divisions of Flinders and Wannon on 4 December 1982 and 7 May 1983 respectively and additional salary payments to industrial elections casual staff as a result of the Conciliation and Arbitration Commission increases granted in August 1982.

DEPARTMENT OF TRANSPORT

DIVISION: 668 AUSTRALIAN NATIONAL RAILWAYS COMMISSION
 SUB-DIVISION: 1 Subsidy to meet anticipated operating losses

| ADDITIONAL ESTIMATE (A) 1982-83 \$ | ORIGINAL APPROPRIATION (B) 1982-83 \$ | ACTUAL EXPENDITURE (C) 1981-82 \$ | VARIATION (A+B) AND C \$ | % |
|---|--|--|--------------------------------|------|
| 34,500,000 | 71,500,000 | 70,400,000 | +35,600,000 | 50.6 |

PURPOSE OF ITEM:

Provides for expenditure to meet the level of operating losses incurred by the Australian National Railways Commission in 1982-83.

GENERAL COMMENT:

An operating loss subsidy of \$71.5m was budgeted for in 1982-83 but factors outside the control of the Commission increased operating losses.

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|-------|--|--------------------------------------|----------------------------------|
| 668.1 | 71,500,000 | 106,000,000 | 34,500,000 |

REASON FOR VARIATION

Factors influencing the increase in operating losses of the Commission were:

- . revenue receipts dropped because of a poor grain harvest caused by the drought in South Australia and a general fall in traffic as a result of the economic downturn.
- . an increase in diesel excise.

DEPARTMENT OF VETERANS' AFFAIRS

DIVISION 692 OTHER REPATRIATION BENEFITS
 ITEM 01 Specialists, local medical officers and
 ancillary medical services

| ADDITIONAL ESTIMATE (A) 1982-83 \$ | ORIGINAL APPROPRIATION (B) 1982-83 \$ | ACTUAL EXPENDITURE (C) 1981-82 \$ | VARIATION (A+B) AND C \$ | % |
|---|--|--|--------------------------------|-------|
| 8,707,000 | 87,839,000 | 85,606,022 | +10,939,978 | 12.78 |

PURPOSE OF ITEM:

To provide funds for the treatment expenses of eligible persons (including certain service pensioners), involving payment of fees to specialists and local medical officers, physiotherapists, chiropodists, domiciliary nurses, etc, the reimbursement of medical expenses privately incurred and the provision and maintenance of surgical aids, renal equipment and appliances (including spectacles) for eligible persons.

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|------------------------|--|--------------------------------------|----------------------------------|
| Specialists | 36,856,000 | 42,470,000 | + 5,614,000 |
| Local Medical Officers | 33,100,000 | 35,859,500 | + 2,759,500 |
| Domiciliary Nursing | 6,258,000 | 6,510,000 | + 252,000 |
| Fees, Other Medical | 1,341,000 | 1,188,500 | - 152,500 |
| Surgical Aids, etc | 10,284,000 | 10,518,000 | + 234,000 |
| | <u>87,839,000</u> | <u>96,546,000</u> | <u>+ 8,707,000</u> |

REASONS FOR VARIATION

| | | |
|---|---|------------|
| SPECIALISTS, INCL ALLIED HEALTH PROFESSIONALS | | |
| (i) | Full year effect of increased fees + 10% effective 1.11.82 | +2,457,000 |
| (ii) | Increase in number of beneficiaries, including a component due to the delay in reopening of wards at Repatriation hospitals | +3,157,000 |
| LOCAL MEDICAL OFFICERS | | |
| (i) | Full year effect of increased fees + 9% av effective 1.11.82 | +1,986,000 |
| (ii) | Increased in demand greater than expected; a component is due to the delay in reopening of some wards at Repatriation hospitals | + 773,500 |

| | | |
|---------------------|---|-------------------|
| DOMICILIARY NURSING | | |
| (i) | Increased fees + 10% av effective 1.11.82 | + 417,000 |
| (ii) | LESS savings due to revised procedures for paying travelling expenses | - 165,000 |
| FEEs OTHER MEDICAL | | |
| (i) | Increased fees + 10% av effective 1.11.82 | + 90,000 |
| (ii) | LESS transfer to 692/03 | - 193,000 |
| (iii) | LESS transfer to 690/2/05 | - 49,500 |
| SURGICAL AIDS | | |
| (i) | Increased contract rates + 4 to 25% effective 1.7.82 | + 132,000 |
| (ii) | Increased cost of repairs | + 152,000 |
| (iii) | LESS Transfer to 692/09 of purchases and repair of wheelchairs | - 50,000 |
| | | <u>+8,707,000</u> |

