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THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

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JOINT COMMITTEE OF PUBLIC ACCOUNTS.

EIGHTH REPORT.

PARLIAMENTARY PROCEDURE IN THE HOUSE OF REPRESENTATIVES ON THE SUPPLY AND APPROPRIATION BILLS.

By Authority:
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Mr. President

On behalf of the Committee, I bring up the Eighth Report of the Parliamentary Joint Committee of Public Accounts on Parliamentary Procedure in the House of Representatives on the Supply and Appropriation Bills.

JOINT COMMITTEE OF PUBLIC ACCOUNTS.

(Appointed 25th September, 1952.)

F. A. BLAND, ESQUIRE, M.P. (Chairman).

Senator C. B. BYRNE (Vice-Chairman).

Senator S. D. PALTRIDGE.
Senator the HON. H. S. SEWARD.

G. ANDERSON, ESQUIRE, M.P.
F. CREAN, ESQUIRE, M.P.
F. J. DAVIS, ESQUIRE, M.P.
A. S. HULME, ESQUIRE, M.P.
H. A. LESLIE, ESQUIRE, M.P.
A. V. THOMPSON, ESQUIRE, M.P.

R. CAFFIN,
Secretary,
Parliament House,
Canberra, A.C.T.

THE DUTIES OF THE COMMITTEE.

Section 8 of the *Public Accounts Committee Act* 1951 reads as follows :—

8. The duties of the Committee are—

(a) to examine the accounts of the receipts and expenditure of the Commonwealth and each statement and report transmitted to the Houses of the Parliament by the Auditor-General in pursuance of sub-section (1.) of section fifty-three of the *Audit Act* 1901 1950 ;

(b) to report to both Houses of the Parliament, with such comment 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) to report to both Houses of the 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) to inquire into any question in connexion with the public accounts which is referred to it by either House of the Parliament, and to report to that House upon that question,

and include such other duties as are assigned to the Committee by Joint Standing Orders approved by both Houses of the Parliament.

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JOINT COMMITTEE OF PUBLIC ACCOUNTS.

EIGHTH REPORT.

PARLIAMENTARY PROCEDURE IN THE HOUSE OF REPRESENTATIVES ON THE SUPPLY AND APPROPRIATION BILLS.

INTRODUCTION.

The powers conferred on the Committee in terms of section 8 (*c*) of the *Public Accounts Committee Act* 1951 include *inter alia* reporting to Parliament its views upon desirable alterations in the form of accounts or in "the mode of receipts, control, issue or payment of public moneys". It is clear that the form and content of the public accounts, and the practice followed and method used in authorizing the issue or payment of public moneys will influence the procedure that the Parliament itself will adopt to exercise its powers of control.

2. From the very beginning of its activities the Committee could not help noting how frequently witnesses, who gave evidence on the various matters it was considering, expressed the opinion that the control of the public finances by the Parliament would be facilitated if the existing procedure were altered.

3. The Committee was impressed by the nature of the alterations suggested and decided to invite some experienced persons to set out their considered views on these matters. Mr. Speaker, the Honorable A. G. Cameron, M.P., the Clerk Assistant of House of Representatives, Mr. A. A. Tregear, the Solicitor-General, Professor K. H. Bailey, and Treasury officers complied with the wishes of the Committee and their views are summarized hereunder. The full text of the statements which were submitted will be found in the documents[(a)] appended to this Report.

4. With the assistance of Mr. Tregear, the Committee prepared a statement showing the usual procedure followed in the House when dealing with the Supply and Appropriation bills. This statement, entitled "The A.B.C. of Parliamentary Procedure on the Estimates and Appropriation Bills—House of Representatives", will be found as an appendix to this Report.

VIEWS OF MR. SPEAKER, THE HON. A. G. CAMERON, M.P.

5. The views of Mr. Speaker were expressed in a letter to the Committee dated 24th February, 1953, and were supplemented in discussions with the Committee on 11th March, 1953. Briefly, the suggestions of Mr. Speaker were that—

(1) A shorter period of time should be provided for the budget debate and more time for the study of the items of the Estimates.

(2) The time for the examination of the Estimates should be allotted among departmental estimates on a known plan to cover each department in turn.

(3) The Supply and Appropriation Bills should then pass with little, if any, comments.

(a) Letter from the Speaker, the Hon. A. G. Cameron, M.P., dated 24th February, 1953. PP/1—Statement prepared by the Clerk Assistant of the House of Representatives, Mr. A. A. Tregear. PP/2—Letter dated 28th April, 1953, from the Solicitor-General, Professor K. H. Bailey.

VIEWS OF THE SOLICITOR-GENERAL, PROFESSOR K. H. BAILEY.

6. The views of the Solicitor-General, Professor K. H. Bailey, were expressed in a letter to the Committee dated 28th April, 1953. The points of interest in his letter are—

(*a*) there must be a Governor-General's message to the House of Representatives recommending the purpose of the appropriation,

(*b*) the proposed law appropriating moneys recommended by the Governor-General must originate in the House of Representatives,

(*c*) insofar as the proposed law is one appropriating revenue for the ordinary annual services of the Government, it must deal only with such appropriation, and the Senate may not amend it, and

(*d*) subject to these limitations, each House may arrange its own procedure in regard to the Budget in any way which it considers will best achieve the purposes that it desires to achieve.

VIEWS OF THE CLERK ASSISTANT OF THE HOUSE OF REPRESENTATIVES, MR. A. A. TREGEAR.

7. In the absence abroad of Mr. F. C. Green, Clerk of the House, the Committee took advantage of the experience of Mr. A. A. Tregear, Clerk Assistant. Mr. Tregear has been a Clerk at the table for 25 years and recently he has spent twelve months in the offices of the House of Commons.

8. Mr. Tregear compared the procedures in the Parliaments at Canberra and at Westminster for dealing with the Supply and Appropriation Bills and made suggestions for improving upon the present procedure in the House of Representatives. Some of the features of his suggestions were that—

(1) The Budget Speech should be made apart from the Estimates, e.g., in the Committee of Ways and Means, so that the Budget and Estimates debates could proceed simultaneously. It would be desirable to allow say three days for the budget debate to deal with any Opposition amendment before the Estimates debate started.

(2) Days should be allotted for the debate on the Estimates and Appropriation Bills and, by arrangement between the Government and Opposition, the votes to be considered on each allotted day should be selected and advance notice given.

(3) Twelve days could be allotted for this purpose and on each allotted day precedence should be given for five hours to the Estimates debate. It might be advisable to specify the date by which the Estimates must be passed.

(4) Debate on the Estimates should be restricted to the votes under discussion.
(5) Grievances should be discussed on "Grievance Days" preceding the Estimates or during the Budget debate.
(6) If more time were required for the examination of the Estimates, an Estimates Committee of the House on the lines of the House of Commons Select Committee on the Estimates should be considered.
(7) For Supply Bills, provision should be made to limit the debate to the matters in the Bills. Grievances should be aired on a "Grievance Day" before Supply is taken. At this stage no days need be allotted for the Supply debate.
(8) Time limits for speeches might be reviewed.

9. In explaining the procedure in the United Kingdom House of Commons, Mr. Tregear drew attention to certain features of the procedure in the House of Commons concerning the Estimates, &c. established by Standing Orders—

(a) Twenty-six days are "allotted" for the consideration of financial measures each year (i.e., to the main estimates, the supplementary and additional estimates, votes on account and the consideration of the reports of the Committee of Public Accounts and the Select Committee on the Estimates.)
(b) Of the "allotted days", eight are taken before the end of the United Kingdom financial year (31st March), and during those eight days the votes on account for the following year and any additional estimates for the then current year are dealt with; the remaining eighteen days are between 1st April and 5th August for the main estimates, additional estimates and reports.
(c) At the end of the two periods, the Chairman automatically puts every question necessary to dispose of the votes and resolutions then before the Committee of Supply and the House.
(d) To be recognized as an "allotted day", Committee of Supply must be shown on the order paper as the first order of the day; this order having precedence until 10 p.m.
(e) Each day's order paper must show the votes to be considered that day—the Opposition select the subject to be debated.

10. The Committee was informed that this procedure was first introduced in the House of Commons in 1902. The House of Representatives adopted the procedure of the House of Commons in 1901 but the "allotted days" procedure did not become a part of the procedure of the Commonwealth House of Representatives.

11. In practice, the reports of the Parliamentary Committees are not debated: the debates on the allotted days are on special topics arising out of the Estimates. Examples of the topics discussed are—

Central African Federation,
Foreign Policy,
Food,
Agriculture,
United Nations' Organization,
The Korean Campaign,
Cost of Living.

12. It might be noted that these are subjects of the kind which are debated in the House of Representatives on motions for the adjournment of the House or on motions to print papers.

