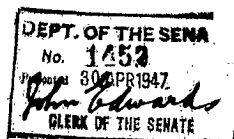


1944-46.



THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

PARLIAMENTARY STANDING COMMITTEE
ON PUBLIC WORKS.

TWENTIETH GENERAL
REPORT.

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John Edwards
CLERK OF THE SENATE

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

Ashley -

I LAY ON THE TABLE OF THE SENATE,
PURSUANT TO STATUTE, THE TWENTIETH GENERAL REPORT
OF THE PARLIAMENTARY STANDING COMMITTEE
ON PUBLIC WORKS.

30-4-47

Senator Ashley

MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS.

(Eleventh Committee.)

(Senators appointed 30th September, 1943; Members of House of Representatives appointed 7th October, 1943; Committee ceased to exist 16th August, 1946.)

ROWLAND JAMES, Esq., M.P. (Chairman).

Senate.

Senator William Edward Aylett.
Senator Charles Henry Brand.
Senator Charles Adcock-Lamp.

House of Representatives.

William Patrick Conelan, Esq., M.P.
Honorable Eric John Harrison, M.P.
Daniel Mulashy, Esq., M.P.
George James Rankin, Esq., M.P.
Honorable Sir Frederick Harold Stewart, M.P.

(Twelfth Committee.)

(Senators appointed 5th December, 1946; Members of the House of Representatives appointed 3rd December, 1946.)

Senator CHARLES ADCKOCK LAMP (Chairman).

Senate.

Senator Charles Henry Brand.
Senator Richard Harry Nash.

House of Representatives.

William Patrick Conelan, Esq., M.P.
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John Brooke Howse, Esq., M.P.
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George James Rankin, Esq., M.P.
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THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS.

TWENTIETH GENERAL REPORT.

To His Royal Highness, the Governor-General in and over the Commonwealth of Australia.

MAY IT PLEASE YOUR ROYAL HIGHNESS :

In pursuance of the requirements of section 11 of the *Commonwealth Public Works Committee Act 1913-1936*, the Parliamentary Standing Committee on Public Works has the honour to submit the following report of its proceedings:—

ELEVENTH COMMITTEE.

1. The Committee's Nineteenth General Report covered activities during the period 1st January, 1940, to 30th March, 1944. The present report deals with the work of the Eleventh Committee from that date until it ceased to exist on the dissolution of the Seventeenth Parliament on the 16th August, 1946.

REFERENCES DEALT WITH.

2. When the Nineteenth Report was presented inquiries in respect of the undermentioned works were incomplete:—

Estimated cost.

	£
(a) Erection of Hostel, Canberra	99,845
(b) Bagrami Shale Oil Proposal	2,914,000

and the Committee completed the inquiries into these two projects during the period under review.

The subsequent works referred to the Committee for investigation during this period were:—

	£
(c) Extensions to the School of Public Health and Tropical Medicine, Sydney	111,130
(d) Additions to the Institute of Anatomy, Canberra	78,829
(e) Automatic Exchange and Postal Building, Russell-street, Melbourne, and Russell Automatic Telephone Exchange	1,090,300
(f) Batman Automatic Telephone Exchange, Flinders-lane, Melbourne	800,000

SUMMARY OF INQUIRIES.

3. All inquiries referred to the Committee were completed and reports concerning them were presented to Parliament before the closing of the final session of the Seventeenth Parliament. The following is a summary of the reports presented.

(a) ERECTION OF HOSTEL, CANBERRA.

4. In this proposal it was represented that there was an urgent need for an establishment to cater for lower-paid public servants, other residents and visitors who require accommodation at a medium tariff.

Site.

5. The area on which the hostel was proposed to be erected is an island site bounded on the north by Brisbane-avenue, on the east by King-street, on the south by Darling-street and on the west by Young-street. It is situated immediately to the east of Barton House and will be separated from it by Young-street.

Building and Accommodation.

6. The building is to be of two floors and will be constructed of light coloured brick with tiled roof to harmonize with Barton House. Accommodation is to be provided for 190 persons in 22 double rooms and 146 single rooms.

Estimated Cost.

7. The estimated cost of the proposal as submitted to the Committee was—

Building structure (including electrical services, blinds and linoleum floor coverings)	£ 73,000
Mechanical services, including kitchen	9,145
Hotwater supply	2,750
Entrance drive, paths, service courts in concrete	1,750
Garden treatment	1,000
	87,645
Furniture	12,000
	99,645

Committee's Investigations.

8. The Committee studied the plans and made inquiries regarding similar establishments in Canberra and elsewhere, and otherwise informed itself as to the necessity for such a hostel at the present time.

