

HOUSE OF ASSEMBLY

Tuesday 28 September 1982

ESTIMATES COMMITTEE A

Chairman:

Mr G. M. Gunn

Members:

Mr E. S. Ashenden
 Mr J. C. Bannon
 Mr H. Becker
 Mr R. E. Glazbrook
 Mr G. R. A. Langley
 Mr T. M. McRae
 Mr W. A. Rodda
 Mr J. P. Trainer

The Committee met at 11 a.m.

The CHAIRMAN: I welcome the Premier and his officers. I have examined the minutes and, if there are no objections, I will sign them as being a correct record of proceedings.

Legislative Council, \$348 000—examination declared completed.

House of Assembly, \$681 000—examination declared completed.

Parliamentary Library, \$233 000

Chairman:

Mr G. M. Gunn

Members:

Mr E. S. Ashenden
 Mr J. C. Bannon
 Mr H. Becker
 Mr R. E. Glazbrook
 Mr G. R. A. Langley
 Mr T. M. McRae
 Mr W. A. Rodda
 Mr J. P. Trainer

Witness:

The Hon. D. O. Tonkin, Premier, Treasurer, Minister of State Development, and Minister of Ethnic Affairs.

Departmental Advisers:

Mr G. D. Mitchell, Clerk of the House of Assembly.
 Mr A. M. Schulze, Accountant, Legislature.
 Mr S. E. Casson, Parliamentary Librarian.

Mr McRAE: In regard to Library expenditure, I seek information from the Premier in relation to research staff. The Premier will recall that during last year's discussions on the Estimates this matter was raised and he said that the situation was not satisfactory. The substance of the Premier's remarks was that the Speaker and the President were currently examining the prospect of finding funds for

additional help in this regard. Since that time, the Public Service Board review team, which was assisting the steering committee (comprised of the Presiding Officers, representatives of the political Parties, and others), has extensively examined this matter. Its report indicates that there was complete justification for the appointment of two additional research officers in the Library. Why is there no provision for this in the document before the Committee and what does the Premier propose to do about this matter?

The Hon. D. O. Tonkin: As honourable members would know, there has been a considerable amount of activity and general inquiries about the administration of Parliament. A number of initiatives have been recommended or taken, including consideration of the appointment of an executive officer. The matter of the Library has not yet been finalised.

On a number of occasions the Joint Library Committee has considered these matters. The President and the Speaker have indicated their views. At present, the implementation committee is awaiting responses from the Library Committee on the whole question of the future of the Library and how it should be structured. We are awaiting those submissions before any further determination is made.

Mr McRAE: There may be some confusion in regard to this matter. I am a member of the Library Committee and I recollect quite clearly (and the Premier can check this matter with the Librarian) that it has been many months since the committee's official request for two additional research officers.

The combination of that request and its support from the Public Service Board did alarm the Committee. I am also confused that the Premier mentioned restructuring (if I can use that word) the Library. To my knowledge that is not so at all. The only recent matter brought to our attention is the impending retirement of the current Parliamentary Librarian in about 13 months time. Certainly, at that time a question will arise about the replacement of that officer. In the meantime, it is clear that there are other aspects other than the research officers, which I will raise in a minute. My clear understanding is that, first, in concert and in agreement with the Public Service Board the Parliamentary Library Committee has noted the need for two research officers and has made the application to the Government. I wonder whether the Premier could comment, in the light of that additional information.

The Hon. D. O. Tonkin: The matter has been covered in a letter to the President by the Attorney-General. It is virtually in response to that that the President has entered into correspondence in relation to the whole matter. With the pending retirement of the Parliamentary Librarian, we are looking at the whole question, in consultation with the Speaker and the President, of whether or not a Deputy Librarian should be appointed to understudy the present Librarian. Under those circumstances, we are looking at setting priorities, that is, whether or not the appointment of a Deputy Librarian in the restructuring of that staffing should take precedence over the appointment of two research officers. The matter certainly has not been forgotten; it is still under consideration. However, I think we must have clear recommendations and a clear understanding of the best course of action. In other words, does the Library need a Deputy Librarian and some restructuring of its services, or does it only require the appointment of two research officers? Unfortunately, at the present time there are no funds available to enable us to make decisions without any consideration to priority setting.

Mr McRAE: I would like to pursue this matter, because it does cause me some alarm. I am aware of the Attorney's letter. The fact of the matter is that we do not have a Deputy Librarian, as such. We do have an Assistant Librarian.

ian, and a very capable lady at that. As a member of the committee, I do not see any reason whatsoever why, in the normal course of events, that lady should not take the place of the retiring Librarian and for somebody else to be promoted through the service. The Library Committee has received no complaints from members of this House to suggest a lack of competence or ability by the Librarian, the Assistant Librarian or any of the Library staff (and I am sure the Librarian will back that up); nor have any requests been made by any members of this House, to my knowledge. The Librarian will determine that, but to my knowledge no request has been made in relation to restructuring the Library staff. However, there have been consistent requests for research officers. These are matters of fact, and the so-called 'restructuring' may be something that the Attorney wants.

There is no suggestion that the Library Committee wants it or that the members want it; they want research officers. For the life of me, I am unable to see what the appointment of a Deputy Librarian (which is really another name for the present Assistant Librarian) has to do with the research officers. If it is being suggested that somehow or other the Government proposes to march across the activities of the Library and to thrust upon us some outside officer against our wishes, I am positively alarmed about the whole thing.

The Hon. D. O. Tonkin: I have not heard such an extraordinary procession of statements for a long time. I am amazed at the honourable member's assumptions. I am sure that the honourable member did not intend to reflect upon the competence of the Librarian, the Assistant Librarian, or any other member of the Library staff, and I would very much resent (as would all honourable members, I believe) the honourable member's attempting any such imputations.

Let us get the matter straight. We are facing times of financial difficulty: an unlimited fund is not available to us. The Government wants to do what the members of this House want it to do in respect of the Library and all other services, and for that reason we reviewed the activities of this place. The Library is a part of this place. We have a responsibility to allocate taxpayers' funds in the most efficient way, not only for the taxpayers but also so that the members of this House can discharge their duties properly. I have every confidence in the officers and members of the Parliamentary Library. We will be guided by the reports and wishes of the Library Committee, the Speaker, the President and, indeed, the Parliament when it comes to making a final decision. We would be failing totally in our responsibility to this place and to the people of South Australia if we did not decide the best course of action before we went ahead.

What is the problem? Put simply, in one word, it is money. We do not have unlimited funds, and we have to do the best we can for this place with the funds that we have. It would be quite wrong not to take into account all of the possible combinations of circumstances and all of the actions that can be taken to keep the standard of services that we presently enjoy from the Library as high as possible. Indeed, if it is possible to make those services more efficient (and I am not sure how that could be done), we will take the best possible course of action. I hope that that will be done while the present Librarian, for whom we have the greatest respect, is still with us, and we will certainly take his advice on the matter. It is not a question of depriving, changing or riding across the wishes of Parliament. That is nonsense. The Government is anxious to do what is best for the normal operations of this Parliament.

Mr McRAE: What puzzles me is that, when Parliament has expressed its wishes so clearly through its own Library Committee and through the Librarian, the Premier should be so concerned about this matter. If it is a question of the most efficient use of money, surely the best proposition is

that put forward by those in the best position to know, namely, the Library Committee and the Librarian. They have proposed two research officers, not a whole restructuring. I have never heard of any suggestion other than the proposition to appoint two research officers.

The next matter also highlights the lack of research officers. Last year in the Estimates Committee the Premier promised to examine a proposal to attach a support team to the Library for the specific purpose of enabling members to examine critically the material contained in the yellow books. What happened to that proposal and what conclusions were reached? In my view, the overloading of the existing research staff is causing the problems in trying to get assistance to members in relation to the yellow books.

The Hon. D. O. Tonkin: Treasury officers have been available, wherever required, in these matters. Indeed, the Leader of the Opposition requested some briefing in respect of the health lines only two weeks ago and, as far as I know, that assistance was given.

Mr McRAE: I agree that assistance was given and it was gratefully received. The problem was that, quite rightly, the Treasury officers were restricted to matters of fact only and were specifically not to discuss any matters of philosophy and policy. We do not dispute that: that would be my Party's attitude as well. However, that highlights the problem that we have in that instance.

The only case I am aware of was the health lines, which lines are notoriously difficult (and it is because of that that there is a blue book published as well as the yellow book). I was present at the meeting with the Hon. Dr Cornwall. What we found was that, while we were grateful to Treasury for guiding us through the figures, whenever we came to one of a series of seven important questions the conversation simply had to break because, underlying each of the questions that we wished to examine were the different ideologies of the political Parties. Quite properly, we did not press the matter and this is what concerns me: if we are to have assistance in examining matters contained in the yellow books it is not just the mass of figures but also the ideologies, the conclusions which one can draw. Independent research officers attached to the Library can very properly draw conclusions, and have done so, for Government and Opposition members ever since they have been appointed, whereas Treasury officials cannot do that. We would like to have both.

The Hon. D. O. Tonkin: I am slightly surprised to learn from the honourable member that he does not understand the ideological differences between the Parties in this place. If that is so, I am sorry, but I do not think it is the role of the research officers of the Library to enlighten him.

Mr McRAE: I do not want to get involved in an argument about this, but specifically I refer the Premier to an answer he gave to the Leader of the Opposition last year. The Leader said:

I ask the Premier whether, on future occasions, when some matter is under consideration—and let us say on this occasion specifically the Budget Estimates—a special support team could be seconded to the Library to provide assistance to members.

The Premier replied:

It is a proposal that certainly could be examined but I would like to see a little more detail of it in costings, and so on.

I would like to know what did happen. What costings were made and why has the support not been provided?

The Hon. D. O. Tonkin: I can answer that question quite easily: no further approach was made by the Opposition and the matter was taken no further.

Mr McRAE: It seems pointless to pursue it. We took that as an undertaking that the costings would be looked at. If we have to pursue every question a second time it seems pointless. Getting back to the point that I was making, it is

not a question of my or any other member of the Opposition's not understanding the ideology of the Liberal Party generally or in a particular matter, but, referring to the health lines, the whole matter is so intensely complicated that it took, I think, two weeks work by one research officer to handle some small parts of the material through investigations and inquiries that he made at the Health Commission.

When we come to not just broad ideologies but the implementation and the question of choices and priorities, that is where the value of a support team which has a research facility is so greatly highlighted. I am not denigrating the Treasury assistance; that was gratefully received. We are saying that it is this support assistance that would be so beneficial to members.

The Hon. D. O. Tonkin: Once again, there is a difference between facts and policy formulation and it is the role of Treasury to move into facts. I am pleased that the Opposition found the Treasury officers and the Health Commission officers (I presume there might have been a Health Commission officer present) of value when considering the Health Commission Estimates. The question and the effects of policy I think always find themselves in the political area. It is always a matter of political decision, and I am afraid that is something on which all members must draw their own conclusions and have their own views.

Mr McRAE: It seems pointless pursuing that. There are two other matters I would like to raise. First, there is the question of video and recording facilities for the Library. It is perfectly apparent that members of this Parliament should receive at least the basic resource facilities that members of every other Australian Parliament receive. We are not asking for the palaces of Canberra, Brisbane or Sydney, where members have these video facilities on a grandiose scale. All we are seeking is some basic video and recording assistance and specifically I am referring to the recording of such key programmes as *Four Corners*, *State Affair*, news programmes and the like for subsequent reproduction, and in the same way possibly the recording of radio material where that might be desirable.

The Hon. D. O. Tonkin: I think most honourable members will be aware of the very sophisticated system of media monitoring that was in operation during the term of the previous Government. That exercise was, in my view, going far too far and in the view of the Government should have been curtailed, and it was curtailed. It was an expensive exercise and seemed to be put to more political use than anything else. With regard to the video and recording facilities in the Library, some equipment is still left in the Library but it is not very satisfactory. It has been the subject of a recommendation of the Review of Support Services to Parliament, and it will be considered in due course as part of that overall review.

Mr McRAE: Will the Premier then give an undertaking that he will look into the question of video and recording support services, having regard to comparable facilities supplied in Victoria? I take Victoria as an example deliberately, because the facilities there are of a very cost-efficient nature, as distinct from those in Sydney, Canberra or Brisbane.

The Hon. D. O. Tonkin: I do not doubt that that will be taken into account when the recommendation is looked into.

Mr McRAE: The computer service is again something that has been under consideration for a long time. Again, if not all Australian Parliaments, certainly most Australian Parliaments now have computer facilities and in particular have access to Ausinet. Can the Premier indicate whether there have been further investigations into this matter since the last Budget Estimates Committees and generally what is the situation in this area?

The Hon. D. O. Tonkin: Again, that is the subject of a recommendation of the Staffing Support Services Report, which will be looked at in conjunction with all the recommendations. I am unable to give the honourable member any up-to-date information about what has happened over the past 12 months.

Mr McRAE: The final matter on Library services was more of a technical nature. At the moment there is no separate line for books and periodicals. First, can the Premier say whether more or less money will be spent on books and periodicals this year than was spent last year, and can he give us some idea of whether there has been an increase or a decrease in spending generally during the past two years?

The Hon. D. O. Tonkin: I understand that expenditure will be much the same, but I hesitate to say that that expenditure will result in the same amount of literature being bought, because prices and subscriptions are tending to go up.

Mr BECKER: In regard to research facilities for the Parliamentary Library, would the Premier be prepared to ask the Parliamentary Library to undertake an exercise about whether we ought to establish an analysis committee or appoint a research officer to the library to assist members of Parliament understand and comprehend the yellow book?

I am amazed that there have been many complaints from members of the Opposition and members of other political Parties that they have not the time to study nor can they understand the yellow book, the programme performance budget papers. The people of South Australia would be amazed if they thought that politicians elected to this place cannot understand programme performance budgeting; they would be not assured that politicians are looking after their interests as taxpayers. If political Parties put forward members who are not competent in examining these papers, perhaps we should have a system something like that which operates in the Californian Legislature which has a research team available to assist members of Parliament in analysing the Budget documents and which provides back-up information. Unfortunately, it would be a cost that the taxpayers of this State would have to bear. In conjunction with the Parliamentary Librarian, could the Government consider the Californian experience?

The Hon. D. O. Tonkin: The whole question of the yellow book, which is a very detailed book indeed, highlights the amount of personal work that must be done by members of Parliament. It indeed has been said by some people to me privately that, since the present Government has been providing so much information to members of the House by way of the yellow book, they now find themselves overloaded with work to be done. I would much rather have it that way and have so much information made available than have not enough information made available. I am sure honourable members would agree with that view.

In regard to understanding the yellow book, anyone who takes the trouble to master the fundamental principles behind cost benefit analysis or programme performance budgeting would find that its contents are relatively easily understood. Certainly, it is complicated due to the amount of detail contained there, but that detail is presented on separate pages in relation to each project or programme. I think that officers of the Treasury who have devised this presentation are to be congratulated for having simplified it, for having broken up what were amorphous and inter-related responsibilities (in fact, individual responsibilities were totally lost), bringing them into single programme form on one or two pages. Once one understands the principles, it is relatively simple to understand the book. However, it requires some effort to obtain that first understanding.

Since this whole exercise of programme performance budgeting has come into operation, explanations have been

available about it and its principles on a number of occasions. I would be quite happy to make officers available again to members of Parliament, either individually or in groups, to go through the principles behind programme performance budgeting. It would be ideal if that could be done. Anything that can increase the understanding and awareness of members of the principles behind programme performance budgeting is a valuable thing indeed.

At this stage I do not think there is any need to move into providing a separate division of the Library. That would be a responsibility that would be far better discharged by using members of the team who have been very closely involved with the preparation of this programme in Treasury and making their services available to members in regard to a general understanding of the principles. I would be perfectly happy if that were done. That offer has been open since this system was introduced. I appreciate that that fact might have been forgotten, but I again repeat it.

Mr BECKER: The other thing that could be done is to establish a Budget analysis committee. I appreciate the point made by members of the Opposition that, if officers of the Treasury only were involved with the committee, they could go only so far as they were authorised to release certain information. That happened under previous Governments: in regard to some departments one could speak to no-one but the Minister concerned. In regard to open government the Premier must take full credit, because he has done more for open government than has any other Government of this State for the past 50 years, or since we have had responsible government in South Australia. Certainly the previous Government's attitude was that one was not told anything and one was kept totally in the dark and had to ferret everything out oneself, which meant a lot of hard work and study. In some respects I am not sympathetic to the Opposition's point of view, because I do not think its members are doing their job.

However, I point out that the American Parliaments have a Budget analysis committee to assist those members who cannot understand financial documents. Perhaps for this period we should consider using officers from the Treasury. One or two staff members of the Public Accounts Committee could be used, as that committee has gone into recess because of this system. That committee could provide the back-up research. Something like that is needed, and I think it is well worth looking at what could be done. In regard to open government, South Australia is miles ahead of any Government that I know of.

The Hon. D. O. Tonkin: I thank the honourable member for his comments. The Government has certainly had in mind open government as a very firm principle and has endeavoured to implement that policy. The budget analysis committees that exist for other Parliaments, particularly American State Legislatures, are there basically because those Parliaments have not yet progressed to providing the amount of information that this Government provides by way of the yellow book in programme performance form, which is why those Budget analysis committees were set up; those Parliaments found themselves in much the same position that South Australia was in. Those members who came into this place earlier would recall the difficulties in establishing any sort of rapport with the line Budget system. With the introduction of performance analysis, the relevant material became available in the yellow book, which system has been seeking to do what the Budget analysis committees of other Legislatures have been trying to do, but which I do not believe they have been able to achieve; they must take what information they can glean. Under the system of this Government, programme performance information is volunteered by the Government and put into the book which

anyone can use, provided that they take the trouble to read and understand it.

I do not see any advantage in having a Budget analysis committee. I think the work has already been done and done more efficiently by Treasury in programme performance form than could be done by setting up a Parliamentary committee. I make the point that analysis of the information provided is necessary. It is then up to members of Parliament to analyse the information given. If, during that analysis of facts and figures a member cannot obtain the required information, officers are available to give assistance, as they have done with the health estimates. In regard to the interpretation of facts contained in the Budget papers or the yellow book, that is very much a matter for individual members of Parliament.

The views they form based on their interpretation of the facts, again, are something which should not be the province of either a Parliamentary Committee or of Treasury officers. It is a matter for each individual member of the House to decide, so I believe that we have gone, as the honourable member says, a long way down the line. We are certainly leading the rest of Australia, and I believe in many ways most countries in the world, in the amount of information that we are providing in this way, and in the whole question of programme performance budgeting.

I think we are doing far more for the individual members of the Parliament than any other Government that I know of, and certainly we are now being regarded as pace setters in this sphere. Not only is the programme performance format and approach of great value to members of this House (after all that is the primary responsibility; it is the primary responsibility of all members to serve their electorates and to understand what is happening) but it is nevertheless also of great value to the public indirectly inasmuch as that in the preparation of those documents departments have to adopt a programme performance attitude and approach, and in so doing they can identify areas of inefficiency, and indeed are doing so, and can remedy that, even without this Parliament or its members bringing those areas to their attention. It has proved to be a very valuable management tool for middle and senior management in Government departments. They have been able to accept the challenge: they have done it magnificently and, indeed, the benefits of this format are not limited just to members of Parliament: they extend to the community as a whole, because public servants get a far more detailed view of the exact costs of the projects that they are engaged upon. It is of great value, I think, to everyone.

Mr BECKER: Some States in America do have programme performance budgeting, and we have to watch that we do not go too far down the track. I think we have gone as far as we can go. We do not want to get down to the glider clips, pens, and so forth. I am still keen to see investigated and promoted a budgeting analysis committee or research officer, whether attached to the Parliamentary Librarian or to the Legislature itself, because that person can obtain independent information and answer many of the questions that politicians want answered. It could probably work as I saw it work in California and cut out a lot of the unnecessary questions, because you can go directly to an independent person, and he can get that information.

The Hon. D. O. Tonkin: I do not disagree. I am happy to discuss the matter with the honourable member further. His interest in the affairs of the P.A.C. is, of course, well known. He made one good suggestion, I think, and that is that staff members of the P.A.C. could be detached during the period of the Estimates Committees to give advice in this way, and that might be one way of dealing with the matter, but certainly I will discuss it with him further and undertake to have the possibility examined. I agree with

him totally that we cannot take this too far and get down to stamps and paper clips, and I think we have gone to the optimum level at present. The programmes have been set out very efficiently and I think that the overall projects are being administered very well.

Mr TRAINER: Although I am not in this question implying in any way that I am critical of the practice, I ask the Premier why the Parliamentary Library spend so much of its resources on newspapers. I think that is quite justified, but I would like to hear the Premier's reasons why this is so. We have, for example, the bound copies of the *Advertiser* at great expense. We have an excellent newspaper clipping service conducted mainly by Trevor Blowes, and that is a very good service indeed. Perhaps the one in the Western Australian Parliament is better still; nevertheless this one is pretty good. We keep back copies of newspapers, and we have an extensive newspaper reading room. Why is it that Parliamentary Libraries give so much attention to newspapers?

The Hon. D. O. Tonkin: I think I share the honourable member's appreciation of the service which is provided. Obviously in Parliamentary circles we deal very much with day-to-day current events, and the Library is there to provide not only a reference source of standard reference books, encyclopaedia and so on, but it is there to provide a bank of reference for current events. The best way of achieving that, of course, is by maintaining a periodical and newspaper service of a very high standard, and I think we do that. Obviously, having that material available, it is not right that it should be discarded: it must be kept for future reference. I think the Parliamentary Librarian would be the first to accept that if we were to throw any material away, which I suspect he never does, that is the very material that somebody will be asking for the very next day, but I would ask your permission for the Parliamentary Librarian to perhaps answer that question himself.

Mr Casson: I think that the Premier has covered most of the points. The question of throwing things away is another matter which we had better not raise at this stage, but I think the newspapers are our most important area because, as the Premier has said, they are up to date, and members are very much concerned with current affairs.

Mr TRAINER: I am pleased that the Premier and the Librarian gave those answers, and they are answers in which I would concur. The newspapers are a matter of public record, and as such we have to be fully aware of what is printed in them and what has appeared in the past. The question that follows on from that is this: why cannot we give similar attention, perhaps on a smaller scale, to the electronic media? We are now in the last quarter of the twentieth century, where newspapers no longer on their own form the major part of the mass media. The electronic media has become more and more important and yet we have almost nothing in the way of comparable facilities for dealing with the electronic media, which is just as important to members of Parliament.

The Hon. D. O. Tonkin: I quite agree. We are living in times of very rapidly changing technology. I have no doubt at all that ultimately, just as we are told—and I guess that the advent of cable television is going to bring this closer—that we will be able to dial up our newspapers some time early in the next century rather than have them thrown over the front fence, so I believe that there will be more and more sophisticated ways of preserving material which comes to us through the electronic media. It is only a matter, I think, of developing a community awareness of the technology available and the technology itself to make it possible. At present, I believe that we are still very much in the infancy of this industry. I think that there will be some very major advances over a matter of just a few years and, as

those advances occur, I am quite certain that steps will be taken to maintain the records that we need. I think we need to look only at general community libraries and see the emphasis which was formerly placed on newspapers and books now being placed on tapes and films as an integral part of the borrowing service, and that is going to happen more and more. I think that the Parliamentary Library undoubtedly will move into this area some time before the end of the century. There are difficulties at present, as members know. There are, for instance, three separate individual systems of recording television, and there are no final decisions on what will be the standard systems of the future. We may find in fact that there is a fourth system that will be the final one.

There are very many imponderables and uncertainties in the technology, and when those have been clarified a little more it is my view that the Parliamentary Library will have a very real role to play in preserving those aspects of communication. That is what we are talking about: we are seeking to preserve a means of communication through libraries.

Mr TRAINER: The Premier may be unaware that he was replying to a question from someone who was an advisory teacher with the educational technology centre of the Education Department, in that very field. Pending the technological breakthroughs and all the other innovations to which the Premier has referred, does he not think that the request for basic and minimal recording facilities (which was made by the member for Playford) is not unreasonable?

The Hon. D. O. Tonkin: I was well aware of the honourable member's intense interest in this matter, and I recognise it. The member for Playford has not made the request. As I pointed out earlier, it is a recommendation of the report of the review team, and it will be considered as such.

Mr TRAINER: I meant in terms of his suggestion a few questions ago.

The Hon. D. O. Tonkin: It will be examined in that context.

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

Joint House Committee, \$338 000—examination declared completed.

Parliamentary Standing Committee on Public Works, \$58 000—examination declared completed.

Mr McRAE: The line 'Electoral, \$1 609 000' has not yet been considered.

The CHAIRMAN: If the honourable member checks the list of matters that were to be referred to Committee A, he will find that that line will be considered on Thursday 30 September and is covered by the Chief Secretary, under whose control the Electoral Department now comes.

Parliamentary Committee on Land Settlement, \$5 000

Chairman:

Mr G. M. Gunn

Members:

Mr E. S. Ashenden

Mr J. C. Bannon

Mr H. Becker
 Mr R. E. Glazbrook
 Mr G. R. A. Langley
 Mr T. M. McRae
 Mr W. A. Rodda
 Mr J. P. Trainer

Witness:

The Hon. D. O. Tonkin, Premier, Treasurer, Minister of State Development, and Minister of Ethnic Affairs.

Departmental Advisers:

Mr G. D. Mitchell, Clerk, House of Assembly.
 Mr A. M. Schulze, Accountant, Legislature.

Mr BANNON: Is this committee still in operation? I understood that it was not constituted at present, in which case why is there an allocation?

The Hon. D. O. Tonkin: I believe that the Act has been repealed. It is a matter of having funds available for any winding up that is necessary.

Mr BANNON: One of the items is members' fees. Are there still members of the Parliamentary Committee on Land Settlement and, if so, who are they?

The Hon. D. O. Tonkin: Unless I am given some guidance to the contrary, I suspect that this reflects one of the problems that arises sometimes in the interim period where funds have been made available in the early stages of planning without the knowledge of what progress has been made. Quite obviously, those funds will not be utilised.

Mr BANNON: Surely that means that the Committee does not need to pass an estimate.

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

Legislature, Miscellaneous, \$2 701 000

Chairman:

Mr G. M. Gunn

Members:

Mr E. S. Ashenden
 Mr J. C. Bannon
 Mr H. Becker
 Mr R. E. Glazbrook
 Mr G. R. A. Langley
 Mr T. M. McRae
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The Hon. D. O. Tonkin, Premier, Treasurer, Minister of State Development, and Minister of Ethnic Affairs.

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Mr G. D. Mitchell, Clerk, House of Assembly.
 Mr A. M. Schulze, Accountant, Legislature.

Mr BANNON: The Auditor-General's Report records that the cost of printing *Hansard* and other publications increased by \$638 000 to \$2 100 000. That includes *Hansard* and the printing of Parliamentary Bills, Acts and regulations. The total sum exceeds the sum shown in the yellow book. Would the Premier reconcile the Auditor-General's reference (page 120) with the figures which appear as actual payments, because they do not seem to equate to the amounts shown in the yellow book? On page 120 of the Auditor-General's

Report it is recorded that \$2 100 000 was spent on the printing of *Hansard*, Parliamentary Bills, Acts and regulations. In fact, the yellow book shows that the printing and publishing of *Hansard* was \$829 000, and the printing of Parliamentary Bills, Acts and regulations was \$1 190 000. The two amounts do not seem to tally.

The Hon. D. O. Tonkin: I cannot give an off-the-cuff explanation of the discrepancies. I can say that the expenditure increased considerably, because the printing charges increased by 23 per cent from 1 July 1981, labour charges increased by 15 per cent from the same date, and there have been further increases in the cost of printing of 6 per cent and 4.3 per cent made on 1 January and 1 February 1982, respectively.

I imagine that the discrepancy that might be shown is between the actual amount spent because of the different times that those increases took place; I do not know, but I will ascertain the exact answer for the Leader. This highlights the fact that appropriate charges are being made, based on market value or the current practices, and in the context of programme performance budgeting it is very important that we know the actual cost to the taxpayer of producing these things.

In the past, there has been a tendency not to consider those matters simply because the Printing Department has been there and, therefore, there has been a view that it does not cost anything to print things. Again, under the programme performance budgeting system, charges are made against departments, and so on, and that has occurred in this case.

Mr BANNON: Following on from that, \$212 000 was recovered through the accounting for issues of *Hansard* and other publications for members of Parliament. Where does the debit appear for this \$212 000? Is it a notional amount, not actually paid by members of Parliament as such but paid from the Legislature to the Government Printer?

The Hon. D. O. Tonkin: Obviously, instead of writing off a figure, a sum has been inserted to allow for the actual cost of providing these things for members, although members receive them free of charge. I understand that that figure has been allocated.

Mr BANNON: My third question relates to subscriptions to *Hansard*. The amount charged for a subscription rose very sharply indeed in the 1981-82 financial year and was the subject of some questioning in last year's Estimates Committees. What impact has that had on the number of subscribers to *Hansard*?

The Hon. D. O. Tonkin: I cannot answer that, but I can obtain that information for the Leader.

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

State Governor's Establishment, \$350 000

Chairman:

Mr G. M. Gunn

Members:

Mr E. S. Ashenden
 Mr J. C. Bannon
 Mr H. Becker
 Mr R. E. Glazbrook
 Mr G. R. A. Langley
 Mr T. M. McRae
 Mr W. A. Rodda
 Mr J. P. Trainer

Witness:

The Hon. D. O. Tonkin, Premier, Treasurer, Minister of State Development, and Minister of Ethnic Affairs.

Departmental Advisers:

Mr M. P. Tiddy, Director of State Development, Department of the Premier and Cabinet.

Mr E. E. Kageler, Chief Administrative Officer, Department of the Premier and Cabinet.

Mr W. M. Scriven, Director-General, Department of the Premier and Cabinet.

Mr BANNON: I ask the Premier the reasons for the increase in the payments for the Governor's establishment, particularly in relation to the line 'Private Secretary, Aide-de-Camp, Clerical, Domestic and General Staff', which rose during 1981-82 and, in fact increased by more than 10 per cent in the current financial year.