13. The Budget Speech is made in the Committee of Ways and Means and that debate lasts a few days only. The Finance Bill follows on the resolutions from the Committee of Ways and Means and is considered by the House while the Estimates are being considered in the Committee of Supply. The Committee stage of this Bill is well debated.

VIEWS OF THE TREASURY.

14. The Treasury thought that one of the difficulties associated with parliamentary examination of expenditure was the method of dealing with the Estimates in the Parliament.

15. Departments prepared voluminous notes on the Estimates for the information of members, and departmental representatives attended the sittings of the House to provide any other information required. But here another difficulty was encountered. The time of the debate on the Estimates of any particular department was not known,[(a)] and unless the departmental representative was to remain continuously in the House during the debate, no one might be available to answer inquiries of members. On the other hand, the debate often failed to touch on the details of the Estimates at all so that the notes prepared and the time of departmental representatives were not profitably used.

STATISTICS.

16. A table setting out the actual hours of sitting devoted to Supply and Appropriation Bills in the House of Representatives in various financial years since 1910 is attached as Appendix No. 5.

SUMMARY OF THE ABOVE VIEWS.

17. It will be seen that there is a common belief that the present procedure of the House of Representatives when dealing with the Supply and Appropriation Bills could be improved. Furthermore, there is a general agreement that changes should be along the lines of prescribing that a greater proportion of the time of the House of Representatives spent on financial measures should be devoted to an examination of the Estimates, which, in turn, would involve fixing a timetable insisting upon relevancy in debate.

CONCLUSIONS OF THE COMMITTEE.

18. Whether or not the Committee is to go further in its discussions of procedure is a matter for the decision of the Parliament. It is probable that the Parliament will prefer to remit the question in the first instance to the Standing Orders Committee, which is the instrument created by the Parliament for recommending the forms and procedures for the conduct of its business.

19. The Committee has, therefore, refrained at this stage from making any definite proposals for altering the procedure of the Parliament, but it will be very glad, if it is required by the Parliament in terms of section 8 (d) of the *Public Accounts Committee Act* 1951, to submit specific suggestions for the consideration of the Standing Orders Committee and subsequently of the Parliament.

On behalf of the Committee,

F. A. BLAND, Chairman.

Secretary,
Parliament House,
Canberra, A.C.T.
15th October, 1953.

(a) But see Time-table for September-October, 1953 Session of House of Representatives in Appendix No. 6.

APPENDIX No. 1.

THE A.B.C. OF PARLIAMENTARY PROCEDURE ON THE ESTIMATES AND APPROPRIATION BILLS—HOUSE OF REPRESENTATIVES.

(A) Appropriation Bills.

Governor-General's Message and Presentation of Estimates in House.

The Governor-General's Messages are prepared by the Attorney-General's Department or the Treasury, signed by the Governor-General and handed to the Clerk of the House.

At the appropriate time according to the time-table for the proceedings of the House the Clerk hands the Message to the Speaker. Mr. Speaker stands and reads the Governor-General's Message, which in the cases of the Estimates is as follows:—

"Governor-General. Message No. .

In accordance with the requirements of Section fifty-six of the Constitution of the Commonwealth of Australia, the Governor-General transmits to the House of Representatives Estimates of Revenue and Expenditure for the year ending the thirtieth day of June, One thousand nine hundred and , and recommends an appropriation of the Consolidated Revenue Fund accordingly.

Canberra, 19 ."

The Treasurer, who is already at the table, stands and says:

"I move that the Messages, together with the accompanying Estimates, be printed and referred to the Committee of Supply forthwith."

(The text of the motion is supplied by the Clerk.) He then sits down at the table.

The Speaker then says:

"The question is: that the Message, together with the accompanying Estimates, be printed and referred to the Committee of Supply forthwith."

The question is determined by the majority of voices unless a division is demanded.

Budget Speech in Committee of Supply.

The Clerk then stands to read out the Order of the Day appearing on the Notice-paper:

"Supply—Further consideration in Committee."

The Speaker leaves the Chamber and when the Chairman of Committees has taken his seat between the Clerk and the Clerk-Assistant, the House has resolved itself into the Committee of Supply.

The Treasurer stands and delivers the Budget Speech and moves:

"That the first item in the Estimates, under Division 1—The Senate—namely,
Salaries and Allowances—£
be agreed to."

He then moves that progress be reported to the House and asks leave to sit again.

When the question has been put by the Chairman and carried, the Chairman vacates his chair.

Resolution of the House.

The Speaker is summoned and, standing, receives the verbal report of the Chairman of the Committee, that the Committee having considered the matter reports progress and asks leave to sit again.

The Treasurer stands and says:

"I move that the House will at a later hour this day, again resolve itself into the Committee of Supply."

The question is formally agreed to.

Presentation of Budget Papers.

The Treasurer then stands and says:

"I present the papers presented by the Treasurer, for the information of honorable members in connexion with the Budget of and move that they be printed."

(The text of the motion is supplied by the Clerk.)

The question is formally agreed to.

Resumption of Budget Debate.

When according to the time-table of the House, the House again resolves itself into a Committee of Supply, the general debate on the Budget is resumed on the question:

"That the first item in the Estimates, &c., be agreed to."

In due course the debate will conclude and the question will be put and decided.

Estimates Debate.

The remainder of the vote:

"Parliament—£ "

is then considered and when the debate on this vote is concluded the question is put and decided.

In their turn the other votes in the Estimates will be put, debated and decided.

The Treasurer stands and moves the Supply Resolution:

"That, *including the several sums already voted for such services*, there be granted to Her Majesty to defray the charges for the year , for the several services hereunder specified, a sum not exceeding £ ."

A schedule follows setting out in summary form the amount voted under the main heads. The words underlined in the motion above refer to Supply if that has already been obtained. (The text of the motion is supplied by the Clerk.)

The motion is put, debated and decided.

Then the Treasurer stands and moves that the resolution be reported to the House and asks leave to sit again. This question is put by the Chairman and decided.

Resolution of the House.

As set out above, the Chairman of the Committee reports to the Speaker the resolution of the Committee of Supply.

The Treasurer stands and says.

"I move that the House will, at a later hour this day, again resolve itself into the Committee of Supply."

The question is formally agreed to.

To enable the Supply resolution to be adopted immediately and to cover the Appropriation Bill the Treasurer stands and says:

"I move, pursuant to contingent notice, that so much of the Standing Orders be suspended as would prevent the remaining stages being passed without delay."

The question is put, debated and decided.

The Treasurer then says:

"I move that the Resolution be adopted."

The question is put, debated and decided. (The resolution referred to is the Supply resolution.)

Committee of Ways and Means.

The Clerk then stands and reads out the Order of the Day appearing on the Notice-paper:

"Ways and Means—Further consideration in Committee."

The Speaker leaves the Chamber and the Chairman of the Committee takes his seat. The House has then resolved itself into the Committee of Ways and Means.

The Treasurer stands and reads the Ways and Means Resolution.

"I move that towards making good the Supply grant to Her Majesty for the services of the year . . . there be granted out of the Consolidated Revenue Fund a sum not exceeding £ ."

(The text of the motion is supplied by the Clerk.)

When the motion has been agreed to the Treasurer moves that a resolution be reported to the House and asks leave to sit again. This question is formally agreed to.

Resolution of the House.

The Chairman of the Committee reports the resolution of the Committee to the Speaker.

The Treasurer stands and says:

"I move that the House will, at a later hour this day, again resolve itself into the Committee of Ways and Means."

The question is formally agreed to.

The Treasurer then stands and says:

"I move that the Resolution be adopted."

The question is formally agreed to. (The resolution referred to is the Ways and Means resolution.)

Appropriation Bill.

The Treasurer stands and says:

"I move that myself and (naming another Minister) do prepare and bring in a Bill to carry out the resolution."

The question is formally agreed to.

The Treasurer stands and says:

"I present the bill and move that it be now read a first time."

The question is put by the Speaker immediately after the bill has been brought down and is determined without amendment or debate.

The title of the Bill is then read a first time by the Clerk.

The Treasurer then stands and says:

"I move that the Bill be now read a second time."

The second-reading debate follows and when the second reading has been agreed to the Clerk again reads the title of the bill.

Committee of the Whole.

After the second reading the House resolves itself into the Committee of the Whole for the consideration of the Bill and the procedure prescribed by Standing Orders is followed. *See* Standing Orders 268-288.

Further Consideration by House.

The Speaker resumes the chair and the Chairman reports the Bill.

The Treasurer stands and says:

"I move that the Report be adopted."

This is formally agreed to.

The Treasurer stands and says:

"I move that the bill be now read a third time."

The question is put and decided. The Clerk then reads the title of the Bill, puts his certificate on the Bill and it is ready for presentation to the Senate.

