

HOUSE OF ASSEMBLY

Tuesday 13 September 1994

ESTIMATES COMMITTEE A

Chairman:

The Hon. H. Allison

Members:

The Hon. Lynn Arnold

Mr M.K. Brindal

Mr S. Condous

Mrs R.K. Geraghty

The Hon. M.D. Rann

Mr G. Scalzi

The Committee met at 11 a.m.

Legislative Council, \$2 793 000
House of Assembly, \$5 264 000
Joint Parliamentary Services, \$9 854 000

Witness:

The Hon. Dean Brown, Premier and Minister for Multicultural and Ethnic Affairs.

Advisers:

Mr G.D. Mitchell, Clerk of the House of Assembly.

Mr K.R. Simms, Leader, *Hansard*.

Mr A.M. Schulze, Accounting Officer to the Legislature.

Mr H.F. Coxon, Parliamentary Librarian.

Mr J.C. Sibly, Catering Manager.

The CHAIRMAN: This is an historically significant occasion, with the Estimates Committee being held in this wonderful old building. The Committee will be conducted under Parliament House Standing Orders, not Sessional Orders, and the normal rules of conduct and debate will apply. Members have received the three page Standing Orders document relative to Estimates Committees.

The Hon. LYNN ARNOLD: Does that mean that privilege is also extended to this Committee in this Chamber?

The CHAIRMAN: The only exception will relate to our being a little more relaxed than we would be in the Committee stage of a Bill, but otherwise parliamentary privilege applies to anything we do. The other restriction is that there is no facility for tabling documents. They are the only exceptions. If the Minister undertakes to provide information at a later date, it must be in a form suitable for insertion in *Hansard*, with two copies to be submitted, no later than Friday 30 September for Friday 7 October, to the Clerk of the House of Assembly.

I propose to allow the lead speaker for the Opposition and the Premier to make an opening statement, if they so wish, of about 10 minutes. I also propose the usual flexible approach to the call in asking questions, based on three questions per member, alternating sides and starting with the Leader of the Opposition. Members may also be allowed a brief supplementary question to conclude a line of questioning.

Subject to the Committee's convenience, a member outside the Committee who wants to ask a question, once a line of questioning on an item has been exhausted, will be able to do so. Indication in advance to the Chairman is necessary. Questions must be based on lines of expenditure in the Estimates of Receipts and Payments (Parliamentary Paper No. 9). Reference may be made to other documents, for example, the Program Estimates and the Auditor-General's Report. Members must identify a page number in the paper from which their question is derived.

Although there is no formal facility for tabling documents, documents can be supplied to the Chair for distribution to the Committee. The incorporation of material in *Hansard* is permitted on the same basis as applies in the House, that is, that it must be purely statistical and limited to a maximum of one page.

All television stations have been advised by the Speaker of the procedure he would like to be followed. One logistical problem is that we do not have bells to summon members from Parliament House or this building, so it is the responsibility of individual members to ensure that they are here on time.

The Hon. LYNN ARNOLD: Over recent years it has been the practice of some Committees, when the number of questions has exceeded the time available, and with the concurrence of the Minister being questioned, members of both sides and the Chair of the Committee, for unasked questions to be asked *seriatim* and recorded in *Hansard* and subsequently answered. Will that be allowed on this occasion?

The CHAIRMAN: Such a practice was established in past Committees and I have no objection. Responses should be provided by the specified date.

The Hon. Dean Brown: Mr Chairman, I do not wish to exercise my right to make an opening statement now, but I will do so later in the day in regard to the Premier's Department.

The Hon. LYNN ARNOLD: Like the Premier, I do not wish to make an opening statement now, but I wish to reserve the right to do so on subsequent lines.

The CHAIRMAN: I draw to the attention of members that an *erratum* has been published relating to the Department of Treasury and Finance; it has been placed on each member's desk. I will deal with those later in the day when they occur. Regarding Legislative Council, \$2 793 000, I declare the proposed expenditure open for examination.

The Hon. LYNN ARNOLD: I refer to page 27 of the Estimates of Receipts and Payments. I allude to the question that was asked of me last year when I was Premier regarding these lines and the appropriate person to be present to answer questions. The point was made to me then that the Presiding Officers of the Parliament (the Speaker and the President of the Legislative Council) have full authority over these lines and that it would be appropriate for them also to be present at the Estimates Committees to be cross-examined on these matters. That had not been the practice for the previous 13 or 14 years of Estimates Committees, but it did seem to me at the time entirely appropriate given the independence of Parliament.

I said the matter would be considered. Obviously, there has been a change of Government since then and I understand the matter perhaps has not been considered, and that is not a criticism. But I ask for the matter to be considered for next year—that the President and the Speaker be cross-examined by the committee on lines for which they are responsible.

The Hon. Dean Brown: I will consider that and discuss it with the Speaker and the President.

The Hon. LYNN ARNOLD: There are some important matters of principle involved in that and I hope that those matters of principle will be accepted.

The CHAIRMAN: There being no further questions, I declare the examination of the vote completed. Regarding House of Assembly, \$5 264 000, I declare the proposed expenditure open for examination.

The Hon. LYNN ARNOLD: I do not have any questions on this line but, since we are now in the old House of Assembly, will the Parliament incur any costs for the use of this building for the Estimates Committees? Is it known when this Chamber was last used officially by the Parliament? It seems to me we are taking part in an historic event as this Chamber might not have been used by the Parliament officially for many decades?

The Hon. Dean Brown: It is an historic sitting today because we have a formal sitting, if you like, of Parliament and Committee in the old Chamber. It is a magnificent old Chamber. In some ways it has much more warmth and feel about it than even the House of Assembly Chamber. I have not sat in the Legislative Council Chamber so I cannot comment on that. It is worth formally recording the fact that we are sitting in this Chamber, and one can imagine some of the debates here going back well over 100 years and the history formally recorded in this State that has emanated from this Chamber.

We did sit in this Chamber with the Federation Centenary Committee, and again it was a very fitting occasion. The answer to the specific question is, no, there is no expenditure being incurred by our sitting in this Chamber today.

The CHAIRMAN: There being no further questions, I declare the examination of the vote completed. Regarding Joint Parliamentary Services, \$5 736 000, I declare the proposed expenditure open for examination.

The Hon. LYNN ARNOLD: I draw attention to the *Hansard* line on page 28, which indicates that the estimate for printing and publishing costs was \$1.273 million with an actual outcome of just over \$674 000. The budget for this year is \$1.398 million. I appreciate the enormous efforts that *Hansard* continually goes to for efficiencies and the excellent service it provides to all members of Parliament, but the figures do seem to warrant some further explanation as to the enormous difference between the estimate and the outcome for last year.

The Hon. Dean Brown: I will ask Mr Schulze to respond.

Mr Schulze: *Hansard* has been involved in the implementation of significant new technologies in recent years, as many members would be aware. This has involved the installation of a word processing network and computer-aided transcription facilities. The project is expected to yield annual recurrent savings on the cost of production of *Hansard* of about \$800 000. Last year the *Hansard* printing and publishing line was reduced by approximately half that figure, the reason being that the Government at that time agreed that the Parliament would retain 50 per cent of any savings that might be achieved and that the balance of savings should be returned to general revenue.

The intention was that the Joint Parliamentary Service Committee would determine to what purpose the remaining portion would be put for the benefit of the Parliament and members generally. Last year, as I said, Treasury's share of those savings were removed from the vote line. Whilst the funds had been returned to Treasury, the portion available to

the Legislature was still rather uncertain because, although we knew what we expected the savings to be, no savings were in evidence at that time. Therefore, no purpose was determined for those funds last year, because we really did not know at the end of the day whether the savings would be there.

The savings clearly have been in line with Treasury's policy: where agencies are able to effect savings, those moneys have been rolled over into this year. I point out that at this time no purpose, if you like, has been determined as to where they will ultimately go. They remain in their source area. Having said that, I would point out that part of the reason for our savings last year is that we have one annual volume of *Hansard*, which at this time has not been bound, the reason being that the Joint Parliamentary Service Committee has been looking at alternative ways of producing bound copies of *Hansard*, with a view to making that process more efficient and reducing expenditure. So, we have the cost of binding one annual volume which has also been rolled over into this year and which is in the order of \$175 000.

The Hon. Dean Brown: I can give more specific figures, which the Leader might appreciate. There was a saving of \$598 000 over the previous year, which was made up as follows: a saving due to the implementation of new technology of \$423 000 and a saving due to deferral of the production of the one volume of \$175 000. There is a proposed expenditure of \$1.398 million for this year, and that is made up as follows: base funding of \$1 million, which is based on no policy change from 1992-93, but less what has been achieved in terms of savings through new technology, and that obviously should be ongoing. So, a new base of \$1 million has been achieved simply through technological change. We must add to that the savings carried forward from the previous year of \$428 000, less a reduction in the allocation required as part of the total recurrent savings, which must be achieved and which is \$30 000.

The Hon. LYNN ARNOLD: I thank Mr Schulze and the Premier for clarifying that matter. However, I make the point—and I think the Premier really is confirming this—that the figures we see in this document will be figures of actual expenditure when the actual figures finally come out in the estimates of what actual expenditure ought to be, and that anything to do with savings being retained by agencies, which in many circumstances is very commendable, should not interfere with the accuracy of the figures and the detailing of the expenditure incurred or estimated. In other words, although that ought to appear somehow in the documents, the figure in question should actually relate to what is estimated to be the real level of payments. In relation to the new computerised system, could the Premier or any officer advise what progress has been made towards making *Hansard* available on-line for members of Parliament?