The Hon. D. O. Tonkin: Basically this relates to the increased charges and salaries, etc., that have occurred during the year. For instance, the clerical increase was of the order of 3.6 per cent from 7 May 1981, with a related increase from 1 January 1982. The 1982-83 figures take into account the full year's impact of that increase.

There is also the increased cost of the Aide-de-camp. The former officer was a reserve officer and was paid at the rate of \$19 000. His Excellency the Governor brought his Aide-de-camp with him on attachment to the South Australian Government from the Army for a period, initially, of 12 months. That move was necessary for a smooth changeover into the position for his Excellency. That regular army officer is being paid \$25 000, plus an allowance of \$18 000 for accommodation and other things which he would normally receive from the Army. The position at the end of the 12-month period will be open to review.

Mr BANNON: Does the Private Secretary's emolument remain the same, apart from the normal movements?

The Hon. D. O. Tonkin: As I understand it, there has been no significant change.

Mr BANNON: I cannot reconcile figures in the Auditor-General's Report (page 120) relating to the 'Governor's Establishment—Salaries, wages, administration and maintenance costs' totalling \$524 000 in 1981-82 with the document before us, containing an amount of \$265 000 for wages and salaries. Administration expenses, minor equipment and sundries account for a further \$26 500 but the total falls far short of the amount contained in the Auditor-General's Report.

The Hon. D. O. Tonkin: Is that taking into account the salary paid to His Excellency?

Mr BANNON: No, that is shown as a separate amount relating to 'Salary, allowances and pensions of the Governor and former Governors'. Even combining the two amounts, there is a vast shortfall.

The Hon. D. O. Tonkin: I can only think that that incorporates the cost of functions and other items which are automatically borne by the Governor, for instance, State receptions which His Excellency conducts, including formal occasions, such as the Queen's birthday. Matters of that nature are picked up by the Government through other departments.

Mr BANNON: Receptions are shown as a separate item, involving \$4 000 in 1980-81 and \$6 000 in 1981-82. That might not include all receptions?

The Hon. D. O. Tonkin: No. Maintenance is also covered in the Auditor-General's heading and is not included in these matters because that is a charge against the Public Buildings Department for maintaining the building. I think also there is a sum against the Botanic Garden for maintaining the grounds. I think these have been brought into

the total cost as set down in the Auditor-General's estimate and do not appear in this particular line because they are not the responsibility of the Department of the Premier and Cabinet.

Mr BANNON: I point out that the cost of receptions, shown as \$6 000, is in accordance with the Auditor-General's figure at page 120. There is a difference of roughly \$133 000, which we are being told relates to the cost of maintaining Government House, that is, the physical maintenance of it plus the gardens.

The Hon. D. O. Tonkin: I can get a break-down.

Mr BANNON: I cannot find a break-down in the yellow book of this particular item. There is a reference to administrative support provided to the Governor through the Department of the Premier and Cabinet, but there is nothing in the yellow book on the Governor's establishment costs in the other format. We have only the yellow book and the Auditor-General's Report to work on.

The Hon. D. O. Tonkin: That has been the tradition, of course, ever since Estimates have come into this House, but I will certainly get details if the Leader wants them.

The CHAIRMAN: I declare the examination of the vote completed.

Premier and Cabinet, \$3 430 000

Chairman:

Mr G. M. Gunn

Members:

Mr E. S. Ashenden

Mr J. C. Bannon

Mr H. Becker

Mr R. E. Glazbrook

Mr G. R. A. Langley

Mr T. M. McRae

Mr W. A. Rodda

Mr J. P. Trainer

Witness:

The Hon. D. O. Tonkin, Premier, Treasurer, Minister of State Development and Minister of Ethnic Affairs.

Departmental Advisers:

Mr M. P. Tiddy, Director of State Development, Department of the Premier and Cabinet.

Mr E. E. Kageler, Chief Administrative Officer, Department of the Premier and Cabinet.

Mr W. M. Scriven, Director-General, Department of the Premier and Cabinet.

Mr BANNON: Looking at the staffing of the Premier's Department on page 3 of the yellow book, there is a consolidated total showing that actual full-time equivalent staffing numbers have gone from a total of 107.5 to 116.5. Can the Premier identify the reasons for this increase?

The Hon. D. O. Tonkin: The Jubilee 150 people and equal opportunities officers have now been transferred to my responsibility, and also the Port Adelaide Development Authority officers are now working out of the State Development Office.

Mr BANNON: On page 1 the Premier's Office is listed with a notation 'See Department of the Premier and Cabinet support staff'. I am unable to find in the document reference to support staff for the Premier's Office specifically. Can a break-down of staffing members be given to the Committee, or can our attention be directed to where that is shown?

The Hon. D. O. Tonkin: Page 58 of the yellow book provides details of the expenditure on support services.

Mr BANNON: The number of staff employed in the Minister's office is shown as 14. The table on page 3 has a column headed 'Other', which includes Ministerial staff and special Acts. The number of staff members in that column has been reduced from 14 in 1980-81 to 10 last financial year; and a proposed 10 for this financial year. Which of those officers are employed on special Acts and which are Ministerial staff?

The Hon. D. O. Tonkin: We can find out for the honourable gentleman. I do not think we have that specific information at the moment and I would not like to make any comment without being sure that it was accurate.

Mr BANNON: In relation to the Premier's personal staff, which officers are Ministerial staff?

The Hon. D. O. Tonkin: I will be pleased to provide the honourable member with a list of those people.

Mr BANNON: Mention has been made of the Jubilee programme. How many staff members are employed on that 150th birthday project?

The Hon. D. O. Tonkin: Mr Kageler has been attached to the Jubilee 150 staff as an observer on a part-time basis; I think he is able to provide those details.

Mr Kageler: There is a staff of five in that unit at the moment.

Mr BANNON: At what levels are they employed?

Mr Kageler: An Executive Director (Mr Mitchell) is an AO4; we also have a CO5, a CO4 and two base grade typing/clerical officers at this stage.

The Hon. D. O. Tonkin: There are plans at this stage to advertise the position of Executive Director. Obviously, as we get closer to the actual celebration itself staff numbers will build up. A number of officers from various departments spend part of their time on activities conducted by the board. As those activities increase arrangements will be made with individual departments to release those officers for full-time duties in their specialty areas under the Jubilee 150 Board.

That is obviously going to depend on the work load and how quickly the arrangements proceed. I must say that I believe that the amount of voluntary work being put in by members of the various committees of the Jubilee 150 Board is absolutely magnificent and the Government and indeed the people of South Australia can be very grateful indeed for the work that is being done in that regard.

Mr BANNON: I refer to the expenditure and receipts summary on page 12 of the yellow book. Under the programme title 'Legislation and Regulation Review', \$38 000 was proposed for last year, whereas the actual expenditure was \$63 000. Why was there an over-run in that expenditure?

The Hon. D. O. Tonkin: I think that occurred largely because the Deregulation Unit has been heavily involved with matters of deregulation which have proved to be far more difficult than was originally expected. I think there has been a degree of inertia because things have not changed for some considerable time. In fact, there is a tendency to encounter a lack of understanding of the proposals that are being made. Obviously, those people have been working very hard. There is a secondment which I think probably could account for that difference and the over-run. The Small Business Licensing report is the important component. I hope that I will be in a position to make a detailed report on the progress being made by the Deregulation Unit and, therefore, by the Government in its deregulation programme when the House sits again next week.

Mr BANNON: What evidence is there that this programme is in fact proving effective?

The Hon. D. O. Tonkin: I think that the Leader will be as delighted as will all honourable members with the report that will be presented to the House next week.

Mr BANNON: On page 47 reference is made to 'obsolete food and local government licensing controls'. Could the Premier indicate what is referred to there?

The Hon. D. O. Tonkin: Again, I think the honourable member will have to be patient until we make a full report on these matters. I must pay a tribute to the Minister of Health and the Minister of Industrial Affairs, both of whom played a marked part, together with the Attorney-General, in rationalising some of the matters relating to the multiplicity of licences required to set up a small business. Once again, I think that report will be well received.

Mr ASHENDEN: I refer to page 18 of the Estimates of Payments and the State Development Office. I note that the line for salaries and wages has increased from \$365 183 to \$474 200. That increase is considerably greater than the increase in inflation. Does that indicate that that section of the department is to have increased staffing because of an expected increase in activities?

The Hon. D. O. Tonkin: It covers both. There has been some internal reallocation of a receptionist to that department from the Inter-Government Relations Branch, which is an increase. It is an accounting procedure. There is the reallocation of the Port Adelaide Development Scheme officers, who were previously shown under the Department of Environment and Planning. I pay a tribute to those officers and the work that they have done at Port Adelaide. They are more appropriately sited with the State Development Office at this stage, because in the whole concept there is a broad range and spectrum of interests involved, namely, manufacturing and marine development. It was considered that it is far more appropriate, because investment and interest is being sought by developers in various aspects, that it should be located within the State Development Office. Really, it is largely a transfer of accounting from other sections into State Development.

Mr ASHENDEN: I refer to page 20 of the Estimates of Payments and the State Development Office the line, 'Publications, functions, etc.' The actual payments last year were considerably more than the sum voted. Can the Premier explain why that was so? The proposed expenditure this year is only half the amount actually spent last year. I certainly hope that that is not reflected in particularly the price of publications, because they are a valuable asset in selling the State both interstate and overseas.

The Hon. D. O. Tonkin: Unfortunately, it is impossible to maintain a steady expenditure on a yearly basis on matters like this. I think the honourable member would be well aware of the initiatives which have been taken by the Government, for instance, the publication of the development strategies book. Although it has been produced by the State Development Council, which is an independent body, it is nevertheless necessary for some funds to be made available for that council to publish its reports.

The honourable member is, I know, well aware of the invaluable service provided to the community by that council. This is simply a question of putting in \$66 000, which was the sum involved in the preparation of that book. I believe it has been well received throughout South Australia, particularly in the business community, by the trade unions and by almost every community group, bearing in mind that our total aim which is the advancement of this State.

The South Australian book was reprinted at a cost of about \$150 000. In fact, the Government regarded it as a matter of great urgency. That publication has proved to be very successful indeed. It has been distributed to every visitor to South Australia over the past few months and we are receiving excellent reports about it. The seminars held

in Hong Kong, Tokyo and Singapore cost some \$71 000. The production of an audio visual, which is very important, was achieved at a cost of some \$21 000. That audio visual and the material produced from the seminars will still be usable next year, although their expenditure was incurred during the past financial year. It is very important that we maintain our efforts in that area, which involves the expenditure of moneys on a one-off basis. That expenditure applies for two or three years, but it must be accounted for in one year.

In these times it is not easy to estimate proposed expenditure. I might point out that we are spending probably only about a quarter of what we would like to spend on State promotion. There are many opportunities coming forward, but the Government is attempting to spend money in a way which will be cost efficient and which will provide the best possible exposure for this State. Rather than undertake an overseas tour in the current financial year, the Government has decided that that money could be better spent within South Australia (and perhaps interstate) on promoting our new status as an international destination and on promoting International Week generally. That is a positive way of promoting the State in South Australia.

I refer to the matter of promotion of the State by way of advertisements in interstate, national and overseas newspapers. Recently, I received a report from the Director of State Development that an advertisement that appeared in an influential Japanese periodical had been spectacularly successful. I think that that advertisement cost about \$3 400, and I believe that it generated more than 320 serious responses to the State Development Office. On a cost benefit basis that is about \$15 per inquiry. Responses have been received from influential companies, all of whom are following up the Government's promotion in Japan earlier this year. They have indicated that they want to find out more about us. It is very hard to quantify the benefits that come from this type of expenditure. However, there is no doubt that the overall attitude of the Japanese investor towards South Australia is very much better now than it was two years ago. In answer to the honourable member's question, yes, we will spend as much money as we can. However, as with every other area, the Government is severely restricted by continuing budgeting restrictions. It is a question of allocating priorities. The Government is doing the best it can within its Budget restrictions.

The CHAIRMAN: Before calling for further questions, I point out in regard to the electoral line that I have been advised that it will be considered tomorrow by Committee B when the Attorney-General is before that Committee and not by the Chief Secretary, as I advised earlier.

Mr BANNON: I refer to the State Development Office and the line 'Publications, functions, etc.' The actual expenditure was an extremely large departure from the budgeted amount. Why was it not possible to include in the Budget the expenses incurred by some of the trade promotions and the printing of the South Australian book? Why are we faced with what effectively amounts to \$600 000 in extra expenditure not budgeted for in the course of the year?

The Hon. D. O. Tonkin: For State promotion it is absolutely essential that the Government responds to opportunities as they arise. If they are not taken as they arise, we could be left twiddling our thumbs waiting for the next Budget, because they will not come our way again: that is fairly fundamental. In particular, I refer to the East Asia promotion in Singapore, Hong Kong and Tokyo where there was a great deal of interest from the private sector, wine producers, food people, property developers, the Hilton hotel group, and the accommodation industry generally, all of whom indicated that they were prepared to put funds into a promotion if the Government was prepared to go along

with that promotion. It seemed to the Government that that was far too good an opportunity to miss. I think that this is a good opportunity for me to list the sorts of contributions made by the private sector to those promotions in South Australia in South East Asia. I must emphasise that, if it were not for the State Government's expenditure, the additional expenditure by these organisations would not have been enjoyed by the South Australian community.

In regard to the East Asia promotion in April, Cathay Pacific and Singapore Airlines provided transportation for some 20 people (I think that group comprised members of the Tanunda Band and other promotional entertainers), at a cost of about \$50 000. These organisations have helped us enormously. T.A.A. transported participants and cargo at a cost of about \$8 000. Cathay Pacific provided air freight and cargo for some of the wine that was taken up there along with instruments, and so on, for the promotion at a cost of about \$13 000. Singapore Airlines provided over \$7 000 worth of transport. Hotel accommodation provided by Hilton International free of charge or at a discounted rate amounted to \$17 500 for about 30 people. Further, free public rooms for our promotions saved over \$7 000.

The Hilton Hotels in Singapore, Tokyo and Hong Kong contributed half the advertising and promotion costs of \$5 000. The Hilton contributed some \$12 000 to public relations activities. Wines and seafoods, which came from various resources, amounted to nearly \$19 000. Cash sponsorship for receptions held in respect of the overall promotion amounted to about \$15 000. The total saving amounts to nearly \$154 000. That list does not include the considerable sums spent by each person involved in promoting their own organisations over and above the amount that they contributed. It was a magnificent contribution, and I think South Australia has done very well from that promotion. The State Development Office is still receiving inquiries. The Hilton Hotel is also receiving inquiries through its offices and representatives in Tokyo and Hong Kong. Indeed, South Australia has done very well out of this promotion. The amount spent was not budgeted for because it was not envisaged that a promotion on that scale could be possible. The South Australian Government contributed less than half the cost of the entire promotion.

Mr BANNON: There is something like a \$600 000 overrun. An amount of \$237 000 could be accounted for by the Asian promotion. The Hong Kong, Tokyo and Singapore expenditure was much less than 50 per cent, but there are other individual items that perhaps ought to be questioned. For example, I refer to the Sydney/Barossa Week. Last year the Premier told the Committee (and he has adopted that same theme this year) that many organisations contributed to the cost of these promotions, and I think that is a very admirable thing. He said that Barossa Valley week was likely to cost the Government \$35 000. I understand that, in fact, it cost \$90 000. Was this increase due to a shortfall in relation to other promotional support, or how is it accountable?

The Hon. D. O. Tonkin: As I recall, there was some confusion last year as to whether it was the Melbourne or the Sydney Barossa promotion that we were talking about, but I cannot recall the exact details. I am not able to clarify that matter.

Mr BANNON: I refer to *Hansard*, as follows:

The overall cost of Barossa Week in Sydney was about \$60 000, the overall cost of promotion \$200 000. The cost to the Government in relation to Barossa Valley Week in Sydney is likely to be \$35 000.

The yellow book and page 138 of the Auditor-General's Report show the expenditure as \$90 000, which is substantially different.

The Hon. D. O. Tonkin: I cannot give the exact details at this stage, but I will provide the honourable member with that information.

Mr BANNON: What sort of monitoring is done in relation to these costs and the benefits? Who does the cost benefit analysis, determines the overrun, and so on, bearing in mind that these are unbudgeted expenditures?

The Hon. D. O. Tonkin: I think we need not get too excited about them being unbudgeted expenditures, providing that each programme is examined carefully on a cost benefit basis as it comes up. I repeat that this is one business, that is, promoting South Australia, where one must take advantage of opportunities as they arise. Those opportunities very frequently arise because of an upsurge in interest, either from the recipient countries of the promotions or from an upsurge of interest generated by people in South Australia who are concerned to promote the entire industry, and not just a member of it. Therefore, I do not think that that is a matter for concern.

In relation to the costs involved, the Director of State Development is very well aware of the need to find the money required whenever these proposals are put forward. In fact, he sometimes complains bitterly because not enough money is allocated to him to take advantage of the total opportunities offered. I point out that the officers, including Mr Kageler are most assiduous in containing expenditure as far as they can. There are always difficulties with any joint enterprise between Government and private enterprise, because a programme which is set down and planned for, and therefore taken into account in budgetary overrun, cannot necessarily be totally contained. Other developments occur almost daily in some of these things, and that expenditure has just got to be met. However, where overruns occur, the people supporting these projects are liable for the same share of that overrun as is the Government.

Mr RODDA: I refer to 'Overseas Representation' on page 19 of the Estimates of Payments. There appears to be a new appropriation of \$10 000 for Hong Kong, Singapore and Manila and \$65 000 for Tokyo in representation fees and expenses. I know from my own experience in the Ministry that there is enormous interest in this State and in the Government's initiatives in this area. I take it that the representation fees and expenses are for ongoing representation in those four countries. What type of representation is envisaged and does it include on-the-spot agents?

The Hon. D. O. Tonkin: Yes, those figures appear for the first time as part of the programme performance budgeting format. It has been considered that they should be shown separately; formerly they were covered under the State Development Office under trade representation. At the present time, the arrangements are still much the same. In Singapore and Manila we have honorary officers. They receive a small expense allowance of about \$1 500; they receive no further pay. They are there to represent the State. In Hong Kong an officer of Elders-G.M. still acts for and on behalf of the Government as an agent and, again, does a first-class job. In Tokyo, the Managing Director of Elders Japan, Toyohiro Tanaka, is a most assiduous representative of South Australia. He and his staff recently visited South Australia for an update. Mr Tanaka was himself a student in Adelaide for some four years and he knows South Australia very well. He is almost a South Australian in outlook, although he is obviously very traditionally Japanese.

We have a very fine representative in Tokyo and I welcome this opportunity to pay tribute to the work that he does for South Australia. Obviously, those fees and expenses will escalate from time to time in accordance with the increasing cost of living in those countries. I make it clear once again that the value which the South Australian Government receives from what is a relatively modest outlay in this

regard is, in my view, just as good as that which is received by another State Government which outlays close to \$2 000 000 a year for permanent officers' accommodation and direct representation. We believe that the Trade Commission officers attached to the Australian Commission and the efforts of our agents, on a cost benefit basis, provide far more value than a separate office at a cost of about \$1 500 000, which would have an annual running cost of well over \$1 000 000 a year. We just do not believe there is value for money in that I understand that the Queensland Government has a direct office there, and that the Western Australian Government is currently examining its position to see whether or not it will continue its direct office or adopt a procedure similar to ours.

Mr BANNON: It is curious that the Government has expended so much money so close to an election on a massive reprinting and updating of the South Australian book. How will the book be distributed? In answer to an earlier question the Premier said that it is given to every traveller coming into South Australia. Is that the extent of its distribution? I know that there is also a Japanese version and obviously it is used overseas.

The Hon. D. O. Tonkin: I think this matter was covered very thoroughly in the House when the book was first released. The decision was taken early this year to proceed with a further reprint. It is a publication that has replaced a number of publications that were being distributed, including *Vantage*. We have received nothing but good reports about this book from South Australians who have been looking for something to give their visitors or to send overseas.

There have been three prints. I do not have the details with me, but I know that the number printed in the last print was almost equal to the number printed in the first two prints. Of course, the cost savings are quite considerable when printing is done in those quantities on a run of that length. The booklet is being distributed from hotels, motels, and through the hospitality industry generally. The initial reaction from some of those bodies was that the book was stamped with the words 'Please read and enjoy, but do not take away.' That is not what we want at all. This is one time when we are encouraging people to take the publication with them when they go home. That has now been made clear to the proprietors concerned, and copies are being made available to them.

Copies are also being distributed to year 7 school students, because we believe that it is a very valuable adjunct to their understanding of their State and a source of pride that they should know exactly what is being achieved here. The booklet is being distributed through all embassies overseas and travel agencies. I can obtain a full list of the distribution if the honourable member would like it. There are also other outlets. I must say that the edition is very rapidly being disposed of and is doing a great deal of good for South Australia throughout Australia and, indeed, throughout the world.

I received a letter recently from a person who had been sent a copy of the booklet and who wrote back from the United States saying, 'This is a wonderful production. I wish we could do things like this.' I took that with a slight pinch of salt, because the letter came from Texas, and I am certain that this sort of promotion is undertaken in Texas. Nevertheless, it was very good to receive recognition of that kind.

Mr BANNON: I am particularly interested in the distribution to year 7 students. Why was that group chosen for universal distribution? What advantages does the Premier believe that will have in promoting the State, in terms of industrial development and tourist input?

The Hon. D. O. Tonkin: I am sure that the Leader was not suggesting that children at year 7 level have close industrial links and influence in investment decisions. Basically, the principle is that there is a good deal in the South Australia book of which we can all be very proud. I believe it is very important that young people are given a sense of pride in their State and what it has been able to achieve. By virtue of their being well informed, they will have the appropriate outlook on South Australia, and they will communicate that outlook in years to come to people with whom they come into contact. Ultimately, one way or another, they will have a close link with investment and industry, and I believe that they should be well informed.

The question was asked whether Matriculation students would not be better recipients of the book. That matter was considered by the Government; however, it was determined that Matriculation students are looking far too closely at their own immediate difficulties and problems in regard to exams, and so on, plotting their own future paths. Year 7 students seemed to be the most appropriate group to choose.

Mr BANNON: I would suggest that this is a fairly cynical exercise and there is an abuse of public funds in the electoral and other context in which this project has taken place, particularly in the light of the fact that a sum was not budgeted and was not subjected to any examination as one would expect, despite its being an expenditure of some \$150 000, much of which goes towards the cost of distribution to the schoolchildren concerned.

The Hon. D. O. Tonkin: Was that covered in the \$150 000?

Mr BANNON: That was the cost of reprinting the book.

The Hon. D. O. Tonkin: It is the cost of printing the book, not of distribution; that is being undertaken through normal departmental channels.

Mr BANNON: I understand that, on a programme performance basis, school teachers' time has been taken up to disseminate the publication. The item was not budgeted for or referred to in previous Estimates. The reprint has been done within some weeks of an election being contemplated, and it is a fairly cynical abuse of the Government's—

The Hon. D. O. Tonkin: All I can say is that I feel very sorry for the Leader of the Opposition if his cynicism and general attitude towards South Australia are reflected in this way. I do not agree with him. I believe that we can be very proud of our State. We should leave no stone unturned in promoting the State and, indeed, we intend to do that. I have no doubt that, if we had distributed the book to secondary students in Matriculation, the Leader would have accused us of being even more cynical and said that we were hoping to influence the young vote, or some equally fatuous or twisted approach.

Mr BANNON: Oh, come on.

The Hon. D. O. Tonkin: If the Leader wants to impute that sort of thing, he had better sit there and listen to what I am saying back to him. The Opposition has a disgraceful attitude to the well-being and promotion of South Australia. The Leader may not like what we are doing, but I like it. I believe that we are promoting South Australia—it is high time someone promoted South Australia.

Mr BECKER: I had not proposed to ask questions on this line. I will be honest: I have handed out several hundred of these books to the sporting teams that came to South Australia for the national titles that were held in the past few weeks. In the September school holidays I was involved with badminton and womens basketball programmes. Thirty-four clubs were competing for the Australian national titles. The interstate badminton players were each given a copy of the book, and I received a complimentary letter of thanks from the carnival chairman. Last year the Government of the State in which the Australian titles were held provided literature for the visitors.

The competitions provided an excellent opportunity for me, and for anyone who is involved in national or sporting championships in South Australia, to give out and promote the book. I cannot see how there is a vote in it at all. The book is being distributed interstate and overseas, and I am sure that copies will be distributed at the Commonwealth Games to overseas visitors. I cannot see that it is a cynical exercise of that sort at all.

I refer now to motor vehicles. How many motor vehicles are considered necessary by the Premier's department? What is the department's policy on issuing motor vehicles? The yellow book (pages 27 and 28) shows that, in the policy area of economic development, in regard to the co-ordination of economic development across all industry sectors, two programmes are involved—to advise the Government on courses of action for State development, and liaison with appropriate community groups. Last year, 1.9 staff was involved, and this year 1.5 staff is proposed.

In regard to formulating, monitoring and reviewing economic development policies and programmes, last year there was .9 and this year the staff component will be increased to 2.5. Two motor vehicles for the total of four staff members seems to be a high ratio, compared to some other departments. What is the number of motor vehicles in the Premier's department and what is the department's policy on issuing those motor vehicles?

The Hon. D. O. Tonkin: There are only two vehicles in the whole of the State Development Office. I point out that a great deal of liaison is necessary. I do not think a week goes by without a potential investor from interstate or another country coming to South Australia. Their requirements are many and varied. On many occasions people from industry or the Chamber of Commerce (who always co-operate most magnificently) take care of them and show them the things that they want to see. But on other occasions officers of the State Development Office take responsibility for hosting visitors, transporting them and showing them around the various items of interest. Frankly, I think, given the pressures that are there in providing that sort of transport and hospitality, they do very well with only two vehicles, but I do not intend to increase them.

Mr BECKER: What is the overall policy of the Premier's Department?

The Hon. D. O. Tonkin: There are 10 vehicles in Adelaide for the total Department of Premier and Cabinet and two vehicles in London.

Mr BECKER: I think that totals 13, one for the Minister's office and two for the Agent-General, plus the 10.

The Hon. D. O. Tonkin: Yes, there is the additional vehicle. There are 13.

Mr BECKER: That works out at one motor vehicle for every 6.5 officers, whereas in the Department for Community Welfare I think it was 1.1 vehicle for every five officers and the Public Buildings Department accounts for one vehicle for every four. What is the Government policy in the issuing of motor vehicles to public servants at this stage?

The Hon. D. O. Tonkin: I think it is very much one of need, but we are, in accordance with the general policy which has been accepted, adopting the guidelines which apply to every other department—that is, extending the time. In this instance it is important that we have mobility. I have already pointed out the duties of the State Development Office and I understand that office calls on the use of other vehicles from the department when necessary. Obviously, it is necessary for communication to be available for such things as Cabinet bags and other boxes which come to me, and for the transporting of messages to other Ministers. I think all the vehicles are used pretty solidly. As the honourable member knows, there is a review into the use of Government vehicles. Speaking personally, I am looking

forward to the results of that review, to see what can be done to contain any abnormally high use of Government vehicles.

Mr BECKER: Page 27 of the yellow book shows that variation in programme expenditure of \$339 000 results from the following factors: the Iron Triangle study at a cost of \$297 000, which was shared equally with the Commonwealth Government (so we divide that by two, giving \$148 500), and there was \$66 000 for the development strategies report adding up to \$214 500. Where is the other factor of \$124 500 to bring the total up to \$339 000? On what was that spent?

Mr Kageler: The factor not taken into account is the programme receipt on the bottom line. The major resources variation on expenditure is the difference between the 1981-82 outcome figure and the 1982-83 proposed figure, which is the \$339 000. Underneath that, we have received \$146 000 from the Commonwealth.

The Hon. D. O. Tonkin: It is a question of where the sum from the Commonwealth Government came from and where it is shown: it is only an accounting matter.

Mr BECKER: So therefore we have a reduction in the programme of \$339 000?

The Hon. D. O. Tonkin: If those projects are completed, yes.

Mr McRAE: I want to refer to the question put by the Leader as to the distribution of trade and promotion tourist books to grade 7 schoolchildren and I take the liberty of giving the Committee some background on this. It has a rather disgraceful sort of history in that when the current Premier was the Leader of the Opposition there was a strategy hit upon by the then Deputy Premier (the Hon. Des Corcoran) that, whenever the then Leader of the Opposition, now the Premier, would say anything that criticised the Government, the Hon. Des Corcoran would immediately say, 'You're knocking SA.' I must say I never thought much of that sort of tactic at the time. What is now happening is that the Premier has followed up the lead. He was obviously hurt at the time, and he had every right to be hurt (sometimes he asked for it, sometimes he did not), but it was a label slapped on him; and a very hurtful one. Since he has become the Premier he has resorted to the same tactics as were used against him. That is by way of background—it shows that the level of behaviour in this House sank very badly and has remained at that level.

The CHAIRMAN: Order! I take it that the honourable member for Playford was not reflecting upon the conduct which has taken place in the House, because if he did I would be of the view that he was reflecting on the Chair.

Mr McRAE: I am certainly not reflecting on the Chair, because the words 'You are knocking South Australia' are not unparliamentary.

The CHAIRMAN: It was not that part of what the honourable member had to say to which I referred, but his further explanation clearly indicated to me that he was making comments that certainly could be construed as being a reflection on the Chair. I advise him not to proceed with any comments that might reflect on the Chair because it would be my view that proceedings of the House as conducted by the current Speaker have left nothing to be desired.

Mr McRAE: I would share that view, and I did not intend to reflect on the Chair. I apologise for any suggestion that might have left that impression.

The CHAIRMAN: The honourable member may go on with his question.

Mr McRAE: That is the background to all this, and I come now to the substance of the question of the distribution of books to schoolchildren. I want to put to the Premier and to the Committee that I support the Leader of the Opposition. This is a disgraceful misappropriation of public

funds. No-one in the community surely could be so naive as to accept that this publication that is properly designed to get and maintain trade development, tourism and interest in South Australia, is just so conveniently reprinted, in such enormous numbers, in such a way that it would go into just about every home in South Australia, just so close to an election. How naive does the Premier believe that we in the Opposition could be? Just how naive does he believe members of the public could be?

