

LOCAL GOVERNMENT

ADMINISTRATION

Local Government Department

The Local Government Department is constituted under the *Local Government Department Act 1958*. The following Acts of the Victorian Parliament come in whole or in part within the ambit of the responsibilities of the Minister for Local Government: Local Government Act, Acts relating to local government in the cities of Melbourne and Geelong, Cluster Titles Act, Cultural and Recreational Lands Act, Dog Act, Drainage Areas Act, Hawkers and Pedlars Act, Litter Act, Local Authorities Superannuation Act, Markets Act, Newmarket Sheep Sales Act, Petrol Pumps Act, Pounds Act, Tramways Act, Valuation of Land Act, and Weights and Measures Act.

Valuer-General

A Valuer-General was first appointed in Victoria under the *Valuation of Land Act 1960*. One of the purposes of this legislation was to provide for the co-ordination of rating valuations for municipalities and other rating authorities and for improving the standard of valuation in Victoria. Municipalities are normally the only rating authorities making valuations for rating purposes in the State and each attends to the special rating valuation requirements of other authorities in its municipal district.

The Valuer-General confers with the valuers appointed to make rating valuations and with councils on the general levels of value to be used and is available to give advice during the valuation or subsequently. The Valuer-General is empowered and does provide valuations for all government acquisition, resumption, and negotiation purposes on request from government departments and agencies. The Valuer-General also provides valuations for probate duty, stamp duty, gift duty, and taxation purposes, and by agreement for settling disputes as to the value of property.

Valuers' Qualification Board

The *Valuation of Land Act 1960* established the Valuers' Qualification Board which is empowered to register qualified persons as land valuers. The Act provides that on or after the first day of January 1979 only persons who are registered valuers are permitted to practise as land valuers.

The Act provides that the Board may from time to time hold or cause to be held examinations of persons who desire to qualify themselves as valuers. A diploma course is conducted by the Royal Melbourne Institute of Technology for persons who desire to qualify. On completion of the course, successful candidates must also complete four years of practical work within six years prior to their application in order to obtain a certificate of qualification. On payment of an annual fee a qualified person may practise as a registered valuer.

Municipal Valuation Fees Committee

The Municipal Valuation Fees Committee was constituted to fix, on request, a minimum valuation contract fee for municipalities wishing to carry out a general revaluation.

Land Valuation Boards of Review

Land Valuation Boards of Review were provided for by the *Valuation of Land (Appeals) Act 1965*. The purpose of the legislation was the provision of an informal and inexpensive means of determining disputes as to the valuation of real property whether for rating or taxing purposes or in respect of compulsory acquisitions.

In rating and taxing matters, appeals are heard by a Board except where the appeal is against an amount of, or in excess of, capital improved value of \$50,000, net annual value of \$2,500, or an unimproved value or site value of \$10,000. In those cases the appellant may have the appeal heard by a Board or the Supreme Court, at his option.

In disputes on land acquisition the hearing is before a Board when the claim does not exceed \$50,000 unless the Supreme Court decides on application by either party that the issues involved warrant a Court hearing. When the claim exceeds \$50,000 the hearing may be before either the Court or a Board at the option of the claimant.

Each Board of Review is composed of a chairman and two valuers. The latter are selected from a panel having regard to the location and use of the land.

Further reference: *Constituting and altering the constitution of municipalities, Victorian Year Book 1977, pp. 174-5*

Commonwealth financial relationships with local government

General purpose assistance

Prior to 1973, no Commonwealth assistance was provided specifically to local government in the States. Such financial assistance as did exist was made through State Governments, or under various Commonwealth programmes for the purpose of which local government, among other bodies, was deemed eligible for claimant status.

The Labor Government elected in 1972 proposed a series of measures which included increased financial support for local government. The most important of these proposals was the provision by the Commonwealth Government of general purpose grants to individual councils in amounts to be determined by the Commonwealth. Procedures were established whereby regional organisations of local government could apply for financial assistance from the Commonwealth. Such applications were the subject of inquiry and report by the Commonwealth Grants Commission. The recommendations of the Commission were based upon general equalisation principles developed by the Commission in such a manner as to promote financial equality between local authorities and regional groupings of such authorities. The recommendations were accepted by the Commonwealth and grants totalling \$56.3m in 1974-75 and \$79.9m in 1975-76 were paid to local authorities in the States. Payments were made in the first instance to State Governments for transmission to individual local government authorities in the amounts specified. Victoria's share of these grants in 1974-75 was \$14.6m and \$20.2m in 1975-76.

In December 1975, the Liberal and National Country Party was elected to Federal office and adopted a policy whereby personal income tax collections were to be shared between the Commonwealth, the States, and local government. (See also Chapter 20, pages 428-9). Under the *Local Government (Personal Income Sharing) Act 1976*, local government will be entitled to 1.52 per cent of net personal income tax collections in the previous year. In November 1977, the Prime Minister announced that this percentage of 1.52 would be increased to 2 per cent over the next three years. The Government reaffirmed this commitment at the Premiers' Conference in June 1978 but said it would not be implemented in 1978-79. The amount derived under this sharing percentage will be divided among the States in specified proportions which are subject to recommendations by the Commonwealth Grants Commission. Following representations by Tasmania, the question of percentage distribution between States was referred to the Commonwealth Grants Commission. The Commission recommended a slightly altered percentage distribution which was subsequently accepted at the Premiers' Conference in July 1977, with Victoria's percentage being 25.4513 per cent. Each State is to allocate a minimum of 30 per cent of the assistance among councils on a population basis which may also take into account size, population density, and other matters agreed upon between the Commonwealth and the State concerned. This portion of the assistance is called "as-of-right entitlement" in the Victorian statute affecting its distribution. The remaining

assistance will be allocated among councils, having regard to their respective financial needs, on the recommendations of the State Grants Commissions.

The payments by the Commonwealth under the personal income sharing policy are in the form of "untied" grants for general purpose assistance paid in the first instance to the States for passing on to local government authorities. In 1976-77 and 1977-78, total such assistance was \$140m and \$165.3m, respectively, of which Victoria received \$35.4m in 1976-77 and \$42.1m in 1977-78. In 1978-79, a total of \$179.4m is to be paid, of which Victoria's share is \$45.7m.

Commonwealth payments made direct to local government authorities

While there are, as previously stated, no programmes by which the Commonwealth Government makes direct payments solely to local government, there nevertheless remain a number of schemes under which local authorities have been among the organisations considered eligible for Commonwealth assistance by way of direct payment. The table below shows these payments to Victoria in 1973-74 to 1976-77.

Commonwealth payments for local government authorities

In addition to the direct assistance outlined in the preceding section, there are programmes under which a portion of the funds made available to the States is passed on to local government authorities. These are in addition to the general purpose assistance referred to above. The degree of influence exerted by the Commonwealth over the particular amounts paid to local authorities varies considerably among different programmes. In some cases the amounts passed on to local government authorities are wholly at the discretion of the State Government.

Since there is, in some cases, a lag between payment of the funds concerned to the States and their allocation by the States, the amounts paid to the States for local government authorities under a particular programme during any one year do not necessarily equal the amounts paid to authorities in that same year. Further details of the Commonwealth Government relations with local government are shown in Commonwealth Budget Paper No. 7: 1976-77, 1977-78, and 1978-79. The following table shows these payments to Victoria from 1973-74 to 1976-77. These amounts are also included in the table in Chapter 20, pages 429-30.