Mr Simms: We still see that facility as one that will be introduced down the line. I am not sure that it would be an initiative that would come from the Parliamentary Reporting Division itself. Certainly there will be an increasing demand by members for this facility, but I do not think I can take it any further than that.

The Hon. LYNN ARNOLD: I appreciate the fact that the policy decision would have to be made by the Government or by the Presiding Officers of the Parliament within the funding made available to them by the budget process. However, do you have available any information on what the cost would be to make that service available to members? If

you do not have those figures available at this stage, could some estimate be made available?

Mr Simms: I have no idea of those figures off the top of my head, but I will investigate that matter and supply a written reply to that question for inclusion in *Hansard*.

The Hon. LYNN ARNOLD: In relation to the Catering Division lines, we see the estimate of expenses is \$518 000. Over the years some discussion has taken place about the catering facilities of Parliament being more accessible to the public who, after all, at the end of the day through their taxation pay the amount of money that appears in the budget. The present system, in a rather unfriendly way, sees members of the general public having the opportunity to attend the Strangers Dining Room on invitation only; they cannot come in without that invitation. In some Parliaments, members of the public are able to access some of the catering facilities of their Parliament House and, while I understand the logistical problems of that, I think that it is something that our Parliament should be examining. Of course, that should be subject to the consideration that all the staff and members of Parliament should not have the service to them undermined. However, I believe that, having seen the service in operation over many years, there should be the opportunity for members of the public to obtain some access, on an understandably restricted basis, but on one which is less unfriendly than the present system of requiring an invitation to go into the Strangers Dining Room.

The Hon. Dean Brown: Is the Leader saying that members of the public should be allowed to walk into the Strangers Dining Room and sit down and eat?

The Hon. LYNN ARNOLD: I am not saying that should occur on an unrestricted basis: I am suggesting that it is apparent to me that, certainly on non-sitting days and even on some sitting days, the Strangers Dining Room is most under-used. It would seem to me not unreasonable for us to give some consideration to the fact—and I appreciate this has never happened before, so it is not a criticism of the Government—that people ought to be able to make a booking and, if a table were available, have the chance to come into Parliament House to eat at Parliament House. It would also have benefits in terms of making the operation at Parliament House more cost effective because the provision of a dining room service and catering on non-sitting days when very few people make use of that service is not enormously cost effective.

The Hon. Dean Brown: I do not think the Leader is correct when he says that on sitting days the Strangers Dining Room has considerable vacancies. In fact, just the opposite occurs. Mr Sibly, the Catering Manager, was just indicating to me that on sitting days even the Strangers Dining Room is fully utilised, and I think anyone who walks in there will see that. Considerable savings are being achieved this year through a restructuring of the catering services. A reduction of \$60 000 this year compared to a no-policy change for last year is being achieved and has been budgeted for. However, this is a matter for the Joint Parliamentary Service Committee, and if the Leader wishes to put that proposal forward he should submit it as an initiative from him to the committee.

The Hon. LYNN ARNOLD: I thank the Premier for his answer. Of course, it highlights the fact that it would have been useful to have the Presiding Officers of both Houses in attendance to give their view on that matter. I do commend it for the Premier's own attention if the matter does get before the JPSC for consideration. Could the Premier or Mr Sibly

detail some of the initiatives that are in place for these efficiencies to which the Premier referred a moment ago?

The Hon. Dean Brown: Before asking Mr Sibly to answer that question, I point out that, even if the two Presiding Officers were here, they would represent only two of the six members; so they could not speak for the Joint Parliamentary Service Committee, which comprises six members and, frankly, the Leader can put a proposal to that committee for its consideration, including its looking at the budgetary implications.

Mr Sibly: As the Premier has stated, the savings are being made by some restructuring. We have had two staff taking voluntary separation packages. Another person is presently on workers' compensation but will be finishing as soon as that matter is resolved. Those positions have not been filled. The restructuring has been carried out to try to make the Catering Division more efficient by reducing the hours used between service times without changing its operation at service times, so that the members still have the full services. There has been some reduction in hours in opening and closing times of the various areas, which will also save money on wages. These savings will enable us to meet our budget, but as soon as the first quarter is over we will have another look at that to see if any further changes need to be made.

The Hon. Dean Brown: The committee should be aware of the fact that Cabinet decided that this year we needed to reduce by \$100 000 the recurrent operating costs of the Joint Parliamentary Services, and \$60 000 of that specifically involves the catering area.

Mr BRINDAL: In the light of the questions asked by the Leader of the Opposition, I ask the Premier whether he is concerned for the security of members of Parliament and the staff in terms of occupational health and safety conditions, and whether, in answering the Leader of the Opposition's question, any likely costs of keeping Parliament secure are factored in, at the same time opening the rooms to members of the public as the Leader of the Opposition has suggested?

The Hon. Dean Brown: I think that is a very pertinent question because one of the ramifications of opening it up to the public is that it automatically requires the Parliament to come up to standards that the public would expect in any public restaurant. For instance, that means providing public toilets immediately adjacent to the dining room which we do not have; we have toilets only for men. As members would realise, on that floor there are no toilets for women. Women need to go to an entirely different floor and that would not meet acceptable standards. The dining room is relatively small and would accommodate only 40 people. In terms of security we will certainly look at those aspects. Further, as members would realise, there are the somewhat inadequate occupational health and safety standards to be considered. Parliament House does not come up to acceptable modern day standards, and it is very difficult to bring it up to those standards simply because of the heritage nature of the building.

The Hon. M.D. RANN: What rolling program of improvements will take place within Parliament House? All members would be aware that the occupational health and safety (including fire) standards at Parliament House have been substandard over the years. Recently House of Assembly Opposition members have been housed in a new part of Parliament House on a level that has been created above the Legislative Council Chamber. What rolling program of improvements will take place to Parliament

House given both its status as a heritage building and as a working building?

The Hon. Dean Brown: As the honourable member would realise, the Government is embarking on a program to try to bring aspects of Parliament House up to more acceptable standards. I refer to fire safety and other occupational health and safety issues and to the need to minimise some of the risks to people who work in the place. We are talking not just about the staff but also about members of Parliament themselves. As part of that capital works program, there is very much a focus on bringing it up to acceptable standards. One of those was to improve the fire safety aspect, involving the fire alarm system, and to make sure that suitable doors are provided.

The honourable member would realise that the doors to Parliament House do not come up to the appropriate standards if a fire occurs, and with the large corridors there should be doors with a fire rating of at least 1½ or 2½ hours (depending on the nature of the corridor) that close off those corridors. We have a central atrium similar to that in the front of Parliament House and I think the requirement for the doors there is a fire rating of at least two hours. Those standards are not met in Parliament House although some moves were made recently to try to improve them. Unfortunately, though, to apply modern standards would completely destroy the whole nature of the architecture and heritage of Parliament House.

The CHAIRMAN: I point out that in opening this line of \$9.854 million I am following the Appropriation Bill, which is the Bill that Committee members are addressing. The relevant line is 'Joint Parliamentary Services—\$9.854 million', which includes capital payments. Members are in order referring to the capital payments and other matters that have already been raised in this line.

The Hon. M.D. RANN: The Opposition's quarters have just been completed under budget which is very commendable. I understand that work on the second half of the top floor of Parliament House is about to start. Indeed, one of the reasons we are here today is that there was supposed to be activity affecting the House of Assembly Chamber, although I understand that is not actually happening, so we are here in a *de facto* way. What is the rolling program for improvements to Parliament House? Will work begin on the upper floor first, then commence in the basement, as originally planned, followed by Ministers' offices?

The Hon. Dean Brown: I assure the honourable member that we are not here in a *de facto* way at present: we are here very much as part of a formal committee of Parliament. The first part of the work was carried out under budget. The public may not be aware that some additional offices were created above the Legislative Council. That has created additional office space that has been needed for many years. Parliament House was designed and built to house a much smaller number of members. When I was Leader of the Opposition I had up to three staff in one room when, under modern working conditions, there should be only one staff member in a room that size. All my staff had to be accommodated in a total of three offices, and it was entirely unsatisfactory. I am delighted that the Leader of the Opposition and his staff now have the benefit of those improved facilities, and I wish him a very long and happy stay there. That is why we wanted to make sure he was comfortable.

In terms of the ongoing work, Cabinet has not made any decisions beyond the existing upgrading, to my knowledge, of the existing floor. The idea is to simply finish off the work

already undertaken this year and then to finish off the upgrading of the top floor, which needed some urgent repair work and redecoration, involving new carpets, etc., in the area previously occupied by the Leader of the Opposition. Apart from some other work involving occupational health and safety, including fire safety, as I understand it, no program has yet been approved by Cabinet to proceed any further. Originally, there was some sort of five or six stage program but that was a very extensive one which Cabinet never adopted. Therefore, members should not assume that those other so-called later stages will go ahead because they were never formally approved by Government and had not even formally been approved by members of Parliament in terms of the use of some of those offices.