The real viciousness of this in political terms is that we are sinking lower and lower again. This is public funding of political Parties, without admitting that it is public funding of political Parties. If it was public funding of political Parties I would be all in favour of it. Having given the background to what has gone on in this place and having recorded the fact that I do not approve of the way in which members on both sides have conducted themselves, I want it placed on record that I consider that this cynical political move is a disgraceful misappropriation of public moneys for the benefit of the Liberal Party in South Australia and of the Premier.

The Hon. D. O. Tonkin: I do hope that the honourable member for Playford does not take cream in his coffee today because, undoubtedly, it will go sour as he pours it. I do not agree with him, but he is entitled to his opinion. What people think of his opinions is another matter. I believe that the book was produced by this Government in the early months of the Government. It has been distributed widely and, indeed, in ever-increasing numbers. Ever since we first brought it out it has been widely and popularly received. I hope that it will be widely and popularly received by the young people. One of the aims is to make available to them ways of publicising South Australia to their friends, because we hope that they will send copies of the book interstate to their pen friends and use it in every way they possibly can. I believe that those young people are just as anxious to promote South Australia as is this Government, in sharp contrast to the attitude of the Opposition.

I am not at all quite sure as yet exactly what electoral advantage the Opposition thinks the Government will get out of distributing this book. Perhaps the member for Playford would tell us what electoral advantage he sees out of distributing a book which promotes South Australia. I suppose the same thing could have been said of the periodical magazine which used to promote South Australia in times of another Government. Inevitably, the Government of the day had to sponsor it. It was widely distributed through the community.

Mr BANNON: Not through schools.

The Hon. D. O. Tonkin: I am sorry. I believe that schoolchildren are citizens of this State also and that they should be involved. The Leader of the Opposition, yet again (and I hesitate to say it after the reflection just made by the member for Playford, perhaps inadvertently, on the conduct of the House), seems determined to stop anything that will present South Australia in a good light. That to me is a matter for very great regret indeed.

I hope that one day we will get the sort of attitude from the Opposition which, to do him great credit, Mr O'Halloran, when he was Leader of the Opposition, showed towards the promotional and developmental attitudes of Sir Thomas Playford. If we could only get the attitude demonstrated then by the Opposition in South Australia, quite frankly, the State would go ahead even more rapidly than it is now going. I earnestly ask the Leader and his members to consider that attitude and to get behind the Government in all that it is doing to advance this State.

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

The Hon. D. O. Tonkin: To facilitate the proceedings of the Committee can I suggest that we defer consideration of the line 'Department of the Public Service Board' and take that into consideration after the line 'Miscellaneous', otherwise it will be necessary for the officers present to withdraw and then come back again. If there is no objection I would be grateful for that consideration.

The CHAIRMAN: With the approval of the Committee, the Chair is quite happy with that course of action.

Mr TRAINER: I refer to the matter of the big give away booklet. The Premier made some comparison with the publication *Vantage*, which was published during the term of the previous Government. The comparison is not completely valid inasmuch as I think that \$1 per issue was levied for that publication, and it was not given away free as the one to which I am referring is. I refer to the publication's distribution in schools. Personally I am not convinced that giving away 100 000 booklets with photographs of the Premier on the frontispiece is really an electoral advantage for the Government: in fact, it could well be counter-productive.

The CHAIRMAN: Order! If the honourable member endeavours, in some sarcastic manner, to cast personal reflections then I will name him without any hesitation. I do not want any interjections from my left. The Chair will make the necessary decisions on the conduct of this Committee. The purpose of these Committees is for members to seek information and make comment but not to cast personal reflections.

Mr TRAINER: Thank you, Sir, for your guidance in this matter. Will the Premier say what educational usefulness this publication has which warrants its distribution through schools and, in particular, what consultation took place with educational authorities to ascertain the usefulness of the publication and the best means of distributing it?

The Hon. D. O. Tonkin: I would have thought that its usefulness would be obvious to a member with such wide experience in the education field. I am sure that the honourable member's question is really only a rhetorical one. The book has a wide coverage of the diverse activities in which the South Australian community is engaged. It has a wide coverage of the advantages that South Australia enjoys in terms of climate, primary products, secondary products, mineral resources, tourism, social welfare matters, lifestyle and education. The book provides a broad cross section and view of the entire South Australian scene, and has been widely praised for doing so.

I do not know that we have been able to cover every facet of life in South Australia, but certainly the book covers the important matters that young people should know about. I am not sure to which subject the book would relate: probably a mixture of what we used to call geography and social studies. I think it is a very useful book to have available for students, because if children were not told about their own State's activities and given the opportunity to learn about them it would be a pretty sad state of affairs.

In regard to consultation, the matter was discussed with the Minister of Education, who I understand consulted with other members of the department. It was generally concluded that the material in the book would be of enormous value. In fact, it was suggested to us that we should try to make it available for every student, although I think that would be impracticable, especially as this is an ongoing programme and further books will be distributed in years to come.

Mr TRAINER: Will the Premier say how many copies will be distributed to schools if they are forwarded to all grade 7 students? Further, will that include private schools? Also, what is the estimated cost of distributing that number, and how many have been distributed so far?

The Hon. D. O. Tonkin: I can obtain an up-to-date figure for the honourable member. The book will be provided to private school as well as public school students. Arrangements for distribution are being made on a voluntary basis with those schools as they are with other sections of the hospitality industry.

Mr GLAZBROOK: Is the total number of people employed in the Office of the Agent-General in London 5.7, or does that figure refer only to support staff within that office?

The Hon. D. O. Tonkin: The programme referred to relates to the provision of services to Government agencies through the Office of the Agent-General. That figure relates to the notional allocation of manpower in regard to that aspect of the services of the Office of the Agent-General and refers to those who are involved with that office. The total number of people involved in the Office of the Agent-General is 13, but those people are spread over a number of programmes all encompassed within the Agent-General's function.

Mr GLAZBROOK: Are any of the services of the people employed in the Office of the Agent-General in London shown on other lines or as part of other Ministerial responsibilities?

The Hon. D. O. Tonkin: These matters are set out quite well on page 4 of the Programme Estimates. The co-ordination of the State's promotion activities is one programme; the assessment of potential development projects is another. A further programme is the provision of assistance to South Australian citizens visiting the United Kingdom and also there is the provision of services to Government agencies through the Office of the Agent-General, which is the one to which the honourable member referred.

Mr GLAZBROOK: The assets of the Office of the Agent-General are shown on page 57 of the Programme Estimates where there is a reference to the residence at Wimbledon. There is also a reference to the residence of the Agent-General and to rent, commission, alterations and maintenance charges of \$7 000. What does that amount refer to?

The Hon. D. O. Tonkin: Increases in rates and charges account for that figure. Charges at Wimbledon and in London generally have risen considerably. The outside of the house needs to be repainted, expenditure for which has been allocated in 1982-83.

Mr GLAZBROOK: In regard to South Australia House in London, where is the expenditure for that shown in the Budget Estimates? Does the Government own the building or does it lease it?

The Hon. D. O. Tonkin: Expenditure for that property is shown under operating expenses. The Government does not own the building. It is subject to a 10-year lease, which was renegotiated 18 months or so ago at a rate which at the time the Government thought to be exorbitant. However, taking into account increases in rent in Britain it is now considered that the new lease will be reasonably advantageous to us over the long term. The rent for 1981-82 was \$113 000, so it is not a cheap exercise. However, compared with the cost of similar accommodation, for instance that in Tokyo, it is very reasonable indeed.

Mr GLAZBROOK: What is the overall cost of operation of the Agent-General's Office in London?

The Hon. D. O. Tonkin: Almost \$600 000, which includes the salary of the Agent-General.

Mr BANNON: Regarding Government promotional activities, at page 29 of the support document reference is made to major international promotion in Adelaide. I assume that that includes the Adelaide International Airport? What sum has the Government allocated for that project?

The Hon. D. O. Tonkin: The sum of \$35 000 has been given to the S.A. Great Committee towards the project but I do not know the total cost.

Mr BANNON: Will services in kind, such as officers time, be provided and, if so, what will they cost?

The Hon. D. O. Tonkin: Much voluntary work has been done and industry has made a contribution to that development. This promotion is of value to South Australia, and I believe that the money we have allocated will be used in the development of promotional material and of other aspects of the promotion.

Mr BANNON: In what way is the Japan food and wine promotion different from the symposium that has been referred to? Why was the \$100 000 allocated last year under-spent by \$22 000?

The Hon. D. O. Tonkin: There is a vast difference between the two. We have dealt with the Japan food and wine promotion through the committee that has been set up. This has been subsidised on a \$1 for \$1 basis, but that has been changed to \$1 for \$2 during the forthcoming year on the basis that ultimately we want the industry to become self-supporting. I believe that it is not the place of the Government to maintain support for such projects: they should become self-generating and self-supporting. The sum of \$78 304 matched the contribution made by the private sector. Basically, the seminars were development seminars and separate from the food and wine promotions. However, we took advantage of the food and wine promotions, and arrangements were made for those to be held in conjunction with investment and development seminars in Singapore, Hong Kong and Tokyo. The fact that the two functions took place together enabled us to make significant cost savings, especially as we would have needed to pay the fares twice had they been held separately.

The seminars have been successful and have attracted much attention. Indeed, Japanese industrialists came to South Australia within 10 days of our return from the Tokyo seminar and they investigated certain matters here. However, those seminars are not related to the food and wine promotion, but are very much a separate entity.

Mr BANNON: Are the eight companies that participated in the food and wine promotions last year operating this year, or are there changes?

The Hon. D. O. Tonkin: There are changes. At present, last year's eight participants have been recognised. I believe that, as a result of discussions at the annual general meeting held about five weeks ago, considerably more interest is being shown this year and the committee hopes that 20 companies will participate, and discussions to this end are taking place. The qualifications for participation are that each would-be participant must pay \$10 000 into the fund and plan to have an agent operating in Japan to promote its product. That means the company must get its act together and have a viable operation before becoming a member of the committee. When one considers the exorbitant rates for advertising and promotion in Japan at present, the companies are getting extraordinarily good value for money from their contribution of \$10 000. This year's subsidy of \$1 to \$2 up to a certain level means that a company will need twice as much money as it did last year to participate.

Mr BANNON: Why are no funds provided for interstate promotions during 1982-83?

The Hon. D. O. Tonkin: No specific promotions were budgeted for because none was contemplated when the Budget was being prepared. As opportunity arises, we must consider whether funds can be made available for this purpose. Discussions have been held concerning the new building at the International Airport. That is not provided for in the Budget, but we have received from the Commonwealth Government a communication stating that it is anxious

(and I think this is the first time it has happened) to cooperate with the State Government in decorating the new terminal in a way that will promote South Australia as well as Australia.

We have agreed to the allocation of, I think, \$30 000 towards the cost of the interior decorating of the terminal building. The Commonwealth Government has in mind at this stage murals and large photographs of South Australian scenery on the walls, as well as displays of opal and other promotional material. We are getting such promotion at a relatively low cost because it will be incorporated in the completed work at the terminal. However, we could not budget \$100 000 for that project. We thought there might be room for such promotional expenditure, but we did not realise that we would have such an excellent opportunity. The funds for such promotion will be found from the resources of various departments.

There may be a Promotion of South Australia Week held in Sydney soon. That will proceed anyway because the Hilton chain is looking to promote its activities in South Australia with the opening of its new hotel in Adelaide. At present, the Government is considering whether it should be involved financially in that project and, if so, to what extent. Inevitably, we must weigh up the potential advantages to the State from the spending of, say, \$20 000 toward helping with the promotion in Sydney, and we must determine whether we have that money to spare for that purpose. If we have, from where do we take it? Much depends on whether the private sector is prepared to put up money in this regard because, if it is, that is very creditable. We like to give whatever assistance we can to support the efforts that they are making.

Mr BANNON: Is it proposed that the concept of the Japan wine and food promotion should be extended to other products in South Australia, and, if so, which ones and at what expense?

The Hon. D. O. Tonkin: Safcol, of course, was very heavily involved in the food and wine promotion, because it has agencies and quite a good market there, but it has been suggested that meat exporters and other food providers will take a greater interest, and I understand that that is being looked at at present. The question of fruits and fruit juices as a possible outlet was considered. That matter is also receiving attention, and the involvement of tourist operators and the hospitality interest is now becoming even more intense.

Dairy foods are not quite as easy to break into as one might expect, because the Japanese palate is not yet ready for some of the more exotic forms of cheese, and so on, that Australians have got used to, but that palate is being developed through a very carefully planned acclimatisation, if you like, programme, and I believe that there is a very real opportunity of expanding our dairy produce markets. As far as meat is concerned, the Japanese consumer has been educated to a particular form of meat, and at present discussions are going on, I understand, within the industry towards finding ways of producing a style of beef in particular that the Japanese market is susceptible to. It does involve very heavy marbelling, with a good deal of fat content—higher fat than the normal Australian palate will accept. I think that covers most of our attempts, but one thing is quite clear that we have got two things to do: we have to promote a very high standard of presentation and a very high standard of product. We have to maintain that standard if we are to maintain our place on Japanese markets.

There is a growing quantity of South Australian wine being imported into Japan at present, both in bottle by agents and in bulk. There is a brand of wine which is being sold in Japan under the label 'Southern Cross' by the Suntory Company, and the Asahi Company, I think, is looking to

import bulk wine and is negotiating with local producers so that it can also sell Australian wine under its own label. Of course, I am sure that I do not have to mention to the Leader the very long and traditional markets that we have enjoyed in Japan for our cereals, particularly our wheat and barley. This has been a traditional market together with wool, for many years.

Mr BANNON: I ask a two-pronged question; as well as the foodstuffs, agricultural products, and so on, what opportunities exist for manufactured goods; and, secondly, what increase has there been in export trade to Japan of South Australian goods over the past 12 months?

The Hon. D. O. Tonkin: First of all, there are just a few areas where manufactured goods can compete with Japanese goods, but not necessarily on their own markets. They are competing in South-East Asian markets, and I refer particularly to whitegoods. With the restructuring that has gone on in South Australia, particularly with Simpson's, it is possible at this stage to compete with Japanese manufacturers on that middle ground. I do know that considerable interest has been expressed in exporting a brand of drier to Japan, but I do not think that that has gone any further than being investigated at this stage. However, it is something of a compliment to South Australian manufacturers that that could even have been contemplated, bearing in mind the cost of production, including the wage differences. That is a point that we must make: we find ourselves in some difficulty in competing in Japan, because of the difference in wage structure, and the cost of production in South Australia is quite marked. The other barrier that we have to that, of course, is the Japanese Government's fairly strict tariff barriers to the import of goods, and that is something which also makes life difficult for South Australian and Australian manufacturers.

There has been some small increase in export trade, but the value of that trade, I think, will escalate quite markedly as at the beginning of next year when l.p.g. is exported from South Australia to Japan. Cereal export is, I think, a fairly steady market at this stage, and we must remember that the Japanese economy is suffering from exactly the same difficulties and restraint apparent everywhere else in the world at present. That is obviously something that we have to adjust to as suppliers.

Mr BANNON: The final question on the trade promotions area is again referring to the fact that the amount budgeted was overspent by some \$600 000. An amount of \$350 000, in particular, is being made available this year, plus an expenses figure as well. How realistic is that going to be? Already just today we have heard of one or two projects in contemplation. Surely it is prudent Budget planning to allow for an expected level of expenditure, and it would appear that what is being allowed for is something less than half of last year's. Is that actually the sort of programme the Government contemplates, or is the Government unconcerned that it may well end up spending a lot more, in which case where is it going to get that money from?

The Hon. D. O. Tonkin: I thought the Leader was here before lunch when I answered that question in some detail. The answer, of course, is that much of the expenditure that has been undertaken has been on a once-off basis. I went into some detail about the audio-visuals, and so on, and that is something which had to be done in respect of projects that will be applicable for subsequent years from now on. When it comes to a question of other projects which are in conformation State Development officers are subject to the same restraints which exist in other departments, and if we find that further opportunities come forward we will have to find the money and weigh up the priorities as to which of the projects we have (in other words, those already budgeted for or those not budgeted for) should receive

priority. That is the normal situation and will apply in the future as it has in the past.

Mr GLAZBROOK: My question to the Premier involves the Heritage Conservation Programme and specifically the administration and maintenance of Ayers House: does the income involving receipts of \$60 000 relate to the rent charged to the restaurateurs, or does it also incorporate fees for admission to the museum section of Ayers House?

The Hon. D. O. Tonkin: It is entirely in relation to the rent payable by the proprietor of Henry Ayers Restaurant/Paxtons.

Mr GLAZBROOK: Can the Premier tell me what areas of assistance to South Australian citizens are given through the Office of the Agent-General in London?

The Hon. D. O. Tonkin: There are a number of activities. I think they are set out more fully on page 37. I believe that the information under 'Broad Objectives' will answer the honourable member's question in detail.

Mr GLAZBROOK: Page 10 of the yellow book shows that \$7 000 in capital expenditure is proposed in 1982-83 in relation to the State Development Office, along with capital receipts of \$2 000. The preceding pages do not indicate the nature of that capital expenditure. Will the Premier explain that expenditure?

The Hon. D. O. Tonkin: Page 28 of the yellow book shows under the fixed asset information that two motor vehicles were sold. In other words, the \$7 000 is the cost of the new motor vehicle, and the \$2 000 came from the sale of the old motor vehicles.

Mr GLAZBROOK: How is that reconciled with the comment on page 6 as follows:

Sale of motor vehicles in 1981-82 will not recur in 1982-83 because proceeds from this source are processed through State Supply.

Does one statement contradict the other?

The Hon. D. O. Tonkin: The figures will not be incorporated in this line again; henceforth they will be shown under State Supply. It is an accounting matter.

Mr LANGLEY: The Estimates of Payments (page 20) show that, in relation to the State Development Office (expenses for State promotion), \$92 000 was allocated last year and actual payments totalled \$68 950. There was a large increase, from \$163 000 to \$717 339, for publications, functions, and so on. I take it that that includes newspaper advertisements. Although a lump sum has been allocated, is there a breakdown in relation to publications and functions?

The Hon. D. O. Tonkin: I believe that we covered this matter at considerable length earlier. I would be happy to make those details available to the honourable member later.

Mr LANGLEY: As \$350 000 has been allocated in that regard this year, I take it that the Premier has in mind cuts in some sections. Will cuts be made?

The Hon. D. O. Tonkin: With great respect to the honourable member once again, I believe that the Committee has considered this aspect in considerable detail. It involves various expenses of a one-off nature and which we did not count on. Having made that expenditure, the items that have been covered will be usable over the next two or three years. Obviously, there is no need to repeat that item every year; that is the reason for the reduced amount.

Mr BANNON: I believe a question was asked earlier about the nature of overseas representation. The figures on page 19 show fairly starkly what I would call an inequality of effort in terms of overseas representation, which is not to say that I do not believe that the agency method is not an efficient way of having representation. For instance, I would concur with the comments that the Premier made about our representation in Tokyo. I believe that has been

very effectively carried out, at far less cost than some of the fairly elaborate arrangements made by other States.

However, those figures show that we put \$65 000 into representation fees and expenses in Tokyo. I note that \$10 000 is divided between Hong Kong, Singapore and Manila and, on an operating expenses basis, \$250 000 is provided for Britain. I would like to explore two aspects. First, in relation to the resources expended in Britain, what sort of return are we obtaining in terms of commercial and economic development initiatives from Britain and Europe as a result of that representation, particularly over the past 12 months?

The Hon. D. O. Tonkin: I think it is impossible to say what has been happening over the past 12 months, because there has been a general tightening up over the past two years in all areas, including Japan, Britain and Europe. It would be quite disastrous to reduce in any way our representation or efforts at this time, because I have no doubt that benefits will continue to flow and will increase as the economic situation in that part of the world improves.

In relation to the Tokyo representation, we are very fortunate that South Australia is highly regarded in Japan and that it is still receiving the sort of attention that has been taken away from other States. That is a measure of the value for money in what we have expended. The two situations are quite different. The office of the Agent-General in London has been there for many years and is established in a particular format. Although we have cut the size of the staff by nearly 50 per cent over the past three years, the office is still performing a function and is available to promote South Australia and to receive representations from people who are interested in investing in South Australia.

The Agent-General also travels around a good deal to most of the major trade fairs in Europe, particularly Milan and Hanover. From that point of view, he covers a great deal more ground than would a representative in, say, Hong Kong or Tokyo. At this stage it is impossible to quantify. There have been various expressions of interest on particular projects, but it would be quite improper to talk about them at this stage, first, because of the confidentiality involved and, secondly, because I do not believe in raising false hopes. Certainly, there is a continual flow of interest. In some ways, the downturn in Britain and in Europe can be of advantage to us, because there is now more interest in looking further afield to transfer and establish. We are receiving a number of those inquiries each year. I cannot quantify the situation for the honourable member.

Mr BANNON: Will the Premier provide a breakdown of that \$10 000 between Hong Kong, Singapore and Manila? How has the money been spent?

The Hon. D. O. Tonkin: Yes. The activities in Manila and Singapore are relatively small compared with the activities in Hong Kong, to which the bulk of the \$10 000 has gone. The breakdown is \$5 000 to Hong Kong, \$3 000 to Singapore, and \$2 000 to Manila. The representation in Manila is on an honorary basis, and the \$2 000 only covers expenses incurred in maintaining contact with South Australia and in promoting visiting South Australians in Manila.

Mr BANNON: Is it planned to extend the centres in which we have representation?

The Hon. D. O. Tonkin: At the present time, no. One has to give a degree of emphasis to those areas offering the best opportunity. At this stage, the best opportunity is certainly in Japan. It is an opportunity which is not just a question of trade one way; it is an opportunity for two-way investment, particularly the need to attract joint ventures in Australia and South Australia.

Whilst we certainly will be promoting markets in Hong Kong, Singapore, Manila, and possibly Kuala Lumpur (because there has been a tremendous upsurge in the amount

of economic activity in Malaysia in the last three or four years), we will also be looking for people who will invest in joint ventures in South Australia, which will create jobs and the sort of development that we need. Bridgestone is a good example, because it has the advanced technology and the markets. By coming to South Australia and taking its share of Uniroyal, it has maintained an industry in South Australia that could have been lost.

Mr BANNON: Taking an overview of the way in which our resources are deployed, to what extent does the Premier believe that they are deployed most effectively? What scope is there, for instance, to reduce our commitment in the northern hemisphere, and substitute greater effort in say Tokyo or South-East Asia?

The Hon. D. O. Tonkin: We have cut expenditure in the northern hemisphere, in the European section, as far as possible, on the basis that we cannot and would not want to close that representation. That thought has only appeared (with a very low priority) on a list of possible alternatives. Obviously, that type of thing is considered when one looks at the entire approach, and that approach is an avenue that we must maintain. I would only recommend a further reduction in expenditure or, indeed, removing it altogether, if it could be proved that it had no value at all. That is far from the case at the present time, even in these fairly difficult times. Obviously, we will tend to spend more money where the results are being shown. In fact, I foresee increased expenditure in Hong Kong.

Certainly, the two promotions in Hong Kong were very successful indeed. Everyone would be aware of the Hong Kong Government's difficulty in relation to the tenure of the island of Kowloon, although I understand that some reassurance was given by the Chinese Government recently. Nevertheless, a certain degree of uncertainty and perhaps even restlessness is being shown by those people in Hong Kong who have money to invest, and so on. I believe that, if they want to come and invest in South Australia (subject to the usual provisions of the F.I.R.B., and so on), they should be encouraged to come. If they want to come into joint ventures and property development and things that will benefit the community as a whole, the Government will be pleased to support them. Perhaps, over the next few years, we will be justified in spending more money in Hong Kong than we have up to now.

In relation to Tokyo, I still do not believe that we can justify enormous expenditure to establish a permanent, solely-Government presence in Tokyo. As I said before, that is not cost effective, particularly in the view of the expenses involved in Japan. By the same token, I have no doubt that we will spend more money in Tokyo during the next few years. We are investigating a number of projects, which are the subject of feasibility studies or preliminary discussions, including the coal-gasification programme with Sumitomo and the petro-chemical consortium. In many ways, we can thank the current economic downturn in Japan for the consortium coming together. In fact, it was probably the strongest approach that we have ever had in South Australia. The petro-chemical investigation by Asahi and 11 other Japanese companies is in the feasibility stage.

Tourism is something we must promote even more vigorously than we have done to the present time. Again, tourism is subject to the same difficulties that we have had until now, that is, the lack of direct entrance into South Australia. I know that at least two airlines want to establish a service, and it may well be a direct service from Hong Kong to Adelaide (perhaps stopping at Darwin), in the not so distant future. When that happens the potential for tourism is going to be quite enormous. Access to the Japanese tourist market will increase tremendously. I am told that the work we are now doing, by promoting wine, food and tourism,

along with the investment opportunities (providing we maintain our presence), will pay handsomely when that link is established.

I think that there are some very real advantages for the future in maintaining our activity and being prepared to be a little flexible and to spend money as it becomes necessary. I can only say that that is very much in the Government's mind and we will continue to monitor that situation very closely. We have established very close links and ties through Mr Tanaka and through the Australian Trade Commission and the Australian Embassy. Indeed, we are very fortunate in having a new ambassador to Japan who knows South Australia very well and is favourably disposed towards us. I am not suggesting that he will give us preferential treatment, but he certainly will keep an eye on our interests. We will just have to tailor our spending, to take advantage of the opportunities that come forward.

Mr BANNON: Four staff are employed in the State Development Office on what is termed strategic planning and policy formulation for economic development. Are those officers attached to the State Development Council in a supporting capacity, or are they operating independently?

The Hon. D. O. Tonkin: There is no support staff for the State Development Council on permanent attachment. From time to time, officers may be allocated part-time duties in relation to the State Development Council but, generally speaking, that servicing operation is a function of the State Development Office and of members of that office.

Mr BANNON: Is the Executive Officer of the State Development Council a member of the State Development Office?

The Hon. D. O. Tonkin: Yes, but he is attached for part-time duties in relation to council matters; those duties do not interfere with or conflict with his operation.

Mr BANNON: Is the Executive Officer one of the four staff members mentioned in strategic planning?

The Hon. D. O. Tonkin: Yes.

Mr BANNON: Has any budgetary allocation been made to begin the implementation of recommendations made by the State Development Council?

The Hon. D. O. Tonkin: As the Leader would know, consideration of the Budget begins in about February or March and carries through to May or June. The recommendations and the report itself were not available until recently, and no budgetary allocation has been made in this financial year. Planning will begin early next year.

Mr BANNON: So it is intended that expenditure will not be incurred until next financial year?

The Hon. D. O. Tonkin: No, that will have to be done. Many matters are being contemplated and some are already in place for which money has been allocated but, generally speaking, the State Development Council's recommendations will be considered in detail in the context of the next Budget.

Mr BANNON: I refer to page 27 of the yellow book and the 1982-83 specific target, as follows:

Through the State Development Council, complete a development strategy proposal leading to specific recommendations to the Government on a strategy for the State's development.

Reference is also made to the corporate strategy for the State. Are the recommendations of the State Development Council identical with the corporate strategy, or is there some further process that has to be gone through before the Government sets up its economic strategy?

The Hon. D. O. Tonkin: No, they are not identical, although I must say that I am delighted to find that so many of the worthwhile recommendations of the State Development Council fall so completely within the policies which have been adopted by this Government since it came to office. Obviously, some of the matters do not, and they

will have to be considered in the context of the budgetary allocation.

Generally speaking, the corporate plan is part of the Government policy in this direction. Put broadly and basically, I suppose, it could be that the State Government is determined to advance development and expansion in South Australia because that is a way of creating new and permanent employment, which provides long term security and faith in the future for the people of South Australia. I suppose that sums up the corporate approach of this office in the plan for the future.

Mr BANNON: What is the information base that the State Development Office is preparing, and will it be made public?

The Hon. D. O. Tonkin: I do not think it has an information base as a specific document. It takes into account the information which is fed into it from time to time by private enterprise, industry, and by Government departments. In fact, it is an ongoing programme based on expressed Government policy of encouraging private enterprise development.

Mr BANNON: What forecast has been done by the office in relation to the economic strategy for 1982-83?

The Hon. D. O. Tonkin: I do not think there has been any specific document setting out this in great detail, but the forecast and advice which has been given to me is that things will continue to be extremely difficult and tight over the next six to 12 months, but that at the end of that time there might well be an easing of the world economic situation. It is also expected that, although the South Australian economy will suffer as a result of some down-turns and the need to restructure in specific industries, inevitably we must be prepared for that situation.

The prospect for increased employment in other areas such as resource development (in projects like Roxby Downs and the Cooper Basin), in the service industries (which service mining resource development) and in exploration industries is likely to continue to steadily increase and, hopefully, the manufacturing, retail and service industries associated with mining resource development will be able to maintain a satisfactory level of job creation in spite of the down-turn which is occurring in every State, including this one. The policy we are adopting is very much reflected in the quiet confidence that we are weathering the economic storm better than the other States at the present time, and we intend to keep on doing just that. We tend to concentrate our thinking on projects like Roxby Downs and their development and establishment costs. The estimate of 1 000 jobs to be created directly or indirectly by that project, which was made some two or three months ago, has now been increased. More jobs are being created directly or indirectly at Roxby Downs as the assessment and feasibility study continue.

The next decision point will come in slightly under two years from now, in 1984 when, under the terms of the indenture, the companies and joint venturers must decide whether or not they will exercise their option under the indenture and move into the preproduction stage. At that stage they will be committed to moving on to full development. That development could occur to production phase by 1988-89, and that is not too far away. The Roxby Downs project is already creating jobs, certainly not the thousands of jobs it ultimately could create, but it is still creating a significant number of jobs, and we intend to make sure that that project goes ahead in the best possible way without interference from Government (other than the guidelines that have been set down in legislation), so that we can secure those jobs and more.

There is no doubt at all that the studies which have been committed on the Roxby Downs project show a great hope

for the future in the development which has already started. It will cost more than one billion dollars to bring the project on stream. That money will be committed, possibly in about two years. Obviously we have to do everything we possibly can to make sure that that project proceeds satisfactorily to the benefit of all South Australians.