Recommendations.

9. Briefly summarized, the recommendations of the Committee are as follow:—

- (1) That urgent necessity exists for more accommodation of the nature indicated, and that steps be taken to give effect to the proposal as early as practicable;
- (2) That the site in the vicinity of Barton House, fronting Brisbane-avenue be adopted;
- (3) That the plan of the building submitted, as amended, be adopted;
- (4) That for any future hostel accommodation projected, alternative plans showing a radical departure from conventional lines, and plans showing how similar accommodation desired might be provided in smaller detached units, be submitted for consideration;
- (5) That the walls of the kitchen be tiled to the full height of the room;
- (6) That a complete central heating system be installed;
- (7) That arrangements be made to obtain for the work as high a priority as practicable.

(b) BAERAMI SHALE OIL PROPOSAL.

10. The previous Committee gave consideration to shale oil proposals at Newnes, and recommended that the proposal to develop the Baerami shale deposits as suggested by the American Mission in 1942, should be the subject of a further reference to the Committee. In consequence of this the proposal to develop the Baerami field was referred to this Committee by Parliament in March, 1944.

11. The question of production of oil from shale was an important one owing to the tremendous demand for petrol created during the war, and the Commonwealth Government proposed to spend £2,914,000, on the development of the oil shale deposits at Baerami, on the lines set down by the American Mission. In investigating the matter the Committee obtained information regarding all the major shale deposits in Australia, and took evidence from various experts in order to form an opinion of the relative value of the Baerami deposit, and the effect likely to be produced by its development.

12. It was also necessary to consider the advisability of such development, both from the point of view of war-time requirements and future peace-time demands, having regard to the total available reserves in Australia.

13. The proposal was also affected by the Shale Oil Bounty Act, under which the Commonwealth has, from time to time, granted assistance to the shale oil industry, and the Committee inquired into the effectiveness of this method of encouragement to production.

14. Other matters concerning the development of Baerami which were considered by the Committee included the provision of roads and housing, and the water supply which is an essential in the refining of oil.

15. Deposits in other parts of Australia were also considered in order to ensure that expenditure by the Government should be made on the field most likely to prove successful in the production of oil for the country. Information was sought regarding the deposits in Tasmania and Queensland.

16. Contrary to the general impression it was found that the extent of our shale reserves in New South Wales, and in Australia generally, is comparatively small, and geologists considered that, following on investigation work performed during the last 80 years, the prospect of any

new major fields being developed in the future is remote. Geological evidence is to the effect that each deposit represents the bed of a small fresh-water lake, of which there were many dotted about the country in ancient times. For that reason, it is represented that if any further deposits are discovered, they would be small, so that future discoveries would not upset the premise that the quantity of shale in New South Wales and in Australia generally is comparatively small.

17. The possibility of the hydrogenation of brown coal from the huge brown coal deposits in Victoria was also examined, in case it should prove a desirable alternative to the development of Baerami, and the Committee formed the opinion that these deposits would be of the greatest value to Australia when research work is sufficiently developed to make the production of oil from brown coal an economical proposition.

18. During the course of the Committee's inquiries the opinion was expressed by some experts that the extraction of oil from black coal offered very much better prospects for the development of a national industry in Australia than the production of oil from shale. The supply of coal is vastly greater than the shale resources; it occurs in forms in which it can be more readily mined; and, when oil is taken from coal the material which remains is as valuable as the original coal. It is considered therefore that from the point of view of national security, and as a major post-war project, research into the production of oil from coal requires earnest consideration.

Recommendations.

19. Briefly summarized the recommendations of the Committee are as follow:—

- (1) That the proposal that the Commonwealth undertake the development of the oil-shale deposits at Baerami, on the lines set out by the American Mission at an initial cost of £2,914,000, be not adopted;
- (2) That the work of installing and operating the pilot Renco retort at Glen Davis for trial under working conditions be completed without delay;
- (3) That any further large-scale shale oil development at Baerami be delayed until further experience is gained at Glen Davis;
- (4) That if the development of the Baerami field be undertaken by private enterprise the Commonwealth Government give the company undertaking the work such assistance for a limited period, in the form of remission of excise duty and/or bounties on oil produced, as will enable the business to be conducted without loss in the developmental stage;
- (5) That the shale deposits at Latrobe offer no prospect of being exploited for the economic production of petrol;
- (6) That the brown coal of Victoria offers no attraction for retorting to produce petrol, but might prove valuable for hydrogenation;
- (7) That from the point of view of national security, and as a major post-war project, the hydrogenation of black coal and Victorian brown coal to produce fuel oil and petrol—and later, by-products—should be given immediate and earnest consideration.

