

*Mr Feend***PRIME MINISTER**FOR PRESS

4 February 1976

DEPARTMENTAL SPENDING

As announced yesterday savings of about \$9 million in the Childhood Services Programme will be achieved in 1975/76. This will be possible as a result of the slowing down of some already approved capital projects and by curtailing further development of the programme this financial year through the approval of only a limited number of urgent Child Care services in the highest priority needs areas.

Funds are available to meet all other existing commitments this financial year.

The appointment is announced of Senator Margaret Guilfoyle as Minister assisting me in child care matters.

An Interim Committee within the Department is continuing to administer the Childhood Services Programme.

As was also announced yesterday, reduced purchases overseas by the Australian National Gallery will save over \$3 million in the current financial year.

The policy and programmes of the Australian National Gallery were discussed with the Chairman of the Gallery's Interim Council, Mr R.C. Crebbin last week.

It was agreed that decisions could be deferred on the acquisition of certain overseas works which have been under consideration by the Council, resulting in a saving in the present financial year of \$3 million.

It was also decided to negotiate payment for one particular work, costing \$400,000, so as to spread the cost over the current and next financial years.

This gives a total saving in the present financial year of \$3.2 million out of the Gallery's appropriation of \$5.6 million.

At the same time, there was agreement that the Gallery's acquisition programme for Australian art should be strengthened by re-allocating an additional \$200,000 from other proposed programmes.

The Australia Council's budget of \$23.7 million for the current financial year will be reduced by \$605,000. Cuts will be made in both administrative expenditure and activities in support for the arts.

Administrative expenses of the Public Service Board are to be reduced by \$394,500 mainly due to reductions in expenditure on computers, advertising, consultants' fees and staff engaged on full time training. These savings are in addition to general cuts on overtime and travel totalling \$161,700.

The Film and Television School's budget of \$3.7 million will be reduced by \$277,000 in the areas of administrative services and purchase of equipment.

It is expected that expenditure in the current financial year in connection with the establishment of the Australia/Japan Foundation, about which a statement was made on 30 January will not exceed \$100,000.

---