I recently visited Cooper Basin, which is an extraordinary project, with proposed expenditure exceeding \$1 200 000 000 to develop the field, build the pipeline and move in on the Stony Point end with storage tanks, fractionation plant, and wharf facilities. The extraordinary thing about it is that it has all been done from the time Santos, representing the producers, came to see the Deputy Premier and me in 1980 and said that they had decided to move ahead into the export field. It has taken something less than two years to reach the present stage. It is an absolutely wonderful performance, to the great credit of all involved. That is \$1 200 000 000, which is generating many jobs in the community. Those jobs are being created not just at the site, but throughout the community as a whole, through the service industries, such as the suppliers of foodstuffs, vehicles, white goods, housing and all the other things that go with it.

I think it is significant that in South Australia we are still attracting the expansion and development of existing companies and of new companies in this part of the world. Some of those companies are associated directly with mining resource development and the servicing of it at a level far greater now, on a per-capita basis, than any other State in the Commonwealth. That is good news. The secret of all this, and I come back to the corporate plan, is to make quite certain that we move ahead with these projects, that they proceed, that they are not interfered with and that we can, through encouragement cushion the effects of the general economic downturn in Australia and make sure that it impinges on South Australia as little as possible. Obviously, we will have our disappointments (we have had a number recently) and people will be stood down from some industries. When that happens I am more determined to get on with our strategy and policy of making sure that alternative jobs and more jobs are created. It is not an easy thing to do, but it is a policy that this Government will continue to follow through, with all the strength that it can command.

Mr TRAINER: I refer to the cost of Barossa Week, referred to on page 29 of the yellow book. In the Estimates of Payments no specific reference is made to this; I assume it comes under the line 'State Promotion—Expenses, Publications and functions, etc.' Is that correct?

The Hon. D. O. Tonkin: They are all included in that one line.

Mr TRAINER: On the other hand, there was a separate entry under 'Miscellaneous' last year. In the Estimates of Payments for the year ended 30 June 1982, reference was made to the expenditure on Barossa Week in Melbourne and Sydney in the previous year 1980-81. On that occasion no money had been voted for either promotion. However, \$10 618 had spent on Barossa Week in Melbourne and \$19 979 on Barossa Week in Sydney, making a total of about \$30 000.

I have some pencil marks on my copy of the Estimates of Payments for last year, but I do not think that I actually asked a question about it. I have a large pencil ring around last year's Estimates of Payments which show that there was no allocation for 1981-82, but in the course of his remarks last year the Premier said:

The cost to the Government in relation to Barossa Valley Week in Sydney is likely to be \$35 000.

Presumably, at that time, the Government, although it had not actually proposed any money, had in mind that it would be probably spending \$35 000. However, on page 138 of the

Auditor-General's Report for the financial year ended 30 June, states:

Sydney—Barossa Week \$90 000.

That is a couple of hundred per cent greater than the amount indicated by the Premier at this time last year. Why did this budgeting occur in that way?

The Hon. D. O. Tonkin: It comes back to my earlier comments. One must take opportunities as they arise. The Sydney promotion was first planned as a store-based promotion; it was intended to be a matter of using existing outlets for the promotion of a range of wines, food, and so on. It turned into something far greater than that, because Australian National, T.A.A., and a number of wineries indicated their willingness to make it something with three or four times as much impact as that originally planned. The plans included a wine tasting and luncheon in Hyde Park every day for a week and a number of promotions, including one at the new development (the name of which I cannot remember at the moment). We did not go to King's Cross. The site of the old Dunlop factory has been transformed into a community centre, where there was a successful hofbrauhaus with the Barossa band, and attended by about a thousand people.

It was then planned that a trade train would travel to Sydney to promote the whole exercise. There was to be a major outdoor promotion for a week which was associated with the Hyde Park exercise and receptions supported by T.A.A. and Australian National and the wineries. The Department of Trade and Industry became involved in the matter and the function was large and co-ordinated. As the prospect of success was so great, the Government came to the party, and I am pleased that it did, because the wineries have reported quite major increases in trade with the Eastern States again. The Hunter Valley wineries were making major inroads into sales of South Australian wines, which was a disgraceful situation. The tourist industry received good results from the activities in Sydney, and generally it was a first-class success and very cheap at the price.

Mr TRAINER: I am surprised that no funds were put aside for the promotion; the Government must have been able to anticipate some scale of operation for Barossa Week. The Premier spoke in glowing terms of the benefits flowing from the promotion: can these in any way be quantified?

The Hon. D. O. Tonkin: I have already explained that matter in some detail. I suggest that it is not possible to place any firm cost benefit analysis on such a promotion. It is very much a matter of reported increases in sales and tourist traffic.

Mr TRAINER: You cannot quantify those increases?

The Hon. D. O. Tonkin: It is impossible to quantify to what extent increases are due to an organised promotion, the surrounding publicity given to it, or the fact that people would have come here, anyway. It is quite impractical to attempt to do that.

Mr TRAINER: You are convinced that there are benefits?

The Hon. D. O. Tonkin: I have no doubt about it at all. The number of people who come to South Australia as visitors and who still remember the Barossa Week in Sydney is quite significant.

Mr TRAINER: Is the Government prepared to undertake the same type of activity to promote the Southern Vales wineries? I understand that those wineries are suffering from unsuccessful sales and would appreciate attention comparable to that given to the Barossa Valley. I understand that in the not too distant past discontent with the Government has been expressed in that regard.

The Hon. D. O. Tonkin: No, that has not occurred. The people of the wine coast, the area to which the honourable member is referring, are very conscious of the success of

the Barossa Week which was held in Sydney, and the wineries, together with regional tourist organisations, have been considering promoting the wine coast. I have been told that when they have that wine coast promotion organised they will be coming to the Government for support for the project. I will be delighted to receive their proposals.

Mr TRAINER: Thank you, Sir. That is just what I was hoping you would say.

Mr LANGLEY: The Premier spoke highly of Roxby Downs and the development of the surrounding areas of Moomba and so on. What worries me is that the Premier is referring to employment prospects, and so on, in South Australia, and to future prosperity, but the fact is that South Australia in regard to unemployment is worse off than any other mainland State. As fast as anyone obtains employment at Roxby Downs or at the other areas the Premier mentioned, someone else is put off work in the metropolitan area. The Premier mentioned the whitegoods area, which I know is doing the State some good, but how can it be said that South Australia is doing as well as the other States when we have the highest level of unemployment? I am not saying that things that the Premier mentioned are not good, because they are providing employment.

The Hon. D. O. Tonkin: I appreciate the honourable member's concern. It is a good thing that South Australia is employing the number of people alternatively that it is, because if it were not the position would be much worse. South Australia certainly has a high level of unemployment which is unacceptable. I note that members of the Opposition have changed their tack; instead of saying that South Australia has the highest rate of unemployment in Australia they are now referring to the mainland States.

Members interjecting:

The CHAIRMAN: Order!

The Hon. D. O. Tonkin: I am sure that I can deal with all the comments that honourable members now feel constrained to make, which I will do succinctly. I respect the member for Unley's concern about these things. The level of unemployment in South Australia is now the second highest in Australia, and for that I am grateful, but that is not good enough. The situation needs to be much better. However, I think the position depends entirely on the base used and the figures taken as to whether South Australia is worse off in this respect than are other States. I point out that for some three months in succession South Australia has had the lowest rate of growth of unemployment of any State. The increase has been about 4 per cent, whereas the increase for New South Wales and Western Australia, in particular, has been well over 30 per cent, which is a very critical situation for those States.

Whether or not the level of unemployment in those States will pass that applying to South Australia during the coming month, or in a month or two, I do not know. However, I am certain that those States will pass South Australia's level of unemployment within the next few months; that is quite clear from the trends that have been evident for the past 12 months. I take no joy from that, because I do not like unemployment. However, as South Australians, we must be concerned about conditions in South Australia, and I cannot accept the statement that we are worse off than any other State. We must look towards the future, and South Australia's prospects for employment in the future are better than those applying in any other State in Australia.

That is something from which we can all take comfort and be very pleased about. It is unfortunate that from time to time rather misleading figures are quoted. I share the concern expressed by the member for Unley on this matter. When we took office three years ago we inherited the highest level of unemployment in Australia, and we have since moved to the second highest position. However, our rate

of increase in unemployment is the lowest in Australia and it has been for the past 12 months.

That fact gives us great hope for the future and we will continue to create jobs to make up for the lay-offs in industries that are being restructured. We are holding our own and that is a good thing. The honourable member, as a sportsman and a gentleman, knows that, when things are tough, one should not go around predicting doom and despair. Indeed, the honourable member is well aware of the need to promote the State and he does it very well.

The CHAIRMAN: Order! The members for Ascot Park and Todd must not conduct a conversation across the Chamber.

Mr TRAINER: On a point of order, Mr Chairman, I was not having a private conversation with the member for Todd.

The CHAIRMAN: Order! If both honourable members continue to interrupt proceedings, they may both get an early minute.

The Hon. D. O. Tonkin: Future prospects in South Australia are much better than they are in other States.

Mr LANGLEY: People outside Parliament find it hard to believe the Premier when he says that employment in this State is better than it is in other States, when we have the highest unemployment of any mainland State. Some members of various ethnic groups in my district are looking forward to never getting a job.

The Hon. D. O. Tonkin: Tasmanians are Australians and they get annoyed at being left out when we are talking about Australia, and I share their pique in that regard. We will always count them in as Australians. I have already said that the situation here is not good, but it is better than that in other States. I refer the member for Unley to what is happening in other States, and I am sure he will be delighted to go out and tell the people he says are concerned that there is no cancellation of investment proposals for South Australia, whereas every other State has had projects cancelled and is experiencing a falling off in planned and committed investment.

South Australia is the one State where the projected investment level has remained high even during the downturn of the past two years, whereas other States have flopped. The maintenance of committed levels of investment in this State promises well because that is the only way to create new jobs. The sum of \$1 100 000 000 is still committed for future development investment in this State, whereas the levels in other States have fallen calamitously. I am sure that my remarks in this matter will give our people increased hope for the future.

Mr BANNON: The Premier said that we will be committed to development at Roxby Downs in two years time.

The Hon. D. O. Tonkin: The pre-production phase. The second stage of the study is being conducted at present, and in 1984 there must be a commitment to move from the feasibility study to the pre-production stage, when the joint venturers will have to spend more money leading up to the next production stage of the project.

I do not know whether the companies will decide to proceed then. Indeed, I cannot speak for them, but 1984 is the year when a decision on that matter must be made one way or another. That is why it is an especially significant time for South Australians.

Mr BANNON: The Premier has referred to great investment in South Australia, and both he and the Minister of Industrial Affairs have quoted the figure of \$1 100 000 000. Was that figure based on information supplied by his department? I think it may have been related to a Commonwealth survey. If departmental information is the only basis for his information, what is the assessment of his

department of the breakdown of the \$1 100 000 000 and will he say how certain it is?

The Hon. D. O. Tonkin: It is based on the work of the State Development Office and backed up by figures from the Department of Trade and Industry in Canberra.

Mr BANNON: So the Premier confidently sees that sum as committed investment?

The Hon. D. O. Tonkin: The Commonwealth Minister does.

Mr BANNON: Projects such as the thermo-mechanical plant for Cellulose costing \$52 000 000?

The Hon. D. O. Tonkin: I do not think that is included.

Mr BANNON: I think it is.

The Hon. D. O. Tonkin: I do not think it is, and the Leader's statement is the sort of assertion which he has been guilty of making previously for his own purposes and which causes mischief. On this occasion, I want to put that to rest here and now before it gets out and causes trouble.

Mr BANNON: Will the Premier give members a breakdown of the projects involved in the investment of \$1 100 000 000?

The Hon. D. O. Tonkin: I will provide the honourable member with a document.

Mr BANNON: With the breakdown of the \$1 100 000 000?

The Hon. D. O. Tonkin: I will provide a detailed document.

Mr BANNON: I take the Premier's reply as 'Yes'.

The Hon. D. O. Tonkin: Is there any other way to take it? I will provide a detailed document for the Leader.

Mr BANNON: I have had some experience with information provided by the Government. Saying that a detailed document will be provided may not necessarily mean a project-by-project breakdown, because some projects are included in a general figure that includes more than one project, whereas I am interested in a project-by-project breakdown. What does the Premier expect the unemployment rate to be over the coming six months?

The Hon. D. O. Tonkin: I have not got the slightest idea, and I am certainly not going to engage in irresponsible projections like that of the Deputy Leader of the Opposition recently, when he promised that it would be more than 10 per cent by Christmas.

Mr BANNON: And the other responsible one where he said it would reach 50 000; in fact it reached 50 400.

The Hon. D. O. Tonkin: Yes, it took a little longer than he predicted.

Mr BANNON: It did indeed, but it got there. Could I ask then what sort of economic intelligence the Premier is getting? Who in fact does the research on which he bases his assessments of the economy? Why are they not, for instance, attempting to analyse the predicted rise in unemployment, and indeed look at the employment figures which affect not only the State's economic development, but of course the revenue the State receives.

The Hon. D. O. Tonkin: That work is being done as it has always been done by successive Governments. There is no change in the amount of effort being put into it and the honourable member will be well aware, from the short time that he was a Minister, that such figures were made available to the Government. They are still made available to the Government.

Mr BANNON: So the Premier is confident that he is getting the same quality and depth of information as has always been provided?

The Hon. D. O. Tonkin: There is no reason to doubt it. There was some common membership of that team.

Mr ASHENDEN: I notice that in the Budget there is no line providing finance for employment schemes of the nature being used in South Australia previously. Would the Premier care to comment on the absence of such a line in the Budget?

The Hon. D. O. Tonkin: I think it is pretty much a matter of policy. Times of high unemployment traditionally are times of very tight budgetary situations. The unemployment scheme in force in both the State and Federal scenes in the early 1970s, and in the State in the later 1970s, cost the taxpayers of this State a very large sum of money. Basically, although they provided very welcome experience and made possible certain local projects, they were not satisfactory from the point of view of helping to contain general unemployment, or indeed, of creating new jobs. In the long term it has been accepted quite clearly now, both in Australia and overseas, that money is better spent in encouraging the development of private enterprise, industries, resource development, and indeed creating more activity and creating, therefore, new jobs which are of a permanent nature and self supporting by the nature of the project which creates them.

The question of productivity, of course, is a very important one here, because it is not an economic proposition at any time to create employment which is not productive, because that employment is not self sufficient and self supporting. We will continue on our path of encouraging industry with incentives, including help with the establishment payment costs and accommodation by way of factory equipment, pay-roll tax incentives if they should happen to be in decentralised areas, and all of the many other advantages that we offer. We will continue on with that course, because that is the only way in which we can really create permanent new jobs.

The interesting thing about that, of course, is that job creation schemes, so called, have been given wide publicity by certain Governments in the past. I was very interested indeed to read Mr Cain's Budget, in Victoria, recently. We find that a job creation scheme there has been abandoned, having been promised before the election. He has abandoned a number of other promises that he made before the election, too, I notice, but I think the important thing is that in Victoria, in other States, New South Wales, in France (and there has been a recent writeup of that whole situation), those artificial job creation schemes have just been discredited totally. All they do is to add to the inflationary pressure, for the simple reason that they do not add anything to productivity, and in the long term all economies which have experimented with job creation schemes of that kind find themselves in worse trouble economically at the end of the time, with greater pressures for inflation and unemployment than they had when they started.

So, without a doubt the common, in fact generally the almost universal, attitude to those schemes is that they are not a viable proposition; they do more harm than good in the long term, and saddle the taxpayers of the State or of the Government with a burden which enormously adds to their costs and increases unemployment in the long term. It was borne out again very well in the last two years of the previous Administration, where some 20 000-odd jobs were lost in the private sector, in spite of those job creation schemes and in spite of the very large increase in the number of people working in the public sector. The interesting thing, in the light of the most recent rejection of such schemes by the Victorian Government and the French Government, and, as I said, by almost every Government in the world, is that the Opposition in this State should still be advocating it. It is a matter of economic suicide in the long term. Events in every other area where it has been tried have proved that quite conclusively.

Mr ASHENDEN: So, in the Premier's opinion, the steps that the South Australian Government is presently taking are for the best as far as South Australia's future employment is concerned?

The Hon. D. O. Tonkin: There is no question about that. Our job is to create permanent new jobs. If I can take Roxby Downs as an example, it seems very, very odd indeed that members of a Party who say that they support the creation of jobs (and new jobs at that) are in fact on record as having voted against one of the biggest opportunities for job creation this State has ever seen.

Mr ASHENDEN: A possible 18 000 jobs, is it not?

The Hon. D. O. Tonkin: That is an independent survey which has come from Monash following its investigations. I cannot for the life of me understand why anyone should want artificial temporary job creation schemes, at very high cost to the taxpayer, when in fact they had the opportunity to support one of the most significant developments this State has ever known, one which was certainly just as big as Iron Knob and Whyalla, and probably bigger. I cannot understand that reasoning at all.

Mr McRAE: I want to direct the attention of the Committee to the line relating to the office of the Ombudsman, on page 18 of the Estimates of Payments and on page 19 of the yellow book. One of the comments made in the yellow book is that during the year the office of the Ombudsman processed an increase of 40 per cent in complaints over the previous year, and the first comment is that this additional work precluded the planned review of controls for implementing an improved information retrieval scheme. Is there any explanation that the Premier can give for the 40 per cent rise in complaints?

The Hon. D. O. Tonkin: I think that is a credit to the activity of the Ombudsman who has left no stone unturned to make certain that the people of South Australia know that he is available to listen to complaints and grievances. I think the public profile adopted by the present Ombudsman is considerably greater than that adopted by his predecessor. As the result of that, more people are aware of the existence of the Ombudsman and know that he is approachable for ruling on particular matters.

Mr McRAE: Certainly, the Opposition has no quarrel with the quality of the Ombudsman but we recall that the Government, or at least some Government Ministers, had a quarrel in that regard, and I wonder whether the quarrels that erupted between certain Government Ministers and the Ombudsman have now been laid to rest.

The Hon. D. O. Tonkin: I have certainly not heard of anything that would suggest otherwise. Investigations are still going on into the various matters that have been brought forward by the Ombudsman, particularly in relation to the requirement to notify, to which he has already referred. Those matters are being examined in the light of provisions elsewhere. I believe they are also being examined in the light of the examples that have been put forward. I have enjoyed nothing but the best of relations with the Ombudsman, and I believe that that goes for every member of Cabinet.

Mr McRAE: Given the very considerable increase in the work load of the Ombudsman, it seems odd that the funds available to him increased by a relatively small amount, in fact by a sum less than inflation, as we see on page 18, and quite considerably less than inflation (page 19).

The Hon. D. O. Tonkin: I believe that it is a great credit to the Ombudsman and his staff that they have been able to carry through the amount of work that they are undertaking. I do not know exactly to what one can attribute that, but I suggest that increased efficiency must be involved as well as an approach that reflects great credit on staff members. The honourable member will undoubtedly ask what plans are envisaged to increase the staffing of the Ombudsman, and in particular whether an assistant Ombudsman or a deputy Ombudsman will be appointed. I have given an undertaking to the Ombudsman that the

matter of a deputy to help relieve some of the work load will be considered by the Government early next year when plans for the forthcoming year are being examined.

Mr McRAE: In fact, the Premier jumped one predictable question. It seems to me that, if there was a 40 per cent increase last year, it is likely that one will see a continuation of that. While it is all very well to say that that will be reviewed in regard to next year's Budget, one would imagine that it would logically follow that the pressure on the Ombudsman must be very great indeed.

The Hon. D. O. Tonkin: It may well be that it can be achieved before next year's Budget, but the whole matter will be examined early next year to see what can be done. I must point out that the office of the Ombudsman is subject to budgetary constraints, as is every other office. The fact that we are considering the matter in the light of the budgetary constraints indicates the high regard we have for the service that is provided.

Mr McRAE: I think it is fair to say that the Deputy Ombudsman, Mr Myers, retired during the life of this Government.

The Hon. D. O. Tonkin: I am sorry: I cannot remember the staffing arrangements.

Mr McRAE: My recollection was that that occurred during the life of this Government. In other words, when the Government came to office there was an Ombudsman and a Deputy Ombudsman.

The Hon. D. O. Tonkin: I do not believe that he was classified as a Deputy Ombudsman. A person was acting on a number of occasions, but there has never been a position of Deputy Ombudsman that I know of.

Mr McRAE: If that person was not the Deputy Ombudsman, we get back to the situation involving the Parliamentary Librarian. The person concerned was the principal officer in the office of the Ombudsman apart from the Ombudsman himself. I think that much is clear. Therefore, it follows that there have been cuts. I can only express disappointment that that matter has not been addressed before this. Specifically, the Ombudsman draws attention to the fact that the additional work load put on him has precluded the planned review of controls for implementing an improved information retrieval scheme. What does that mean?

The Hon. D. O. Tonkin: I am quite sure that the honourable member will learn a great deal about that matter if he takes it up with either the Ombudsman and his office directly or with the Data Processing Board. It is purely a matter of storing information that may be of value and making sure that it is readily available through terminals. This can be done through computers and other sophisticated systems. I believe that the word processing aspect would be the simplest way of undertaking it, and that is one of the things we have in mind. I must make another point to reassure and relieve the honourable member of the concern he has expressed. There is still a senior officer who handles this demand. There is no gap that has not been filled. We are talking about an additional position of Deputy Ombudsman.

Mr McRAE: That is because of the increased work load. This jargon really means that the Ombudsman wants a word processor.

The Hon. D. O. Tonkin: That would be a start but, as the honourable member knows, it could be adapted to information systems of great complexity.

Mr McRAE: I would have thought that surely, as a capital outlay, that is fairly minor, because it seems to me that word processors are being used in Government departments all over the place. I wonder why there has been a difficulty in obtaining a word processor for the Ombudsman.

The Hon. D. O. Tonkin: It is largely because of money. The whole position will be examined again, as I said, next year.

Mr McRAE: The yellow book (page 18) shows that there was a significant increase in 1981-82, and a further increase is expected in 1982-83. The Ombudsman also states (and I suppose that this would be the worrying factor) that one of his specific targets for this year is to continue to reduce the carry-over of complaints. I would anticipate that that would involve a much greater degree of urgency. I read into those remarks, I hope correctly, that the Ombudsman is saying that, because of the additional work load—

The Hon. D. O. Tonkin: I may be able to help the honourable member. The Ombudsman is not responsible for preparing these words. The comments are not his: they simply reflect what has been said to the Government, and the Government is reflecting those comments in its own words. We are well aware of the difficulties and, as we have undertaken, we will consider them early next year.

Mr BANNON: A subprogramme under economic development determines Government policy and assesses development projects. The yellow book (pages 31 and 32) shows that \$68 000 was allocated last financial year in this regard, of which only \$29 000 was spent: \$31 000 is proposed this year. Is this an indication of the lack of projects for such assessments? How does the Premier explain the reduction in activity of this particular part of the State Development Office?

The Hon. D. O. Tonkin: Basically, it is a reallocation of resources rather than any lack of expenditure. One of the things that has come out of this current session is that there is an infinite need to be able to reallocate resources within the State Development Office from time to time. I think this particular reallocation specifically related to the Development Strategy Report.

Mr BANNON: The question remains: are there four projects to assess and four members?

The Hon. D. O. Tonkin: As I say, the Strategy Development Report is now being followed up with the final report. That sum, as I understand it, is largely in respect of the completion of the report from the State Development Council. We have been through the Iron Triangle Development Report and the State Development Council's report, and there will undoubtedly be other reports coming forward, but this funding relates specifically to those major studies, and not to the every-day investigation of projects which might come forward to the Government which are, of course, the day-to-day function of the department.

Mr BANNON: It is certainly not clear. Does that represent one individual under this programme, in terms of an average full-time equivalent? It is not clear that that was a State Development report. The 1981-82 targets are referred to in the following context:

A diverse range of major development projects, in the fields of manufacturing, energy, mining, and the service industries such as tourism and transport, in South Australia where assessed.

It then talks about this current financial year, as follows:

To continue with ongoing project assessments and the determination of priorities and capacity for Government participation in development projects.

The sum of \$68 000 was allocated and only half that was used. It does not indicate a plethora of major development projects which have been assessed.

The Hon. D. O. Tonkin: I think the Leader is reading rather more into that than he should. The State Development Office (and I think we already have on record an explanation of this when the Minister of Industrial Affairs was before the Estimates Committees) mostly passes projects on to relevant operating departments—Trade and Industry, Mines and Energy, Department of Marine, Woods and Forests,

Agriculture—whichever department is the appropriate one to take charge of the particular project. It co-ordinates, in much the same way that the Co-ordinator General does in Queensland, the activities of that department and its inter-relation with other departments. That works very well. Its own assessments are relatively small, because the assessments are passed on to the operating department for detailed examination.

The recurring expenditure has been put there. The proposed expenditure of \$31 000 is based on the expenditure of \$29 000 last time. The State Development Strategy Report and the State Development Council Report have taken up a good deal of that work and that officer's time. I take it that the Leader is suggesting that, because one full-time equivalent only is allocated, there is not much going on. I point that, with the depth of those studies in the preliminary phases, one full-time equivalent can get through an enormous amount.

I would like to put on record, while we are on this subject, my very great appreciation of the amount of work that is done by officers of the State Development Department. They work well over the hours required of them, and indeed they work sometimes up to 10 or 12 hours a day on particular projects, and they do this because they are committed and devoted to promoting South Australia and to achieving the best possible result for South Australia. I believe that the officers are a credit to the Public Service and certainly a credit to the department for which they work.

Mr BANNON: On page 29 reference is made to 'Maintenance and further development of the Central Government Photo Library'. Can the Premier explain what that is? Does it include photographs of Ministers, members of Parliament, and so on?

The Hon. D. O. Tonkin: It is a very important part of the function of that State Promotion Office. It makes possible the production of suitable slides or prints of South Australian developments, tourist spots and specific events: it provides a very worthwhile library for people wanting to prepare tourist brochures, promotional literature for particular school projects (because they are made available to schools for projects). It has been most valuable to have available for members of the public that reservoir of excellent photography by very many good South Australian photographers. It is almost (as the member for Ascot Park would be interested to hear) a library in itself made available for people wanting access to photographic material on South Australia.

Mr McRAE: I refer now to the Inter-Government Relations Branch. I quite agree that the need being addressed on page 45 of the yellow book is a major one, and I think the Australian States have been very slow to address it. The American States have certainly been far more aggressive over the years in establishing such programmes and such co-ordination. However, there are some specifics to be raised: first, the proposed expenditure is \$16 500, and the employment level proposed is 2.5, so I am not clear about what is to happen in this regard. Could the Premier or one of his officers explain how the system works?

The Hon. D. O. Tonkin: The question is why is \$16 500 allocated for the Inter-Government Relations Branch.

Mr McRAE: No, my confusion is that there appears to be 2.5 persons embraced within this small sum of \$16 500.

The Hon. D. O. Tonkin: I refer the honourable member to page 18 of the lines document which shows salaries and wages and related payments as \$60 600 and the contingency line is the one on page 19 to which I think the honourable member is referring—\$16 500.

Mr McRAE: Are we looking then at a chief project officer, an assistant and a clerk? Is that basically the break-down?

The Hon. D. O. Tonkin: Basically, yes. It varies, and there is some overlapping of responsibilities of some officers

which is where the half full-time equivalent comes from. I also refer the honourable member to page 22 of the Estimates of Payments which refers to the Advisory Council for Inter-Government Relations. Our contribution towards that is \$27 000. That adds our contribution to the inter-government relations effort.

Mr McRAE: As I understand the yellow book and the programmes set out on pages 45 and 46, we have officers inside the Premier's Department who carry out the activities set out on page 45?

The Hon. D. O. Tonkin: It is a shared typist which accounts for the .5.

Mr McRAE: I understand that, but we are also making some contribution towards some other agency?

The Hon. D. O. Tonkin: South Australia has been contributing towards the Australian Inter-Government Relations Committee.

Mr McRAE: Is the Premier referring to the organisation headed by Professor Russell Mathews?

The Hon. D. O. Tonkin: I think so, but I am not at all sure about that. It is the Advisory Council for Inter-Government Relations which is based in Tasmania.

Mr McRAE: The Premier may recall that last year or the year before I drew to his attention the fact that this particular aspect of Government activity and law had obviously increased in significance, and that has been addressed already, but in my view it is a terrible pity that Adelaide, being so central in the Federation, appears to have taken no action to try to establish a State-based unit rather like the American complex in Chicago. Certainly, one would not be looking initially at such a large organisation, but at least some start, in my view, ought to be made, and in my view it would also be very beneficial to this State.

I advise the Premier that the University of Melbourne has not been slow to catch hold of the importance of this area and I understand that Dr Cheryl Saunders has been appointed inside the Law School of Melbourne University to monitor such activities. On a previous occasion I did ask whether the Premier would try through his good offices to interest the Adelaide University Law School, by means of a grant, in establishing what could be the basis of a very good part of that law school, something that would be beneficial to the whole State and to the whole country for that matter.

The Hon. D. O. Tonkin: The Advisory Council for Inter-Government Relations has been in existence for a considerable time, and the South Australian Government has agreed to make a contribution again this year. However, at present there is some concern as to the effectiveness of that council, and that is being addressed by the members of the Inter-Government Relations Branch, who will be reporting to me some time before the end of this year. It is a question of what is coming out that is of value to the State and we would be looking at the cost benefit analysis and exactly what we are getting for our contribution. There is a general tendency towards believing not very much for our contribution at all in many of the areas recently examined.

I will take into account what the honourable member has said. I certainly do not recall having taken the matter any further and, I must be honest, I do not recall him raising it last time, but no doubt he did. I will refer that to members of that branch and see what their comments are about it.

Mr McRAE: I produced a study tour report on this very question of inter-government relations and federalism which did make a number of suggestions, among which was that the Adelaide University Law School might be the focal point for a body which could address many of these questions objectively and systematically. By way of illustration, I cited the activities of the Temple University at Philadelphia and

the equivalent, I suppose, of the Inter-Government Relations Committee to which the Premier referred in Chicago.