VICTORIA—COMMONWEALTH GOVERNMENT PAYMENTS TO OR FOR
THE STATES AND LOCAL GOVERNMENT AUTHORITIES
(\$'000)

Programme	1973-74	1974-75	1975-76	1976-77
General purpose assistance (a)	..	14,630	20,242	35,398
Direct payments—				
Pre-schools and child care—				
Maintenance	—	44	202	578
Capital	76	491	2,194	1,548
Aged or disabled persons' homes—				
Maintenance	—	—	37	—
Capital	380	672	1,105	621
Aged persons' hostels	—	—	311	1,402
Delivered meals subsidy	287	366	323	404
Community Youth Support Scheme	14
Homeless persons assistance	..	—	102	3
Regional Employment Development Scheme (b)	..	4,435	14,210	22
Arts	8	23	46	41
Aerodrome local ownership plan—				
Maintenance	68	77	97	142
Capital	24	34	93	102
Total	843	20,772	38,962	40,275
Other payments through Victorian Government (a)—				
Pre-schools and child care	284	1,547	5,468	5,600
Home care services	370	441	2,125	2,018
Senior citizens' centres—				
Maintenance	35	51	175	293
Capital	158	146	1,132	1,571

VICTORIA—COMMONWEALTH GOVERNMENT PAYMENTS TO OR FOR
THE STATES AND LOCAL GOVERNMENT AUTHORITIES—*continued*
(\$'000)

Programme	1973-74	1974-75	1975-76	1976-77
Employment grants	4,340	1,330	3,170	..
Growth centres (Albury-Wodonga) (c)	—	284	460	780
Area Improvement Programme	2,065	4,608	4,896	28
Urban flood mitigation	100	100
Capital assistance for leisure facilities	311	695	1,597	1,119
National Estate	..	271	232	193
Roads	21,100	21,800	22,300	29,500
Tourist development	50	236	173	59
Regional Organisations Assistance Programme (d)	..	76	29	..
Total	28,713	31,485	41,857	41,261
Grand total	29,556	52,257	80,819	81,536

(a) General purpose assistance to local government is paid, in the first instance, to the States but is shown separately in this table because of its particular importance. In 1976-77, these payments were made under personal income tax sharing arrangements.

(b) Some of these payments were made to municipal councils and other local authorities.

(c) Two-thirds by way of loans and one-third by way of grants.

(d) For regional organisations of local government.

Roads Assistance Programme

The Commonwealth provides grants to Victoria for expenditure on the construction and maintenance of roads, including roads which are the responsibility of councils. Although the relevant Commonwealth legislation does not determine any particular amount which the State must provide to councils, in each State amounts determined by the State are passed on to councils for expenditure on roads which are the responsibilities of these councils.

Victoria Grants Commission

The Victoria Grants Commission was formally constituted on 24 May 1977 and consists of a chairman and two other members. The primary role of the Commission is to determine the allocations between municipalities in Victoria of grants from the Commonwealth to the State for local government authorities under the provisions of the Commonwealth *Local Government (Personal Tax Sharing) Act 1976*. To perform this function it is empowered to carry out investigations, conduct hearings, take evidence, and generally make such investigations as it considers necessary. In determining the allocation of the grants the Commission is required to consider:

- (1) The special needs and disabilities of a municipality;
- (2) the efforts made by the municipality to function effectively and provide reasonable services; and
- (3) any other matters which in the opinion of the Commission are of special significance in relation to the municipality.

For the 1976-77 allocation, and prior to the establishment of the Commission, an Interim State Grants Committee recommended that the "as-of-right entitlement" (see page 145) component be 40 per cent of the State's total allocation and each municipality's entitlement be determined on the basis of 85 per cent population and 15 per cent area. For the 1977-78 allocations the Commission decided to retain the same basis for determining the "as-of-right entitlement". The balance, 60 per cent, was allocated among municipalities on general equalisation principles as described in the *Victoria Grants Commission Annual Report 1977*, where allocations to individual municipalities are also shown.

Municipalities

At 30 June 1978, Victoria was divided, for local government purposes, into 211 municipal districts and the Yallourn Works Area, which was severed from the municipal districts of which it then formed part by the *State Electricity Commission (Yallourn Area) Act 1947*. For certain purposes it is deemed to be a borough and municipal

administration is the responsibility of the Commission, assisted by an Advisory Council. The 211 municipalities comprised 65 cities, 6 towns, 7 boroughs, and 133 shires.

The only unincorporated areas of Victoria are French Island (154 square kilometres) in Western Port, Lady Julia Percy Island (1.3 square kilometres) off Port Fairy, Bass Strait islands (3.8 square kilometres), Gippsland Lakes (part) (309 square kilometres), and Tower Hill Lake Reserve (5.0 square kilometres) adjacent to the Borough of Kororoit.

Municipal councils

The powers vested in municipal corporations are exercised by councils elected by persons who are enrolled on the municipal voters rolls under a franchise system based on property. Municipal elections are held annually in August. Extraordinary elections may be held to fill vacancies occurring between annual elections. Voting is compulsory in 90 municipalities. However, voting is not compulsory for those on the rolls who are not usually resident within the municipal district not being natural born, are not naturalised Australian citizens.

Councillors serve in an honorary capacity. They must elect one of their number to be a chairman, known as the Mayor in a city, town, or borough (Lord Mayor in the case of the City of Melbourne), or the President in a shire. Councillors hold office for three years, and each year one third of the total number allotted to each municipality retire in rotation. Legislative provisions specially provide for cases where personal interests of councillors may be in conflict with their duties and responsibilities as councillors.

Each council must appoint a municipal clerk (who is known as the Town Clerk in a city, town, or borough, and the Shire Secretary in a shire), an engineer, a building surveyor, and such other officers as may be necessary. The other officers usually include a valuer, a rate collector, a medical officer of health, and a health inspector. The Local Government Act, Health Act, and Land Valuation Act require that certain officers must obtain special qualifications from examining boards, or have prescribed qualifications or certificates of competency.

The Local Government Act and other Acts of the Victorian Parliament confer powers and impose duties on municipal councils. Councils may make by-laws on a number of specified subjects and exercise functions relating to roads and bridges for which they have a construction and maintenance responsibility; drainage, water supply, and sewerage; building control; community welfare, including infant and pre-school centres, home help, elderly citizens, meals-on-wheels, garbage; parking areas; traffic engineering, etc.

Revenue

Each council makes an annual estimate of the cost of its intended programme of ordinary works and services. After determining the expenditure to be financed, and the revenue available from sources other than rates, the council levies a local tax on the owners or occupiers of rateable property in the municipal district. This tax, known as the General Rate, produces the principal part of the annual revenue of a council.

Sources of revenue other than rates include income from public works and services, government grants (including Victoria Grants Commission allocations), licence fees, and miscellaneous income. Revenue from public works and services comprises charges for garbage disposal, sanitary and other health services, contributions to road and pavement works, and sundry income from the hire of council properties.

Some municipalities also operate business undertakings, such as electric supply, abattoirs, pipe works, quarries, and waterworks; for the 1975-76 municipal year the combined turnover of these undertakings was approximately \$103m.

Rating of land and property

All land (including houses and buildings) in a municipal district is rateable, unless specifically exempted by the Local Government Act. Non-rateable land is defined fully in the Act, but, in general, it consists of land owned or used by the Victorian Government, certain public bodies, churches, and charitable organisations.

The council of every municipality is required, from time to time, to have a valuation made of all rateable property within the municipal district. Metropolitan municipalities which have at least one whole subdivision subject to any rate made by the Melbourne and Metropolitan Board of Works must have valuations at not more than four-year intervals. In other municipalities valuations must be made at not more than six-year intervals.

These provisions are aimed at ensuring a uniformity of municipal valuations used by large rating authorities covering more than one municipality.

Provision was first made in 1922 for the adoption by municipalities of rating on site value (then known as unimproved capital value) as an alternative to rating on net annual value. The present position is that municipalities may decide to adopt site value wholly or partly, or ratepayers may demand a poll to determine whether a change is to be made to site value rating or to composite rating.

Under the composite system a proportion of the required revenue is obtained by levying an appropriate rate on the net annual value of rateable property and the balance from an appropriate rate on the site value of the rateable property. The proportions are fixed when the system is adopted.