DEPARTMENT OF VETERANS' AFFAIRS

DIVISION 692 OTHER REPATRIATION BENEFITS
 ITEM 03 Maintenance of patients in non-departmental institutions

| ADDITIONAL ESTIMATE (A) 1982-83 \$ | ORIGINAL APPROPRIATION (B) 1982-83 \$ | ACTUAL EXPENDITURE (C) 1981-82 \$ | VARIATION (A+B) AND C \$ | 33.17 |
|---|--|--|--------------------------------|-------|
| 19,847,000 | 94,884,000 | 86,156,500 | +28,574,500 | |

PURPOSE OF ITEM

To provide funds for the cost of treatment and care of eligible persons, at public and private hospitals, mental institutions and convalescent and nursing homes.

DISSECTION

| | ORIGINAL APPROPRIATION 1982/83 \$ | REVISED ESTIMATE 1982/83 \$ | INCREASE OR DECREASE \$ |
|---------------------------------------|--|--------------------------------------|----------------------------------|
| Mental Hospitals | 12,181,000 | 12,814,000 | + 633,000 |
| Nursing Homes | 44,141,000 | 51,872,000 | + 7,731,000 |
| Metropolitan and Country Hospitals | <u>38,562,000</u> | <u>50,045,000</u> | <u>+11,483,000</u> |
| | <u>94,884,000</u> | <u>114,731,000</u> | <u>+19,847,000</u> |

REASONS FOR VARIATION

\$

MENTAL HOSPITALS

- Increase in rates effective
 1.7.82, ranging from 3.5% to 29% + 633,000

NURSING HOMES

- Increase in rates effective 11.11.82
 +22% NSW, +9.5% other states + 3,866,000
 - Increase in in-patient days + 3,865,000

METROPOLITAN AND COUNTRY HOSPITALS

- Increases in rates ranging from
 23% to 50% + 6,685,000
 - Introduction of bulk billing in NSW
 (one time effect) + 2,480,000
 - Increase in number of bed days, including
 a component due to the delay in reopening
 of some wards at Repatriation Hospitals + 2,125,000
 - Transfer of outpatient fees from 692/01 + 193,000
+19,847,000

APPROPRIATION BILL (NO.4)

1982-83

DEPARTMENT OF FINANCE

DIVISION: 865 PAYMENTS TO OR FOR THE STATES AND THE NORTHERN TERRITORY

ITEM: 01 Natural disaster relief and restoration

| ADDITIONAL ESTIMATE (A) | ORIGINAL APPROPRIATION (B) | ACTUAL EXPENDITURE (C) | VARIATION (A+B) AND C | |
|----------------------------|-------------------------------|---------------------------|--------------------------|------|
| 1982-83 | 1982-83 | 1981-82 | | |
| \$ | \$ | \$ | \$ | % |
| 166,012,000 | 8,500,000 | 29,781,041 | +144,730,959 | +486 |

PURPOSE OF ITEM:

This item provides funds necessary to meet the Commonwealth's contribution under the natural disaster relief arrangements towards expenditure by the States and the Northern Territory on natural disaster relief and restoration.

GENERAL COMMENT:

Under the natural disaster relief arrangements, the Commonwealth provides assistance on a \$3 Commonwealth: \$1 State basis for expenditures by each State (and the Northern Territory) on approved relief and restoration measures in cases of major disasters, where such expenditures by a State in a given financial year are in excess of an annual base amount established for the State reflecting its assessed financial capacity to meet such costs independently. In addition, the Commonwealth meets half the cost of assistance provided by the States for the immediate relief of personal hardship and distress.

