

## HOUSE OF ASSEMBLY

Thursday 8 October 1981

## ESTIMATES COMMITTEE A

**Chairman:**

Mr G. M. Gunn

**Members:**

Dr B. Billard  
 Mr P. D. Blacker  
 The Hon. J. D. Corcoran  
 Mr G. F. Keneally  
 Mr J. W. Olsen  
 The Hon. R. G. Payne  
 Mr R. J. Randall  
 Mr J. P. Trainer

**Witness:**

The Hon. P. B. Arnold, Minister of Water Resources, Minister of Irrigation, Minister of Lands, and Minister of Repatriation.

**Departmental Advisers:**

Mr K. W. Lewis, Director-General and Engineer-in-Chief, Engineering and Water Supply Department.

Mr D. J. Alexander, Deputy Director-General, Engineering and Water Supply Department.

Mr A. N. Killmier, Director, Administration and Finance, Engineering and Water Supply Department.

Mr K. J. John, Senior Finance Officer, Engineering and Water Supply Department.

**The CHAIRMAN:** Would the Minister care to make any opening comments before the examination commences? I intend to invite the leader for the Opposition Parties to make an opening comment if he so desires, but I ask the Minister first whether he wishes to make any comments prior to the examination commencing.

**The Hon. P. B. Arnold:** I have no particular comment. I believe that the experience that we gained last year from appearing before this Committee did enable us to present the documents in a even more defined manner than we did last year. I think that this is a refinement that will continue to develop as these Committee hearings proceed. I believe that they are presented in a form which we can readily understand and appreciate, and that, with the assistance of the officers that I have here today, we will be able to answer adequately whatever questions the Committee might put to me.

Would it be possible for the Committee to indicate the possible time span that it is likely to desire for the Engineering and Water Supply Department so that I could give some indication to the officers of the Lands Department as to what time to present themselves at Parliament House?

**The CHAIRMAN:** Is the Committee in a position to give any indication?

**Mr KENEALLY:** No, not to any exact degree. It is anticipated that questioning of Engineering and Water Supply Department personnel will last certainly all the morning and, if not all the afternoon, certainly most of the afternoon. It would be very difficult. It will depend largely on the replies to our queries and also on the contribution that Government members will be making to today's hearings. It would be anticipated that the officers who are currently

with us would be here for the rest of the morning session and the afternoon session.

**The CHAIRMAN:** Is it reasonable to expect that the officers for the Department of Lands will not be required before 5 o'clock?

**Mr KENEALLY:** It would be reasonable to anticipate that.

**The Hon. P. B. Arnold:** Thank you, Mr Chairman.

**The CHAIRMAN:** During the answer to questions the Minister may state that he will obtain information for the Committee at a later date. I suggest that the information be in a suitable form so it could be incorporated into *Hansard*.

**Mr KENEALLY:** I know that has been the format, and I appreciate the need for the Minister and any departmental officers to provide information at a later date. It would be very useful for the Committee, nevertheless, if some of the information which is being sought and which is to be provided at a later date could be provided urgently and perhaps before the end of today's session. I am sure that there are occasions when this could be provided for us, and if the Minister is able to do that we would appreciate it.

**The CHAIRMAN:** That is a matter entirely for the Minister.

**Mr KENEALLY:** Perhaps I could ask the Minister.

**The Hon. P. B. Arnold:** That will depend on the extent and the detail of the information sought. The principal officers are here with me, and not in the department. We will endeavour to facilitate the matter, but a situation could arise where the detailed information sought is so extensive that it cannot be provided because the responsible officers are here with me.

## Engineering and Water Supply, \$83 220 000

**The CHAIRMAN:** The total vote for Engineering and Water Supply is \$83 220 000. Over the past two days, in an attempt to simplify the Committee's operation, we have gone through the sub-totals contained in the Estimates of Payments. In relation to this vote, the relevant pages are 106 to 108. If that is the will of the Committee, I will continue in that manner.

**Mr KENEALLY:** I am sure Committee members on this side would be happy with that format.

**The CHAIRMAN:** Are there any questions or comments?

**Mr KENEALLY:** You indicated earlier, Sir, that it was appropriate for me to make some preliminary remarks before questioning begins. I should like to say one or two things, and perhaps in saying them I will be giving a lead to the Minister and his officers about how we intend to structure our questioning of the Estimates today. The most important factor of Engineering and Water Supply Department activities currently, as the Opposition sees it, is the department's ability to perform the tasks given to it by the Government. That means that it must be adequately staffed.

During the past four or five years, in the time of the previous Government, and certainly in the time of this Government, there has been a major reduction in the department's work force. I should like to give an example of what has happened in a Government department with which I am very familiar. It is a Commonwealth Government department, and I want to illustrate the sorts of problem that have occurred there as a result of dramatic reductions in staff. Following that, I will seek to question the Minister and his officers as to whether similar problems have been experienced within the department.

The Engineering and Water Supply Department, in a sense, is a laboratory for testing the Government's policy of reducing the public sector, reducing the size of the work force, and increasing that component of Government activity that is let out to private enterprise. In fact, we will be very anxious to have some definitive information from the Minister or his officers as to how effectively that system is working.

For 20 years before I came into this House I was a member of the then Commonwealth Railways, now Australian National. A few years ago, after the amalgamation of the railways, the operation was required to become commercially viable, and a condition was imposed on the administration that it should reduce dramatically its work force. Over the past few years it has done that. I have been very close to the work force of Australian National, both as a previous employee and as member for the area that has been affected dramatically by this policy, and I would like to demonstrate to the Committee some of the problems that have arisen as a result of the very quick reduction in the staff of Australian National.

The first and most important thing is that there has been a total de-skilling of the work force. Those people within Australian National who have skills and who are able to market those skills elsewhere have taken the opportunity to do so. Therefore, there is now a problem in Australian National whereby the more competent of the skilled operatives (and I do not say that in a derogatory sense in regard to those who have remained) are seeking to go elsewhere. This has a quite detrimental effect on the department's ability to provide the service with which it is charged.

Massive overtime has been worked by the people who are left, because the railways are, in my opinion, now grossly understaffed. This massive overtime has affected the efficiency of the operatives. There is no doubt that, if people are required to work the sort of overtime that these people are working, there will be a drop in efficiency and, in the area in which railways employees work, an increased risk of danger.

The loss of departmental skills has meant that Australian National is required to get a lot of its work done elsewhere, by employing consultants, and so on. There is a serious loss of morale within the department. Workers have over a number of years developed skills in railways operation, but they now find that those skills are not needed. So, they feel that their jobs are threatened. As a result, many of them have sought to go elsewhere, not because they wish to market their skills but because they like to believe that their skills are appreciated. One of the tragedies is that skills in railways operations are not always easily applied elsewhere.

Difficulties have been experienced by people in my district in regard to vacancies occurring in areas such as Port Augusta, Alice Springs and Peterborough (but, unfortunately, few vacancies occur there). These positions are difficult to fill because there are no staff to transfer to the new vacancies. Even if staff is available, it takes 6 to 12 months to fill a vacancy. During that time, operations suffer. I have referred to the accident risk. One of my colleagues will refer later to problems of wastage within the railways. Because there are no new appointments, the age profile of the people who work in the railways is affected. It is difficult to transfer or re-educate these people in the new skills that are required as a result of the change in railways operations, and this has certainly created problems.

Problems are also experienced in regard to apprenticeships. I know that, because some of my lads are apprentices within the railways. There is no guarantee of work for these people when they achieve their trade credentials. I could go on in this regard. There are any number of areas within

the railways in which problems occur as a result of a deliberate policy to reduce employment.

I believe that this is likely to occur also within the Engineering & Water Supply Department. My colleagues and I appreciate that the department over a great number of years has developed considerable skills, both in the application of water supply and sewerage services. In fact, it has been readily recognised that the skills in the department are the best in Australia. As a result of the downturn in activity, particularly in regard to sewerage, the department was left with surplus labour, and something had to be done about that. In fact, the previous Government was doing something, and the current Government has continued to do something.

In addition to the wastage programme, we now have the early retirement scheme, about which I wish to make one comment. The only people who can afford to retire early are those people on reasonable incomes. Obviously, they will be senior people within the department who retire because they can afford to do so. Those who stay need the income to survive.

Under an early retirement scheme, skilled people are lost, and that must be to the disadvantage of the department even though it might be to the advantage of people who want promotion. Can the Minister say whether the department has achieved the manpower levels it is seeking in relation to its construction work force, whether that current construction work force will be retained and whether the wastage programme has left the department in any way short of key water supply personnel?

**The Hon. P. B. Arnold:** The department is near to the full complement deemed necessary by the department to carry out the works undertaken by its day-labour force. In some instances we are on target, and in others we are still slightly over. Part of this problem arises because of the inability in many instances to be able to satisfactorily transfer weekly-paid employees from one area to another. If that could be done with the agreement of all concerned, we would probably be on target now. In some instances we are slightly under, and in others right on target, while in others we still have slightly more than we require. By and large, we are close to the work force that we require to effectively utilise them and carry out the necessary work.

The current staff situation is on line with the Government's requirements. There has been a progressive reduction from 1 763 in 1978 to 1 655 in June 1981. The Government is more than happy with the way in which the department's operation is proceeding. We believe that performance has not been lost in relation to services to the community. We have entered into a scheme involving the weekly-paid day-labour force working on construction work done by the department on a day-labour contract basis, whereby the department contracts in a similar manner to that involved in the private sector when tendering for a certain job. That is working well, and it is quite remarkable to note the increased performance that has resulted from that move. This is highlighted more than anywhere else in rehabilitation work in the Riverland, where the performance of the team at Berri is equalling that of the private contractors who have undertaken similar work. In fact, only about 18 months or so ago performance was much lower, but it has increased by about 90 per cent as a result of working to specific targets.

**The Hon. R. G. PAYNE:** They usually do not have to do the departmental work again, of course. That ought to be taken into account.

**The Hon. P. B. Arnold:** I do not think that that is necessarily a fair comment. The departmental force in the Riverland has been able to increase its productivity and performance by 90-95 per cent compared to the situation

under the previous Government, and that is clearly documented. This efficiency of operation is clearly identified in the work being produced.

**The Hon. J. D. CORCORAN:** I can see no evidence of how any increased performance is due entirely to the change in Government. Will the Minister tell me what percentage of work is being done within the department by daily-paid workers and what percentage is going to contract? Can he also tell me the approximate number of people in the blue-collar area who have been wasted since 1975-76? Also, has there been any reduction of staff in the department's white-collar area? Can he say in which areas in the department (workshops, foundry, gangs or servicing) wastage occurred? This is important so far as the future operation of the department is concerned.

**The Hon. P. B. Arnold:** The proportion of work being undertaken by the department, compared with that on contract (this is an estimate on my part, and the Director might be able to give a more accurate figure later) is approximately 50-50 at this stage.

**The Hon. J. D. CORCORAN:** Do you propose to maintain that level?

**The Hon. P. B. Arnold:** It might vary slightly, but probably not to a significant degree. As I said before, we are down pretty well to the work force that we desire. I believe that a balance in the vicinity of 50-50 is a good working situation.

**The Hon. J. D. CORCORAN:** That is in construction, is it?

**The Hon. P. B. Arnold:** That is in relation to general construction; it is the percentage of work being done by the departmental work force *vis-a-vis* what is going out to contract. As I recall, it is approximately 50-50. The Director may wish to comment further on this matter.

**Mr Lewis:** I think that the answer depends on which area of the department's operation one is talking about. I think, in the area of major projects, the figure would be close to 50-50. I would like to get those figures out precisely for the Committee.

The department does a lot of work under Loan works, which are minor works, such as extensions to mains and connections of services. So, overall, more work would be done departmentally than by contract. I could obtain the exact figures for the honourable member if he requires them. Certainly, overall, there would be a large percentage of work done departmentally than done by contract at the present time. That has been affected, of course, by the lesser programme that we have.

**The Hon. J. D. CORCORAN:** The answers that I sought were in relation to the approximate numbers of people involved, and whether there has been any movement of staff.

**The Hon. P. B. Arnold:** I think the honourable member sought information on the areas in the department in which attrition and early retirement had occurred.

**The Hon. J. D. CORCORAN:** And the total numbers.

**The Hon. P. B. Arnold:** Information on the total numbers is in the Auditor-General's Report at page 79.

**The Hon. J. D. CORCORAN:** I want to get the information in *Hansard*.

**The Hon. P. B. Arnold:** Referring to the list on page 79, with regard to weekly paid, in 1977 there were 5 400; in 1978 there were 5 294; 1979, 4 794; 1980, 4 387; and 1981, 3 683.

**The Hon. J. D. CORCORAN:** What about the breakdown in regard to skilled or semi-skilled people in different sections?

**Mr Lewis:** We do not have that sort of information with us, but it could be extracted. Generally, I would say that the major reductions in numbers have been in the Loan

works area, together with our workshops area. Naturally enough, the numbers in the operation and maintenance sections have tended to be maintained.

**The Hon. J. D. CORCORAN:** The reason I am seeking this information is to find out if I can what skills have been lost to the department, in other words, whether they have been tradesmen or semi-skilled people because, as the Minister would appreciate, it takes a considerable amount of time to even train a man on a gang—it might be six months before a person is an efficient pipelayer, or 12 to 18 months before you have efficient chain men, and so on. This is one of the things concerning me, and I wonder if any study has been made of this. As the member for Stuart has already mentioned, with older persons going out of the work force, the department then has a work force of people of about the same age; at some time in future there will be mass resignations, and the department will lose almost all its skilled tradesmen if it is not careful. I wonder whether that matter has been kept under surveillance and whether the Minister could tell us what work has been done by the department to counter the effect of that, if it is, in fact, likely to happen.

**The Hon. P. B. Arnold:** That is a very valid point, particularly in relation to apprenticeship training. It is still a matter of final decision by the Government as to just how many apprentices carrying out their training, particularly at Ottoway, will be kept on by the department. That decision as yet has not been made.

**The Hon. J. D. CORCORAN:** The department may not have room for them at the moment, but at some time in the future a tremendous number of people could leave and there would not be the skilled people to replace them. I am wondering whether a study has been made of that aspect.

**Mr Lewis:** It is quite obvious that in a department of our size, with the mix of skills, the different requirements and the various activities that we have, that we must keep a continuing check on the precise situation not only at present but also in future. We do analyse age profiles and look at the sort of possible separations or departures of skilled people from the department, and we attempt to ensure that we are equipped with people in the department who can satisfy the need to operate our systems properly in the future.

We are certainly studying that the whole time, and we are looking at that question. I think, as the Minister said, that we are looking at the need perhaps to retain some apprentices in order to look after the future when some of our older people who in, say, the next five to 10 years may leave our workforce.

**Dr BILLARD:** I have a question that is a little bit different from the line that has been followed, but I guess it is related in some ways. It relates to what sort of planning and looking ahead you do regarding general development activity in Adelaide and in South Australia. By that development activity, I mean industrial, housing, and whatever, because that obviously will have a big impact on your future workforce. What studies do you do to try to determine, say, four or five years ahead what the requirements for your department will be? In addition, I note that on page four of the programme papers there is a reference under 'Issues and trends' to some rated properties that are not connected presently. I understand that they would be the common effluent type systems. Is it planned to put them onto the system, and would that affect the future work load?

**The Hon. P. B. Arnold:** Can we just come back to the reference to sewerage and the common effluent schemes and whether or not they will ultimately be converted into full sewerage systems? Ultimately, I suppose, one can say that: that would be the long-term objective. However, the

common effluent schemes are proving to be very efficient, in as much as they are being used widely throughout the country areas, and certainly in the honourable member's district. A certain amount of the common effluent scheme is discharging into the various sewerage systems, with ultimate disposal through to Bolivar. I suppose you would classify that as an ultimate upgrading of the system to convert from those areas that are common effluent systems into full sewerage systems. I believe that even in the foreseeable future the common effluent scheme, particularly in country areas, will work extremely well. In view of the costs incurred and the availability of funds to do it, I do not see any great need to change to a full sewerage system. I think the system is working extremely well.

**Dr BILLARD:** The first part of my question relates to the extent to which the department tries to forward plan as to likely housing and industrial developments in South Australia over, say, the next five to eight years in order to determine what sort of work force it will require and what its own planning will have to be.

**The Hon. P. B. Arnold:** With the approach that has been adopted by the Government, with more work going to contract, it gives the Government far greater flexibility, if there is a sudden peak demand to be able to bring in outside contractors to do a certain job without necessarily building up the work force on a permanent basis and then, when the workload drops off, to still have that additional work force on the department's books and not necessarily have the work to continue.

We are trying to achieve a work force, particularly in the maintenance area, and replacement of existing water mains and sewers as they fall due, so that we have a constant steady work load for departmental employees, and so that high spots and additional works outside of those that were planned for can be readily taken up by contractors. The Director might like to comment further.

**Mr Lewis:** In addition to that, of course, within the department we have a Corporate Planning Branch, whose responsibilities are to identify the economic and development environment in which the department will operate in the future. That, of course, looks at all the developments that take place, the economic scene, where development is taking place, and so on, with a view to developing the department's long-range or strategic planning. That information is put together into a document called the 'corporate plan', as a draft corporate plan to the Government, which either authorises or amends it and determines what, in fact, our strategic plan for the department will be. That deals, of course, with where development is occurring, how many new houses are involved, what services will be required for them, and what the needs are to upgrade the systems in the meantime. That is a public document.

**Dr BILLARD:** I notice on that same page a reference to the corporate plan for 1981-82 and onwards being made available when the information becomes available. Is there any indication of when that will be available?

**The Hon. P. B. Arnold:** The corporate plan is being upgraded continuously. That is the objective of the department that in 12 months time can quite easily be out of date. It is an ongoing process of upgrading that corporate plan continuously. Whatever new additional information comes to hand is automatically taken into account, and annually the corporate plan is upgraded.

**Dr BILLARD:** So you are saying that it is available now?

**The Hon. P. B. Arnold:** Some information is available. Some information will become available all the time for inclusion and consideration in the plan.

**The Hon. R. G. PAYNE:** I would like to return to the point raised by the honourable member for Hartley in some detail. The Minister referred us to figures on page 79 of

the Auditor-General's report. We see that during the year weekly-paid personnel decreased by 704 (16 per cent) and included 353 persons who accepted the offer under the voluntary early retirement gratuities scheme, etc. On my mathematics that means that 351 persons did not take voluntary retirement, and that the work force has been reduced by that number. Has the Minister any information as to how the attrition of the other 351 was achieved?

**The Hon. P. B. Arnold:** A total of 353 were voluntary retirements.

**The Hon. R. G. PAYNE:** That is what I said.

**The Hon. P. B. Arnold:** The difference between 704 and 353 were those who just left of their own accord, and normal attrition.

**The Hon. R. G. PAYNE:** The Minister could quite easily have answered that he did not have the information I sought. Perhaps he did not hear me. Has he any breakdown of what has occurred to those people, in which categories they were employed before they left of their own accord (I think they were the words used), and what methods were used to discourage their continued employment within the department?

**The Hon. P. B. Arnold:** That information can be supplied. I have here an example, a summary of classifications, employees who left during July 1981, which would give some indication of the broad spectrum. It includes one machinist first class and two apprentices located at Ottoway, and one Grade III machine operator located at Marden.

**The Hon. R. G. PAYNE:** There are only 350 to go.

**The Hon. P. B. Arnold:** If that is the information the honourable member wants, it can be taken out.

**The Hon. R. G. PAYNE:** I am prepared to give the Committee's time to hear the Minister read out what he has there. If it is in the record, at least we have an opportunity for further study.

**The CHAIRMAN:** How and whether he answers the question is entirely up to the Minister.

**The Hon. R. G. PAYNE:** I am sure that that has not changed over a long period.

**The CHAIRMAN:** I simply remind the honourable member of that. If the Minister has a statistical table, he might care to have it incorporated in *Hansard*, which is much easier than reading it.

**The Hon. P. B. Arnold:** I have a statistical table that could be incorporated in *Hansard*. However, it is for the month of July 1981 only. I am quite happy to seek leave to have that inserted in *Hansard*.

**The CHAIRMAN:** Is leave granted?

**The Hon. R. G. PAYNE:** I do not particularly want that in *Hansard*, because it does not cover the period over which I asked the question, which was the period ending 30 June 1981.

**The CHAIRMAN:** If the Committee does not want it, the Committee does not have to accept the Minister's offer.

**The Hon. P. B. Arnold:** If it is desired by the honourable member, I take it that it is possible for the department to analyse the total and provide information on the 704.

**The Hon. R. G. PAYNE:** That would be a bit stupid. I am perfectly prepared to accept the Auditor-General's word that 353 employees accepted voluntary retirement. I am trying to find out what happened to the remainder. The Auditor-General says that 353 accepted voluntary early retirement under the gratuity scheme. I am happy to take his word and the Minister's word, but will the Minister now tell me what happened to the 351 who were not accounted for and who have left the employment of the department?

**The Hon. P. B. Arnold:** We can provide that information, but it will take some time to do that. It refers to natural attrition. What has happened to those people since they

decided to retire or leave the department I have no idea, but we can provide a list of the areas in which they were working. That is about the only information the department would have; it has no information on what they have done since they left. It was voluntary. They left as a result of natural attrition. The others are specifically those who accepted early retirement. Natural attrition can be as a result of reaching retirement age or of deciding to no longer be in the employment of the department. There are basically those two categories. A third category, as is pointed out to me, concerns those who transfer from the Engineering and Water Supply Department to other Government departments.

**The Hon. R. G. PAYNE:** I do not want to know whether they are doing gardening at home during their retirement. I am looking for the classifications.

**The Hon. P. B. Arnold:** We can indicate the numbers who have transferred to other Government departments, if that is the information sought.

**The CHAIRMAN:** I recognise that the Committee proceedings are relatively informal, but I suggest to the honourable member that it is better if questions are asked through the Chair. I do not know whether the amplification system is fully turned up, but it is difficult to hear, and I ask the honourable member to speak into the microphone.

**The Hon. J. D. CORCORAN:** From my experience, the department once had a large roving construction gang, a very well-trained gang, that moved around. It was very efficient. Does that system still exist and, if not, what difficulties does that create for the department? Secondly, can the Minister give an assurance that the daily-paid work force, whether in construction or otherwise, is adequately supervised? It is possible that the people who took advantage of the early retirement scheme were foremen, and so on. I want to know whether the Minister is satisfied that the workmen are properly supervised, whether the construction force still exists and, if it does not, what difficulty the department experiences as a result of that.

**The Hon. P. B. Arnold:** It still exists. The main area where it is still operating significantly is in the Riverland, in rehabilitation. It is operating extremely efficiently.

**The Hon. J. D. CORCORAN:** It always did.

**The Hon. P. B. Arnold:** According to the department, it is operating much more efficiently than it did in the past.

**The Hon. J. D. CORCORAN:** The Minister lives up there, and they are frightened of him.

**Mr KENEALLY:** Are you suggesting it was inefficient previously?

**The Hon. P. B. Arnold:** I am saying that, if there is a significant increase in productivity, it should be recognised. I am delighted with the performance of the team to which the honourable member has referred, and the engineers and managers associated with it are equally delighted with its performance.

**The Hon. J. D. CORCORAN:** What about the adequate supervision of the daily-paid work force?

**The Hon. P. B. Arnold:** I think that is to some degree self-evident: the fact that it is performing.

**The Hon. J. D. CORCORAN:** The gang up the river is not the only gang.

**The Hon. P. B. Arnold:** It is the most significant one operating at the moment in terms of size and the amount of work being done as a roving gang. I believe the supervision—

**The Hon. J. D. CORCORAN:** I am referring to supervision of the daily-paid work force, not just the gang. Are you satisfied that the whole work force is adequately supervised?

**The Hon. P. B. Arnold:** On the performance that is coming through, I am satisfied with it. That is what I am

gauging it on, and that is the cost benefit situation. In my view that is good at the moment.

**The Hon. J. D. CORCORAN:** Has there been any reduction in the services provided by the department? For example, it is well known that, if a water pipe leading into a house were to burst, one could rest assured that, if a phone call were to be made to the right place, service would be available within half an hour. Those people who are responsible for that service would do the job. Has that service been reduced in any way?

**The Hon. P. B. Arnold:** There has been no reduction of that service, to my knowledge: none whatsoever.

**Dr BILLARD:** It is a good service.

**The Hon. J. D. CORCORAN:** It is a good service. I asked whether it had been affected as a result of attrition.

**The Hon. P. B. Arnold:** There has been no reduction. If a person believes there has been an excessively high charge for water or if the meter reading has been excessive, the department still does everything it possibly can to identify that reason. It looks for concealed leaks, as it has done in the past, to try to assist the ratepayer to overcome that problem.

**The Hon. J. D. CORCORAN:** We referred earlier to the percentage of work (that is, general construction) that is going to private contract. Will the Minister say what percentage of work in the planning and design area is now let to consultants and what percentage is carried out by Public Service staff in the department? Has the work that goes to consultants been increased, and are the contractors and consultants as efficient as the Public Service staff, more efficient, or less efficient? If possible, I would like specific examples.

**The Hon. P. B. Arnold:** Efficiency probably varies from project to project, depending on the speciality. When tenders are called for a specific job, whether it is for a water filtration plant or anything else, the department would have a pretty fair idea of which consultants will tender because of their speciality in that area. I cannot give figures relating to the percentage of work that is currently being done by the department and the percentage that is put out to tender, but the Director may be able to give an estimate.