The net annual value of property is the rental it might be expected to earn annually if let, after deducting expenses such as rates, taxes, and insurances. In the case of farm land or dwellings the net annual value is limited to 5 per cent of the capital improved value of the property, but in other cases must not be less than 5 per cent of the capital improved value.

The site value, however, is the amount a property might be expected to realise if sold in an unimproved state. It differs from unimproved capital value in that the valuer is not required to notionally restore the land to its primitive condition. Instead, the improvements which are to be imagined as not existing are those which can be seen, i.e., buildings, fences, sown pastures, etc., and including works undertaken on the land such as the removal of timber or stone, draining or filling of the land, erosion works, etc., which have been made within the 15 years preceding the valuation.

Of the 211 municipalities in Victoria at 30 September 1977, 150 were rating on net annual value, 59 on site value, and two, the Cities of Caulfield and South Melbourne, partly on net annual value and partly on site value.

The principal rate levied by a municipality, the general rate, is made for the purpose of defraying the ordinary expenditure of the council, and is paid into the General Fund, which is part of the funds of the municipality known as the Municipal Fund.

Where a municipality is subdivided into wards or ridings, the council may levy differing rates on the various subdivisions in accordance with services provided. Such differential general rates, however, apply equally to all rateable property within the subdivisions concerned.

The general rate must be made at least once in each municipal year. Councils may levy the general rate at a lower amount in the dollar on farm land, urban farm land, or residential use land than on other properties, if justified by special circumstances. However, the council may fix a minimum amount to be paid on every rateable property within its municipal district.

Before making a general rate, a municipality must prepare an estimate of the amount required to defray the ordinary expenditure of the council for the period to be covered by the rate, and then strike a rate that will be sufficient to raise the money so required. In a subdivided municipality, an extra rate may be made by the council, in any subdivision or any part of it, on the request of not less than two thirds of the councillors of the subdivision in which it is to be raised. In certain circumstances, an extra rate may also be made and levied in a municipality which is not subdivided. An extra rate may be made for a period of not less than three months but not exceeding one year, as the council thinks fit.

A ratepayer may elect to pay any general or extra rate made for a period of one year in four equal instalments on or before the last day of December, February, May, and August, respectively. If the rate notice is posted on or after 18 December, the first instalment is payable within fourteen days of the date of posting of the rate notice.

Apart from general and extra rates, a municipality, in certain circumstances, may levy a separate rate (or make a special improvement charge) on a section of the municipality, for the purpose of defraying the cost of special works or undertakings which benefit the ratepayers in that particular area.

Other types of rates which may be levied by municipalities include a sanitary rate (or sanitary charge) under the provisions of the Health Act for the purpose of providing for the disposal of refuse or nightsoil, and a rate under the provisions of the Country Roads

Act for the purpose of raising certain moneys payable by the council to the Country Roads Board.

Government grants

State Government financial assistance is provided for a number of special purposes. These grants are in addition to the Commonwealth Government assistance referred to earlier in this chapter. They include funds for the construction and maintenance of roads, pre-natal and infant welfare services, crèches, day nurseries and pre-school centres, home care services, elderly citizens clubs, immunisation programmes, recreation and tourist facilities, swimming pools and libraries, public halls and local public works, traffic control and road safety measures, vermin and noxious weed destruction, natural disaster relief, soil conservation, pensioners' rate remissions, and drainage schemes. Further assistance to augment their funds is provided to certain rural municipalities which have substantial areas of non-rateable land occupied by State forests, etc.

Municipalities have also been assisted by the ability to carry out certain works under various government financed schemes for unemployment relief.

Municipalities Assistance Fund

The Municipalities Assistance Fund was established in 1951 and derives its income mainly from a proportion of motor driver licence fees and motor driving instructors licence fees collected in accordance with the *Motor Car Act 1958*, less the cost of collection. The proportion to be credited to the Fund has been fixed at one quarter of the amounts collected.

Payments from the Fund are made, first, towards the cost of works of municipalities and other public bodies of such sums approved by the Minister for Local Government, and second, towards the annual cost of the Country Fire Authority, in order to relieve country municipalities of the contributions to that body which they were formerly required to make.

The amount which the Minister approves as expenditure in any one financial year shall not exceed \$1m.

Where the amount standing to the credit of the Fund is insufficient to meet commitments, a contribution may be made from the Consolidated Fund.

The municipal works usually assisted from this Fund comprise the establishment and improvement of recreation reserves and sporting facilities, children's playgrounds, and public conveniences.

For the year ended June 1977, subsidies for works paid to various municipalities from the Municipalities Assistance Fund amounted to \$988,073, while for the same period, the amount contributed to the Country Fire Authority was \$4,666,062.

Country Roads Board recoups and grants

Municipalities throughout Victoria undertake construction and maintenance work on main roads within their boundaries on behalf of the Country Roads Board under the provisions of the Country Roads Act. Expenditure on this work is incurred in the first instance by the municipalities, but, subject to adherence to prescribed conditions and satisfactory performance of the work, this expenditure is refunded to the municipalities by the Board. Each municipality undertaking main road maintenance work, however, is required to make an annual contribution to its cost and this is calculated by the Board as a proportion of the total maintenance expenditure on each road for the particular year. The proportion payable varies according to the capacity of the municipality to pay, and the extent to which it has benefited from the work done.

For the purpose of making and maintaining unclassified rural roads, municipalities also receive grants from the Country Roads Board from its own funds and from funds provided by the Commonwealth Government under the provisions of the Roads Assistance Programme. (See Chapter 23.)

Expenditure

The ordinary revenue of a municipality is applied to providing works and services for its citizens. These works and services comprise construction and maintenance of roads, streets, and bridges, provision of sanitary, garbage, and other health services, provision and maintenance of parks, gardens, and other council properties, repayment of moneys borrowed for permanent works and undertakings, and other sundry works and services.

Assistance to pensioners

In an attempt to assist pensioners in meeting their financial obligations to municipalities, the Victorian Government introduced the *Municipalities Assistance Act* 1973, whereby it offered to reimburse municipalities for up to one half of the rates remitted or deferred up to a maximum of \$40 in respect of the municipal rates levied on the principal or sole place of residence of certain eligible pensioners.

Many pensioners were unable to obtain these benefits, because not all municipalities were prepared to contribute to the cost of remitting rates, or because many pensioners were unwilling to accept a situation whereby unpaid rates would remain as a charge upon their property.

Accordingly, a new scheme was introduced and, in 1974, the Victorian Government financed the remission of rates, garbage, and sanitary charges to the extent of one quarter of the amount charged to eligible pensioners.

Subsequently, the scheme was extended in 1975 to provide assistance in respect of water and sewerage rates. In 1976, the Victorian Government increased this assistance to one half of the amount charged.

The cost of implementing the scheme for the 1976-77 rating year was \$12.3m with more than 139,000 pensioners receiving this assistance. For the 1977-78 year, it has been estimated that \$16.6m will be expended in providing this assistance to more than 150,000 pensioners.

Borrowing powers

Extensive borrowing powers are conferred on municipalities by the Local Government Act to enable them to undertake large scale works, or purchase expensive equipment in circumstances where it is advisable, on economic grounds, for the costs to be spread over a number of years. In practice, municipalities seldom borrow to the limit of their powers, and their capacity to borrow is limited by the general allocation of loan funds and the state of the loan market.

Money may be borrowed for permanent works and undertakings (as defined in the Local Government Act), or to liquidate the principal moneys owing by the municipality on account of any previous loan. Under a municipality's ordinary borrowing powers the amount borrowed shall not exceed the net annual valuation of all rateable property in the municipal district, as shown by the municipality's last audited financial statement. Where money is borrowed for gas, electricity, water supply, quarrying, or abattoirs, an additional amount may be borrowed, not exceeding one half of the net annual value of all rateable property in the municipal district as shown by the last audited financial statement.

Under extended borrowing powers, a municipality may borrow additionally, on the security of its income, an amount not exceeding five times the average amount of such income for the preceding three years. Income for this purpose excludes rates and licence fees.