(c) EXTENSIONS TO SCHOOL OF PUBLIC HEALTH AND TROPICAL MEDICINE, SYDNEY.

20. Following the report of the Public Works Committee in 1928 the School of Public Health was built on land set aside by the Sydney University under conditions laid down in an agreement between the Commonwealth of Australia and the Sydney University, and very valuable work has been carried on there in connexion with tuition of university students and on problems of research relating to public health, both in the cities and in the tropical parts of Australia and New Guinea.

21. The proposal to extend the school was made necessary by the extension of tuition and research work to such an extent that conditions had been overcrowded and unsatisfactory for a number of years. Training of military personnel and intensive research work associated with the war had been carried out at the school under conditions of extreme difficulty, and it was considered that, after the war, the Commonwealth would have to provide for modern hygiene and medical services as well as research over a wide area of the Pacific, and more space will be absolutely essential.

Estimated Cost.

22. The estimated cost of the proposed extensions, as set down in the reference by Parliament, was £111,130, but a revised estimate, submitted by the Works Director at the commencement of the Committee's investigations, was £73,570, made up of £69,300 for the additions to the main building and £4,270 for additions to the existing animal house, including all subsidiary services.

23. The Committee obtained evidence on all the aspects on the past and present work as well as in regard to the plans for the future. It considered the suitability of the site and many problems connected with the proposed additions to the building, and also the effect of the building on other structures in the vicinity.

Revised Estimate of Cost.

24. The Committee was very concerned with the difference which existed between the amount of the original estimate of £111,130 and that submitted by the Works Director at the commencement of the inquiry, viz., £73,570, and investigation was made into the cause of the disparity.

The Committee was assured that the amended estimate was a reliable one, based upon plans carried to a more advanced stage than the original ones, and the Committee's investigation of the proposal was carried out on the basis of the revised estimate.

25. It was realized that, in the rush to prepare large numbers of extensive schemes at short notice for post-war reconstruction plans, at a time when shortages of staff presented grave difficulties, some form of approximation was necessary, but considerable misgiving was felt that the estimate for a large work should have been prepared, even for approximate post-war reconstruction purposes, on a basis which allowed for a discrepancy so great as to represent 50 per cent. of the final figure. Emphasis was laid on the fact that if similar projects included in the post-war plans were subject to the same variations in estimates, a grave danger would exist that at least some of them might be passed to completion without adequate revision of the estimated cost. It is therefore felt that all major works in the post-war reconstruction schemes, if not referred to the Public Works Committee, should be reviewed with this example in mind.

Future Work.

26. Owing to the intending retirement of the present Director the scope of the future work will be largely influenced by the course to be followed by the new Director, and the Committee was impressed with the necessity for taking immediate steps to appoint the most suitable person for the work so that the additions to the building could be made in accordance with his plans for the future work.

Recommendations.

27. Briefly summarized the recommendations of the Committee are as follow:-

- (1) Extensions to the building are necessary and should be made when men and materials are available. The estimated cost as referred to the Committee was £111,130. The revised figure submitted by the Works Director was £73,570, and, with the additional items to cost £4,311, the total estimated cost of the building recommended by the Committee is £77,881.
- (2) The suggested site is the most suitable under the circumstances;
- (3) A slight break should be made in the facade of the new wing to enhance the symmetry of the building;
- (4) The Committee recommends the addition of a lift, costing £3,240 to serve the three floors for passenger and goods services;
- (5) Additional toilet accommodation is regarded as essential. The estimated additional cost is £1,071;
- (6) The suggested addition of air conditioning is not recommended;
- (7) In view of the difference shown between the original estimate referred to the Committee and the revised estimate, the Committee recommends that all major works in the post-war plans, if not referred to this Committee, should be reviewed with this example in mind;
- (8) It is the opinion of the Committee that it is not advisable to transfer the administration of the school from the Department of Health to an independent committee. With suitable personnel experienced in the work the school can function well under the present administration, but the evidence of contemporary scientists is offered as an important contribution to the future organization of the work;
- (9) The present Agreement between the University and the Commonwealth Government should be extended before extensive additions to the present buildings are erected;
- (10) When future buildings in the University area are being contemplated careful consideration should be given to their relation to Commonwealth-owned buildings which might be adversely affected;
- (11) The Committee is of opinion that this project should be proceeded with as a work of high priority.

(d) ADDITIONS TO INSTITUTE OF ANATOMY, CANBERRA.

