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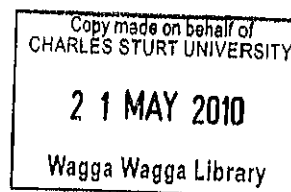
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## CHAPTER 17

# The Public Works Committee 1888-1930

*Clive Beauchamp*

*What public works should be put where is still a highly contentious question. It was even more so in the late nineteenth century, when "log-rolling" was the main parliamentary pastime and when political leaders could not rely upon party loyalty but must find support by deft use of patronage and political favouritism. The Public Works Committee was introduced by statute in 1888 as a joint standing committee. It had continuity. To be a member on it brought rewards in terms of fees, influence, career prospects. It was hoped that with these qualities it would be a way to depoliticise the process by which public works were approved. That was asking too much, but it did take at least some of the heat off Ministers and it did provide some training for Members and opportunity for participation. It also added some objectivity and overall strategic thinking to the approval process.*

The Public Works Committee, introduced by Sir Henry Parkes in 1888, was designed to "sift, search and reason out" public works proposals. It was to be both advisory and investigatory. In the mid-1880s there was grave concern that proposals to construct new rail lines and other public works were not subjected to rigorous investigation in the Parliament. Consequently there were demands for greater parliamentary scrutiny of such proposals. Owing to the prevailing economic conditions and Government policy, the Committee's activities were suspended between 1893-94, 1904-05 and 1917-20. In 1930, the Committee was not reappointed.<sup>1</sup>

Between 1888 and 1930 the Committee inquired into and reported on 466 public works proposals. To summarise the Committee's recommendations in terms of Government expenditure on public works:

- Expenditure proposed by Government - £127,762,283.
- Expenditure recommended by the Committee - £71,452,756.

- Amount recommended by the Committee in excess of that proposed in Government estimates - £1,704,456. Most of this related to the recommendation for the construction of the Sydney Harbour Bridge. Original Government estimates did not include provision for railway lines across the bridge. The Committee recommended the addition of the lines- an extra £1,158,000 in expenditure.
- Total reductions in expenditure (made by Committee) to proposed Government public works estimates - £58,013,983.

The relationship between Government and the Committee can also be seen in the details of the success rate of Committee recommendations.

- The Committee recommended 266 proposals (57 per cent of those proposed by the Government) including 18 where Government estimates were modified upwards. Some of the most prominent projects recommended by the Committee included: Burrinjuck Reservoir and the Northern Murrumbidgee Irrigation Scheme; Cataract and Wyangala Dams; Fisher and Mitchell Libraries; the North Coast Railway; Sydney Harbour Bridge and the Central Railway Station, Sydney.
- Another 40 proposals were recommended by the Committee in which the Government's estimates were modified downwards (some severely).
- There were 160 proposals "not recommended" by the Committee (34 per cent). These included the proposal to construct new Houses of Parliament (1897) and many rail lines and tramways. Between 1897 and 1923, the Committee considered six separate rail routes from the Northern Tablelands to the coastal ports. The most popular were from Glen Innes to Grafton (The Clarence), Guyra to Coffs Harbour and from Tenterfield to Casino. Others promoted were those from Armidale to Coffs Harbour and Walcha to Mount George near Taree. Although they were submitted several times, none of these proposals was recommended by the Committee. Among other lines not recommended, were those from Bega to Eden, Bomaderry to Jervis Bay and Murwillumbah to Tweed Heads. The Committee also advised that various harbour works as well as improvements to the entrances to the Bellinger and Nambucca Rivers should not be approved.<sup>2</sup>

In the first few decades of its existence, the Committee was strongly supported by political leaders including William Lyne, George Reid and John See. They often defended the Committee against its critics, by referring to the pre-1888 abuses that had occurred when there was inadequate scrutiny of public works projects. Referring a proposal to the Committee took pressure off the Executive, allowing for delay, and gave

the impression that the Government was considering the proposal. The existence of the Committee provided some relief for Ministers from the pressure exerted by "roads and bridges" Members. Ministers were able to satisfy the most insistent, without pledging themselves to support their demands. If the Committee reported negatively on a proposal, it absolved the Minister of a certain amount of responsibility. In some respect the Committee performed a "safety-valve" function, though the very existence of the Committee as a kind of "clearing house" may have encouraged submissions.<sup>3</sup>