**Mr Lewis:** The staff of the department's Design Services Branch, which carries out estimations, investigations and design work, has reduced in number over time, very much related to the reduction in the forward works programme. At present, the only major design work that has been let out to consultants is the design of the Morgan water filtration plant, which is being done by Camp, Scott and Furphy.

**Mr BLACKER:** I notice that the sum proposed for terminal leave payments is considerably less than the actual payments for last year, which were \$260 000 more than the sum voted for last year. Is there any explanation for that?

**The Hon. P. B. Arnold:** It is principally as a result of the early retirement scheme having significantly reduced staff numbers.

**Mr BLACKER:** Can it be accepted that the voluntary early retirement scheme, having only recently been introduced, will tail off in regard to acceptance by employees? Obviously, in the first year a considerable number of employees would take advantage of this scheme, and, as things settle down, fewer employees would take advantage of it. Will the Minister give an estimate of what that lesser number may be?

**The Hon. P. B. Arnold:** The Government must decide whether the offer for early retirement will be remade. Is the honourable member asking whether the scheme is continuing at present?

**Mr BLACKER:** Yes.

**The Hon. P. B. Arnold:** No, the Government has not decided whether it will enter into another extended scheme.

**Mr Killmier:** Possibly I misled the Minister, inasmuch as I jumped to a conclusion. The terminal leave payment is in regard to staff, not weekly-paid employees. It is the result of about 20 staff members leaving in February because of changes to the superannuation scheme. We do not anticipate that the same number will leave this year.

**Mr BLACKER:** I believe that that answers the question. I take it that the line under terminal leave payments is not directly related to the voluntary retirement scheme.

**Mr Killmier:** It involves staff. The payments for weekly-paid employees come from our deposit account. We make provision for weekly-paid employees under a deposit account, whereby we provide a charge to works percentage in anticipation of people retiring, and we charge the weekly-paid employees against that. In the case of staff, there is a direct charge against the vote account in the year in which it occurs.

Because there were changes to the superannuation arrangements during 1980-81, an additional number of people took up their right to retire and, therefore, the terminal leave payments were higher than we anticipated they would be at the beginning of the year. It is particularly difficult to read people's minds at the beginning of the year to ascertain what may happen during the year, so a reasonable estimate is made and, if changes occur that encourage people to leave, be that as it may.

**Mr BLACKER:** Regarding planning, the Minister referred to the department's encouraging people to use rainwater tanks. I note that an additional sum is proposed under the planning line. What is envisaged in this? Does it involve more than wages escalation?

**The Hon. P. B. Arnold:** Basically, it involves salaries and general wages of officers who are employed in the Planning Division. It also provides for known and committed increment leave loading and that sort of thing.

**Mr BLACKER:** Do I take it that there will be an increase of staff in that section?

**The Hon. P. B. Arnold:** No. There is no intention to increase the staff.

**Mr KENEALLY:** In my opening remarks, I canvassed many problems that I believed could be obvious within the Engineering and Water Supply Department work force. I have been told that many of the factors that I mentioned are real in regard to many of the State Government departments, not only the Engineering and Water Supply Department. It is important that we are able to obtain from the Minister a very clear statement as to his view of the department's work force because, as I said earlier, the Engineering and Water Supply Department is a laboratory for all Government departments in South Australia. I referred to de-skilling, morale, overtime, and so on.

Is the Minister satisfied that, as a result of the wastage programme, and the voluntary retirement scheme, and in view of those people who have left the department because of low morale, the department has not been de-skilled so that it is unable to carry on its current work load? Equally importantly, it could be unable to complete the important tasks that face it within the next few years. Are my fears about de-skilling the work force real or illusionary?

**The Hon. P. B. Arnold:** Fundamentally, to carry out the tasks involved in the E. & W.S. Department, staff rather than weekly-paid employees. This is one of the reasons why there is not a significant reduction in staff numbers compared to the number of weekly paid. The additional demands that have been made for close monitoring of the water supply in connection with amoebic meningitis, trihalo-methanes, and nitrates, etc., which involve the State Water Laboratories have created the need for additional technical officers. The same thing applies with new capital works

projects. For example, a new water filtration plant requires staff, in the main, to operate the technical side of it.

**Mr KENEALLY:** You are reducing your staff numbers as well as the daily-paid numbers. All these additional projects require additional staff: that is pertinent to the question I have asked.

**The Hon. P. B. Arnold:** The overall capital works side of the department is significantly less than it used to be and that is one of the major reasons for the reduction in the weekly-paid number. Supervisory staff—engineers, etc.—are needed whether a job is being done by contract or by labour. The department's Loan works programme is significantly less today than it was in the mid-1970s. The programme started tapering off from about 1975-76, and the department's capital works programme in real terms today is much less than it was at its height in the early 1970s.

**Mr KENEALLY:** Sir, you ruled earlier that the Minister is able to answer questions as he sees fit, and we have to abide by Standing Orders in the way in which we ask questions. I do not complain about that, but the Minister did not answer my question at all. He gave me a long report about about many issues, of which most of us are aware.

What I want to know from the Minister is whether he and the Government are happy that the E. & W.S. Department is not being deficient in the skills it requires to do the work that the Government gives it.

The Minister has already mentioned some serious public health issues, involving amoebic meningitis and trihalo-methanes, etc., and the general problem of maintaining sewerage systems in South Australia. I am referring to the problems that he knows exist in Port Augusta and particularly Whyalla. There is a whole range of individual matters that should be drawn to his attention which indicate there could well be or is in fact a deficiency in skills within the department, affecting its ability to provide the services it is charged to provide. I want to know from the Minister whether he is content that there has not been a deskilling of the department's service and that it does have the skills that are required to do the job that the State expects of it, which is the reason for the existence of the department.

**The CHAIRMAN:** I point out to the honourable member for Stuart that the Chair is most tolerant, but repetition is not in order.

**Mr KENEALLY:** Could I just clarify that? I take it that if we ask a question and do not get an answer we cannot ask it again, and that you would rule that as being repetitious.

**The CHAIRMAN:** I think the member for Stuart has been here long enough to adopt the skills required to ask a question in a suitable manner and in compliance with Standing Orders.

**Mr KENEALLY:** Are you ruling not only that the Minister can answer questions as he sees fit but also that the Chair can as well? I am asking whether I am able to seek information that the Minister does not give me, by asking him again. If you are ruling that I must rephrase the question, I am happy to do so.

**The CHAIRMAN:** I suggest that the member for Stuart ask the question in the manner he thinks appropriate, and the Chair will rule if it considers that he is continuing to ask repetitious questions.

**Mr KENEALLY:** It seems to me that whenever there is a massive reduction in staff there is as a corollary, a massive increase in overtime. Is there massive (and I use the word advisedly) overtime being worked in the department and, if there is, in what areas and why?

**The Hon. P. B. Arnold:** No, massive overtime is not being worked in the department. Some overtime is being worked in specific areas, and we can provide that information. Mr Killmier might have an outline of that information.

**Mr KENEALLY:** And why?

**Mr Killmier:** I do not have actual figures of overtime. The only overtime being worked would be for maintenance crews at weekends and after hours and some overtime in particular need circumstances in staff areas, but in comparison with years gone by it is significantly less. I can remember when the Sewerage Branch used to work all day every Saturday. Nothing like that is happening now.

**The Hon. J. D. CORCORAN:** We do not have the backlog now.

**Mr Killmier:** No, we do not have the work, and we tend naturally enough to take the cheapest way out, which is to do the work in normal hours. Management regularly receives from me a report of overtime hours worked right across the department, and we examine that. Of course, there are the odd cases where particular circumstances have caused overtime to be worked, as may happen with floods, burst mains or urgent demands to keep the service going, but we monitor it closely because in this day and age with budgetary constraints one cannot afford to pay much overtime.

**Mr KENEALLY:** I take it that the only overtime that is worked is in maintenance and in the event of burst mains and matters of that kind. I think the Minister, or perhaps the Director, said earlier that there is only one outside firm of consultants currently being employed by the department, and that is in relation to the Morgan filtration plant. If I am repeating accurately what I have been told, I take it that the departmental officers are quite able to perform all their tasks without the need to get outside skills, so you are not really employing outside consultants for any work that could be done departmentally?

**The Hon. P. B. Arnold:** There is only the one major outside consultancy at the moment. There would be a few small ones involved with the northern towns water filtration. We regard the design of the Morgan plant as involving a major consultancy, because it is in the million-dollar bracket. The Director could probably provide more detailed information on the small consultancies.

**Mr Lewis:** There may be one or two small consultancies. The question was about major design consultancies, and that is what I was talking about. To my knowledge, that is the only major design consultancy that we are doing in the department; all other design work is being done by internal staff.

**Mr KENEALLY:** I mentioned the problem of shortage of staff in one area and surplus in another. I understand the basic reasons for that. Can the Minister tell me why in areas such as Whyalla and Port Augusta (and I think the member for Flinders would be interested in Port Lincoln) the E. & W.S. Department cannot employ local unemployed people to maintain gang strength within those areas, rather than having what is the ludicrous situation of an undersupply of labour in many of the country gangs including, I imagine, some in the Riverland (if there is not, I will be surprised, because there is certainly under-manning in my district and I would like to think that the same applies in the Minister's district, because if it did not I would want to know why), and what the department is going to do about it?

We have unemployed people in Port Augusta and Whyalla, where there are vacancies in the E. & W.S. Department, but there seems to be an inability to overcome the problem. That must have a detrimental effect upon sewerage operations, particularly, within those areas. I understand that in Whyalla the maintenance of the existing sewerage system could well be under threat and cause a public health problem.

**The Hon. P. B. Arnold:** I know of no threat to public health. Perhaps the honourable member could indicate where he is getting his information from in this respect.

**Mr KENEALLY:** I am saying that if there is a breakdown in the domestic sewerage schemes in major country areas because of insufficient staff to provide the maintenance, what is the ultimate result—the possibility of inefficient sewerage schemes with a resultant threat to public health. If inefficient sewerage schemes were not a public health problem, we would not be required to spend so much money on them in the first place. In addition, I do not want the Minister to evade the pertinent point I am making about vacancies in the country.

**The CHAIRMAN:** I must inform the member for Stuart again that the manner in which the Minister answers the question is entirely up to him.

**The Hon. P. B. Arnold:** I am unaware of any likelihood of a health risk, or a breakdown in the sewerage system in Port Pirie or Whyalla. If the honourable member has specific, positive information in relation to that matter, I believe he should make it available to me.

**Mr KENEALLY:** And?

**The Hon. P. B. Arnold:** Then I can take the necessary action. If positive information is available, I would like to know about it. If it is just hearsay, the department is unaware of any health problem resulting from a likelihood of a failure in the sewerage system. I imagine that I would have heard about it long before this from the Directors if the scheme was likely to cause a health problem. I am absolutely certain that it would have been brought to my attention, and I have every confidence that that would be the case.

**Mr KENEALLY:** I take it, Mr Chairman, that you will now stop me from asking the question which I have asked twice and which the Minister has not yet answered.

**The CHAIRMAN:** The honourable member does not have to take anything.

**Mr KENEALLY:** Will the Minister tell the Committee what he is doing about vacancies in country areas where his department is under-staffed? There seems to be a total inability under the system that currently applies to fulfil those vacancies. Why is it not the department's intention to employ locally unemployed people?

**The Hon. P. B. Arnold:** It is a problem of finding people within the department. We have people who are not prepared to transfer to Port Augusta—people on the pay-roll who can do that work but who are just not prepared to shift, particularly to Whyalla or Port Augusta. We are not solving anything, when we have surplus people in an area who have the knowledge and expertise of a particular line of work, by putting on additional people because those we have are not prepared to serve in that area.

**Mr KENEALLY:** Is the department understaffed in Port Augusta and Whyalla? If it is, what is the result of that understaffing?

**The Hon. P. B. Arnold:** Are you referring to staff or weekly-paid employees.

**Mr KENEALLY:** Employees. For the benefit of the Minister, I point out that when I am talking about E. & W.S. employees I believe that they all work for the E. & W.S. Department, and I am not too worried about a distinction between staff and blue-collar workers.

**The Hon. P. B. Arnold:** It does identify that section of people the honourable member is talking about.

**Mr KENEALLY:** Employees.

**The Hon. P. B. Arnold:** It is purely a decision of the Government and the department as to whether or not it is going to take on additional people in light of the fact that it already employs surplus people in those specific areas. It is purely a decision of the Government as to what it will do

in the long term. It has two options: first, if people are not prepared to transfer to those areas more of that work will be undertaken by contract. Secondly, it has the option of recruiting locally. Most likely, if people are not prepared to transfer from where there is a surplus of manpower to an area of need, the Government will probably look closely at having more sewers and water mains laid by contract.

**Mr KENEALLY:** So—

**The CHAIRMAN:** Order! The honourable member should address his questions to the Chair. I will allow him one more question, as other members have indicated they have questions to ask. The honourable member for Stuart.

**Mr KENEALLY:** Does that mean that the department will then be providing work to private contractors while, at the same time, maintaining staff that can do that work but is unable to be deployed to the best value for the department? Why is it not the department's choice of employing local unemployed people to work with already skilled, trained departmental staff who are better able to maintain sewers, I suggest, than private contractors?

**The Hon. P. B. Arnold:** In the short term, the Government can bring in a contractor to do a specific job and not have to employ the additional, permanent weekly-paid people when the work load is no longer there to require them. It is purely a matter of efficiency and value for money spent.

**Mr OLSEN:** Can the Minister indicate what the budget is for operating the Fulham Gardens and the St Mary's depots, including engineering and administrative support staff?

**Mr Killmier:** Those depots are only two of a number in the metropolitan area. The figures given in the Estimates do not go into that detail.

**Mr OLSEN:** I note that receipts for water and sewerage rates have risen rather substantially over the past seven years, by something like 270 per cent. I also understand that there should be a massive reduction of the department's work load, as much of the infrastructure is now adequate to meet some of the demands for the next 30 or 40 years. What steps is the department taking to contain costs?

**The Hon. P. B. Arnold:** As the honourable member would be aware, the Public Accounts Committee, over quite a long period of time, has been looking very closely at the organisation and operation of the Engineering and Water Supply Department. Regarding containing costs and the efficiency of operation within the department, most of the recommendations of the Public Accounts Committee have been, or are in the process of being, implemented. The honourable member referred to the Marden and Fulham Gardens depots. The Public Accounts Committee recommended that the Fulham Gardens depot be closed, and at the moment we are looking very closely at that question and are negotiating with the Highways Department as to the possibility of obtaining additional land from it to enable the Marden depot to be expanded to the extent necessary to service that total region. That in itself will result in savings.

However, the land in question is classified as R2 and the proposal depends on whether or not the council will agree to an extension of the depot being constructed on that land that we could possibly obtain from the Highways Department. Principally, the department is implementing the majority of the recommendations of the Public Accounts Committee, most of which are in line with the initial consultants' reports and recommendations, and are in line with the corporate plan for the efficient operation of the department.

**The Hon. R. G. PAYNE:** I refer to pages 2 and 3 of the programme documents which refer to the fluoridation programme of the metropolitan Adelaide water supply. On page 2, where one would expect to find the targets for the

year that we are now considering, there is a note 'To be developed', so from that we do not learn what the department is really proposing. At the bottom of the page, where one might also expect a clue, we see that the total programme expenditure for last year was \$186 000, of which \$135 000 was spent on a recurrent basis. An amount of \$219 000 is proposed for this coming year. In the capital expenditure area only a tiny amount is proposed, so it would seem that increased activity is likely to be on a recurrent basis.

Has there been some concern in relation to fluoridation, or has there been an inadequate programme? I notice that the broad objective stated is to 'maintain the fluoride content of the metropolitan Adelaide water supply to the level determined by the South Australian Health Commission', and one would presume that that objective was already being met, yet we see quite a large increase proposed. On a manpower basis there are more full-time equivalent persons to be employed. Does this indicate that the department is proposing to increase the programme in relation to fluoridation, and does the department, in conjunction with the Health Commission, maintain a watching brief on this area in relation to world trends, current opinion, and so on?

Over recent times there has been a non-settled argument, which I do not propose to try to settle. I am trying to ascertain from the department and the Minister the Government's view on the question of to fluoridate or not to fluoridate. It would seem from the expenditure put forward for our consideration here that a decision has been made to increase the programme. I would be interested in any details that the Minister can give us.

**The Hon. P. B. Arnold:** With regard to trends and developments and what is happening on the world scene relating to fluoridation, that is very much the Health Commission's role. We are looking at the possible extension of the programme into country areas, which would entail additional funds. However, we are certainly considering it.

**The Hon. J. D. CORCORAN:** Murray Bridge water is fluoridated, is it not?

**The Hon. R. G. PAYNE:** I draw the Minister's attention to the fact that the programme that we are considering concerns the metropolitan water supply. I presume that, if there is a country water supply programme, that may be dealt with elsewhere.

**The Hon. P. B. Arnold:** Together with the Health Commission, the department is looking at the feasibility or desirability of fluoridation in country areas.

**Mr Lewis:** There is no intention whatsoever to increase the fluoridation programme within the terms of this year's Budget. We are operating the fluoridation system as a preventive health service on behalf of the South Australian Health Commission, so that levels of fluoridation are set by the Health Commission, and the department simply makes sure that our systems are able to maintain that. The capital expenditure figure given is very small; that expenditure is simply to maintain or upgrade the present installations.

**The Hon. J. D. CORCORAN:** You are not taking it down to Mount Gambier?

**Mr Lewis:** Not to my knowledge.

**The Hon. R. G. PAYNE:** The answers given do not really explain the increase from \$135 000 to \$219 000 proposed on a recurrent basis, that is the whole point of my question. In fact, there will be an increase from four average full-time equivalent persons used in the previous year to the proposed number of seven. I understand that there is a programme, and I have no quarrel with the fact that the Health Commission has its requirements and that the department liaises and carries out the requirements. I am not opposed to the programme, but it seemed to me, how-



ever, that there was a possibility of some increased activity. I was simply trying to ascertain whether the work was going to be harder to do and why we need more people and more money.

**The Hon. P. B. Arnold:** The fact that only \$135 000 of the proposed expenditure last year of \$186 000 was actually spent indicates that what was intended last year was not fully carried out. The amount of \$219 000 is basically not a great deal more than the escalation on what was proposed in 1981.

**The Hon. R. G. PAYNE:** Can the Minister say what the department failed to carry out last year that was obviously required by the Health Commission? Can he tell us whether there was any failure of the programme as a result of that? Was there any contradiction between the requirements of the Health Commission for the fluoridation of metropolitan Adelaide water, and what the department was actually able to deliver and, if so, was that due to any manpower problems within the department?

**The Hon. P. B. Arnold:** No, there was absolutely no breakdown of the fluoridation programme, to my knowledge, unless the Director knows of any problems that occurred.

**Mr Lewis:** No. The figure was maintained within the limits that the Health Commission requires. The department reports to the Health Commission on a regular basis, and the commission examines our results of fluoride residuals in the water.

**The Hon. J. D. CORCORAN:** I think the Minister implied when he was replying to the member for Rocky River that the department is very conscious of its costs because the Public Accounts Committee was looking at the matter. I would like to say that this is one of the great departments of Government and it has always been very conscious of its costs. It did not and does not rely on the Public Accounts Committee for guidance. I, for one, do not believe that they are experts in this area. I mean that, too; I do not. I would not have, in fact, altered anything if the department had been in a situation of proceeding in a certain line had it been a recommendation from the Public Accounts Committee. I just want to make it clear that I do not share the view. I do not think the Minister meant it that way, either.

**The Hon. P. B. Arnold:** I think the honourable member has answered that himself. I referred to the consultants who made the recommendations. In fact, the Public Accounts Committee has largely adopted the stance which was put forward by the consultants to the department and on which the department was already operating, anyway. That was long before the Public Accounts Committee came onto the scene.

**The Hon. J. D. CORCORAN:** As far as being cost conscious is concerned, it cost the department a great deal of money to satisfy the inquiries of the Public Accounts Committee at the time. Regarding manpower, I guess it would go without saying that the Government would have imposed on this department, as it has on other departments, a manpower ceiling, and I am not certain what that ceiling is. The Minister would know. I ask the Minister what difficulties have arisen in the various divisions of the department, whether it be the Planning Division, the Operations Division, the Management Services Division, the Personnel Division, or any other division? What difficulties have arisen or have been brought to his attention as a result of the manpower ceiling only? Has it meant that the department has had to shelve projects? Has it meant a slowing down in initiatives that the department would normally have taken? Are we getting everything we should out of the Water Resources Branch, for example, which is so vital in this department, and things of that nature? I would like to hear the Minister's comment on that if possible.

**The Hon. P. B. Arnold:** It is not the manpower ceiling that has caused any problem at all. In fact, at the moment we are below the manpower ceiling. That is as a result of some officers deciding to take up positions in the private sector. It is not the ceiling that the Government has set if there is a problem in undertaking a certain project. It is a matter of being able to find a proper replacement with the necessary ability and expertise to replace the person who has moved to another position. So the ceiling is not creating any problem.

**The Hon. J. D. CORCORAN:** I put it to the Minister that I think the ceiling is creating problems, as he has lost officers because of that ceiling. People will not continue in a department that is under threat if it has to get down to a ceiling, and if they are looking at the position and thinking that they might have to go, or that they might be last on and first off, or something like that. If it is correct or otherwise, a feeling of insecurity is created in the people who work in the department, and hence the reason why they may have sought employment in the private sector.

I believe that the manpower ceiling itself has had a direct bearing on that, and that is part of the result. Does the Minister know of any specific problems that have been created within the department, whether it be for the reason he said, that the department is short of staff, or whether the ceiling has caused the department to slow down initiatives, projects, or whatever?

**The Hon. P. B. Arnold:** The honourable member has put forward the theory that officers have moved to the private sector in some instances because of a feeling of insecurity. I put it quite the other way: that some of the offers being made from the private sector at the moment are very attractive indeed.

**The Hon. J. D. CORCORAN:** That has always been on.

**The Hon. P. B. Arnold:** That is one of the main reasons.

**The Hon. J. D. CORCORAN:** We always had to face that. That is nothing new.

**The Hon. R. G. PAYNE:** The better qualified they come, the more they are approached. It is as simple as that.

**The CHAIRMAN:** I think we will allow the Minister to answer the question. Members will have opportunity to ask more questions.

**The Hon. P. B. Arnold:** I make that point. You can look at it from whichever point of view you like. It is a matter of which one you settle on. There is no doubt that a lot of the offers that are being made by the private sector are very attractive indeed. It is not the fact of the insecurity of those officers, as the honourable member has suggested. The better officers are certainly not at risk in relation to their positions in the department. If it involved the lesser officers, perhaps there would be some substance to the argument that has been put forward. But, fundamentally, it is that some of the offers that are being made are extremely attractive. Then, it is a matter of replacing that officer with another officer of equal qualifications and ability.

**The Hon. J. D. CORCORAN:** Why are you having difficulty getting people to replace them?

**The Hon. P. B. Arnold:** It is just the availability of highly qualified people in a situation where technology is developing year by year. In fact, it is extremely difficult to obtain the necessary qualified people. You can get graduates, but they may not necessarily have the ability and experience for which we are looking.

**The Hon. J. D. CORCORAN:** What is the department doing about training and management courses to build up the people within the department, if that is the case?

**The Hon. P. B. Arnold:** Once again, it is a matter of the expertise that is being built up and developed within the

department. It is the old story. If you have a highly competent officer, he is naturally going to be attracted—

*Members interjecting:*

**The CHAIRMAN:** Order!

**The Hon. P. B. Arnold:**—to significant offers from the private sector. So, we are always going to lose people in that way, the same as the apprentices trained at Ottoway. They have a very high regard and are held in very high esteem in the private sector. As such, they are, in the main keenly sought after because of the training that they receive.

**Mr RANDALL:** I want to restrict some of my questions to programmes. As the member for Mitchell has already raised the programme, I would like to return to that shortly and ask the Minister some questions relating to some of the questions that the member for Mitchell raised. First of all, I want to clarify for my own mind the so-called recommendations made to the Minister regarding the Fulham Gardens depot. As it is in my electorate, I am interested and concerned. Does the recommendation clearly recommend to the Minister the closure of the depot and the office, or just the depot?

**The Hon. P. B. Arnold:** On an economic basis, the total operation at Fulham Gardens would be closed and transferred to Marden.

**Mr RANDALL:** Would it be possible to get from the Minister, if not now then later, a break-down on the role and functions of the depot and the office at Fulham Gardens?

**The Hon. P. B. Arnold:** Yes, we could provide that information, but the Director might be able to provide it for the honourable member now.

**Mr Lewis:** The Fulham Gardens depot, as it is now called, is really a sub-depot in the central area. Originally, it had full depot status and it was there largely to do both maintenance and operation, as well as a good deal of construction activity when the area was developing. The area is now almost fully developed in terms of urban and industrial development, and certainly in terms of water supply and sewerage services. There are obviously small pockets where extension of mains and the provision of services will be required, but they are of a very small nature. The organisation that was set up there, the depot size, and the size of the land we have there are now larger than we need for pure operations and maintenance. When one looks at the evaluation of the whole central area of the metropolitan area, it becomes a more economical proposition to close that depot and to consolidate its activities in operations and maintenance at the Marden depot.

**Mr RANDALL:** The other point relates to the function of the office. I understand that one of the reasons for decentralising the office was to get the inspectors out closer to the jobs. That happened many years ago. Office staff was decentralised to an office which was functioning. I believe that many plumbers in the area would take into that office their plans and specifications for any additional plumbing work, such as is going on continually in the metropolitan area. That is why I am concerned about the function and the role of the office.