(B) APPROPRIATION (WORKS AND SERVICES) BILL.

Committee of Supply.

When the House has resolved itself into the Committee of Supply the Works Estimates are considered in the manner decided upon by the Committee (i.e. by *Departments or in globo*).

When the motion that the Committee agree to the Works Estimates has been passed; *the Treasurer stands and says:*

"I move that there be granted to Her Majesty to the Service of the year , for the purposes of Additions, New Works, Buildings, &c., a sum not exceeding £ ."

(The text of the motion is supplied by the Clerk.)

The motion is put, debated and decided.

The Treasurer then stands and moves that the resolution be reported to the House and asks leave to sit again. The motion is put and decided.

Resolution of the House.

The Speaker resumes the chair and the Chairman reports the resolution from the Committee.

The Treasurer stands and says:

"I move that the House will, at a later hour this day, *again resolve itself into the Committee of Supply.*"

The motion is formally agreed to.

To enable the Supply resolution to be adopted immediately and to cover the Appropriation (Works and Services) Bill the Treasurer stands and says:

"I move, *pursuant to contingent notice, that so much* of the Standing Orders be suspended as would prevent the remaining stages being passed without delay."

The question is put, debated and decided.

The Treasurer then stands and says:

"I move that the resolution be adopted."

The motion is formally agreed to. (The resolution referred to is the Supply resolution.)

Committee of Ways and Means.

The Clerk stands and *reads out the Order of the Day for* Ways and Means. The Speaker leaves the chair and the Chairman of the Committee takes his seat.

The Treasurer stands and moves the Ways and Means resolution:

"I move that, towards making good the Supply granted to Her Majesty for Additions, New Works, Buildings, &c., for the year , there be granted out of the Consolidated Revenue Fund a sum not exceeding £ ."

(The text of the motion is supplied by the Clerk.)

The motion is put, debated and decided.

The Treasurer then stands and moves that the resolution be reported to the House and leave asked to sit again. The *question is formally agreed to.*

Resolution of the House.

The Speaker resumes the chair and the Chairman reports the resolution from the Committee.

The Treasurer stands and says:

"I move that the House will, at a later hour this day, again resolve itself into the Committee of Ways and *Means*"

The motion is formally agreed to.

The Treasurer stands and says:

"I move that the resolution be adopted."

The motion is formally agreed to. (The resolution referred *to is the Ways and Means resolution.*)

Appropriation (Works and Services) Bill.

The Treasurer stands and says:

"I move that myself and (naming another Minister) *do prepare and bring in a Bill to carry out the resolution.*"

The motion is formally agreed to.

The procedure for the first, second and third readings of the bill follows.

(NOTE.—The above might be regarded as the normal procedure and departures from it are of course possible.)

Canberra.

22nd April, 1953.

APPENDIX No. 2.

LETTER DATED 24TH FEBRUARY, 1953 FROM THE SPEAKER, THE HON. A. G. CAMERON, M.P., TO THE COMMITTEE.

HOUSE OF REPRESENTATIVES.

Parliament of the Commonwealth.

Speaker's Room,
Canberra, A.C.T.
24th February, 1953.

Dear Mr. Chairman,

I have examined your letter of 28th January, 1953, in reference to Supply and Appropriation Acts and the procedure by which the House deals with them.

I believe that our procedure should be governed by two conditions—firstly, the time-honoured and proven methods *inherited from the House of Commons, and secondly,* the special conditions imposed on us by our own Constitution.

I think it more convenient to mention the Constitutional limitations first. These are contained in Sections 53 to 56 of the Constitution. Briefly, four provisions must be observed. Bills dealing with Supply or Appropriation, Taxation or Loans, must originate in the House of Representatives; may not be amended by the Senate; shall deal only with Appropriation or Taxation, *as the case may be, and* shall be recommended by the Governor-General whenever a proposal to expend money is to be submitted to the House.

The net effect of these provisions is to:—

(*a*) deny to the Senate the power of initiation or amendment (but not of rejection) in the case of "money" bills,

(*b*) impose on the Executive Government the sole power of initiation of Taxation and the expenditure of money from revenue or from loan,

(*c*) increase considerably the number of Bills which must be passed *to secure an objective, due to the* operation of these Sections of the Constitution,

(*d*) impose upon the House of Representatives special *duties in the oversight* of Commonwealth expenditure arising out of the same Sections.

In a Parliament like that of the United Kingdom where there is no division of authority and no limitations arising out of a written Constitution, the House of Commons is the sole judge of what may be included *in one Act. Here,* the High Court may be moved to intervene if the House disregards the limits imposed by the Constitution.

With these points clearly in mind the Constitution and our own Standing Orders empower the House to follow the House of Commons, rather they enjoin us to do so. We *certainly* found all money Bills on a resolution of the Committee of Supply or of the Committee of Ways and Means, which are, in effect, the whole House, with the exception of the Speaker. Our money Bills are "prepared" by a Committee of at least two Ministers and founded on a resolution of one of the Committees. *But here the similarity* ends.

The House, ever since I came here in 1934, has adopted the *slip-shod and slovenly method* of adopting the report of the Chairman of a Committee to which a Governor-General's message has been referred, which Committee quite frequently *is neither* offered, nor insists on any worthwhile information about the matter which is the subject of the Vice-Regal message. A Bill is then introduced, and a *second-reading debate frequently* occurs on subjects which the Committee has agreed to, and the House has adopted.

The procedure on all *money Bills, whether* of Supply or of Ways and Means, should be moulded on Budget procedure. The Committee, on being ordered by the House to consider a Governor-General's message, or on being called on for Ways and Means, should closely and, if need be, critically examine the Executive's proposals. It is at this stage that the main debate should take place. Every item in the Estimates is approved before a Supply Bill is founded. It always appears to me futile and, indeed, childish, to have a debate on a Supply or Taxation Bill founded on a resolution already agreed to in Committee and adopted by the House *on a Chairman's report. If amendments are made to such* a Bill, or if it is rejected, the House (and the Committee of the whole House to which the Bill MUST be referred) *reverses a decision already made.* In any case a debate occurs on a decision already reached on the Executive's proposals and, sometimes reached on the scantiest information.

I have seldom attached much importance to the debate on the "First Line" of a Budget, 1941 being an exception. I think that, *after some half dozen leading men have spoken,* the debate becomes a repetition of previous speeches and almost completely futile. I think that much more time *should be devoted to a close study of the hundreds of items* which make up the Estimates, and that the time available for the debate should be allotted on a known plan to cover each Department in turn. The present practice wastes valuable time on the debate on the "First Line" and then most attention is always paid to the Departments first considered. The outcome is that little time is available for a critical examination of smaller, but quite often vital, Departments. There is a tendency to devote time to Social Services and the Post Office but all too often the time is used to argue the demerits of postal services or Social Services rather than *the estimates of the cost of running* the Department. Too much time is devoted to the general, and not enough to the particular. When a Supply Bill is *before the House, pending the presentation of the* year's Budget, the ventilation of grievances is the right of every member, but when the Estimates are before the House a *critical examination of the costs* of the Department is the objective to be attained.

Commonwealth Expenditure takes place *under so many* heads, and is spread over such huge areas and distances, that the power to control it will be always weaker than in a *State Parliament. The call for vigilance on the* part of members, and the provision of time for a close scrutiny of expenditure is of more importance than it is in a State Parliament. *My own experiences as a* member both State and Federal are that the job was done much better in Adelaide than in Canberra; the saddest feature to my mind is the lack of method in financial procedure in this House, which I have described, earlier as slip-shod and slovenly.

A case in *point is Supplementary Estimates. The money* has been spent *without* parliamentary authority. Even if the House should prove to be, on examination of the items, *strongly opposed to the expenditure, it is too late.* The Committee should see Section 2 of the Supplementary Appropriation Act of 1950 for what I mean. On 5th July, 1950, over £5 millions were voted and deemed to have been authorized on 1st July, 1948.

It's both false and futile to *assert that Parliament has* control of expenditure under such circumstances. I am firmly of opinion that no expenditure in excess of the Estimates *approved by the House should* be made prior to a vote of the House. Money voted for one purpose cannot be used for another purpose, even if it proves to be surplus *to the Estimate,* or the purpose for which it was voted ceases to exist.

No Minister or public servant should be *empowered to* presume on the acquiescence of Parliament. From the Supplementary Acts passed it is obvious that over a year usually elapses between that *time of the unauthorized expenditure* and its belated approval. Each Department publishes, a few hours after the close of a financial year, a statement of its total *expenditure. It must know at that time* by how much and under what headings it has exceeded the vote of Parliament.