Some Secretaries for Public Works, especially Edward W O'Sullivan, had their personal agendas and priorities that they tried to pursue through the Committee. O'Sullivan made the construction of Sydney's Central Railway Station a pet project and according to *The Bulletin*, his sketch influenced its eventual design. He viewed the station as contributing to the beautification of the city in his desire to develop Sydney into the Paris or London of the Southern Hemisphere. With the Opposition in disarray in 1900, and given almost a free hand by Premier Lyne, O'Sullivan's intervention and negotiations resolved a decade-long impasse over the station's location.<sup>4</sup>

Many contemporary observers in its early years praised the Committee's work. Its second Chairman, JP Abbott, maintained that Sir Henry Parkes' *Public Works Act 1888* deserved commendation over all other Acts. Sir John See viewed the Committee as the "most important parliamentary institution", whereas George Reid considered the *Public Works Act* as among the best measures ever passed by Parkes. HV Evatt claimed that the introduction of the Committee curtailed the practice of "log-rolling" and this sentiment was reiterated in the 1930s by Sir Michael Bruxner. Another who witnessed the Committee in action was the Government Statistician, Timothy A Coghlan, who gave evidence to it on several occasions. In his opinion, the setting up of the Committee saved the State from spending considerable sums on useless and unremunerative proposals. Some politicians who criticised the Committee's introduction, (in particular EW O'Sullivan and Henry Copeland) became its strongest supporters. Labor member Alfred Edden (Kahibah) was an advocate of the Committee's abolition in 1898 but then served as a member 1905-07.<sup>5</sup>

One positive aspect of the Committee was that it visited the State's remote regions and towns, taking evidence from local citizens, not all favouring the proposal under inquiry. Such visits had a democratic value as they allowed local people to express their opinions. Also the Committee benefited from the local knowledge and experience of witnesses. In the Western and North-Western regions of the State, given the isolation and primitive modes of transport, many localities would have never seen more than one Member of Parliament at any one time. Critics of the Committee often claimed that its visits only served to raise the

expectations of communities. It could be suggested that the Committee's inspections and visits performed a certain public relations function, perhaps comparable with the practice developed in the late twentieth century of holding Cabinet meetings in country towns such as Bathurst and Lithgow.<sup>6</sup>

Membership of the Committee had benefits for members themselves. Edward W O'Sullivan claimed that during his four-year membership (1889-94), he acquired knowledge and insight into the problems of the different regions of the State. This experience he stated proved beneficial later as both a member of the House and as a Minister of the Crown. This theme was repeated by other former Committee members.<sup>7</sup>

Compared to the pre-1888 method of sanctioning public works, one positive aspect of the Works Committee was that it often adopted a strategic approach to projects. If a new rail line was being investigated, the Committee considered how the proposal fitted into the whole New South Wales railway system. It was concerned whether the new line would contribute traffic to the main lines and therefore increase revenue. It also took into account whether the proposal would be able to compete with existing modes of transport especially sea carriage. On several occasions the Committee failed to recommend a line on strategic grounds. For example, the Committee considered it premature to recommend a branch line until a certain cross-country railway was completed that linked the Western system with that of the Great Northern. Several rail proposals, designed to link the Northern Tablelands with the coast, were not recommended, as the initiatives were considered premature, on the basis that the North Coast Railway had not been completed and its effect on the proposals could not be assessed. Similarly, those coastal rail links, according to the Committee, had to await the Government's decision on the eventual location of the proposed new international deep sea port north of Newcastle. Also the Committee reported that the proposed rail links could divert traffic from the well-established Great Northern Line.<sup>8</sup>

On several occasions, the Committee disregarded the advice and recommendations of the Railway Commissioners. The Commissioners would estimate the costs of both constructing and operating the line (including the interest paid on the capital loan), compared with the revenue to be generated. Their report to the Committee would show the estimated losses or profits that were expected from the new line. As the Commissioners had a statutory duty to run the railways on commercial principles, they would normally advise against the construction of the railway if they expected it would involve a substantial loss. In one 1913 inquiry, the Committee when considering three alternative routes for a cross-country route linking the Western Line with the Great Northern line, ignored the Commissioner's preferred route from Gilgandra to Curlewis. It recommended the Dubbo to Werris Creek option, that according to the Commissioners, was over £100,000 more expensive to

construct and twice as costly to operate as their preferred route. The Committee also ignored the Commissioners' advice when it recommended the construction of the following lines: Byrock to Brewarrina, Grafton to Casino, Gundagai to Tumut and Molong to Parkes and Forbes.<sup>9</sup>

A positive feature of the Committee's activities from 1888 to 1930 was that there was never any suspicion raised in the Parliament or in the press that its members, either individually or collectively had engaged in any corrupt practices. It may have been criticised for some of its recommendations but not for dishonest practices.