The Hon. M.D. RANN: There certainly seems to be some confusion about it. I think that one day the Minister for Industrial Affairs announced a \$9 or \$10 million rolling program of improvements, and I am not criticising those improvements at all. I understand they involved a sequential program commencing with the upper floor followed by the basement, where offices are also clearly substandard. Has there been any decision on whether to proceed with the upgrading of Ministers' offices?

The Hon. Dean Brown: To my knowledge, no; that work has not been approved by Cabinet.

The Hon. M.D. RANN: We are all aware of the importance of North Terrace and North Terrace institutions, both culturally and as a tourism asset for South Australia and indeed as one of our premier assets. Along with Old Parliament House, Parliament House is an important part of that. It has concerned me on a number of occasions when I have walked into Parliament House between sessional times to see visitors from America and Japan asking at the door whether they can visit and they have been effectively turned away. I am aware that tours are arranged at a certain time. Can arrangements be made to provide some flexibility in respect of tours, particularly for international visitors?

I have visited the United States and other State Parliaments where I have found that people are often very hospitable in making sure that visitors from other countries and other States get a chance to visit their institution, of which they are rightly proud. Therefore, it concerns me—and members from both sides have discussed this with me—to see visitors being turned away. Can it be improved?

The Hon. Dean Brown: I thank the honourable member for the suggestion. There are now two tours a day on non-sitting days: one at 10 o'clock in the morning and one at 2 o'clock in the afternoon. The Tourism Commission is aware of that and, in fact, widely publicises the fact. To my knowledge, there is no notification of that within Parliament House itself, and perhaps that is where it may be appropriate to advertise the fact. Obviously it could not be done on a Thursday, but on other sitting days I understand that the 10 o'clock tour proceeds. That is done by the attendants. I am certainly willing to put a proposal to the Joint Parliamentary Service Committee that it should look at some appropriate plaque, or something like that, advertising the times when these tours of the Parliament are undertaken.

To go beyond that would add fairly significantly to the costs, if you need to have people on hand at any time ready to take people around. I do not think that level of demand is there, although I do know the extent to which attendants at Parliament House have had people walking in off the street, who have been from overseas and who have come in at different times other than the guided tours, and have facilitat-

Appendix III—Library Statistics: Some Comparative Data

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Inward	77	115	167	92	68	128	87	101	81	57
Outwards	40	44	41	34	32	64	162	150	167	131
Totals	117	159	208	126	100	192	249	251	248	188
Loans										
Members	532	585	897	849	639	570	610	481	421	369
Others	626	535	578	607	420	463	538	601	477	335
Totals	1 158	1 120	1 475	1 456	1 059	1 033	1 148	1 082	898	704
Facsimile Traffic										
Totals	243	1 306	829	2 026	1 976	650	676	684	1 106	816
Tours										
Totals	157	70	46	45	**25	—	—	—	—	—

*Service suspended for part of year.

**Tours throughout Parliament House became the responsibility of the Education officer.

Mr BRINDAL: I can remember that last year I raised a question with Mr Coxon about the previous totally inadequate provision of moneys for new books and library services. I ask Mr Coxon whether there has been any improvement in that.

Mr Coxon: There has been an increase in the line for the Library for general administrative expenses. That is largely to cover equipment replacement. Overall, regarding some of the other items to which you have referred, such as books and serials, there has not been any significant increase.

Mr BRINDAL: It has got no worse?

Mr Coxon: Not worse; I do not think so.

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

State Governor's establishment,
\$1 470 000

Departmental Adviser:

Mr John O'Flaherty, Director, Corporate Services,
Department of the Premier and Cabinet.

The CHAIRMAN: I declare the proposed payments open for examination.

Mr BRINDAL: On a procedural matter, Mr Chairman, if people in the gallery are good enough to come and listen, they have the right to hear. Can we ascertain the level of amplification in this Chamber and make sure that it is adequate for members of the public and for us?

The CHAIRMAN: The problem is beyond the immediate control of the Chair. It has been referred to the technicians and as soon as possible they will be here to rectify the problem evident in at least one microphone.

The Hon. Dean Brown: Can the people in the gallery hear anything I am saying?

Mr BRINDAL: I do not think the Premier is the problem, Mr Chairman.

The CHAIRMAN: I advise members that the system was tested microphone by microphone prior to the commencement of the hearing.

The Hon. LYNN ARNOLD: I take it that, given that we are now considering the line of \$1.47 million, State Governor's establishment, we are dealing with recurrent and capital expenditure simultaneously. If that is the case, I note that on 19 March this year the Melbourne Age indicated that

the vice regal Rolls Royce was put up for sale by public tender. Has the vehicle been sold and, if so, what price was received? What was the original price of the car to the Government and, therefore, what was the loss or gain if the sale took place? Has a replacement vehicle been purchased? If so, what vehicle was purchased and at what cost?

The Hon. Dean Brown: I am somewhat surprised that the Leader of the Opposition should raise this issue, because I understand that the order for the new Rolls Royce was placed when he was Premier. A new vehicle was purchased. I understand it was ordered prior to the election, but I do not know the exact date on which it was ordered. It has been delivered. In fact, it was delivered before the old Rolls Royce was sold. I would need to get some detail on the price received for the old Rolls Royce.

The Hon. LYNN ARNOLD: Will the Premier include the original purchase price of the car that has been sold so that we know whether there has been a loss or gain on the sale, plus the cost of the new one?

The Hon. Dean Brown: I will certainly get that information. Judging by a remark of Her Excellency, there has been a profit. She smiled when I asked about the cost. We did not go into it further.

The Hon. LYNN ARNOLD: That is also my presumption.

The Hon. Dean Brown: I will obtain information about the purchase price and sale price of the old vehicle and the purchase price of the new vehicle.

The CHAIRMAN: That will be supplied for *Hansard*.

The Hon. Dean Brown: I stress the point that the decision for that exchange of vehicles was made before the election.

The Hon. LYNN ARNOLD: I am not critical of the decision.

Mr CONDOUS: At a time when the Premier has taken a very responsible role to save money, what does concern me is that the ongoing cost of the State Governor's establishment continues to rise, especially in terms of salaries, wages and related payments. I would have thought that, in reviewing all departments, this is an area where some economies could be taken to decrease the salaries cost from the 1993-94 actual expenditure. I notice also that the cost of security services is \$209 000. Is that due to the fact that the police have now been taken away from the front of Government House, and why was it not previously included in the budget?

The Hon. Dean Brown: The allocation for salary, wages and related payments this year is less than the voted amount

last year. The voted amount last year was under spent, but this year the allocation is marginally less; in fact, the voted amount is about \$6 000 less than it was last year. I presume that the under expenditure occurred because at various stages throughout the year some of the staff resigned or something like that and it took a while to fill those vacancies.

In terms of security services, this line has previously been covered under the Police Department. Because the police have now been put out onto the beat as part of the Government's program to increase the total number of police in the community, we have brought in a private security guard system, which is costing \$209 000. I stress that Her Excellency has indicated to me that she is delighted with that new service.

The Hon. M.D. RANN: Following on from the question of security, perhaps I should declare an interest here. Last year, almost a year ago, I was leaving my office in the Department of Tourism and witnessed a smash and grab on a jewellery store in Gawler Place. Whilst I do not pretend to be very fit, I chased a couple of the burglars with the rings and watches in hand down by the side of the University of Adelaide. I could not catch them, but they darted over the wall into Government House. I know from conversations with both the police and Her Excellency that dog squads were put into Government House but that the culprits were not found. I was later asked to do an identification, but they were not the people I had seen, and I had a very good, close look at them.

What concerns me is that there should be proper security at Government House. It should not be seen as a place of easy access. I am sure that all members would be concerned if there were any reduction in security at Government House. May we have an assurance that security has not been decreased by having a non-police presence? Are there other means of ensuring better security for the Governor?

The Hon. Dean Brown: I can assure the honourable member that the security system at Government House has been upgraded. I do not wish to talk about the nature of the security system publicly, for obvious reasons, but it is much better in all areas of protection. I believe now that, if someone went over the wall of Government House, fairly quickly certain alarm systems would indicate that there were intruders in the grounds.

The Hon. M.D. RANN: That is encouraging.

The Hon. Dean Brown: As I said, Her Excellency has specifically raised with me the issue of security and the new control system and expressed pleasure with it.

The Hon. M.D. RANN: Perhaps I shall not need to be part of the Bow Street Runners in future. In the light of the need for North Terrace to be upgraded, which has been acknowledged by the Lord Mayor and by members of both Parties, and following my question about Parliament House being more accessible—I think that a sign telling people when they can visit would be more helpful than to have people arrive at 11 o'clock only to be told that they have missed the tour—could there be negotiations with Government House to secure its opening, perhaps on a Sunday or at the weekend, for tourism purposes? It is an outstanding city landmark with beautiful gardens and grounds.

I am aware that under this Governor there has been greater use by organisations, such as charities, of the facilities of the grounds in particular. I am also aware that in other States there are procedures for the regular opening of Government House for tours. When I raised this matter in State Parliament some years ago, when I was a backbencher, I was told that it

would be impossible, because the Governor lived in the house. But so does the President of the United States live in the White House, which has had some aerial visitors of late. However, tours are arranged with the White House, Windsor Castle and now Buckingham Palace. This could be a substantial addition to our tourism product if we saw a bigger opening up of Government House, perhaps involving Friends of Government House who would assist in that process.