28. The Institute of Anatomy was built at Canberra following the offer, as a gift by Sir Colin MacKenzie, of his collection of live animals and his unique specimens which he had obtained during his many years of research work. His offer was accepted with expressions of gratitude, and an agreement, ratified by Act of Parliament, was entered into, under which the Government undertook, after the transfer of the Seat of Government to Canberra, to construct at its own expense such buildings and other enclosures as, in its opinion, were necessary or desirable for the accommodation of the collection.

29. In due course this valuable collection was transferred to Canberra, and the Institute, under the direction of Dr. MacKenzie, proceeded to develop. He was in complete control until his retirement in 1937, after which he was succeeded by Dr. F. W. A. Clements, who has remained in charge of the Institute ever since.

30. In explaining the reason for the present proposal it was pointed out that future work at the Institute will demand extensive laboratory work and research into the fields of nutrition and medical treatment (including pharmaceutical benefits). It was explained that if we are to educate our people properly in the post-war years in respect of diet and nutrition we must be making continual research into the chemistry of food and the physiology of nutrition under Australian conditions. As the present building does not provide adequate laboratory space to suit nutrition work, the addition of a new wing to form the fourth side of the quadrangle of the building was deemed to be essential for the extension of the research programme contemplated.

31. The proposed addition, having a frontage to Liversidge-street, the street at the rear of the present building, takes the form of a rectangular wing, approximately 186 feet long by 40 feet wide, and of the same height as the present building. It consists of a basement, ground and first floor. The centre of the new wing is on the main axis of the present building, and will form the fourth side of the existing court which will be permanently enclosed on all four sides.

Estimate of Cost.

32. The cost of the additions shown in the plans which were referred to the Committee by Parliament was estimated to be £55,000.

As the result of the alterations made to the plans, in order to incorporate the most modern ideas collected by the Director during his visit abroad, the estimated cost of the proposed additions to the Institute is now set down as £73,829. This figure is compiled from a summary of the following sections:-

	£
General work	30,485
Mechanical services	13,957
Plumbing and drainage	4,300
Stonework	8,283
Electrical services	8,736
Paths, drives and parking areas	1,557
	67,118
Contingencies, 10 per cent.	6,711
	73,829

Committee's Investigations.

33. It was ascertained that the proposed addition of a substantial wing would not adversely affect the original building, and consideration had been given to the general aspects of the completed building in relation to other buildings in the locality provided for in that section of the city plan.

Nutrition Work.

34. It was explained to the Committee that practically the whole of the proposed additions were planned for use in connexion with the nutrition work of the Institute for which a considerably increased programme is envisaged in the future.

In justification of the change of policy from that originally laid down by Sir Colin MacKenzie, which confined itself almost exclusively to anatomical work, it was explained to the Committee that the mere custody of dead animals was only a partial implementation of the potentialities of such an institution. There was growing recognition in the medical world of the fact that dead anatomy was of comparatively little value, so the study of anatomy has been

extended through the structure of dead tissue to that of living animals and human beings. As biology is largely chemical in nature, the subject is extended to bio-chemistry, and, in view of this Sir Colin MacKenzie recommended the appointment of two bio-chemists who, at the time of outbreak of war, were doing valuable work on the subject of the chemical inter-relationship between the ductless glands and vitamins. So we have passed, stage by stage, from the study of the dead body, through the study of glands and their functions, up to the food intake in its relation to glandular activity.

Opinions of Contemporary Scientists.

35. The Committee took the opportunity, while visiting Brisbane on other work, to secure evidence from contemporary scientists in the fields of anatomy, zoology and nutrition, with regard to the amount of work demanding attention in these spheres, and the extent to which such work would be necessary or desirable in Canberra. Similar inquiries were also made from scientists in Melbourne and Sydney.

36. The opinions expressed by various eminent scientists in the other States were to some extent at variance with the views set forward by the Canberra authorities, and most of them found difficulty in tracing any relationship between the original work on comparative anatomy and the present nutrition proposals for which the new wing is required. However, it was generally accepted that the field of research is so large, and there are so many pressing problems needing urgent attention by competent scientists with the necessary facilities available to them, that any efforts which can be brought to bear on them by the Canberra staff should be encouraged to the utmost, while any buildings which can be used to further any of this work should be made available.

37. The Committee experienced difficulty in obtaining from any but the Canberra witnesses, any confirmation of the logical connexion between the original study of comparative anatomy and the present research in the field of nutrition as put forward in these present proposals. Most witnesses considered these two fields as entirely separate, regarding anatomy as suitable for research in Canberra, but placing the study of nutrition as essentially a university function, where its connexion with chemistry make it a natural adjunct to the other university work. The Committee realizes however, that the Institute will be in close proximity to the university of the future. At the same time it was considered that Canberra would be a suitable place for experimental and co-ordination work in nutrition, so long as the States continue their work in this sphere.