The Committee attracted critics, both in Parliament from backbenchers and from some sections of both the metropolitan and rural press. A recurrent indictment of the Committee was that its members were non-technical amateurs attempting to make decisions, albeit advisory ones, on matters that required both professional and business expertise. There were several calls for the Committee to be replaced by a Board of Experts. Such demands were often rebutted by Works Ministers who claimed that the Committee had departmental technical staff on hand and also that it had to consider a broad range of economic and social issues when deliberating over a proposal.<sup>10</sup>

Criticisms were sometimes levelled at the Committee irrationally. It was charged by statute to report on proposals referred from Parliament. The Committee had no political agenda and did not control the number of proposals referred. Its autonomy only amounted to the organisation of the inquiries and issuing advisory recommendations. It did not possess any executive power. During some periods the Committee appeared to be the scapegoat for Government policies and for the active public works programs of its Minister.

Throughout the Committee's existence, concern was raised over the total cost of the Committee and the amount of fees received by its members. This was especially the case during periods of financial restraint. Although members' fees and the size of the Committee were both reduced in 1897, the concern over costs remained. During most Parliaments, an Opposition backbencher would request an official return showing the amounts in fees and expenses paid to individual members as well as the administrative costs of the Committee. Sir Thomas Henley (Burwood), a constant critic, labelled the Committee as the "Public Perks Committee" while others viewed the fees as a "nice little nest-egg".<sup>11</sup>

To what extent were these claims justifiable? Unlike any other parliamentary committee it met very regularly, sometimes four times a week. When it travelled to country locations during recesses, its meetings and inspections often took up to eight hours a day. During the 1920s, when it was unlikely that many of its recommendations would ever be implemented, because of the economic situation, its meetings did develop a certain ritualistic quality. New proposals were still being referred with little chance of being started. The fees offered were

attractive for some members and perhaps they were part of the reason why its abolition was resisted. There is a strong suspicion that during the 1920s and other periods of financial restraint, membership of the Committee was used as an instrument of ministerial patronage to placate those unsuccessful in obtaining a portfolio.

Up to the 1920s, according to Frank W Lyne, the Clerk to the Committee, some of the travelling undertaken by the Committee was particularly arduous. He recounted how on one inquiry, the Committee was transported a great distance through the Pilliga Scrub to Burren Junction in Northern NSW by horse-drawn wagons. When investigating a proposed railway to Hillston the Committee was forced to camp in tents at Mirool Creek, on the northern boundary of what became the Murrumbidgee Irrigation Area. On another occasion, flooded roads forced them to seek shelter for the night in an irrigation tank.<sup>12</sup>

Several senior politicians, including Sir Michael Bruxner, claimed that the introduction of the Committee contributed to the decline in the practice of "log-rolling" in connection with high-value projects (those where the estimated cost exceeded £20,000). Nevertheless, some log-rolling still existed in relation to lower value proposals, including the building of court houses and gaols for small towns. Also there were attempts to by-pass the Committee. One example is the construction of the State Conservatorium of Music. In 1912 the McGowen Labor Government decided to establish the Conservatorium by converting the Francis Greenway-designed Governor's stables. It involved extensive renovations that were initially estimated to cost £10,000. The project was not discussed in the Parliament. Later when completed and opened in 1915, at an estimated cost of £25,000, there was some comment that the Government had breached the provisions of the *Public Works Act* by not referring it to the Committee.<sup>13</sup>

Throughout the Committee's existence some backbenchers were concerned that it usurped the authority of Parliament and abrogated ministerial responsibility. Some saw Parliament undermined by the Committee as its duties were surrendered to a small sub-set of the Legislature. Nevertheless, Parliament as a whole elected the members, sanctioned the referral of works proposals and could ignore the Committee's recommendations. As party cohesion and discipline firmed, naturally parliamentary independence was neutralised. As a result, majority membership of the Committee was controlled by the party in power and the Ministry.<sup>14</sup>

