

LEGISLATIVE COUNCIL.

Wednesday, September 20, 1961.

The PRESIDENT (Hon. Sir Walter Duncan) took the Chair at 2.15 p.m. and read prayers.

QUESTION.

ADELAIDE OVAL.

The Hon. K. E. J. BARDOLPH: I ask leave to make a statement prior to asking a question. Leave granted.

The Hon. K. E. J. BARDOLPH: The statement appears in this morning's *Advertiser* that the South Australian National Football League proposes to approach the Adelaide City Council for the purpose of seeking a lease of the Adelaide Oval. As honourable members know, the oval is Crown land the control of which is vested in the Adelaide City Council. However, it has been in the hands of the South Australian Cricket Association for the past 90 years. Can the Chief Secretary say whether the Government will consider setting up a committee of trustees similar to that controlling the Melbourne Cricket Ground? This committee would control this portion of the Crown lands and all sporting interests could be represented on it. The president of the Cricket Association in Victoria is a member of the committee of trustees in that State and so are the president of the Victorian Football League, the secretary of the Lands Department and 15 other members nominated by the Government. There can only be a maximum of 18 trustees. Will the Government consider the question of reconstituting the control of the Adelaide Oval on the lines I have suggested?

The Hon. Sir LYELL McEWIN: The honourable member has asked a question that involves a number of considerations and I would not like to give an answer without proper thought. As far as I understand the position, the Adelaide Oval is park land that is vested in the Adelaide City Council, which deals with the leasing of the oval and that matter is at present under consideration by the council. I have read certain claims in the newspapers from different bodies interested in leasing the oval, but after the City Council has considered the matter it will then become, I believe, the responsibility of Parliament to ratify the agreement. I believe that to be the position.

The Hon. K. E. J. Bardolph: I do not think that Parliament has ever ratified an agreement with the Adelaide City Council.

The Hon. Sir LYELL McEWIN: I think it has. Parliament ultimately has a say regarding it and I think that would be the appropriate

time to consider it rather than deal with the question when it is already *sub judice* and under consideration by someone else.

BUSH FIRES REGULATION: SULPHUR.
(Debate adjourned on August 30. Page 618.)
(For wording of motion, see page 618.)
Motion carried.

THE PARKIN TRUST INCORPORATED
ACT AMENDMENT BILL (PRIVATE).

The Hon. C. D. ROWE brought up the report of the Select Committee, together with minutes of proceedings and evidence.

THE PARKIN CONGREGATIONAL
MISSION OF SOUTH AUSTRALIA
BILL (PRIVATE).

The Hon. C. D. ROWE brought up the report of the Select Committee, together with minutes of proceedings and evidence.

PUBLIC ACCOUNTS COMMITTEE.

The Hon. K. E. J. BARDOLPH (Central No. 1): I move:

That in the opinion of this House it is desirable that a Public Accounts Committee be established to—

- (a) examine the accounts of the receipts and expenditure of the State and each statement and report transmitted to the Houses of Parliament by the Auditor-General pursuant to the Audit Act, 1921-1957;
- (b) report to both Houses of Parliament, with such comments as it thinks fit, any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed;
- (c) report to both Houses of Parliament any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them, or in the mode of receipt, control, issue or payment of public moneys; and
- (d) inquire into any question in connection with the public accounts which is referred to it by either House of Parliament, and to report to that House upon that question.

As honourable members will see, I have made the motion all-embracing. The Parliament of South Australia has the responsibility of ensuring that the Government secures 20s. worth of goods and services for every pound of public funds it expends. This responsibility cannot be discharged satisfactorily without a Public Accounts Committee. In the Commonwealth sphere we have a Public Accounts Committee presided over by Professor Bland.

New South Wales, Victoria and Tasmania each have a public accounts committee and members will agree that they have done valuable work in acting, as it were, as a watchdog on public expenditure in those States. Opposition members do not cast aspersions regarding the integrity, ability, and efficiency of the Government officers charged with the responsibility of carrying out the executive affairs of the government, but this responsibility cannot be discharged satisfactorily without a public accounts committee.

Delving into the history of representative government of the Mother of Parliaments, the House of Commons, we find that that renowned Prime Minister, William Gladstone, moved in the House of Commons for the establishment of a Select Committee on Public Accounts in 1861, just a century ago. He said, "The last portion of the circle, namely the circle of financial control, remains incomplete until the Public Accounts Committee has done its duty". The House of Commons has found this medium of financial control a necessity for about 100 years, yet in South Australia with the Government in power we pretend to rub along satisfactorily without one. The circle of Parliamentary financial control in South Australia remains incomplete until a public accounts committee is established.