It was my desire that South Australia take the lead in this area. It may still not be too late because, certainly, there are doubts concerning the benefits to the States from a committee on inter-governmental relations which, I understand, is Canberra based and Canberra funded.

The Hon. D. O. Tonkin: I remember the paper that the honourable member prepared, and certainly I will ask for comments on that basis.

Mr McRAE: I think last year in his Budget speech the Premier promised a paper on Federal/State relations, although I do not recall having seen it. I have read the comments made in the Financial Statement of the Premier and Treasurer, in which some fairly lengthy statements were made, and also those comments made in the paper headed 'The South Australian Economy', but are we still to receive a major paper?

The Hon. D. O. Tonkin: That matter has been covered quite satisfactorily in the Financial Statement and in 'The State of the South Australian Economy'. Inevitably co-operation depends very heavily on the relationship of the two Governments involved.

Mr McRAE: I recall that the summary concerning the Federal/State relationship indicated that the South Australian Government accepted the basic policy of the new Federalism, but expressed some concern (and that is my word, not the Premier's) about the patchy way in which things had been approached; for instance, the fact that some programmes had been eliminated from specific grants and put into the general category, whereas other grants had not been put into that category. It was hard to discern any pattern in regard to this whole matter. Is that basically the thrust?

The Hon. D. O. Tonkin: I think that sums up the matter quite well; I also refer to the speed at which the transition has occurred.

Mr McRAE: What is the overall situation in regard to the various States? Obviously, there are different ideologies because of the different political Parties governing the different States, but do those other States have the same concern about this patchy or ununified approach to this developing policy?

The Hon. D. O. Tonkin: The degree of concern varies from State to State on an ideological basis, as the honourable member mentioned, and also on various bases of practicality as they affect each State in different ways.

Mr McRAE: Does the Premier know of any proposal for the States as a group to address this question?

The Hon. D. O. Tonkin: I do not think there is much to be gained by doing that at present. Obviously, reaching a consensus between the States is extremely difficult given the different attitudes of the various Governments. As the honourable member pointed out, the matter concerns differing philosophies. One philosophical approach is that there should be a central government based in Canberra and that State Governments are becoming redundant, having outlived their usefulness, and that they are no longer necessary. The other philosophy (which is the one that I strongly support) is that State Governments have a very valuable part to play, that they should be strengthened in their activities, and that the Federal Government's role is purely and simply to look after matters of national significance. I think that those differences of philosophy are well known. It would be extraordinarily difficult to accommodate those differences within a consensus approach of the States to the Commonwealth.

Mr McRAE: Might there be problems in getting any significant benefits at all from an all-States review team, as it were?

The Hon. D. O. Tonkin: That is one of the problems that arises in regard to our Advisory Council for Inter-Government Relations.

Mr McRAE: To some extent, that refers to the point that the Premier made earlier?

The Hon. D. O. Tonkin: Yes.

Mr McRAE: In order to address this question objectively, we might be better off opting out of that scheme and lifting the level of funding for our own specific purposes?

The Hon. D. O. Tonkin: That is a possibility, but it is a step that will not be taken without a good deal of consultation and thought. We must make sure that we do not find ourselves out of the frying pan and into the fire.

Mr McRAE: Certainly, I have a personal interest in the matter of Federalism and its development. I note that there are a number of activities concerning this, and I presume that a number of papers have been produced. Is there any reason why there should not be a greater distribution of those papers to members? It seems to me that at the moment the idea is to keep the Government of the day advised of certain matters in which Federalism plays a role, which I am not disputing. However, I would have thought that, apart from those matters between the State and Federal Governments that are private and confidential, there would be papers available which would be of great interest to members.

The Hon. D. O. Tonkin: I do not know which papers might come into that category pertaining to the Council for Inter-Government Relations. I am happy to make inquiries for the honourable member.

Mr McRAE: I was thinking of the Government's Chief Project Officer in the Premier's Department. Page 46 of the Programme Estimates indicates the key activities in regard to inter-government relations, some of which would be quite confidential, but there are other activities that could be of value, such as the dissemination and exchange of information—provision of information to the Commonwealth and other State Governments and distribution to agencies of information from Commonwealth and other State Governments. The dissemination of this information to members might be of value.

The Hon. D. O. Tonkin: Certainly I will examine that matter.

Mr BANNON: Will the Premier provide the names and salary levels of the members of the Research Branch, and I refer specifically to the Director and research officers?

The Hon. D. O. Tonkin: Yes.

Mr BANNON: I refer to Jubilee 150. Reference has been made to the increase in staff provided for that project. The allocation of funds for that committee has increased very markedly in the last two Budgets. The sum of \$625 000 is being provided during the current financial year, compared with \$223 000 last year. What are the forward predictions of the Premier in relation to allocations from revenue to that project? In other words, are we seeing a sort of exponential increase as we draw closer to the jubilee; is it operating on a four-year plan?

The Hon. D. O. Tonkin: We must face up to the fact that there will be a significant increase until 1986 and a sharp fall in 1987. The Minister will then take up the responsibility for the final winding up. Of the \$625 000 allocated for this year, \$225 000 is for operating costs and \$400 000 for planning of specific projects. For instance, a history of the State which is being written will be a valuable work and will be financed to the extent of \$15 000. There will be thematic films, including a history of transport, a book on Aborigines, and a natural history of South Australia.

The sum of \$14 000 will be set aside for editorial research on natural history, and there will be editing work and research required for the production of a South Australian

atlas with which I certainly hope the Leader will not find fault and which it is intended to distribute to schoolchildren in 1986. So there is much more than the ongoing cost entailed.

Mr BANNON: Has the \$2 000 000 promised by the Commonwealth Government been received yet? If there is to be a delay in receiving it, will that item be indexed?

The Hon. D. O. Tonkin: It will be paid as projects are proceeded with.

Mr BANNON: The longer the delay in paying the money, the less value it will have because of the effect of inflation. Considerable resources are being spent and the general objectives of the programme are set out. However worthy many of these projects are, I would have thought that the Government was keen on getting value for money and would set its priorities accordingly. In the current tight financial climate it is fair to say that the allocation being made and the increase in staff are both generous compared to what is being done on other programmes. What sort of cost effectiveness and long-term value does the Government see in these projects in tangible terms?

The Hon. D. O. Tonkin: It is hard to fix a tangible value, because the various projects will have varying impacts. They will attract tourists and so bring in dollars; they will result in an increased awareness of this State's history among local people; and they will lead to the establishment of new accommodation for visitors. Some of these benefits are of a kind that private enterprise may take advantage of to promote their business.

Some projects will have a lasting benefit. For instance, \$50 000 is to be spent this financial year on the design and planning of the Lady Nelson Park at Mount Gambier. Money is to be spent on the inter-colonial express, and there will be the celebration of the 100th anniversary of the Adelaide-Melbourne railway. Although that is a one-off project, it will attract great interest.

Once we have reconditioned the sleeping car 'Angas', which is a two-year project costing \$24 000 for the first stage, we will have something of value to the State by way of historical and valuable rolling stock. Those are typical of the sorts of programme on which money will be spent. There will be opening ceremonies, a tattoo, and other celebrations in respect of which it is impossible to assess the cost benefit, but we expect to attract tourists from all over Australia and from around the world, as was the case in Western Australia.

Undoubtedly, the money will be well spent if we get tourist dollars back. Street decorations and other features that go with promotion will not be of lasting value, but they will be of enormous and significant value in attracting people. So the wide range of activities, from the lasting to the ephemeral, will all enhance the inflow of funds to South Australia.

Sporting events will include the world youth rowing championships and recreation festivals. The drop-centre tram formerly run by the Municipal Tramways Trust will be reconstructed and refurbished to run on the Adelaide-Glenelg line. That will be an important attraction for electric traction enthusiasts. The long list of events includes a students' music festival. If the Leader consults with the Jubilee 150 Board, I am sure he will be given information on the wide range of projects to be conducted in connection with the jubilee.

Mr BANNON: Previously, I have referred to the problem, as I see it, of the duplication and confusion of functions as between the State Development Office and the Department of Trade and Industry. Has the Premier read the State Development Council's report carefully? If he has, has he drawn the conclusion that the concerns that I have expressed previously have been expressed strongly by business men

and others in the community? What are the intentions of the Government on the co-ordination of industrial development by the two bodies I have mentioned, in the light of comments made by the State Development Council?

The Hon. D. O. Tonkin: The council has emphasised, properly in my view, the need to spend more money in a number of areas of State promotion and to increase strongly the activities of the State Development Office. However, we must consider budgetary restrictions, and we have done that. Previously, we have received reports when the Leader has asked the Minister of Industrial Affairs questions on this matter.

I can only repeat what has been said, that is, that we have set up an overall co-ordinating and overseeing body, such as State promotion, to liaise with interested investors, on the one hand, and operating departments on the other. The State Development Office performs a very useful role in that regard. In fact, that structure is now being used as model in other States. The co-ordinator-general's role in Brisbane, and I think in Western Australia, is now following exactly the same pattern. I think that role is very useful, because it is a good idea to have someone who is outside the normal operating department at the point of contact to deal with concerns in relation to the progress being made, the rate of development, and to move in and sort out problems with potential investors or project managers before they become too great. I am not saying that problems always occur, but, inevitably, problems and misunderstandings do occur and it is always very valuable to have that outside overview by someone who can approach the investors and departments concerned.

Mr BANNON: Which department paid for the two competing advertisements on industrial development in the *Australian Financial Review*? How did a situation like that arise? Does the Premier agree that it is unlikely that that would occur if there was one single co-ordinator focused on State promotion?

The Hon. D. O. Tonkin: That is a perfect example. The very fact that that occurred demonstrates how rarely there is a crossed wire. It was a misunderstanding whereby one department thought that the other suggested that it should put the advertisement in. The copy was the same and, unfortunately, it was duplicated. It certainly did not do any harm, because responses to the advertisement have been received by different people in both Government departments.

Mr BANNON: I suppose it would depend on whether a respondent liked the look of Mr Tiddy or Mr Brown, more or less. The copy is virtually the same. There were two different points of contact. I would like the Premier to explain how that sort of thing aids the orderly effective development of this State.

The Hon. D. O. Tonkin: I thought that the Leader of the Opposition was already aware of the fact that it was inadvertent and that it was not deliberate. In fact, I repeat that it was the result of a misunderstanding. It was not intended to release two advertisements. It was a misunderstanding between departments and the fact that it happened on one occasion, which the Leader has brought up on a number of occasions, demonstrates that it does not normally happen. It was sufficiently out of the ordinary to be noticeable. It is not intended in any way as a policy, or to help.

Mr BANNON: In relation to overseas visits of the Premier, is it now the policy of this Government that no specific budgetary allocation be made?

The Hon. D. O. Tonkin: No, it was a deliberate decision by me on this occasion, because it was felt that at the present time more could be achieved in South Australia, particularly with the development of our own overseas link through the airport, the new international hotel, and so on, and that it

was far more important at this stage to move into the South Australian scene, to capitalise and build on the contacts that have been made in other countries and work from Adelaide to stimulate and publicise what has been achieved here. The Government has adopted a deliberate policy in this particular instance. I cannot foresee any need for overseas travel in the immediate future, but I must say that if the occasion arises, if there is any prospect of obtaining for South Australia, for instance, a significant industry, and it is necessary for me to go away, I will go away at the drop of a hat, and I am quite sure the Leader will not disagree with that.

Mr BANNON: No, I do not. However, I notice one implication. Does the Premier see an opportunity to undertake more private sponsored trips? He says that he has no intention of going overseas. I think there is just such an intention, but not at the taxpayers' expense, of course.

The Hon. D. O. Tonkin: I have no plans to go overseas. I cannot afford it.

Mr BANNON: What about the inaugural flight?

The Hon. D. O. Tonkin: I look forward to that occasion with great pleasure and anticipation.

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

Premier, Minister of State Development and Minister of Ethnic Affairs, Miscellaneous, \$1 053 000

Chairman:

Mr G. M. Gunn

Members:

Mr E. S. Ashenden
Mr J. C. Bannon
Mr H. Becker
Mr R. E. Glazbrook
Mr G. R. A. Langley
Mr T. M. McRae
Mr W. A. Rodda
Mr J. P. Trainer

Witness:

The Hon. D. O. Tonkin, Premier, Treasurer, Minister of State Development, and Minister of Ethnic Affairs.

Departmental Advisers:

Mr M. P. Tiddy, Director of State Development, Department of Premier and Cabinet.

Mr E. E. Kageler, Chief Administrative Office, Department of Premier and Cabinet.

Mr W. M. Scriven, Director-General, Department of Premier and Cabinet.

Mr BANNON: The State Disaster Committee allocation has been made. Last year on the question of the State Disaster Plan and the activities of this committee, the Premier said, when discussing the location of an emergency operations room, that there was some considerable discussion taking place as to whether the most appropriate location was in a city building basement or on the periphery of the city. He said:

The Government is still going through the matter and taking further advice. The matter is under way.

I would like the Premier to bring us up to date on that consideration, 12 months on.

The Hon. D. O. Tonkin: Some disgraceful publicity was given to the Government's investigation of a site at the corner of Sydenham Road and Norwood Parade, which I

think was written up by some spokesman as being the provision of an atom-bomb shelter for the Government. I am quite certain, nobody took that very seriously. In actual fact, investigations have gone on. We have taken advice from Commonwealth and overseas authorities. It is generally accepted that an operations room is best situated either in the basement of a large concrete building, constructed on the basis that that will remain intact in the event of an earthquake or other disasters which cause buildings to be moved, or on the edge of the city with access to ring-routes. The Norwood Parade site was not satisfactory, because the inner ring-route was considered to be too likely to cause congestion in the event of a disaster of any kind.

Accordingly, the committee is investigating sites further out. There are a number of possibilities. There are areas of land which are involved with peripheral institutions in outer suburban areas near the outer ring-route; they are currently being examined with a view to establishing a command post operations centre building. We are informed that the advantage in having it outside is that it is not subject to the same degree of congestion and that it is possible to get direct access to almost anywhere in metropolitan Adelaide in appropriate time in the event of a major disaster. If it is not a major disaster, it does not particularly matter where the operations room is located as long as operating units reach the affected area as quickly as possible.

A site is currently under investigation but, until we have assessed its suitability, it is better not to commit ourselves, or we will find ourselves in the same sort of dilemma as when it became known that we were examining the Sydenham Road/Parade site. There is no suggestion that we return to a Demac building in the backyard of the old North Adelaide Police Station.

Mr BANNON: The cost of production of the new State Government services directory would have been reflected in the last financial year. Nothing is provided in that regard this year. Does that imply that, if re-elected, the Government intends to make no changes?

The Hon. D. O. Tonkin: At this stage it is a one-off production, in that this is the first time that that sort of directory has been available. Undoubtedly, it will have to be upgraded from time to time, but we do not propose to upgrade it more often than at two-year intervals at this stage.

Mr BANNON: Obviously, the allocation for land rights was vastly exceeded. Will the Premier detail the way in which that money has been expended?

The Hon. D. O. Tonkin: Largely, the over-run has been due to the cost of fares and accommodation during the negotiations that transpired and in regard to the hire of aircraft. Obviously, we undertook to meet requests from the council members of Anangu Pitjantjatjara and their advisers to come to Adelaide from time to time. There were costs in regard to hiring aircraft and travelling to the area. Negotiations on the agreement have been finalised, and therefore there is no allocation for this year. The present negotiations in regard to the Maralinga lands are being covered under the lines of the Office of Aboriginal Affairs.

Mr BANNON: There was a considerable over-expenditure last year in regard to official visitors to the State and receptions. I guess that was partly due to the Royal visit. I note that \$52 000 is proposed this year. Are any specific visits or receptions planned of which the Premier could give details and which were considered when that figure was arrived at, or was it just plucked from the air?

The Hon. D. O. Tonkin: At this stage, no visits have been confirmed. It is believed that that sum will be satisfactory. There were certainly a great number of visitors last year, and I believe that the Royal visit was most successful. Of course, there was a changeover of Governors and Governors-

General, although that really comes into this financial year. There was also the Royal wedding gift.

I think I should make quite clear that the South Australian wine that was consumed by the intruder into the Palace (who received wide publicity recently) was not from the wedding present to the Prince and Princess of Wales: in fact, it was some of the wine that the Private Secretary took home with him following the visit, because of his great interest in and appreciation of good South Australian wine. I will not say which wine it was.

Mr BANNON: You are not proposing a special bottling?

The Hon. D. O. Tonkin: Not at this stage.

Mr RODDA: I note that \$100 000 has been allocated for the first time this year towards the Sir Thomas Playford Memorial Trust. What is the nature of the trust?

The Hon. D. O. Tonkin: This represents an establishment grant. The Hon. Mr Laidlaw is Chairman of the trust, and representatives from the South Australian community are on the board. I am happy to say that those representatives include the former Premier, the Hon. Des Corcoran. It is a wide-ranging board, and I believe that the trust will do a great deal. I understand that there will be a function in the relatively near future to promote it and launch an appeal to support the trust. I have been very grateful indeed that the Federal Government has seen fit to allow donations to the Playford Memorial Trust as tax deductions.

Mr RODDA: Further to that, what is it envisaged that the trust will embody?

The Hon. D. O. Tonkin: The activities of the trust will be related to the promotion of all matters concerning the development of this State, whether in manufacturing industry, in resource development, or in primary production, but particularly in the latter area in respect to horticulture, which of course was Sir Thomas Playford's particular interest. It is hoped that the scheme will allow for the recognition of excellence in work and that it will be able to stimulate younger members of the community to take an interest in these matters. It will have the express purpose of encouraging excellence in these fields.

The report of the State Development Council referred to the awarding of some tokens to recognise excellence and achievement, and it may well be that the Playford Memorial Trust will provide the sort of avenue through which such awards can be made in the spirit of its report. Certainly, full details will become available when the trust is launched and I hope that that will be in the relatively near future. We had hoped to get on with it earlier, but we have been waiting for a decision on tax deductibility.

Mr BANNON: Further to those questions, who is forming the objects and method of operation of the trust? Is it the committee headed by Mr Laidlaw, or has the Government given the members of the committee a brief?

The Hon. D. O. Tonkin: The committee was under the chairmanship of the Hon. C. Ross Story in the initial stages. Mr Laidlaw and members of the committee have now formulated their own brief and articles of association. It is significant that representatives of all those interests have been involved in bringing them forward.

Mr BANNON: As I read them, the State Development Council recommendations involve the award of gold medals as a symbolic token of enterprise and activity in State development. Reasonably substantial monetary amounts have also been proposed. However, as I read the report, those monetary amounts are, in effect, not to be given to individuals for specific purposes but are to be used for reinvestment in the project for which the award was granted. In fact, I believe it is stated specifically that, as part of the application for such an award, the manner in which the prize money (if one could call it that) would be used would be taken into account, and that seems reasonably sensible.

How does that fit in with the concept of the Playford Memorial Trust, and how would it line up with tax deductibility? The Commonwealth could perhaps complain that it is subsidising reinvestment in South Australian industry.

The Hon. D. O. Tonkin: I take the Leader's point. It is certainly not at that stage, and we are talking about the spirit of the recommendations of the State Development Council rather than the letter of the recommendations. That is something, as I understand it, that is going to be discussed between representatives of the State Development Council, the Playford Memorial Trust and the Government, to see what satisfactory solution can be reached as to that and other problems that may arise. A great deal of course will depend on how successful is the appeal to establish the trust.

Mr BANNON: That becomes a circular argument, because the success of the appeal in part depends on the objects. I am concerned that, in formulating the aims and objects of the trust, attention is paid to other similar trusts already operating for study and other purposes, such as the Churchill fellowships, the Duke of Edinburgh study scheme, the Menzies foundation, and a number of other trusts which may impinge on or duplicate the aims of the Thomas Playford Memorial Trust. I am concerned that, if an announcement is imminent, the widest possible canvassing of opinion has been undertaken to ensure that the trust is something very specific and unique, so that it can attract the sort of support that the Government obviously hopes it will.

The Hon. D. O. Tonkin: That is continuing now.

Mr BANNON: Are further payments to be made in relation to the Iron Triangle study?

The Hon. D. O. Tonkin: The whole matter has been wound up with that payment of \$146 000-odd from the Commonwealth. That has been repaid into revenue, as shown in the programme performance papers. The study has been completed, and there will be no charge against revenue for any further work.

Mr BANNON: What has emerged from the study? Can the Premier point to specific areas where the study has delivered value for money?

The Hon. D. O. Tonkin: Not at this stage. It is impossible to quantify the attitude of people in the Iron Triangle, but the attitude is epitomised by the Mayors of those areas. There is certainly a feeling of confidence, that at least we know where we are going and what can be achieved. We do know that, if we work hard to achieve these goals, we are going to be all right. In other words, it is a confidence building exercise in the first instance and already I understand that the Mayors from the three Iron Triangle towns are meeting together with a view to formulating a general co-ordinated approach towards achieving some of the investment that we are looking at. I know that the Minister of Industrial Affairs has been looking particularly at industrial development in that part of the world, and the Minister of Mines and Energy is of course vitally concerned with the Stony Point development. The whole area of Roxby Downs and the Cooper Basin is going to have a great impact on the fortunes of the Iron Triangle.

Mr BANNON: I do not want the Premier again accusing me of spreading doom and gloom, but I think we ought to be realistic. I am surprised that the Premier paints such a rosy picture of the study and the reaction to it. As I read that study it was a relatively gloomy and pessimistic document; rather than seeing great prospects in that area, it suggested that enormous efforts would be needed to ensure proper development. The Premier, fairly predictably, mentions Roxby Downs, but the sort of predictions made about that project were in fact a downgrading of a lot of things said previously. The predictions in that report are far less optimistic than was the recent Monash University study. It

seemed interesting to me that the study commissioned by the South Australian and Federal Governments, involving people in the area, came out with a more pessimistic view on that project than did the Monash University study commissioned by Western Mining and other groups.

All of those things, put together, indicate the magnitude of the problems in that area and the need to tackle them realistically. Yet the Premier is suggesting to us that this report shows that we are going really well and that we can get down to business without too much trouble. Is the Government going to release a specific response to the Iron Triangle study, indicating clearly what it intends to do in relation to the report's recommendations?

The Hon. D. O. Tonkin: I felt that report was quite realistic. It does not say that the future is rosy; it says that there is a future achievable if people are prepared to work. That seems to me to be perfectly realistic, and I do not think that is painting a rosy picture by any means. There is no question but that if people want to work they can achieve the results set out in the report.

Mr BANNON: A number of people have been retrenched. That is a very odd statement to make: of course people want to work. Can we have something more tangible?

The CHAIRMAN: Does the Premier wish to answer the question?

The Hon. D. O. Tonkin: Thank you, Mr Chairman. He jumps up and down a bit on this subject. I just make the point that there were four scenarios painted in the Iron Triangle study and the Leader is consistently taking the worst of those and publicising them; in any case, he usually brings forward the doom and gloom which he brought up and I did not. The Monash Report is certainly more favourable, and I think it is a very good thing, because it is an independent report; it is from outside. I think the integrity of the people who undertook the report (whom I do not know and have not met) is beyond question.

What comes through with all of these things is that the jobs that can be created by things such as Roxby Downs are important to the Iron Triangle area and, without that hope for the future, there is very little that people can look forward to there. It does not mean that all is lost. It is, I think, of vital importance that we recognise that although there have been some stand-downs in Whyalla (and nobody disputes that, nobody likes the idea), that the situation is—

Mr BANNON interjecting:

The Hon. D. O. Tonkin: The situation is far better, for all of the Leader's niggling, in Whyalla in relation to the general community than anywhere else where B.H.P. operates; currently that company is undergoing enormous difficulties. The lay-offs which have occurred are to be regretted, but they are minute compared with the massive lay-offs interstate, at Newcastle and Port Kembla, for instance.

The reason for this is that, since coming to office, we have encouraged development and investment of funds in the upgrading of the blast furnace and the settling of a new rail-rolling mill, which will be supplying rails to all Australian railways systems and is supplying rails internationally. That rail-rolling mill will be competitive for some considerable time to come with anything that Nippon Steel can manufacture, and it is getting shares of markets which are very valuable. As a result of the money that has been invested in the upgrading of the blast furnace and the installation of the rail-rolling mill, modern facilities, we are now in a position where, in the restructuring operation B.H.P. is currently going through, we are in the most favourable position of any State in the B.H.P. total operation. That is largely because money has been invested in large quantities towards the upgrading of these facilities in the last two years.

Fortunately, the prospects for future employment in B.H.P., in Whyalla, are much better than anywhere else in Australia, and that is something we have to keep firmly in mind. It is a very valuable base because it provides continued employment for the great majority of people at Whyalla and the great majority of people in B.H.P. employment. We can spread doom and gloom if we wish, but I personally think that we have got to build on what we have, because we have that new investment, the new blast furnace facilities, and the milling operation. Quite frankly, since we have come to office the prospects in this State have changed enormously, and I think the South Australian people have come to realise that. I think basically nothing that honourable members can say can ever change the record, and the fact is that people did not spend money in this State when the Labor Party was in office.

People did not generally voluntarily put money into upgrading businesses, to refurbishing equipment and, as a result of that, we fell so far behind that now that we have come on to difficult economic times, when we have spent all of that time in encouraging development, and when we are going through tough times now and people have to decide between relocating at their facility in South Australia or relocating at their facility interstate, it is noticeable in all those areas where there was no new investment, no expansion, no upgrading of equipment and where South Australia has been left behind because of lack of investment in the 1970s, that is where we have lost industries and stand-downs have occurred.

Fortunately, where we have had money invested since our term in office, we have up-to-date facilities, and we are winning out at the expense of the other States. That is a perfect endorsement of the policies that we have followed and we intend to go on following them. I have no doubt we will go on following them with the support of the people of South Australia who can see that, if those same policies had been in operation in the latter part of the 1970s, we would not be having the retrenchments and stand-downs through restructuring that we are suffering now. It is as easy as that. It is a fact of life and all the huffing and puffing in the world from Opposition benches is not going to change it.

The Whyalla situation is not good, but the future is secure because there is no way B.H.P. is going to close down its most modern blast furnace; there is no way that B.H.P. is going to close down its most recently installed rail-rolling mill which is now attracting markets all over the world. B.H.P. has gone to the Middle East, it is looking at South-East Asia, and certainly it is supplying railways for mines and public railway systems in many areas. The future is a lot better than it would otherwise have been if that money had not been invested in the last 2½ years.

Inevitably, steel work will play a significant part in the development of Roxby Downs just as it is doing in the construction work in the Cooper Basin. When we were at Moomba recently it was possible to see the beginnings of an enormous new plant which is taking shape and which is nearly all based on steel work. It will be plant associated with the transport of liquids and with further work on the field itself. With Roxby Downs coming on, with the lateral drives which are now being constructed from the preliminary Whennan shaft, inevitably demand for steel work will steadily go up.

When we move into the area of actual exploitation, with the mine shaft taking mine vehicles, then again the market for specialised steel products will increase and with it the employment opportunities will be increased for people in Whyalla. The B.H.P. company invested about \$83 000 000 in Whyalla up to 30 June last year, and that is money that it invested because it has faith in the future of Whyalla,

and if it has faith in the future of Whyalla then the people of Whyalla have every reason to have faith in it, too.

Mr BANNON: That was an interesting rehearsal for an election speech.

The Hon. D. O. Tonkin: It would be very convincing.

Members interjecting:

The ACTING CHAIRMAN (Mr Glazbrook): Order! Has the Leader a question to ask?

Mr BANNON: He certainly has. He has a question to repeat, because that was not an answer to the question, which was this: is the Government going to make a specific and detailed response to the Iron Triangle study which cost so much money to produce and which made a number of recommendations?

The Hon. D. O. Tonkin: The study was conducted by the three mayors, a trade unionist, three Federal public servants and three State public servants. All the mayors of the community were involved specifically so that they would be well in touch with the recommendations that were being made. I repeat that the mayors have already met together to see what can be done on a joint basis to promote the proposals that have been contained in the study.

Mr BANNON: So the answer to my question is 'No'.

The Hon. D. O. Tonkin: If the Leader wants to presume, 'No', he is wrong again.

Mr BANNON: I am not presuming, but that is the answer you are giving.

Members interjecting:

The ACTING CHAIRMAN: Order! If the member for Unley has a question he should ask it through the Chair.

Mr LANGLEY: I would like to ask the Premier about the \$25 000 for the 'It's our State, mate' campaign. I have listened to the Premier speak for nearly quarter of an hour about another matter. Whether he likes it or not, it is our State, mate, but it is not a great State. I have found that people have thought the slogans laughable. It appears as though the Government has paid \$25 000 towards the campaigns, but there must have been some other contributors although I do not know who they were (and I am sure the Premier will not tell me); it is supposed to be some people who are very keen on the Liberal Party.

Mr ASHENDEN: They just think South Australia—

Mr LANGLEY: The honourable member and the Premier can laugh, but I am allowed to ask the question. It worries me that the Government is spending this amount of money when it could be spending it on something else. Recently, there has been an outcry about the loss of jobs. When the Premier was at Mount Gambier recently he offered a company there pay-roll concessions. I ask whether he intends to do the same thing for some of the industries established in the metropolitan area, instead of offering these gimmicks paid for by the people of South Australia.

The Hon. D. O. Tonkin: I am sorry that the member for Unley does not think that this is a great State. I think South Australia is a great State, I will always think South Australia is a great State, and that is why I am going on fighting for it. I am disappointed in the member for Unley that he does not think it is a great State. That seems to be typical of the attitude of the Opposition at present.

Members interjecting:

The ACTING CHAIRMAN: Order!

The Hon. D. O. Tonkin: That goes along with the same attitude that we have seen from them now in decrying any move which is made by a body which has South Australia's interests at heart in promoting South Australia and promoting self-confidence in South Australia, and the comments made, the imputations made against members of the electronic media in this State who have, of their own volition and at their considerable expense, done a tremendous job to promote this State on behalf of the people of South Australia.

Perhaps the member for Unley is labouring under a misapprehension.