**Mr Lewis:** It will not be anything if the depot stops operating there. That service will have to be provided out of Marden, out of head office, or out of our Thebarton depot.

**Mr RANDALL:** What does the department propose to do with the land if it should take up the recommendation?

**Mr Lewis:** If the depot is closed, as the Minister has pointed out, we have a problem at Marden in that the land around Marden is zoned residential, although it is owned by the Commissioner of Highways. If in future Fulham

Gardens were to close as a result of the consolidation, the land would be disposed of as surplus, with buildings.

**Mr RANDALL:** Does the Minister have any indication of the present zoning of the Fulham Gardens land? Would it be disposed of as housing land or industrial land?

**The Hon. P. B. Arnold:** Offhand, I do not know. According to Mr Killmier, it is purely a water reserve; it is Crown land.

**Mr RANDALL:** The residential area surrounds the whole of the depot. The department owns much surplus land it has not developed, and I understand it is zoned residential. The department also has a depot for machinery storage, which it may be closing. I am interested to see whether the whole area of land will be sold departmentally, as residential land, or whether it will be maintained for other Government uses on an industrial basis.

**The Hon. P. B. Arnold:** That would be purely a matter of zoning by the council. That would determine what it could be used for.

**Mr RANDALL:** As the council is setting up its own planning and zoning regulations, I would have thought that the department would show an interest in the zoning of the land and would make sure that it was zoned to the department's benefit. If it was for a continuing use as a depot, it would need to be zoned on an industrial basis. If it was to be sold off, it would involve zoning on a residential basis.

**The Hon. P. B. Arnold:** Undoubtedly the significant input there on the planning point of view would be the attitude of the local council as to how it wished to see the area developed.

**Mr Lewis:** In the event of the land being sold, if it is proposed to have this land use changed from Crown land to private ownership, then the council would determine a supplementary development plan over that piece of land and would determine what it believed would be the most beneficial use of the area.

**Mr RANDALL:** I would like to go back to the point raised by the member for Mitchell in relation to fluoridation. I am not sure whether he intended to ask any more questions on this matter, but I think there are still some questions to be asked in the area. Will the Minister say whether the Health Commission has recommended to him that the current level of 1 mg per litre of fluoridation be increased in the Adelaide metropolitan fluoridation scheme?

**The Hon. P. B. Arnold:** No. To the best of my knowledge there has been no recommendation from the Health Commission that that should be changed.

**Mr KENEALLY:** In answering a question from the member for Hartley, the Minister said that the department trains tradesmen and employs graduate engineers, develops their skills and then loses them to private enterprise, which in itself in a sense is de-skilling. As the former Minister said, that has been going on for some time. The problem of the department in replacing the skills that it loses is a matter that I raised earlier. Does the Minister believe that there is a serious morale problem within the department, to the extent that skills which might be available to the department and which exist outside of the Government are discouraged from joining a declining work force? It is difficult to convince ambitious and competent people that their future lies in joining a declining work force. Would the Minister comment on morale within the department and whether the lack of morale which seems to be apparent right through Government departments at the moment is one of the reasons why the department is unable to attract the level of skills necessary to replace those it is losing, I would suggest, at a much greater rate?

**The Hon. P. B. Arnold:** 'Low morale' are words used a great deal by the Opposition. They are not words we come

across in the department, but they are used a great deal down here at Parliament House. I suggest that the member for Hartley has been around long enough to know that that sort of comment in the department would soon get back to him. I dare say he got feed-back from the department in his days as Minister. If he did not, then I do not know what was going on when he was Minister.

*Members interjecting:*

**The CHAIRMAN:** Order!

**The Hon. P. B. Arnold:** I do not go along with the comment of the member for Stuart in relation to morale. We have very much stabilised the situation, and reducing the work force of the department to meet its needs and its role is a very necessary and logical management step.

I point out that the member for Hartley certainly had moved in that direction during the latter months when he was the Minister in charge of this department. We have continued in that direction and we have reached the stage where we believed that we have a balance of the right work force to carry out the necessary works and to undertake the department's role in this present day and age, taking into account the expansion and development that are required. Instead of having far more than the number that is required to undertake the necessary work, which was the case some two years ago, we are now down to a staff and a weekly paid employee level that is very much in line with what is required to efficiently carry out the department's charter.

**Mr KENEALLY:** The voluntary retirement scheme has had a substantial impact on the Government's policy. I believe that 353 people voluntarily retired in one year at an age earlier than they would normally retire, which must indicate something within the department. I want to raise a matter the Minister overlooked previously, and I am sure he will do so again. Were the majority of people who have retired employed in skilled positions within the department, either staff or daily paid positions? Were they employed in promotional positions, and not base grade employees? Has this had any effect on the department's ability to provide services? The Minister stated that he believed that the department needs to reduce its work force to provide the services with which it is charged, which is a rather unusual statement. However, I am more interested in the points that I am making.

**The Hon. P. B. Arnold:** The early retirement scheme related purely to weekly paid employees. That is the only category of employee that we are considering.

**Mr KENEALLY:** There are skills in the weekly paid area.

**The Hon. P. B. Arnold:** Yes; the scheme did not involve staff.

**Mr KENEALLY:** I am not sure that the Minister has answered my question, but I will not pursue the matter. The yellow book indicates that there will be a reduction of 47 personnel in the metropolitan sewerage section (from 560 to 513), and a reduction of 11 in the flood mitigation section (from 32 to 21). The staff in the country sewerage section remains static, as does the staff in the waste water treatment section and the welfare services area. There is a reduction of 40 staff in the metropolitan water supply section, a reduction of two in the country water supply section, a reduction of one in the water resources management section, an increase of two in the vital area of Murray River activities, and a reduction of 52 in the irrigation services area. Will this planned reduction in staff have any effect on the people in the department? There are still 47 people in excess of requirements in the metropolitan sewerage section. Can the Minister say that there has been no effect on the morale of the staff who remain in the service?

**The Hon. P. B. Arnold:** I believe not.

**Mr KENEALLY:** Why is it necessary to reduce the flood mitigation team from 32 to 21, a reduction of 11 employees.

**The Hon. P. B. Arnold:** Most of the investigatory work has already been carried out in the Torrens flood mitigation project.

**Mr KENEALLY:** Do these people do no work in regard to the Murray River?

**The Hon. P. B. Arnold:** There is no need to.

**Mr KENEALLY:** Why has there been a reduction of 52 in the irrigation services area?

**The Hon. P. B. Arnold:** This involves the Riverland. There is a reduction as a result of, particularly, the rehabilitation of the Government irrigation areas and the efficiency of the new fully closed system that is being set up. I believe that the honourable member was given the opportunity by the regional manager to look at this work. Significant savings will be made as the new system becomes operational. The numbers that will be required to operate the system in the future will be many fewer than would be required to operate the old open channel system. As a result of attrition, the people who retire or leave the service or the department in many instances will not have to be replaced because of the modern system that is taking over.

**Mr KENEALLY:** It is significant (from the information I was able to obtain) that in the whole area of manpower levels within the department the only area in which there is increased employment is in regard to Murray River activities, where there is an increase of two personnel. This is a significant part of the department's work and is becoming increasingly more important. What is the work of these 55 people, and why is there an increase of only two? Does that mean that the present work force is quite able to do the tasks with which it is charged in relation to Murray River activities?

**The Hon. P. B. Arnold:** That is the total work undertaken in South Australia by the department on behalf of the River Murray Commission. I would have to obtain a breakdown from the department as to what each person is involved in.

**Mr KENEALLY:** As that work is done on behalf of the River Murray Commission, is the increase of two in staff as a result of a requirement to fulfill the task set by the River Murray Commission? Why is there an increase?

**The Hon. P. B. Arnold:** There are increased works, such as the Rufus River salt mitigation works. I cannot be positive, but I would think that that is probably one of the main reasons for the increase, that is, the work undertaken by South Australia on behalf of the River Murray Commission.

*[Sitting suspended from 1 to 2 p.m.]*

**Mr KENEALLY:** Before the lunch break, the Minister indicated that he was not concerned about problems related to manpower levels within his department. I will read to the Minister, and for the Committee's benefit, some information of which he should be aware. Is he aware of it, and can he respond to it? Has he had access to this document from his department dated 23 April 1981:

Since September 1979 the Management Services Division has absorbed a number of very major governmental and departmental initiatives. These have stretched our manpower to the point where many officers in the division are under significant strain in order to provide the desired level of service. In a number of cases it is clear that the service being provided is not at the level desired by managers and directors.

If in the present circumstances additional manpower cannot be made available, it will be necessary to accept further new initiatives and projects only after those currently on hand have been cleared or existing services further reduced.

Further, has he read the following document, which states: . . . the implications of the currently proposed staff ceilings in the following terms.

Those functions inadequately staffed due to the redeployments associated with the department reorganisation will not be properly staffed for the foreseeable future.

Provision of staff for essential operations positions now vacant will be delayed until staff from well staffed areas leave or are successfully redeployed.

New Government initiatives will receive a slow and inadequate response at the expense of functions such as planning and technical policy. This will increase a backlog of problems and lost productivity improvements for the future.

The weekly-paid work force will be inadequately supervised with a reduction in efficiency and effectiveness.

Staff morale is at risk and reduced effectiveness or even industrial action is a distinct possibility.

Service to the public will decline as growth in services is demanded without any possibilities for staff increase.

The necessary increase in the use of consultants on less appropriate tasks will increase costs and diminish on-the-job training opportunities.

Has the Minister had access to the document, which states:

It is also clear that the Engineering and Water Supply Department employees have lost a great deal of confidence in satisfying future career in the department. As a result, the better employees will continue to try and transfer out into positions which they believe have a greater degree of stability for their future. The implications of the continuance of the retirement scheme in other departments is therefore viewed with concern.

Also, has the Minister had access to the document on water quality management and laboratory services, which provides similar criticisms in relation to Murray River salinity problems, where there is a threat to the continued programme? Has he had access to the document which summarises the division's problems regarding the minimum effective operating manpower level and which states that work could be reduced on Murray River salinity control? The document, dated 29 April 1981, also states that it could stop all interstate court work on irrigation diversions, that it could reduce data available for the operation of water supplies and that it causes a serious reduction in State Water Laboratories services?

In the Administration and Finance Division it involves increased delays in servicing the public on rating issues and delays in payment of accounts and financial information.

In the Management Services Division it involves a reduction in personnel and management services and increased costs of engaging consultants for data processing and management consultants.

In the Operations Division important operating functions will not be staffed, leading to a serious and unacceptable decline in the level of standard of services. It involves an inability to meet increased service demands from the public or authorities, for example, plumbing and drainage, subdivider requests, Local Government Supplementary Development Plans and difficulty in staffing new projects being commissioned such as the Barossa Water Filtration Plant, recreation use of reservoirs, and so on. More particularly, a senior officer in the department came to the following conclusions:

I therefore report that a most serious staffing problem is emerging that will significantly affect the ability of the department to implement the Government's corporate plan and the new initiatives required by the Government.

Importantly also, I report that under the present situation, the level of accountability that can be expected of directors and managers in the department for their operations is unacceptable.

Serious problems will arise that could reflect on the department's efficiency and effectiveness unless corrective action is taken. The majority of branches are under stress due to trying to cope with a work load with insufficient staff.

Several branches and sections are under severe stress, particularly the Revenue Branch, which has worked up to 2 500 hours per year overtime, and the State Water Laboratories, which is working 2 000 hours per year.

Field operators are working long hours to cope with the day-to-day operating requirements of the department and providing an acceptable standard of service.

I will not read several other very important points, but state the final conclusion:

It is obvious that the department cannot continue to reduce its staffing level and remain effective. The reduction in capital work and associated staff (23 per cent) has stabilised. There is no longer a direct nexus between staff and weekly-paid personnel numbers. Indeed, there are clearly identified areas of essential growth in certain areas of the department.

There is much, much more that I could read. I put to the Minister that, if he had access to those documents, he either disregarded the expert evidence provided by his senior personnel or he has not had those documents. If that is so, he should check with his department. If he has had that information, it conflicts directly with all the evidence that he gave the Committee this morning.

**Mr RANDALL:** I rise on a point of order. To demonstrate the authenticity of the documents from which the member is quoting, he should table them.

**The CHAIRMAN:** If the honourable member wishes, I invite him to table them.

**Mr KENEALLY:** To satisfy the member, he might ask the Minister whether he regards the document—

**The CHAIRMAN:** Order! A private member cannot table a document. That is a right only of the Minister.

**Mr RANDALL:** Who is to say that the member has not made up the document, and wishes to create an inaccurate picture? What guarantee have I that that document is authentic?

**The CHAIRMAN:** Every member of the Committee is responsible for his own statements. It is entirely a matter of judgment whether the document is what the member indicates. However, it is entirely a matter for the honourable member to determine.

**The Hon. P. B. Arnold:** There is no evidence of what the honourable member is claiming in the document, whatever it may be. He has not identified the document, who it is from, and to whom it was directed. Until the honourable member does that, I can only say that what is claimed in the document is not the case.

**Mr KENEALLY:** I understand that the Minister is asking me to identify the dates and authors of the documents. I will do as requested. I did not wish to do so, but the Minister has forced me. The document dated 29 April 1981 is from the Deputy Director-General, Mr Alexander. The other document from which I read, dated 23 April 1981, is from the Director of Planning, Mr Shepherd. Does the Minister wish me to go on?

**The Hon. P. B. Arnold:** Yes. To whom are they directed?

**Mr KENEALLY:** The document from Mr Williams, Director of Operations, is dated 24 April 1981. The documents are directed to the Deputy Director-General. His document is then forwarded, I imagine, to the Director and the Minister.

**The Hon. P. B. Arnold:** You imagine.

**Mr KENEALLY:** I submit that these are authentic documents from the Minister's senior personnel, and that they conflict with the evidence that the Minister gave the Committee this morning. Having proved the authenticity of the documents from which I have quoted, I ask whether the Minister wishes to rethink some of his answers.

**The Hon. P. B. Arnold:** There is nothing to rethink. Those documents would have been internal: they were not directed to me and, as such, I have not seen them. There is no evidence to suggest that what has been put forward has eventuated.

**The Hon. R. G. PAYNE:** I think I am correct in saying that during this morning's discussions the Minister said there is no undue overtime being worked in the department.

**The Hon. P. B. Arnold:** Yes.

**The Hon. R. G. PAYNE:** I am pleased that I have not been unfair to the Minister. Does the Minister acknowledge that undue hours are being worked in specific departments? A similar document to the one just mentioned states:

Several branches and sections are under severe stress, particularly the Revenue Branch, which has worked up to 2 500 hours per year overtime, and the State Water Laboratories, which is working 2 000 hours per year overtime . . . Field operators are working long hours to cope with the day-to-day operating requirements of the department and providing an acceptable standard of service.

Does the Minister now consider that undue overtime is being worked in the Revenue Branch—I think the Programme Estimates list 17 persons in that branch—and the State Water Laboratories, which is working 2 000 hours overtime a year?

**The Hon. P. B. Arnold:** It is not relevant to quote 2 000 hours unless the number of personnel involved is also quoted. Obviously, 2 000 hours spread among many officers is not a great deal of time in a year. The number is the key factor when talking about overtime.

**The Hon. R. G. PAYNE:** If we take a guesstimate of, at best, not the 17 referred to but 10 persons being involved in the 2 500 hours overtime, clearly a considerable amount of overtime is being worked each year—250 hours per person.

If the Minister believes that is desirable he may wish to state that. It is my understanding that overtime is contracted for at a different rate in terms of wages, and so on. Presumably this is adding to the costs of the State, apart from the strain and stress being placed on individual workers. Perhaps the Minister would like to comment on that.

**The Hon. P. B. Arnold:** I think the honourable member referred to 10 officers.

**The Hon. R. G. PAYNE:** I said that if we assumed that 10 out of the 17 might be involved.

**The Hon. P. B. Arnold:** I do not know from where the honourable member is getting the figure of 17. The State Water Laboratories employ 61 officers, and at the moment the Revenue Branch employs 167, so 2 000 hours involving that number of officers is not significant.

**Mr RANDALL:** I wish to refer to some of the questions asked this morning by the member for Mitchell. I understood that the idea of programme performance budgeting was to streamline the programme, detail it and see the funding that is applied. Having done that, I asked this morning whether fluoridation levels would be increased, and I was told that there would be no change. I believe from the discussions that we had this morning that there will be no increased construction activity because capital expenditure costs will be reduced. My impression is that not much new work will be undertaken, but there is to be an increase in staff from four to seven, as the member rightly pointed out, and the allocation is increased from \$186 000 last year to \$219 000 this year. Is this increase caused by an expected increase in maintenance costs and fluoridation dosing costs or will new programmes be undertaken?

**Mr Killmier:** I think it should be realised that programme performance budgeting is a new development. This is the second year in which information has been provided, and I think you will agree that the information provided this year is significantly better than was provided last year; it is in significantly more detail. However, to provide the considerable amount of information required, it has been necessary to make some arbitrary calculations. For example, people are not employed full time on a specific task. People may share a wide range of tasks during the year. For example, tank cleaning would only be done in the winter, not summer.

The method used to present these figures has been to take the expenditure for the year and then relate that by a straight-out calculation to give the number of people. As you will see, the vote last year was \$186 000 but we spent only \$135 000 during the year. A number of explanations can be found for that, and I do not necessarily have them all available. It is not possible to do maintenance work in periods of extremely high flow; for example, if pumping stations are under full load, obviously it will not be possible to carry out maintenance. Similarly, tank cleaning is done in the winter time, and so on.

It is expected that the expenditure that was not incurred during 1980-81 will be incurred during 1981-82 when the work will be carried out. One of the problems with p.p.b. is that although we can state, say, seven people we cannot say which seven. What we are really saying is that the recurrent expenditure for the year is so many thousand dollars, and dividing that amongst the number of people in the organisation works out at a budget for seven at the beginning of the year. We ended up spending the equivalent of four people, and then we got back to seven the following year.

You will find all the way through these Budget papers, certainly in relation to the Engineering and Water Supply Department—and I do not want to speak for other departments—that the numbers of people have been calculated purely in line with the expenditure. We would not be in a position to provide names against those, because people may be doing up to 10 different jobs over a period. People in the country may be working on sewerage in the morning and water supply in the afternoon; they may be on any one of half a dozen programmes. They are what we call full-time equivalents; it is a straight calculation. Does that answer the question?

**Mr RANDALL:** Yes, in some ways. I thought that the idea of having programme performance budgeting was to enable people to look at a programme and see the errors. For instance, there were four people working on the programme last year.

**Mr Killmier:** No, we did not have four people. What we had was an expenditure of \$135 000, and when we divided that by the average cost per employee it worked out at four people. There were probably 100 people who at some time or another did something towards the fluoridation programme; they may have spent only one hour a day, a week, or a month, but we just have to divide them up.

**Mr RANDALL:** That is what we have said, that four full-time equivalent people were worth \$135 000; therefore, this year, the only reason I can see that we are going to spend the money budgeted for but unspent last year, plus what is budgeted for this year, is that we will have the equivalent of seven full-time people working. What are the new programmes, or are the programmes missed out on last year increased so significantly that there must be three extra full-time equivalents employed?

**Mr Killmier:** I think we ought to be taking this question on notice. You will remember that last summer was one of the hottest on record and water consumption was particularly high. Elsewhere in this programme you will probably notice that chlorination costs were significantly higher than were budgeted for. When we have a particularly high demand, certain activities are not able to be carried out. Similarly, in the winter when demand is extremely low, other activities are able to be carried out. Water supply and sewerage maintenance tend to be carried out over a period—say, five years—and it does not relate to what might happen in a particular financial year.

**Mr RANDALL:** The only problem I have in correlating a programme is that one wants to look at that programme, see the increases in costs and then find out the reason for

them. The difficulty with this programme is that no specific objectives are listed, either.

**Mr Killmier:** I can explain that. Programme performance budgeting cuts across portfolios. The purpose of p.p.b. is to design by programme. Naturally enough, in some instances the programme covers several portfolios. In this instance, the programme is in the health area—the policy area is health. Therefore, to develop all the information required would have taken considerable liaison between the Engineering and Water Supply Department and the Health Department, in this instance, or other departments in other instances. Therefore, the words put here were ‘to be developed’. In the time that was available a mountain of work went into providing information from within individual Ministries, and that is the basis upon which these documents have been prepared. I am certain that, in years to come, the programme budgeting team will fill in the gaps, but with the number of people available, and the amount of work to be done (and I know in my own department it was significant, and many people worked long hours to produce it), there were a few gaps, and we ask you to bear with us.

In future years, obviously, those gaps will be rectified, and any comments that come out of the Committee will be taken into account. I am certain that the programme budgeting people will be doing their utmost. As I think the Premier said, it is going to take about five years. Given time, these sorts of problems will be rectified.

**Mr RANDALL:** If there is a cross-flow between departments, for instance in this area of health, is there also a cross-flow of funds? In other words, are the charges from the fluoridation programme against the health budget?

**The Hon. P. B. Arnold:** No.

**The Hon. J. D. CORCORAN:** Has the Minister had any discussion with the Director-General relative to the matters mentioned by the member for Stuart in relation to manpower budgeting, or the Budget itself, at any time when the Director-General would have made use of the documents that the member for Stuart has mentioned? Can the Minister recall any discussion along those lines?

**The Hon. P. B. Arnold:** No. The documents referred to are obviously internal documents within the department which I suggest would probably have been discussed within the Director's panel. If, as a result of those discussions, there is a need to make a reference or recommendation to me it would be made. I think that the honourable member would recognise (as I have gleaned from the section read out) that it is a discussion paper for that purpose involving the Director's panel. Whatever discussions went on in executive panel, the matter was not pursued further with me along the lines of what has been read out. That clearly indicates to me that it was an internal paper prepared for discussion purposes. Naturally, the whole budget and manpower situation is discussed at my regular weekly meetings with the Director-General, but that does not apply to the specifications contained in that document.

**The Hon. J. D. CORCORAN:** I would have thought that any matter under discussion by the panel (and I am well aware what the panel is) would have been designed to assist the Director-General in his representations to the Minister in relation to both manpower and the budget. I am amazed to think that nothing that could have been drawn from those documents was mentioned to the Minister.

**The Hon. P. B. Arnold:** No-one has suggested anything.

**The Hon. J. D. CORCORAN:** You did; you said it in your reply a few minutes ago.

**The Hon. P. B. Arnold:** I said that the matter of manpower and the budget is discussed on a weekly basis. That takes place at a regular meeting I have every Tuesday morning at 8.30 with the Director-General.

That is the normal operation, and that is the whole purpose of the regular weekly meeting. If it is necessary to have additional meetings we certainly have them, but as a matter of course there is a standing meeting that I have every Tuesday morning at 8.30 for discussing the general operations and management of the department. The specifics as outlined in that paper obviously did not flow through, or the decisions of the general discussion in panel were not resolved in the manner which that paper indicates.

**The Hon. J. D. CORCORAN:** I assume that the Director-General had discussions in panel, or that a motion was moved or something took place in panel, that caused the papers to be drawn; they have been discussed in panel, but the Director-General has failed to mention to you any of the points raised in those documents. That is what you have said.

**The Hon. P. B. Arnold:** I am assuming that they have been discussed in panel.

**The Hon. J. D. CORCORAN:** But you are saying that they have not been raised with you, and some of the things were specifically read out.

**The Hon. P. B. Arnold:** I have spelt this out quite clearly on two occasions: we have a general discussion every Tuesday, whether on budget or manpower matters, across the whole spectrum of the department. That happens on a regular weekly basis. Obviously, not necessarily in the terms of that document (because that document has never been discussed with me). If one is discussing manpower and budgetary matters, the type of substance that is contained in the document would naturally be discussed. However, that document has not been discussed with me. I would not know whether or not it was discussed in panel.

**The Hon. J. D. CORCORAN:** Minutes of panel are available if you want to see them; they are not top secret—they are no doubt not for general publication—but the Minister has access to them if he wishes. Indeed, I think I was always shown the courtesy of seeing the panel minutes. I am not quite certain, as I do not remember, but I am astounded to think that some of the very important points raised in those documents, as they were mentioned by the member for Stuart, were not put forward to you as Minister. If they were put forward, either you rejected them or they were never put forward. If they were put forward, I would like to know on what basis you rejected them. Whether the points put forward were in this document or another, they related to the same thing: morale, initiatives that can be taken by the department, the slowing down of programmes and things of that nature, and they related to manpower and money, yet you say that those sorts of things raised in that document have not been discussed with you.

**The Hon. P. B. Arnold:** Obviously, the honourable member is just not listening. Because I will not agree to the fact that that document was not presented to me—

**The Hon. J. D. CORCORAN:** I accept that—

**The CHAIRMAN:** Order!

**The Hon. P. B. Arnold:**—then the honourable member is trying to claim that I have never discussed anything along the lines of that document. That is patently absurd, because I have explained on two occasions now that every Tuesday morning we discuss that particular type of matter; that is what the meetings are held for, but matters have not been put to me in the form of the document that the honourable member has got there from within the department. Matters have not been put to me in that way. Naturally we have discussions on manpower and budgeting every week, namely, Tuesday morning.

**The Hon. J. D. CORCORAN:** I have to say, just from experience, that a manpower budget is not discussed every week, but the specific request comes through from the department for a manpower budget, and that is when the

detailed discussion goes on—not every week. A specific request comes through from Treasury for budget figures, and that is when the detailed discussion goes on. The Minister cannot tell me that he has not been involved in that—of course he has. That sort of document is the sort of build-up that one would get relating to the sort of advice one would expect from the Director-General in relation to a manpower budget, not a weekly discussion.