It would be fallacious to assume that as we have functioned for many years without this safeguard of financial control there is no need for its establishment at present. The ever-increasing importance of public finance, and the vast amount of expenditure on public works, makes it incumbent upon the Parliament to take action to meet the challenge by establishing a public accounts committee. This proposal is fortified by the great increase in the amount of public money Parliament is called upon to vote for disbursement year after year. What would be the functions of a public accounts committee? As its name implies, it would be the Parliamentary custodian of the accounts of public departments. It would have nothing to do with the current policy of the Government of the day.

I point that out because it has been suggested in similar debates on this proposal here and in another place that a public accounts committee would impede the Government of the day in giving full effect to its policy, which had been determined by the electors. I assure honourable members that its intention would have nothing to do with the moulding of Government policy, but if my proposal

were adopted it would ensure, if a Government decided that money should be expended on a certain proposal, that it was spent wisely and as judiciously as possible. It would take into account the financial aspects of policy performed. That is to say, it would look back into what was done with public money, and not forward into what the Government proposed to do. I am sure honourable members will agree with me that no Government, irrespective of its political complexion, would wish to hide from a Parliamentary inquiry what it had done with public money.

As previously mentioned, in the United Kingdom throughout the past 100 years successive Governments, recognizing the value of the public accounts committee, have from time to time seen fit to permit a member of Her Majesty's Opposition to be Chairman. This emphasizes the cardinal principle that a full and exhaustive inquiry should at all times be undertaken.

There is no great reason to debate this matter at length, but there are further principles, apart from those I have already mentioned, that I desire to mention, which not only affect the functions of constitutional government but the control of the purse by Parliament. This Council, under our Constitution, has no power to amend Bills involving the expenditure of public money. We can reject or make recommendations. South Australia very wisely has adopted the system of British Parliamentary government, and no Australian would challenge the wisdom of this action.

What does this entail? Fundamentally it means that the elected Parliament is supreme, within its constitutional sphere. One aspect of the Parliamentary supremacy is expressed in its control of the public purse. Historically, it is through that power of control that the British financial system of government maintains its supremacy. As members of Parliament we are charged with the responsibility of interpreting and applying that laudable maxim in South Australia.

History records the long struggle between the Crown and the Parliament in England, which eventually resulted in the establishment of Parliamentary supremacy over the privy purse, and the control of the funds of the nation by Parliament. It is well known that Parliamentary control of finance under the British system is based upon methods of annual accounting. There is an annual Budget and annual estimates of expenditure, and Parliament appropriates the funds needed for the financial year. The Treasurer makes an annual financial

statement, setting out the completed accounts of the Government at the close of the financial year. The Auditor-General scrutinizes these accounts and the Treasurer's statement, and makes his report to Parliament.

In South Australia this is as far as the financial system has developed. A vital link is missing in the chain of financial control. The deficiency is obvious: it lies in the response that Parliament makes to the Auditor-General's report. Often we have had to consider the Estimates without having his report to enable members to scrutinize the expenditure of public money in the previous year. It is only today that we have received copies of the Auditor-General's report concerning last year's expenditure of public money. The contents of his report may be mentioned during the Budget debate, but there are great limitations because there is no formal arrangement whereby points raised by him can be considered by a committee. He occupies a position similar to that occupied by our judges. He can criticize Government expenditure and report on the financial activities of the State, but like the judges he is apart from any Government action to curb his criticism. As I have mentioned, often we have to discuss the Estimates without having the Auditor-General's report. If there was a public accounts committee it could at least consider these matters during the financial year for which the expenditure had been provided, and make its report to Parliament for the guidance of members.

Having stated in broad principles the real purport of the motion, I propose to give actual examples which, I am sure honourable members will agree, have merited investigation. For this purpose I have taken projects investigated by the Public Works Committee during 1948, and which have recently been completed. I compliment the members of that committee on the splendid work they have done on behalf of Parliament and the people of this State. There are two or three honourable members of that committee in this Chamber. When the Government has formulated a project the cost of which will exceed a certain amount, the matter is referred to the Public Works Committee for investigation. Not only is the financial side of the proposal investigated, but also some of the technical problems may be considered, after which the committee submits a report to Parliament setting out the estimated cost of the proposal. That is where the committee's activities commence and end, because after the report has been submitted to Parliament, the work is

carried out by the respective Government departments. The figures I have obtained are of works which were recommended by the Public Works Committee and which have only been recently completed, and they do not reveal a very satisfactory state of affairs. One of these works, recommended by the committee at a specified amount, shows an increase in cost of 75 per cent above the estimate. The examples I shall quote have cost the Government, or the people of this State, some £9,000,000 above the estimated cost submitted by the Public Works Committee in its reports to Parliament. Honourable members will agree that some investigation is needed to see why the original amounts were exceeded to such an enormous extent when the projects were completed.