The use of both loan and revenue moneys on public works is a custom developed by the Commonwealth to which some attention should be paid. I think that *public works fall under* two main classifications—productive and non-productive. Most defence works would fall under the non-productive heading. I see no serious objection to *the use of revenue for* defence works, or for that matter for non-productive works, but I recognize the rule that the Government should make the burdens of taxation *as light as possible. I do feel that,* where loan and Tax are being used to pay for a project, that the House should be clearly informed of that fact, and of *the extent to which each contributes to the* total expenditure on the work in question. The raising of taxes by the Commonwealth to finance State works has introduced a procedure *which I cannot remember previously.* I refrain from pursuing this further because it impinges upon certain matters now the subject of discussion.

Realizing that the way of the reformer is always hard I make the following suggestions:—

1. That *the debate on appropriation recommendations* and on resolutions submitted to the Committee of Ways and Means should be of the fullest possible *character, and that the Bills founded on the* Committee's decisions should then pass with very little, if any, comment.
2. That expenditure by any authority without parliamentary approval should cease.
3. That *an amount should appear on the estimates for* emergencies quite outside the normal estimates to cover the needs of epidemics, fire, flood, volcanic *accidents, &c., and that expenditure from* this vote should be promptly reported to Parliament.
4. That expenditure from revenue and from loan should be clearly indicated at all times. Wherever both are spent on the one item the separate amounts should be clearly shown.
5. That some attention be paid to revising the methods of presenting departmental accounts to Parliament, *so that all items chargeable to a Department* appear under that Department.

Special consideration must be given to *Departments* like the Post Office. At one time it was awaiting funds whilst Parliament dealt with the annual Estimates. It then had *to spend its year's vote in so many months, or return the* unspent surplus to the Treasury. The Snowy River, the Long Range Weapons Project, Commonwealth Railways, &c. *may need special consideration,* but even here, care should be taken to see that

(*a*) money is not spent without authority,

(*b*) money is applied to the purposes for which it was granted.

I am afraid that investigations may uncover cases where these rules are broken. Parliament is either in control, or it is not. I always support the principle of a strong Executive, having clear-cut objectives, plans and methods, but subservient to a discriminating and, if need be, critical House. A House subservient to the Executive is a potential *menace.* It is often said that the Parliamentary system is to-day under trial. I support that statement. In none of its activities is *it subject to more criticism than on finance—taxation,* borrowing and expenditure.

I think that Parliament can be destroyed only by its own Acts. If it dies it will die of self-inflicted wounds. A most unhelpful feature to-day is the emphasis placed on revenue *and expenditure by party programmes. All revenue must* come from the successful toil of some people in the community. The Government gains nothing (except Bankruptcy *fees) from failure. All taxation takes something* from somebody who has earned, saved, invested, purchased, produced or bequeathed. An ever-growing proportion of that revenue is disbursed in ways which I need not particularize, but which give large proportions of people a vested interest in the taxation of others for their own benefit. It seems to me that this is an overwhelming reason why the House should be increasingly critical in its examination of all money measures. It is not only what is raised and spent that matters, but the way in which it is raised and spent.

The present policies produce a growing and top-heavy administrative structure. Administration always draws upon production. It seldom contributes to it.

I do not, and I never have believed in authorities independent of Parliament. I firmly believe that for every penny spent, some Minister should be answerable to the House—to the elected representatives of those who pay. Once a Board, Commission or Authority is free of Ministerial control, it is free of all control. That is, to my mind, the worst of all worlds.

Overlapping of Commonwealth and State Expenditure *should receive some attention from the Committee.* We have Health, Education and Agricultural Departments run by both Governments, and no doubt, activities of the same nature in the same administrative area run under different names. The complete evacuation of an administrative area by the authority less able to do the work should be the aim. Duplication of administration is always costly to Governments and people.

The present law provides for the compulsory retirement of civil servants at a certain age. I have no objection to these men earning when no longer in the service. The wisdom of *re-employing retired civil* servants in a *temporary* capacity is well worth examination. I am sure that many men are fit to do a satisfactory job long after the date of retirement. The present practice has unsatisfactory features. The extent to which it should be permitted has not been defined, so far as I am aware.

I strongly recommend that Mr. Tregear, the Clerk-Assistant, who has recently returned from a year's experience in the House of Commons, be called by the Committee early in its deliberations to discuss with you financial procedure adopted by the House of Commons. He will be able to give to you first-class information.

If the Committee desires further information I will supply it to the best of my ability.

Yours faithfully,

(Sgd.) ARCHIE G. CAMERON.

F. A. Bland, Esq., M.H.R.,
Chairman,
Parliamentary Joint Committee of Public Accounts,
Parliament House,
Canberra, A.C.T.

APPENDIX No. 3.

LETTER DATED 28TH APRIL, 1953, FROM THE SOLICITOR-GENERAL, PROFESSOR K. H. BAILEY, TO THE COMMITTEE.

COMMONWEALTH OF AUSTRALIA.
Solicitor-General,
Canberra.
28th April, 1953.

Dear Mr. Chairman,

Constitutional Requirements Regarding Money Bills.

The Secretary of your Committee has made available to my officers a draft copy of the minutes of evidence given before the Committee on 11th March, 1953. *On that day*, I promised to put in writing some observations on the legal aspects of procedure in regard to Money Bills.

2. The draft evidence shows the wide scope of the various matters which were discussed before your Committee on 11th March, 1953. The evidence raised, in my mind, some doubt as to how I could best help your Committee. I now understand from your Secretary *that, for the time being,* your Committee would probably prefer me to confine my comments to the constitutional provisions affecting the Budget procedure and generally affecting the procedure in both Houses in regard to Appropriation Bills.

3. The provisions of the Constitution which directly affect these matters are most important, but they are few in number, and the effect of them *may be shortly stated.* They have, in my view, three main purposes, namely:

- (*a*) to ensure the existence of responsible government by the provision that no revenue or other public money may be spent without the authority of Parliament (Sections 81 and 83);
- (*b*) subject to this overriding Parliamentary control, to *establish that the* Executive Government has the management and control of the revenues and other moneys (including loan moneys) of the Commonwealth, and that Parliament may not pass any law to authorize the spending of any such Commonwealth funds unless it is asked to do so by the Executive Government (section 56); and
- (*c*) to establish that it is for the House of Representatives, as the body directly and democratically representing the electorate, to originate, and decide the nature and form of, laws appropriating money for the ordinary annual services of the Government, and for the House of Representatives to originate any other laws appropriating moneys.

4. Subject to these points, there is nothing in the Constitution which would prevent either House from exercising its powers under section 50 to determine the procedure it should adopt in considering the Estimates and the Appropriation Bills. In particular, there is no constitutional requirement that the matters at present considered in the Committee of Supply and those considered in the Committee of Ways and Means should be separately considered by the House of Representatives.

5. I set out in full the relevant sections of the Constitution:—

"53. Proposed laws appropriating revenue or moneys, or imposing taxation, shall not originate in the Senate. But a proposed law shall not be taken to appropriate revenue or moneys, or to impose taxation, by reason only of its containing provisions for the imposition or appropriation of fines or other pecuniary penalties, or for the demand or payment or appropriation of fees for licences, or fees for services under the proposed law.

"The Senate may not amend proposed laws imposing taxation, or proposed laws appropriating revenue or moneys for the ordinary annual services of the Government.

"The Senate may not amend any proposed law so as to increase any proposed charge or burden on the people.

"The Senate may at any stage return to the House of Representatives any proposed law which the Senate may not amend, requesting, by message, the omission or amendment of any items or provisions therein. And the House of Representatives may, if it thinks fit, make any of such omissions or amendments, with or without modifications.

"Except as provided in this section, the Senate shall have equal power with the House of Representatives in respect of all proposed laws.

"54. The proposed law which appropriates revenue or moneys for the ordinary annual services of the Government shall deal only with such appropriation.

"56. *A vote, resolution, or proposed law for the appropriation* of revenue or moneys shall not be passed unless the purpose of the appropriation has in the same session been recommended by message of the Governor-General to the House in which the proposal originated.

"81. All revenues or moneys raised or received by the Executive Government of the Commonwealth shall form *one Consolidated Revenue Fund, to be appropriated for* the purposes of the Commonwealth in the manner and subject to the charges and liabilities imposed by this Constitution.

"83. No moneys shall be drawn from the Treasury of the Commonwealth except under appropriation made by law.

"But until the expiration of one month after the first meeting of the Parliament the Governor-General in Council may draw from the Treasury and expend such moneys as may be necessary for the maintenance of any department transferred to the Commonwealth and for the handling of the first elections for the Parliament.".

6. In my view, the effect of sections 53 and 54, in regard to the matters at present under consideration, namely, Budget procedure, could be set out as follows:—

- (*a*) a proposed law appropriating revenue or money shall not originate in the Senate. This provision applies to all Appropriation Bills;
- (*b*) proposed laws which appropriate revenue or moneys for the ordinary annual services of the Government may not be amended by the Senate, but the Senate may return any such law to the House of Representatives requesting by message the omission or amendment of any items or provisions therein; and
- (*c*) if the proposed law appropriates revenue or moneys for the ordinary annual services of the Government, it shall deal only with such appropriation.