38. After giving considerable thought to the matter the Committee was convinced that, with adequate planning and sufficiently flexible administration, it will be possible to use the present building with the addition of the proposed new wing for a very valuable work in the sphere of nutritional research, as well as for a continuation of the anatomical work for which the original building was erected.

Recommendations.

39. Briefly summarized the recommendations of the Committee are as follow:—

- (1) As the present building, costing over £90,000, houses a most valuable collection which still offers suitable scope for extensive research, and there is the possibility of some Australian animals becoming extinct, it is essential that maximum use should be made of the present building for its original purpose;
- (2) The wide field of important work in nutrition, the urgent necessity for extending the work already done in this direction at the Institute, and the fact that men and money for this work are very scarce in the other States, indicate an imperative demand that nutritional research should be pursued in Canberra, especially if the task of co-ordination of other Australian research work in this field is made a feature of the programme;
- (3) Suitable specialists for the anatomical work are likely to be rare for some years, and the museum, while constituting an increasing source of interest to the public, is likely to attract only small numbers of research workers in this field, thus limiting the possible value of the work in relation to the capital value of the building. The scientific value of the building is therefore likely to be considerably enhanced, and the large capital expenditure more usefully employed, if, by the addition of the new wing, these two fields of anatomy and nutrition can function independently, but with full scope for both, while using the present administrative section of the building for their joint control;
- (4) The doorway to the entrance hall should be increased to a width of 6 ft. 6 in.;
- (5) The necessity for the extensions has been demonstrated and the additions to the building should be erected in accordance with the amended plans at an estimated cost of £73,829.

(c) AUTOMATIC EXCHANGE AND POSTAL BUILDING, RUSSELL-STREET, MELBOURNE, AND RUSSELL AUTOMATIC TELEPHONE EXCHANGE.

40. The Central Exchange manual switchboard, situated in the telephone exchange building in Lonsdale-street, serves most of the telephone subscribers in the eastern portion and some in the western portion of the Melbourne city area. This switchboard was installed in 1911, and, as it is now badly worn and no longer capable of rendering good service, should be replaced by automatic switching equipment.

41. Originally, the manual switchboard served the whole of Melbourne city area proper, but when the switchboard capacity was fully absorbed, the City West Automatic Exchange was established in 1937 in a new building, in Little Bourke-street, at the rear of Lonsdale-street Exchange. Most of the telephone services in the city area west of Elizabeth-street were diverted to City West Automatic Exchange, and the majority of the services which now remain connected to the manual switchboard are those east of Elizabeth-street.

42. The proposed new exchange in Russell-street is required to enable the services still connected to the manual switchboard to be transferred to automatic working and to meet development in the Russell area. In order to meet development in the city area, pending the provision of the proposed new exchange, it has been necessary to connect some lines to adjoining exchanges, where space, provided for normal development of those exchanges, has been used to keep the city traffic operating. These lines are to be transferred to their correct exchanges as soon as the pressure is relieved by the provisions of the Russell Exchange. It is desired that the restrictions on the provision of telephone facilities may be lifted as soon as possible, but this cannot be done until buildings and equipment can be made available for the resulting increase in telephone traffic, arrears of which have been accumulating alarmingly during the war period.

43. A site has been acquired at the corner of Russell and Little Collins streets in a central part of the Russell area, and plans have been prepared for a new building to accommodate a post office as well as a new automatic telephone exchange.

44. The building, covering an area of 12,900 square feet, will have a frontage to Russell-street of 63 ft. 6 in. and to Little Collins-street of 190 feet. The ground floor is designed for use as a post office; the basement, first, second and third floors for automatic telephone equipment; the fourth, fifth, sixth and seventh floors will be subdivided into departmental office space; and the eighth floor will be used for the provision of a cafeteria and other amenities for the staff.

The Automatic Exchange.

45. Provision is to be made in the Russell Exchange for equipment for 10,000 subscribers' lines, and it is estimated that the needs of this locality will thus be met for approximately 20 years. This estimate is dependent, however, on the establishment of other exchanges in the city which are projected in connexion with the plan to develop services for the whole of the city area for the 20 year period extending to 1965.

The Post Office and Upper Floors.

46. Postal facilities for the eastern portion of the city are at present provided by two post offices, in rented premises, situated in Russell-street and Bourke-street, and the new Russell Post Office will replace these two existing offices, where conditions have become too congested for efficient and economical working.