During the Labor Government's 1910-16 term, and during the 1920s, the Committee's operations exhibited greater partisanship. The party regularly dominated a large part of the Committee's membership and there was a deluge of references to the Committee. Public Works, under Labor, was viewed as an essential vehicle for providing work for the unemployed as well as delivering infrastructure projects to many



country and metropolitan areas. Nevertheless, voting the "party line" was not necessarily automatic among Labor members of the Committee, as is shown by their votes during divisions in 1913. In one instance in a 4-3 vote division, George Burgess MLA and John Storey MLA approved of a branch railway while John Travers MLC and Robert Scobie MLA rejected the proposal. In another division (additional shipping facilities at Coffs Harbour, strongly favoured by Labor Leader McGowen), Burgess and Scobie approved whereas Storey and Travers did not. In the division over the erection of new premises for the Government Printing Works, Storey and Scobie rejected the project with Travers and Burgess approving it. John Travers MLC, Committee member 1911-30, on several occasions voted with non-Labor Members of the Legislative Council with whom he shared a certain culture of impartiality, independence and conservatism. Travers had been recommended for appointment to the Council by Liberal Premier Charles Wade. The position of Labor MLCs was ambiguous and the party had not exercised much control over them. Although they were "pledged" from 1911, they were not Caucus members until 1985.<sup>15</sup>

Throughout the Committee's operations, it was obvious that tension existed between the need to achieve serious economies and commitment to the development of the State's infrastructure. This was seen in submissions to the inquiries by representatives of the Railway Commissioners who often advised the Committee against recommending possible non-paying lines. Nevertheless there were a few occasions when they recognised the national value of a proposed railway, even though it would incur a substantial loss. The Works Committee between 1888 and the late 1890s made serious attempts to reduce the cost of railway construction. It actively encouraged the introduction of light railways, reduced gradients, made changes to routes and attached financial conditions in order to reduce costs. Only small numbers of projects were referred to the Committee during this period. This was because the 1890s Depression and then the long drought that hindered recovery, impacted on public works expenditure.<sup>16</sup>

The activities of the Committee reflected the emphasis placed on developing the State in a "settler society". Public works were equated with progress. Developing the State by peopling the empty regions, encouraging primary industries and stimulating immigration and production was seen as imperative. Throughout the life of the Committee, all sides of politics, as well as vice-regal sources, subscribed to the notion of the "culture of development". There were obvious differences in emphasis represented by the town versus the country debate, but generally, railways, water and sewerage systems together with harbour improvements were seen as vital prerequisites to rural settlement and also to the growth of the metropolitan suburbs. After 1906, "decentralisation" entered the

political lexicon and was used constantly in the Committee's inquiries to justify a railway or a new dam.

The development of the State's wheat, coal and metal industries owed much to the extension of the New South Wales railway system. Between 1896 and 1930, rail lines were constructed to open up new wheat-growing areas of the State. To 1898, New South Wales was a net importer of wheat but after 1900 it became a net exporter. Not only did railways transport wheat to markets. Given the short harvest periods, the Commissioners also erected departmental grain sheds and leased them to farmers.<sup>17</sup>

New South Wales pioneered the concept of a public works committee to investigate public works proposals. Victoria set up a Standing Committee on Railways in 1890 that lapsed in 1932. Its functions were incorporated into the Public Works Committee that was established in 1935. The Tasmanian Government also set up a similar committee in 1915. The South Australian Works Committee was created in 1927, ceased to exist in 1991, but was re-established in 1994. It was not until 1989 that the Queensland Parliament made provision for a Public Works Committee. At Commonwealth level, the Parliamentary Standing Committee on Public Works (a joint committee), was instituted in 1913 and is still in operation.<sup>18</sup>

Why was the Committee not reappointed after 1930? During the 1930s Depression, Governments needed greater freedom of action to respond to the needs of the unemployed through public works programs. Parliamentary referrals to the Public Works Committee and the holding of inquiries were cumbersome and slowed down the relief process. Additionally, the Committee's costs of travel, hearings and members' fees, attracted severe criticism at a time of financial stringency and wide social distress. The development of the local government system after 1906, with a revenue base and technical staff, also impacted on the Committee. In one debate it was claimed that the Committee had outlived its usefulness. In reality too, there was no political will to retain the Committee. Nevertheless the principal statute, the *Public Works Act 1912*, was never repealed, although it was severely amended by the *Public Works Act 1935* and by various measures that allowed exemptions from the provisions of the 1912 legislation. The NSW Committee was eventually reconstituted in 1995 in a different form, after being dormant for 65 years.<sup>19</sup>

The Committee existed from 1888 to 1930, was the premier parliamentary committee, pre-dating the Public Accounts Committee and reported on many of the State's important infrastructure projects. It played an active and valuable role in the history of the New South Wales Parliament of the late 19th and early 20th centuries and contributed, in some measure, to the pattern of infrastructure provision that exists in 2006, when the State celebrates the Sesquicentenary of Responsible Government.