The Hon. Dean Brown: Her Excellency has been an outstanding Governor in wanting to include the community in what she does. She has already taken that initiative and opened Government House on two occasions as open days for any member of the public to see its key features. I understand that has taken place on Sunday afternoons. One difficulty is that Government House is not such a large building. For normal daily use, most of the key rooms are used by Her Excellency on a routine basis. In the other more significant buildings in terms of size mentioned by the honourable member, it is possible to have tours without interfering with the functioning of those buildings. In this case I do not think it is feasible to do that on a routine almost daily basis. However, I commend the fact that Her Excellency has had two open days. She has also made the grounds available on a number of occasions for community groups for garden parties, and that is commendable.

The Hon. M.D. RANN: I recognise the problems. I have attended garden parties at Government House and I salute the present Governor on opening the grounds. I am not suggesting that Government House, like the White House, which is not that much bigger in size, should be opened on a daily basis. If there were a regular time—perhaps the first Sunday in every month—when Government House could be opened for a morning, I think there would be colossal interest by the public. The State rooms are on the ground floor and there is a superb collection of paintings of former governors and of kings, queens and others. There is a painting of William IV that bears a striking resemblance to Gough Whitlam, which I know the former Prime Minister often refers to and does not seem to be surprised at. If there could be discussions along the lines of a regular opening day, I think it would substantially add to our tourism infrastructure and the appreciation of the heritage of North Terrace.

The Hon. Dean Brown: I will raise that matter with Her Excellency. I think it is very much in her domain. It would be inappropriate for me to do any more than draw that matter to her attention. I saw all the portraits recently when Her Excellency showed me some of the key features of the house. Some of those portraits are flattering and others are not. I will not pass judgment publicly on those which I think are flattering.

Mr BRINDAL: Will the Premier confirm that, if we remove the security services, which were a hidden cost of the establishment of Government House, we get a total expenditure of \$1.021 million as opposed to a voted amount of \$1.1 million last year so that in real terms the cost for the Governor's establishment has been reduced by 7.2 per cent?

The Hon. Dean Brown: I confirm that, compared with what was voted last year.

Mr BRINDAL: Regarding the opening of Government House, will the Premier get from Her Excellency some statistical record of the thousands of South Australians who are regular visitors at Her Excellency's invitation to the grounds not only in terms of the open days but, as the Premier commented, the exceptional number of functions that Her Excellency hosts? Is the Premier also aware that, when

Buckingham Palace is open, it is only when Her Majesty is not in residence? It is never open when Her Majesty is in residence because of the inconvenience caused by hundreds of thousands of people trooping through the State and other rooms in the palace.

The Hon. Dean Brown: I will get that information for the member for Unley.

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

Auditor-General's, \$7 110 000

Departmental Advisers:

Mr K.I. MacPherson, Auditor-General.

Mr K.G. Bockmann, Deputy Auditor-General.

Ms J. Williamson, Manager, Administrative Services.

The CHAIRMAN: I declare the proposed payments open for examination.

The Hon. Dean Brown: Before proceeding further, I think it is appropriate that I briefly make what has been a traditional statement at this time. As all members would realise, there is very interesting information in the Auditor-General's Report which is tabled in Parliament each year and this year was tabled on 6 September. However, as members would be aware, the focus of interest at this time is that of the estimates of the Auditor-General's own department. Matters relating to other departments and statutory authorities should be raised with the responsible Minister at the time of the estimates hearings in question. The Auditor-General would be pleased to assist the Committee with respect to any matters relating to the operations of his own department.

The Hon. LYNN ARNOLD: I understand that matters relating particularly to an individual Minister and his or her lines can appropriately be addressed to such Minister. There are a number of things in the Auditor-General's Report that are across Government, and the appropriate Minister for those questions to be directed to is, of course, the Premier. We would feel that there should be the opportunity for us this afternoon to ask questions of the Premier on the basis of cross-Government references made by the Auditor-General.

The Hon. Dean Brown: When it comes to the Premier's Department, if it is appropriate that those matters be raised I will answer questions. Some of the matters to which the Leader is referring may relate to financial management, in which case they should be raised with the Treasurer tomorrow.

Mr BRINDAL: On a point of order, Mr Chairman, it has previously been the custom for the Estimates Committee to extend the courtesy of an opening statement at the beginning of each Minister's hearing. I know that the Premier and the Leader have deferred that, but is it the Chair's intention that there should be an opening statement at the beginning of each line? It has never been the custom in the past.

The CHAIRMAN: The normal procedure is that statements are made at the beginning of each Ministerial portfolio, and the announcements made both by the Premier and the Leader of the Opposition this morning were exceptional rather than customary. The Chair would prefer that lengthy individual statements were not made at the beginning

of each line but rather that the lines themselves were addressed.

The Hon. LYNN ARNOLD: I refer members to page 39 of the Program Estimates where, under 'Performance Indicators', the Auditor-General's Report is to detail, among other things, the extent of feedback from Parliament, the Executive Government (which is represented by the Premier), auditee management and the public; and then performance indicators will be reviewed in 1994-95. I note in the Auditor-General's Report on page 6 a reference to internal control procedures and work force reductions, as follows:

In the implementation of the targeted separation package scheme, agencies should be conscious of the fact that, unless arrangements are closely managed, the loss of personnel with key skills and the loss of those with an understanding of administrative and operational procedures may adversely affect operational effectiveness.

The performance indicator details that there should be feedback from Executive Government. I would appreciate the Premier's feedback on the processes used to determine who shall receive TSPs while ensuring that the process is not, through skills attrition, detrimental to public sector efficiency and effectiveness.

The CHAIRMAN: Does the Premier wish to respond on what is a marginal question? It intrudes partly upon Government as a whole and partly upon the affairs of the Treasurer.

The Hon. Dean Brown: In fact, this comes under the Commissioner of Public Sector Employment, whose operation comes up later today, and I think it should be dealt with at that stage. In general terms, the Auditor-General has drawn that to the attention of Government and, if the honourable member wishes to raise it this afternoon, I will clearly indicate to him that the Government does take note of the points raised by the Auditor-General. The Auditor-General and I have discussed this matter as well.

The Hon. LYNN ARNOLD: We will certainly pursue that matter further in other lines. Also on the matter of feedback, the Auditor-General raises issues of locked-in dependency to external consultants across Government. When does the Premier intend to provide the feedback on the comments made on pages 43 to 46, in particular:

A 'locked-in dependency' to external consultants on matters of core competency vital to the operational and financial accountability needs of an agency is not, in my opinion, consistent with the rationale for the engagement of external consultants.

When will feedback be provided on that aspect of the report?

The Hon. Dean Brown: I think it is appropriate that I ask the Auditor-General to answer this question.

Mr MacPherson: The issue being underlined in that context was to try to ensure that individual agencies did identify those core competencies that should be maintained. With respect to those particular matters, it was important that they did not find themselves locked into consultancies or in fact develop a dependency on consultancies. This could be inappropriate.

The Hon. LYNN ARNOLD: Has the Auditor-General felt confident that he has, at the earliest possible opportunity, been given the full information on all external consultancies by all areas of Government?

Mr MacPherson: I believe that we have. This financial year we will make external consultancies a particular focus to seek to fully understand the extent of external consultan-

cies in the South Australian public sector and seek to understand how they were managed in all respects.

Mr BRINDAL: As a procedural matter, I would point to a statement made by the Hon. Mr Mayes when addressing the Estimates Committee last year in terms of the Auditor-General's Department. He said:

It is understandable that there will be significant member interest by members of this committee concerning matters that may be contained in the annual report of the Auditor-General that was tabled in the Parliament. However, as members would be aware, the focus and interest at this time is that of estimates of the Auditor-General's own department.

He went on to say that matters relating to the Auditor-General's Report are more properly confined to other places and to questioning of the Minister. For the benefit of the Committee, I would point out that that was the position of the Minister last year.

The CHAIRMAN: The Chair has already ruled on that position. When the Auditor-General's Report impinges directly on other ministerial portfolios, those questions are properly asked. If, however, issues raised within the Auditor-General's Report impinge directly on the Premier's Department, it is quite proper that the Premier be asked to respond to those and to those only.

The Hon. LYNN ARNOLD: I draw attention to the fact I was invited to ask questions on pages 33 to 42 of the Program Estimates, and I am doing precisely that. The Auditor-General has indicated that he requires feedback from Parliament and Executive Government. I am simply asking what is the feedback provided by Executive Government in areas that have cross-Government responsibilities.

Mr MacPherson: One of the forums within which we can relate to ensure there is that effective feedback is the Economic and Finance Committee or any other committee of the Parliament that might seek to access our assistance.

The Hon. LYNN ARNOLD: I thank the Auditor-General for his comment. I am not a member of that committee but I am a member of this Committee. As to outsourcing, which is an across Government issue, if the Premier wishes, we can ask it of each Minister with respect to the Minister's agencies. The Auditor-General makes the following reference:

While acknowledging the fact that there may have been some notable successes, it is also important to emphasise that the experience in other jurisdictions has identified some matters that should be considered when implementing any key initiatives in South Australia.