7. In considering the result of the three points mentioned in the previous paragraph, there are some further matters which, I think, must be borne in mind, namely:—

- (*d*) the references in sections 53 and 54 are to proposed laws. In other words, the injunctions contained in those sections are addressed to Parliament only, and it is not possible to question in the courts of law, the validity of any Act of Parliament on *the allegation that one or more of the provisions* of sections 53 and 54 have not been complied with. It is for each House to decide whether any proposed law before it offends against either section in any way. At the same time, it is, of course, obvious that our Parliamentary system can only operate satisfactorily if both Houses interpret the *restrictions, which sections 53 and 54 place upon* them, according to the spirit in which those sections were enacted;
- (*e*) it will be seen that I have attempted to emphasize the difference between proposed laws appropriating moneys for the ordinary annual services of the Government and other Appropriation Bills. In this regard, I would refer the Committee to the advice which I gave to the Auditor-General some time ago, and which is available in printed form as Appendix E to the Annual Report of the Auditor-General for the year 1950-51. This matter was discussed in the Senate on a motion by Senator McKenna (*Hansard*, 4 November, 1952, p. 4063); and
- (*f*) a Bill appropriating revenue for ordinary annual services, which also included some other items, would be out of order. It would not, however, cease to be a Bill appropriating revenue for ordinary annual services, and it would appear that the remedy of the Senate in such a case would be to request, by message, the omission of the *extraneous* matter.

8. I come now to the effect of section 56. That section says that a proposed law for the appropriation of revenue or moneys shall not be *passed* unless the *purpose of the appropriation* has, in the same session, been recommended by the message of the Governor-General to the House in question. The effect of this provision in regard to an Appro*priation Bill would seem to be that the Governor-General*

must address a message to the House of Representatives recommending the granting of supply to cover the detailed estimates of expenditure attached to the message. This message must be received by the House before the law which will make the appropriation is passed by the House. Those are the only requirements of section 56. Presumably it is politically desirable that the Governor-General's message, making known to the House the details of the Estimates prepared by the Executive Government, should be received by the House before it proceeds to debate the details of the proposed expenditure. But there is nothing in the Constitution to require that the procedure of the House, between the receipt of the Governor-General's message and the passing of the law appropriating the revenue in the way recommended by the Governor-General, should be arranged in any particular way.

9. I do not think that there is any necessity for me to consider sections 81 and 83 in detail. I would, therefore, sum up the constitutional requirements as follows:—

- (*a*) there must be a Governor-General's message to the House of Representatives recommending the purpose of the appropriation;
- (*b*) the proposed law *appropriating moneys recommended* by the Governor-General must originate in the House of Representatives; and
- (*c*) insofar as the proposed law is one appropriating revenue for the ordinary annual services of the Government, it must deal only with such appropriation, and the Senate may not amend it.

Subject to these limitations, each House may arrange its own procedure in regard to the Budget, in any way which it considers will best achieve the purposes which it desires to achieve.

10. In conclusion, I would point out that I have not, in this letter, dealt with the provisions of the Constitution regarding laws imposing taxes, nor have I expressly considered the case of substantive bills which include an incidental *appropriation*. I would be happy to prepare any further comments on these matters, if your Committee so desires.

Yours sincerely,

(Sgd.) K. H. BAILEY.

Professor F. A. Bland, M.P.,
Chairman,
Parliamentary Joint Committee of Public Accounts,
Parliament House,
CANBERRA, A.C.T.

APPENDIX No. 4.

STATEMENT PREPARED BY MR. A. A. TREGEAR, CLERK ASSISTANT TO THE HOUSE OF REPRESENTATIVES.

HOUSE OF REPRESENTATIVES.

(1) *Outline of Procedure—Supply Bills.*

Founded on Message from Governor-General recommending that an appropriation of revenue be made for the purposes of the Supply Bill. (Note—a Message is not required if the introduction of the Supply Bill is subsequent to the receipt of the Message covering the Estimates for the same financial year, as the appropriation sought in the Estimates Message would include the Supply Bill amount.)

The Message is referred to the Committee of Supply.

In the Committee of Supply; the sum required is granted, *on motion, to Her Majesty* towards the needs of the financial year.

The House then resumes, and, following the report of the Chairman of Committees, motions are made for (*a*) keeping open the Order of the Day for the Committee of Supply for future use, (*b*) suspending the Standing Orders to facilitate the further proceedings and (*c*) for the adoption of the Resolution from the Supply Committee.

Then the House resolves itself into a Committee of Ways and Means, and, on motion, makes a grant out of the Consolidated Revenue Fund sufficient to cover the amount of the Supply grant.

In the House, the Chairman of Committees reports the resolution agreed to in Ways and Means, a motion is agreed to for keeping open the Committee of Ways and Means, and the Ways and Means resolution is then adopted.

Two Ministers are appointed to bring in the bill. It is presented and taken through the first reading, second reading, Committee of the Whole and the third reading stages.

Any of the above proceedings may, of course, be curtailed by the use of the Closure or the Guillotine.

Then the Bill goes to the Senate.

HOUSE OF COMMONS.

(2) *Outline of Procedure—Votes on Account, etc.*

It is necessary for Departments to have funds available at the opening of the financial year on the 1st April, to meet such payments as will become due before all the Estimates are passed.

This position is met by granting to the Civil and Revenue *Departments* and the Ministry of Defence by way of Vote on Account sufficient funds to carry on for about four or five months.

The Navy, Army and Air Services also want money for this early part of the financial year. Their wants are satisfied by passing what is called "Vote A" and some of their larger Votes in their Annual Estimates. These selected larger Votes *are granted in full, not just a portion, as the Services* are authorized, subject to Treasury approval, to transfer money from one Vote to another within the same Service Department. The "Vote A" only determines the number of personnel, it does not grant money.

The Vote on Account for the Civil and Revenue Departments and the Ministry of Defence is presented separately from the Annual Estimates but the amounts required for the Services are extracted from their Annual Estimates.

For the year 1952-53, the Vote on Account was £918,376,000 and the details were contained in eight pages. The nine classes of the Civil Estimates were shown, with the heads of expenditure in each class, the three Revenue Departments of Customs and Excise, Inland Revenue and Post Office, and the Ministry of Defence. Columns indicated the amount required on account, the balance to complete the year's estimate, and the total net estimate for the year. A footnote indicated that the sum taken on account represented a provision for between four and five months' expenditure.

By Standing Order, 26 days are allotted each Session for Supply Business. After at least six allotted days, and before the 31st March (that is, the day before the opening of the *new financial year*), the Votes on Account and the specified Service Votes must be disposed of in the Supply Committee (which is a Committee of the Whole House).

On a day not earlier than the eighth allotted day, being a day before the 31st March, and a day subsequent to that on which they passed the Committee, the House must vote on these Resolutions from the Committee of Supply.

Then in the *Committee of Ways and Means (again a* Committee of the Whole House), the amount needed is granted out of the Consolidated Fund.

The Ways and Means Resolution may be taken forthwith in the House.

Legislative approval is by a Consolidated Fund Bill which may be introduced immediately, read a first time, and a day set down for the second reading.

The Consolidated Fund Bill of 1952 consisted of two pages. Only the total amount was given, no schedule is attached and no divisions of the total are shown. The total was £1,602,679,200, and it was made up from the following:—

	£	
Vote on Account (Civil Revenue and Defence)	918,376,000	
Navy	150,263,100	(out of a total estimate of £332,250,000)
Army	240,520,100	(total £491,500,100)
Air	320,520,000	(total £437,040,000)
	1,602,679,200	

The time table for the 1952 Vote on Account, &c., was—

22nd February ..	Estimates and Vote on Account presented, referred to the Committee of Supply and ordered to be printed.
3rd March ..	Second Allotted Supply Day. Vote on Account taken. By arrangement, debates related to Man-power and Land Productivity. Vote agreed to.
4th March .	Third Allotted Day. In the House, Supply Resolution on Vote on Account considered. On being read a second time (actually there is no first reading), the Resolution was met with by an amendment to reduce *the amount by £100. This was the occasion* for a debate, by arrangement, on the proposed Central African Federation. The amendment was lost and the Resolution agreed to.
6th March	Fourth Allotted Day. In the House on the Navy Estimates. Notice was given by the Minister that Vote "A" and Votes 1, 2, 6, 9, 10, 13 and 15 of the Annual Estimates would be considered. The Minister moved "That Mr Speaker do now leave the Chair", and made a Statement on the Navy. Debate followed.
	Three amendments stood on the Notice Paper, one suggested simplification of

English spelling in despatches and signals, one advocated offering ships of the Royal Navy to the United Nations, and the third related to the Naval Dockyards.

