



1960.

PARLIAMENT OF TASMANIA.

STATE TEACHERS' FEDERATION, GRANTS TO.

REPORT OF PUBLIC ACCOUNTS COMMITTEE

Brought up by Mr. Hodgman on June 2, 1960, and ordered by the House of Assembly to be printed.

REPORT.

The Committee on Public Accounts has the honour to report as follows:—

1. On 26th November, 1959, the Committee on Public Accounts of last Session had referred to it for enquiry and report, the grants of the House to or for—

- (a) the State Teachers' Federation, and
- (b) the Mersey Hospital Group.

2. The Committee did not have an opportunity of dealing with both these matters prior to the prorogation, but during the adjournment of Parliament, took evidence on the subject referred to in paragraph (a). This is the only matter now before your Committee, as a result of the Resolution of the House dated June 1, 1960.

3. In 1955, Parliament approved the provision of £5,630 to cover the "Purchase of Land, excluding improvements, in Hobart for State School Teachers' Federation." Later in that year, Parliament approved the deletion of the item and the inclusion in its place of a new item "Grant to State School Teachers' Federation for purchase of land in Hobart, £5,630"*.

4. In December, 1955, a claim was made by the Federation for the grant and in informing it that the grant was available, the then Premier and Minister for Education imposed a condition that in the event of the property being disposed of at some future time or the project not being proceeded with, the money was to be refunded to the Government.

5. The amount of £5,630 was claimed by and paid to the Secretary of the State School Teachers' Federation on the 3rd January, 1956.

* See Act No. 28 of 1955, Item 8, First Schedule, as amended by Act No. 66, Section 5.

6. The foregoing facts were submitted in evidence by the Acting Under Treasurer, who, with representatives of the Education Department and the Tasmanian State School Teachers' Federation, was called before the Committee.

7. Further evidence disclosed that the State Teachers' Federation purchased the site in Bathurst Street, Hobart, and entered into negotiations with the Government relative to the occupation by the Education Department of portion of a building to be erected thereon and, on agreement with the Government on this point, erected premises at a cost of approximately £105,000.

8. To pay for the construction of the building, the Federation arranged a first mortgage of £50,000 with the Australian Temperance and General Mutual Life Assurance Society Ltd., a second mortgage guaranteed by the Government, of £15,000 with the Commonwealth Savings Bank, and the remainder of the moneys was provided by debentures taken up by members of the Federation, and from the funds of the Federation.

9. The Federation entered into a lease for a term of 15 years with the Minister for Education for substantially the whole of the building (the portions excluded being mainly on the first floor consisting of a conference and board room and office used by the Federation) at a rental of £9,400 per annum payable quarterly and subject to review during five-yearly periods of the term. The amount received by way of rental is sufficient to enable the Federation to meet the interest on its mortgages and make some repayment on account of principal moneys.

10. Although, as stated, the bulk of the premises are occupied by the Department, the evidence disclosed that already the Department is facing the problem of insufficient accommodation in that building. Various sections of the Department still are housed in other buildings in Hobart although some sections had been brought under the one roof when the Department went into possession of the premises. Votes of £16,458 approved by Parliament have been expended by the Department in the provision of counters and partitions and a telephone exchange system in the building.

11. It is apparent that as time goes on and with normal development the Department will find itself seriously inconvenienced by lack of accommodation in this building and although provision has been made in the plans for adding another floor, doubt as to the availability of funds makes this extension conjectural.

12. Your Committee finds that the grants by Parliament for or in connection with the State Teachers' Federation and the building have been properly applied.

13. Whilst Members of your Committee held differing views on the circumstances of this particular transaction, your Committee further finds:—

(a) That this type of arrangement for the accommodation of Government Departments has disturbing and unbusinesslike features and is not in the interests of the State; and

(b) That the agreement between the Department and the Federation simply provides a temporary relief from accommodation difficulties that will require solution in the near future and that if matters are left as they are at present the Government may be forced to pay a price for this building far in excess of its present value or provide alternative accommodation elsewhere at a greatly increased cost.

14. Your Committee therefore recommends—

(1) That the Government should not enter into any further transactions of a similar nature; and

(2) That negotiations should be entered into with the State Teachers' Federation for the purchase of these premises at an agreed price as soon as funds become available and that this should be treated as a matter of urgency.

W. C. HODGMAN, Chairman.

Ministerial Party Room,
Parliamentary Buildings,
HOBART, Wednesday, June 1, 1960.

MINUTES OF PROCEEDINGS.

WEDNESDAY, JANUARY 13, 1960.

The Committee met in the Ministerial Party Room, Parliamentary Buildings, Hobart, at 10 a.m.

Members Present:—Mr. Minister for Education, Mr. Barnard, Mr. Costello, Mr. Hodgman, Mr. Wedd and Dr. Young.

Mr. Hodgman was elected Chairman.

The Clerk of the Committee laid upon the Table the following:—

- (1) Copy of Act No. 66 of 1959 authorising a grant of £5,630 to the State School Teachers' Federation for the purchase of land in Hobart.
- (2) Copy of May's Parliamentary Practice, 16th Ed., with passages marked concerning the functions of the Public Accounts Committee.
- (3) Copy of Durrell's "Parliamentary Grants".
- (4) Copy of the Standing Orders of the House of Commons.
- (5) Copy of Chubb's "The Control of Public Expenditure".
- (6) Copy of Wilding and Laundy's "An Encyclopaedia of Parliament".
- (7) Copy of Abraham and Hawtrey's "A Parliamentary Dictionary".