Mr LANGLEY: I am not.

The Hon. D. O. Tonkin: I am quite certain that he is, because he would otherwise know that the members of the 'It's our State' committee initially went to Premier Dunstan and volunteered to make a promotional campaign to promote the State and volunteered free media time to do just that. It was at a certain time when Premier Dunstan stepped down from office, and they took their representations to Premier Corcoran. Premier Corcoran, as had Premier Dunstan, thanked them for their concern and agreed wholeheartedly that the Government would support what they had in mind. Then other events occurred, and the committee members came to me at the stage when their programme was almost complete and put the same proposition to me. I was more than happy to endorse it, because I think anything that promotes this State is worth while and I am not going to resent, because I am sure that I do not have to on behalf of those people, the imputations made by the member for Unley, as I am sure he is mistaken and did not know the full facts. The point is that the Leader of the Opposition has been closely involved with these functions. He was at the opening of the first one and he was at the opening of the second one. He has been, I believe, involved in all of these promotions by the 'It's our State, mate' committee. I think it has done a superb job. I think Des Colquhoun, as a presenter of television commercials, has been absolutely superb.

The campaign has been excellent, and it is high time that self-confidence was restored in South Australia. The Government's contribution to the campaign is matched by private enterprise, including the radio and electronic media. I do not know what the latest estimation is, but I understand that donations of free air time from the electronic media now total air time worth millions of dollars—probably worth up to \$2 000 000 accumulated over the past two and a half years. I think that is great and is something for which the South Australian public can be very grateful indeed. South Australia has a responsible media, the members of which really care about this State, and I think that that is tremendously important.

Mr LANGLEY: The Premier has suggested that the Leader of the Opposition has projected nothing but gloom during the course of his time as Leader. I want to get this matter into proper perspective: I have never known anyone else to preach as much doom and gloom as the Premier did during his time as Leader of the Opposition.

The Hon. D. O. Tonkin: I would be happy to reply to those comments, although they do not specifically relate to matters before the Committee. The fact is that during the last few years of the Labor Government's term of office people would not come to South Australia to invest their money. That is a fact of life which has been proved by the 20 000-odd down-turn in jobs during the past two years of the Labor Government's administration. The fact is proved by the 3 per cent of committed investment that South Australia had compared with our population share and the enormous amount that even the Northern Territory had at that time. The facts and figures prove that that was the situation, and that they show that the present Government has been spectacularly successful, particularly when one considers the economic down-turn. It is a matter of looking at the indicators and at the facts, which speak for themselves.

Mr LANGLEY: I have been looking at the indicators and the facts concerning unemployment, and I have listened to what the Premier has said, but I am still waiting for the creation of those 21 000 new jobs.

The Hon. D. O. Tonkin: I have never heard such a performance: at the beginning of the last election campaign

it was said that the Government would create 7 000 new jobs. The Leader of the Opposition in another place was reported from the South-East as having said that the Government promised that it would create 9 000 new jobs. Now the member for Unley has increased it to 21 000. Let us get back to fundamentals. The Government is aware that there has been a great number of stand-downs over the last two years. During the past two years, in particular, the Government has created far more than 7 000 new jobs. The point that the member for Unley is trying to obscure is that in the meantime the general down-turn throughout Australia has resulted in the loss of other jobs and South Australia has not been isolated from that trend. Thank goodness the South Australian Government has created the number of jobs that it has done, many thousands of jobs, because if it had not done that not only would South Australia still have the highest unemployment rate in Australia, as was the case when this Government took office, but also we would have outstripped and almost doubled the figures of the State with the next highest unemployment figures in Australia. I thank the honourable member for bringing that matter to the attention of the Committee. South Australia has a record of which it can be proud.

The ACTING CHAIRMAN: Before giving the member for Playford the call, I ask the Committee members to come back to the line before the Committee.

Mr McRAE: I refer to the payment of \$4 522 for the new Coat of Arms: can the Premier say what that amount represents?

The Hon. D. O. Tonkin: That amount is to be paid to the Garter King of Arms for the preparation of a new Coat of Arms for the State. For some time the Government has been of the opinion (and I believe that our predecessors were also of the opinion) that the rather neo-Grecian lady on one side and the shearer holding his shears in that rather dangerous and threatening position which comprised our Coat of Arms, which I believe has been in existence since the early 1930s, is no longer appropriate. The former Government dispensed with the use of that rather interesting but dated Coat of Arms and instead used as the State's symbol the piping shrike or the white-backed magpie, which practice has continued since that time. However, all the other States have a Coat of Arms which is used on official letterheads.

I am of the firm opinion (Cabinet is of this opinion also) that the use of the piping shrike should be no longer restricted only to Government operations. Therefore, the Government has commissioned an appropriate Coat of Arms in keeping with today's use. Cabinet will receive the new design for the Coat of Arms, which I hope can be unveiled to public view in the near future. Provided that the Government is satisfied that the Coat of Arms is appropriate, it will be adopted and reserved for Government use, and the legislation restricting the use of the piping shrike to Government purposes will be repealed.

Mr McRAE: The amount of money that has been paid to the Garter King of Arms is simply for the licence to use such a symbol?

The Hon. D. O. Tonkin: It is for the design, drawing and construction of an exclusive Coat of Arms.

Mr McRAE: Is the Premier prepared to indicate the general format of the new Coat of Arms?

The Hon. D. O. Tonkin: The Coat of Arms will be entirely in keeping with many features of South Australia.

Mr McRAE: Is the Premier prepared to be more specific?

The Hon. D. O. Tonkin: Not until Cabinet has considered the matter.

Mr McRAE: I refer to the line 'Portrait of Her Majesty the Queen', for which an amount of \$11 000 has been

allocated. Who is undertaking the portrait, and what prompted the Government to commence this venture?

The Hon. D. O. Tonkin: The Victorian artist, Brian Westwood, is undertaking the commission. A considerable amount of investigation was involved with the choosing of a suitable portrait painter. It was considered by authorities both in the Art Gallery here and throughout Australia that the appointment of Brian Westwood would be a suitable one.

This matter arose following the visit of Her Majesty and the Duke of Edinburgh to South Australia, and specifically following an occasion in the ballroom, when I think the Leader of the Opposition was present, and when the only portrait of the Queen that Government House presented was the subject of some comment from various people assembled there, including His Royal Highness. When one considers the very fine portraits of the other monarchs, that portrait, a framed photograph of the Queen, is hardly suitable. Following discussions in Cabinet, we determined that it would be appropriate for the people of South Australia to have a portrait of the Queen of Australia exhibited in the Art Gallery and that another copy would hang in Government House in company there with the portraits of other monarchs. Brian Westwood, a painter of great talent, undertook the commission gladly, regarding it as a great challenge. I understand that he has completed the early part of his studies, that the sittings are complete, and that he should be able to provide the first of the two portraits by the end of the year.

Mr McRAE: In a period of economic downturn, it would appear that South Australian artists, including portrait artists of considerable renown, were not considered fit for this task.

The Hon. D. O. Tonkin: That is not correct. Artists from South Australia and other States were considered, and the choice was made on the advice of experts in the field. The sum allocated is expected to be the final sum spent. The fact that there has not been a portrait of the Queen for some time means that, as a Government, we will probably have reproduction rights to the portrait and probably recoup much of the expense by making available reproductions and copies for Governments not only in Australia but throughout the British Commonwealth.

Mr McRAE: What is the breakdown of the \$154 945 spent on the Royal Commission into Prisons?

The Hon. D. O. Tonkin: The component expenses are as follows: Commissioner's fees, \$21 850; allowances, \$6 192; Counsel assisting the Commissioner, \$21 564; Counsel for the union, \$27 322; Counsel for the prisoners, \$28 545; salaries, Secretary, \$8 784; salaries, staff, \$9 358; pay-roll tax, \$313; contingency expenses, including maintenance expenses, vehicle expenses, postage, printing and stationery, reporting fees, books, travelling expenses for commission and staff, photo-copying charges, witness fees, \$31 017; grand total \$154 945.

Mr McRAE: Were the fees payable to counsel taxed?

The Hon. D. O. Tonkin: I cannot say.

Mr McRAE: Will the Premier tell the Committee in due course who scrutinised the fees of counsel and under what circumstances they were granted?

The Hon. D. O. Tonkin: I think that the Attorney-General was responsible.

Mr McRAE: Specifically, I would like an undertaking from the Premier that he will let members know whether the fees paid to counsel were taxed by the Master of the Supreme Court.

The Hon. D. O. Tonkin: I imagine that the normal course would have been followed, but I will get a report.

Mr BANNON: The sum of \$350 000 was spent last year on the production of films by the South Australian Film Corporation, whereas for the current year, under the line

that is being transferred to the Minister of Arts, only \$232 000 is being allocated. The amount funded last year included money spent on providing work for documentary film makers in this State, but this year there is a massive reduction in the allocation. During the debate in the Estimates Committee last year, the Premier said he thought that such a cut was a good thing and that a 50 per cent reduction had been made deliberately.

As the impact of the cut began to be felt in the film industry, great concern was expressed, deputations waited on the Premier, and questions were asked. I understood that the Premier promised to set up a committee to deal with the problem and that at least \$350 000, last year's figure, would be allocated this year. Does the tremendous reduction in this allocation mean that the Government is washing its hands of this vital area which in the past has generated employment and helped to create the viability of our important film industry?

The Hon. D. O. Tonkin: The Leader is putting words into my mouth: I am not enthusiastic about cutting the expenditure.

Mr BANNON: You were last year, perhaps not this year.

The Hon. D. O. Tonkin: I am not enthusiastic about cutting the expenditure of the South Australian Film Corporation. The Leader asked my colleague questions on this matter when he was before the Committee, and I believe that he answered the questions satisfactorily.

Mr BANNON: The Premier was directly concerned in this matter and, even though the line had been transferred to the Arts Department and the Premier seems to be washing his hands of it, he has the primary responsibility in this area to explain both the transfer and the cut back in funding and to say whether or not he is concerned about the possible impact the cut may have on the film industry of South Australia.

The Hon. D. O. Tonkin: I am concerned about doing what we can. The Hon. Murray Hill outlined the answers to the Leader's questions when he was before this Committee.

Mr BANNON: Obviously, the Premier does not intend to give a straight answer to these questions, and I think that he should. I understand that he gave specific answers to certain deputations that called on him, not on his colleague. I am sure that the Hon. Murray Hill is sympathetic in this matter, as he is in other areas of the arts, but I am concerned to know whether the Premier has changed his view from the one he expressed last year. Does he not understand the impact that this cut will have? Reference was made earlier to the 'South Australia Great' campaign and to the work of Mr Des Colquhoun in explaining and praising the innovative nature of the Film Corporation which in the 1970s was so successful in putting South Australia on the map.

It was not only that the Film Corporation produced spectacular and fine feature films: it fostered an industry based on the bread-and-butter foundations of Government documentary films. Now, however, we hear of non-replacement of staff in the documentary section, and the impact does not simply stop there but affects all those film makers who contract for work with the corporation. Will the Premier say whether or not he gave assurances earlier this year to film makers about the maintenance of the Government's commitments in this area? Why have those commitments not been matched by an adequate allocation in this year's Budget?

The Hon. D. O. Tonkin: There have been no retrenchments from the documentary section. I should be surprised if the Leader could substantiate his allegations.

Mr BANNON: There has been the retrenchment of an executive producer and his assistant, which was reported on 15 September.

The Hon. D. O. Tonkin: I shall look into that particular matter, but the answer which has been given by Mr Hill outlines the answers to the Leader's questions. The Government is doing everything it can to provide the sums available. It is actively stimulating the participation by departments, but the Leader must surely be aware that there is a considerable financial stringency operating. The Leader was kind enough to praise the Hon. Murray Hill's involvement with and commitment to the Film Corporation. I share that involvement, commitment and approach, and I support the answers which my colleague the Minister gave when he was before this Committee.

There is no other action that can be taken unless the Leader can suggest a particular way of raising funds. It is all a matter of allocating the budgetary funds available, and if he suggests that more money should be spent in this area perhaps he will be kind enough to tell the Government in his view from which other area those funds should come.

Mr BANNON: On 11 February the Premier told the House of Assembly that he had spoken with representatives of the industry, as follows:

I spoke with representatives of the industry who obviously had had some fears about the meaning of the changes that are to take place in the funding arrangements and the control of films being made on behalf of Government departments, and I have been able to reassure them completely that there is no intention to cut down on the degree of Government support.

He went on to say:

As to the funding, the amount of money which has normally been put into the Premier's department for Government film-making in the past will be allocated out to the individual departments for their use at the time of the next Budget.

He went on to say that they should have no fears, etc. etc. As that has not happened, I am asking the Premier to explain why it has not happened.

The Hon. D. O. Tonkin: I refer the Leader to the answer given by the Hon. Murray Hill previously. I concur in that answer and find no reason to vary it.

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

Public Service Board, \$4 394 000

Chairman:

Mr G. M. Gunn

Members:

Mr E. S. Ashenden
Mr J. C. Bannon
Mr H. Becker
Mr R. E. Glazbrook
Mr G. R. A. Langley
Mr T. M. McRae
Mr W. A. Rodda
Mr J. P. Trainer

Witness:

The Hon. D. O. Tonkin, Premier, Treasurer, Minister of State Development and Minister of Ethnic Affairs.

Departmental Advisers:

Mr D. J. Mercer, Chairman, Public Service Board.
Mr D. Mitchell, Assistant Commissioner, Public Service Board.
Mr N. Hakof, Director, Industrial Relations.
Mr J. Betts, Director, Administrative Services.

Mr BANNON: Why has the allocation for press advertisements for Public Service positions been halved? Does this mean that there will be more internal appointments

and that outside appointments are to be restricted in the current financial year?

The Hon. D. O. Tonkin: I think probably that is a decision which has been made in the interests of saving funds, but I will ask the Chairman to answer.

Mr Mercer: The budgetary allocation to the Public Service Board is considered by a Budget Review Committee in Cabinet. To start with, it is a question of policy and a date yet to be fixed, but tentatively it will be in November, from which point departments would be funding their own advertising costs and the central fund of the board would stop operating. Documentation, in turn, is being prepared with that view in mind, but is yet to be approved by Cabinet.

The Hon. D. O. Tonkin: It is basically an extension of the programme performance function inasmuch as the departments will be responsible for the cost of their own advertising.

Mr BANNON: So, effectively, the amount to be spent in total will be the same as last year?

The Hon. D. O. Tonkin: Probably, but it will come out of departments rather than out of the Public Service Board.

Mr BANNON: Just to pursue that, what is the policy in relation to outside appointments and recruitments? What predictions are being made?

The Hon. D. O. Tonkin: There is still the requirement, of course, that any advertising outside the Public Service for the filling of appointments is approved by Cabinet. I cannot give exact figures offhand. Perhaps the Chairman can answer this. There are, as always, plans to employ a number of people—new appointments, including school leavers, and so on—again, from the point of view of maintaining the reservoir of experience which we are going to need in the future. I think that the proportion of vacancies filled by redeployment in the last financial year was 12 per cent, external recruitment 5.8 per cent, so that gives some break-down of the ratio between the two. There certainly is appointment from outside the Public Service; there must be, but redeployment also does take up a fair proportion of it.

Mr BANNON: In connection with the officer exchange scheme, only half the sum allocated was spent. Can we have an explanation for that?

The Hon. D. O. Tonkin: The officer exchange scheme is working extremely well. There is a scheme which applies to exchange with other Governments in other countries, and another scheme which applies with the exchange of officers with private enterprise. It has proved to be most valuable. Indeed, an officer of Treasury has recently returned from an attachment to the Alberta Government—the Alberta Treasury—and he has been able to provide a great deal of insight and a breadth of experience as a result of that work that he has had there which would otherwise not have been available to this Government.

Mr McRAE: Is this really the sum of money required to have somebody administer the scheme? In other words, the various exchanges that you referred to, I assume, would not cost the public purse anything?

Mr Mitchell: Those expenses comprise such components as air fares, accommodation and living expenses and removal and insurance costs. So they are the sort of costs associated with the actual exchange of the person.

Mr McRAE: Yes, I appreciate that. How many officers would have been involved in each of these areas? I think the Premier gave a threefold break-down; one, overseas Governments; two, Australian Governments; and three, private enterprise. Can we have some break-down of the experience gained there or numbers who did benefit from the scheme?

Mr Mitchell: The actual expenditure to which you are alluding is expenditure incurred by the board, and that in

fact was expenditure incurred by two officers. They are the two who have been mentioned already. One officer went to the U.S.A., and the other was exchanged with the Department of the Prime Minister and Cabinet in Canberra. The other expenses that would be incurred on officer exchange programmes would show up on other departmental and agency appropriations.

Mr McRAE: I appreciate that. I understood the explanation: I am not quibbling with it. I am simply trying to gain an appreciation of how many officers may have benefited from the exchange scheme which, of course, I support.

The Hon. D. O. Tonkin: For obvious reasons, it is a relatively small number: it is not easy to transfer large numbers of people without upsetting the normal workings of a department. There have been occasions where staff have been exchanged between the Prime Minister's department and the Premier's department.

An officer has temporarily been seconded to a whitegoods manufacturer, and I believe that quite a number of staff have been seconded to industry, more so than within Government departments. I do not know the exact number seconded to private enterprise at present, but it certainly gives staff a breadth of experience that is very valuable in dealing with the private sector and in building up relations between the private and public sectors.

Mr McRAE: I gather that the policy is that, while at present a relatively small number is involved, as time passes these programmes will benefit an increasing number of officers.

The Hon. D. O. Tonkin: I do not think that there is any doubt about that. I am happy to obtain a list of people for the honourable member. Basically, the scheme started off in a small way, it is gradually building up, and it is becoming more popular. I believe there is an increasing demand from officers who feel that they would like the benefit of that experience. That is a healthy sign. As requests are made, we will try to accommodate them.

Mr LANGLEY: I refer to page 21 of the Estimates of Payments, 'Programme 3—Industrial and Employee Relations'. The P.S.A. was recently involved in random strikes (for the first time), with the matter finally being resolved. What part does the Industrial Relations Branch play in negotiations with the P.S.A.?

The Hon. D. O. Tonkin: Officers of the Public Service Board, in consultation with officers of the Department of Industrial Affairs and Employment, are involved in those negotiations.

Mr LANGLEY: Both parties involved in that dispute inserted full-page advertisements in the press. Is that cost included in the line, 'Salaries and wages and related payments'? If I remember rightly, the Public Service Board issued a full-page advertisement concerning that industrial matter.

The Hon. D. O. Tonkin: I think that the honourable member is referring to an issue that occurred some considerable time ago.

Mr LANGLEY: Within the past six or seven months.

Mr Hakof: The advertisement placed by the Public Service Board during March this year was paid for by the board from its normal expenses.

Mr McRAE: How many officers are involved in the industrial and employee relations section of the board?

Mr Hakof: The establishment is 34, but it is not always kept at that level, because of promotions, transfers, and so on. The maximum number for that division is 34.

Mr McRAE: Does that establishment cover the whole area of bargaining, conciliation and arbitration between the Government and employees under the Public Service Act, including teachers?

Mr Hakof: Yes, it does. The board is an employer under its own Public Service Act. By direction of Cabinet, dating back many years, the board also reports to the Minister of Industrial Affairs on industrial matters in relation to weekly paid staff and non Public Service Act people, such as police officers, nurses and so on. Under the Industrial Conciliation and Arbitration Act, the board is deemed to be the employer of those people.

Through long history, although the Minister of Education is the industrial and legal employer of teachers, the board provides industrial advice to the Minister of Education as required. Therefore, in effect, the board provides an industrial relations service to all Public Service departments as well as, increasingly, a number of statutory authorities that request the board's assistance.

Mr McRAE: How many statutory authorities are currently serviced by the board?

Mr Hakof: I cannot give an exact figure. It depends on the needs at a particular point in time. I should emphasise that the term 'being serviced' has to be defined. The board has no industrial authority over statutory authorities. They come to us seeking advice and assistance, which they may or may not accept. A number of statutory authorities seek advice fairly regularly: I estimate that between 20 and 30 of the larger statutory authorities would seek assistance at any one time.

Mr McRAE: What about ETSA, for instance?

Mr Hakof: ETSA has its own industrial relations branch. The only requirement that applies to all statutory authorities, including ETSA (and again this has occurred over a number of years) is that they must attend an industrial co-ordinating committee, which is under the authority of the Minister of Industrial Affairs. That committee was initially established in 1975 to seek authority for any offer relating to industrial matters.

Mr McRAE: In dealing with these authorities, how does the board sort out its charges? I take it that the authorities are charged by the board for the advice and assistance rendered?

Mr Hakof: The board is very generous; at this stage it does not charge.

The Hon. D. O. Tonkin: There may well be a re-examination of that policy in line with the programme performance format. I have taken up that matter with the Chairman, and I understand he is investigating it.

Mr BANNON: Last year the proposed staffing level was 176, but the outcome was 168.9, seven positions less than proposed. Was that as a result of the discovery that savings could be made during the year, or did it occur because positions were not filled?

The Hon. D. O. Tonkin: It was largely a question of promotions and transfers during the year. Obviously, the Public Service Board is not immune from the general tightening up that applies to all departments. I believe that the board took the opportunity to rationalise when that happened.

Mr BANNON: During the year a number of officers took advantage of the changed superannuation commutation arrangements. How many took up the option and what sort of level was involved?

The Hon. D. O. Tonkin: No, it is not possible to give that information. That is very much the prerogative of the Superannuation Board itself. A number of people did that as a result of a change in the commutation rate made independently of the Government by the Public Actuary.

Mr BANNON: Over the years the board seems to be progressively scaling down its in-service training component. Is that a wrong impression or is the responsibility evolving more on departments in those areas?

The Hon. D. O. Tonkin: I think the tendency very much is to ask departments to run their own courses and programmes. The Public Service Board does make expert advice available to those departments that wish to set up programmes of this kind but, by and large, the responsibility rests with the departments themselves.

[Sitting suspended from 6 to 7.30 p.m.]

The CHAIRMAN: Are there any further questions in relation to the Public Service Board?

Mr BANNON: I refer to the organisation structure set out on page 60 of the yellow book, which is something that the Committee discussed last year. Comparing it with the structure of 1981, obviously some quite considerable changes have taken place and I wonder whether the Premier or the Chairman, or both, can take us through a few of those changes. I notice that there is no longer a Director of Consulting and Client Services; there is an Assistant Commissioner position, apparently floating at the moment. I understand that one of the Commissioners, Dr Corbett, is either about to retire or has retired; perhaps that in itself will induce some further restructuring. Looking at the way in which the board has reorganised itself over the past 12 months, there have been quite considerable changes which appear to be related to individual members of the board rather than the administrative efficiency or viability of particular areas. If that is an unfair statement perhaps the Premier and the Chairman will explain the situation.

The Hon. D. O. Tonkin: It is not an unfair statement at all: indeed, it is a great credit to those officers who have gone on to better and higher things, in terms of the Public Service. I refer particularly to two officers who have become permanent heads of departments. It is a measure of the quality and calibre of the officers working for the Public Service Board that that is quite frequently the case when vacancies become available. It is obviously an excellent training ground for executive positions and senior positions, and that is inevitable. Certainly, if the Leader would like, the Chairman of the Public Service Board will give a full and detailed resume of the changes made, so that he can put the Leader in the picture.

Mr Mercer: The early structure of the board, as referred to by the Leader, consisted of the Chairman and three Commissioners and, at that time, three Assistant Commissioners. The Public Service Act requires that a Chairperson and two Commissioners be appointed, and there is nothing unusual about that circumstance continuing. The three Assistant Commissioners came about historically, because in about 1976 the structure of the board was to have two Assistant Commissioners; the third person was added during the previous Government's time when Mr Bachmann, then with the Premier's Department, was transferred in his capacity as an industrial relations expert. The board ended up with a Chairman, two Commissioners and three Assistant Commissioners. Since then, two Assistant Commissioners, as has been pointed out, have been appointed as heads of departments. That has left the board with three Commissioners and one Assistant Commissioner. The board advertised to replace one of the Assistant Commissioners, but was not satisfied with the applications that it received at that time and decided not to proceed. The board decided to rationalise the various directorates within the board into a more cohesive group. To do that we combined the two divisions referred to by the Leader, combining the consulting and Client Services Division with the Operations Review Division to form one division.

The board intends to seek, by way of advertisement, a second Assistant Commissioner (there is no intention to go back to three Assistant Commissioners) after the Government

has selected a replacement for Dr Corbett as a Commissioner of the board. The Leader's specific question was whether divisions have been grouped according to personalities. That is partly true: divisions have been grouped to produce a minimum number of effective divisions, and that has been done for efficiency and effectiveness purposes, to produce the line that is now there. We decided to live, for the time being, without a second Assistant Commissioner to see whether we could cope effectively without that position. We found that we could not. In the meantime, we had to relate the people at the top of the organisation with the divisions below them in a way that matched their skills and experience (not so much their personalities), and that dictated, to a large extent, the divisions they looked after and directed.

Mr McRAE: Before the dinner break we were discussing the third programme on page 21 of the Estimates of Payments, 'Industrial and Employee Relations'. I am not sure whether it is a lesson that was learned, or a part of history that we rolled our way through, but in the past year we had a situation where there was an almost unprecedented clash between public servants and the board (into which the Minister of Industrial Affairs intruded). In saying that, I take full account of the information that we were given before dinner, that there is a basis for that type of situation in certain circumstances; nevertheless, I believe that that clash, which led to a public collision between the P.S.A and the P.S.B., was not altogether seemly. Nor was the intervention of the Minister of Industrial Affairs altogether seemly in that context, because it appeared to everyone that a fourth agency was involving itself in the whole situation. In other words, instead of a traditional P.S.A, P.S.B. and Department of the Premier and Cabinet situation, we suddenly had a roaming Minister involving himself in what was already a heated situation. I do not want to recanvass all of the circumstances; far from it. As a result of that disputation has the Government, in concert with the board, worked out a situation so that such apparently unseemly industrial situations do not arise again?

The Hon. D. O. Tonkin: I think the member for Playford is losing sight of the traditional history associated with this matter (not that it is a very long history). I would point out, first, that the Minister of Industrial Affairs has the right to appear under the Industrial Conciliation and Arbitration Act. The board is an employer, therefore the Minister has the right to appear. In relation to the alleged unseemly intrusion, I point out to the honourable member that it was at the behest of his Deputy Leader, Mr Wright, that such a situation came about. It was a Cabinet decision taken at Mr Wright's request. Indeed, the present Government has seen no reason to change that situation, because it does not regard it as unseemly, nor does it regard it as an intrusion. I am quite surprised that the member for Playford should regard the actions of his Deputy Leader, once the Minister responsible, as being unseemly, intruding or in any way upsetting things. Apparently, when things are different, they are not the same.

Mr McRAE: I am not reflecting on the Deputy Leader, nor am I reflecting, in view of the history that was given before the dinner break, on the juristic capacity of the Minister of Industrial Affairs to play a role. I am referring to the heat that the Minister appeared to engender in the whole dispute. What had been a fairly rational debate between the Public Service Board, the Department of the Premier and Cabinet and the Public Service Association, suddenly became a heated industrial and political squabble. I think that there is little doubt that the Minister, the Hon. Dean Brown, adopted an attitude which appeared to the general public to be very high-handed and heavy-footed. Will this situation prevail in the future, or will the board

and the P.S.A., as in the past, be left to sort out their own affairs and, if that is not possible, let it be done by arbitration?

The Hon. D. O. Tonkin: I make it quite clear that this situation was not the fault of the Minister of Industrial Affairs. It is quite fascinating to listen to the member for Playford defending his own Deputy Leader and his actions when he was Minister of Industrial Affairs and condemn the actions of the present Minister of Industrial Affairs. I have never heard anything so partisan and so blatantly one-sided in all my life. The point is that the Public Service Association made it quite clear at that stage that it was not prepared to use the accepted measures of conciliation and arbitration that were available to it: obviously, the Minister of Industrial Affairs had no option but to step in. I predict that, were the Deputy Leader present, he would say that, to do his job properly and discharge his responsibilities in the way that he should, he would have stepped in under those circumstances, too.

It depends on which side of the House one is sitting—that is the situation. The Minister of Industrial Affairs acted perfectly properly. I hope, along with the member for Playford, that such a situation does not arise again. However, it takes two to tango; in other words, there has to be goodwill and a desire to reach a conclusion on both sides. In the recent negotiations which have occurred in respect of claims for pay rises which have been made by the Public Service Association, the negotiations have been entirely proper and amicable, if firm. Recent experience shows quite clearly that such a situation need not arise, and I sincerely hope that it does not arise again.

Mr McRAE: Let it not be thought by any member of the Committee that I am defending the stance taken by the Hon. J. D. Wright, because it needs no defence. I am pointing out that, to the informed (or indeed to the uninformed) observer, it was quite clear at a certain point of the dispute that the Hon. Dean Brown entered into an arena which was already somewhat heated. He proceeded to heat up the matter even further and so created a climate of total inhospitality between the Government and a very large number of its own employees. That is what I was deprecating. I was not deprecating the fact that there ought to be good liaison between the various members of Cabinet and the Public Service Board, on one hand, and the union, on the other. I was deprecating that one particular Minister should step in at a particular point and stir up a hornet's nest to such a point that it goaded the other side into a course that it may not have taken.

The Hon. D. O. Tonkin: The honourable member seems to have changed ground considerably since he opened this question. Apparently, he is not now complaining about the entry of the Minister of Industrial Affairs into these matters and is not challenging his right to do so. I am glad that he has changed ground in this respect. It does him no credit to try to reflect upon the activities of the present Minister of Industrial Affairs. As he well knows, it would not have mattered particularly much if it had been the previous Minister of Industrial Affairs or the present Minister of Industrial Affairs who moved into this sphere, as is his right.

It is entirely the attitude of the unions at the time. If a situation was heated up (as the member calls it), inevitably any move to resolve it by anyone, an Industrial Affairs Minister of whatever persuasion, is going to engender some further heat. It is unfair to single out the present Minister of Industrial Affairs for that sort of treatment. It would have applied equally to the former Minister if he had intruded, or discharged his responsibilities, which is a better way of putting it.