**The Hon. P. B. Arnold:** Obviously, the honourable member has forgotten how the department and the panel operate, and I am surprised that he has forgotten in such a comparatively short time. The conclusions of the panel discussions are obviously conveyed to me by the Director-General. I do not know what the case was back in the honourable member's day, but the only conclusion I can draw is that it must have been different from what it is today.

**The Hon. J. D. CORCORAN:** The Minister is avoiding the answer to a specific question, and I can understand why. I will have no truck with the sort of activity that has led to the leaking of these documents. I do not appreciate it, but documents became available to the member for Stuart, and he has used them. I have no truck with the person concerned, but this is the sort of thing that goes on and it cannot be stopped. It happened during the Labor Government's term, it will happen during this Government's term, and it will continue to happen. But, surely, the points raised in a general way in those documents would eventually flow through in some form or another to the Minister, and either they have not or if they have the Minister has rejected them. Has the Minister rejected them, or what has happened?

**The Hon. P. B. Arnold:** No, the conclusions that the honourable member is drawing are just straight-out conclusions to suit his own questioning. I have told the Committee what the situation is: any matter is discussed in panel, and whatever the Director believes should be brought to my attention is brought to my attention. The document referred to has not been drawn to my attention and has not been directed to me. As I understand it, it was an internal discussion paper.

**Mr KENEALLY:** The point that the honourable member for Hartley was making is that it is not necessarily these documents that are of concern to the Opposition, but these documents cannot have been a spontaneous act among senior officers within his department. A considerable body of concern has to build up over a length of time for such documents to come into being. It is the Opposition's view that it is very unlikely that the very serious concerns expressed in these documents had not been conveyed to the Minister, probably through the Director-General. If this information was not passed on to the Minister, I would be anxious to find out the reason why. Forgetting all about the documents from which I have quoted, the question is whether the Minister is aware of the criticisms raised in those documents, and if he is aware of the criticisms does he accept them or does he reject the advice of his senior officers? If he does accept them, can he explain why he answered as he did this morning?

**The Hon. P. B. Arnold:** As I said this morning, the department is running probably more efficiently at the moment than it ever has. That in itself clearly indicates that it is carrying out the duties required of it under its various Acts to the satisfaction of the community, and doing it significantly more efficiently than it has in the past. Different people can express different views on different subjects. If there were not different views there would be no discussion in the first place.

The fact of life is that the service being provided to the community is extremely efficient. The department's service

is recognised as being a good service in other parts of Australia. As such, that service has not dropped off. That, I believe, clearly spells out in itself that the department is operating efficiently and functionally. We could have numerous additional staff members and it would probably make life that much easier, but, with the staff that exists at the moment, it is an efficient operation.

**Mr KENEALLY:** No-one disputes that the staff that the Minister has available to him are efficient and work effectively, very hard, and obviously very long hours. What the Minister is saying, of course, is that the documents from which I read are inaccurate. The Minister is reflecting on the senior officers of his department. I always understood that the role of the Minister in matters such as this is to make policy decisions. Those policy decisions, of course, are rightfully those of the Minister. In matters of administration it is not unreasonable for the Minister to accept the advice of those whom he trusts, his senior officers. Obviously, he is not doing that.

Some of the functions that are at risk, as I understand it from the documents I have read, are that:

There could be no formal programme of systems monitoring of water and wastewater treatment works, and a lack of preventive maintenance and local technical supervision of chlorination. Apparently, the Riverland has the greatest problem there. Further, it involves lack of technical supervision of River Murray Commission works and waste disposal stations in the Riverland region; the technical literature monitoring reduced to a low level activity; ability to conduct literature surveys, for example, on public health matters; and the lack of Water Quality Engineer (EN2) means inadequate water quality control in metropolitan region and poor service to country regions.

It is not the Opposition's intention to read through every one of the items that are included in rather lengthy documents. We wanted merely to highlight for the Minister's benefit the concerns that senior personnel in his own department have about the operations of that department. It is no reflection on the senior personnel. It is a responsibility that they have. We are not commenting on the fact that the documents are in our hands; they are in our hands. These are legitimate documents of inestimable value, I would have thought, to the Minister from within the department. Yes despite the knowledge that these concerns exist within the Department, the Minister this morning told the Committee there were no morale problems, that no extensive overtime has been worked, that there were no problems manning future programmes, and that the maintenance programme within the department is well taken care of.

There just was not any problem at all with which the existing staff could not cope adequately, and yet the information that we have contradicts all that. Either the departmental officers are wrong and the Minister is right, or the departmental officers are right and the Minister has misled the Committee. No other interpretation can be put upon it.

**The Hon. P. B. Arnold:** The only interpretation that one can put on what the honourable member has just said is a direct reflection on the senior officers of the Engineering and Water Supply Department, particularly the Director-General. There is no doubt about that whatsoever, because the papers to which the member is referring and, which he has got hold of one way or another are internal papers within the department's executive panel. The honourable member is virtually saying that the consensus of that panel, whatever that might be, is not being relayed to me. I will not accept that for one moment. He can claim that if he likes, but I certainly will not. I have absolute confidence that whatever decision is brought to me by the Director-General is a consensus of the executive panel. In fact, the Director may wish to comment on some of the programmes to which the honourable member has referred.

**Mr Lewis:** The Engineering and Water Department, in my opinion as permanent head, is a very fine department. It has gone through a very strong growth period, in my experience of the department. Its officers in all divisions have anticipated growth. The department was getting bigger in carrying out all the duties that it had to perform. That sort of growth period has changed, but the enthusiasm of departmental officers in providing the best possible service to the State certainly has not changed. There was a degree of frustration, I suppose, through some of the senior managers of the department because they really wanted to go on assuming the development stage.

In order to look at that question we surveyed, through the Deputy Director-General, the status of feeling amongst the officers and people in the department with a view to seeing what the problem was and correcting it. It was quite clear to us that the people in the department, right through all the divisions, still expected a growth phase within the department. It was necessary to address that problem because it was quite clear on the budgets that were coming forward that we were not going to be an expanding organisation. As a result of that survey, we proceeded to look at the whole question, division by division, to open up discussion, and to have division seminars to try to clarify the state of affairs that would exist in the department in the future, based on the predictions which were given to us by Treasury and the expectations of the service that we were required to give by the Government. Those have proceeded.

At the same time, those surveys also showed us where the pressures in the department were. We have established a manpower priorities committee in the department so that applications for further assistance are submitted into that committee, on which the directors sit, with the Deputy Director-General as the Chairman. The department's priorities, which are known to the directors, are then used to try to transfer the department's resources to those areas where they are most needed.

For instance, we do know, as we have said before, that the department's construction programme is decreasing, and the Design Services Branch is also decreasing accordingly. So that it is possible progressively, but not in one step, to transfer resources into those areas where they are most needed. That, of course, takes time. It is interesting to note that, as a result of all of those divisional seminars which we have held and which concluded in a branch executive seminar only this week, the whole tone of the department has changed, that there is a recognition that we must reorient ourselves towards different objectives, and that we are no longer a developing organisation but a maintenance and operation organisation.

I am quite sure that many of the statements which were made in the documents some time ago, and which were referred to, would not be made now. Indeed, I spoke only recently with the Director, Operations. I was interested to hear the statement that morale was dropping. The Director, Operations, believed that, with the change in direction, many of his operators today are having a much more rewarding time now in managing with less than they might have had in past times.

These are the sorts of management problems which arise in a large organisation and which I believe management should deal with. As Director of the department, I see myself as head of the management team. It is fair to say, in general terms, that I would have mentioned those sorts of things to the Minister, but I certainly would not expect him to solve those problems, unless it was outside my power to do so. I do not believe that the department is sick (if that was the interpretation of those documents): I believe it is in excellent health at present and it is probably becom-

ing a more efficient and tighter organisation than it has ever been before.

**The Hon. R. G. PAYNE:** Germane to the discussion that we have just had, including the answers given, can the Minister say what is the current staff ceiling or head count for the department?

**The Hon. P. B. Arnold:** It is 1 634.

**The Hon. R. G. PAYNE:** As has been suggested by the Director-General, it would seem that there has been some further thinking on the matter during the time that has transpired since at least one of the documents was compiled. The document that I am looking at states:

Resolution of the position clearly requires that either the staff ceiling head count is lifted from 1 651 to 1 714 or the department identifies a range of options to defer or stop certain functions and advise the Government accordingly. The corporate plan would have to be revised.

The last sentence need cause no concern, because the Minister explained this morning, quite correctly I believe, that a corporate plan is a living, dynamic arrangement and it is not necessarily fixed at any one time. It would not be much of a plan nor would it be corporate if it remained in force for too long a period without further input and adjustment. It seems that there has been a further adjustment downwards from the minimum figure provided in the documents, that is, from 1 641 to 1 634. Other accompanying dockets list the functions that must be discontinued. I ask the Minister to consider a paragraph such as the following:

If the department is held to a staff ceiling of 1 651 during 1981-82, then certain key initiatives of the Government will have to be deferred or slowed down. The department would not operate under conditions of satisfactory accountability.

Further, it is stated:

Increased accountability requires additional staff resources.

**Mr RANDALL:** I rise on a point of order. Will the honourable member identify his source of material so that the Committee members on this side can refer to the same material?

**The Hon. R. G. PAYNE:** Certainly, I will identify this piece of paper: it is this piece of paper here. This is the piece of paper from which I am quoting. I hope that my answer is of some help to the honourable member. I appreciate the honourable member's valour, but not his sense in this matter.

**The CHAIRMAN:** Order! The honourable member must not reflect on other honourable members. I cannot uphold the point of order.

**The Hon. R. G. PAYNE:** Let it be clear that the member for Mitchell is always responsible for his actions and he will have his say in this matter, irrespective of comments from members opposite, in accordance with the rules under which the Committee operates. I do not believe that at this time I am going outside the Standing Orders relating to this Committee. As the member for Hartley has already indicated, we are not here on a witch-hunt. We have documents that we did not see previously; let that be clear. We now have those documents and they point to a shocking state of affairs that could have arisen in one of the most important departments in the operations of this State's affairs.

Two of the members on this side have had the honour to be the Minister responsible for this department, one for a long period and myself for a very short period. We had a very high regard for the department when we were in charge and when we had the responsibility. We still have regard for that department. That is why we are asking these questions of the Minister and, in fact, it is the whole purpose of this exercise, as an Estimates Committee, to ascertain whether the funds that are the subject of the Committee's deliberations are being used to the best advan-



tage of the people of this State. That is what we are doing, and let the honourable member opposite understand that.

Many approaches could have been used in regard to these documents, and I have seen different approaches taken in regard to similar documents during my short political career. I have never used documents in that way. I believe that you, Mr Chairman, know the way in which documents can be used. We are asking questions based on conclusions that were committed to reports by senior responsible officers in the E.&W.S. Department. They are first-class officers and both the member for Hartley and I have had to take their word on occasion, and it was accepted unreservedly. If we read conclusions and statements that have been made by those people, it would be remiss of us to not try to ascertain the present scene in the department. That is what we are doing. There is no need for the honourable member to get uptight and try to interfere with the process that is occurring.

**Mr RANDALL:** It is unfortunate that the honourable member's source of supply did not send a copy of the documents to all members of the Committee.

**The CHAIRMAN:** Order! Only one honourable member may make a contribution at the one time. At this stage, the member for Mitchell has the call. The member for Henley Beach is next on the list, and he will be entitled to make comments at that time.

**The Hon. R. G. PAYNE:** If it needs to be said, I can say that I am looking forward to returning to Ministerial ranks.

**The CHAIRMAN:** Order! That matter is not before the Committee.

**The Hon. R. G. PAYNE:** That matter may not be before the Committee at present, but it may well be the subject of the deliberations of a future committee. I have no intention of altering what I believe to be my reputation amongst any officers of the Public Service of this State. We have the interests of the State at heart, irrespective of the office that we hold and the name of the Party that we represent. There will be no change to that as far as I am concerned. I apologise to a degree to the honourable member for the homily that I have given him, but perhaps he needed it. The honourable member indicated that, by the sorts of things he was saying. Perhaps now we can return to the subject at hand—the Estimates Committee.

I was trying to point out to the Minister that five or six months ago, certain officers felt so strongly about some matters that they stated that, with a staff ceiling of 1 651, a number of things could not be done. The Minister has told me that there is now a staff ceiling of 1 634. We also heard from the Director, and I accept that one of his jobs is to ensure that the ship runs properly. I know that he can carry out that operation and that his efforts in that area would be second to those of no other officer in the State. Other people can verify that.

We know that the officer concerned (and it is a pity that we have to use titles, but that is the way these Committees run) was given a very important task outside his own area. He assisted in the amalgamation of two other departments, and I am quite certain that he did an excellent job. I want to make quite clear to the Committee that I am genuinely concerned. It was stated that the department could not manage to do certain tasks that should be done on a weekly or daily basis for the benefit of South Australians.

**The CHAIRMAN:** I point out to the member for Mitchell that it is normal Committee practice that a member has five minutes in which to explain a question. I have been fairly tolerant with the honourable member who is now tending to be somewhat repetitious, which is not in the best spirit of Sessional Orders.

**The Hon. R. G. PAYNE:** I thank you, Sir, for drawing my attention to the point of the question. I ask the Minister

whether the indicated staff ceiling of 1 654, a lesser figure than that mentioned as minimum in the documents, will mean that some areas cannot be covered. Is the Minister satisfied that the department can carry out all the functions it should for South Australia?

**The Hon. P. B. Arnold:** Yes. If the member wants to pursue that with the departmental directors, he will get the same answer.

**Mr RANDALL:** Recently, I was a member of a Select Committee, all members of which received information on which they could frame their questions and comments. Unfortunately, in this Committee some members opposite obviously have Government documents, to which Government members do not have access. If the member for Mitchell is concerned about giving information to the Committee, perhaps all members on this side may also receive copies of documents. The difficulty is that the information source seems to be from a selected area. They do not want members on this side to have access to this information and, therefore, make a fair and reasonable judgment, about which I am disappointed.

I move now to reallocation of available resources and the change in direction about which the Director spoke. In what sort of direction are we going in relation to environmental protection? Who is responsible for the treated sewage leaving our coastline from the discharge pipes? At Glenelg several pipes enter the sea. In some people's opinion, that treated effluent pollutes the sea grasses and kills them. Is that the responsibility of the Minister's department or of another department?

**The Hon. P. B. Arnold:** If the member refers specifically to sewage effluent outfall from Bolivar, Glenelg or Christies Beach, a number of studies have been undertaken over the years by the Department of Environment, all of which have reached the same conclusion, namely, that there is no significant effect. Although many claims have been made by individuals over the years, it has never clearly been shown that that is the cause of any real problem.

**Mr RANDALL:** Is it proposed, at any stage, to extend the disposal pipes at Glenelg?

**The Hon. P. B. Arnold:** No plan is in hand to take them farther out to sea. In fact, the majority of that effluent is used for irrigation purposes, mainly on very fine golf courses and other facilities in the Glenelg area. It is a pity that any of it has to flow out to sea.

**Mr RANDALL:** If the treated effluent is something like 99.9 per cent pure water, obviously, instead of being pumped out to sea, it could be used in other areas. I think the Minister has already answered that question.

**Mr KENEALLY:** Moving to water costs, I remind the Minister that last year in the Committee we pointed out that, with staff reductions and departmental costs, those benefits could flow to consumers, who could expect any increase in water costs to be rather less than otherwise would be the case. The Minister and his Party went to the people in 1979 criticising the previous Government's increased water charges, stating that a Liberal Party Government would arrest charge increases. But, this year we had an 18.5 per cent increase in water charges. I do not want to repeat last year's academic argument about the difference in water cost and rating. However, I imagine that the member for Mitchell might ask the Minister how accurate the forecasting of receipts was last year.

In view of the Minister's statement last year that benefits would flow to the consumer from decreases in labour costs, and reduction in staff, I ask why that did not flow through. In the light of his Party's commitment to the electorate prior to 1979, why do we have this hike in water charges? Because of the method used by the Minister and his department, it is close to the 'consumer pays' principle. Appro-

priate changes have not been made to rating, which costs the home owner a considerable amount. The Minister, and indeed every member of Parliament, has had consumers on tight budgets come to them, and the cost of water has considerable impact on household budgets.

In most middle-income to low-income households, where there are children, domestic water use is likely to take up all the rebatable water. If one has a garden, it is likely to involve an excess water rating. Showering, toilets and electric washing machines use all the rebate water. Would the Minister comment on those matters?

**The Hon. P. B. Arnold:** There is a steady increase in the capital cost of supplying water. With the additional capital being poured in each year to water filtration particularly, and the additional commitment for northern towns water filtration, which I regard as part and parcel of the metropolitan total water filtration programme, a significantly greater capital charge is involved. While one may not necessarily service many more consumers, the debt charge and capital involved in providing water will be X millions of dollars each year. Also, the operational cost of those additional facilities is an ongoing charge thereafter.

The figures show (and I hope the honourable member is interested) that in 1979-80 there was a surplus in the metropolitan area of \$3 272 000. On the rate set for 1980-81, there was a surplus of \$2 199 000, which is a reduction of more than \$1 000 000 in the actual surplus. It is estimated that in 1981-82 there will be a surplus in the metropolitan water supply of \$1 500 000. The additional costs are significantly going into the capital input for water filtration, and this will continue until that programme is completed and, even after it is completed, there will be significant operating costs and debt charges.

**Dr BILLARD:** In relation to water revenue collection, and particularly the charging policy, I know that there is a policy to transform the basis over a period of years toward a system under which people pay for what they use.

**The Hon. J. D. CORCORAN:** Most of them do now.

**Dr BILLARD:** Yes. I understand that the Minister quoted figures in the past month or two indicating that about 57 per cent of users were now in excess. Many people contacted me, as a member of Parliament, because they misunderstood the system. The degree of misunderstanding is such that frequently on the same day I have people ringing up complaining that they are in excess and other people complaining that they are not in excess. I believe that the terminology used does not help because the consumer seems to think that water allowance is what they are allowed to use and that, if they use any more, they have done something wrong. That is why people ring up and complain if they move into excess. They assume, if they have moved into excess, that they will be penalised through penalty charges. However, that is not so, as they are charged for the water at the same rate. There is a great deal of misunderstanding on that point.

Other people complain that the water rate is based on the valuation of their properties and that, if the property happened to have just increased in value, as has occurred in parts of Tea Tree Gully this year, they are hit with a much higher basic charge.

Could consideration be given to changing the terminology so that the public understands more clearly that the water allowance is really a minimum charge? I believe that if a minimum charge in dollars rather than in kilolitres was referred to people would understand that better. Secondly, can the Minister indicate over what period it is planned to continue this progression? I understand that this gradual movement programme has been continuing for about six years.

**The Hon. P. B. Arnold:** In relation to terminology, the department does not use the expression 'excess water'; that expression has been perpetuated in the community. All that we have now are rates and additional rates, and there are no penalties, as the member so rightly pointed out. This is a historic thing that has been carried through. The public refers to it as excess.

**Dr BILLARD:** They seem to think that 'water allowance' implies that that is the only quantity that they are allowed.

**The Hon. P. B. Arnold:** The majority of people still use the term 'excess rate'. Of course, there is no such thing, because it is at a flat rate, and obviously the people to whom the honourable member is referring are talking about their additional rate, which is water over and above that which is covered by their assessment and which is paid for in their actual water rate. It will probably take some time to get this impression out of the minds of the people because for generations they have talked about rates and excess rates. I agree that, as long as people continue to use the terms, they will continue to mislead themselves. I do not know how best we can overcome the problem in people's minds. Mr Killmier might have some idea of what terminology could be used on the accounts to make them easier to understand.

**Mr Killmier:** When the Government came to power it instituted an inquiry into the possibility of improving the water rating system, and that has been continuing over the past 12 months. Cabinet will be presented soon with a report that will provide it with possible options on water rating systems and, of course, included in that will be the question of whether or not we have an allowance.

For every person in the State there is a water rating system, and it is not possible to satisfy everyone. The proposals that we put before the Government will present to it the benefits and disadvantages of the existing system, of those systems that might appear to be reasonable alternatives, and other systems which may be promoted by people in the community but which might not be reasonable alternatives. The community, for example, has promoted the idea of what might be called a pure pay-for-use system.

An examination of that will show that it does present some difficulties in its implementation. It would certainly alter the incidence of charges quite significantly. The Government will be given full information on what is done in other States and overseas, and on what changes have occurred recently around the world. As a result of pressure by the public, in 1970 the Government of the day decided it would increase the price of water by a rate greater than the base rate. That is exactly what happened last year, when the base rates were increased by about 12.5 per cent and the price of water by 18.5 per cent, giving an average increase of 15 per cent overall. This report will, of course, canvass the question of allowances. Unfortunately there will be people in the community who do not like the idea of an allowance.

There will be others in the community who, if you decide to take away all allowances, will ask what happened to their allowance. It is an extremely difficult subject, and it will be up to the Government to make up its mind whether or not it believes that a change is warranted and would be of benefit to the community.

**Dr BILLARD:** My argument is not with the system as such, but with the understanding of it. This is where I believe more could be done. I strongly believe that reference should be made to a minimum charge, instead of to so many kilolitres. Quite frankly, members of the public do not know where that figure is plucked from: it is derived originally from capital values of their properties, and if they care to look at it they will find that out, but they have to go through a whole series of calculations to find it.

**The Hon. J. D. CORCORAN:** There is also a minimum rate.

**Dr BILLARD:** Yes. The minimum rate does not seem to affect my area as much. If a minimum charge was referred to instead of a basic allowance of so many kilolitres, I think a lot of the misunderstanding that exists at present would disappear. When I discuss this matter with my constituents, almost without exception they are quite happy after the system is explained to them. However, there is a great deal of misunderstanding, and I presume that, for every person who telephones or writes to me about the matter, there are 10 more who do not and who never find out.

**Mr Killmier:** The difficulty we have is that there are two water rating systems in South Australia; one that applies to what we call townships or urban rating and one that applies to country lands. They have to be consistent, because there are instances where the township and country lands system boundaries come together. Across the State there is a common minimum charge which this year is \$48. In townships the base rates are determined by capital values of properties, as would happen at Tea Tree Gully. In country lands, the base rate is determined by the area of land within one mile of the main. By either of those means, one ends up with a consumer being required to pay base rates. Depending on the price of water, the allowance is determined. With all due respect to the questioner, I do not think that it would be feasible to go straight from the valuation without going through the stage of determining an allowance, because one has to explain to people that if they use a thousand kilolitres the base rate that they pay entitles them to use only 600 kilolitres, and therefore they are 400 kilolitres in excess.

I suggest that what you are trying to say to me is that you determine the total bill as 1 000 kilolitres at 32c, which is \$320, you take off what has been paid, and the balance is the amount that you owe. We nominate on people's accounts when they go out at the beginning of the year what quantity of water they can use without paying additional rates. We would have difficulty if we just told people that they could use \$54 worth of water and after that they would pay additional rates, because that would be meaningless to them. One really has to put it in physical terms and say that a person's allowance of water is such and such.

**Dr BILLARD:** I am not really arguing that there should be no mention at all of what the equivalent kilolitre figure would be, but if it is clearly seen on the part of the consumer that that kilolitre figure is derived from the minimum charge by using the cost per kilolitre rate (which this year is 32c) then he would understand, and I think that there would be no argument. The fact is that at the moment people are simply presented with their allowance, which is referred to as an allowance and which I think is misleading: it implies that they are not allowed to use any more water, and that they are going to be penalised if they do. It is not seen that, in fact, the calculation of the allowance is derived by working backwards from what is, in effect, a minimum charge.

**The Hon. P. B. Arnold:** The comments made by the honourable member are valid. In the event of making an alteration, we have to be sure that we do not further confuse people after many years of trying to get through to them an understanding of what the present system is. I know that it is complex and that whichever way we go it is going to be complex. We are quite happy to look at changing the system, but we want to be sure that we do not make it more difficult for people to understand.

**The Hon. J. D. CORCORAN:** I was interested to hear the reply given in relation to the inquiry that is going on. I am pleased to hear that that is about to be reported to the Government. I am rather anxious to see what the

recommendations are, because it is a vexed question and a difficult one to handle. One can go to any State and find that trouble exists with the pricing of water. I would like to know who the committee comprises. I remember a committee headed by Mr Justice Sangster that looked at the same problem. I do not think that the report was ever printed, but the report and the working papers were presented. I assume that that has been examined by the committee currently investigating the matter. I think it was in 1970 that that report was submitted.

Another person who I used to know who had a great interest in this matter was Mr Jack Wright, an administrative officer with the E.&W.S. Department some years ago, who used to have certain things to say about water pricing. I think that the main thing to remember, particularly with valuations, is that if we go to straight consumer pay-for-use, then we would have the square mile of the city getting a great big bonus very quickly, and I am afraid that domestic consumers in the Minister's electorate would not be happy with a 25 to 35 per cent increase in their water rates so that John Martin's and the banks could go virtually scot free. I would like to know who the members of that committee are.

I was going to say something about pricing policies, but I do not think that there is any point in doing so, in the light of the inquiry coming up. I will be interested in the tabling of that report. I assume that, in due course, the Minister will make known publicly what the Government proposes to do and will, at the same time, make the report available, if that is possible. I was pleased to hear the Minister elaborate on the reasons for the price increases in water. Things have not changed: they were the same when he was in Opposition—the Government being denigrated for increasing the price of water, for exactly the same reasons.