Moneys borrowed under the ordinary or extended borrowing powers may be raised by mortgage agreement. Repayment of any such loan may be made by periodical instalments of principal and interest, or by the creation of a sinking fund for the purpose of liquidation of the loan at the end of its term.

Before proceeding to borrow money for permanent works and undertakings, a municipality is required to prepare plans and specifications and an estimate of the cost of the works and undertakings to be carried out, together with a statement showing the proposed expenditure of the amount to be borrowed. This information is to be available for a specified period for inspection by any ratepayer. The Local Government Act provides that notice of intention to borrow shall be advertised, and also contains provisions under which a number of ratepayers may oppose the proposal to borrow and demand that it be submitted to a poll of ratepayers. Should a poll be held and a majority of ratepayers vote against the proposal, the loan is forbidden.

Subject to the approval of the Governor in Council, a municipality may also borrow, to a limited extent, from an adjoining municipality, by a mortgage or first charge over a proportion of its income, for the purpose of making or repairing roads leading into the district of the municipality which lends the money.

A municipality may also borrow by mortgage agreement on the security of a separate rate or special improvement charge, for the purpose of carrying out the works for which the rate was levied or the charge made.

In addition to the powers already mentioned, a municipality may borrow, by means of overdraft from its bankers, for the following purposes:

- (1) Temporarily financing general fund expenditure;
- (2) private street construction;
- (3) works carried out under the Country Roads and Roads Grants Acts; or
- (4) purchase and acquisition of land, or the payment of compensation in connection with certain specified schemes.

With the consent of the Minister and on such conditions as he may impose, a municipality may also obtain an overdraft for bridging finance pending receipt of a loan or for permanent works and undertakings.

Investment of municipal funds

Frequently municipalities have funds lying idle for short periods. These funds may consist of revenue credits on current account, temporarily unexpended loan funds, or funds reserved for specific purposes. Municipalities may place these moneys in a variety of "safe" investments. These investments are specified in the Local Government Act, and include the short-term money market if the transaction is with an authorised dealer.

Interest earned from these investments provides a useful source of additional revenue for councils.

Accounts

Every municipality is required to keep proper books of accounts in the form prescribed for use by all municipalities in Victoria, and these must be balanced to 30 September in each year. The accounts must be audited by an auditor qualified in terms of the Local Government Act and appointed by the Governor in Council.

Municipal Association of Victoria

Origin

The founding of the Municipal Association of Victoria in 1879 was inspired by a leading article published in the *Argus* in that year; this referred to the value to the community of a similar organisation in England.

At that time, Mr John Mackiehan of Peshurst, who was Shire President of the Mount Rouse Shire Council, sent a circular letter on the matter to all municipal councils in Victoria. At the same time, Mr Allan Maclean, who was Shire President of Maffra Shire Council and was later to become MLA for Gippsland, was prompted to take action as a result of the same article in the *Argus*. He convened a preliminary conference in the Sale Town Hall on 12 June 1879.

The conference at Sale was aware of a State-wide need for municipal leadership and cited the Mount Rouse proposals as the basis for a general municipal conference in Melbourne. Soon after, the inaugural conference was held on 29 and 30 July 1879 in the Melbourne Town Hall under the chairmanship of Mr Maclean. Delegates representing the municipalities of Victoria decided "to inaugurate a Municipal Association, to consist of all the municipal councils of Victoria, the objects being to extend the principles of local government by aiding Parliament in ascertaining the requirements of the country, with a view to facilitating the enactment of suitable laws in all matters having exclusive reference to municipal government".

Mr John Mackiehan was elected the first president of the Association and occupied the office until 1885. In 1907, 28 years after its foundation, the Association was incorporated by Act of Parliament which gave it official recognition to speak on behalf of local government in Victoria.

The Association's prime objective now is to promote efficient municipal government in Victoria and protect the interests, rights, and privileges of municipal councils. It seeks to achieve this objective by providing a forum for councils to discuss topics of common interest and by providing a range of support services.

Operation

Each of the 211 councils in Victoria is a member of the Municipal Association of Victoria and pays an annual subscription.

Delegates from each council have the opportunity to attend the annual session of the Association, the supreme decision making body of the Association, which elects an

Executive Committee. This comprises the principal office bearers: the president, three vice-presidents, a treasurer, and 26 members representing areas of Victoria. The Cities of Geelong, Ballarat, and Bendigo each have automatic representation on the Executive Committee; country cities, towns, and boroughs have three members; metropolitan councils have eight members; and representation from the shires is given by way of two representatives from each of six districts. Past presidents of the Association have an automatic position on the Executive Committee.

The Executive Committee, which meets five times during the year, is the governing body for the Association between annual sessions, and three smaller committees of fourteen members, elected from and by the Executive Committee, handle the routine work of the Association. The Finance and Insurance Committee, the Legislative Committee, and the Industrial Claims Committee meet monthly; the same fourteen members belong to each of these three committees.

Metropolitan councils have the opportunity to discuss matters affecting them through the Metropolitan Sectional Council, a subsidiary body of the Association. This body has autonomy in its decisions which affect only the metropolitan councils, but decisions that have State-wide implications must be ratified by the Executive Committee.

A member council has the choice of submitting a proposal direct to the annual session or to the Executive Committee or the Metropolitan Sectional Council for consideration. Where necessary, resolutions from these bodies are conveyed to the Victorian Government or appropriate instrumentality by means of deputation or correspondence, or both.

For many years the lobbying activities of the Association were confined to the Victorian Government and State instrumentalities. With local government receiving increasing attention from the Commonwealth Government since the early 1970s, the activities of the Association are now widening into the Federal sphere. The Association provides a recognised access to the Commonwealth Government and Parliament.

Services

In addition to speaking for local government, the Association's secretariat provides a number of services assisting councils with their every-day needs and operations. Proposed government legislation, in the form of Bills, is examined and advice given in order to reflect local government thinking and foresee problems of implementation. Legal advice is obtained for member councils on matters affecting local government generally, and industrial representation is given in relation to salary and wages awards affecting local government employees. Circulars are sent regularly to councils advising them of changes in law, industrial activities, and administration matters.

The Association has published *The Australian Municipal Journal* each month since 1921; it is sent to all councillors and senior officers to keep municipal officers informed on matters of interest in local government.

The Municipal Association has conducted fidelity guarantee insurance since 1907 to facilitate the requirement of section 167 of the Local Government Act which requires councils to take security for the faithful execution of duties of any officer entrusted with the custody or control of money.

Since 1965, councillors have been insured against accidents which might arise while travelling or performing their duties in their capacity as a councillor. In January 1969, the Association commenced an insurance advisory and brokerage service. This gives councils the opportunity to engage the Association to handle all aspects of their insurance requirements. The brokerage commissions received from this activity now exceed the revenue received in the form of annual subscriptions. Although only about half of the councils use the service, all the councils benefit from the income which is received through this activity.

Local Authorities Superannuation Board

The Local Authorities Superannuation Act provides for a compulsory superannuation scheme for permanent employees of municipal councils (other than the Melbourne City Council which has its own superannuation fund), water and sewerage authorities, weights and measures unions, cemetery trusts, the Portland Harbor Trust, and the First Mildura Irrigation Trust.

The scheme is administered by a Local Authorities Superannuation Board and provides

benefits for employees on retirement, or for their dependants should the employees die before reaching retirement age.

The *Local Authorities Superannuation (Disability Benefits) Act 1970* introduced a scheme to provide benefits for permanent employees who are forced into premature retirement by becoming permanently incapacitated. The whole of the contribution to provide the benefit is paid by employees. This Act also provided that all permanent employees shall be brought within the provisions of the internal retirement and death benefits fund.

Under legislation which came into operation on 1 January 1976, a pension scheme was established to supplement the existing benefits payable under the Local Authorities Superannuation Act. The amount of the pension is one one hundred and twentieth of the contributor's average final salary for each completed year of continuous service up to a maximum of 30 years.