Certain "standard" relief and restoration measures are specified in the arrangements as eligible for Commonwealth assistance for each type of disaster covered - cyclone, flood, storm, bushfire and drought. In addition, it remains open to a State to seek Commonwealth agreement to provide assistance under the arrangements for any special measures it may wish to implement for a particular disaster.

The original appropriation of \$8.5 million made provision for expected payments in respect of expenditure estimated by the States on continuing relief and restoration measures for natural disasters which had occurred in previous years (\$3.5 million), and also made some allowance for payments expected to be made in relation to possible new disasters of which some, on the basis of past experience, would be expected to qualify for Commonwealth assistance (\$5.0 million).

DISSECTION

The revised estimate of \$174.512 million provides for drought relief of approximately \$112 million, bushfire relief of approximately \$49 million and assistance in respect of other eligible natural disasters of approximately \$14 million.

The variation is primarily accounted for by the continuation and increased severity of the drought, and the February 1983 bushfires in Victoria and South Australia. In addition to the standard drought and bushfire relief measures, the Commonwealth agreed to the inclusion of special relief and restoration measures for these disasters in recognition of the exceptional loss and hardship involved. Assistance will also be payable for recent flood damage in South Australia, Western Australia and the Northern Territory.

1. New South Wales +\$35.25 million

- includes estimated Commonwealth expenditure of \$21.76 million for concessional loans to primary producers and \$13.45 million for freight subsidies.

2. Victoria +\$54.006 million

- includes estimated Commonwealth expenditure of \$28.20 million for bushfire relief and restoration measures and \$23.91 million for drought relief (mainly concessional loans to primary producers).

3. Queensland +\$27.498 million
- includes additional expenditure of over \$20 million for drought relief (mainly carry-on loans and freight subsidies).
4. South Australia +\$45.642 million
- includes additional expenditure of approximately \$21 million on drought relief (mainly carry-on loans), \$20 million on bushfire relief and restoration and \$4 million in respect of other disasters (mainly flood relief).
5. Western Australia +\$8.165 million
- includes additional Commonwealth expenditure of over \$7 million for drought relief, and an estimated \$0.8 million for flood relief.

FOOTNOTE:

In accordance with Estimates Memorandum No 1983/2, it is advised that of the \$166,012,000 sought in these Additional Estimates, \$34,756,731 has been provided from the Advance to the Minister for Finance.

DEPARTMENT OF THE TREASURY

| | | |
|----------|-----|---|
| DIVISION | 977 | PAYMENTS TO OR FOR THE STATES AND THE NORTHERN TERRITORY |
| ITEM | 13 | Victoria - General purpose assistance in respect of bushfires |

| ADDITIONAL ESTIMATE (A) | ORIGINAL APPROPRIATION (B) | ACTUAL EXPENDITURE (C) | VARIATION (A+B) AND C |
|----------------------------|-------------------------------|---------------------------|--------------------------|
| 1982-83 | 1982-83 | 1981-82 | |
| \$ | \$ | \$ | \$ % |
| 19,500,000 | NIL | NIL | 19,500,000 NA |

PURPOSE OF ITEM:

To provide Budgetary assistance to Victoria for bushfire relief.

REASON FOR VARIATION

To meet special one-off bushfire relief assistance, over and above that available under the Natural Disaster Relief Arrangements, for Victoria in 1982-83.

DEPARTMENT OF THE TREASURY

DIVISION 977 PAYMENTS TO OR FOR THE STATES AND THE NORTHERN
 TERRITORY
 ITEM 14 South Australia - General purpose assistance in
 respect of bushfires

| ADDITIONAL ESTIMATE (A) | ORIGINAL APPROPRIATION (B) | ACTUAL EXPENDITURE (C) | VARIATION (A+B) AND C | |
|----------------------------|-------------------------------|---------------------------|--------------------------|----|
| 1982-83 | 1982-83 | 1981-82 | | |
| \$ | \$ | \$ | \$ | % |
| 10,500,000 | NIL | NIL | 10,500,000 | NA |

PURPOSE OF ITEM:

To provide Budgetary assistance to South Australia for bushfire relief.

REASON FOR VARIATION

To meet special one-off bushfire relief assistance, over and above that available under the Natural Disaster Relief Arrangements, for South Australia in 1982-83.