Mr BECKER: I refer to pages 75 and 76 of the yellow book and to page 8 of the Auditor-General's Report. I refer,

first, to page 75 of the yellow book and the programme title, 'Organisation and Management of Government Departments and Agencies'. The broad objectives state:

Assistance to agencies in computing management, particularly in the development of long-term computing plans.

One of the objectives mentioned in the 1982-83, Specific Targets/Objectives (Significant Initiatives/Improvements/Achievements) is as follows:

Review effectiveness of the internal audit trial and determine future action.

Page 8 of the Auditor-General's Report, under the heading 'Internal Auditing', states:

The objective of internal auditing is to assist management in the effective discharge of their responsibilities by furnishing them with analyses, appraisals, recommendations and pertinent comments concerning the activities reviewed.

The full scope of internal audit encompasses the measurement and evaluation of controls and performance. It includes an evaluation of the integrity of information systems; compliance with policies, plans, procedures, laws and regulations; economic and efficient use of resources; safeguarding of assets and the effectiveness of results.

I have commented in previous reports on the need to introduce more effective internal audit to Government departments. Following a joint submission to Government by the Chairman, Public Service Board and myself, approval was given to establish internal audit, in line with current professional standards, on a trial basis in three departments, namely, Community Welfare, Engineering and Water Supply and Services and Supply. Because of difficulty in recruiting suitably qualified and experienced staff the Department of Community Welfare withdrew from the trial.

A consultant has been engaged to report on the effectiveness of the trial and to make recommendations which may serve as a guide for the future direction of internal audit in the public sector.

A small number of statutory authorities and other departments have taken some steps to upgrade their internal audit function although this has been directed mainly towards compliance type auditing rather than to reviews of efficiency and effectiveness.

I am concerned that few, if any, of the internal audit functions have embraced the full scope of internal auditing, particularly in the computer processing area. The expanding use and increasing complexity of computer based systems makes ongoing effective internal auditing an indispensable requirement. The sole reliance on periodic visits by external auditors is not appropriate or sufficient. Many systems involve large amounts of money and must be controlled on a day-to-day basis.

It is important that management recognises the need for internal audit as an aid in ensuring reliability of management and financial information used for decision making purposes and to enable prompt remedial action to be taken when necessary.

What is the Public Service Board doing, in view of the comments made on page 8 by the Auditor-General, which I consider to be the strongest that he has made for some time and which indicate his concern in relation to internal auditing of computer systems? What is the board doing in this area, and how many auditors does the Government have who are capable of auditing computer programmes?

The Hon. D. O. Tonkin: I totally and absolutely share the concern expressed so eloquently by the Auditor-General. I have had long and detailed discussions with the Chairman of the Public Service Board and the Auditor-General over a long period of time on the question of internal audit. Having examined the question and having decided that it was the obvious corollary to programme performance budgeting and general controls in a budgetary sense, the Government set up some trials. Indeed computing plans were set up for the Department for Community Welfare, which plan has already been reported, the Department of Mines and Energy, the Department of Fisheries, and the Legal Services Department.

Unfortunately, one of the difficulties that became immediately apparent when the trials were set up concerned the availability of staff, which is an enormous handicap. It is a difficulty that the board is well aware of, because the recruitment of suitably qualified staff for internal audit purposes is extraordinarily difficult, much more so than anyone

expected at the time when the proposal was put forward. The Department for Community Welfare has withdrawn from the trials. The Department of Services and Supply had a Chief Internal Auditor, but he has resigned for reasons I am unaware of. Therefore, the programme has been cut back and is handicapped. The Engineering and Water Supply Department trials are proceeding very satisfactorily; it has been a very smooth and stable programme and that trial programme might well be the one that sets the pattern for everyone else.

In regard to future development, the Touche Ross review of the trial is due to be completed early next month. I hope that that will be available. Obviously the outcome of that investigation will determine very largely the steps that are taken next. The Government must still compete. One of the difficulties is that there are major changes being made in connection with programme performance budgeting and the development of new Government accounting systems. We must find people who are adequately qualified to look at corporate and project plans, which are the relatively easy ones, moving up to systems analysis and financial management on an internal audit basis. The Government must compete with all those increasing needs for suitably qualified staff on the programme performance level.

There is no doubt that there is a general shortage of suitably qualified audit accounting personnel in the private sector, not to mention a shortage in the public sector, and recruitment of such people has become very difficult indeed. The Government is well aware of this matter. I believe that the Chairman has given some thought to specifically training people in this field, but that will obviously take some time.

Therefore, when the A.D.P. centre is completed and new computer programmes are brought on line in the Government's accounting system, the situation will be improved considerably. In the meantime, the Government is facing a shortage of suitably qualified people for internal audit purposes (it is not just in this area, but I am speaking in this context). The Government will continue to look for adequately trained personnel and, if necessary, it will move into the area of subsidising or supporting the training of suitable people, which might be the only way open to it.

It is a great disappointment to the Government and to the Auditor-General, who has always advocated this system of internal auditing, which procedure has the total support of the Government. However, the Government is being hampered at this stage and it will have to work to overcome the immediate problem which is basically one of logistics.

Mr BECKER: What guarantee does the Government have that the computer systems that are in operation have a security back-up system to eliminate any major fraud?

The Hon. D. O. Tonkin: I am pleased that the honourable member has raised that question. Only a week or so ago I raised this matter with the Deputy Premier, who is responsible for data processing. Fortunately, the Government is not in a position of being required to make large payments to a large number of people; that is rather more a Federal Government obligation. However, in regard to the number of payments made to various bodies, such as deficit-funded health organisations, hospitals, and so on, and the volumes of cheques processed through the computers, there is no question that there is risk involved. The Deputy Premier, I understand, is taking advice on the matter of security of cheques issued through the Government accounting system computer. I have no further information, but I point out that the matter has been raised with the Deputy Premier.

Mr BECKER: I refer to the programme 'Organisation and management of Government departments and agencies'. In 1981-82 the expenditure proposed for the subprogramme 'Statutory Authority Reviews' was \$68 000. Actual expenditure for that year was \$84 000. This year proposed expend-

iture is \$103 000. The staff complement for that subprogramme has been increased from 3 to 3.2 to 3.9. I understand from the Auditor-General's Report that the outstanding debt of statutory authorities is \$1 039 000 000. Can the Premier tell me precisely the number of statutory authorities in South Australia? I believe that formerly there were about 242. What progress is the Statutory Authority Review Committee making?

The Hon. D. O. Tonkin: The number of statutory authorities in existence depends entirely on what definition is applied to 'statutory authority'. If such a definition is strictly applied as meaning an authority set up by Statute, there would not be as many organisations that could be regarded as statutory authorities as there would be if organisations under the general title of statutory authority included every committee and other Government advisory body.

The annual report of the Public Service Board, which lists the major statutory authorities, should be out within the next few weeks, as it is going to the printer at present. Legislation setting up the Statutory Authorities Review Committee was introduced but has not yet been considered again this session. The Government would like to press on with it, and I believe that it will be in due course. Some difficulties have been foreseen by members in another place, but I understand that those difficulties have now been resolved.

Mr BANNON: There are plenty of difficulties in this place and I hope they have been resolved, too.

The Hon. D. O. Tonkin: Some things are more convincing than others, and we should see the legislation proceed so that the committee can be set up before the end of this session. I will get an estimate of the number of statutory authorities under the definitions that currently apply.

Mr BANNON: Under the present Government, there has been a net increase of about 10 in the number of statutory authorities.

The Hon. D. O. Tonkin: That is the Opposition's figure but, knowing the propensity of the Opposition for plucking figures out of the air, I would not like to comment on it at present.

Mr McRAE: Regarding industrial relations, I shall not be replying to the abuse that was thrust—

The CHAIRMAN: Order! There has been no abuse in the view of the Chair. I suggest that those are not the appropriate terms to use.

Mr McRAE: You did not take it as an abuse of me, Mr Chairman, although I did, but I bow to your ruling. I take the view very strongly that the objective discussion we had before the dinner adjournment was illuminating as to the role of Ministers. I take it as offensive that my Deputy Leader is to be impugned through me, and I place on record, before leaving the whole topic, that it was the steel-clad toes of the present Minister of Industrial Affairs that led to the whole fiasco six months ago.

The Hon. D. O. Tonkin: I do not think the outburst of the honourable member deserves a reply.

Mr BANNON: There has been an increase of three in terms of employment and a substantial increase in budget for the departmental review line which is dealt with at page 76. In fact, the statutory authorities review area has been increased slightly, but the bulk of the increase applies to the departmental review while, at the same time, there is a considerable decrease in the manpower needs assessment and monitoring function of the board, as well as in its staff development function. Do manpower budget and staff ceilings still exist? How can the board devolve them in the overview of departmental staff levels and, at the same time, combine them with a general view of a specific department and its structure? How do they mesh in?

The Hon. D. O. Tonkin: They are essential parts of the whole function of containing budgetary expenditure. A difficulty is involved in reviewing manpower and staff ceiling levels. This is done by officers of the Treasury forming part of the Budget Review Committee and with the assistance of the permanent head and such staff as may be desirable, together with the Chairman of the Public Service Board and the Under Treasurer.

Mr BANNON: I see that the special manpower assessment is a key function of the board. Yet resources are being reduced for that function, whereas the so-called departmental reviews, which are much more generalised and depend on initiatives taken by the department or the Government, are to proceed. The staff has been increased in that area, yet reduced for the central co-ordinating role of the board. I find it difficult to reconcile those two movements: a central function is being reduced, whereas the other function, relating to the way a department operates, is being upgraded.

The Hon. D. O. Tonkin: I am not sure what the Leader is trying to demonstrate. Efficiency and effectiveness reviews have been undertaken by the board as part of its job, including reviews of the A.D.P. Centre, tourism, management services, the Parks Community Centre, the second phase of the organisational structure, the Tertiary Education Authority of South Australia and Parliamentary Services.

There is a far greater degree of co-operation now and of integrated working with the Treasury than ever before, with officers of the Public Service Board conferring with members of the Budget Review Committee. All new functions and initiatives to be undertaken by a department are examined carefully in the light of the commitment that they will entail, not only in budgetary but also in manpower terms. The two are closely inter-related. One of the strongest points of any budgeting programme is the recognition that both the board and the Treasury have a role to play in integrated form in determining the Government's attitude in respect of each department and each programme.

An assessment of staff that has been committed in this area has arisen because of the greater degree of co-operation from members of the board, the Treasury, and the Government, all of whom are learning to do better all the time. In the past there has been a tendency towards duplication with the Treasury officers and Public Service Board officers looking at projects separately, but recently we have avoided much duplication by streamlining procedures. The board and the Treasury are working together at this stage more efficiently than they have worked for many years.

Mr BANNON: None of the projects referred to by the Premier is listed in the support document, certainly not on page 75, which deals with departmental reviews. That part of the document refers to the reorganisation of the Courts Department; Public Buildings Department; Correctional Services Department; internal audit control, to which the member for Hanson has already referred; consultancy services, which may include some projects left out by the Premier; and computing plans.

For next year reviews will include the internal audit trial, the computer based accounting system, assist with the implementation of the Treasury accounting system, and further develop the programme. Performance budget training and consultancy services, which I would have thought would have been dealt with under a different heading, and a complete restructuring of the Education Department which may be a large task. I am still concerned that there is apparently an emphasis being put on that part of the programme at the expense of the programme outlined on page 67, which looks at the overall manpower allocations to agency programmes. In other words, what I am suggesting is that surely it is the board's task, given the priorities of the Government to determine what are the necessary resources in manpower

terms (the Treasury determines what are the necessary resources in financial terms), for those programmes to be carried out and to make the appropriate recommendations and studies. It would appear that the board is being very much tied up in a sort of internal review function and departmental restructuring which, whilst admittedly it must have an input into it, would seem to cut across its overall responsibilities in the current financial situation of looking at the overall manpower needs and monitoring.

The Hon. D. O. Tonkin: I think the Leader of the Opposition just does not understand it. He has made that very clear. If I can repeat it again and spell it out for him in very simple language, perhaps he may be able to understand. There is no backing off of the board's responsibilities. The board is discharging its responsibilities in a most admirable and forthright fashion. I have the greatest respect and regard for the officers of the board. They are performing their duties admirably.

Mr BANNON interjecting:

The Hon. D. O. Tonkin: They are not backing off their responsibilities, and having done the Leader the courtesy of listening to him in silence I would hope that he would be courteous back again, which he very rarely is. He is a spoilt brat.

Mr McRAE: On a point of order, Mr Chairman, I take exception to that remark.

The CHAIRMAN: Order! The honourable member for Playford rises on a point of order.

Mr McRAE: I take exception to that remark. It is clearly unparliamentary to use the language that has been used, quite unseemly.

The CHAIRMAN: I ask the Premier whether he would care to rephrase the comments.

The Hon. D. O. Tonkin: I will withdraw them, because they are obviously concerning the honourable member for Playford. I will do so. Let me outline the situation again quite clearly. It is not possible to separate the two functions of determining how much money should be spent on a particular department and its programmes without considering the manpower requirements. For the Leader's benefit, to employ officers in departments costs the Treasury money. People want wages; they want salaries and it is necessary when deciding how many people should be employed on a particular programme to determine whether the money is available to pay them those salaries which they deserve and which by right are theirs.

Having therefore determined that the employment of people requires the expenditure of money it is obviously far more sensible for officers of the Public Service Board and officers of Treasury to work together to determine how programmes can best be implemented within the budgetary requirements, on the one hand, and within manpower requirements, on the other. I simply make the point that there has been a significant breakthrough in the determination of a degree of co-operation which has been a great credit both to Treasury and to the Public Service Board, and I can suggest that I am amazed that that degree of co-operation did not exist before.

I am not suggesting for a moment that each of the two departments (either Treasury or the P.S.B.), did not do a first-class job within the guidelines that they were given, but I simply say now that, with the degree of co-operation that exists, the job is being done better, particularly in those areas. It is not a running down of emphasis; it is simply that because we are learning to do things better in that particular sphere because of co-operation, it is not necessary to expend the same effort as we did previously. I repeat, there has been a considerable upgrading of efficiency. There has been an avoidance of duplication with Treasury and it

is for those reasons that the Public Service Board is able to do the very fine job that it does.

Mr BANNON: There is probably not much point in it but I do not think the Premier has addressed himself at all to the question I was asking which I would suggest I was asking quite genuinely. Why it resulted in some torrent of abuse and accusations of failure and so on, I am not quite sure, because in fact I thought I had phrased the question properly. I derived it from the programme documents, and it was a legitimate question about the priorities of the Public Service Board and the way in which the Government conceives it going about its job. If the Premier will not take this sort of question seriously, then we really are wasting our time tonight.

The Hon. D. O. Tonkin: I took the Leader's question quite seriously. I took exception to his extremely discourteous behaviour while I was answering it.

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

Treasury, \$5 892 000

Chairman:

Mr G. M. Gunn

Members:

Mr E. S. Ashenden

Mr J. C. Bannon

Mr H. Becker

Mr R. E. Glazbrook

Mr G. R. A. Langley

Mr T. M. McRae

Mr W. A. Rodda

Mr J. P. Trainer

Witness:

The Hon. D. O. Tonkin, Premier, Treasurer, Minister of State Development, and Minister of Ethnic Affairs.

Departmental Advisers

Mr R. D. Barnes, Under Treasurer, Treasury Department.

Mr T. A. Sheridan, Deputy Under Treasurer, Treasury Department.

Mr J. R. Wright, Acting Treasury Accountant, Treasury Department.

Mr BANNON: I have a general question on the Budget itself. Normally an estimate is included in the Budget of cost rises in the coming year. For instance, last year a 12 per cent cost rise was forecast. I cannot identify any such figure this year. What is the 1982-83 estimated cost rise?

The Hon. D. O. Tonkin: It is generally run at a level of about 12 per cent. The basis for the calculation is 12 per cent in terms of cost, and about 14 per cent in terms of wage rises. That is on a full year basis, of course.

Mr BANNON: In an earlier part of these proceedings we discussed the fact that some sums are difficult to budget for. Expenditure may take place that is not included in the lines for various reasons. Already, since the Budget was handed down, there have been two or three announcements that suggest that some funds are being held in reserve for special purposes. For instance, it was announced by the Minister of Tourism the other day that there would be a special allocation for the Adelaide Convention Bureau, and arising from the Cabinet meeting in Mount Gambier there was an announcement in regard to Fletcher Jones, although the precise nature of the proposal is a little unclear from

the newspaper reports. Has a specific sum been set aside in the system to meet particular needs that the Government perceives, particularly over the next few months?

The Hon. D. O. Tonkin: No. Any special allocations in regard to immediate problems must be found within departmental or portfolio allocations. For instance, the scheme that has been put forward in relation to Fletcher Jones will involve a relatively small sum at this stage. It is more likely to impact on the accounts in years to come. Obviously, it will be taken into account at that stage. The sums involved that apply here will obviously form part of the general incentive to industry scheme, which is administered under the Department of Trade and Industry.

In regard to the convention centre, the Minister of Tourism has looked at the relative priorities within her own budgetary situation and has determined that the convention centre will receive priority at this stage. These matters will be further considered, as usually occurs, at the beginning of next calendar year, and a determination will be made as to whether readjustments will have to be made or whether funds will be taken from other areas. There is no bickie barrel (I think that is the term): in such a tight budgetary situation as presently exists, all the money has been allocated, and any increased expenditure in one area has to be made at the expense of expenditure in another area.

Mr BANNON: I notice that terminal leave payments in the Treasury office were very much higher than the sum voted in the Budget last year. What is the explanation for that?

The Hon. D. O. Tonkin: Basically, it reflects the downturn in the State Taxation Office. Quite substantial payments were made to six officers of the State Taxation and Superannuation Offices. It appears that another group of officers will retire at the same sort of level as was experienced last year. We have been through a period of quite unprecedented levels of retirement and, therefore, the terminal leave payments involved are quite high. I do not anticipate that, after next year, we will achieve the same sort of level for some time to come.

Mr BANNON: Are these retirements the results of Government policies in the sense that the Government is trying to reduce the number of staff or to ensure that people retire early, or is it simply a matter of age?

The Hon. D. O. Tonkin: The major reason (and the major reason last year) is the change in commutation rates; fortuitously, it proved to be advantageous to some officers in exercising their choice to retire.

Mr BANNON: The yellow book (page 88) refers to the decisions taken at the recent Premiers' Conference which should enable work to proceed on a three-year plan for the allocation of funds to broad functional areas. In relation to capital projects in particular, what sort of long-term budget is the Government working on? I know that, when the Opposition earlier this year referred to a five-year plan for capital works, the Premier claimed that he was thinking along the same lines, and there is a reference to a three-year planning period.

Of course, if we examine each of the Budgets of the current Government, where there has been an extraordinary deferral or cancellation of capital projects and a transfer of moneys from the capital budget, we simply could not believe that the Government is operating on other than a day-to-day basis. Will the Premier outline his capital expenditure programme, and say why over the past three years it has been necessary to transfer such large sums from a budgeted capital programme to the recurrent expenditure side of his Budgets?

The Hon. D. O. Tonkin: This matter was addressed in my reply to the Leader's last three speeches in regard to the Budget. I have replied in some detail, and I do not intend

to waste the time of the Committee by going into the matter again tonight. The Leader constantly brings forward this matter. He understands the position quite well. In today's economic climate, this is not an unusual course of action: it is a course of action that is being followed by other Premiers of all persuasions throughout Australia, and I am indeed surprised that the leader highlights it. I understand that the Budget that is to be brought down in New South Wales (and it is to be hoped that that will occur soon) will contain measures that will make our transfers look like chicken feed.

The forward plans are quite clearly defined. The programme of capital works and priorities is examined regularly by the Budget Review Committee and by Cabinet. To say that there has been an extra-ordinary cancellation is absolute poppycock. There has not been an extraordinary cancellation and, again, the Leader is guilty of making allegations without any basis at all. I believe that the Leader does himself very little credit by making such extraordinary assertions.

The programme has been outlined quite clearly: it is there for everyone to see. Cabinet considers the programme from time to time—it is kept under close review. That programme has been part of our forward planning, we keep it in mind when we are setting priorities from time to time and, indeed, there is a periodic review of the priorities of the next three years and further on a regular basis. Cabinet makes its decision on that total overall picture. It is not yet possible to bring forward those matters into a three year published Budget. All we could do would be to bring forward a list of projects, but that would necessitate a rejuggling and a resetting of priorities from time to time as matters of greater urgency came up.

It would be wrong to raise the hopes and expectations of people in the community in regard to projects, even two or three years ahead, knowing that priorities that have been set might have to be changed quite markedly within six months. The Cabinet and the Budget Review Committee have this matter under control, and I assure the Leader that the three-year plan for the allocation of funds is working very well indeed.

Mr BANNON: Why has the three-year plan not been put before us? Apart from the detail that the Premier suggests, which indicates that there is considerable variation in that plan, the fact is that the Premier's documents show that, for instance, in 1980-81 some \$37 000 000 was transferred, and the Premier has already announced the size of the transfer in this Budget, although because of the consolidation of accounts it does not show up in the Budget papers. All of that suggests that, at the beginning of each year, the House is being misled about the funds being put into this programme. Why has the Government been unable to stick to its programme if, indeed, it is budgeting on a long term basis, as the Premier claims?

The Hon. D. O. Tonkin: The \$236 000 000 is the total sum involved in capital works, and the transfer is a very small proportion of that, as the Leader would well know. The major reason for the transfer, which has been felt by all States, is the wage increases which are being granted as a result of exorbitant wage demands, and I repeat that there is one way we can avoid transferring any funds from Loan Account into general revenue, and that is to maintain a reasonable and rational level of wage increases and not to go through this continual demand for abnormally high wages, forever increasing, and the costly conditions which are associated with them.

The costs involved, particularly the cost of wages, are particularly a tremendous strain on Governments of all States and the Commonwealth and, indeed, on many other countries. Australia seems to have this propensity to demand more and more, and the tragedy is that it not only puts

pressure on Governments and pressure on taxpayers but it also costs people their jobs. I am distressed that the Party in Opposition at present should be unaware of or uncaring about the effect that abnormal wage demands have on the community.

I can only say that I for one regret the need to transfer those funds, but obviously the only alternative is to very heavily increase State taxation, at a time when people are already meeting very grave pressures of high interest rates, and so on, or else for the Government to go into deficit. If we were to go into deficit the interest bill, which again the taxpayers would have to meet, would be even greater. There is just no other responsible course of action to follow. We have a plan; we have our list of projects which must be undertaken and they are added to from time to time. Priorities are reset from time to time and the whole programme is reassessed in the light of current priorities. That is the best way in which we can manage this economy at present, and I must say that it is a very effective way in the circumstances.

Mr BANNON: Is the Premier saying that wage increases in South Australia and the South Australian Public Service are completely out of kilter with those taking place in other States? If they are not, and if they are (as I believe) at a level with or slightly less than those interstate, why has the Government signally failed to account for these in preparing its annual Budget? Why has it apparently so drastically miscalculated, if that is the reason that the Premier used for the transfer of funds?

The Hon. D. O. Tonkin: I do not think the Leader understood. If he thinks that South Australia is badly off he should look at his colleague Mr Wran, in New South Wales, and see what he is doing. I understand that at present he is facing a deficit of \$600 000 000. He is facing the same pressures but unfortunately the Government of New South Wales is maintaining the programme of spending and Government activity which is totally irresponsible, in my view, because it does not take into account the present pressures which are on people. We have at least taken into account those pressures and have reduced Government spending and cut back on the level of expenditure. We have indeed cut our coat according to our cloth, and that is the responsible way of doing it.

Mr GLAZBROOK: Bearing in mind that the net increase last year on the public debt was \$89 900 000 it seems to me that, whilst we have these cut-backs on staffing, we are faced with the same problems and you have been able to minimise the amount of increase in the public liability. How long will it be or how essential is it to the South Australian economy to get additional income from other sources besides taxation, bearing in mind that that is the only other method we have of raising some capital?

The Hon. D. O. Tonkin: It is absolutely essential, of course. Certainly we are the only Government in Australia to have shown a reduction in the size of the Public Service and, as I have made the point today, the result of that has been a considerable up-turn in private sector employment. Indeed the development of projects like the Cooper Basin and the Roxby Downs preliminary investigations, and the service industries which I have outlined in other portfolio considerations today have been tremendously valuable to the State. Without them we would be in diabolical trouble, as the member for Unley accepted this afternoon.

We have to get projects moving which will bring some return to the State. Fortunately the Cooper Basin work, which is moving ahead very rapidly, is going to bring in royalties to the State as of next year, and thank goodness it is. The alternative is to increase State taxation. Mr Wran, unfortunately, has adopted a principle of putting a 1 per cent surcharge on pay-roll tax, of putting a 3 cent levy per

litre on petrol and fuel and, indeed, of introducing a whole range of taxation measures which has increased the tax bill in New South Wales by \$250 000 000. If we had not cut back the Public Service to a leaner and more efficient service (and we have just not cut back mindlessly: the reduction has been made by attrition and the introduction of programme performance budgeting and other measures), increasing the efficiency of the Public Service (and the public servants in South Australia have done a magnificent job in responding to that challenge), we would be up for a wages bill of at least \$80 000 000 more a year than we have now.

Indeed, the Leader of the Opposition has put forward his interesting financial documents and policies, which conservatively, as far as they have gone so far, we have estimated to cost \$199 000 000. That is in the most conservative terms. In the most extravagant terms (in other words, if we look at the whole possibility), we would find ourselves up for about \$350 000 000. Taking the conservative estimate of \$200 000 000 that would add \$813 a year to State taxation for every family in this State. That is the alternative we are faced with, and I am not prepared to undertake that. I do not believe that the people of South Australia want more taxation: they want lower taxation, and they want lower Government activity and greater production development. They will not stand a Party that votes against developments like Roxby Downs. That is the basic and fundamental reason.

Mr BANNON: This is good information gathering! Mr Chairman, how about exercising some control?

Mr LANGLEY interjecting:

The CHAIRMAN: Order! I warn the member for Unley that he will be named if his outburst continues. I suggest to the Leader of the Opposition that the Chair has endeavoured throughout this Committee to allow the Committee to operate in a manner conducive to getting information without intervening or attempting to disrupt when sensible questions are being asked.

I resent the Leader reflecting upon my ability to conduct these proceedings. I suggest to him that, if he makes a comment of that nature again, I will name him without further warning and he is aware of what takes place then. Are there any further questions? The honourable member for Playford.

Mr McRAE: In the atmosphere which is now prevailing, it is probably not fair to ask the question I was about to ask. I will have to decide whether I will press this question, because the difficulty is that, unlike the American Senate system, or indeed the Commonwealth Senate system, the presence of the Treasury officers surrounding the Premier gives the impression that the Treasury officers are agreeing, not just with the statements the Premier is making but with the ideology and the philosophy that lies behind them, so I have to very carefully think my way through this.

In the Financial Statement of the Premier and Treasurer, attachment No. 2, pages 18 and 19, it becomes clear that, whatever philosophical view one takes of the monetarist attitudes of the Commonwealth Government and the State Government, the Commonwealth has increased over the last five Budgets its own purposes spending by 19 per cent and has decreased its payments to the States by 5 per cent. I would have liked, in a different emotional atmosphere, to have some Treasury comment on this which could not be used against Treasury officials who are very well known for their objectivity. I would have thought that one of the major problems facing the State is the fact that the Commonwealth has toyed with the total tax moneys available in this country in such a fashion as to advantage itself and disadvantage the States very gravely indeed, so that if South Australia, for instance, had maintained the same relativity as the Commonwealth, we would be facing nowhere near the same

sort of problem that the Premier has referred to today. I would like to hear some objective comment on that.

The Hon. D. O. Tonkin: I totally agree with the honourable member. It is a point I have been making in successive Premiers' Conferences for the three years I have been attending them, and it is a point that his colleagues Mr Wran and lately Mr Jolly and Mr Cain have been making also. It is a situation that applies to all States. When I hear some people saying that, if they were in office they could get a better deal from the Commonwealth, I am amazed that anyone should think that they were able to get more out of the Commonwealth Government than Mr Bjelke-Petersen, Sir Charles Court or even Mr Wran were able to get. All the States are in exactly the same position.

Mr BANNON: You are saying that for South Australia's sake, if we voted for Malcolm Fraser, we would be better off.

The Hon. D. O. Tonkin: The member for Playford was desperately trying to be non-political and to get a reasonable answer, and I totally agree with what he said. I regret that the Leader of the Opposition chooses to politically grandstand and undercut his member.

Mr BANNON interjecting:

The CHAIRMAN: Order! I would hope that the Committee would consider these questions on their merit. I suggest to the member there is no purpose to be served by going into personal views or political grandstanding. The honourable Premier.

The Hon. D. O. Tonkin: I totally agree with the member for Playford that that has been the case; that all States have suffered and have suffered quite considerably under this situation, but I must say that it is not limited to the present Federal Government. A predecessor of mine made exactly the same point about a former Labor Government and the Prime Minister of that era. When one looks at it, you will find that that cutback was even greater and even more insidious, because the number and proportion of tied grants was far greater than it is today. As far as I am concerned, the member for Playford has made a very sensible and positive point. I am able to report that South Australia did very much better than it might otherwise have done as a result of the Grants Commission Relativities Review, mostly as a result of the very strong and heavy representations which were made by this Government. We stood to lose a great deal under that report. For the first year we had a victory in obtaining a 12-month deferral. In the second year, when we could have lost large sums of money (the figure was \$91 000 000, I think, from memory), we were in fact able to undertake a relatively minor loss in our relativities level.

Mr McRAE: Minus \$52 000 000, and you achieved minus \$11 000 000.

The Hon. D. O. Tonkin: That is quite right—\$52 000 000—and it was then \$11 000 000, but in fact the initial recommendation made 12 months previously was far greater than the \$52 000 000. That \$52 000 000 was in fact a revised recommendation, so that from the first recommendations of the Grants Commission, which I believe was around the \$70 000 000-odd, we have come down to \$11 000 000 and that was a considerable advance. That is something we can be very grateful for, but it was due very largely to the strong representations that were made, certainly with the help of the Treasury officers who produced the case that went to the Grants Commission, and a very good case it was, too. We have done exceptionally well compared with the other States in that regard.