Further references: *Elections, Victorian Year Book 1977*, p. 177; *Officers, 1977*, pp. 177-8; *Powers and duties of municipalities, 1977*, 178-80

Melbourne City Council

Organisation and functions

Melbourne has the distinction of being the oldest municipality in Victoria. Incorporated as a town by Act of the New South Wales Governor and Legislative Council in 1842, it was raised to the status of city by Letters Patent of Queen Victoria dated 25 June 1847.

The City of Melbourne still operates to some extent under sections of the 1842 Act and its amendments. All other municipalities (with the exception of Geelong, which was given local government in 1849 by an extension of the 1842 Act) receive their enabling powers from the Local Government Act of Victoria. Parts only of this general Act apply to Melbourne. As regards other Acts of the Victorian Parliament, there is no such nice distinction, and in common with other municipalities, Melbourne derives powers from or administers such Acts as Health, Pounds, Dog, Country Roads, Road Traffic, Weights and Measures, Town and Country Planning, Summary Offences, Petrol Pumps, Motor Car, Electric Light and Power, and Markets.

With a net annual value (for the year 1976-77) of \$152.4m, rate income of \$19.2m, other revenue of \$54.1m, and a work force of approximately 3,000 employees, it is the foremost municipality in Victoria. Though its daily influx of population is high, its estimated resident population of 67,700 persons at 30 June 1977 ranked only fourteenth among metropolitan municipalities. For electoral purposes it is divided into eleven wards and each ward returns three members, giving a full council of thirty-three members. Elections are held annually and one member for each ward retires in rotation, a member thus holding office for three years.

Melbourne is distinctively a garden city. Of its total area of 3,142 hectares no less than 844 hectares are parklands and reserves. On those parklands and reserves under its control, the City annually spends more than \$2.9m.

The Council both generates and reticulates electricity. In this respect, it is completely integrated into the State electricity grid. It services a very high electrical load density area, with annual sales and revenue for the 1976-77 year of 1,009,712,000 kilowatt hours and \$38m, respectively. In its power station at Lonsdale Street it is able to generate, at a maximum, 90,000 kilowatts.

The detailed work of the Council at councillor level is achieved by the division of its powers and responsibilities among a number of committees. The permanent or standing committees number eight, while special committees are constituted from time to time for specific purposes. No councillor may be chairman of more than one permanent committee or serve on more than three committees. The committees are the workshops of the Council, but the Local Government Act does not allow even partial delegation of authority, and all the work of the committees must be reported back to the Council and all decisions approved. Despite this, the organisation is effective and achieves all the desirable advantages which come from division of labour.

Of the eight permanent committees, two, Finance and General Purposes, are primarily co-ordinating, while the others are functional in their purpose. The authorities delegated to committees are made mutually exclusive and cover the full field of the Council's activities.

Administrative organisation

The work force is organised on a departmental basis, though the pattern of organisation is Council-wide rather than departmentalised. Broadly, the departments are organised either by major process or by purpose, but, in some cases, a hybrid of these two forms has been brought about. There are ten departments, namely, the Town Clerk's; City Engineer's; Parks, Gardens, and Recreations; City Treasurer's; City Architect's; City Planning; Building Surveyor's; City Valuer's; Electric Supply; Abattoirs and Markets (cattle, fruit, vegetables, and fish); and Health and Social Services. The Town Clerk's Department handles liaison work for the necessary co-ordination and integration both of the deliberative body as organised by committees and the administrative staff as organised by departments, and of the departments themselves. For the effective functioning of the committees and for purposes of staff review and control, departments are associated with committees, but this does not mean the committee has exclusive access to the activities of that particular department.

Health and welfare services

Children's Centre

The Melbourne City Council, through its Health Department, provides a variety of health and welfare services. In recent years it has emphasised child care aimed at meeting the needs of families with special needs, particularly those resident in a high-density living environment. In April 1975, the Council opened a \$350,000 Children's Centre in North Carlton. For the first time in the Council's history many of the needs of families with young children have been integrated within a single facility. All services provided for children are inter-changeable, flexible, and oriented towards their families and the community in which they live.

The Children's Centre helps to relieve stress on families. It provides a wide range of inter-related and co-ordinated services ranging from occasional to emergency residential care. Services such as kindergarten, day nursery, full-day, occasional, after-school, and emergency care, and care of handicapped children are incorporated and integrated in the one area. The emergency residential care unit is staffed by full-time resident cottage parents.

Family Day Care Programme

This is another important Council service. The Council employs a community health nurse and an experienced mothercraft nurse to assist, advise, and supervise this programme. Family day care provides full or part-day care for young children in the homes of suitable child minders. Each minder may care for up to four children. At present, the programme operates mainly in the Flemington area in a Housing Commission estate.

Holiday Play Groups. These are organised for children aged between two and eight years of age throughout the municipality at kindergartens associated with high-rise flat estates. These groups provide a care and play type service which gives support to families with young children during school holidays.

Toddler Groups. These have been established for mothers with children aged between one and three years. They are conducted at Maternal and Child Health Centres, with both sister-in-charge and a visiting kindergarten teacher responsible for the programme. Essentially, they are concerned with helping parents understand the physical and psychological development of their children and offer suggestions for helping to cope with them at home.

Family Centre, Arnion House, North Melbourne. This centre is organised by a trained nurse with a Diploma of Education. She is assisted by volunteers and four family aides. These groups are designed to help mothers who are not coping with their family responsibilities. Often, these mothers are unable to cope because of physical or emotional ill-health, cultural differences, educational limitations, difficulties with inter-personal relationships, or adverse environmental factors. They generally do not use conventional services. However, by encouragement, education, and counselling, it has often been possible to gain their confidence, break down barriers between persons, and educate them in housekeeping, budgeting, health practices, and child rearing.

Maternal and Child Health Centres. These centres are staffed by maternal and child

health nurses. Melbourne City Council maternal and child health nurses, in addition to their advisory and educative work with parents of babies and young children, are assuming greater responsibility for the physical and developmental screening assessments of children up to five years of age. This role has been made possible through the support of a full-time medical officer for maternal and child welfare, specially designed record cards of the health and development of children with emotional and social problems, a comprehensive in-service training programme, and clinical support from the Royal Children's and Queen Victoria Hospitals, and Lincoln Institute School of Orthoptics.

A Review Register is kept of children with a physical, intellectual, visual, auditory, speech, language, perceptual, emotional, social, or cultural handicap, and those "at risk" of being handicapped. A summary of a child's health and welfare during his first five years is sent on to the School Medical Service. At one Maternal and Child Health Centre there is a special play group for the assessment of young children. The State Health Department in 1978 provided resource personnel through the Early Childhood Development Programme for the Melbourne City Council Health Department.

Other services for young children and their families include kindergartens with half-day or dinner and sleep programmes, day nurseries, occasional care centres, play groups, and mothers' groups. A preventative dental service operates in nine Maternal and Child Health Centres. The Health Department also has a Home Help Programme, Elderly Citizens Clubs, and Meals on Wheels. There is a full-time social worker who has been promoting community orientated social service, co-ordination, and communication centres. Environmental control and control of communicable diseases are important services also provided by the department.

Further references: Traffic control, *Victorian Year Book* 1968, pp. 234-5; Re-development in the Central Business Area, 1969, pp. 245-7; Re-development of Queen Victoria Market site, 1972, pp. 233-5; Financing of major works, 1974, pp. 234-5; City of Melbourne strategy plan 1975, pp. 116-8; Community recreation, 1976, pp. 174-5; Environment of the Central Business District 1976, pp. 175-6; Planning in the City of Melbourne, 1976, pp. 176-7; Civic Square, 1978, 181-2

STATISTICS OF LOCAL GOVERNMENT

Municipal finance statistics are compiled from statements of accounts and returns furnished by the local councils.