As it would be uneconomical to erect a three-storey building on a high-priced site it is proposed to go to the full height permitted by the building regulations and provide office space for administrative staff on the upper floors, enabling premises at present rented for departmental purposes to be vacated.

Estimated Cost.

47. The total cost of the project is as follows:—

Initial stage—		£
Building, including demolition of the existing property and also completion of the Postal Hall		94,915
Engineering services		31,070
Carried forward		125,985

	Brought forward	£ 125,985
Final stage—		£
Building	83,375	
Engineering services	56,940	
		140,315
Grand Total, both stages		266,300
Equipment, &c.—		
Total equipment	662,000	
Site	51,813	
Administration	51,900	
Contingencies	59,187	
		824,000
Grand Total		1,090,300

The Building.

48. The perspective drawings of the building indicate that it is architecturally designed to present a modern and pleasing appearance. The basement and eight floors will give a total area of 97,400 square feet. As the upper floors are to be used for office accommodation for staff of the Department at present stationed in five different buildings in the city, for which a rental of approximately £5,000 per annum is paid, the proposal appeared to the Committee to be an economical one.

Financial Aspect.

49. The following figures are based on the results of actual revenue received from lines working in the proposed Russell Exchange area at 30th June, 1945:—

	At Opening.	At Five Years.
	£	£
Capital cost	950,000	1,000,000
Capital cost, new and in situ	1,781,600	1,831,600
Working expenses	52,000	54,000
Total annual charges	174,000	178,000
Revenue	333,333	370,000

Recommendations.

50. Briefly summarized the recommendations of the Committee are as follow:—

- (1) The complete work, at an estimated cost of £1,090,300 (including the amount of £51,813 already expended on the purchase of the site), less the estimated saving of £11,000 should be approved;
- (2) The site is eminently suited to the requirements of the proposed building;
- (3) The work should be regarded as particularly urgent and should be given high priority, in order to ensure efficient service in the difficult times ahead;
- (4) The inclusion of the cafeteria is justified, provided that restrictions are made to prevent the sale of goods for consumption off the premises;
- (5) The post office section of the proposal is also an urgent necessity and an economical proposition;
- (6) While competitions for architectural designs are regarded as desirable for important public buildings it is not considered necessary that such competitions should be held for buildings of a more utilitarian character, such as the one proposed;
- (7) A certain amount of material and manpower must be used on public works at the same time as they are being utilized for the housing programme;
- (8) Steps should be taken to bring in cement to expedite the building programmes;
- (9) The use of present facilities should be continued in order to give the best possible service during the period which must elapse before any of the proposed new exchanges are ready for use;
- (10) Owing to the difficulty in making accurate estimates, and the possibility of reduction in costs, it is suggested that the Minister should call for special revisions at intervals which would enable him to follow closely the necessity for expenditure before it is approved for payment.

(f) BATMAN AUTOMATIC TELEPHONE EXCHANGE, FLINDERS-LANE, MELBOURNE.

51. This proposal forms portion of the general plan, outlined to the Committee when the details of the Russell Exchange were being considered, by which Melbourne is divided into four telephone exchange areas—City West, Russell, Batman and Civic.

52. For some years it has been necessary to rely on a system of borrowing space in various established exchanges in order to supply lines to subscribers in busy parts of the city, where automatic equipment is not yet available. This method of maintaining telephone services throughout the war has been made possible because the existing exchanges had been established with provision for development over a number of years ahead. However, the use of this development space has now made it impossible to supply new lines in the normal way until the proposed new exchanges are established, and provision is made in the various zones so that each may be able to supply its appropriate equipment and service.

Building and Site.

53. A site has been acquired on the northern side of Flinders-lane, between Samuel and Moylan lanes, in a central portion of the Batman area, and plans have been prepared for a building to accommodate the new automatic telephone exchange.

It is also proposed to take the building to the maximum height allowed and to use the extra floors for office accommodation to house officials of the Postmaster-General's Department who are at present scattered in various rented premises in the city.

Estimated Cost.

54. The estimated total cost involved in establishing the Batman Exchange is £800,000. This expenditure, which it is proposed to distribute over four successive financial years, is made up as follows:—

	£
Site—already acquired	26,550
Building	175,550
Material	415,000
Labour	54,000
Line construction	36,000
Administration	43,000
Contingencies	49,900
Total	800,000

Reasons for the Proposal.

55. This particular exchange is essential to cater for development of telephone business in the western portion of the city. The business and industrial activity of the city will be seriously hampered if the department is not able to cater for the services required. Lack of telephone facilities also adversely affects other important matters such as housing and the rehabilitation of returned soldiers.