The first amendment was moved, debated and withdrawn. Debate on the Main Question was resumed and the motion "That Mr. Speaker do now leave the Chair" was carried. The House accordingly resolved itself into a Committee of Supply and the Votes were agreed to.

10th March .. Fifth Allotted Day. In the House on the Army Estimates. Motion and Statement by Minister, similar to above. Debated. Amendment moved regarding methods of training, debated, withdrawn. Main Question further debated and agreed to. The following Votes were passed by the Supply Committee:—"A", 1, 2, 5, 8, 10 and 11.

18th March .. Sixth Allotted Day. In the House on the Air Estimates. Motion and Statement by Minister. Debated. Amendment moved relating to Coastal Command, debated, withdrawn. Main Question further debated and agreed to. Votes passed in the Supply Committee—"A", 1, 2, 7, 8, 9, 10 and 11.

19th March .. The necessary grants were agreed to in the Committee of Ways and Means.

24th March .. Eighth Allotted Day. In the House. The Reports from the Committee of Supply in connexion with the Votes agreed to for the Navy, Army and Air were considered.

The Resolutions were agreed to for the Navy and the Army and Vote "A" of the Air Force. Then the Army and Air Force (Annual) Bill was brought in and the second reading set down.

At 9.30 p.m., pursuant to Standing Order No. 16, the Speaker proceeded to put the Question on each of the remaining Resolutions before the House. After all the Supply Resolutions were agreed to, the Resolutions from the Committee of Ways and Means were agreed to without debate, and the Bill ordered to be brought in. The Chairman of Ways and Means is always appointed as one of the framers of the Bill.

The Bill was titled the "Consolidated Fund (No. 2) Bill" and was presented immediately, read a first time, ordered to be read a second time to-morrow and to be printed.

25th March .. Bill read a second time. No debate.

26th March .. Bill taken in Committee of Whole. No debate.

Reported without debate. The consideration of the Report and the Third Reading were taken forthwith (pursuant to Standing Order No. 85 which so provides).

On the Third Reading, a long debate on the Textile Industry took place. Regarding the scope of the debate, the Speaker ruled—

"It is true that we are considering the third reading of the Consolidated Fund Bill and that a wide range of subjects can be discussed upon it, in fact, everything pertaining to the moneys taken out of the Consolidated Fund pool . . ." (*Hansard*, p. 779).

The Closure was applied and the Bill passed the Third Reading. It was then sent to the Lords who speedily passed it.

27th March .. Bill assented to.

NOTES.

The Bill must be passed in time to receive the Royal Assent before the financial year starts on the 1st April.

To be recognized as an "Allotted day", Committee of Supply must be shown on the Order Paper as the first Order of the Day. Supply has precedence until 10 p.m., and any motion to extend the time must be dealt with at the commencement of public business (Standing Order No. 16 (2).).

Notice must appear each day showing the Votes it is proposed to consider. In this, the Opposition is consulted, and the Votes may be set down in any order.

The Motion "That Mr. Speaker do now leave the Chair" is moved when first considering the three Service Estimates. The right to move an amendment is decided by ballot taken just before the presentation of the Estimates.

HOUSE OF REPRESENTATIVES.

(3) *Outline of Procedure—Appropriation Bills.*

A Message is read from the Governor-General transmitting the Estimates and recommending an appropriation of the Consolidated Revenue Fund accordingly.

On motion, the Message and the Estimates are ordered to be printed and referred to the Committee of Supply.

The Order of the Day for Supply is called on by the Clerk, and the House resolves itself into Committee of Supply under the control of the Chairman of Committees.

In the Committee of Supply, the Treasurer delivers the Budget Speech, and, in order to have a Question before the Committee to permit debate, he moves that the First Item of the Estimates be agreed to.

Debate on the Budget proposals does not immediately follow. Progress is reported, and the resumption of the proceedings of the Committee is set down for a future day.

If there are any Taxation or Customs Proposals arising out of the Budget, they are usually introduced at this stage in the Committee of Ways and Means.

The Budget Debate may be continued for some days, and, at its conclusion, the First Item of the Estimates is agreed to. Then is taken the Remainder of the Vote—the Parliament. Each Vote is then considered, e.g., Prime Minister's Department £2,010,000.

When all the Votes have been disposed of, a motion is moved that the Supply Resolution, showing the Votes granted, be reported to the House.

This Supply Resolution is reported by the Chairman, a future day is set down for the Supply Committee (this keeps the Committee open) and, on motion, the Resolution may be adopted forthwith, provided the Standing Orders have been suspended. If required, the Closure or the Guillotine may be used to facilitate any stage.

Ways and Means is the next Order of the Day, and, in the Committee, a Resolution is passed for granting the necessary sum out of the Consolidated Revenue Fund. This sum is the total of the Supply Resolution less any previous grants in Ways and Means for Supply Bills.

For the year 1952-53, the amount of the Supply Resolution was £425,532,000 and the grant in Ways and Means £276,504,000, the difference of £149,028,000 having been granted in connexion with Supply Bill No. 1.

The Ways and Means Resolution having been reported to the House, the Committee is kept open by being set down for a future day, and the Resolution adopted forthwith, subject to the Standing Orders having been suspended.

Two Ministers are appointed to bring in a Bill to carry out the Resolution.

The Bill passes through a First Reading, a Second Reading, Committee Stage and Third Reading.

Time limits for Speeches are—

Budget debate—
- Minister in charge—Periods not specified.
- Leader of Opposition or first speaker—45 minutes
- Other members—30 minutes.

Estimates—
- Minister in charge—Not specified.
- Other members—Two periods each not exceeding 15 minutes.

Bill—
- Second reading—
  - Mover—45 minutes.
  - Leader of Opposition or first speaker—45 minutes.
  - Other members—30 minutes.
- Committee—
  - Minister in charge—Periods not specified.
  - Other members—Two periods each not exceeding 10 minutes.
- Third reading—
  - Mover—30 minutes.
  - Other members—20 minutes.

HOUSE OF COMMONS.

(4) *Outline of Procedure—Appropriation Bills.*

The message from the Crown relating to the Estimates is contained in the Speech from the Throne at the opening of the Session.

Estimates are presented in February, well in advance of the opening of the financial year on the 1st April. They are referred to the Committee of Supply and printed.

The Estimates are in five parts, viz., Navy, Army, Air, Ministry of Defence, and Civil and Revenue Departments, i.e., the Revenue Departments of Custom and Excise, Inland Revenue and Post Office.

In the Civil Estimates, there are Classes I. to IX. In each Class, there may be 20 or more Votes. Each Vote has to be passed.

Each Estimate Vote, as printed, has three sections. The first section shows the Department and the service and the total amount. This is the information which later appears in

the Appropriation Bill. Part II. of the Vote contains the heads or sub-heads under which the Vote will be accounted for by the department or authority concerned. The details of these heads or sub-heads are given in Part III. of the Vote.

The business of Supply is covered by Standing Orders. Twenty-six days before the 5th August are allotted to it. Eight days cover the proceedings necessary before the beginning of the financial year.

In 1952, the 20 days were used as follows:—

Before the 1st April.—
- In the House—Five days. (A day each to Vote on Account Report, Navy, Army, Air and final day.)
- In Committee—Three days. (Supplementary Estimates, Vote on Account, final day.)

After the 1st April.—
- In the Committee—Sixteen days. (Fifteen days on Civil Estimates and final day.)
- In the House—Two days. (One day on Civil Estimates and final day.)

Supply becomes an allotted day when it appears first on the Order Paper. It has precedence until 10 p.m. and may be continued past that hour on motion made at the commencement of public business.

Notice must be given by the Minister of the Votes it is intended to consider that day. They may be set down in any order, and they are selected by the Opposition.

When Supply is the first Order, a Minister has the right to move the motion "That Mr. Speaker do now leave the Chair". If this motion is not moved, the Speaker vacates the Chair.

By custom, the motion for the Speaker leaving the Chair is used on first going into the Committee of Supply on the Navy, Army, Air and Civil Estimates. The motion is open to amendment, and the right to move an amendment is determined by ballot.

On the last but one of the allotted days, the Supply matters must be disposed of by the Committee. This winding-up process commences at 9.30 p.m. when the Chairman proceeds to put the necessary Questions. This happened on the 24th July in 1952.

Then the Ways and Means Resolution is agreed to in that Committee. Notice is given of the proposal.

Next allotted day, the Resolutions reported from the Supply Committee are taken in the House, and, at 9.30 p.m., the Speaker commences to put the Questions. (Done on 28th July, 1952.)