In the tables for the year 1975-76 which follow, municipalities have been divided into the City of Melbourne, other municipalities in the Melbourne Statistical Division, and municipalities outside the Melbourne Statistical Division.

The municipal areas which comprise the Melbourne Statistical Division are set out on pages 168-9 of this *Year Book*. Three of these areas are parts only of the Shires of Cranbourne, Healesville, and Pakenham, but because it is not practicable to dissect the finances of municipalities for statistical purposes, the whole of each of these shires has been treated in the tables which follow as being within the Melbourne Statistical Division.

At 30 September 1976, in municipalities throughout Victoria, there were 2,334 councillors, namely, 33 in the City of Melbourne, 651 in 55 other municipalities in the Melbourne Statistical Division, and 1,650 in 155 municipalities in the remaining statistical divisions.

Properties rated, loans outstanding, etc.

In the following table the number of properties rated, the value of rateable property, receipts and expenditure of all funds, and the amount of loans outstanding, are shown for each of the years ended 30 September 1972 to 1976:

VICTORIA—LOCAL GOVERNMENT AUTHORITIES: PROPERTIES RATED, LOANS OUTSTANDING, ETC.

Year ended 30 September—	Number of rateable properties	Value of rateable property		Receipts all funds	Expenditure all funds	Loans out- standing
		Net annual value	Estimated capital improved value			
	'000	\$'000	\$'000	\$'000	\$'000	\$'000
1972	1,498	922,745	17,279,333	365,074	356,557	263,792
1973	1,517	1,127,992	20,601,679	403,778	392,707	287,996
1974	1,544	1,170,882	21,327,453	448,331	455,449	310,078
1975	1,569	1,235,226	22,447,074	611,946	605,321	342,173
1976	1,597	1,310,514	23,467,741	727,625	719,043	388,407

Municipal revenue and expenditure

The following table shows for each of the years ended 30 September 1972 to 1976 the general revenue and expenditure of municipalities in Victoria on account of ordinary services, together with similar details for the business undertakings under municipal control:

**VICTORIA—LOCAL GOVERNMENT AUTHORITIES: ORDINARY SERVICES
AND BUSINESS UNDERTAKINGS: REVENUE AND EXPENDITURE
(\$'000)**

Year ended 30 September —	Ordinary services		Business undertakings	
	Revenue	Expenditure	Revenue	Expenditure
1972	193,297	190,848	65,752	66,409
1973	224,313	222,359	70,277	70,187
1974	262,819	272,367	78,247	79,889
1975	387,870	381,861	89,926	89,919
1976	460,499	455,358	103,202	103,069

General Fund

The ordinary revenue of a municipality, consisting of rates, government grants, etc., is payable into the General Fund, and this account is applied toward the payment of all expenses incurred in respect of administration, debt services, ordinary municipal services, etc.

After exclusion of \$16,969,000 transferred from other funds, the net General Fund income during 1975-76 was \$443,530,000. Of this total, 58.6 per cent was derived from taxation (58.3 per cent from rates and penalties and 0.3 per cent from licences); 19.0 per cent from public works and services; 0.2 per cent from transfers from business undertakings; 17.7 per cent from government grants; and 4.5 per cent from other sources. The total amount collected from taxation (\$260,014,000) was equivalent to \$69.54 per head of population.

Details of the principal items of revenue received during the year ended 30 September 1976 are shown in the following table:

**VICTORIA—LOCAL GOVERNMENT AUTHORITIES : ORDINARY SERVICES:
REVENUE, YEAR ENDED 30 SEPTEMBER 1976
(\$'000)**

Particulars	Municipalities in Melbourne Statistical Division (a)		Municipali- ties outside Melbourne Statistical Division	Total
	City of Melbourne	Other		
Taxation—				
Rates (net)	18,894	165,813	72,317	257,024
Penalties	89	1,150	375	1,614
Licences—				
Dog	7	685	276	968
Other	33	273	101	408
Total taxation	19,023	167,921	73,070	260,014
Public works and services—				
Roads, streets, bridges, drains	294	5,444	5,384	11,123
Health and welfare—				
Sanitary and garbage	67	8,712	3,663	12,442
Other	260	2,252	1,235	3,746
Council properties, sundry income—				
Parks, gardens, baths, and other recreational facilities	474	3,748	4,062	8,284
Markets	3,142	902	1,216	5,261
Halls	97	1,089	1,474	2,660
Libraries, museums, art galleries	3	251	271	525
Plant operating (surplus)	1	2,959	5,009	7,969
Rents, n.e.i.	1,434	1,255	797	3,486
Other	75	1,064	1,474	2,612

VICTORIA—LOCAL GOVERNMENT AUTHORITIES : ORDINARY SERVICES:
REVENUE, YEAR ENDED 30 SEPTEMBER 1976—*continued*
(\$'000)

Particulars	Municipalities in Melbourne Statistical Division (a)		Municipalities outside Melbourne Statistical Division	Total
	City of Melbourne	Other		
Council properties, sale of capital assets—				
Plant, furniture, etc.	—	565	858	1,423
Land and buildings, etc.	6	1,554	971	2,532
Other works and services—				
Car parking fees, fines, etc.	3,783	2,924	1,762	8,469
Building and scaffolding fees	508	4,713	1,764	6,985
Supervision of private streets	..	1,383	409	1,792
Other	368	2,286	2,227	4,880
Total public works and services	10,513	41,100	32,576	84,189
Government grants—				
Roads, etc.	23	1,355	1,981	3,359
Parks, gardens, etc.	100	4,768	3,949	8,817
Libraries, etc.	148	5,632	2,766	8,546
Infant welfare	196	2,299	998	3,494
Pre-school	263	6,127	3,315	9,704
Home help	47	3,144	1,244	4,436
Elderly citizens	20	2,490	2,214	4,725
Pensioners' rate remissions	37	2,738	825	3,601
Other specific purpose grants	126	2,857	3,544	6,527
Unemployment relief	—	1,539	3,220	4,759
Grants Commission	—	9,953	10,482	20,435
Total government grants	960	42,902	34,540	78,402
Transfers from business undertakings	—	574	168	742
Transfers from other council funds	1,194	10,213	5,562	16,969
Oncost (C.R.B., private streets, etc.)	62	3,436	6,980	10,478
Interest on investments	679	4,322	853	5,853
Other revenue	368	2,135	1,349	3,852
Total revenue	32,798	272,603	155,097	460,499

(a) See list on pages 168-9.

Excluding \$21,636,000 transferred to other funds, the net General Fund expenditure during 1975-76 was \$433,722,000. Of this total, 22.4 per cent was for roads, streets, etc.; 13.1 per cent for health and welfare; 15.5 per cent for maintenance and operating expenses of parks, gardens, and other council properties; 12.1 per cent for capital expenditure on council properties; 5.9 per cent for other public works and services; 9.5 per cent for debt charges; 2.3 per cent for grants and contributions; 18.8 per cent for administration; and 0.4 per cent for miscellaneous items.