At the present time there are approximately 80,000 outstanding applications for telephone facilities in Australia, 68,000 of them being in metropolitan areas, and the main difficulty confronting the department in the provision of services is lack of buildings and skilled staff. The position regarding buildings is most acute, and until progress in this respect can be accelerated there is no early prospect of any substantial improvement. On a conservative estimate the loss of revenue owing to the department's inability to provide all facilities is £2,000,000 per annum.

Street Alignment and Cantilevering Upper Floors.

56. Inquiries revealed that the original drawings of the plans before the Committee were completed in 1944, and, prior to that date certain other buildings were erected in Melbourne with upper floors cantilevered over the footpath, the civic authorities having agreed to the adoption of that method of construction. However, the Victorian Widening of Streets Act, 1940, provides that, on new buildings in certain streets, cantilevering of upper floors over the footpath shall not be permitted.

57. When the matter was raised by the Committee further investigation was made by the authorities concerned, and it now proposed to amend the plans for the Batman building so that the whole of the Flinders-lane elevation will conform to the new street alignment.

Effect on Housing.

58. Figures were supplied to the Committee showing the labour likely to be used on the Batman building—8,247 man weeks—compared with the same number of man weeks as applied to housing.

59. The ratio in man weeks of one trade to another are not the same in a city building as in a house, and some trades are employed on the former and not in the latter, and the figures demonstrated that trades common to both types of building are mainly labourers and carpenters. As some time must elapse, after the proposal is approved, before working details of the plans are completed, and men can actually begin work on the building, it is anticipated that labour in these classes will be more readily obtainable.

Equipment Made in Australia.

60. It was estimated that, of the total proposed expenditure of £800,000 for the whole project, £469,000 was for exchange and subscribers' equipment, and a great deal of this can be made in Australia. The Committee inspected some of the plant at which manufacture of automatic telephone equipment is progressing, and was most favourably impressed with the efficient manner in which the plant is being run, and by the extent of the modern buildings which have been erected for this work, and it was evident that the success and expansion of Australian manufacture depends on the possibility of continuity of work to the companies installing the required plant.

61. The equipment manufactured in Australia is proving most satisfactory, and the Committee feels that every encouragement should be given to the Australian manufacturers to enlarge their plant with the object of ultimately supplying all the parts necessary for the automatic telephone exchanges in this country. This encouragement can only be given adequately if the department is placed in a position to give assurance of continuity of orders to the companies concerned.

Financial Aspect.

62. The revenue and charges from the 3,500 lines to be connected to the Batman Exchange at the date of opening, assumed to be November, 1950, and five years later are set down as follows:—

	At Opening.	At Five Years.
	£	£
Capital cost	800,000	850,000
Capital cost, new and <i>in situ</i>	1,310,540	1,515,280
Working expenses	50,955	52,955
Total annual charges	147,422	157,559
Revenue (set out above)	595,800	361,600

Recommendations.

63. Briefly summarized the recommendations of the Committee are as follows:—

- (1) There is urgent need for the Batman Exchange as proposed;
- (2) The plans should be amended to eliminate the cantilevered section to conform with the local laws;
- (3) The building is suitable and, after amendment to eliminate the cantilevered section, should be proceeded with as soon as possible;
- (4) A conference between responsible officials of the Postmaster-General's Department and the Treasury Department should be held, with the object of making considerable savings, to seek a method of financing which will facilitate long-term contracts, and purchases in bulk of the tremendous amount of special equipment needed for this work;
- (5) Owing to the great variations in building costs which are taking place it is essential that a special review of the estimate be made, by the Minister, before substantial commitments are made for this work;
- (6) Some suitable arrangement is desirable by which the Civic Authorities can be advised of details of proposals for Commonwealth buildings and full collaboration achieved.

AMENDMENT OF THE PUBLIC WORKS COMMITTEE ACT.

64. From time to time during past years efforts have been made by the Committee to secure amendments to the Public Works Committee Act, and the Prime Minister has been communicated with on several occasions, in attempts to achieve this object. The present Committee gave the matter a great deal of thought and spent a considerable amount of time in reviewing all sections of the Act, and forwarded to the Prime Minister a comprehensive statement of

suggested amendments which were calculated to bring the Act up-to-date and correct several sections which have been a source of difficulty since the Act was last amended in 1936. In particular the Committee sought to have re-inserted in the Act the mandatory provision for reference of all major works to the Committee, and also the section to make it possible for works to be referred by Executive Council at times when Parliament is not in session.