The Report from the Ways and Means is then considered by the House and agreed to.

The Bill is ordered to be brought in upon the Resolution from the Committee of Ways and Means, and the framers of the Bill include the Chairman of that Committee and the Chancellor of the Exchequer. Upon the presentation of the Bill it is read a first time, a date is fixed for the second reading, and the Bill ordered to be printed. The Bill is later taken through the second reading stage, Committee stage, Report stage, third reading, and sent to the Lords.

In 1952, no debate took place on the second reading on the 29th July. On the 30th July, the remaining stages were completed, and the House of Lords disposed of it in one day.

The Appropriation Bill is presented for assent by the Commons.

Scottish Estimates.—It should be mentioned that, under the Standing Orders, the Scottish Estimates may be transferred from the Committee of Supply to the Scottish Standing Committee for consideration and for return to the Committee of Supply for voting. This procedure was followed in 1952. In the Standing Committee, too, the Opposition Members indicated the Votes they wished to discuss. The Scottish Committee reported their work, and the Votes were passed by the Committee of Supply.

Time Limits for Speeches.—No times are fixed.

Estimates Committee.—At the same time as the Committee of Supply is considering the Estimates, the Select Committee on Estimates is at work on them.

The Select Committee cannot deal with policy but it does inquire into the means by which the policy is effected and whether it is economically applied.

Consisting of 36 Members, the Committee divides itself into six sub-committees, five of which are investigating bodies.

In November, in advance of the Estimates, the Committee plans its work and selects the subjects for each sub-committee. Among the subjects inquired into during 1952 were (*a*) Manpower for the rearmament programme, (*b*) Land Settlement, (*c*) Child Care, (*d*) Universities and Colleges, (*e*) Prisons, and (*f*) Overseas Services of the B.B.C.

Investigations may be by evidence and inspection, and Reports are submitted to the House.

Departments have the right to comment on the Reports.

The Committee's time is limited, as it must carry out its inquiries and present its Reports during the period the Estimates are before the House.

Budget.—The Budget Speech is made in the Committee of Ways and Means. Usually, the Budget is presented soon after the financial year opens on the 1st April, but in 1952, it was made on the 11th March.

After making his Speech, the necessary tax motions are moved. By the Provisional Collection of Taxes Act, these taxes can be made to operate before the covering Bill becomes Law.

By Standing Order, these motions, save the last one, must be put forthwith. The last motion remains before the Committee and carries the Budget debate. It is a declaratory motion and does not impose a specific tax burden.

The Budget debate does not last long, the real discussion takes place on the covering Bill, the Finance Bill, which is ordered to be brought in upon the Ways and Means Resolution being agreed to by the House after such Resolutions have been read a first and second time.

As amendments cannot be handed in until a Bill is read a second time, the second reading is not long delayed. But there are hundreds of amendments submitted. At one period, with the 1952 Bill, there were 290 listed (over 100 from the Government side) and notice of 36 new clauses.

The practice of introducing the Budget in the Committee of Ways and Means allows the consideration of the Estimates to be proceeded with in the Committee of Supply before the Budget debate is ended.

Committee of Supply.—Originated in 1620. In the seventeenth century, Committees of the Whole were firmly established. This meant that the Commons could appoint its own chairman, and that deliberations could be more freely conducted than when the Speaker, who was often the King's nominee, was in the Chair. Further, debates in the House were recorded in the Journals which the Sovereign often scrutinized.

The setting up of Committees was a successful attempt by the Parliament to secure freedom in its work without undue interference by the Crown. In the past, Members of the House who opposed the wishes of the Sovereign were severely dealt with.

The gradual transfer of the revenues and the Civil list from the Crown to Parliament, and the requests from the Crown for funds, made the Committee of Supply a force in determining what sums the Parliament would grant the Crown. From these sources, we find the present day Committee of Supply which grants to the Crown sums for services for a particular year.

Committee of Ways and Means.—Established 1641. Its purpose is to authorize payments from funds to meet the Supply granted, generally a grant from the Consolidated Revenue Fund. It is also the source for authorizing taxes or charges.

Amendments.—In the main, the House of Representatives follows the practice of the Commons. In the Committee of Supply, only amendments reducing the proposed vote are in order. The destination of votes cannot be altered.

When considering the Report from the Supply Committee in the Commons, amendments may be proposed for reduction of items.

At the Ways and Means stage and on the Bill, amendments would not be acceptable, as these stages are giving effect to the Supply Resolution.

However, in the Commons on the Finance Bill it is competent to move amendments for reductions or omissions, and this right is largely exercised.

(5) *Comparison of Procedures.*

SUPPLY BILL.

Title—
- *House of Representatives*—Supply Bill.
- *House of Commons*—Vote on Account—Consolidated Fund Bill.

Introduction—
- *House of Representatives*—Governor-General's Message.
- *House of Commons*—Speech from Throne. Presented as Estimate.

Supply—
- *House of Representatives*—Total voted in one Resolution.
- *House of Commons*—Taken on "allotted days". Votes approved separately. May be debated either in House or Committee. Period for Supply Proceedings limited by Standing Order.

In House—
- *House of Representatives*—Supply Resolution considered on future day.
- *House of Commons*—Supply Resolutions considered on future day. Each Supply Resolution is dealt with separately.

Ways and Means—
- *House of Representatives* and *House of Commons*—Formal. Required amount voted.

In House—
- *House of Representatives*—Ways and Means Resolution considered on future day.
- *House of Commons*—May be taken forthwith.

Bill—

Title—

House of Representatives—Supply Bill.

House of Commons—Consolidated Fund Bill.

Introduction—

House of Representatives—By Ministers. To "carry out" Ways and Means Resolution.

House of Commons—By Chairman of Ways and Means and Ministers. "Brought in" on Ways and Means Resolution.

First Reading—

House of Representatives and *House of Commons*—Formal.

Second Reading—

House of Representatives—On future day. Minister makes his speech. General debate.

House of Commons—On future day. Debate confined to Bill but may be general within this range. Subjects selected by Opposition.

Committee—

House of Representatives—May be taken as whole or debated by votes.

House of Commons—Formal.

Report Stage—

House of Representatives and *House of Commons*—Formal. Forthwith.

Third Reading—

House of Representatives—On future day. Open to debate.

House of Commons—Forthwith. Debate confined to Bill but may be general within this range or on a particular subject. Subject selected by Opposition.

Assent—

House of Representatives—When ready.

House of Commons—Before financial year commences.

In the House of Representatives, the proceedings are often expedited by suspending the Standing Orders to take the remaining stages as early as possible.

Comparison of Procedures: Appropriation Bills.

Estimates—

Introduction—

House of Representatives—Governor-General's Message. Estimates presented after financial year opens.

House of Commons—*Speech from Throne.* Estimates presented to House before financial year commences.

Supply—

House of Representatives—Budget Speech and Debate. Then Estimates are taken, vote by vote in turn.

House of Commons.—Eighteen days allotted and period fixed for conclusion by Standing Order. Taken in order set out each day on Notice-paper. *Opposition select votes* to be considered. Budget Speech made in Ways and Means. Estimates are also being considered by the Estimates Committee and the Scottish Committee.

Ways and Means—

House of Representatives and *House of Commons*—Formal.

In the House—

Supply Resolution—

House of Representatives—Formal.

House of Commons—Is an "allotted day". Resolutions may be debated and amendments moved.

Ways and Means Resolution—

House of Representatives and *House of Commons*—Formal.

Bill—

Introduction—

House of Representatives—Two Ministers bring in a Bill to carry out the Resolution from Ways and Means.

House of Commons—The Chairman of Ways and Means and Ministers bring in a Bill upon the Ways and Means Resolution.

First Reading—

House of Representatives and *House of Commons*—Formal.

Second Reading—

House of Representatives—Open to general debate.

House of Commons—*Open to debate within terms of Bill.* Opposition may select subject.

Committee—

House of Representatives and *House of Commons*—Usually put through quickly.

Report Stage—

House of Representatives—Formal.

House of Commons—Can be debated.

Third Reading—

House of Representatives—Can be debated but usually passed without debate.

House of Commons—Open to debate within terms of Bill. Opposition may select subject.

Proceedings in the House of Representatives are often shortened by the suspension of the Standing Orders or the use of the guillotine.

Time limits for speeches operate in the House of Representatives but not in the Commons.

(6) *Suggestions.*

1. *These are my personal views and do not necessarily* reflect the official opinion of the House of Representatives.

2. The constitutional features of the financial practice of the House of Commons, on which our procedure is based, are traceable back to the seventeenth century. Old as they are, they were left undisturbed when a Select Committee of the Commons and that House itself reviewed them as recently as *1947. In fact, in 1948, the Standing Order relating to allotted* days was amended but only to increase the number of days.