The Hon. S. C. Bevan: Wouldn't that be caused through the delay between the recommendation and the completion of the work?

The Hon. K. E. J. BARDOLPH: I agree. If the Public Works Committee submitted a report for a project to cost £300,000 and the Government decided to begin it in nine or 12 months' time, then the cost would probably be higher than the original estimate.

The Hon. S. C. Bevan: It may be higher than that before they finish.

The Hon. K. E. J. BARDOLPH: Yes. The first item I want to mention is the Mannum-Adelaide pipeline. In 1948 the estimated cost was £3,085,000, the adjusted estimate £6,000,000, and the actual cost was £10,500,000. That gives an unexplained difference of £4,500,000. The Yorke Peninsula water scheme was in 1948 estimated to cost £2,685,000, the adjusted estimate (allowing for the period from the submission of the report to the letting of the contract) was £5,500,000, and the actual cost was £5,300,000, which was £200,000 below the latter estimate. Of the examples I am submitting, that is the only large constructional work which was carried out for less than the adjusted estimated cost. The estimated cost of the South Para reservoir was £1,578,000, the adjusted estimate was £3,000,000, and the actual cost £3,740,000, showing an unexplained difference of £740,000. The estimated cost of the Queen Elizabeth Hospital, the construction of which caused the Minister of Health many headaches and heartburnings, was £1,370,000, adjusted estimate £2,900,000, and the actual cost £7,050,000, showing an unexplained difference of £4,150,000. The total amount of the unexplained differences of the cost of these

projects is £9,190,000. Regarding the Manum-Adelaide pipeline and the South Para reservoir, there was a contingency allowance of 10 per cent, but the figures I have quoted exclude the 10 per cent contingency allowed in the original estimate, which indicates that this percentage is of benefit to the constructors or those responsible for carrying out the work.

The Hon. Sir Frank Perry: Do you intend to confine the examples only to constructional jobs?

The Hon. K. E. J. BARDOLPH: No. I said earlier that I would make a broad preview of the situation and then fortify my argument by indicating the costs of structural works, but my motion covers all phases of Government expenditure. It may be said that a public accounts committee will go snooping around to find minor things to be used for political advantage or purpose. Honourable members will appreciate that in Great Britain there has been a similar committee for over 100 years dealing with public finance. The Commonwealth Public Accounts Committee has discovered various extravagances which have taken place, and in other States of Australia this type of committee operates in a similar way. This motion is no castigation of the administrators of the Government services, because this committee would be in a position to help, and I compliment the departmental officers of the Public Service. It may not be generally known, but when the Commonwealth Public Accounts Committee was established and Professor Bland appointed chairman, this committee adopted the system of accountancy that operates in the South Australian Treasury today. This indicates that the officers advising the Government are people who are well thought of in other States, and some of their systems, actions and activities are being emulated by other States of the Commonwealth.

Accordingly, without any rancour and without bringing any political significance into this debate, I place the facts before honourable members and trust that they will give this matter the consideration it deserves, and carry the motion as an expression of opinion of this Chamber.

The Hon. Sir LYELL McEWIN secured the adjournment of the debate.

BRANDS ACT AMENDMENT BILL.

The Hon. Sir LYELL McEWIN (Chief Secretary) obtained leave and introduced a Bill for an Act to amend the Brands Act, 1933-1957. Read a first time.

COLLECTIONS FOR CHARITABLE PURPOSES ACT (ROYAL NAVAL FRIENDLY UNION OF SAILORS' WIVES AND MOTHERS INC.)

The Hon. Sir LYELL McEWIN (Chief Secretary) moved:

That this House approves of the making of a proclamation under section 16 of the Collections for Charitable Purposes Act, 1939-1947, in the following form:

South Australia, to wit—Proclamation by His Excellency the Governor of the State of South Australia.