65. The Curtin Government, in 1941, issued instructions that the Act should be amended to include these two provisions but such action was not taken. The Committee therefore pressed the matter as strongly as possible by communications and deputations to the Prime Minister who brought the matter before Cabinet again. He subsequently informed the Committee that the pressure of post-war works created an abnormal position, and the present time was not considered suitable for re-insertion of the mandatory clause in the Act, but he promised to do so at a later stage when more normal times prevailed. The Committee therefore decided to hold its proposed amendments and bring them forward again at the appropriate time, as it feels most strongly that the Act in its present form is most unsatisfactory to the Committee and the Parliament; that the original purpose of the Act is largely nullified by the present provisions, inserted in 1936; and that it is essential that major public works should not be embarked upon by the Departments until Parliament is supplied with detailed information following investigation by the Committee.

SECRETARY TO THE COMMITTEE.

66. Following upon the retirement of the past Secretary to the Committee, Mr. Gerald Whiteford, in 1944, the position was filled by the promotion of Mr. W. R. Blackman from the Department of the Senate to the position of Secretary to the Committee.

CHARLES A. LAMP, Chairman.

Office of the Parliamentary Standing Committee on Public Works,
Parliament House, Canberra.

6th December, 1946.

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS.—RECORD OF INQUIRIES.

Date of Inquiry.	Proposed Work.	Expenditure proposed by the Government.	Expenditure recommended by the Committee.	Amount in excess of that proposed.	Amount in reduction of that proposed.	Remarks.
		£	£	£	£	
1939. (See 18th GENERAL REPORT.)						
8th December, 1938, to 20th August, 1940	Erection of a Repatriation General Hospital, Randwick, New South Wales	180,750	..	..	..	Inquiry completed 1940, (see below.)
7th June, 1939, to 5th December, 1939	Erection of Administrative Offices, Darwin, Northern Territory	60,000	32,500	..	27,500	Erection of central block only
12th September, 1939, to 21st September, 1939	Erection of Hotel at Forrest, Australian Capital Territory (Barton House)	47,000	47,000	..	..	Recomm. as proposed
1940-1944. (See 19th GENERAL REPORT.)						
23rd April, 1940, to 28th May, 1940	Repairs and Improvements to the Wharf at Port Augusta, South Australia	36,500	36,500	..	..	Recommended as proposed
8th December, 1938, to 20th August, 1940	Erection of a Repatriation General Hospital, Randwick, New South Wales	189,750	Nil	..	..	Alternative proposal decided on by Cabinet
14th March, 1941, to 2nd April, 1941	Erection of Abattoirs, Canberra	55,000	35,000	..	20,000	
14th March, 1941, to 2nd April, 1941	Erection of Temporary Office Buildings, Canberra	80,000	Nil	..	80,000	Recommended that further temporary office accommodation not desirable
16th February, 1943, to 24th June, 1943	Newnes and Baerami Shale Oil Proposals	Newnes—1,118,000 Baerami—2,014,000	Nil	..	..	Baerami investigation deferred
12th October, 1943, to 10th February, 1944	Additions to the Government Offices known as "West Block", Canberra	54,000	54,000	..	..	Recommended as proposed
13th October, 1943, to 18th February, 1944	Erection of Arbitration Court Building, Melbourne	118,500	118,500	..	..	Recommended as proposed

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS.—RECORD OF INQUIRIES.—continued.

Date of Inquiry.	Proposed Work.	Expenditure proposed by the Government.	Expenditure recommended by the Committee.	Amount in excess of that proposed.	Amount in reduction of that proposed.	Remarks.
		£	£	£	£	
1944-45. (See 20th GENERAL REPORT.)						
30th March, 1944, to 19th July, 1944	Erection of Hostel at Canberra. (Near Barton House)	99,645	99,645	..	..	Recommended as proposed.
16th February, 1943, to 16th March, 1945	Baerani Shale Oil Proposal ..	2,914,000	Nil	..	2,914,000	Not recommended.
19th September, 1944, to 30th August, 1945	Extensions to the School of Public Health and Tropical Medicine, Sydney	111,130	77,861	..	33,269	..
19th September, 1944, to 4th October, 1945	Additions to the Institute of Anatomy, Canberra	73,839	73,839	..	..	Recommended as proposed.
12th September, 1945, to 14th March, 1946	Automatic Exchange and Postal Building, Russell-street, Melbourne, and Russell Automatic Telephone Exchange	1,090,300	1,079,300	..	11,000	..
11th April, 1946, to 1st August, 1946	Batman Automatic Telephone Exchange, Melbourne	800,000	800,000	..	..	Recommended as proposed.