Details of the principal items of expenditure from the General Fund during the year ended 30 September 1976 are shown in the following table:

VICTORIA — LOCAL GOVERNMENT AUTHORITIES: ORDINARY SERVICES:
EXPENDITURE, YEAR ENDED 30 SEPTEMBER 1976
(\$'000)

Particulars	Municipalities in Melbourne Statistical Division (a)		Municipalities outside Melbourne Statistical Division	Total
	City of Melbourne	Other		
Public works and services—				
Roads, streets, bridges, drains—				
Construction and maintenance	2,167	31,475	31,782	65,425
C.R.B. (main roads maintenance)	3	843	1,454	2,300
C.R.B. (other works)	48	1,350	4,350	5,748
Cleaning and watering	1,391	7,556	1,749	10,696
Other	901	4,289	1,322	6,512
Street lighting	(b)	5,120	1,317	6,437

VICTORIA—LOCAL GOVERNMENT AUTHORITIES: ORDINARY SERVICES:
EXPENDITURE, YEAR ENDED 30 SEPTEMBER 1976—*continued*
(\$'000)

Particulars	Municipalities in Melbourne Statistical Division (a)		Municipalities outside Melbourne Statistical Division	Total
	City of Melbourne	Other		
Health and welfare—				
Sanitary and garbage services	1,123	18,052	4,543	23,718
Infant welfare (maintenance)	267	4,848	2,096	7,210
Pre-school (maintenance)	948	3,420	2,191	6,559
Home help	86	5,649	2,094	7,829
Elderly citizens	71	2,412	780	3,262
Other	683	5,865	1,699	8,247
Council properties (maintenance and operating expenses)—				
Parks, gardens, baths, and other recreational facilities	3,131	19,764	9,596	32,491
Markets	2,075	474	924	3,474
Halls	1,082	4,239	2,029	7,350
Libraries, museums, art galleries	386	10,697	3,625	14,709
Workshops and depots	444	2,108	850	3,402
Other	594	2,754	2,674	6,021
Council properties (capital expenditure)—				
Plant, furniture, etc., purchase	138	6,756	4,473	11,367
Land and buildings purchase	—	8,409	815	9,224
Buildings (capital works)	10	11,372	9,030	20,412
Other capital works	176	6,325	4,861	11,362
Other works and services—				
Car parking	2,120	3,752	1,231	7,103
Building and scaffolding inspection	537	3,303	915	4,755
Supervision of private streets	..	1,657	234	1,891
Town planning	400	1,919	289	2,608
Other	49	5,602	3,511	9,161
Total public works and services	18,829	180,011	100,433	299,273
Debt charges (excluding business undertakings)—				
Interest—				
Loans	3,842	12,193	5,752	21,787
Overdraft	30	506	927	1,463
Redemption	706	8,824	5,308	14,839
Sinking fund	521	508	168	1,197
Other	1,431	317	33	1,780
Total debt charges	6,529	22,349	12,188	41,065
Grants—				
Fire brigades	373	2,684	15	3,073
Hospitals and other charities	86	305	216	606
Pensioners' rates	37	2,821	844	3,702
Other	672	911	844	2,427
Total grants	1,168	6,721	1,919	9,808
General administration	6,126	45,178	30,434	81,738
Transfers to other council funds	834	13,285	7,516	21,636
Miscellaneous	46	1,267	526	1,838
Total expenditure	33,531	268,810	153,016	455,358

(a) See list on pages 168-9.

(b) Cost of street lighting is charged to electricity undertaking.

Further reference: *Municipal administrative costs, Victorian Year Book 1977, p.192*

Municipal business undertakings

In Victoria during 1975-76, eleven municipal councils conducted electricity supply undertakings. These constituted the principal trading activities of municipalities. Other

trading activities included water supply, abattoirs, quarries, and reinforced concrete pipe and culvert works, but, relatively, these were not extensive.

The table which follows shows, for the year ended 30 September 1976, revenue and expenditure of the various types of municipal business undertakings:

**VICTORIA—LOCAL GOVERNMENT AUTHORITIES: BUSINESS
UNDERTAKINGS, YEAR ENDED 30 SEPTEMBER 1976
(\$'000)**

Particulars	Municipalities in Melbourne Statistical Division (a)		Municipalities outside Melbourne Statistical Division	Total
	City of Melbourne	Other		
REVENUE				
Water supply	..	48	1,635	1,683
Electricity	31,562	66,309	..	97,870
Abattoirs	..	761	1,428	2,189
Other (b)	..	216	1,244	1,460
Total revenue	31,562	67,333	4,307	103,202
EXPENDITURE				
Water supply—				
Working expenses (c)	..	27	1,198	1,225
Other expenditure	..	3	390	394
Total water supply	..	30	1,588	1,618
Electricity—				
Working expenses	29,714	61,719	..	91,433
Other expenditure	2,203	4,386	..	6,589
Total electricity	31,917	66,104	..	98,022
Abattoirs—				
Working expenses (c)	..	490	1,101	1,592
Other expenditure	..	198	200	397
Total abattoirs	..	688	1,301	1,989
Other (b)—				
Working expenses	..	202	1,087	1,289
Other expenditure	..	13	138	151
Total other	..	216	1,225	1,440
Total expenditure	31,917	67,038	4,114	103,069

(a) See list on pages 168-9.

(b) Consists of quarries and reinforced concrete pipe and culvert works.

(c) Includes capital works : water supply, \$6,000; abattoirs, \$33,000; other \$23,000.

Municipal loan finance

Municipal loan account receipts and expenditure

**VICTORIA—LOCAL GOVERNMENT AUTHORITIES: LOAN ACCOUNT
RECEIPTS AND EXPENDITURE
(Excluding redemption, private street, and separate rate loans)
(\$'000)**

Year ended 30 September—	Receipts				Expenditure			
	Loans for—			Total	Ordinary services	Business under- takings	Other (non- works)	Total
	Ordinary services	Business under- takings	Other					
1972	30,131	1,440	2,309	33,880	26,387	3,017	198	29,602
1973	35,893	2,872	3,223	41,988	29,282	3,798	242	33,323
1974	35,227	1,935	2,755	39,917	30,241	3,757	222	34,219
1975	45,098	2,385	4,569	52,052	45,385	4,498	437	50,320
1976	56,762	4,732	7,714	69,208	60,951	5,315	349	66,616

At 30 September 1976, there were unexpended balances in loan accounts amounting to \$92.4m.

VICTORIA—LOCAL GOVERNMENT AUTHORITIES: LOAN ACCOUNT
RECEIPTS, YEAR ENDED 30 SEPTEMBER 1976

(Excluding redemption, private street, and separate rate loans)

(\$'000)

Particulars	Municipalities in Melbourne Statistical Division (a)		Municipali- ties outside Melbourne Statistical Division	Total
	City of Melbourne	Other		
Loan raisings for—				
Ordinary services	2,450	34,624	19,688	56,762
Business undertakings	1,400	1,942	1,390	4,732
Other receipts (government grants, recoups, etc.)	4,578	2,155	981	7,714
Total receipts	8,428	38,721	22,059	69,208

(a) See list on pages 168-9.

VICTORIA—LOCAL GOVERNMENT AUTHORITIES: LOAN ACCOUNT
EXPENDITURE, YEAR ENDED 30 SEPTEMBER 1976

(\$'000)

Particulars	Municipalities in Melbourne Statistical Division (a)		Municipali- ties outside Melbourne Statistical Division	Total
	City of Melbourne	Other		
Ordinary services—				
Roads, streets, bridges, and drains	282	10,484	5,307	16,072
Health and welfare	108	1,727	663	2,498
Property construction—				
Parks, gardens, baths, and other recreational facilities	143	7,620	2,931	10,693
Halls	206	4,550	3,931	8,687
Markets	761	264	221	1,246
Libraries, etc.	—	611	290	901
Other	111	891	693	1,695
Plant, furniture, etc., purchase	23	1,212	2,981	4,216
Land and buildings purchase	6,084	4,777	1,500	12,361
Off-street parking	8	192	192	392
Other	253	143	1,794	2,190
Total ordinary services	7,978	32,472	20,502	60,951
Business undertakings	2,429	1,698	1,189	5,315
Other (non-works)	—	193	156	349
Total expenditure	10,407	34,363	21,846	66,616

(a) See list on pages 168-9.

Municipal loan liability

The loan liability of the municipalities in Victoria at the end of each of the five years ended 30 September 1972 to 1976 is shown in the following table. Liability of municipalities for private street construction and separate rate loans is included, but liability to the Country Roads Board is excluded.