The CHAIRMAN: Order! When I called the member for Playford before, I made a mistake. I gave the Leader a series of questions and the honourable member for Brighton was cut off, so I call the honourable member for Brighton.

Mr GLAZBROOK: I am sorry that the question I asked before raised a little bit of a storm. I do feel strongly about this question, because the future of our children and generations thereafter will be affected in trying to recover and pay some of the debts of the past. We should be looking at that. The debt servicing side of the Budget concerns me. Looking at the total debt servicing of the payments, it would seem to me that it is somewhere around 12 per cent of the total income of the State. The question I wanted to ask was again relative to how we can continue, unless more cuts are made, or other sources of income found, because as the State indebtedness increases year by year the interest rate on that indebtedness is also increased and, therefore, it seems to me that the increases in the various departments involve a real risk, without some form of additional income, be it by way of taxation, royalties, or by some other means.

In view of these payments, is there a plan over the next few years to decrease the amount we borrow each year, (which borrowing will, in other words, increase the interest on the indebtedness), and will we reach a stage where we can assure future generations that the State can indeed run this way and not continue in the way it has done, in building up a bigger public debt?

The Hon. D. O. Tonkin: Yes, I am quite convinced of that. The Commonwealth share does keep on increasing to take account of that fact. Secondly, the proportion of the total Budget which is spent in repayment and debt servicing is not going up at the same rate as the amount of money that comes to the Budget.

Unfortunately, in the past 10 years the Government has been saddled with increasing debts arising from matters such as the Land Commission, Monarto and various things that I need not go into now, but of which I am sure all honourable members are aware. The Government has had to find capital funds to pay out its indebtedness, although in some circumstances at discounted rates. The Government has been very fortunate in negotiating those rates. The Government has paid out those debts, because it considered it far better to pay them out and be done with them rather than let them accrue and place further pressure on debt servicing year by year.

Hopefully, the Government will come into some sort of financial equilibrium within the next two or three years. Certainly, royalty payments will achieve a rate that will approach those applying in other States. South Australia has not yet reached the stage of obtaining tens of millions of dollars as occurs in Western Australia, Queensland, and to some extent in New South Wales, but we are moving in that direction. The export of l.p.g. from January next year will obviously be the first step in relation to major royalty repayments. Income from royalties has risen by \$4 000 000 or \$5 000 000 since the Government took office, but it will further increase from about \$10 000 000 to \$20 000 000 or \$30 000 000 during the next four years: hopefully, by the turn of the century South Australia will be running, on a real term basis, on royalties comparable to those obtained in Western Australia and Queensland. That will take care of many of the difficulties that we would have had, and that will certainly release money for the servicing of debts. Therefore, that money will be available to the community and we will do much more in terms of capital expenditure on other projects.

The lesson to be learnt involves the policy that the Government has adopted in regard to moving ahead with resource and project development, which is the only responsible attitude that it could follow in terms of job creation, future security and in terms of meeting our future debt servicing requirements. It is not possible to say that South Australia will never have debts to service. That will always be the case, because that is an integral part of financing. I believe

that the situation will inevitably improve within a few years, at which time we will be on top of the situation and enjoying an income which, had it not been for the policies of the former Government, we might have been in a position to enjoy much sooner.

Mr GLAZBROOK: I refer to the supporting document, 'The South Australian Economy', prepared by Treasury. Table 2.1 on page 7 shows the share of totally employed persons by industry. What section of those different categories includes the area of tourism, bearing in mind an article that appeared in yesterday's *Advertiser*. The Acting Minister for Commerce, Mr Fife, was reported to have said that Australians had spent about \$5 800 000 000 on domestic travel and a further \$1 100 000 000 on day trips. He suggested that the survey results indicate that tourism is of greater significance to the economy than was ever previously thought. The expenditure to which Mr Fife referred totalled about \$6 900 000 000. On gross national product conversion I believe that South Australia would probably receive about \$600 000 000. What part does tourism play in regard to the figures presented to the Premier? Where are those statistics recorded?

The Hon. D. O. Tonkin: That is very difficult to pin down. Basically the overall heading regarding this would be 'Recreational, Personnel and Other Services'. However, that is only one aspect; there are quite a number of spin-offs into other areas from tourism.

Transport is another matter involved in the tourist area, as is construction as capital expenditure. Obviously, the provision of services to be used in the hospitality industry and in the retail trade is a spin-off from people spending money here as tourists.

I agree with the Minister of Tourism when she says that tourism has the capacity to create employment rapidly indeed. Its impact is brought home when one considers that the Hilton Hotel in Victoria Square will employ 400 people; that is an impact that many people in the community do not readily recognise. The opportunities are immense. For instance, the establishment of the International Airport will make a tremendous difference and, provided that we can take advantage of the upturn in public interest and direct access, we should do well.

Speaking to me this evening just before he left for home, the Japanese Ambassador said that, on his return to Japan, he was anxious to promote Japanese tourism in South Australia. He says that South Australia has a favourable reputation in Japan generally, and he believes that many people would be pleased to come to this State as tourists. They do not especially want to see Sydney and Melbourne, because both are big cities and they are used to seeing big cities. They want to see the wide open spaces and to play golf. After all, it is difficult for the Japanese citizen to play golf at home. The Ambassador said that in this regard we had an enormous asset here that we had not begun to tap. We are conscious of that asset so we have printed our story in a substantial Japanese edition.

Mr McRAE: Regarding the recovery of debts, especially in the area of health, since the signing of the new health agreement between the South Australian and the Commonwealth Governments it has become clear from the Budget papers that the health line last year was overspent by about \$36 500 000. The main reason for this overspending appears to have been an under-estimate of the proportion of people who were not members of a health insurance fund. Further, it seems that there are three groups in the matter of health insurance: first, members of a fund; secondly, those whose tab is picked up by the Commonwealth Government; and, thirdly, an intermediate group. It seems that the size of the intermediate group has been miscalculated by the Com-

monwealth Government, by the State Government, or by both.

I cannot pick it up immediately, but certainly the Auditor-General did refer to this whole matter of bad debts. The point that I am trying to get at is this: it seems to me that, granted that there is an ideological difficulty or difference between the Parties on monetarism, granted that the Premier has already made criticism of the allocation of funds to the State by the Federal Government, there is an additional problem in that the calculation arrived at was insecure in that it would appear that a very large service has been virtually transferred to the State without the capacity of the State to service it without either going into additional taxation or requiring those persons who are in the funds to increase their payments to the funds so as to pick up the short-fall.

I hope that I have explained my question adequately. It is a very large question because, of course, \$36 000 000 out of last year's health line of \$205 000 000 is a very large percentage indeed, and, even if one were to take it against the total Budget, it is still a significant sum of money. The point that I want to ascertain from the Premier is perhaps two-fold. First, does he believe that he is in a position to get his Commonwealth colleagues to reassess the line at which the Commonwealth will pick up the tab under the agreement? Secondly, does he really accept that the auditor's comment carries much validity in the sense that the very people who are in default are those who are most likely, if taken to court, simply to have a no-order made against them because they are not capable of paying it?

The Hon. D. O. Tonkin: I accept the honourable member's concern about this matter and it is a very reasonable one, but let me put the \$36 500 000 into perspective. As is set out on page 16, the cost of salary and wage award increases of \$19 500 000 is, of course, covered in the round-sum allowances which were set aside; similarly, I think the majority, if not all of the increased costs of food and drugs, and so on, the \$6 400 000, would have been covered in the round-sum set aside for increased costs during the year.

So really the honourable member's question relates to the \$8 600 000. I am not suggesting for a minute that \$8 600 000 is an inconsiderable sum. It is considerable, but again let me point out that the Commonwealth Government has agreed to share that short-fall, that \$8 600 000 on a 50/50 basis. There is some delay in reaching agreement on that, but it is not on the principal; I understand it is on the exact figure involved, but the Commonwealth will share that. That amounts to a \$4 300 000 over-run as far as the State Budget is concerned. So, it is not \$36 500 000, so that is something.

Frankly, I am not able to give the honourable member a breakdown of the various categories of people who are in default in this respect. Certainly, the problem is not limited to South Australia: it is common to all State Government systems and all hospital systems. I will try to obtain specific information on the matter from the Health Commission. The Minister may be better able to answer the question, and she probably has direct knowledge of it. It is certainly a matter of concern.

I do not know whether all of those people fall into the category of no-order debtors. I will try to ascertain that information for the honourable member, because I am interested to know the facts. Again, let me emphasise that the problem is not nearly as great as it might at first appear. The point has just been made to me that it is not so much a short-fall of \$8 600 000 but rather a short-fall on the actual amount that was estimated to come in at the beginning of last financial year. That was the position before fees were reintroduced under the new system. I will still obtain the information for the honourable member.

Mr BECKER: Will the Premier say how many motor vehicles are under the control of the Treasury? There is no reference to motor vehicles in the information on fixed assets. I do not believe that the Treasury has no fixed assets. The number of staff and motor vehicles allocated to programmes is set out in relation to all other departments. Why has Treasury been exempt from including the number of motor vehicles under its assets? More importantly, how many motor vehicles does the department have, and what is departmental policy in regard to their use?

The Hon. D. O. Tonkin: That is an extremely good question, and I am delighted that the honourable member has asked it. There are five vehicles, all four cylinder, in Treasury, in the Taxation Office and in the superannuation areas. There are two vehicles for the State Taxation Office for inspections, and so on, two vehicles for the Superannuation Office for valuations and visits to superannuants, and one vehicle in Treasury. That is a very modest allocation.

Mr BECKER: Why was the number of vehicles not included under fixed assets as in regard to other departments?

The Hon. D. O. Tonkin: I will ask the Under Treasurer to explain that. I think it was an oversight.

Mr Barnes: I cannot answer that. I have no idea.

Mr BECKER: The yellow book (page 116), under the programme title 'Development and Maintenance of Budgetary Accounting and Reporting Procedures', states:

1981-82 specific targets/objectives (significant initiatives/improvements/achievements).

In relation to P.P.B. . . .

Commentary on major resource variations between the years 1981-82 and 1982-83:

The major resource variation relates to the expenditure proposed on accounting systems development. The increase of \$311 000 includes provision for the purchase of a software package and associated equipment, and implementing system extensions.

Reference is also made under 'Broad objectives and goals', as follows:

To work with Government agencies to develop and implement P.P.B. by 1984-1986 . . . To develop and implement a T.A.S. . . .

Various reasons are given for the Treasury Accounting System. Can you give the Committee an up-to-date figure on the total cost of the programme performance budgeting team and the Treasury Accounting System?

The Hon. D. O. Tonkin: Perhaps Mr Sheridan might be in a position to give us some extra detail.

Mr Sheridan: I am not sure at the moment whether I can give the actual figure in dollar terms but, in terms of the number of people employed in those areas, as at June 1982 there were four on the Treasury Accounting System and five on programme performance budgeting. I do not have the actual cost figures readily available because, as you would understand, there would be more involved in that than just the salaries. The Treasury can get that cost for the honourable member if he wishes.

Mr BECKER: If you would not mind, I would like to get an up-to-date idea of the cost. I notice on page 117 that the budget systems development programme shows a decrease proposed, \$392 000, and the outcome was only \$199 000; and the sum proposed this financial year is \$156 000. Yet, in 1981-82, six persons were attached to that activity, and the outcome was 5.7. This year it is 5.7, so the staff number remains constant, yet there was a considerable amount underspent on budget systems development. I want to know why. Was there a change of direction?

The Hon. D. O. Tonkin: I do not know that there is a change of direction but I will ask Mr Sheridan to answer that in a moment. The position basically is that development of the programme performance budgeting system has reached a point now, as I think the honourable member would agree, where there is no point in refining it further, to go down to

sub-programmes and sub-sub-programmes. There is an optimum level, and that is the definition of separate discrete programmes, which is where it ought to be left. Any further move is up to the department in the management of its own affairs. I think that the programme has settled down very well in Treasury. Perhaps Mr Sheridan can amplify the figures involved.

Mr Sheridan: What has happened with the programme performance budgeting is that we have entered a period of consolidation. Work has been done on that programme for about 2½ years, and it has been developed to a stage where programmes are in a fair degree of finality in all departments, particularly in the last 12 months in the Education Department and Health Commission areas. There is not a lot more to be done in those areas at the moment in terms of refining those programmes, other than in the areas where new Government initiatives come in, requiring some refinement.

The area that emphasis needs to be placed on at the moment is in the Treasury Accounting System itself. One of the shortcomings (if I can use that word) of the P.P.B. system is that it is not relying for its information, in terms of resources that are allocated to programmes, on the formal accounting system: it is relying on assessments made, and they are pretty accurate assessments, of the resources to individual programming by all departments. It is not as accurate as if it was coming through the firm accounting system; it also imposes a very big work load on all departments and their own resources. The emphasis now is to get the Treasury Accounting System operating, and that is seen as an integral part of the programme performance budgeting system.

Certainly, the definition of programmes was the first step; the development of the Treasury Accounting System now and bringing departments on to that system is the second major step. Flowing from all that is the question of performance indicators and measurement of inputs and outputs. In respect to the Treasury Accounting System, a considerable amount of work has been done there. We have sought tenders for the commercial software package to run the Treasury Accounting System.

Those tenders are being examined, and one in particular has been the subject of further testing, a simulated testing on the sort of equipment which we will be running at the A.D.P. Centre, and it would be hoped that some decision might be made on the acquisition of that particular software package later this year. If that is done, we hope we might have one or two departments running on that system by the end of the financial year. Having said that, there is a considerable amount of work to be done in getting all departments on it. The ones that come on earlier will be the ones whose own accounting systems are consistent with programme performance budgeting and would be easy to put on. They will be the smaller departments, but you will get the bigger departments where an enormous amount of work has to be done. It is difficult to put a time frame on it, but it will be considerable.

Mr LANGLEY: I am informed by the former Premier, Des Corcoran, that when he was in office the Treasury was in good shape. Money had been put away for projects in the future. Is that correct?

The Hon. D. O. Tonkin: I do not think there is any doubt that the Treasury itself was in the usual shape as revealed by the accounts. The accounts are there for all to see.

Mr LANGLEY: In the 1970s how many times did the Labor Government transfer millions of dollars from capital works to revenue? The Premier has frequently stated that this may have happened, but in my opinion during that time it happened on only one occasion. Does the Premier now consider that people have been heavily taxed during his term of office and that more money has been transferred

from capital works to revenue? I think I am correct in saying that during the 1970s very little money was transferred from capital works to revenue.

The Hon. D. O. Tonkin: I think it was probably only once—it may have been twice. I think probably the best way is to refer to page 9 of the Financial Statement, appendix 7, Receipts and Payments. I think it is more to the point to look at which years have deficits and which years have surpluses. It is quite clear that there was a considerable deficit in 1972-73 of 5.7; in 1973-74, 7.4; in 1975-76, 8.4; and in 1977-78, a major one of 24.8. The situation changed quite considerably then, because the completion grants system by the Grants Commission changed under those circumstances, and after that time that availability of funds was not there.

I simply make the point that in those years up to 1979 there were deficits before topping up, in other words, before any move was made during five of the years referred to, and there was a surplus, in only one year. The Commonwealth Grants Commission top-up obviated the need to find funds from elsewhere, but those deficits still existed, and they amounted to a considerable deficit. At present we do not receive a top-up completion grant.

Mr BECKER: The simple transfer from Revenue Account to Loan Account will improve that.

The Hon. D. O. Tonkin: That is the point. This matter has been referred to on many occasions; I point out that there is no other responsible course of action other than heavily increasing State taxation, running deficit budgets which must be financed (which add to the public debt) and debt-servicing charges. The other alternative is to transfer funds, as the Government is doing. In regard to the reserves to which the honourable member referred, in the 1979-80 Budget there was a considerable surplus at the end of that time, which funds were put away in reserve for State transport and housing. The Government was fortunate to be able to do that and, indeed, we were able to stimulate our housing programme to a considerable extent. The Government has raised a great deal of money from sources outside normal available funds to put into housing projects. Therefore the Government has maintained a capital in housing programme which has been more than adequate; indeed, it is reaching record proportions. Further, the Government is making certain that those funds that have been put away into the State Transport Authority for projects such as the O'Bahn busway are now being spent. The State Transport Authority has major reserves that are being spent at the railcar depot; the Government is now looking at the whole question of signalling, a matter that is long overdue.

Further, there has been expenditure of reserves which were quite properly put away by the Electricity Trust for the Northern Power Station. All these projects involve major capital works that are not shown in the Budget. In regard to the total budgetary capital works and out of Budget capital works, the South Australian Government is running at very high levels indeed. To suggest that the transferring of funds in this way is impeding the capital works programme is quite inaccurate. I point out that it would be possible, if we did not have to meet the very heavy commitments of round sum allowances for wage and cost increases, to spend even more on capital works, which I would be delighted to do. However it would be totally irresponsible to do that and to run a deficit budget with all its implications of debt servicing and high interest rates for future generations of South Australians. At this stage, I do not think that there is any possible alternative to the way that the Government is presently managing the situation.

The ACTING CHAIRMAN (Mr Glazbrook): I draw the attention of members of the Committee to Sessional Orders,

which provide that the debate on the remaining votes allocated for today must cease at 10 p.m.

Mr BANNON: The Premier stated that the State will receive royalties from production in the Cooper Basin as from next year. What will be the level of those royalties? Is it not true that the State has a considerable infra-structure commitment, which means that the net value of those royalties will not be very great for some time. I am not trying to denigrate the project, but am asking a genuine question: what royalties are expected next year?

The Hon. D. O. Tonkin: I think that that question would be better directed to the Minister of Mines and Energy.

Mr BANNON: The Premier raised the subject of Cooper Basin royalties over the next year or two.

The Hon. D. O. Tonkin: I do not have that figure with me but I can get my colleague to provide it. There is no Government commitment for infra-structure: the producers finance that. It is an offset against royalties, but it is of permanent and lasting benefit to the State and will come as a one-off expenditure.

Mr BANNON: Over the past two or three years the South Australian Superannuation Fund has invested in an index-linked loans programme. Is a 4 per cent real rate (indexed over a period of time) being offered by the Superannuation Fund? If it is, what relation has that rate to market rates generally? Is it a realistic rate or is it one that, in the long term, could penalise Government instrumentalities that may be required to finance their operations at such a rate?

Mr Barnes: The Superannuation Fund has entered into several arrangements for indexed loans and is entering into more. It is also true that some of these arrangements are at a real rate of 4 per cent. Indeed, one at present being arranged between the Superannuation Investment Trust and the Housing Trust is expressed at a real rate of 4 per cent. In the case of at least two others, including one in respect of the Moore's building, the real rate is 5 per cent.

On the subject of the relation of such a rate to market rates generally, it is impossible to give a straight answer, because the relation needs to be looked at against the assessment of likely future rates. If the Superannuation Investment Trust enters into an arrangement with the Housing Trust at a real rate of, say, 4 per cent and if over the period during which that operates interest rates are at about 4 per cent beyond the rate of inflation (let us say that the C.P.I. runs at about 8 per cent and interest rates are a little higher than 12 per cent) there would be a real rate of 4 per cent, and when the whole of the investment period is finished, you could say in retrospect that the rate of 4 per cent was about equivalent to the market rate over the whole of that period.

However, life and financial markets do not work as simply as that and there will probably be major fluctuations over the whole period. Looking back into the past, one could say that very seldom over the last 30 or 40 years have people earned a real rate of interest of anything like 4 per cent. In fact, there are many examples of negative rates of interest. That merely tells us that the people made the wrong guesses about inflation when they entered into investment in the past.

The present expectation of the trust is that over the long haul the real rate of interest (that is, the excess of the rate of interest as expressed over and above the rate of inflation) is likely to be about 4 per cent. Whether or not that eventuates, that kind of investment is especially attractive to the Superannuation Investment Trust because it has long-term liabilities that are linked directly with the rate of increase in wages which in turn tends to be linked fairly closely with the rate of increase in prices, whether such a rate is expressed by the C.P.I. or some other index. However, one cannot

tell in advance whether the real rate is likely to be close to the general market rate.

It is based on expectations, and one can be sure only at the end of the period when one looks back.

The Hon. D. O. Tonkin: It is of benefit to have a little hindsight; ahead of time it is a bit impossible.

Mr BANNON: I guess the feature of this is that the time we are talking about is a very extended time. What sort of adjustments are involved in that? We can conceive of a position, because it is in the nature of Superannuation Trust investment, that a statutory authority or a project such as the Moore's building is indeed paying a considerable premium, and in that sense I guess the State's general revenue is subsidising the Superannuation Trust in terms of its investment. Has that position been contemplated, and are there any ways in which that can be avoided where you are investing in other Government instrumentalities as opposed to some commercial open market proposition?

Mr Barnes: It is possible, but there is another safety mechanism, if you like, embodied in this, in that, if it turns out that the Superannuation Investment Trust gets a particularly good deal out of this and it costs the Government more than it really intended to pay at the beginning, say for the Moore's building, the effect will be to improve the ability of the Superannuation Investment Trust to meet pensions, so that somewhere down the track to meet a given level of pension, the Government will have to 'subsidise' (if you like), in the sense that the Government subsidises or matches the contribution of the contributor. If the fund performs better because of an indexed arrangement then, somewhere down the track, the Government will have to put in a little less, so we could say that there is a rough balancing.

Mr BECKER: I just want to get back to the Financial Statement of the Premier and Treasurer released, on 25 August 1982, in which page 9, Appendix 7 relates to the amount of revenue transferred to the Loan Account and *vice versa*. It is interesting to note that the transfers from Revenue Account to Loan Account in 1976-77, 1977-78, and 1979-80 totalled \$43 015 000, while the transfers from Loan Account to Revenue Account on two occasions, 1978-79 and 1980-81 were \$42 930 000, so at that stage it appears that the figure is almost equal for the transfer of funds from the Revenue Account to the Loan Account, and *vice versa*.

The Hon. D. O. Tonkin: The sum transferred in the 1979-80 year is a result of what in fact turned out to be a working surplus of about \$37 000 000, I think.

Mr BECKER: It was something to do with the railways?

The Hon. D. O. Tonkin: No, that was the first Budget that we brought in. The result at the end of that time was in fact a working surplus of \$36 000 000. That was on Revenue Account.

Mr BANNON: You inherited a very strong financial position.

The Hon. D. O. Tonkin: It was very strong financial management, and it was management that was long overdue.

Mr BANNON: I want to ask a question in relation to the State Taxation Office. Regarding the current issue of tax avoidance, I note from the conference that took place yesterday that the Premier does not believe that there is any problem in South Australia. The Premier attended the conference without any particular proposition or contribution to make, and came back saying that he was little wiser and that all could be done by correspondence. In view of some of the figures that have been produced and the obvious concern of the Prime Minister and the Treasurer in this regard, I find that statement quite extraordinary. Still, that was what the Premier said.

In relation to the whole question, while on a number of occasions the Premier has said that the situation in South

Australia is in hand and that he is confident that there are no problems here, what resources are available in terms of inspection and monitoring to check avoidance of land tax, stamp duties and pay-roll tax, in particular, and how is the Premier so confident that there is no problem in South Australia?

The Hon. D. O. Tonkin: I suggest that the Leader of the Opposition find out a little bit more about what actually happened before he makes sweeping statements of that kind.

Mr BANNON: I am quoting from the *Advertiser*. I can see that I might have the wrong impression. I asked the question to hear the Premier's version.

The Hon. D. O. Tonkin: If the Leader of the Opposition will stop interjecting, I will answer his question. I was appalled yesterday in Sydney to find that my three officers and I (an officer from Treasury, the Commissioner of Corporate Affairs and the Commissioner of State Taxation) had been summoned to a meeting, at the request of the Victorian Government (which the Federal Government went along with), to discuss—

Mr BANNON interjecting:

The Hon. D. O. Tonkin: If the Leader wants to waste the time of the Committee until 10 o'clock, it does not worry me two hoots, but I would like to put him straight on this matter. I was appalled to be summoned to that meeting, which resulted from the grandstanding of the Victorian Government, to find that the matter at issue was a problem faced by the Victorian Government, and to some extent by the New South Wales Government, in regard to collecting tobacco excise because of transactions that were taking place in the A.C.T. That was the gravamen of the big tax avoidance issue on which the Victorian Government insisted the Federal Government call a conference.

Quite frankly, it became very apparent soon after the 9.30 start (and that start meant that we had to travel to Sydney the night before, because we could not get into Sydney earlier), literally within minutes of the start of the whole exercise, that there was no discussion of any kind on tax avoidance that affects the Federal Government or the Federal taxation system, but that the issue under discussion was the difficulties that the Victorian and New South Wales Governments experienced in collecting tobacco excise tax because the A.C.T. does not have a sales and excise tax of that kind.

What needed to be said was said in the first 20 minutes. The matter went around for a little longer, and I cancelled the flight at about 5 o'clock that I had booked back and arranged to catch the 12.55 plane. All that we decided was that we could exchange information between Governments in relation to stamp duties, excise tax and pay-roll tax, some of which powers exist in our legislation, although some do not. We decided to legislate to make it possible for Commissioners of State Taxation to exchange information of this kind and we agreed that it was incumbent, morally if not under legislation, upon Governments to notify other Governments where any avoidance of these State taxes might occur.

As I said, it was something that could well have been done by letter and indeed it would have been a simple matter to agree by letter. It could have been a simple matter to agree by officers meeting together, as they are now going to do, to prepare a framework. I must say I was very disappointed that neither the Premier of New South Wales (and we were after all in his home town) nor Mr Cain attended. I can excuse Mr Jolly, because I understand that he is ill and I would not expect him to come under those circumstances, but I would have thought that, if Mr Cain wanted to discuss tax avoidance and come to any conclusion, he could have at least fronted up.

Frankly, on that exercise I can only say that I was bitterly disappointed at what turned out to be an absolute waste of

time. I do not disagree that the measures that have been taken to exchange information have been valuable—I am totally in favour of them and we will support them and bring legislation into the House to amend, in a small way, any part of our Acts that need amending to ensure that we pick it up, so that there is that exchange of information.

The other thing which became quite clear was that, despite some of the measures we have taken to close loopholes in the Stamp Duties Act (for instance, in respect of share transactions taking place in other centres—Darwin was mentioned as being favourite location, and we moved to close that loophole a considerable time ago) New South Wales has not yet got around to it, and the point was made quite clearly to New South Wales that the remedy was basically in their hands.

There is no question that on the State scene—because that is all it turned out to be about—there is a measure of avoidance or evasion, but it is not on an organised scale. There are no organised schemes that anyone can find. It simply amounts to the usual failure of some people to declare and some people failing to put in returns, and that will be dealt with under the usual penalties in the usual way when it comes to light. That is the considered opinion of the Commissioner of State Taxation, which I respect. It is the opinion of his officers, and there is certainly no other evidence to suggest that it is any more involved than that.

As to the Federal scene, frankly I am not in a position to make any judgment on that but I have asked for the Attorney-General's assessment, and his assessment is that it is not widespread: that the schemes for avoidance were not widely promoted and widely entered into in South Australia as far as he could tell—certainly not compared to the degree of participation in such schemes in the Eastern States.

Mr McRAE: It is an extremely sophisticated operation in Adelaide—believe me.

The Hon. D. O. Tonkin: I would imagine that members of the legal profession may come up against this from time to time. I am not suggesting that they are involved in it necessarily but they might come up against it from time to time. I can only say, in the spirit of combating what is a most pernicious and unconscionable scheme, that those members of the community who have any information which could in any way lead to the Federal Government acting against these perpetrators of such schemes should come forward and provide that information to the authorities. I think that is, after all, their moral obligation.

I am glad that I have been able to disabuse the Leader of the Opposition. Frankly, I was bitterly disappointed: I could have been doing better things yesterday than twiddling my thumbs in Sydney listening to New South Wales and Victoria explaining to the Federal Government how inept they were in sorting out their own legislation.

The CHAIRMAN: I declare the examination of the vote completed.

Works and services—State Bank of South Australia, \$4 750 000—examination declared completed.

Works and services—Treasury Department, \$22 300 000—examination declared completed.

Treasurer, Miscellaneous, \$49 552 000

Chairman:

Mr G. M. Gunn

Members:

Mr E. S. Ashenden

Mr J. C. Bannon

Mr H. Becker

Mr R. E. Glazbrook
 Mr G. R. A. Langley
 Mr T. M. McRae
 Mr W. A. Rodda
 Mr J. P. Trainer

Witness:

The Hon. D. O. Tonkin, Premier, Treasurer, Minister of State Development, and Minister of Ethnic Affairs.

Departmental Advisers:

Mr R. D. Barnes, Under Treasurer.
 Mr T. A. Sheridan, Assistant Under Treasurer.
 Mr J. R. Wright, Acting Treasury Accountant, Treasury Department.

The CHAIRMAN: Are there any questions on this line?

Mr TRAINER: Yes, I have one brief question and 30 seconds in which to discuss that \$49 552 000. I refer to the line, 'South Australian Housing Trust emergency housing and rent control', for which we have put aside \$630 000. The equivalent line appeared last year under 'Minister of Housing', at page 63 where there was emergency housing \$411 922 and rent control \$278 254, a total of \$690 196

expenditure. It would appear, therefore, that there is a reduction from \$690 196 last year to \$630 000 this year, a reduction of \$60 196 in dollars alone, let alone in real terms allowing for inflation. I find this quite surprising, in view of the escalating housing problem, particularly in view of the fact that the Emergency Housing Office is so desperate that it takes weeks for people to get an appointment there. How can the Premier explain such a reduction of \$60 000 at such a time?

The Hon. D. O. Tonkin: Very briefly, it is the result of a special allocation that was received last year which in fact put the sum last year inordinately high compared with previous years. We have returned to a normal increase over the average of the former years.

The CHAIRMAN: I declare the examination of the vote completed.

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ADJOURNMENT

At 10.1 p.m. the Committee adjourned until Wednesday 29 September 1982 at 11 a.m.