He goes on to refer to due diligence being required, and he particularly addresses the issue of vendor lock-in. I refer the Committee to page 35 of his report. I seek further information about the kind of feedback that the Auditor-General requires and what kind of feedback, and when, the Premier will be giving about the concerns of vendor lock-in.

The Hon. Dean Brown: It is appropriate for the Auditor-General to answer for himself.

Mr MacPherson: In particular, New South Wales has had experience in relation to the privatisation of highways, which has indicated that a number of legal and other issues need to be assessed carefully to ensure that Governments are not wrong footed about the process. Privatisation initiatives have been undertaken in Victoria and are still being taken to fruition. Privatisation issues have been initiated in Western Australia and Tasmania, and the Commonwealth has undertaken a number of initiatives recently. Some of the Commonwealth initiatives have been subject to reports by the Commonwealth Auditor-General, and I was mindful of his observations when I made my report this year. If the Leader

of the Opposition seeks particularisation on that, I can arrange for it to be provided.

The Hon. LYNN ARNOLD: That would be appreciated. As to outsourcing, the Auditor-General specifically considered another matter with respect to information technology, and he considers that the original date of 30 June for important determinations of the deal that had been announced before the election would not allow the Government to structure and negotiate a sound long-term outsourcing arrangement with the preferred vendor or vendors. I refer the Committee to an arrangement that is 'understood to be one of the largest of its kind in Australia and is considered even large by world standards'. I refer to page 39 of the report. That sentiment is repeated in today's press release, where the outsourcing agreement calls it 'the largest outsourcing contract of its type to be awarded in Australia'.

The Hon. Dean Brown: Mr Chairman, on a point of order, I am happy to have this question raised with me this afternoon, but the Leader is clearly stepping outside the guidelines that you laid down concerning the Auditor-General. I would be happy to deal with it under the appropriate line of Premier and Cabinet this afternoon.

The CHAIRMAN: I cannot see any problem with the Premier's response. The Premier has indicated his willingness to respond to the question.

The Hon. LYNN ARNOLD: If that is the case, we are happy to finish with our examination of this line. The Auditor-General's Report fully details his own expenditure lines and we feel fully informed on the details relating to the matters listed in the budget, the \$7.1 million, and we have no further questions to ask.

Mr BRINDAL: I know the importance that the Premier puts on accountability of Government to the people. Will the Premier confirm that, in line with his desire to see leaner and more efficient government, the voted amount for the Auditor-General has been reduced by the same amount as for all Government departments?

The Hon. Dean Brown: We have had discussions with the Auditor-General on his budget and, with someone like the Auditor-General, it is best for him to speak for himself. There has been an arrangement whereby certain charges of the Auditor-General will be allowed to increase and he will collect additional revenue from that increase in charges. The Government wanted to be assured that the Auditor-General had adequate resources to meet what he saw as the needs of his operations.

Mr MacPherson: The department has responsibility across three areas, that is, financial attest, compliance and economy and efficiency type auditing. As to financial attest audits, we seek to recover costs through the fees that we bill the various agencies that we audit. With respect to compliance and value for money auditing, we will be funded through the appropriation process and, at this stage, I have no concerns about the adequacy of my budget this year. I am acutely aware of the need to raise my hand if a need or concern arose about the necessity to probe more widely on a matter and I can give the Committee the assurance that I would not hesitate to do so.

The Hon. Dean Brown: It is also appropriate to draw the Committee's attention to the fact that, as Premier, where I see a need, I would draw matters to the Auditor-General's attention, particularly where the Government is doing things that are not routine and, therefore, as part of the new process we need to be absolutely satisfied that we have the highest possible standards of accountability concerning what we are

carrying out. One area where I have appreciated the Auditor-General's cooperation has been in the outsourcing of the Government's information technology proposal. In that case specific resources were allocated by the Auditor-General as part of that process involving ongoing monitoring. I can assure the Committee that that will continue in the future in any area where the Government sees that it is taking unique steps, steps that may be one off, but where it is important to satisfy that level of accountability.

The CHAIRMAN: There being no further questions, I declare examination of the vote completed. I understand that the next line of Premier and Cabinet is to be considered between 2 and 4 p.m. Can the Premier bring his staff at short notice if we open the line now?

The Hon. Dean Brown: Yesterday, I received a letter outlining the anticipated times that this Committee would operate. Last year, as Leader of the Opposition, I asked that we have some control over that; times were set down and the Government cooperated. I wanted to make sure that I facilitated the Leader of the Opposition the same way this year and times were set down. The time for the Auditor-General was 12 noon to 1 p.m., lunch from 1 p.m. to 2 p.m., and the Department of the Premier and Cabinet from 2 p.m. to 4 p.m. I am happy that we immediately try to start work on that line but I point out that my staff are not here because, based on the letter I received from the Leader of the Opposition yesterday, they were not expected to be here until 2 p.m.

Members of the committee need to understand that we have complied with the request but now, because of the obvious need to speed this up, I have asked for Mr Schilling, the CEO of the Premier's Department, to be here as quickly as possible. However, I am willing to continue to proceed with the Premier's line.

The Hon. LYNN ARNOLD: The Premier is correct in that there has been communication between officers, and I thank him for that cooperation. It is a return of the cooperation extended by the previous Government to the Leader of the Opposition and shadow Ministers at the time. In my correspondence to the Premier I indicated that the suggested times are subject to revision on the day, and the Premier himself alluded to that by the use of the word 'anticipated'. We anticipated that we would be able to ask more questions under the Auditor-General's Report, given that this year it appears under the Premier's line (the Minister responsible for all areas of Government in the final analysis), unlike previous years when the Auditor-General appeared under a specific Minister who did not have responsibility for areas other than his or her own portfolio. However, notwithstanding the statements on page 39 of the program description, it has not been possible for us to proceed with the questioning as we would have liked. The Premier invited us to repeat the same questions later in the day and the Premier indicated his willingness to answer, and I am happy to oblige.

The CHAIRMAN: I have read the letter from the Leader of the Opposition to the Premier, and it implies that the Auditor-General might be required after the lunch break, the inference being that that session would be longer. If there has been a misunderstanding, I thank the Premier for his cooperation in attending to any questions before lunch on the Premier and Cabinet line, and assume that in the event of any full answer not being available, the question may be repeated after lunch.

Mr BRINDAL: I have a point of order, Mr Chairman. In view of the statement of the Leader of the Opposition, I trust that the Leader was not reflecting on your ruling from the

Chair. I did not hear the Premier refuse to answer anything other than to confirm your ruling about when he should answer appropriate questions.

The CHAIRMAN: I assure the honourable member that, had the Chair felt there was a direct reflection, the Chair would have acted. I understood that this was simply a debate as to the import of the correspondence between the Premier and the Leader. There is no problem.

Premier and Cabinet, \$12 623 000

Membership:

Mr Foley substituted for Mrs Geraghty.

Departmental Advisers:

Mr Michael Schilling, Chief Executive Officer, Department of the Premier and Cabinet.

Mr John O'Flaherty, Director, Corporate Services.

Mr John O'Daly, Manager, Financial Services.

Ms Susan MacIntosh, Director, Cabinet Office.

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

The Hon. Dean Brown: Before we proceed further, I would now like to exercise my right to make some introductory remarks. It is appropriate to do so at this point because there have been some fairly significant changes to the nature, role and size of the Department of the Premier and Cabinet and the functions that department is due to carry out. It will assist members of the Committee if I outline, in broad terms, the nature of some of those changes, so that it then facilitates asking questions about why certain lines have increased or decreased, particularly in terms of general lines such as staffing, etc.

I will now highlight some significant changes that have taken place within the department: first, the creation of a new office of Public Sector Management. That office takes over the functions previously carried out by the Office of Government Management, but it has an expanded role. The unit will focus on implementing the Government's public sector reform agenda. We see this as very important.

The real task of that office will be to make sure that we have a fundamental change in the style of management within the whole of Government. That change in style of management is to place more responsibility on CEOs of Government agencies and departments and for them to have a much more open and flexible system of management and structure within Government. Enormous changes have occurred in both the organisational structure and the style of management throughout western society over recent years, but I do not believe that the Government as such has reflected those changes.

Therefore, if we are to achieve the benefits of dramatic changes in information technology and improvements and changes in the way that organisations are managed, and certainly in a much more flexible and inclusive way, I think it is important that we bring about those changes within Government. The second key area is a new Deregulation Advisory Unit, which previously sat with the Economic Development Authority. This is an upgraded unit in terms of its staffing levels and role. We can talk about the role of that department as we go through the lines.

The third new initiative is the Economic Development Advisory Board, which previously had been covered by the budget lines of the Economic Development Authority. The Economic Development Advisory Board is chaired by Mr Ian Webber, an outstanding Australian director. The South Australian Government and the South Australian people can be proud of obtaining the services of such an outstanding and distinguished Australian and South Australian. Mr Webber sits on a range of national boards; he is chair of a range of those boards and has provided outstanding leadership in terms of corporate development within Australian economic development. A support unit backs up the Economic Development Advisory Board, and that unit sits within the Department of the Premier and Cabinet.