VICTORIA—LOCAL GOVERNMENT AUTHORITIES: LOAN LIABILITY

At 30 September—	Gross loan liability due to—		Total	Accum- lated sinking funds	Net loan liability	
	Government	Public			Amount	Per head of population
	\$'000	\$'000	\$'000	\$'000	\$'000	\$
1972	3,663	260,129	263,792	18,229	245,563	68.89
1973	3,799	284,198	287,996	19,429	268,567	74.61
1974	3,976	306,102	310,078	21,845	288,233	84.88
1975	4,314	337,859	342,173	24,342	317,831	85.26
1976	5,237	383,170	388,407	26,512	361,894	96.39

Construction of private streets

The council of any municipality may construct roads or streets on private property, and may also construct, on land of the Crown or of any public body, means of back access to, or drainage from, property adjacent to such land. The cost of this work is recoverable from the owners of adjoining or neighbouring properties where, in the opinion of the council, the work performed accrues to the benefit of those properties.

The following table shows the receipts and expenditure, etc., for the year ended 30 September 1976 of the Private Street Account for areas outside that controlled by the Melbourne City Council (which has no such account) :

**VICTORIA—LOCAL GOVERNMENT AUTHORITIES : PRIVATE
STREET ACCOUNT : RECEIPTS, EXPENDITURE, ETC.,
YEAR ENDED 30 SEPTEMBER 1976
(\$'000)**

Particulars	Municipalities in Melbourne Statistical Division (a)	Municipalities outside Melbourne Statistical Division	Total
Receipts—			
Loans	3,790	495	4,285
Bank overdraft (increase)	3,420	644	4,065
Owners' contributions	15,846	2,837	18,682
Other	611	370	981
Total	23,667	4,346	28,012
Expenditure—			
Works	16,040	3,184	19,224
Bank overdraft (decrease)	1,535	402	1,937
Debt charges	4,605	689	5,295
Other	977	144	1,122
Total	23,158	4,419	27,578
Cash in hand or in bank at 30 September 1976	4,880	888	5,769
Bank overdraft at 30 September 1976	9,039	1,764	10,803
Loan liability at 30 September 1976	22,715	2,300	25,014

(a) See list on pages 168-9.

Details of receipts and expenditure of the Private Street Account, during each of the years ended 30 September 1972 to 1976 are shown in the following table :

**VICTORIA—LOCAL GOVERNMENT AUTHORITIES : PRIVATE STREET
ACCOUNT : RECEIPTS, EXPENDITURE, ETC.
(\$'000)**

Particulars	Year ended 30 September—				
	1972	1973	1974	1975	1976
Receipts—					
Loans	4,882	2,470	1,185	2,160	4,285
Bank overdraft (increase)	817	609	1,292	2,867	4,065
Owners' contributions	18,786	18,642	15,467	15,246	18,682
Other	527	423	802	852	981
Total	25,011	22,145	18,746	21,125	28,012
Expenditure—					
Works	13,528	12,108	11,669	14,530	19,224
Bank overdraft (decrease)	2,348	2,659	2,425	633	1,937
Debt charges	5,664	5,846	5,444	5,207	5,295
Other	1,355	1,276	900	1,664	1,122
Total	22,896	21,890	20,439	22,033	27,578
Loan liability at 30 September	26,334	25,486	23,788	23,245	25,014

Country Roads Board Account

Works carried out by municipalities on main roads and unclassified roads jointly with the Country Roads Board are financed by means of a separate municipal bank account. Expenditure is made initially from overdraft, claims subsequently being made on the Board for recovery of funds expended. With the exception of any disallowances by the Board, the full amount expended on main roads is recoverable from the Board and credited to the Country Roads Board Account, with the council later making an annual payment from General Fund to the Country Roads Board for the council's share of the cost. The Country Roads Board assists municipal councils financially to carry out construction and maintenance works on approximately 32,000 kilometres of unclassified roads each year. Funds expended by councils on these roads, after deduction of councils' proportion of the cost (which is charged to the General Fund), are also recoverable from the Country Roads Board. Direct payments by the Country Roads Board itself on works, or for supply of materials, etc., for works, are included on both sides of the Country Roads Board Account so that the full amount of the expenditure on relevant roads may be shown in the Account for the year concerned. Any expenditure by a council on State highways, freeways, tourist roads, and forest roads, is charged to the Country Roads Board Account and is fully recoverable from the Country Roads Board.

**VICTORIA—LOCAL GOVERNMENT AUTHORITIES: COUNTRY ROADS
BOARD ACCOUNT, YEAR ENDED 30 SEPTEMBER 1976
(\$'000)**

Particulars	Municipalities in Melbourne Statistical Division (a)		Municipalities outside Melbourne Statistical Division	Total
	City of Melbourne	Other		
Receipts—				
Refunds from Country Roads Board	78	14,079	27,397	41,555
Direct payment by Country Roads Board	—	2,972	9,164	12,136
Council's proportion of works on unclassified roads	40	3,173	4,347	7,560
Bank overdraft (increase)	—	861	915	1,776
Other	(b)	206	417	623
Total	119	21,291	42,240	63,649
Expenditure—				
Main roads	31	9,333	16,054	25,417
Unclassified roads	65	10,144	23,224	33,433
Other roads (State highways, etc.)	—	109	869	977
Bank overdraft (decrease)	23	1,268	2,035	3,325
Other	—	437	59	496
Total	119	21,291	42,240	63,649
Bank overdraft at 30 September 1976	38	2,645	2,291	4,973

(a) See list on pages 168-9.

(b) Less than \$500.

Details of receipts and expenditure of the Country Roads Board Account, including the net increase or decrease in bank overdraft, during each of the years ended 30 September 1972 to 1976 are shown in the following table :

**VICTORIA—LOCAL GOVERNMENT AUTHORITIES :
COUNTRY ROADS BOARD ACCOUNT
(\$'000)**

Particulars	Year ended 30 September—				
	1972	1973	1974	1975	1976
Receipts—					
Refunds from Country Roads Board	30,678	28,339	29,712	37,862	41,555
Direct payment by Country Roads Board	8,222	8,530	7,765	10,740	12,136
Council's proportion of works on unclassified roads	5,130	5,069	5,546	6,962	7,560
Bank overdraft (increase)	—	182	2,311	742	—
Other	367	160	352	664	623
Total	44,397	42,279	45,686	56,969	61,873
Expenditure—					
Main roads	19,097	18,944	18,951	23,630	25,417
Unclassified roads	22,864	22,387	25,234	32,092	33,433
Other roads (State highways, etc.)	1,373	771	1,204	1,011	977
Bank overdraft (decrease)	970	—	—	—	1,549
Other	93	178	297	237	496
Total	44,397	42,279	45,686	56,969	61,873
Bank overdraft at 30 September	3,347	3,528	5,839	6,471	4,973

Length of roads and streets

The following table shows the estimated length of all roads and streets open for general traffic in Victoria in 1977. The information was supplied by the Country Roads Board, municipal councils, and other authorities.

**VICTORIA—LENGTH OF ALL ROADS AND STREETS OPEN FOR
GENERAL TRAFFIC AT 30 JUNE 1977
(kilometres)**

Type of road or street	State highways, freeways (a)	Main roads	Tourist roads, forest roads	Other roads and streets	Total
Bituminous seal, concrete, etc.	7,032	13,535	1,058	35,913	57,538
Water-bound macadam, gravel, sand, and hard loam pavements	248	910	771	43,856	45,785
Formed, but not otherwise paved	—	103	—	27,722	27,825
Not formed but open for general traffic	—	—	—	28,537	28,537
Total	7,280	14,548	1,829	136,028	159,685

(a) Includes 231 kilometres of freeways consisting of extra-metropolitan freeways (by-pass roads) and metropolitan freeways.

**Country Roads Board
Melbourne and Metropolitan Board of Works**

Information on these two authorities will now be found in Chapter 23, pages 523 to 529, and Chapter 13, pages 292 to 300, respectively.

**Metropolitan Fire Brigades Board
Country Fire Authority**

Information on these two authorities will be found in Chapter 20, pages 455 to 456.

Country town water supplies

Information on country town water supplies will be found in Chapter 13, pages 306 to 309.

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