- Q. Why don't the political parties cooperate, instead of always criticising each other?
- A. They *do* cooperate. Most legislation passes without significant partisan argument. There is a parliamentary spirit as well as a party spirit. Such activity is not news, so we never hear about it.
- However, it is an essential part of the democratic political system that it be competitive. It is the continual presence of an alternative, especially in the proposals of the Opposition, that promotes good policy decisions. Democracy is found *between* the parties. Without competition what we would have would be either stagnation and corruption, or dictatorship, or both.

### Endnotes

- 1 C Beauchamp, "Parliament, Politics and Public Works: The History of the New South Wales Public Works Committee 1888-1930", (unpublished manuscript), 2006, pp 1, 130.
- 2 Parliamentary Standing Committee on Public Works (PSCPW), Fifty-First General Report and Record of Inquiries, 1928, *passim*; G Harman, "Politics and Railway Development in New England", *JRHS*, vol 56, Pt 4, pp 281-5.
- 3 *NSWPD*, 1, vol 93, pp 382-5; TA Coghlan, *Labour and Industry in Australia*, vol 3, Melbourne, Macmillan, 1969 (reprint) pp 1421-22.
- 4 B Mansfield, *Australian Democrat: The Career of Edward William O'Sullivan*, Sydney University Press, Sydney, 1965, pp 160-2; *The Bulletin*, 11 January 1902, p 7.
- 5 *NSWPD*, 1, vol 38, pp 1159-1173; GH Reid, *My Reminiscences*, London, Cassell, 1917, pp 64-5; HV Evatt, *Australian Labour Leader. The Story of WA Holman and the Labour Movement*, Sydney, Angus & Robertson, 1954, p 13; Coghlan, *Labour and Industry in Australia*, vol 3, 1969, pp 1421-2; *NSWPD*, 3, vol 8, pp 320-2.
- 6 Beauchamp, "Parliament, Politics and Public Works", 2006, p 131.
- 7 *NSWPD*, 1, vol 87, pp 380-82.
- 8 Beauchamp, "Parliament, Politics and Public Works", 2006, pp 131-2.
- 9 PSCPW, Report on the Railway from Dubbo to Werris Creek, *NSWPP*, 1913, vol 3, pp 625-652. In this report, J Harper representing the Railway Commissioners, in evidence, gave details of those railway lines where the Committee ignored the Commissioner's recommendations up to 1913.
- 10 *NSWPD*, 2, vol 134, pp 324-27.
- 11 *NSWPD*, 2, vol 102, p 609.
- 12 FW Lyne, "Shakings from a Hansard Locker: An Autobiography", (unpublished typescript), 1950, pp 70-72, ML M552755.
- 13 *NSWPD*, 3, vol 8, pp 320-5; G Karskens, "Origins of the New South Wales State Conservatorium", in L Coltheart (ed), *Significant Sites*, Hale & Iremonger, Sydney, 1989, pp 121-28.
- 14 Coghlan, *Labour and Industry in Australia*, Part 3, pp 1421-2; Beauchamp, "Parliament, Politics and Public Works", 2006, p 133.
- 15 PSCPW, Reports on Railway Craboon to Coolah 1913; Additional Shipping Facilities at Coffs Harbour 1913 and Erection of Government Premises for

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- Printing Office 1913; B Naim, "The New South Wales Labor Party: The Legislative Council and Catholics", *JRHS*, vol 71, Pt 4, April 1986, pp 235-254.
- 16 Beauchamp, "Parliament, Politics and Public Works", 2006, pp 19-23.
  - 17 E Dunsdorfs *The Australian Wheat-Growing Industry 1788-1948*, Melbourne University Press, Melbourne, 1956, pp 167, 213-221.
  - 18 Personal Communications with Parliamentary Librarians, Queensland, South Australian, Tasmanian and Victorian Parliaments, August 2005.
  - 19 *NSWPD*, 3, vol 8, pp 128-40; Personal Communication with Ms Carolynne James, Manager of the New South Wales Standing Committee on Public Works, August 2005.