**The Hon. P. B. Arnold:** There are more reasons now as there are more and more filtration plants being installed. The study is being undertaken internally within the Corporate Planning Branch of the department. The Director-General is Chairman of that committee, so it might be appropriate for him to make some comments on the work of his committee in this area.

**Mr Lewis:** The Government as a policy statement said it would review the system of water rating in this State. That was started shortly after the Government assumed power. It is being carried out by a small group in our Corporate Planning Branch who are doing all the analysis work. They report to a steering committee of which I am Chairman. It is an internal committee.

We are getting well down the track of looking at a whole series of options of different rating systems in use both here and abroad, comparing them with the system that we have at the present time, and looking at their advantages and disadvantages in different areas. For instance, we are looking at what the change in the system of rating will be as a result of any of those systems. Of course, there are also opportunities for hybrid systems. The committee will make a preliminary report to the Government in its first stage in the near future in an attempt to close down the options which should be studied in absolute depth. As the Minister has said, it is a very complex system and it has surprising ramifications when one does an analysis of how the incidence of rating will change across the community in all sorts of ways.

We have had to do that and have had to computerise the system in order to obtain a precise picture of what really happens and the extent of that change of incidence in rating, as well as the impact it might have on different classes of consumer. In carrying out this work we have done an analysis of all the previous studies, including the Wright

study, the Sangster study and a study by an earlier Auditor-General, who chaired an inquiry. We have examined all those studies to take advantage of that work. We will soon be reporting to the Government with a number of options for its consideration.

**The Hon. P. B. Arnold:** The report will come to me and will then go to Cabinet, which will decide whether or not to release the report.

**The Hon. J. D. CORCORAN:** Thank you for that information. I do not see any lists anywhere of the actual works programme that is going on. However, I am interested to know whether the department is involved in any expenditure or work on the Mount Gambier sewage disposal plant. I can recall some little while ago that there was tremendous pressure brought to bear on the Government concerning this matter. I recognised that the project was the only long-term solution to the problem, but the undertaking given was that it would be proceeded with only when funds became available, which looked to be some time away. I was condemned by the Opposition at that time, the most vocal of whom was the local member for Mount Gambier, the Minister of Education, who criticised me for not being sympathetic to the cause down there. I wonder whether anything has happened to the proposal and whether the local member has been able to use his position in Cabinet to bring some influence to bear on the Minister of Public Works.

**The ACTING CHAIRMAN (Mr Olsen):** Does this come under Works and Services?

**The Hon. P. B. Arnold:** This matter comes within the country sewerage area, Mr Acting Chairman. There has been \$100 000 provided this year for design purposes.

**The Hon. R. G. PAYNE:** A specific objective target for the current year is the continuation of the metropolitan water filtration programme, which involves especially the commissioning of the Barossa W.F.W. (I think that would be water filtration works) and the referral of the proposed Happy Valley project. Has the Minister any firm or estimated date in relation to the commissioning of the Barossa project, because Happy Valley, which hangs on that, will serve the area to the south of Adelaide?

**The Hon. P. B. Arnold:** As I recall, Barossa should be commissioned in about April of next year.

**The Hon. R. G. PAYNE:** One of the activities involving country public water supplies is 'chlorination of water supply to achieve a satisfactory bacteriological quality'. Members will recall the problems that faced some users of the water supply in the country, sometimes in the Mid North and sometimes in the Far North, in relation to amoebic meningitis and the possibility of it being carried in the water supply in the larger mains and also in some storages during certain of the summer months.

There was considerable concern during the previous summer, highlighted later in the press, about the levels of chlorination which were or were not recommended and applied and the possible danger to people living in the North and the Mid North. I would like to hear from the Minister what the plans are for the coming summer. Obviously, the Morgan filtration plant is only in the design stage, I think with a consultancy now. Can the Minister assure the Committee that better arrangements and liaison will apply during the forthcoming summer between the Health Commission and the E. & W.S. Department? I am not apportioning any blame, but apparently there were some problems last summer. With regard to the bacteriological safety of the water supply of the Northern towns and the Mid Northern towns this summer, I would like an assurance from the Minister that the Health Commission and the E. & W.S. Department will act in concert on this matter.

**The Hon. P. B. Arnold:** The Standing Committee on Water Quality has made recommendations, and there will be reporting to the State Water Laboratories, from which reports will go to the Health Commission. The Health Commission will relate that information directly to the health officers within local government in all the areas that are supplied with water, so that they have up-to-date information at all times on the status of the water. From that point of view there will probably be an upgrading of the reporting to local government so that the public can be better informed on the day-to-day operations. There have been four additional positions created at the State Water Laboratories in relation to the study of amoebic meningitis and trihalo-methanes, in particular.

**The Hon. R. G. PAYNE:** I am glad to hear that information, and I think that most people in the North would be, too. In connection with the assurance that better arrangements will apply, I believe that one or more extra chlorinating stations were installed in the North to cater for seasonal conditions and for reports of the water laboratories last summer. Were those stations installed in such a way that they can be used again if needed?

**The Hon. P. B. Arnold:** I believe three additional stations were put in last year in an attempt to overcome the problem, and a further two stations will go in before this summer, so that we will have an additional five chlorination plants working on the total system this coming summer.

**Mr RANDALL:** I refer to State disaster planning control and relief referred to on pages 22 and 23 of the Programme Estimates. It appears that the department is still developing these programmes. I am just wondering whether the Minister might like to elaborate on what his department is doing in regard to disaster preparedness. In view of the potential flooding which occurred during the winter months, etc., what role does his department play in this whole area?

**The Hon. P. B. Arnold:** This is probably a good opportunity for the Deputy Director-General to speak as Chairman of the committee involved with this matter.

**Mr Alexander:** My involvement concerns membership of the State Disaster Planning Committee. Legislation was recently passed in the House to set it up. I am also State Controller, Engineering. Really, these programmes concern my activities in the department in the role of State Controller. My role there is to prepare contingency plans for various forms of disaster, to arrange for exercises and to co-ordinate combating teams right across the Government engineering services. There is no sort of money involved: departments do this as part of their normal functions. I have a headquarters, which we mean, to have civil exercises, generally preparing for a disaster scene and co-ordinating the Government's engineering resources to combat it and to meet the needs of the Police Commissioner, who is the State co-ordinator.

**Mr RANDALL:** You said you are State Controller and in charge of engineering services. Does that cover electricity services, as well as water and sewerage services?

**Mr Alexander:** Yes. It co-ordinates all service authorities. I have the Director of a combating organisation in ETSA, the Gas Company, Highways, and all these sorts of departments.

**Mr RANDALL:** If we conduct simulation exercises and practice runs, obviously time is involved—manhours, etc., which are costs. Will these costs eventually be shown on such a programme as we have before us?

**Mr Alexander:** I would hope so. It certainly should be. It does involve the departments in costs, but at the moment the direction is for each department to absorb such costs in its general operations.

**Mr RANDALL:** Will you outline the involvement of radio communications in the Engineering and Water Supply Department?

**Mr Alexander:** We have our normal day-to-day radio links. These are now, as far as the metropolitan area is concerned, at our new operating headquarters at Thebarton, where water supply and sewerage operations are controlled and directed. They cover the total metropolitan area, and most of the emergency phone calls come in there from ratepayers in difficulties or reporting difficulties. There are other minor networks.

**Mr RANDALL:** In the area of radio communications, not only am I talking about voice communications with motor vehicles, but also I understand that there would be some system of electronic communications as far as monitoring of valves and pumps—feedback devices—is concerned. Is that also controlled by your section?

**Mr Alexander:** Yes. The telemetry systems are brought back to Thebarton Central control.

**Mr RANDALL:** When ascertaining costs in this area, where would I look in the Budget papers?

**Mr Alexander:** They would be part of the normal operations, an activity, which at this stage we have not got down to identifying—only sub-programmes.

**Mr RANDALL:** So we cannot say that there is a sub-programme covering radio communications?

**Mr Alexander:** No.

**The Hon. R. G. PAYNE:** I refer now to Parliamentary Paper 9 (page 107), under 'Contingencies, General, Administration expenses, minor equipment and sundries': last year, \$2 384 000 was voted, a little more than \$6 600 000 was actually spent, and \$8 339 500 is proposed this year. That is a fairly large sum, and it represents a significant increase. What is involved in that line? Why is there such an increase?

**The Hon. P. B. Arnold:** That primarily involves office expenses, travelling expenses, photographic expenses, fares, books for the library, accident costs of motor vehicles, analysis of water at the State Water Laboratories, A.D.P. programming and testing expenses, the purchase of minor items of office equipment, and other general administrative expenses, including postage, stationery, and costs of revenue collections.

**The Hon. R. G. PAYNE:** I thank the Minister for that amplification, which was of some help. Are any major items involved of which the Minister may have significant note? Irrespective of the Minister's answer, there is quite a large increase. We all understand that the department is in a different phase of its existence. It is in a down-turn and has switched to operating and maintenance functions as distinct from expansionary and major construction activities. One would have thought that the allocation for contingencies might have increased modestly in relation to the cost increases involved.

**The Hon. P. B. Arnold:** The increase in 1980-81 was due mainly to the transfer of the State Water Laboratories' recharge system deposit account, involving \$1 700 000 and, secondly, to administration costs, revaluations, and *ex gratia* payments, etc., involving \$200 000.

Charges for regional areas formerly debited direct to districts charged to the general vote amounted to \$1 800 000, and an overhead account assignment, labour, amounted to a further \$1 000 000. Allowances for 1981-82 include an additional cost of \$1 200 000 for computing equipment and services, and an increased regional cost of \$500 000, due mainly to the overhead and escalation of materials. The 1981-82 provision allows for travel.

**The Hon. R. G. PAYNE:** Obviously, the Auditor-General has great faith in the Engineering and Water Supply Department, because there is no asterisk or dagger, or

whatever printer's symbol is used, to indicate that some change in accounting has occurred, which tends to explain why there is a sudden large jump. I believe that the departmental accounting arrangements are very good, and the Auditor-General has not suggested that there should be some indication.

**The Hon. P. B. Arnold:** Mr Killmier can probably comment on that.

**The Hon. R. G. PAYNE:** Were payments to consultancies contained in that line?

**Mr Killmier:** That line has increased considerably, partly because of accounting changes relating to State Water Laboratories and also in relation to the debiting method used for regions. Turning to page 108, one notices that the level of increases is vastly less. If one looks at metropolitan waterworks or sewerage, the increase is certainly much less than inflation. However, that could well have been asterisked at the bottom to cover these two factors.

**The Hon. R. G. PAYNE:** Where would payments for consultancies appear, if they are not under the contingencies heading? I understand that all departments, from time to time, have other than major consultancies. We have been told that only one major design consultancy is in progress for Morgan-Whyalla water filtration, which used to be called water treatment. In any department there may be a number of consultancies, but seldom does one see a line which says 'consultancies'. I am trying to ascertain where they are.

**The Hon. P. B. Arnold:** The only major consultancy would be in the Loan programme, because of major capital works. Is the member referring to the small ones?

**The Hon. R. G. PAYNE:** Yes, other than the major consultancies.

**Mr Killmier:** The only other consultancy that comes to mind is that in the Management Accounting and Budgeting Branch. A consultant has been helping with the installation of a management financial control system. However, we are talking about \$30 000 to \$40 000 only, and that would come within the figures in that line. There may have been an odd bit of consulting done in public relations, and perhaps a little in corporate planning, but the sums of money are rather minor and have not been brought out as a second line.

**Dr BILLARD:** I refer to the summary on page 105. A comparison is made of proposed amounts this year and the voted amounts for last year, which is the basis upon which comparisons can be made. Proposed amounts are based on salary levels as at 1 July in the Budget year, whereas actual payments of the previous year relate to salaries paid during the whole year. So that will refer to some sort of average salary level throughout the year, which will be higher than the amount voted in the previous year. That would indicate that the proposed overall amount for the Minister of Water Resources and Minister of Irrigation is an increase of 19.4 per cent over the amount proposed for last year.

**The Hon. P. B. Arnold:** If the proposed amount is compared to the amount voted last year?

**Dr BILLARD:** Yes. I just want to be clear whether that is a valid comparison to the allocation of resources. The total proposed for this year for salaries and wages and related payments is \$67 854 500, which is an increase of 13.5 per cent over the voted amount of \$59 794 000 for last year. The actual payments last year were in fact not very much below the proposed payments for this year. Does this mean that most of the salary increases felt last year occurred early in the year, or does it indicate that there will be some decline in the real level of salary payments, that is, discounted for average salary increases?

**The Hon. P. B. Arnold:** No, the actual payment in the column is the final amount, or the total that was paid for

the year. There will be a similar escalation by 30 June 1982 on that figure of \$67 854 500.

**Dr BILLARD:** So, we could expect that next year's Budget will show that the actual payments for the year 1981-82 will probably be between 13 per cent and 14 per cent above the actual payments for 1980-81?

**The Hon. P. B. Arnold:** We will probably be looking at \$70 000 000-odd.

**Mr Killmier:** In relation to the figures on page 105, I think the comparison was made between \$67 203 000 and \$83 220 000. The miscellaneous figure has gone down and the E.&W.S. figure has gone up because for the first time in the Estimates there is a heading (on page 107) 'Water Resources Management'. That previously was charged to Loan Account and then recharged again to 'Miscellaneous' under 'Water Resources Miscellaneous' on page 109. It will be noted that there is no figure there this year. That certainly explains the rise from \$67 203 000 to \$83 220 000.

Following on from the other question regarding what these columns mean, I have a document with which the Under Treasurer provided us, because there has been some confusion as to exactly what goes into those columns. He says:

To facilitate replying to similar questions this year, the following advice is provided:

(a) actual payments include the actual costs incurred due to wage and salary increases incurred during the past year just concluded. Proposed payments reflect the level of wages and salaries operative at 30 June 1981, including the full-year costs of the previous year's wage and salary increases. The proposed payments do not include provision for prospective increases in wages and salaries which may be incurred during 1981-82. Round sum allowance provides wage and salary increases which may occur in 1981-82.

It will be noticed elsewhere in the Estimates that there is a round sum allowance and, therefore, the voted columns do not provide for salary rises during the year. The actual payments column is what actually did happen. Unfortunately, I agree that making comparisons from column to column is a difficult task; the wrong conclusion can easily be reached.

**Dr BILLARD:** I wanted it clarified, as I know that, not just today but in previous days and in other forums, a lot of what I believe to be false assertions have been made because people have compared proposed payments with actual payments made in the previous year.

**Mr KENEALLY:** I cannot let this opportunity pass, even though the member for Mitchell is too shy to raise the matter himself. I remind the Minister of the lengthy debate that we had in the Committee last year, when the member for Mitchell said that the increased charges for water would return \$53 000 000 and the Minister insisted that the figure would be \$50 300 000. Of course, the member for Mitchell was right and the department was wrong, according to the information that we have before us.

**The Hon. J. D. CORCORAN:** No, the Minister was wrong.

**Mr KENEALLY:** The department was right and the Minister was wrong. I thought that I should point that out. The member for Mitchell was closer, within a few thousand dollars.

**The CHAIRMAN:** Order! I am sure that the honourable member is going to link up his remarks to the line that we have before us.

**Mr KENEALLY:** Absolutely, Sir. The price of water is a very pertinent matter for the State. I would like to ask a question about the provision of a water supply for Roxby Downs. I do not want to debate the issue of Roxby Downs.

**The CHAIRMAN:** I will not permit the honourable member to do that.

**Mr KENEALLY:** I know; that is why I am not going to do it.

**The CHAIRMAN:** I remind the honourable member that debate could have taken place yesterday, but it is certainly not going to take place today. I am going to be firm on that point.

**Mr KENEALLY:** Well, Sir, you will not get an opportunity to rule on the matter, because I will not debate it. Without debating the matter, I state that it is very vital to the Government's economic package for the future of this State. It is widely known that there can be no development of any nature in South Australia unless an adequate water supply is provided. What is the Minister's department doing about identifying the source of water for a mining development of the size that the Government says Roxby Downs will be? What is the time scale involved? Are we looking at piping Murray River water, or are we looking at distinguishing and determining underground supplies within the region? Also, what is the vote directed towards that project, and how many people are employed on it?

**The Hon. P. B. Arnold:** As the honourable member would probably know, there are two sources of water: one is underground water from the Great Artesian Basin, and the other is the possibility of extending the provision of water from the Murray. The underground water situation is being assessed at the moment by the Department of Mines and Energy. The final decision on what water will be used is still to be decided.

**Mr KENEALLY:** Currently, water is being trucked or carted to Olympic Dam, is it?

**The Hon. P. B. Arnold:** Yes, at the moment there is no pipeline to Olympic Dam.

**Mr KENEALLY:** And is that the situation at, say, Honeymoon, and at Cooper Basin?

**The Hon. R. G. PAYNE:** There is a bore at Honeymoon.

**Mr KENEALLY:** So, there is a bore at Honeymoon, and Cooper Basin has its own water, supplied by bore?

**Mr Lewis:** Yes.

**Mr KENEALLY:** I understand from the Minister that the determination of our underground water supplies is a matter over which the Department of Mines and Energy has control.

**The Hon. P. B. Arnold:** It is being assessed by the Department of Mines and Energy.

**Mr KENEALLY:** Can the Minister tell me whether I am right in assuming, from looking at page 108 of Parliamentary Paper 9, that there has been a reduction in the chlorination of the northern water supply? The Minister may have already answered this question in reply to the member for Mitchell, but the allocation for 'country water works, chemical cost of chlorination of water supply' has reduced from a voted figure of \$400 000 last year to \$300 000 this year. Does this mean that there will be a reduction in the chlorination programme for the northern water supply and, if so, why?

**The Hon. P. B. Arnold:** I have already indicated that there will be some five additional chlorination plants in the total system in the coming summer to upgrade the chlorination in that area. In 1980-81 actual chlorination at the same level was carried out as in 1979-80. In 1981-82 that has been reduced because of the anticipated favourable seasonal conditions.

**Mr KENEALLY:** Could the Minister explain that? Is it then expected that the season will be cooler this year and that people who live in the North, as I do, can expect that, as the season will be cooler, we will not have any problems from the heat on our pipeline, etc.? Frankly, that seems to be a rather outrageous statement.

**The Hon. P. B. Arnold:** As with water consumption, we work on an average year. If we happen to strike a summer, as we did last year, which the honourable member would accept was an exceptional summer, things are different.

However, all these calculations are based on an average year. The calculation is worked out for this coming summer being an average season. I think the honourable member will readily agree that once the pressure is off there is just as much criticism from his area about excessive chlorination as there is if there is any sign of *naegleria fowleri* in the system.

**Mr KENEALLY:** Yes.

**The Hon. P. B. Arnold:** When I was at Port Augusta, Port Pirie and Whyalla there were as many complaints about the high level of chlorine as there were about the existence of *naegleria fowleri*, so the E. & W.S. Department will adhere precisely to the levels of chlorination decided and determined by the Central Board of Health.

**Mr KENEALLY:** Can I relate what the Minister has just said to the information in front of me? The Minister said that last year was a hotter season in South Australia than we could have anticipated, and that is true. However, last year \$400 000 was voted to this line, according to this document. Actual expenditure was \$344 366, which is \$55 500 less than the amount voted, despite the fact that it was a record hot year. However, this year it is anticipated that it will cost \$300 000. I do not want to take this matter further, because it could be the subject of another debate. However, the information that the Minister has just given to me does not measure up with the information provided under the Estimates.

**The Hon. P. B. Arnold:** Last year was the first extensive test of the system for a number of years because of the severe heat conditions that existed. Under those severe conditions, some \$344 000 was spent. In relation to what was spent last year, we have allowed \$300 000, working on a normal season.

**Mr KENEALLY:** I take the point.

**Dr BILLARD:** My question relates to what is being done in the department with respect to data processing. I understand from the discussions that took place yesterday with the Deputy Premier that a system either will be, or has been, installed in the Engineering and Water Supply Department. What is happening in that respect? I notice in the Programme Papers at page 57, under the heading 'Support services information', and under the titles 'Specific objectives 1980-81' and 'Specific objectives 1981-82', that it is suggested that the department is in the process of introducing management information and control systems. What impact will this have on the operations of the department?

**The Hon. P. B. Arnold:** I take it that the honourable member is referring to the computer equipment that will be utilised in relation to programming and management of, particularly, the regional areas of South Australia in the works programme. Is that the computer to which the honourable member is referring: the one recently approved by Cabinet?

**Dr BILLARD:** It may well be. The Minister is telling me. There was some reference in yesterday's discussion on data processing to the Engineering and Water Supply Department being listed among a number of departments that either had acquired or would be acquiring significant systems.

**The Hon. P. B. Arnold:** I am not certain to which system the honourable member is referring, because there are a number of computer systems within the Engineering and Water Supply Department. We can give the honourable member general information on those. I ask Mr Killmier to give general information on the computer systems that are operating in the different sections of the department and to say for what purpose they are operating.

**Mr Killmier:** The Engineering and Water Supply Department makes extensive use of the CIBA computers of the

A.D.P. Centre and has done so since that centre was formed. Most of our revenue accounting is done at the A.D.P. Centre, as is our pay-roll accounting and a whole range of other systems, such as supply, inventory, and so on. The changes that have occurred in recent times are, from memory, as follows. We have installed at our Ottoway depot an I.B.M. 4331 machine, using an operating system known as Caposs, which is used for the control and scheduling of workshop procedures.

That was installed in July and is now satisfactorily operating and will be used, we anticipate, for a management and financial control system that we are developing which will be used right across the entire department, for both country regions and the metropolitan area to install a computerised ledger system. At the moment our ledgers are maintained on bookkeeping machines or by hand in the country, and we propose to complete the computerisation of the department's accounting by filling in the final link. The department has been computerising for something like 15 years, and the ledger system is the final link in the total scene.

Another activity coming close to fruition is the installation of an on-line revenue system for the Revenue Branch, which currently relies on massive printouts of data (bearing in mind that it is the only quarterly billing system for water and sewerage rating in Australia, there is considerable paper work involved), and we are close to the point where we will be installing a number of V.D.U.'s (visual display units) so that we will be able to do away with much of the printing that goes on.

There are a number of other computing activities, and it is anticipated that as soon as we can arrange it we will be bringing our I.B.M. machine from Ottoway for installation in the State Administration Centre. However, it is the intention at this stage to continue to use the A.D.P. Centre for the foreseeable future, and there will be close liaison between the department and the Data Processing Board, which has endorsed all the projects that we are currently carrying out. We will continue to liaise with the board and with the A.D.P. Centre, and the object of the department's approach to data processing is to use the facility that will do the job the most efficiently and cheaply.

**Dr BILLARD:** In fact, you are saying that the department plans to use several different computer systems: you have a system at Ottoway; the on-line revenue system will be a different system again; and you have your normal, I assume, pay-roll type of work done through the A.D.P. Centre.

**The Hon. P. B. Arnold:** And at the State Water Laboratories as well.

**Dr BILLARD:** So, you will be using several different systems?

**Mr Killmier:** There are principally only three, if the State Water Laboratories system is included. Until the installation of the I.B.M. machine at Ottoway, all processing of any consequence was done by the A.D.P. Centre. However, the particular software required for the workshop system at Ottoway could not be run on the A.D.P. Centre equipment. It required a software programme known as Caposs E, which is an I.B.M. software product. So, we had been running that system on rental machines for some years, for a while with the T.A.B. and then for a while with Radio Rentals, and it became economical to lease our own machine. We could do that considerably cheaper than pay rental to other people. There is significant capacity left on the machine and almost certainly, I believe we will be examining the question of placing our ledger system on the I.B.M., and the ledger system will permit significant improvements in financial reporting in a department that is now largely regionalised.

We need to speed up the process by which we report to management on expenditures. All kinds of management information is needed these days. Some of this has been urged upon us in the past by consultants, Cresap, McCormick and Paget, and in more recent times by the Public Accounts Committee. I believe that the department's planning for computing has been extremely effective. Over the last 15 years we have steadily progressed through taking a legitimate section at a time, be it revenue, supply or pay, and computerising it. We have now got to the point where the last lot falls into place, and we are now in a position to produce what will probably be as good as anyone is able to produce in the management and financial control area.

**Dr BILLARD:** My next question relates to page 56 of the programme papers where, if one looks at the administrative and clerical support section, and at the line 'Financial Management and Information Systems and Services', which would appear to be related to this in some ways, one finds that the employment levels are obviously too high to be related to this. The figure proposed last year was 969; the outcome last year was 796, and proposed this year is 538. Can the Minister comment on that very heavy decline and on the sort of work involved, because it seems to me that the title could not possibly be completely descriptive of what that number of people would be doing?

**The Hon. P. B. Arnold:** We will try to locate that information.

**The CHAIRMAN:** We will return to that matter later.

**The Hon. J. D. CORCORAN:** I refer to the operation and maintenance of neutralisation equipment at the Brukungu mine. I know that it is an ongoing expenditure, but recently there was some publicity alluding to the fact that the Brukungu mine was responsible for polluting the Bremer River and this raised the question of policy and whether the Government had reviewed or changed the policy in relation to the provision, either in country areas or any other area for that matter, of reticulated water supplies (domestic and stock supplies). If I remember correctly, there was a policy that there had to be a 5 per cent return before a supply was considered, but that if it was lower it could be taken into consideration but would be given a much lower priority. Representations were made to me on a number of occasions about a reticulated water scheme in the Brukungu area. I wonder whether the scheme has been looked at or reviewed recently, and whether it is a better proposition from the department's point of view, and on whether the department's policy has been changed in relation to the extension or provision of reticulated water.