By virtue of the provisions of the Collections for Charitable Purposes Act, 1939-1947, and all other enabling powers, I, the said Governor, with the advice and consent of the Executive Council, being satisfied that moneys or securities for moneys to the amount of £500 held by the Royal Naval Friendly Union of Sailors' Wives and Mothers Incorporated, a body corporate incorporated under the provisions of the Associations Incorporation Act, 1956-1957, and a body to which a licence has been issued under the said Collections for Charitable Purposes Act, 1939-1947, for certain charitable purposes within the meaning of the said Collections for Charitable Purposes Act, 1939-1947, are not and will not be required for the said purposes, do hereby by proclamation declare that the said moneys or securities for moneys shall be paid by the said Royal Naval Friendly Union of Sailors' Wives and Mothers Incorporated to the H.M.A.S. Watson Memorial Chapel Fund of Watson's Bay in the State of New South Wales.

The making of this proclamation has been approved by resolution of both Houses of Parliament.

Given under my hand and the public seal of South Australia, at Adelaide, this day of _____, 1961.

By command,

A. LYELL McEWIN, Chief Secretary.

God Save the Queen.

Motion carried.

BULK HANDLING OF GRAIN ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 19. Page 745.)

The Hon. R. R. WILSON (Northern): I spoke on the Address in Reply at some length on bulk handling and I do not intend saying much on the matter today. The Bill deals with a guarantee of £500,000 by the State Government to the Commonwealth Bank. I commend the Government for its willingness to advance this guarantee and I point out that it has wonderful security in a mortgage over the Bulk Handling Company's assets. Moreover, the farmers themselves will be paying tolls of 6d. a bushel in the future. In my opinion no better security is available than that offering for this guarantee.

Wheat is an important cereal and, therefore, the cost of its production has to be closely watched. The present cost of production is near the limit to enable any profit making in the industry. Had it not been for the introduction of bulk handling to help us capture world markets I believe farmers would have been struggling to make wheat growing pay. The more silos we have the better our future will be. I read in today's *Advertiser* a statement attributed to the chairman of the Barley Board. He said that it was not the intention of that board to build silos. The article states:

The Australian Barley Board yesterday decided not to build bulk in transit silos at Port Lincoln and Wallaroo. The board chairman (Mr. W. J. Spafford) said after a board meeting that it had been decided to abandon the project because the high cost of building the silos and the facilities for handling barley in bulk at terminals would severely affect future advances to growers. The board considered its action was in the interests of barley growers, he added. With falling prices and higher working costs, the board was aware that growers were unable to withstand the impact of reduced returns caused by the erection of the silos. Any future project for bulk handling of barley at S.A. terminals would be the subject of action by some other authority.

I believe we can visualize that the other authority will be the company operating the present bulk handling system that has been in existence for some time.

The Hon. L. H. Densley: Will the impact be any less under that system?

The Hon. R. R. WILSON: I do not think so. Grain handling has been undertaken at considerable inconvenience, particularly last year, when the State had a record harvest and in many places farmers had to put their bulk wheat out on specially prepared plots of ground with no covering except the natural cover formed by the grain itself. The farmers were obliged to leave their grain in the open until accommodation was available in the silos. With the construction of more silos, which has been mentioned by previous speakers, the greater accommodation will overcome much of the present difficulty experienced by wheat-growers.

Not long ago in this Chamber a question was asked whether the Victorian contractor who had

secured the contract to build silos would bring his own labour to South Australia and whether that would affect the employment position in this State. Wherever silos have been built the fact is that it has not been possible for the farmers to obtain casual labour because the available work force has been employed in the building of the silos. I believe the contractors will bring only their key men to South Australia so that will not affect the employment position in this State as far as I can see.

The cost of bulk handling equipment to each farmer averages between £1,000 and £2,000 and that represents a considerable outlay. If the farmers are not able to bulk their barley, which is now being grown in great quantity in South Australia, they will suffer through not being able to make full use of the system on their farms, because they will have to use two separate forms of implements and separate handling methods for bulk and bagged grain. As long as some cereal is bagged they will have to use and maintain dual equipment, but I believe that in a few years we shall have both bulk barley and bulk wheat.

The shipments of oats that have been transported in bulk have proved highly profitable and have cut transport costs. Further shipments will be made in the coming harvest. Anything that can result in a saving to the farmer in his costs of production should be encouraged and the bulk handling scheme, from its commencement, has been highly successful. We remember the debate in this Chamber, I think in 1955, when it was forecast that it would not be long before the scheme would probably be handled by the Government, but it has proved a financial success under the direction of the Bulk Handling Company, and also a great success from the point of view of producers. I feel sure that the guaranteeing of this further sum will be an enormous advantage to wheatgrowers and therefore I have much pleasure in supporting the Bill.

The Hon. L. H. DENSLEY secured the adjournment of the debate.

ADJOURNMENT.

At 2.57 p.m. the Council adjourned until Tuesday, September 26, at 2.15 p.m.