The fourth initiative is the creation of the Regional Development Task Force. Its task is to identify opportunities and barriers to growth and investment in key regional areas of South Australia, and also to initiate new opportunities by the Government to ensure that funds are provided for regional development within South Australia. Funds are provided by the South Australian Economic Development Fund and the Planning and Development Fund. Part of the role of the Regional Development Task Force is now to develop a planning, social and economic development plan for the regions of South Australia—something that has not been done in the past. It is a very exciting initiative and one that ultimately can bring significant benefit to the regional parts of South Australia. It also coincides with the Federal Government looking at ways of strengthening regional development within South Australia.

The next major initiative is a response to two key Federal initiatives. It relates to the Federal Government's initiative on competition policy, known internally as the Hilmer recommendations. The Hilmer recommendations, and therefore the initiatives that must be taken up by COAG, involve an audit of Government activities in terms of competition. Key legislation is being prepared and ongoing discussions are taking place at Federal level between State and Federal officials.

The other initiative, which is occurring simultaneously, is the impact of the Native Title Act, and South Australia is in fact leading some of the negotiations for compensation from the Federal Government; it is leading on behalf of all the States of Australia. That highlights the extent to which South Australia is viewed by the Federal Government and other States as clearly understanding the initiatives involved and the potential impact on State Governments around Australia.

The final point is that an Office of Project Coordination will ensure a whole-of-Government approach is taken when projects are identified and that there is a quick and positive response from various Government departments and agencies when those projects are identified and brought to my attention or that of other Ministers. Other initiatives include the creation of a combined corporate services function for not only the Department of the Premier and Cabinet but also the Department for Treasury and Finance, the Office for the Commissioner for Public Employment and the Multicultural and Ethnic Affairs Commission and Office. The Government has taken this initiative to rationalise corporate services and to bring about significant budget savings. So, instead of having a separate corporate services office with duplication of staff in each of those four areas, the Office of Corporate Services will be shared by all four departments and offices involved. Mr John O'Flaherty is the Director of the Office of Corporate Services.

Several other initiatives have been transferred out of the Department of the Premier and Cabinet, including the Women's Information and Policy Unit, which has been transferred to the Office of the Status of Women, reporting to the Minister for the Status of Women; and the Information Policy Unit, which was transferred to become part of the Office of Information Technology, reporting to the Deputy Premier and Treasurer. The Office of Information Technology was a policy unit within the Department of the Premier and Cabinet, and it looked at setting up Information Utility No.1, Information Utility No.2 and Southern Systems.

When the Liberal Party came to office, the unit was looking at how the Government should set up a significant two-way communications system to cover all Government emergency services. In fact, one of the very first proposals put to me, as Premier, to take to Cabinet was to spend something like \$50 million setting up a two-way communication link within Government for the whole of Government. That was only the first part of that initiative; considerable ongoing expenditure occurred over and above that, and the Government has decided that that should be looked at now as an outsourcing role. The Government is negotiating with Optus and Telecom, both of which are working up proposals to put to Government in the near future in relation to this matter.

The final area to which I refer is the new Strategic Policy Unit, which has the clear objective of ensuring that policies are developed which cover the whole of Government, including social and economic activities of Government. Whereas the Economic Development Board specifically looks at economic development and develops long-term strategies for that, the Strategic Policy Unit looks at the overall development of South Australia, the areas of need and also opportunities that arise to ensure that long-term strategic policies are in place for the benefit of all South Australians. I have outlined those areas so that members understand that there has been, in net terms, a very significant increase in the functions brought into the Department of the Premier and Cabinet, and that accounts for the increase in expenditure.

The Hon. LYNN ARNOLD: I do not wish to make an opening statement. The Auditor-General considered information technology outsourcing in his report, and at page 38 he considered that the original 30 June date for important determinations of the deal would not allow the Government to 'structure and negotiate a sound long-term outsourcing arrangement with a preferred vendor(s)'. How does the Premier intend to address concerns raised by the Auditor-General regarding outsourcing and privatisation, particularly in view of the fact that the information technology transaction is described on page 39 of the report as follows:

Understood to be one of the largest of its kind in Australia and is considered large, even by world standards.

That sentiment is echoed in the media release made by the Premier this morning, where he talked about it being the largest outsourcing contract of its type to be awarded in Australia.

The Hon. Dean Brown: The Government has had a range of advisers working closely with it and, in particular, with the Office of Information Technology in relation to outsourcing. A group called Nolan Norton which, in technical terms, is regarded as one of the best groups in the world with very considerable international experience in outsourcing. It has brought that experience particularly from the United States of America, and it has been working on the procedures with the Government from May.

Earlier in the year I invited the Auditor-General to put resources into monitoring the process. I discussed with the Auditor-General—and I stress that it was my initiative—the process we were planning to go through, and I thought it was very important that he have the chance at any stage to comment on that procedure. I highlight how different that is from what invariably occurs: most people try to treat auditors as people who report on historic facts, and by the time they report it is too late to do anything about it.

So, we had the rather unique situation of having the Auditor-General with the actual resources as part of the outsourcing of the information technology. In fact, the Cabinet subcommittee had already received a recommendation from Nolan Norton and the Office of Information Technology that there ought to be an extension of the process well before the Auditor-General even raised the matter with me. That matter was first considered in very late May, and all parties agreed that we should assess it again as we moved towards the end of June but that it was anticipated that there would need to be an extension of the period; that, by the end of June, it just was not feasible to achieve the position which we have reached and about which I made an announcement this morning.

This morning I announced that the Government has, through a Cabinet meeting this morning, decided to negotiate with EDS for what will be a very considerable outsourcing contract. It will be the biggest outsourcing contract in Australia and one of the biggest outsourcing contracts globally. It is very significant not just because of the outsourcing and the cost benefits that derive from that, as well as having greater uniformity and greater control over the whole of data processing by Government, but also because a very key part of that initiative was the second part of the bidding process, which was that the companies had to bring to South Australia entirely new economic activity unrelated to the outsourcing. I have announced this morning that, as part of this, EDS has undertaken to provide a very substantial, global and regional information technology centre in South Australia.

It will directly create 1 300 new jobs in the IT industry in South Australia. Over the next nine years it will create an additional \$500 million in economic activity. Further details of that will be announced tomorrow by the Asian regional manager of EDS, who is here in Adelaide. I highlight the significance of the announcement because Adelaide will have only the third information management centre in the entire world for EDS. EDS has one in Houston covering America, one in London covering the European area—

The Hon. M.D. RANN: There's one in Washington.

The Hon. Dean Brown: No, there are only three in the world. As I was saying, EDS has one in Houston and one in London, and there will be one in Adelaide covering the whole of Asia. A range of other initiatives will be outlined tomorrow as well. I come back to the specific question because I think it is important that members understand the context in which it has been asked. The Government also decided that before finally letting the contract it was appropriate to ask some senior people involved in the negotiating of the contract to go around the world to look at two things. First, they should look at facilities offered by IBM and EDS elsewhere. In other words, they were talking about things like information management centres—what they meant, what their significance was, and what sorts of activities they undertook. The other purpose of the trip was to make sure that they had the chance to talk to major clients who had outsourced their

information, and to learn from those other examples where outsourcing had occurred, in terms of the process, how to ensure that they had the right contract that gave all the protection to the Government that the Government would want in areas such as security, privacy, ability to withdraw from the contract if anything should go wrong, and the ability at the same time to make sure you had world best practice in terms of outsourcing.

As part of that exercise, the Government decided to engage a legal firm from Washington D.C. and, in particular, one individual from that firm who is regarded as the best legal and commercial negotiator in the world when it comes to outsourcing contracts. I say that without any fear of contradiction. That person has been here in Adelaide. I have had the opportunity to work very closely with him in recent days and he is an outstanding individual. We realised, as we progressed through June, that we needed to make sure we had all those potential risks for the Government identified, and that we could protect the position of the Government and, therefore, the State.

It was interesting—having gone through the process, having made the announcement this morning and having had the opportunity to talk to the firm of lawyers from Washington—to ascertain how they compare what we have done here with what has been done elsewhere around the world. In fact, I include not only that firm of lawyers but also Nolan Norton, who also have been through similar processes with a whole range of companies or Governments around the world. Both have now reported that they believe the procedures we have adopted here are of the highest standards, protecting the interests of the State to the best they believe can be achieved, and at the same time there has been very tough commercial negotiation.

We had the two largest outsourcing companies in the world locked in, if you like, battle in terms of making sure that they were being asked to put forward the best and final offers. As part of that process the Government received the best benefit for the State. One only has to look at what has finally been achieved and the extent to which that is a substantial upgrade on any previous announcement in this area over what might possibly have been achieved, particularly with the economic activity involving \$500 million in extra value to gross State product and the fact that we will create 1 300 jobs directly within the information technology industry here in South Australia over the next nine years.

When the Auditor-General wrote to me and raised this matter—and he wrote to me as Chairman of the Information Technology Subcommittee of Cabinet—I was able to go back immediately and say that the subcommittee had already decided to extend the period from the end of June for at least another two months. I indicated to him that we may extend it further for two reasons: one to allow this trip to go ahead, which we did, and also to bring in further legal advice from the United States, which we did as well. I assure the Leader of the Opposition that the proposals put forward by the Auditor-General were already acted upon before the Auditor-General even raised them with me. He was more than satisfied, as is clearly set out in his report.