**The Hon. P. B. Arnold:** Some 31 or 32 of these uneconomic schemes are listed at the moment. We have been through a process of assessing most of them on the basis of the return on capital investment below 10 per cent, which was the figure for many years. The Callington-Strathalbyn scheme involves a revenue return on capital investment of 1.78 per cent. That puts it fairly well down that list of 30-odd uneconomic schemes. In fact, it is currently thirteenth on that list.

**The Hon. J. D. CORCORAN:** Is that neutralisation plant, or whatever it is (I think we spent something over \$1 000 000 on work on the Brukungu mine) working effectively?

**The Hon. P. B. Arnold:** Under normal conditions, the neutralisation plant is working quite efficiently. It is just as a result of the extremely wet winter that the tailings dam was not sufficient with the tremendous run-off and the seepage from there to contain it all. That resulted in the releases from it. The actual neutralisation plant under normal conditions is working quite efficiently. It was the volume that occurred this winter as a result of the heavy

rainfall that caused all the problems. Additional work is being done by the department on that plant.

**The Hon. J. D. CORCORAN:** Could the Minister give us a progress report on the development of the Noora evaporation basin? When is that likely to be completed? Has work along the Rufus River been completed (that is off Lake Victoria, if I remember rightly) or is there still work to be done there?

**The Hon. P. B. Arnold:** The Rufus River work is currently under construction. The Noora scheme will virtually be completed by the end of this calendar year. Stage 1 should be operational next January. The pumping station at the Berri evaporation basin will be constructed. Only a few days ago Cabinet accepted a tender for the mechanical works for the Dishers Creek basin. The department will be in a position to start pumping water to Noora probably next January.

**The Hon. J. D. CORCORAN:** It is heartening to hear that such progress has been made. I take it the Minister is satisfied that, so far as is practical or possible with the finances available, South Australia is doing its best in relation to salinity mitigation within its own territory, and I hope that message is being passed on to the other States.

**The Hon. P. B. Arnold:** We are endeavouring to pass that on. A very significant development, I believe, is the encouragement that is being offered and what we are proposing to the Federal Government to try to have additional funds made available for on-farm irrigation improvements to be made. I think it is being generally accepted now that the biggest single contributor to the salinity problem is certainly the irrigation practices of the farmers themselves. I would venture to state, although I might be proved wrong, that if modern irrigation practices are widely utilised in the Riverland in South Australia the amount of drainage effluent which will need to be pumped to Noora in future will be significantly reduced from year by year because of the more efficient irrigation practices. It is a matter, I believe, of solving the problem at its cause and not treating the problem after it has been created.

**The Hon. J. D. CORCORAN:** I could not agree more. We would not have brought Chaffey here in the first place if we knew what we know now. Talking of irrigation practices, the Minister would be referring, no doubt, to drip irrigation and things of this nature, and to the fact that you have to encourage the individual grower to participate in that, and because of the expenditure involved or the cost of new equipment, etc., you are going to subsidise the growers in order to do that.

**The Hon. P. B. Arnold:** There is the on-farm grant that is available and the variation we have made to the existing policy that the previous Government had in the rehabilitation of the Government irrigation areas, where the grower can opt to either take the equivalent of what it would have cost on average to connect the irrigation system to his existing internal inefficient irrigation system, or the department just bringing the water supply to the boundary and offering that connection money by way of grant as an incentive to the grower to put in a modern irrigation system. That is being very keenly taken up by the growers to whom the option is being made available, a much higher percentage than we anticipated would take it up. So it is being keenly sought in the light of that experience. I believe that if we can get the acceptance of the Federal Government to make significant sums of money available on a long-term basis at a low rate of interest, together with the concession provided by the Federal Government in the form of an income tax concession, we should see a very high percentage of irrigation properties converted to modern practices. That is a benefit again to all concerned. The State gains the benefit of reducing the salinity problem; the grower reduces



water consumption on the property; and also power costs are dramatically reduced.

**The Hon. J. D. CORCORAN:** So it would be a means of encouragement rather than regulation?

**The Hon. P. B. Arnold:** I believe that the incentive will be quite adequate and that the majority of growers will convert as quickly as possible. In taking into account that if the Federal Government agrees, and we have an encouraging response from it in relation to the on-farm low interest loans, a very significant percentage of the growers will take it. This will relate to all growers irrigating from the Murray-Darling system in the three States. As such, it will not have a limiting factor. Unfortunately, we are only able as far as the grant is concerned, to make that available to those growers within the Government irrigation areas who have not yet been rehabilitated.

I placed a moratorium on further connections to growers in September last year while we finalised the formula by which we would offer that grant. No connections have been made since that time. Now that that has been approved and made available, growers back to that date of September last year will have the right to claim the grant in lieu of connection. It is unfortunate that the policy was not developed earlier. We would have gained possibly another \$2 000 000 or \$3 000 000 worth of modern irrigation equipment in there which would have significantly helped the salinity problem.

**Mr KENEALLY:** I was pleased to hear the report that the Minister just gave on the change in irrigation practices. He said a very high percentage of growers would be changing over to the more modern practice of irrigating. Could he give the Committee some indication of what that percentage might be and what encouragement is going to be given to the minority of irrigators who are resisting the change, for whatever reason?

**The Hon. P. B. Arnold:** We believed that about 30 per cent of the growers would opt for the grant in lieu of the connection. At this early stage the indication is that the figure will be significantly more than 30 per cent. I do not believe that it will be necessary to bring pressure to bear on those growers who do not wish to convert. If the Federal Government makes available a low-interest loan over a long term, combined with 100 per cent tax write-off, the growers will see this as an extremely attractive proposal. I believe that the majority of banks probably would insist that their grower customers take advantage of that proposal from the point of view of improving their asset, their productivity and their general liquidity. I believe that no other incentive will be required beyond that, because the proposal will be attractive enough and most of the growers will take it up.

**Mr KENEALLY:** The Minister is therefore saying that he is confident that 100 per cent of the growers will take up the more modern irrigation practice.

**The Hon. P. B. Arnold:** No, I am not confident that there will be 100 per cent participation, because that would mean that it would have to be absolutely mandatory that no person could do other than take up the option. We refer to a modern irrigation practice as an improved irrigation system, but that could still be a flood irrigation system. There are some very inefficient flood irrigation systems at present. Under certain conditions, flood irrigation systems can be as efficient as sprinkler, microjet or drip irrigation systems. The grade must be right for the soil type. A grower may convert from his old, inefficient flood irrigation system, which involved broken down earthen channels, to a modern pipe system, involving a property being relaid so that the gradients are correct, and still have an extremely efficiently irrigated property.

To say that 100 per cent of the growers will change would not be true, but in time I believe that we will achieve

almost 100 per cent participation. Some of the older growers who are nearing the end of their careers as horticulturists will tend not to become involved in rehabilitating or redeveloping their property. When the property is eventually sold or is passed on to another member of the family, such as a son or a younger person, I believe that the option will be taken up. It would not be possible or correct to mandatorily demand that a modern system be installed. The economic benefits will be such that the vast majority of irrigators will take up the option and, in regard to the few irrigators who do not take up the option, there will probably not be a significant effect.

**Mr KENEALLY:** I take it that the Minister does not have a target figure to which he is working in terms of changing over to more modern irrigation practices.

**The Hon. P. B. Arnold:** No. The on-farm grant from the State Government is geared to the process and the staging of rehabilitation within the Government irrigation area. Within the 12-month period that a grower would normally have his property connected to the rehabilitated scheme as it develops through the district, he will become eligible for the grant moneys. That grower may opt to install a modern irrigation system beforehand, as long as he obtains the approval of the Department of Agriculture and the Engineering and Water Supply Department. That grower would be entitled to receive a grant, and arrangements could be made with his bank during the 12 months in which he would normally be connected to the rehabilitated system. If that was not the case, the department's budgeting would be thrown completely out of gear.

**Mr KENEALLY:** How much is the grant?

**The Hon. P. B. Arnold:** The grant varies depending on the size of the property. The formula has been carefully worked out and is readily available. It is contained in a brochure that the department has produced for the benefit of growers, so that they can virtually assess the figure for themselves. The formula is worked out so that 25 per cent of the grant will be made available on the basis of the actual connection to the property. The remaining 75 per cent of the grant is worked out according to the area to be placed under improved irrigation.

**Mr KENEALLY:** The questions I wish to raise now are merely to seek information. I do not want the Minister or anyone else to suggest that what I say is Opposition policy, because it is not. Nevertheless, questions should be asked in regard to irrigation, and the Minister may suggest that I have been reading Davidson. The State provides a considerable subsidy to irrigators of about \$6 000 000. I am well aware of the Government's responsibility to our irrigation areas in the Riverland and the importance of the Riverland to the State's economy, so I do not suggest that that should be changed. I want to ask a question, first, about the propriety of heavily subsidising commercial activity. Secondly, because there is a heavy subsidy from the State, has the department or the Minister considered whether the charges for water to irrigators should be varied? They are legitimate questions, but I am well aware of their sensitive nature. They are my questions, and I do not expect anyone to say that this is policy.

**The Hon. P. B. Arnold:** The total subsidy is the result of the debt charges, and so on, on the capital works. There is an annual operating deficit. Currently, we recover about 78 per cent of the annual operating costs. That is partly the reason for the 18 per cent increase this year. Our long-term objective (and this was the objective of the previous Government, which hoped to achieve it within 10 years) is to reach a point where the annual operating costs equal the revenue. That will be achieved in two ways: first, by the modern irrigation system and, secondly, by increasing the rates and by reducing the administration and operating

costs of the modern irrigation system once it is installed. The debt charges, which amounted to \$6 300 000 in 1980-81, is an issue separate from the operating costs. We are continuing the objective that the previous Government adopted to ultimately reach the point where the annual operating costs are met from the rates charged.

**The ACTING CHAIRMAN (Mr Olsen):** I understand that the Minister has a reply to the question asked by the member for Newland.

**The Hon. P. B. Arnold:** This is largely tied up with the significant reduction in the number of weekly-paid employees as a result of attrition and the early retirement scheme. In fundamental terms, that is what the significant reduction is all about. There has been a dramatic reduction in the number of weekly-paid employees.

**Dr BILLARD:** In other words, placement under the financial management and information systems and services line is for the sake of convenience?

**Mr Killmier:** The department runs a number of deposit accounts through which a range of transactions for weekly-paid employees is processed. That is caught up in the figures shown, which include not only staff people directly associated with financial management information systems but also a range of people going through deposit accounts on their way to being charged somewhere else. It is a little unfortunate that it is under a heading perhaps more naturally associated with financial systems. Probably another spot would have been better.

**Dr BILLARD:** How many people work on jobs related to financial management and information systems and services?

**Mr Killmier:** Management Accounting and Budgeting Branch currently has 10 people working in it; Accounts Branch currently has 80 people. But, there are other people in the country who are naturally part of accounting systems. It depends on whether you speak about accounting systems development or continuing accounting systems.

**Dr BILLARD:** The Minister talked about improved irrigation systems. I am aware of computerised control of irrigation systems, of which he is also aware, because we have discussed it. To what extent is the department encouraging the use of those systems, which are obviously fairly new? There may be some psychological difficulty with their acceptance, because they would imply a grower letting something else control the tap, rather than himself.

**The Hon. P. B. Arnold:** Irrigation properties in the Riverland, particularly those under the Government irrigation scheme, are mainly too small to warrant the computerised system cost. It is being used on properties in excess of 100 hectares, and much larger. The smaller properties still tend to be manually operated. Drip irrigation systems now being installed work mostly on a time clock basis. Calculations are made of the number of hours drippers should operate each day. The process then clocks on and out without the grower having to do anything about it physically: he needs only to programme the hours he requires. I do not think we will see many computerised irrigation systems on 10, 15 or 20-hectare properties. But, there is no doubt that there is a place for it on much larger holdings.

**Dr BILLARD:** The Minister refers to computerised systems which would involve some feed-back mechanism which detects soil conditions, and therefore control of water flow?

**The Hon. P. B. Arnold:** Yes. In the past few years significant developments have been made with soil probes to determine soil moisture content. That system operates automatically from probes strategically placed throughout the property.

**Dr BILLARD:** What is the department doing to improve growers' ability to adopt these improved techniques by

giving them their water allocation as and when it is required, rather than as and when it is available?

**The Hon. P. B. Arnold:** The rehabilitative system is virtually a water-on-water system. The predetermined general type of irrigation has gone. Now, the grower virtually has to determine one, two or three days in advance when he wants to irrigate next, unless he is operating on a drip irrigation system drawing a low volume of water and he can be geared into the system so that his property automatically clocks on at a given hour each day.

The Department of Agriculture and the Engineering and Water Supply Department work closely together on this. Obviously, a system enabling every grower to irrigate at the same time would need an enormous capacity, and its cost would make it out of the question. The system is geared to enable every grower to carry out full irrigation within about a 10 to 12-day period.

**The Hon. R. G. PAYNE:** Going to metropolitan sewerage, in my time, and in the previous Minister's (the member for Hartley), there were odour problems emanating from the Port Adelaide treatment works. An improvement programme was commenced, and complaints have been received from West Lakes residents over a period. Has that upgrading scheme been completed? I think there was a proposal to oxygenate holding tanks.

**The Hon. P. B. Arnold:** Significant work has been done, particularly at Port Adelaide, and I think that that has been the subject of a number of questions in the House by the member for that area. Development of the area around the treatment works has increased significantly, and more complaints about the odour have been received from the public. Permanent facilities are being constructed to replace temporary facilities to relieve the problem, most of which work has been completed.

**The Hon. R. G. PAYNE:** When will that be completed?

**The Hon. P. B. Arnold:** To date, \$434 000 has been spent on that Port Adelaide work.

**The Hon. R. G. PAYNE:** It is a fairly costly smell.

**The Hon. P. B. Arnold:** Over \$44 000 has been allocated this year to complete the work.

**The Hon. R. G. PAYNE:** I have been told that there is a problem with insufficient inspection of tanks, and it was suggested that one tank is in a dangerous condition.

**Mr Lewis:** Some remedial work was done on the gas holders on top of the tanks. I would not say that they were dangerous. Work has been done on replacing gas compressors, which are also a source of odour. They were worn out and leaking.

**The Hon. R. G. PAYNE:** I believe that I inspected them once in your company.

**Mr Lewis:** That is right. It will not be long before we have to replace some of the gas holder covers. That is a normal maintenance programme which would be done, as has been done at Glenelg treatment works. I imagine that they are reaching the end of their economic life.

**The ACTING CHAIRMAN:** There being no further questions, I declare the examination of the vote completed.

Works and Services—Engineering And Water Supply  
Department, \$57 063 000

Acting Chairman:  
Mr J. W. Olsen

**Members:**

Dr B. Billard  
 The Hon. J. D. Corcoran  
 Mr G. F. Keneally  
 Mr J. Mathwin  
 The Hon. R. G. Payne  
 Mr R. J. Randall  
 Mr J. P. Trainer

**Witness:**

The Hon. P. B. Arnold, Minister of Water Resources, Minister of Irrigation, Minister of Lands, and Minister of Repatriation.

**Departmental Advisers:**

Mr K. W. Lewis, Director-General and Engineer-in-Chief, Engineering and Water Supply Department.  
 Mr D. J. Alexander, Deputy Director-General, Engineering and Water Supply Department.  
 Mr A. N. Killmier, Director, Administration and Finance, Engineering and Water Supply Department.  
 Mr K. J. John, Senior Finance Officer, Engineering and Water Supply Department.

**The ACTING CHAIRMAN:** I declare the proposed expenditure open for examination.

**Mr KENEALLY:** I would like to direct some questions to the Minister about the Murray River, especially in relation to a permanent solution to the salinity problem. Before doing so, I have one or two short questions to ask. First, can the Minister say what the department intends to do with the siting of the common effluent drains and lagoons that are currently on the Murray River flood plain, how many there are in South Australia, and does the Government intend to relocate them?

**The Hon. P. B. Arnold:** The common effluent schemes are under the control of councils and, therefore, it is fundamentally the responsibility of councils to operate and maintain them. At this stage, the Government has not taken any legislative or regulatory steps to force local government to shift them from that area. At the moment, the oxidation ponds at Waikerie are under water, but when they go under water the flow rate in the river is quite significant. It is not believed that, as a result of the high flow, any real health risk will occur.

**Mr KENEALLY:** The ponds that the river picks up over the State boundary are more extensive than those that it picks up on this side of the border. I believe that 12 waste disposal stations along the Murray are under water. What is the situation in relation to that disposal of waste from the facilities?

**The Hon. P. B. Arnold:** This situation has been the subject of a recent press statement that I made. In the circumstances such as we have at the moment, where the effluent stations are out of commission, it is the responsibility of boat owners to dispose of their waste, in a satisfactory manner, on land. The decision was taken some years ago regarding the positioning and height of these waste disposal stations.

To build them above a given flood level would have been an extremely expensive and difficult operation, and it would have been extremely difficult for boat owners to use them in normal river conditions. It would have been fine for them to use the stations during flood periods, but flood periods are rare. It is the responsibility of boat operators to dispose of their waste in a satisfactory manner, when the disposal stations are out of commission, on land.

**Mr KENEALLY:** I should like now to take up with the Minister the permanent solution of the Murray River salinity problem because I think it is of great significance to

South Australia. The priority 1 works recommended by this submission is a dewatering scheme in the Kerang area, which takes in Barr Creek and the Loddon River area. That project, which I have recently visited, is meeting strong resistance from local irrigators. The Victorian Public Works Standing Committee, which had reported favourably on the salinity basins, has been requested to do another report.

I was speaking to the Chairman of the Murray Valley League yesterday. A member of the Swan Hill council, he told me that they are having a meeting there next week to discuss the mineral reserves project. I believe, having discussed this matter with people in Victoria, that the Government is having a rethink on it and, if that is the case, is it a fact that priority 1 of this submission is threatened?

The Shepparton dewatering scheme, putting low-salinity water back into the Murray River, is dependent on preventing high-saline waters going into the Murray in the Kerang area. That is a pay-off, in a sense, one against the other: if the high-saline water is not stopped from going into the Murray, I think South Australia has a critical problem, because we have the Shepparton scheme and the Kerang area placing saline water into the Murray River. Is the Minister aware of this and has he or the Premier had discussions with the Victorian Premier or the State Rivers and Water Supply Minister in Victoria?

**The Hon. P. B. Arnold:** Fundamentally, that proposal is a recommendation of the Maunsell inquiry, and the prominence that Maunsell gave to it is the reason why we put it in as a significant proposal that is critical for water quality in South Australia. We are aware of understandable parochial attitudes that exist in that area, and undoubtedly there will have to be significant negotiations, the same as we have had to go through in South Australia, in relation to the Noora scheme, with the persons who are affected as a result of that scheme. We have had to negotiate at length with the farmers in the Noora area because of the land that will be affected by it. Undoubtedly, any scheme will affect someone, and naturally those people who will be affected by it will not be keen on the idea.

I believe, in the light of the significance that has been given to it by Maunsell, that it is a critical works that should be undertaken, and that is why we list it as a high priority. That document is a broad proposal which gives an indication as to the direction in which we believe the three States and the Commonwealth should be heading. Naturally, when you get down to tin tacks, there will need to be refinements, and the manner in which that dewatering scheme is carried out will have to be looked at, and various alternative methods of coming to grips with that problem will have to be discussed at length and negotiated so that we can reach a satisfactory conclusion to the benefit of all river users.

**Mr KENEALLY:** The Opposition and I do not have any criticism of the Government for making that number one on its priority list. I am not questioning Maunsell, either. I am bringing to the attention of the Minister, if he did not already know, that if that is the top priority scheme in the submission to the Federal Government, an election is coming up in Victoria and everyone is getting very shaky indeed.

There is not one political Party in Victoria which is prepared to come out and say that the mineral reserve project should go ahead. In fact, the situation is that, although they have had a Public Works Select Committee report favourable to that project, it has now been reopened. That has been for only one reason, and we would have to be foolish indeed to believe that that project has been reviewed by the Public Works Select Committee for any other reason than that they are going to come out against it. If they do come out against that mineral reserve project, that does put back, as I understand it, the full Lake Tyrrell scheme, because it will increase enormously the cost to

pump water from Lake Tutchewup to Lake Tyrrell. People do not have the will to do that at the moment. In addition to the mineral reserves, heavy pressure is also coming to bear on the Victorian Government to do nothing about the Lake Tyrrell scheme because of the dry land salinisation problems that they have in that area.

We have an extreme problem in South Australia, and we ought not to rely on the Victorian Government, whatever Victorian Government it may be (either the current one or another one) having the will to bring this project into effect. This project is vital to South Australia if we continue to agree that the Shepparton dewatering continues. We have no criticism of this submission or of what the Minister has done in relation to the Victorian Government, except that I probably would have preferred him to come out a little more often in showing concern about it. However, that is a natural political bias, which is, I guess, irrelevant. What are we doing in South Australia to bring pressure to bear on the Victorian Government not to continue with the Shepparton dewatering until the Kerang problems have been solved?

**The Hon. P. B. Arnold:** The Premier has had discussions with the Premier of Victoria. Also, there have been discussions at officer level. As the honourable member is probably aware, we have a significant meeting coming up tomorrow week in Melbourne and, hopefully, a number of the problems to which the member is referring can be solved at that meeting. A considerable amount of time has been set aside by the Premiers and the Prime Minister on that occasion, and I hope that we will be able to get some fundamental agreement on the proposals in that document.

**Mr KENEALLY:** I firmly believe that the greatest risk to South Australia in relation to the high salinity of the Murray River is faced not from New South Wales currently but from what is happening in Victoria. That view, I might add, is shared by both the Victorian State Rivers people and the New South Wales Water Resources people. They acknowledge where the threat to South Australia has always been and where it will be unless the politicians are able to come up with the right decisions that protect us. I raise this matter because everyone in South Australia ought to be aware of that very real risk to us.

If the political pressure in Victoria is as I believe it to be, we can forget about that submission and we can forget about doing anything in the Kerang area until someone provides the money for that famous old scheme of piping the water to the sea. That is seriously being discussed now among politicians in Victoria, because there is no easy resolution to the pressures that come to bear on State Governments. We are all aware of those pressures as they come to bear on State Governments, and they are never so critical as they are in Victoria at the moment. I put it to the Minister that, unless someone comes up with a 15-seat to 20-seat victory at the next election, South Australia's future is gravely at risk.

**The Hon. P. B. Arnold:** I do not know about the honourable member's political conclusions, but the fact that South Australia's future is at risk is certainly what I have been saying for the past two years, and long before that. That is the basis of the reason for the public debate that I very much initiated and stimulated throughout Australia to make the public aware of the problem that exists. Fundamentally, that document arrives at an acceptable water quality standard at the South Australian border, so that we have a water standard with which we can cope. Then, the works that we undertake in this State will protect that standard of water that we are receiving at the border.

If we are confronted with a steadily deteriorating situation, quite obviously, no matter what work we undertake in this State, we are fighting a losing battle. On that basis,

we are in dire straits. I am confident in my mind that with common sense it has been shown in other parts of the world that river systems can be improved. They do not have to go on deteriorating forever. In a number of countries, where they have genuinely come to grips with the problem, they have significantly improved the overall quality of the water in some of the major river systems of the world.

I think that that is the case here. Dartmouth dam was an example of one significant expenditure of money on a capital works project. Because of the single factor that that system increased the base flow right through the system, it probably reduced the salinity level in South Australia by 250 e.c. units during the past summer. What is of great concern to me is that the benefits of that \$138 000 000 project will be lost to us over the next 10 years if, as a result of further irrigation development and utilisation of water in the Eastern States, we get back to pre-Dartmouth days. I believe that there is no need for that and that we can continue to improve to the point where we can expect that the worst quality of our water will be about 850 e.c. units at Morgan during bad periods on a regulated flow. That is about 200 units better than we experienced this year and 400 units better than it would be if it was not for Dartmouth. I feel quite sure that if in this past summer we had gone back to pre-Dartmouth allocations of water we would without any doubt have been looking at 1 200 e.c. units or 1 250 e.c. units at Morgan.

**The Hon. R. G. PAYNE:** I draw the Minister's attention to page 125 of the Parliamentary Papers and ask him to consider the first four lines which refer to waterworks, sewerage and irrigation works, metropolitan and country waterworks and metropolitan and country sewerage. Notwithstanding what the member for Newland said, there is some relevance in examining individual columns. That does not mean that one will go out on a limb and someone can kick the stool away if one is wrong; it does not necessarily involve that sort of accuracy, or argument. If we look at these figures, we see a negative movement in relation to the amount proposed for metropolitan waterworks and for metropolitan sewerage in respect of amounts actually spent last year. In relation to country waterworks and sewerage, there is a positive movement, increased amounts having been provided. One fairly substantial increase is in relation to country waterworks. I accept that these amounts vary from year to year. Can the Minister say what that actually means in terms of constructional activity proposed for the coming 12-month period?

**The Hon. P. B. Arnold:** In relation to waterworks, the metropolitan area of Adelaide is fairly up to date. I think I am right in saying that the percentage of houses in the metropolitan area of Adelaide supplied with reticulated water is greater than any other city in Australia, and, as such, more emphasis is being placed on the country areas, which are still lagging. The same applies to sewerage.

**The Hon. R. G. PAYNE:** I accept that, and I have noticed the trend.

**The Hon. P. B. Arnold:** There is not a great deal of expansion in the metropolitan area. It is pretty well up to date on world standards.

**The Hon. R. G. PAYNE:** I refer to the proposed expenditure for 1981-82 of \$245 000 for the central workshops and foundry. Is that amount proposed for the same reasons as it used to be proposed in earlier years? The Minister will understand what those reasons are. Also, does the Minister see an end to the provision of such amounts?