The Assistant Parliamentary Draftsman (Mr. F. D. Cumbrae-Stewart) attended and outlined to the Committee the result of his researches into the affairs and functions of the Public Accounts Committee.

Mr. Cumbrae-Stewart withdrew.

The Committee deliberated.

Resolved, That the Committee endeavour to obtain evidence this day from the Treasury, Education Department and the State Teachers' Federation concerning the grant to the State Teachers' Federation. (Mr. Minister for Education).

At 11.45 a.m. the Committee adjourned until 2.30 p.m. The Committee met at 2.30 p.m.

Members Present: Mr. Hodgman (Chairman), Mr. Minister for Education, Mr. Barnard, Mr. Costello, Mr. Wedd and Dr. Young.

The Chairman reported that the Committee this morning had visited the new building of the State Teachers' Federation in Bathurst Street for the purpose of an inspection.

Resolved, That all evidence taken by this Committee be recorded in the form of a synopsis; and that evidence be taken under Statutory Declaration. (Mr. Costello).

Thomas Pearson Fleming, on behalf of the Education Department, was called, made the Statutory Declaration, and was examined.

Mr. Fleming withdrew.

The Committee deliberated.

Resolved, That the Crown Law Department be asked to produce for inspection by the Committee the lease in respect of the State Teachers' Federation Building in Bathurst Street. (Mr. Wedd).

Resolved, That at the next meeting Messrs. Tribolet and Rowlands (Education Department), Marshall (State Teachers' Federation) and a representative from the Treasury, be requested to attend and give evidence. (Mr. Barnard).

Resolved, That the date of the next meeting be left for arrangement between the Chairman, Mr. Minister for Education and the Clerk, but that the tentative date be Wednesday, February 23. (Mr. Costello).

At 3.30 p.m. the Committee adjourned *sine die*.

THURSDAY, MARCH 10, 1960.

The Committee met in the Ministerial Party Room, Parliamentary Buildings, Hobart, at 10 a.m.

Members Present: Mr. Hodgman (Chairman), Mr. Minister for Education, Mr. Barnard, Mr. Costello, Mr. Steer, Mr. Wedd and Dr. Young.

The Minutes of the previous meeting were read and confirmed.

The Clerk laid upon the Table the Memorandum of Lease, from the Tasmanian State School Teachers' Federation to the Hon. the Minister for Education in respect of the Bathurst Street building.

A memorandum was received from the Assistant Parliamentary Draftsman (Mr. F. D. C. Cumbrae-Stewart) containing his opinions relative to the duties and functions of the Public Accounts Committee.

Ordered, That the memorandum be received and kept in the Minute Book for reference. (Dr. Young).

The Committee proceeded to take further evidence on the grants to or for the State School Teachers' Federation.

The following witnesses were called, made the Statutory Declaration and were examined:—

Noel Edwin Casey, Acting Under Treasurer;
Donald Hamilton Tribolet and John Edwin Adrian Rowland, on behalf of the Education Department; and Clarence Garrow Marshall, on behalf of the Tasmanian State Teachers' Federation.

At 12.40 p.m. the Committee adjourned until 4.15 p.m. The Committee met at 4.15 p.m.

Members Present: Mr. Hodgman (Chairman), Mr. Minister for Education, Mr. Barnard, Mr. Costello, Mr. Steer, Mr. Wedd and Dr. Young.

The Committee deliberated.

The Chairman brought up a draft report which was read and adopted.

At 5.35 p.m. the Committee adjourned *sine die*.

THURSDAY, MARCH 17, 1960.

The Committee met in the Independent's Room, House of Assembly, Hobart, at 12.15 p.m.

Members Present: Mr. Hodgman (Chairman), Mr. Minister for Education, Mr. Steer, Mr. Wedd and Dr. Young.

The Minutes of the previous meeting were read and confirmed.

The Clerk of the Committee laid upon the Table the by-laws and Memorandum and Articles of Association of the Tasmanian State School Teachers' Federation.

A letter was read from the Director of Education containing a list of buildings occupied by the Education Department for various purposes in Hobart, together with their approximate value.

Ordered, That the letter be received. (Mr. Steer).

The Committee deliberated.

Resolved, That this Committee is of the opinion that its status should be that of a Standing Committee so that it may function without interruption during the life of a Parliament. (Mr. Wedd).

Resolved, That the Chairman be instructed to move in the House a new Standing Order designed to ensure that this Committee becomes a Standing Committee of seven Members, four to form a quorum, the proposed new Standing Order to read:—

"408A—(1) A Committee of Public Accounts, to consist of seven Members of whom four shall be a quorum shall be appointed when this Standing Order becomes effective and thereafter at the commencement of each Parliament, for the examination of the accounts showing the appropriation of the sums granted by Parliament to meet the public expenditure, and of any such accounts laid before Parliament as the Committee may think fit.

(2) The Committee shall have power to send for persons, papers, and records, to report from time to time, and to sit during adjournments and recesses".

(Mr. Steer)

At 12.50 p.m. the Committee adjourned *sine die*.

WEDNESDAY, JUNE 1, 1960.

The Committee met in the office of the Clerk-Assistant, House of Assembly, at 6 p.m.

Members Present: Mr. Minister for Education, Mr. Barnard, Mr. Costello, Mr. Hodgman, Mr. Steer, Mr. Wedd and Dr. Young.

Mr. Hodgman was reappointed Chairman.

Mr. Hodgman brought up a Report on the grants of the House to or for the State Teachers' Federation, which was read and adopted.

At 6.05 p.m. the Committee adjourned *sine die*.