

ANALYSIS

The amount requested, \$2,716,397, is for support from the Unemployment Compensation Disability Fund. This is an increase of \$193,105 or 7.6 percent over the actual and estimated expenditures of \$2,523,292 in the 1949-50 Fiscal Year.

Salaries and wages of \$2,166,185 represent an increase of \$158,795 or 7.9 percent over the 1949-50 Fiscal Year, which is due to a great extent to the new provisions in the Unemployment Insurance Act providing hospital benefits for disabled persons, such provisions becoming effective January 1, 1950. Operating expenses reflect an increase of \$41,948 due to increased work load.

Revenue to the Unemployment Compensation Disability Fund representing workers' contributions is estimated to increase \$950,935 for the 1950-51 Fiscal Year over the 1949-50 Fiscal Year. However, benefit payments for the 1950-51 Fiscal Year are estimated to increase \$3,335,758 over the 1949-50 Fiscal Year due principally to hospital benefits and the waiving of the waiting week during hospitalization. These provisions became effective January 1, 1950. The balance in the Unemployment Compensation Disability Fund is estimated to be \$105,314,128 as of June 30, 1951, or a net increase of \$6,399,241 from June 30, 1950.

DEPARTMENT OF EMPLOYMENT

ITEM 503 of the Budget Bill

Budget page 1035
Budget line No. 41

For Acquisition of Real Property and Major Construction of Office Buildings, Department of Employment, From the Department of Employment Contingent Fund

Amount budgeted	\$1,935,000
Legislative Auditor's Recommendation	1,935,000
Reduction	None

ANALYSIS

The amount of \$279,000 is to be expended for purchase of sites at Santa Barbara, San Francisco, San Bernardino, Eureka, Inglewood, Fullerton, Torrance, Vallejo and Indio. The amount of \$1,656,000 is to be expended for construction of office buildings at Stockton, Eureka, Fullerton, Indio, Inglewood, San Bernardino, San Francisco, Torrance and Vallejo. Included in the above amount is \$220,000 for the construction of an addition to the Hollywood office and \$35,000 for alterations and an addition to the Visalia office. The amount requested will be amortized over a period of years and the contingent fund reimbursed through rental payment from the United States Department of Labor and the Unemployment Compensation Disability Fund.