**The Hon. P. B. Arnold:** That \$245 000 comprises plant for development, \$38 000; north compound development, \$43 000; employees' carpark, \$23 000; demolition of Kent Town depot, \$54 000; and other miscellaneous works, \$87 000.

**The Hon. R. G. PAYNE:** I refer to the vote for the South-Eastern Drainage Board and specifically the proposed expenditure of \$60 000 for the replacement of bridges. I remember inspecting the area once, and it seemed that quite a number of bridges had been replaced. I take it that this expenditure is for the normal ongoing programme.

**The Hon. P. B. Arnold:** A number of bridges in the area certainly need replacing as vehicles, particularly farm equipment, become wider and heavier.

**The Hon. R. G. PAYNE:** They are supposed to be getting smaller, fuel-wise.

**The Hon. P. B. Arnold:** Farm equipment is certainly getting a lot wider. In fact, in certain spots an endeavour is being made to build fords across the drains, because the cost of building a new bridge to the dimensions required to accommodate some of this modern farm equipment is almost prohibitive. However, a number of timber bridges are being replaced all the time, and that works programme will have to continue for some time to come.

**Mr MATHWIN:** With regard to plant and machinery, I take it that part of the plant would involve the supply of motor vehicles to different sections of the department. If so, what vehicles are involved?

**The Hon. P. B. Arnold:** I have here a note to the effect that it is in two sections, that is, major plant or heavy equipment, which accounts for \$3 360 000, and minor plant, accounting for \$1 635 000.

**Mr MATHWIN:** I refer to the line 'Preliminary investigations and miscellaneous items'. Are the investigations for further development for the supply of water, or what type of investigations are envisaged under that vote, for which \$5 391 000 is allocated?

**The Hon. P. B. Arnold:** The proposed expenditure of \$5 391 000 comprises design work for the Happy Valley water treatment works, involving \$587 000; preliminary work on the Myponga filtration plant involving \$16 000; northern towns water filtration, at a cost of \$799 000; and miscellaneous investigations that will cost a further \$1 989 000.

**Mr MATHWIN:** That is all?

**The Hon. P. B. Arnold:** There is also the Torrens linear park and flood mitigation of the Torrens River project, for which \$2 000 000 has been allocated this year.

**Mr MATHWIN:** Is any investigation into desalination or into the problems of salt accounted for under that line?

**The Hon. P. B. Arnold:** In relation to desalination for potable water purposes?

**Mr MATHWIN:** The Murray River, and so on.

**The Hon. P. B. Arnold:** No. If the honourable member is referring to desalination, it would be in relation to works that are currently under way on the Noora scheme, which is a major salt mitigation works. It is not so much a desalination works but a salt mitigation diversion works, which has been a major proposal. I suppose that one could also include in that works the major rehabilitation of Government irrigation areas as a salt mitigation works, inasmuch as the rehabilitation works is significantly reducing the groundwater movement from the distribution system back to the river.

**The CHAIRMAN:** For the benefit of the member for Glenelg, the Minister has given detailed explanations to that question.

**Mr MATHWIN:** Was an investigation done on whether any further work should be done after the Noora scheme has been completed? Has that question already been asked?

**The CHAIRMAN:** I will permit the Minister to answer the question.

**The Hon. P. B. Arnold:** Besides the Noora work, the Rufus River salt diversion scheme is currently being under-

taken by the South Australian Government for and on behalf of the River Murray Commission. That scheme will significantly divert further large quantities of salt from the Rufus River below the outfall of Lake Victoria to an evaporation basin. The other major works will be more in the form of on-farm improvements, and hopefully much of that will be funded by the Federal Government in the form of long-term low-interest loans, which again will probably be one of the most significant factors in reducing the overall salinity return to the river.

**Mr KENEALLY:** I want to pursue only one final line of questioning. The Opposition will then be quite happy for our questioning on the Engineering and Water Supply Department to cease before 6 o'clock. The member for Glenelg (and I thank the honourable member for raising the question) mentioned a figure of \$799 000, which is to be allocated for the northern water supply filtration scheme this year. Can the Minister give the Committee details of the current status of the filtration programmes, both city and country, that is, details of when the department is likely to commission any new filtration works? Will the Minister also give me a more comprehensive report on the current position of the filtration of the northern water supply?

**The Hon. P. B. Arnold:** As the honourable member knows, a consultancy was let to Camp, Scott and Furphy to prepare the detailed design plans of that water filtration plant at Morgan, and it is anticipated that they will report to the Government in October next year. Then, it will be a matter of the plant being slotted in with the total water filtration programme in South Australia. I believe that the Government will be in a position, perhaps in November if we receive the report in October, to assess the detailed plans and designs, and with Cabinet approval, to look for tenders early in 1983, subject to funds being available.

**The CHAIRMAN:** There being no further questions, I declare the examination of the vote completed.

Works and Services—South-Eastern Drainage Board,  
\$210 000—examination declared completed.

Minister of Water Resources and Minister of Irrigation,  
Miscellaneous, \$2 150 000

**Chairman:**

Mr G. M. Gunn

**Members:**

Dr B. Billard  
The Hon. J. D. Corcoran  
Mr G. F. Keneally  
Mr J. Mathwin  
Mr J. W. Olsen  
The Hon. R. G. Payne  
Mr R. J. Randall  
Mr J. B. Trainer

**Witness:**

The Hon. P. B. Arnold, Minister of Water Resources, Minister of Irrigation, Minister of Lands, and Minister of Repatriation.

**Departmental Advisers:**

Mr K. W. Lewis, Director-General and Engineer-in-Chief, Engineering and Water Supply Department.

Mr D. J. Alexander, Deputy Director-General, Engineering and Water Supply Department.

Mr A. N. Killmier, Director, Administration and Finance, Engineering and Water Supply Department.

Mr K. J. John, Senior Finance Officer, Engineering and Water Supply Department.

**The Hon. R. G. PAYNE:** There are three lines which I need to take together on page 109 of the Parliamentary paper, as follows: 'Preliminary investigations—Water supply, sewerage, irrigation and sundry works', 'Sundry works—Preliminary surveys and investigations', and 'Water supplies and irrigation schemes—Preliminary surveys'. The amounts voted in the previous year relating to those three lines total \$3 000 000. The amounts voted this year (suggested by asterisks as being lines related to each other) total only \$1 000 000. My understanding of those three lines is that whereas \$3 000 000 was previously voted now only \$1 000 000 is proposed. Can I have some explanation of the downward movement which is indicated, and have I understood those lines correctly?

**The Hon. P. B. Arnold:** That is now contained on page 108 as follows: 'Water Resources Management—Materials, services, machinery hire, general expenses incurred in normal operation and maintenance', \$2 950 000.

**The Hon. R. G. PAYNE:** It certainly does not appear to be indicated that way in the book, but I could not pick it up that way in the Parliamentary Paper No. 9. That is why I raised the query.

**The Hon. P. B. Arnold:** And, further, on page 107, under 'Water Resources Management', 'Foremen, Mechanics, Storemen, Maintenance Men and Other Employees, \$50 000'; and 'Portion of salaries, etc., shown under General, \$1 600 000'.

**The Hon. R. G. PAYNE:** The only other line I wish to refer to is in relation to metropolitan drainage maintenance and South-Western suburbs drainage funds. I want just to take the opportunity here to say what a very worthwhile scheme that has been over the years and to pay a particular tribute to whoever designed the last drain installed in that scheme which runs not very far from where I live in Clovelly Park. It is a subterranean drain No. 6. The designers whoever they may be (and I suspect the E. & W.S. Department was concerned) are to be congratulated. That drain has been installed now, I think, for something like two or three years. It had its greatest test for many years this year. It discharges into Sturt Creek and drains the area as high up as Pasadena, through St Mary's and Clovelly Park. There was no flooding at all in the recent long winter that we had. There are very many residents of the areas concerned who are very grateful for that. Some of them do not appreciate that it was drain No. 6 that fixed it, but that is not important. They no longer suffer the flooding that was quite common in those areas with far lesser rains than we had this year.

**Mr MATHWIN:** I would like information on the line, 'National School of Drilling, \$6 000'; where is that? Is that at Broken Hill?

**The Hon. P. B. Arnold:** That is a contribution by South Australia towards the National School of Drilling—in a similar situation to the contribution to the Australian Water Resources Waste Water Association.

**The Hon. R. G. PAYNE:** In relation to the line 'Inquiry into the recreational use of reservoirs', I see that no funds are proposed this year, and I understand that; I think the inquiry phase is well over. I wonder whether the Minister can indicate whether there have been any further developments in the actual implementation of what was contained in the inquiry recommendations.

**The Hon. P. B. Arnold:** No. Cabinet has considered the matter and decided not to proceed with recreational use of reservoirs at this stage; principally, it is regarded as a low priority and a conflict of interests exists in relation to that very subject.

**Mr RANDALL:** As yet I have been unable to find any information on the replacement of motor vehicles in the Minister's department. I am wondering where I can find that information.

**The Hon. P. B. Arnold:** I think you will find it under plant and machinery equipment. I take it that the honourable member is talking about departmental vehicles, not Ministerial vehicles?

**Mr RANDALL:** Departmental vehicles.

**The Hon. P. B. Arnold:** On page 125, plant and machinery, \$4 995 000.

**Mr RANDALL:** Does the Minister have a policy in his department regarding the use of motor vehicles outside normal working hours? Would the Minister have available the number of sedans and station wagons in his department?

**The Hon. P. B. Arnold:** That information would be available, but I certainly do not have it here.

**Mr MATHWIN:** Regarding the Water Research Foundation of Australia, we have a payment last year of \$5 000 and an allocation this year of the same amount; what type of work does that research foundation do? I take it that representatives from all States are on it?

*Members interjecting:*

**The CHAIRMAN:** Order! The member for Glenelg does not need any assistance.

**The Hon. P. B. Arnold:** This is a national body to which the department subscribes \$5 000 annually. The Government, through the department, is one of the contributors. Contributions also come from private organisations. The Director-General may be able to give additional information.

**Mr Lewis:** The Water Research Foundation of Australia was formed about 15 years ago. It reflected the concern of many people in Australia that, despite the climatic conditions, the shortage of water resources, and the pollution of water resources that was occurring in the country, no central body was undertaking water research, as occurs in other countries throughout the world, particularly in England, South Africa and America. The foundation is run largely by professionals. The South Australian Director of the foundation is Professor Holmes, of Flinders University. The foundation was established, and its members travel around Australia each year obtaining finance from a range of organisations and individuals, particularly from private enterprise, from individuals, and from Governments, to set up a research fund. Those funds are disbursed, in accordance with the priorities set by the directors of the foundation, to various research institutions that undertake research that is considered to have a high priority in the country. All of the State Governments contribute to the fund and some extremely good research has been undertaken.

**The CHAIRMAN:** There being no further questions, I declare the examination of the vote completed.

*[Sitting suspended from 5.53 to 7.30 p.m.]*

Lands, \$17 907 000

**Chairman:**  
Mr G. M. Gunn

**Members:**

Dr B. Billard  
 The Hon. J. D. Corcoran  
 Mr G. F. Keneally  
 Mr J. Mathwin  
 Mr J. W. Olsen  
 The Hon. R. G. Payne  
 Mr R. J. Randall  
 Mr J. P. Trainer

**Witness:**

The Hon. P. B. Arnold, Minister of Water Resources, Minister of Irrigation, Minister of Lands, and Minister of Repatriation.

**Departmental Advisers:**

Mr K. C. Taeuber, Director-General of Lands, Department of Lands.

Mr E. A. R. Mellen, Director, Administration and Finance, Department of Lands.

**The CHAIRMAN:** Does the Minister wish to make any introductory statement before the examination commences?

**The Hon. P. B. Arnold:** No, I believe the comments I made in relation to the opening of the consideration of the E. & W.S. Department lines is in keeping with the lines for the Lands Department. I believe that, being a smaller document, it will be easier to follow than the E. & W.S. Department document.

**Mr KENEALLY:** The Minister would be disappointed, as would his officers, if I did not ask the obvious question first. It seems to people in South Australia who require the services of the Lands Titles Office that there are unreasonable delays in processing subdivisions, etc. I think the delays are up to four months, or should I say that they seem almost nearly always to be about four months. Does the Minister consider that there are unreasonable delays that could be shortened? If so, is the department looking at the problem?

**The Hon. P. B. Arnold:** There are certainly delays, and it varies from time to time, depending on the land in question. I think it is generally accepted that the system of land titles in South Australia is first class, and the fact that it is first class is partly the reason for some of the delays. As the Minister, and also as a member of a rural electorate, I often receive phone calls on precisely that subject. But the department does have an extremely good record of accurate surveys and land titles, and I suppose the situation is somewhat of a compromise between the accuracy of those records, which is second to none, and the delays that do occur.

**Mr KENEALLY:** I certainly accept the Minister's statement about the efficiency of the Lands Titles Office in terms of providing a very good service when the titles are actually received. Is it thought that additional staff at the Lands Titles Office would shorten the delay period? Has that been looked at and the decision has been made that, no matter whether the staff were increased, the delays would not change?

**The Hon. P. B. Arnold:** I would be quite happy for the Director-General, if he wishes, to make any comments on a change of procedures that might shorten that period, yet retain the accuracy of the records and titles.

**Mr Taeuber:** The main emphasis, as the Minister has said, is on the protection of personal property rights that are registered under the Real Property Act and other Statutes that operate in the Registrar-General's Office, and in that process it is essential to ensure that everybody's rights are protected, not only the owner of the land that is being dealt with, but the owners of adjoining lands, and so there

is an inherent delay in the process that is necessary for that purpose.

The Registrar-General is constantly endeavouring to improve the service that he gives, and as far as the department is concerned the priority lies in a period of relatively scarce resources with that sort of service. It is constantly being attended to, and the Registrar-General does carefully monitor what might be identified in some cases as unnecessary delay. As far as the subdivision of land is concerned, part of that process is the planning process. Quite often there is a failure attached to the Registrar-General's Office, whereas the reason for the delay might well lie elsewhere.

**Mr KENEALLY:** The E. & W.S. Department, for instance.

**Mr Taeuber:** I make no comment.

**Mr KENEALLY:** I take it that nothing can be done in terms of additional staff that would shorten the delay in terms of the transfer of titles and subdivisions, etc., because as the Director-General has said there are certain procedures to go through, anyway, and that is a time-consuming process.

**The Hon. P. B. Arnold:** There is certainly not a shortage of staff situation: it is the process which has to be gone through and additional staff would not make any difference to the process.

**Mr KENEALLY:** That is something that is not easily understood in the community generally: there is a strong belief that the problem is at the Lands Titles Office, that it must be understaffed. Nobody reflects on the competence of the officers who work there. People do get a bit edgy if they have what they regard as unseemly delays in the receipt of titles when it might be a simple procedure or transaction that causes the delay.

**Mr Taeuber:** Quite often delays that are attributed to the Registrar-General's Office result from what is a fairly high proportion of cases in which the Registrar-General, because of deficiencies in the documentation or in the plans and surveys that are lodged with him, has to refer them back to the lodging parties for correction, so to the extent that there are delays I do not think the whole of the reason for those delays can be attributed to the processing of the Registrar-General's Office. There is a high proportion of both documents and survey plans that have to be returned for correction because of inadequacies in the information submitted to the office, so there are a number of contributing factors.

**Mr OLSEN:** I note at page 64 of Volume 2 specific targets and objectives to process 140 road plans and 150 applications for certificates of title. There are eight persons allocated to undertake that task. What time is involved in processing those plans and applications?

**The Hon. P. B. Arnold:** The honourable member was good enough to give me advance notice of this question, and I have been able to bring down the necessary answer. In relation to the road closing and opening, the procedure concerning the eight persons is that each application has to be receipted, the application has to be checked through, arrangements have to be made for advertisements in the *Government Gazette* and newspapers, a search to ascertain anyone whose rights may be affected, advise persons whose rights may be affected as a result of that search, make appropriate notations on plans, receive objections, advise councils concerned, prepare road orders for councils, check road orders with council resolutions, issue titles where necessary, endorse on public maps and assess the effects on property rights so that the Surveyor-General can make appropriate recommendations to the Minister, and also prepare road titles. That is the actual procedure that has to be gone through with each application received. It is a fairly long list and a fairly time-consuming one, and that is why

the eight persons are required to handle the volume indicated in the document.

**Mr OLSEN:** There must be some detailed process, because it would take about a week and a half, on simple mathematical calculations, of one person's time to undertake the particular task you have referred to.

**The Hon. P. B. Arnold:** Because of the complex procedures under existing legislation, it is proposed to conduct a review of the legislation in order to ascertain whether procedures can be developed which will result in staff savings in this area. That matter is under review, and hopefully the procedures can be improved which will enable a reduction.

**Mr OLSEN:** Page 67 of volume 2 refers to a 1981-82 proposed capital expenditure of \$495 000 versus an outcome in 1980-81 of \$85 000. Can the Minister indicate why there has been such a significant increase in proposed capital expenditure for the proposed 1981-82 year?

**The Hon. P. B. Arnold:** Those are the areas in which it is not possible to attract a developer or private developer, where the Government becomes the developer of last resort. There are small pockets of land—small country areas—for example, the development of blocks at Ceduna, Barmera or Waikerie, involving 10 or 20 blocks, and you cannot interest councils or private subdividers in doing that work; the department does it as the developer of last resort.

**Mr OLSEN:** Is the lot system a self-supporting system?

**The Hon. P. B. Arnold:** Financially?

**Mr OLSEN:** Yes.

**The Hon. P. B. Arnold:** The earnings in 1980-81 as a result of the lots operation amounted to \$107 100, and in that same year the salaries and operating expenses were \$506 000. At the moment there are 51 terminals in existence. The actual earnings and value of lots have to be laid off against the benefits in other areas, such as enabling valuers to be stationed or regionalised in country areas, so that they can operate efficiently from regional areas and still have full access to Adelaide. This is an area upon which Mr Mellen might be able to expand.

**Mr Mellen:** The lot system, whilst it is based in the Lands Titles Office, does affect many other areas of the department, such as, has been mentioned, the valuing function. This could not be carried on in regional offices to the same extent as we propose without the benefit of the lot system. It is being used in many other Government departments. These 51 terminals are situated in many other departments, in the E. & W.S. Department and the Housing Trust. It has also gone to various areas, for instance, the Commonwealth Taxation Office, and so on. It is proposed that we will extend the service much wider and that much more revenue will be brought in from it, but we cannot put a price on the benefits which are already accruing.

**Mr OLSEN:** Do you anticipate that it will become a self-supporting system?

**Mr Mellen:** There is another phase of the system which is yet to be developed but for which approval was given when we started development. That will cover the unregistered document system part of the lands titles operation, and it is seen that this will be the main source of increasing the revenue when that is done. We do not propose to move into that until June next year, because of the restrictions in the A.D.P. processing area.

**Mr OLSEN:** At page 76 of volume 2, you refer to the fact that the parcellation programme is 10 per cent completed as at April 1981. How long do you anticipate it will take before that programme is completed, and what will be the cost to do so?

**Mr Taeuber:** The parcellation programme is a programme that was designed to try to pick up some of the deficiencies of the past, as far as land identity is concerned, by assigning

a separate and unique identifier to each parcel of land that is registered in the Lands Titles Office. It is a project that is part of the integral total processing in the office. It is achieved in part by ensuring that, when land is subdivided, that subdivision is accompanied by the assignation of a unique identifier to each parcel in the subdivision at that stage. It is in part achieved by picking up these past situations in which more than one parcel of land has the same identifier attached to it. It is a manual process and, at the present rate, it could go on for the next 30 or 40 years to catch up the last 150 years or so of the way the land has been identified in this State.

We do have under consideration at the moment the application of computer technology to the graphical identification of land through a process called digitisation, and it is being suggested in the tentative proposal that has been made by the people in the department responsible for developing this concept that, if it is possible to apply this type of technology to this process of unique identification of parcels, it is possible that it could be completed within a period as short as five years, so if we continue to do it manually it can only be done as the opportunity presents itself. If it can be done by the use of computer technology and the process of digitisation, the process could be completed in the next four of five years.

**Mr OLSEN:** Obviously, there is no basis upon which you could put a cost factor on implementing the programme?

**Mr Taeuber:** Not at this stage. If we are able to move into the use of computer technology, it will be possible to identify it as a separate project.

**The Hon. J. D. CORCORAN:** I refer to the Land Resource Management Division. I think that in November 1980 the Minister approved the establishment of an inter-departmental group to review the legislative and administrative divisions of the arid zone tenure system and the dog fence, together with terms of reference of such review. I should like to know what the review has cost to date and whether or not any of the charge towards that cost is contained in this year's Budget.

In addition, I should like to know more specifically from the Minister why the project was set up in the first place and what sort of public response there has been to the inquiries made, I suppose, while the inquiry was proceeding? I understand that the report has been issued and that further submissions have been sought from people who were interested in it in the first place. How many submissions were made?

**The Hon. P. B. Arnold:** The review was established for the purpose of reviewing lands and the Pastoral Act in the same way as happened with the Crown Lands Act. The member would be aware that during his time in Government the review of the Crown Lands Act was commenced. In fact, that is nearing completion, and the Government will soon be in a position to present a Bill to the House on this matter. The Pastoral Act is being reviewed in exactly the same way to determine whether or not the current provisions of the Pastoral Act are adequate, and whether they are the right provisions in this day and age in relation to the management of arid lands in respect of land tenure.

I think that the honourable member has a copy of that report, which has gone out to the public for comment. We have received numerous responses from all sections of the community on it, and they have been considered. The responses are shortly to be considered by the Land Resource Management Standing Committee and, on the basis of that response from the committee, Cabinet will make a decision in relation to the drafting of amendments, of a new Bill, or whatever may be necessary as a result of the information that is submitted in response to that document.

**The Hon. J. D. CORCORAN:** How much did it cost?



**The Hon. P. B. Arnold:** It was done internally in the department. The only outside costs amounted to \$6 500; otherwise, it has been absorbed internally. I do not have the itemised figures.

**The Hon. J. D. CORCORAN:** They would not have been extracted.

**The Hon. P. B. Arnold:** No, they were part of the normal operations, particularly of the Pastoral Board, working on this as part of its duties.

**The Hon. J. D. CORCORAN:** I have read the report at length, and I have not been able to ascertain whether there is any consideration of allowing Aboriginal representation on any authority that may be set up, whether it is the Pastoral Board, or whatever. I take it that the form of tenure and everything else will be looked at in the future.

**The Hon. P. B. Arnold:** The final recommendation to Cabinet has not yet been determined. The responses will now go to the Land Resource Management Committee for its views on the matter. Ultimately, I will make a submission to Cabinet for its consideration.

**The Hon. J. D. CORCORAN:** I understand that, but I want to know whether or not any suggestions have been made in that report or in any submission or whether the Minister will consider Aboriginal representation on any controlling authority that may be set up as a result of this report.

**The Hon. P. B. Arnold:** We have received submissions in response to that document, which was issued for exactly that purpose, from Aboriginal interests, in the same way as we have received it from pastoral and environmental interests. All of those responses will be taken into consideration when considering the proposal to put before Cabinet. That has not yet been drafted.

**The Hon. J. D. CORCORAN:** I take it from the Minister's answer that he is not in a position to say what recommendations, if any, will be accepted by him or forwarded to Cabinet.

**The Hon. P. B. Arnold:** No recommendations have been drafted at this stage to go to Cabinet.

**The Hon. J. D. CORCORAN:** So, it is still in a state of flux. Can I ascertain from the Minister how long he thinks it may be before submissions are made to Cabinet?

**The Hon. P. B. Arnold:** I would like to be in a position to put a proposal to Cabinet probably within the next month or six weeks. I am not sure what the process will be following Cabinet's decision, or whether Cabinet will decide to prepare a draft Bill that will then be available for comment. I am not sure what Cabinet's decision will be as a result of that.

**The Hon. J. D. CORCORAN:** I take it that the Chairman of the internal inquiry was Jim Vickery.

**The Hon. P. B. Arnold:** Yes.

**The Hon. J. D. CORCORAN:** I take it that he would have consulted with the people from the Outback Areas Development Trust. Was it involved in any discussions on this report?

**The Hon. P. B. Arnold:** They put in a submission.

**The Hon. R. G. PAYNE:** I refer to the line 'Freeholding of petrol leases—Refunds' on page 112 of Parliamentary Paper 9. Although nothing was voted to this line in 1980-81, \$225 461 was spent. Nothing was voted this year. Can the Minister provide details about that?

**The Hon. P. B. Arnold:** As a result of the initial application of the freeholding policy, it was determined that the land would be freeholded on the basis of 30 per cent of the current unimproved value or the rent capitalised at the current Treasury rate. The idea of that was to let it run for a period and then review the situation. Following a review of that matter, Cabinet decided that a better balance was

15 per cent of the unimproved value or the rent capitalised at the current Treasury rate, whichever was the greater.

One tended to get a balance between the properties. Some would come under the 15 per cent unimproved value and some would come under the rent capitalised as being the greater of the two. In practice, that proved to be nearer the mark. As a result of that change in the policy, a refund was made to those people who accepted the freeholding figure at 30 per cent. It was clearly stated by the Government that, in the event of any change, no person would be disadvantaged as a result of the earlier announcement.

**The Hon. R. G. PAYNE:** I take it that Cabinet made a blue, but I am glad to see that it has been corrected and that the correct way of making rebates where necessary has been followed. Is that right? That is what really happened: you changed the policy.