The Hon. LYNN ARNOLD: The question I now want to ask is one concerning which, I believe, the Premier will want to utilise the lunch break so that we can have an answer after lunch. I therefore think that the timing is quite convenient. Will the Premier provide a chronology of events in the process of this decision making that has led to today's announcement—not only from May, which is the date

frequently referred to by the Premier, but from before the last election when, in his capacity as Leader of the Opposition, he told the public that he had reached an in principle agreement with IBM Australia for a wide ranging partnership project involving planned investment of \$150 million in South Australia over the next seven years which, he went on to say, would provide significant cost savings to taxpayers in the provision of the Government's information technology needs and would be finalised within three months?

He went on to say that it would lead to 600 direct new high tech jobs in five years in South Australia and over a seven year period to a target of 2 000 direct and indirect jobs. The Premier has detailed today's announcement, and if the expectations of that announcement are fulfilled it will certainly be very good for South Australia. But there is a marked difference with the statements made by him in his former capacity as Leader of the Opposition, and it is appropriate for this Committee, since we are dealing with Government expenditures and the potential for savings including aspects of outsourcing referred to in the Auditor-General's Report, to have quite specific information on the chronology of events occurring from that time until today's statement. As is clear from a number of reports, there are suggestions and counter suggestions about some of the processes gone through. The best way to resolve those is with detailed information about what has actually taken place.

Mr BRINDAL: I rise on a point of order. It is established practice of this Committee that a Minister may take a question on notice. I believe it is without precedent that a Premier is almost being asked to research something over a lunch break. I believe the Premier can either answer it or take it on notice.

The CHAIRMAN: There is no point of order. All the Leader of the Opposition did was to acknowledge that it is just a few seconds to adjournment time and that therefore if he were given the chance to put his question he would be doing the Premier a favour by giving him an hour in which to research it. I rather see that as something in the Leader of the Opposition's favour. I do not see it as any disrespect to the Chair or the Premier.

The Hon. Dean Brown: I can assure members that I need no time whatsoever to research the answer. I would like to at least start so that the members go away from here understanding the significance of this morning's announcement compared to any previous announcement by either the former Labor Government or myself as Leader of the Opposition in terms of the potential benefit to South Australia from the outsourcing of our information technology. I highlight the fact that the \$500 million of new economic activity for South Australia over and above the outsourcing activity far exceeds any other expectation that could be achieved and highlights the very significant nature of what has been secured for South Australia. I am only too happy to go through in some detail the chronology that the Leader of the Opposition has asked for.

I would be delighted to do so because we have taken some very bold steps: steps that the former Government was not willing to take. The former Labor Government tried to take some tentative steps with information utility No. 1, and when that failed it took some tentative steps with information utility No. 2; and when that failed it tried desperately to look for other alternatives. It squandered over \$3 million and, in the process, wasted more than three years. We had the opportunity two or three years ago to be the leading State in Australia on information technology and I am delighted to outline to

the Committee how, over a nine month period, we have secured what the previous Government failed to secure in three years having squandered \$3 million. I will go through that detail this afternoon.

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

Additional Departmental Advisers:

Mr M. O'Callaghan, Director, Office for Public Sector Management.

Ms C. Charles, Director, Inter-Government Relations, Department of the Premier and Cabinet.

The Hon. Dean Brown: Before the luncheon break, I was going to set out the chronological detail leading to today's announcement, because the Leader of the Opposition has asked, and I think it is only fair and reasonable, that I highlight the series of events. First, it goes back to 1992 when a number of companies started to approach me about the potential for an information technology industry here in South Australia. I was very aware of that: I had seen from recent overseas travels the significant expansion of the electronics industries, particularly in software development, which is the emerging area. There was a shift occurring in the world away from jobs being created in the manufacture of electronics products to jobs being created in the production of software. That software was either what became the software within the electronic devices, such as in a mobile telephone or a washing machine—it has buttons on it, you press the buttons and it is because of the software in it that the machine does what you want it to do—or the software that would go into a computer in a whole range of applications.

The IT companies came to me as Leader of the Opposition in 1992 and 1993, being very critical of the indecision and failure of the then Labor Government. They were very critical of the failure of Information Utility Mark I. They thought that there had been an opportunity to start developing in this State an information technology industry. They had seen that there was possibly the potential for significant outsourcing here in South Australia, but then the Government of the day got cold feet and backed away from Information Utility Mark I. Incidentally, the Leader of the Opposition (the then Minister for Industrial Development) would recall that a Cabinet submission was prepared which highlighted some of the benefits that could come to South Australia from the development of an information technology industry, in particular through outsourcing.

I remember that, as a result of certain representations made to me, a group of the companies asked me to attend a meeting in a private company's office. These were the very big IT companies in Australia—some Australian and some international companies. For about two hours they highlighted what they described as an absolute bungle by the then Government during this 1992-93 period. This was in 1993. They then talked about how the Government was trying to get together Southern Systems and how Southern Systems, Information Utility Mark II, was a very significantly watered down version of Mark I: Southern Systems was a further watering down of Information Utility Mark II.

What happened was that the Government of the day had lost its nerve. It had decided not to outsource and instead was simply trying to form some sort of cosy relationship with the large IT companies but still do all the data processing within Government. As a result, the companies again became very disillusioned and said, 'We've demonstrated the sorts of

benefits that can flow to the State, but we're losing that.' These companies then started to report to me what was happening in terms of national recognition. Queensland was becoming the most aggressive State in attracting and developing an IT industry.

Because of my own long term interests going right back to the establishment of Technology Park in Adelaide, I had always been of the view that there was an opportunity for a substantial information technology industry in this State, and I was one of those who pushed very strongly for British Aerospace to come here. In fact, at the time of the 1982 election we were very close to signing an agreement with British Aerospace to establish here in South Australia. Interestingly, after the election it withdrew for a number of years and then came back much later. I can now reveal the fact that at the 1982 election we were very close to having an agreement from that company.

As a result, together with a group of specialists in the IT area, I looked at what the real potential was for South Australia and how we could secure it. The bold move there was to use the outsourcing of Government information technology not just as a means of saving costs to the Government but, very importantly, for making sure that we attracted new economic activity. To my knowledge, it had previously not been done anywhere in the world and still has not been done as a means of securing new economic activity as part of an outsourcing contract in the IT area.

Towards the end of 1993, I was having very fairly frequent meetings with a range (and I stress a range) of companies, including IBM, EDS and others, all of which had basically the same story about the lost opportunities and the benefits that could flow to the State if we were the first (and I stress 'first') to take the bold step of outsourcing on a large scale. I stress that some of these meetings with a number of companies actually took place during the election campaign and that these companies could see that there would possibly be a change of Government but were very keen to ensure that with a change of Government we did not lose the sorts of initiatives that they thought we could develop here in South Australia.

That was the part that concerned them most of all: that we should get in, manage data processing and come to grips with what the former Government had really failed to achieve. The problem was that through lack of management skills the former Government had failed to secure control over the whole process of data processing. It was still largely being seen as data processing in a whole range of independent Government departments and agencies which were never integrated, so we had the sort of diversity that I talked about previously in Parliament.

Then IBM said that it was absolutely committed to seeing Government outsourcing and sharing our vision in terms of what new economic activity could be secured for the State. It indicated its willingness to talk about this vision and said that if the Government did outsource—and IBM expected the Government to go through a due diligence process of selecting a range of companies—it saw a potential market and, as part of that, if it was successful in winning that outsourcing contract, it would therefore be willing to establish in South Australia very substantial new economic activity. In particular, it talked about 600 direct jobs in the IT industry and \$150 million of economic activity.

Immediately after the election I was determined that we grasp the nettle, go through a due process and bring about my vision. As a consequence of that, one of the first things I did

was to set up the Office of Information Technology to make sure that we brought under the one agency all or most of the data processing within Government and that therefore we had control over what was happening in various Government departments through this office, which initially reported direct to me. We appointed Ray Dundon to be the CEO of that office. Then, on 29 December, I think, we appointed the Information Technology Industry Development Task Force, with Professor Craig Mudge as the Chairman. The idea was that the task force had the specific responsibility of looking in some detail at how we developed that vision, what sort of companies we could attract and how we could set out to attract them to South Australia. It looked at economic development. At the same time, the Office of Information Technology set about to integrate and bring together under one umbrella information technology and data processing in Government.

Earlier this year, I sat down with most of the major international IT companies. We said that the first step should be that they understand the Government's vision and how we intend to implement that process, and we needed to find out from them any refinement of the process. So, I allocated between an hour and an hour and a half to each of these major companies to come along and make a formal presentation to me, Ray Dundon, Craig Mudge and others involved in this whole process. As a result of that, we had companies such as Digital, DEC and Fujitsu—about 10 companies in all—making major presentations. Consequently, a number of them then asked very senior management from America to fly out for subsequent discussions with me. In particular, I remember one of them, who was really one of the fathers of the modern computer industry of the world; he flew out and spent about three quarters of an hour talking to me. He said to me, 'You are taking some very bold moves, but you are taking the right moves, and what you are trying to achieve here will be a quantum leap for South Australia.' He said also that it is difficult, because traditionally Governments have not been able to get control over all their data processing in different Government agencies. He said that, if we can achieve that, the benefits will be huge. And modern companies do it, so why cannot Governments?