3. These constitutional features, which include the redress of grievances before granting supply, the Committee of Supply for the purpose of voting sums to the Crown and the Committee of Ways and Means, with its obligation to find the funds required, could be set aside and a simplified process adopted, but, in dropping them, we would be excluding part of the long-established British parliamentary system.

4. Accepting these as principles, I think our system can be improved. As regards the Estimates, the ideal would be to allow time for them to be discussed in full. This is not practicable because of the Parliamentary time available and the number of Members.

5. It is now found that, with the Budget Debate linked with the Estimates, the consideration of the Estimates must wait until the Budget Debate is finished.

6. These could be separated. The Budget Speech could be made away from the Estimates, say, in the Committee of Ways and Means and the Budget Debate and the consideration of the Estimates could proceed simultaneously. It would be desirable to allow a few days, say, three, for the Budget Debate to dispose of any amendment from the Opposition moved as a censure of the Government's financial policy. Then the Estimates could be taken as the main subject, leaving the Budget Debate as a "fill-in" item.

7. Days could be allotted for the Estimates and the *Appropriation Bill. By arrangement between the Government* and the Opposition, the Votes to be considered each allotted day could be fixed in advance, and notice given of the proposals. They need not follow the order in the Estimates, and all matters for one Department could be grouped.

8. The number of days to be fixed is a problem, but I suggest twelve, ten for the Estimates and two for the Bill. If, on each allotted day, precedence is given to the Estimates for five hours, there would be a total of 60 hours. It might be advisable to specify a date by which the Estimates must be passed, say, the end of October.

9. The spread would then be something along these lines—

First week—Budget Speech. Then occurs a delay to allow the Opposition time to study the Speech, and then in the—

Third week—Budget Debate.

Fourth week—Estimates (two days).

Fifth week—Estimates (one day). This would allow time for other urgent matters.

Sixth, seventh, eighth, ninth and tenth weeks—Estimates and Bill (remaining nine days).

10. Debate on the Estimates should be restricted to the Votes under discussion. Opportunity to seek redress of grievances could be given by having a "Grievance Day" preceding the Estimates or during the Budget Debate.

11. If more time is required for the Estimates, then the appointment of an Estimates Committee of the House could be *considered. This Committee would operate on the lines* of the Commons Select Committee, which is appointed to examine such of the Estimates as may seem fit to the Committee.

12. Printing and paper could be saved if the Appropriation Bill contained only the heads of expenditure and the total vote, with the provision in the Bill that expenditure under the vote must be in accordance with the Estimates presented to *Parliament.*

13. With respect to Supply Bills, provision could be made to limit the discussion to the matters in the Bill. Grievances could be aired at an ordinary Grievance Day discussion before Supply is taken. It is not thought necessary to allot days for a Supply Bill, as the closure and guillotine can be used if wanted.

14. The time limits for speeches could be reviewed.

(7) *Action Needed to Give Effect to Suggestions.*

Paragraphs 7 and 8.—Amendments of Standing Orders to provide—

(*a*) procedure for allotted days, and

(*b*) for notice to be given of Votes proposed to be taken.

Paragraph 10.—Amendment of Standing Orders to cover relevancy in discussion of Estimates.

Paragraph 11.—Motion for the appointment of a Select Committee on Estimates and its terms and powers would need the sanction of the Government.

*Paragraph 12.—The alteration of the form of the Appropria*tion Bill would involve the Senate, the Treasury and the Parliamentary Draftsman.

Paragraph 13.—Amendment of Standing Orders to limit discussion on Supply Bill to votes therein.

Paragraph 14.—Amendment of Standing Orders if time limits for speeches are altered.

NOTE.—Any Standing Orders proposed above could be suspended on motion should the circumstances so require.

APPENDIX No. 5.

APPENDIX No. 5.—ACTUAL HOURS OF SITTING IN VARIOUS FINANCIAL YEARS SINCE 1910 DEVOTED TO SUPPLY AND APPROPRIATION BILLS IN THE HOUSE OF REPRESENTATIVES.

Financial Year.	Total Hours of Sitting.(b)	Supply Bill.	Annual Appropriation.				Works Appropriation.			Supp. Est. and Bills.	Sub-Total.	Additional Estimates and Bills.	Total.
			Budget.	Estimate.	Bill.	Total.	Estimate.	Bill.	Total.				
1910-11 ..	740	6	10	15	(5m.)	25	16	8	24	5	60	..	60
1911-12 ..	588	14	20	22	(4m.)	42	(a)	(4m.)	(4m.)	(4m.)	56	..	56
1912-13 ..	912	16	32	54	(2m.)	86	29	6	35	(4m.)	137	..	137
1923-24 ..	567	14	35	21	(2m.)	56	5	(2m.)	5	..	75	..	75
1924-25 ..	448	6	34	35	(2m.)	69	4	1	5	10	90	..	90
1925-26 ..	650	22	2	(35m.)	(5m.)	2	5	(5m.)	5	..	29	..	29
1935-36 ..	533	22	17	25	(2m.)	42(c)	5	(2m.)	5	2	71	..	71
1936-37 ..	388	27(c)	29	21	(2m.)	50(c)	14	(2m.)	14	..	91	..	91
1937-38 ..	481	38(c)	1	11	(2m.)	12	10	2	12	3	65	..	65
1947-48 ..	617	30	6	44	1	51(c)	6	(2m.)	6	1	87	2	89
1948-49 ..	815	26	34	30	(5m.)	64(c)	10	(5m.)	10	..	100	27	127
1949-50 ..	698	(37m.)	43	30	(2m.)	73(c)	3	(2m.)	3	(26m.)	77	22	99
1950-51 ..	499	27	34	14	(2m.)	48(c)	(2m.)	(2m.)	(4m.)	1	76	(33m.)	77
1951-52 ..	658	15	51	15	(2m.)	66(c)	1	(2m.)	1	(48m.)	83	(10m.)	83
1952-53 ..	578	13	37	41	(2m.)	78(c)	2	(2m.)	2	(11m.)	94	(7m.)	94

(*a*) Included in debate on Annual Estimates. (*b*) According to Parliamentary usage, these times include meal periods—about 20 per cent. of time. In the other figures, actual debating times are shown. (*c*) Guillotine used.

The figures are of hours, except in the case of the figures in brackets which are of minutes.

NOTE.—The actual hours of sitting for the Annual and Works Appropriations for the September–October, 1953 Session were: Budget 1953/54 31 hours, Estimates 1953/54 37 hours, Appropriation Bills 1953 2 minutes, Capital Works and Services 1953/54 3 hours and the relevant Bill 2 minutes.

APPENDIX No. 6.

TIME-TABLE FOR THE CONSIDERATION OF THE ESTIMATES IN THE *HOUSE OF REPRESENTATIVES* SEPTEMBER-OCTOBER 1953 SESSION.

Allotment of Time.

MINISTER.—I move—

That the time allotted for the consideration of the remainder of the Estimates, *the resolutions, and the stages of the* Appropriation Bill, be as follows:—

(1) Estimates—

Remainder of Vote—Parliament .. Prime Minister's Department Department of External Affairs .. Department of the Treasury Attorney-General's Department ..	Until 12.15 p.m., Friday, 25th September.
Department of the Interior .. *Department of Works* .. Department of Civil Aviation Department of Trade and Customs .. Department of Health ..	Until 5.15 p.m., Tuesday, 29th September.
Department of Commerce and Agriculture .. Department of Social Services Department of Shipping and Transport .. Department of Territories ..	Until 11.30 p.m., Tuesday, 29th September.
Department of Immigration Department of Labour and National Service .. Department of National Development .. Commonwealth Scientific and Industrial Research Organization .. Australian Atomic Energy Commission ..	Until 11.30 p.m., Wednesday, 30th September.
Defence Services— Department of Defence .. Department of the Navy *Department of the Army* .. Department of Air .. Department of Supply .. Department of Defence Production ..	Until 8 p.m., Thursday, 1st October.
Miscellaneous Services .. Refunds of Revenue .. Advance to the Treasurer Bounties and Subsidies .. War and Repatriation Services	Until 11 p.m., Thursday, 1st October.
Commonwealth Railways .. Postmaster-General's Department .. Broadcasting Services ..	Until 12.30 p.m., Friday, 2nd October.
Northern Territory .. Australian Capital Territory Norfolk Island .. Papua and New Guinea	Until 6.15 p.m., Tuesday, 6th October.

(2) Resolutions—

Supply Resolution, and adoption of Resolution .. Ways and Means Resolution, and adoption of Resolution (3) Appropriation Bill—all stages	Until 8.30 p.m., Tuesday, 6th October.

(Twenty minutes allowed for this motion; five minutes to each Member speaking.)

By Authority: L. F. JOHNSTON, Commonwealth Government Printer, Canberra.