**The Hon. P. B. Arnold:** The freeholding policy is proceeding extremely well. A view was held in some quarters that only those properties where people were paying a high rental for the land would be freehold. However, in instances people were paying as low as 50 cents, \$1 or \$2 per year on a fairly extensive property, many have opted to buy out the land. That is their choice. Certainly the Government is not compelling them in any way. It is interesting to note that some people have a very strong desire actually to own their land.

**The Hon. J. D. CORCORAN:** They do with perpetual lease.

**The Hon. P. B. Arnold:** As the member for Hartley has commented, they do with a perpetual lease. However, if one was to suggest to the majority of people living in Adelaide that they should have a perpetual lease and not a freehold title, they would not have a bar of it.

**The Hon. J. D. CORCORAN:** They are being foolish because the limitations that were on a perpetual lease have been removed. You know that.

**The Hon. P. B. Arnold:** That still does not alter the fact. Another example of this occurred particularly in the early days when migrants, particularly Greek and Italian migrants, were taking up large allotments in the Riverland. They would move only to Renmark because of the freehold titles; they would not go anywhere else in the Riverland because of the leasehold titles. It is a personal desire. As far as the Government is concerned, those who wish to own their own land can do so, as that is their prerogative. The Government is not trying to coerce anyone into a certain course of action because there is an option which the Government regards as a fundamental philosophical right.

**The Hon. J. D. CORCORAN:** It is not that: it is just a matter of economics.

**The Hon. P. B. Arnold:** That is fine; that is the attitude of the member for Hartley.

**The Hon. J. D. CORCORAN:** My attitude coincides with yours; I would let them have it.

**The Hon. P. B. Arnold:** It is the choice of the individual, and many people have a very strong desire actually to have a freehold title to the property that they occupy, rather than a lease.

**The Hon. R. G. PAYNE:** Mr Chairman, with your indulgence—

**The CHAIRMAN:** I was about to call the member for Newland.

**The Hon. R. G. PAYNE:** I do not know that that would have been entirely reasonable. One must always be careful when discussing proceedings with the Chairman. I have only one question.

**The CHAIRMAN:** The Chair is in a reasonable mood; I will allow the member to proceed.

**The Hon. R. G. PAYNE:** I did anticipate that, Mr Chairman.

**The CHAIRMAN:** I sincerely hope that the honourable member is in no way reflecting on the Chair.

**The Hon. R. G. PAYNE:** Certainly not. I was really only remarking on your long and honourable record in that career position in which we now see you. I refer to the line referring to the costs of the court action of *Johnson v the State*. Funds were paid last year and \$5 000 is proposed this year. Is there an end in sight for that action? What are the details? It is hoped that this will end during this coming year?

**The Hon. P. B. Arnold:** I cannot determine whether or not it will end this year. The provision relates to minor costs, that is, witness fees and travelling expenses in the *Johnson v the State* court case to which the honourable member referred.

**The Hon. R. G. PAYNE:** It relates to Kangaroo Island, does it not?

**The Hon. P. B. Arnold:** Yes. The High Court appeal judgment has not yet been given.

**The Hon. R. G. PAYNE:** I was not aware of that.

**The Hon. P. B. Arnold:** It is still in the process.

**The Hon. R. G. PAYNE:** Thank you for your indulgence, Mr Chairman.

**Dr BILLARD:** Before asking my question, I want to ask a small question relating to the question that has just been under discussion. Can the Minister say whether leasehold land costs more in terms of administration than does freehold land. I understand that transfer of ownership of property or lease requires a bit more overhead and, therefore, imposes a greater burden on the State.

**The Hon. P. B. Arnold:** There are a number of areas in relation to that question. The administration of the Crown Lands Act in relation to land transfers and so forth is much more expensive and complex than the administration required under the Real Property Act. Also, as I said, many leases in perpetuity that were set a long time ago are as low as 48 cents or 49 cents. The cost of administration—

**The Hon. J. D. CORCORAN:** That can never be increased, you know; it can only be reduced.

**The Hon. P. B. Arnold:** The cost of servicing those leases on average is about \$20, and on something like 40 per cent of the perpetual leases in South Australia the annual fee is less than \$10. So, it is a distinct loss situation for this State in servicing those leases, and that is part of the objective of the freeholding policy. It is one way in which we can reduce the number of leases that the State must service at a significant loss annually.

**Dr BILLARD:** I refer to the Valuer-General's Office. I understand that a regionalisation programme has been going on in that division over the past year or two. If I remember correctly, Port Lincoln was the first regional office to open, and there was to be some assessment of the effectiveness of the regionalisation before it was continued in other centers. What assessment has been made, what is the cost of regionalisation, and how far has it proceeded?

**The Hon. P. B. Arnold:** There is proving to be quite a significant saving in the regionalisation of valuers. Regional offices have been established at Port Lincoln and Berri, and we have recently stationed valuers at Noarlunga, Mount Gambier and Kadina. I refer to the actual cost saving. As can be seen on page 112 of the Estimates of Payments, the amount voted last year was \$522 000 and actual expenditure was \$516 906; this year the proposed expenditure is \$518 000, in the light of escalating costs and inflation. A direct saving in excess of \$50 000 in travelling and overnight expenses can be identified at this stage as a result of that regionalisation.

**The Hon. R. G. PAYNE:** Does that saving take into account the provision of housing, Loan moneys involved, and so on?

**The Hon. P. B. Arnold:** Yes.

**Dr BILLARD:** I refer again to the Valuer-General's Office. I understand that a specific target set for the coming year is the extension of the use of computer-assisted valuations, enabling annual valuations. I know that the Minister has introduced a Bill that will enable that to occur. Can the Minister explain how computer-assisted valuations could assist in enabling annual valuations? It seems to me that to value a property a valuer will still have to see it, and a lot of leg work by valuers will still be required. I am not sure how we will be able to get annual valuations that would be as effective.

**The Hon. P. B. Arnold:** What the honourable member has said is correct. The amendment that went through will enable this. We anticipate that within two or three years the Valuer-General will be able annually to give an actual valuation of every property in South Australia. We will then phase out the equalisation factor. Fundamentally, as a result of the development of computer technology, the Valuer-General is confident that he will be able to carry that out on an annual basis. The Director-General can probably give more detail as to how the Valuer-General will be able to achieve that with the use of the new computer facilities that will be available.

**Mr Taeuber:** Thank you. I do not fully understand the technique that will be used, but it involves the use of regression analysis. As was correctly said, you cannot value a property without seeing it. Once properties have been valued, very few of them change physically from year to year. Therefore, the physical content of what has to be valued remains in the main the same. It is possible, therefore, by the use of appropriate mathematical techniques that apply to computer modelling, taking into account the sales that occurred in the area, to analyse with a fairly high degree of accuracy to the point where the great majority of properties can have their values mathematically adjusted, and the only ones that need to be physically inspected and assessed individually are those in which there has been some physical change.

That depends, of course, on whether or not there have been substantial shifts in the incidence of value in one locality or another within a local government area. So far, the results that have been achieved, as reported by the Valuer-General, indicate that the degree of accuracy which is possible by the use of this technique is as high as that which you get with the somewhat subjective opinion that is inherent in making a valuation, anyway.

**Dr BILLARD:** I assume from what is said that the system will have fed into it information relating to any house modifications.

**Mr Taeuber:** Yes, indeed. It is necessary now, of course, for the Valuer-General to receive advice of proposed changes in a house. He does that through liaison with the local government authorities and the E. & W.S. Department. It is necessary to inspect those in which there has been any physical change to record and note what that change has been. There is already a process by which the Valuer-General is advised of applications for approval to local government authorities and advices to the Sewerage Branch of the E. & W.S. Department of actual changes that have occurred. So, he is kept informed of most physical changes that occur in buildings.

**Dr BILLARD:** I assume from the confidence with which the statements have been made that the system must, in fact, be already proven and running in parallel with the valuation system at the moment, at least in part of the State, sufficient to prove it. Is that so?

**The Hon. P. B. Arnold:** The process that has been outlined by the Director-General was actually used in Prospect

last year. In fact, it resulted in less objections than did the old method.

**Dr BILLARD:** I see. It sounds good.

**The Hon. J. D. CORCORAN:** I take it, however, that any objection that is made to a valuation would be dealt with by an individual and not by a computer.

**The Hon. P. B. Arnold:** Also, Mr Chairman, you will recall that the amendment provided that objections could be lodged at any time and not within the statutory 60 days. So, there is no limit from now on as to when one can object. One can object at any time.

**Mr KENEALLY:** I have a question on a totally different subject, the regionalisation of the Department of Lands. This is a bit of a parochial question, good for the local press. I understand that the Department of Lands is going to establish an office in Port Augusta. The office currently at Whyalla is going to be transferred to Port Augusta. What is the status of the office? Is it an officer stationed at Port Augusta doing the work that Mr Kinney is currently doing in Whyalla, or will it be an extended role for the Department of Lands Office in Port Augusta?

**The Hon. P. B. Arnold:** Yes. He is a land resource officer currently stationed in Whyalla. He will be transferred to Port Augusta as part of the team.

**Mr KENEALLY:** I refer to the Registrar-General's Office and to compensation payable out of the Real Property Assurance Fund. An amount of \$500 was voted in 1981, although there were no actual payments. The sum of \$85 000 is voted this year.

**The Hon. P. B. Arnold:** The \$85 000 is there this year because a major compensation payment will be made in the 1981-82 financial year under the provisions of the Real Property Act.

**Mr KENEALLY:** Can you be more definitive than that?

**Mr Tauber:** One of the features of the Torrens titles system under the Real Property Act is the State guarantee of indefeasibility of title to people whose interests are registered on that title. Therefore, where there is a defect in that title and someone thereby suffers a loss, he is entitled to claim compensation under what is called the assurance fund provisions of the Real Property Act. Claims against that fund are rare and indeed, in most cases are relatively small.

This particular matter concerns a case where a person obtained interest in land fraudulently. That interest was registered. An innocent third party suffered a loss through the registration of that title. It was due to fraudulent interest on the malfeasance by the party who took that action. Nevertheless, a claim was made by the third party who suffered a loss through that happening. It was established on legal advice that was a valid claim which has to be met and that is the \$85 000. Consideration is now being given by the Crown Solicitor as to what action might be taken against the party responsible for that defect in the title to recover that amount.

**Mr KENEALLY:** Is this the full compensation payable, or is it partial compensation?

**Mr Tauber:** No. This is the full amount of the claim made and admitted on the advice of the Solicitor-General.

**The Hon. P. B. Arnold:** The actual compensation is \$87 000; that is the total claim.

**The Hon. R. G. PAYNE:** I need your indulgence here a little, Mr Chairman. I think that, if you let me develop what I am going to say, you may be disposed to understand the point I am making, because we do not often have the officers available together with the Minister on this topic.

Recently, a Bill was passed in relation to the Mining Act and it proposes to introduce into that Act a provision for caveats and their lodging. Caveats will not be lodged with the Registrar, as is the case we are considering here. Has

there been any liaison between the Department of Mines and Energy and the Registrar, or people in the Minister's office generally, as to the likely working of the parallel legislation in the mining field and the difficulties of registering and actively recording caveats, and so on.

**The Hon. P. B. Arnold:** There has been liaison from a consultation point of view.

**The Hon. R. G. PAYNE:** That is what I was seeking, and I am glad to hear that that was the case, because, regarding the answer to the previous question, caveats on occasion are the subject of contention, especially the removal of caveats. It could be in the mining area, where the registration of an interest is involved, and there could be considerable argument. I requested the Minister to lengthen the time in which a person who has lodged a caveat can respond. Perhaps what I have said will result in someone considering a 14-day provision in which a person who has lodged a caveat under the provisions of the Act can respond. This is not a very long time. However, no response from the Minister is required. Thank you, Sir, for allowing me to say that.

**Dr BILLARD:** I understand that the Department of Lands survey and mapping service has done some work for the Department of Tourism, in particular the VISA map of the State that was prepared last year. Was an estimate made of the cost of that work?

**The Hon. P. B. Arnold:** The cost is not identified, but that type of job would be done at cost to the Department of Tourism. I could supply information for the honourable member.

**Dr BILLARD:** I do not need a precise figure. What is the magnitude of the cost of that sort of thing? Is it thousands of dollars or hundreds of thousands of dollars?

**The Hon. P. B. Arnold:** Offhand I cannot give that sort of information, but the cost would be fairly small.

**The Hon. R. G. PAYNE:** At page 66 of the programme documents there is a reference to the recording of land transactions. I mention this for your interest, Mr Acting Chairman. The 1981-82 specific targets/objectives, the second point states:

To respond within 18 months to any request.

Someone outside the Parliament who reads these documents may be staggered to read that. I want to give the Minister and his officers some chance of making an explanation that may also be read outside the Parliament to soften any criticism that may occur. Honourable members might understand why I raised that point. The Minister and his officers may wish to provide a further explanation, bearing in mind that 18 months is a fairly long time in which to respond to a request.

**The Hon. P. B. Arnold:** That is not the initial response. It is a matter of providing the land and also the development fund from which the moneys are made available for the survey and laying out.

**The Hon. J. D. CORCORAN:** How is the morale in the Department of Lands?

**The Hon. P. B. Arnold:** If the honourable member looks on either side of me he will see that two very significant officers of the Department of Lands are smiling.

**The Hon. J. D. CORCORAN:** I am pleased to hear that the Minister is so confident that the morale of all the people in the department is reflected in the two people who sit beside him. That shows tremendous confidence in the Director-General and the Chief Administration Officer.

**The Hon. P. B. Arnold:** They are the guiding lights.

**The Hon. J. D. CORCORAN:** I take it that the survey section is still situated at Netley. Many years ago its reputation (and I suppose it has not lost its reputation) was very good. That section was considered to be foremost in

its methods of photogrammetry, and so on. In the years since I was associated with that section, has it kept up that standard and is it still one of the leaders in this field in Australia?

**The Hon. P. B. Arnold:** Yes, and, in fact, the latest modern technology and equipment has been installed. Only last year an officer travelled overseas to look at the latest developments in equipment to keep that section of the department where it has always been.

**The Hon. J. D. CORCORAN:** An aeroplane was purchased for the Department of Lands to replace the old DC3 that was on charter from T.A.A. How successful has that been? Have there been any problems? Is the department perfectly satisfied with the aeroplane and its performance? It must be fairly old now.

**The Hon. P. B. Arnold:** The quality of the photographs produced from that unit is extremely high. From what I have seen of the work undertaken, it would appear that extremely high quality production is being achieved with the use of that aeroplane.

**The Hon. J. D. CORCORAN:** What about the performance of the plane itself?

**The Hon. P. B. Arnold:** The quality of work is probably tied up with the ability of the aircraft. It is similar to a boat surveyor: if he does not have a good boat, or if there is a lot of vibration from the engine, the ability to accurately survey is upset. Whether or not that is the case with aircraft I am not sure, but it is certainly the case with watercraft.

**The Hon. J. D. CORCORAN:** A survey of the State boundaries was being undertaken: I take it that that has long been completed?

**The Hon. P. B. Arnold:** Does the honourable member mean the State boundaries?

**The Hon. J. D. CORCORAN:** The State boundaries have never been properly surveyed.

**The Hon. P. B. Arnold:** The survey has not yet been completed. It is still going on, and is a very complex and expensive exercise.

**Mr KENEALLY:** The Federal member for Hawker recently cited problems dealing with the South Australian and Victorian border and the Murray River. He suggested in Federal Parliament that the border, as we know it, is in the wrong place. Is it about 300 metres out of place?

**The Hon. P. B. Arnold:** I understand that it is some kilometres out of place.

**Mr KENEALLY:** Is there a resolution to the problem?

**The Hon. P. B. Arnold:** If I remember correctly, a High Court case decided that it would stay as it is.

**The Hon. R. G. PAYNE:** The programme documents (page 69) refer to Monarto management and disposal. Lest any member opposite is marvelling at my bravery, I would like to make clear that I know that we made the right decision and that we are making the wrong decision now, but that is the present Government's responsibility.

**The ACTING CHAIRMAN (Mr Olsen):** I draw to the attention of the honourable member that Monarto is referred to under 'Miscellaneous'. We are not discussing that area of the vote. I suggest that the honourable member ask questions in that regard when we come to that stage of the Committee proceedings. There being no further questions, I declare the examination of the vote completed.

Minister of Lands and Minister of Repatriation, Miscellaneous, \$2 390 000

**Chairman:**  
Mr G. M. Gunn

#### Members:

Dr B. Billard  
The Hon. J. D. Corcoran  
Mr G. F. Keneally  
Mr J. Mathwin  
Mr J. W. Olsen  
The Hon. R. G. Payne  
Mr R. J. Randall  
Mr J. P. Trainer

#### Witness:

The Hon. P. B. Arnold, Minister of Water Resources, Minister of Irrigation, Minister of Lands, and Minister of Repatriation.

#### Departmental Advisers:

Mr K. C. Taeuber, Director-General of Lands, Department of Lands.

Mr E. A. R. Mellen, Director, Administration and Finance, Department of Lands.

**The CHAIRMAN:** I declare the proposed expenditures open for examination.

**Mr KENEALLY:** Regarding land purchased for development, there is no allocation this year. There is a grant of \$6 500 for training and research of arid farming, ecology: is this Dr Lange's research establishment at Gawler Road and, if it is, specifically what sort of work is done there?

**The Hon. P. B. Arnold:** In the 1981-82 provision is a continuing annual grant to the University of Adelaide to cover operating expenses of the research and training centre near Middleback for the purpose of studying arid zone technology or ecology.

**Mr KENEALLY:** Is that Dr Lange's research station?

**The Hon. P. B. Arnold:** He is the research station manager, for which the grant is made.

**Mr KENEALLY:** I cannot move away from my brief. A subsidy for the Dog Fence Board, \$45 000, is allocated in for 1981-82: is it the Government's intention to raise the maximum rate which the board may fix? This is canvassed in the Vickery Report in chapter 13, Part V, page 35.

**The Hon. P. B. Arnold:** This is a matter on which I have had extensive discussions with the Dog Fence Board, and also with the United Farmers and Stockowners, on the basis of raising a levy across the total wool industry in South Australia on the mainland for the purpose of significantly increasing the moneys available to substantially upgrade the dog fence. The Crown Law opinion is that, whilst it has the agreement and support of the United Farmers and Stockowners, it is illegal for us as it would be regarded as an excise, and as such it would be unconstitutional for us to do it. That is currently being further considered by a Crown Law officer and a legal officer of the United Farmers and Stockowners to determine whether they can devise any other means by which we can collect a contribution from the total wool industry. As yet we have not determined that. If it is not possible, then the only alternative is to increase the rate on those pastoralists who are rated under the Act.

**Mr KENEALLY:** It is in a bad state of repair.

**The Hon. P. B. Arnold:** Certain sections need significant upgrading, but there are large areas in very good condition, but like anything else it is only as good as its weakest link.

**Mr KENEALLY:** I wonder whether the rumours I have heard are correct: that the good job that you and your department are doing in connection with South Australia's 150th anniversary has reflected so much credit on you that the Premier thought he would have a bit of it.

**The Hon. P. B. Arnold:** It was a matter of my convincing the Premier that as Treasurer, and responsible for its fund-

ing, the 150th-year board should be under his control. It was on my recommendation that he was prepared to accept that.

**The Hon. J. D. CORCORAN:** If you follow that through to its logical conclusion, he is doing everything that the Government does, because he funds everything.

**The Hon. P. B. Arnold:** I will answer that inasmuch as that, seeing that the board is not a Government department, there is a direct relationship between the Chairman of the board and the Premier. That is the reason for it.

**The Hon. R. G. PAYNE:** There is, under 'Miscellaneous', a grant from the Royal Zoological Society, \$413 000, and I know this is an ongoing thing. Has there been a firm decision for an alternative location?

**The Hon. P. B. Arnold:** No. The Government has agreed not to sell the land at this stage. The Royal Zoological Society is interested in the Monarto area, but no terms and conditions have been laid down by the Government at this stage. In the event of the society proceeding with an open-range zoo in that area, discussions on any financial arrangements that would apply to that piece of land have not yet been entered into between the Government and the Royal Zoological Society. The only arrangement that has been made is that that land will not be disposed of until such time as the Zoological Society places a direct proposal before the Government.

**The Hon. R. G. PAYNE:** I refer to page 69 of the programme documents, relating to Monarto management and disposal. Fixed assets include 14 650 hectares of land, 59 habitable houses, 10 river-front shacks, and a number of vehicles including a tractor. Has the Minister any information as to which of those assets are to be put up for sale under the Government's present proposals to dispose of the Monarto land and assets?

**The Hon. P. B. Arnold:** The greater proportion of what is listed there as fixed assets will be disposed of. Negotiations with the previous owners have virtually been completed, and I made a statement a day or so ago in relation to public auction of the remainder of the land that is being made available for sale.

**The Hon. R. G. PAYNE:** I understand that certain previous holders who had option-type arrangements will have those arrangements honoured and that the remainder of the asset land will be put up for public auction. Is that the situation?

**The Hon. P. B. Arnold:** Yes. We believe we have virtually satisfied the requests of the majority of the previous owners; not in all instances were they able to have back the precise piece of land they had before, but we did everything that was possible to satisfy them, or their first choice. Now that the previous owners have been catered for, there will be public auctions for the remainder of the land through various private agents—whatever it sells for.

**The Hon. R. G. PAYNE:** I hope the Government takes into account what some of the previous owners received in parting with their land and, if they are going to be offered it back, I am pleased to hear that the provisions that have been mentioned will prevail, that is, market value or something akin to that surely must apply. As I understand it, the Minister said that the land at Monarto which the Royal Zoological Society had in mind for an open-range zoo is being retained by the Government and will not go to sale, depending upon a decision from the society as to the future of that land.

**The Hon. P. B. Arnold:** As to whether they desire to negotiate with the Government for the purchase of that land; in other words, they have the first option on that piece of land.

**Dr BILLARD:** According to page 68, several credit processes are going on: one is the determination of what land

should be held and the identification of parcels of land for retention. That obviously implies that the identification of what land should be retained is not complete. When will that identification be complete? It is probably better defined at page 69 under the title 'Land disposal', and the first is 'Identification of parcels of land for retention and disposal'. How long will it be before the land that the Government requires to retain will be identified?

**The Hon. P. B. Arnold:** That has been identified.

**Dr BILLARD:** You say that operation is complete?

**The Hon. P. B. Arnold:** Yes.

**Dr BILLARD:** The implication is that, once the land is auctioned, all disposal will be completed?

**The Hon. P. B. Arnold:** A certain amount of land will be retained in public ownership which is not going for sale. In the statement I made on Wednesday, I said that the land suitable for further subdivision as urban and rural living allotments would not be available pending the finalisation of the supplementary development plans for Monarto, so some of that land is still awaiting decision. That will be as a result of the supplementary development plan, and that is largely in the hands of the Murray Bridge council.

**Dr BILLARD:** I am trying to ascertain when the Government will receive a majority of those funds that are going to be recovered from the sale of that land. There may be a few pieces to be tidied up at a later date.

**The Hon. P. B. Arnold:** It is anticipated that most of the funds from the sale of that land will come in during this financial year.

**The CHAIRMAN:** There being no further questions, I declare the examination of the vote completed.

#### Works and Services—Department of Lands, \$1 542 000

##### Chairman:

Mr G. M. Gunn

##### Members:

Dr B. Billard  
The Hon. J. D. Corcoran  
Mr G. F. Keneally  
Mr J. Mathwin  
Mr J. W. Olsen  
The Hon. R. G. Payne  
Mr R. J. Randall  
Mr J. P. Trainer

##### Witness:

The Hon. P. B. Arnold, Minister of Water Resources, Minister of Irrigation, Minister of Lands, and Minister of Repatriation.

##### Departmental Advisers:

Mr K. C. Taeuber, Director-General of Lands, Department of Lands.

Mr E. A. R. Mellen, Director, Administration and Finance, Department of Lands.

**The CHAIRMAN:** The vote is open for examination, and I invite questions.

**Mr KENEALLY:** My first question deals with the development of Marla township for which \$300 000 is proposed. What does the State hope to achieve with that expenditure?

**The Hon. P. B. Arnold:** In June 1981 Cabinet approved work on the continued development of the township of Marla, and the major expenditure proposed for 1981-82 relates to the construction of the water supply and common effluent system.

**Mr KENEALLY:** I am sure the Chairman is delighted with the expenditure. The other question deals with the same page, the purchase and development of land for sale; last year, \$25 000 was budgeted, and \$1 500 000 was spent. There is nothing proposed for this year. What was this amount, and why is it not to be repeated?

**The Hon. P. B. Arnold:** That \$1 500 000 related to the purchase of land and buildings at Dudley Park on behalf of the Government.

**Mr KENEALLY:** What was the purpose of the purchase of land and buildings at Dudley Park?

**The Hon. P. B. Arnold:** The Government purchased the land at Dudley Park for resale.

**Mr KENEALLY:** The Government purchased the land for resale for housing?

**The Hon. P. B. Arnold:** Mainly industrial; it was part of the arrangement with Simpson Pope.

**The Hon. R. G. PAYNE:** Can the Minister say whether the purchase of that land was related to and contractual upon land at Regency Park, also available to Simpson Pope?

**The Hon. P. B. Arnold:** That was part of the whole arrangement with Simpson Pope.

**The CHAIRMAN:** There being no further questions, I declare the examination of the vote completed. I thank the Minister and those officers who accompanied him for their attendance.

#### ADJOURNMENT

At 8.52 p.m. the Committee adjourned until Tuesday 13 October at 11 a.m.