We went through that process, companies were then asked to make detailed submissions to Ray Dundon and Craig Mudge, and out of that process, which took place at about the end of March, they finally sat down and decided to select. They looked at different segments. I am simplifying it a little, because we broke up the whole of Government into nine major sectors. We decided to bulk together networking, local processing and mainframe work, and we identified at the preliminary stage that we thought there was \$120 million to \$140 million worth of work in that area. Another area was software; we saw a potential for the common use of software for word processing, financial management, payroll systems and areas like that. Another was in the two way communications area. Cabinet decided to go down a similar path in looking at outsourcing for information technology.

I mentioned earlier today that there had been a proposal for Government to do it itself, but that was ridiculous, because companies such as Telecom and Optus had networks and computer systems in place, and all Government had to do was to learn how to link into that system. I also had some excellent discussions with Optus, Telecom and other communications companies. I also examined the experience and what had been achieved in New South Wales as a result of the bushfires there. A remarkable two-way communica-

tions system was put together there, covering literally thousands of volunteers. That network was set up over a two or three day period, using mobile local processing centres. They used mobile telephones as the two-way communications link, and the results were quite outstanding. Out of that, the Cabinet subcommittee which had been appointed by Cabinet (and that consisted of the Deputy Premier, the Minister for Industrial Affairs and me as Chair) made a decision based on a recommendation to us that we should bulk together these three areas and that we should go into a final process of negotiating with the two biggest outsourcing companies in the world in this area, IBM and EDS. EDS is marginally bigger than IBM in terms of outsourcing, but IBM is marginally bigger because it also manufactures and has other activities.

At that stage we decided to bring in outside help and technical assistance, because already a lot of information had been fed into Australia by outside specialists. By late April or early May, we brought in Nolan Norton, and we also consulted other specialists. I remember on one occasion speaking to Ian Webber, Chairman of the Economic Advisory Board. He had been Chairman of Optus and Fujitsu and Managing Director of Mayne Nickless. If ever there was someone who understood how to run a company and handle information technology, it is he. Mayne Nickless is probably the biggest payroll handler in the whole of Australia and has other services whereby companies—clients—outsource their data processing and a whole range of activities to Mayne Nickless. I discussed with him whose advice he would take, and in particular he highlighted an Australian individual who had done a lot of work overseas and who had recently come back to Australia. I telephoned that individual to ask his advice as to the best process to go through. He in particular knew both IBM and EDS extremely well and gave us advice on what he thought was the best way of securing the best deal for South Australia as part of outsourcing.

I put enormous personal time and effort into this, as did other members of the Cabinet subcommittee. In particular, I draw attention to the staff such as Ray Dundon, Peter Bridge and others who were working enormous hours, even going back to April-May, to get through this entire process so quickly. The speed was important because, if we were not the first in Australia, we would lose some golden opportunities. Then in late May, on the advice of Nolan Norton, which had set out very detailed plans in terms of the procedure, what the risks were, how to ameliorate those risks and how to bring in other advice as well, Nolan Norton stayed there throughout the process, and each time we had a major meeting of the Cabinet subcommittee it would come back to give technical advice to the subcommittee. As the Auditor-General said in his report, it prepared a range of information as well. The Auditor-General asked to make sure that they were highlighting the procedure that should be adopted. He had faith in their judgment because of their experience, and the Cabinet subcommittee did, too. Basically, all that the Cabinet subcommittee did at each stage was to listen to the advice that was given and take it to the next step based on that advice.

The two companies involved, IBM and EDS, were asked to put in a best and final offer. A BAFO document was then released outlining exactly what the Government was asking for, and by about the end of June they were asked to bring in their best and final offers. The companies made those submissions. Having looked at the best and final offers we realised we needed further advice and assistance on how to assess them, so consultants were brought in to assess the economic development potential and to score them.

We went through an enormous process of making sure that no-one had a bias one way or the other towards the two final bidders. Anyone who had a potential vested interest was automatically excluded from the process. We kept the task force separate from the outsourcing side and we independently assessed the economic development and outsourcing and the benefits and technical basis on which it was being done. As I have indicated, we extended the period by just over two months. We knew that about now was the time it would take. We sent the team overseas to look at experience there. Finally, as a result of that overseas trip and because of other communications we had going back some months, we identified these lawyers in America. We sought their advice and we brought in lawyers from Canberra who had been involved in outsourcing for the Federal Government. We also brought in the best lawyers that we could find in Adelaide who had previous experience of this kind of thing.

We have been through a fairly intensive negotiating process with the EDS, and a final selection was made as to which company had put forward the best offer. We decided to accept and adopt the procedure used by the World Bank for assessing tenders, which I had been involved in and which I believe has stood the scrutiny of thousands of contracts around the world. We adopted that procedure, which was that once we had assessed the better bid we would sit down and negotiate with the company concerned. We also notified the other company that that was the case. If at any stage we did not think we were making satisfactory progress, we would have shifted to the other company, and the companies understood that. At about 4.30 this morning we finalised the deal.

The matters outstanding from yesterday were somewhat less in importance, but it was important to finalise those outstanding matters. At 1.30 this morning I was on the phone to Ed Yang, the Asian regional manager of EDS, who was in Wellington, New Zealand. He is currently travelling to Adelaide, but I also went through a range of points that the negotiating team asked of us. I stress that the only groups who have been allowed to have contact with the companies involved have been the negotiating team led by Ray Dundon, Peter Bridge and the lawyers from America.

As Premier I appreciate the enormous effort put in by the public servants. They have done a superb job over the past few months. In particular, I highlight the work that has been done by Ray Dundon and his team, Peter Bridge and his team and Craig Mudge and his team, with help from the Crown Solicitor and others in this process. It has been a huge success to achieve in nine months in South Australia what other Governments in Australia have secured for only one Government department over 18 months. Victoria, which is the other Government which has taken steps down this path, took 18 months to get to the same point as we have reached in nine months, but it has done it for only one Government department whereas we have done it for the whole of Government.

The Hon. LYNN ARNOLD: I thank the Premier for going through that chronology in some detail. We appreciate the detail that has been provided by the Premier, but there are two areas on which I have some further questions. First, the detail was specific up to about July and it is a little less specific from then on. I appreciate what the Premier said about the selection of the consultants in July having been done on the basis of no conflict of interest in the areas of economic development and outsourcing. Who were the consultants in each instance?

The Hon. Dean Brown: I can give some of the names, but I cannot recall all of them. In July the outsourcing group and the economic development group independently assessed the two offers that had been made. This was a team of people, not just one individual. Whole teams of people worked on this. Where they thought it was necessary to get additional assistance, they did. Peat Marwick were advisers to the industry development task force. In fact, the same people had been used who had previously been employed by the Centre for Economic Studies at Adelaide University and who did some work for the former Government in this whole area.

The reason why I have not gone into much detail is that it was a period of assessment. In early August, the two companies were invited to come in and they made a one hour and 20 minutes presentation to the Cabinet sub-committee, with questions and answers. They did that on the same day. As a result of that, further work was asked for by the Cabinet sub-committee. As I said, in the past 11 days or so there has been intense negotiation with some very significant additional benefits to South Australia.

The Hon. LYNN ARNOLD: I understand that the Premier cannot recall the names of all the consultants. I am not expecting it now, but will the Premier provide us with a schedule of those consultants for inclusion in *Hansard*?

The Hon. Dean Brown: Yes. I have stressed the point that in this process we had to bring in the best advice that we could, no matter what the cost, within reason, because we are dealing with a \$700 million-plus contract. If it cost \$100 000 to get an appropriate consultant on something and we thereby achieved benefit, so be it. Although I know the costs have been high over the past few months in terms of the specialists that we have brought in, the benefit in the past two weeks alone has been huge. I am talking of factors of more than 100 to one.

Mr BRINDAL: In order to facilitate the work of the committee, I point out that Estimates Committees exist for the Opposition to question Ministers. Four members constitute a quorum, and the Deputy Leader of the Opposition has been absent for half an hour. On occasions Government members will have to go and represent Ministers. Should that occur, the committee would lapse for want of a quorum if the Opposition is not present. My first question relates to Receipts and Payments, page 33, program 1: planning and policy development. It states that a new deregulation officer has been appointed within the Department of the Premier and Cabinet. Will the Premier explain the advantages of locating the new office in the central department and how its work will differ from its predecessors? I am aware that the Premier covered this briefly in his introduction on the restructuring of his department, but I hope that he can enlighten the committee further on this matter.

The Hon. Dean Brown: Cabinet decided to transfer the deregulation office into the Premier's Department because there had been ongoing deregulation units out in peripheral departments for a number of years. They had produced some very good reports—in fact, the former Government produced a report on deregulation which I thought was very good. The person concerned highlighted a whole range of areas where some deregulation should take place. I recall this going back over many years, so it was not just that specific case. These good reports had been prepared but, because they were in, if you like, a peripheral department, very quickly all the other departments would cyclone the recommendations and nothing would occur. Successively, over about 20 years in South Australia, there have been some good recommendations on

deregulation and nothing has occurred. So, I saw it as a fundamental step to bring it into the Department of the Premier and Cabinet and give it the authority of the Premier and therefore the authority to go out and demand the cooperation of all other departments.

The other important thing we did was to change the model we had used. Up until we came into office, people had prepared reports by looking at specific Acts and deciding how they should be amended. I suggested we go to a case study where you sit down with an industry, look at all the regulations that affect it and decide how to simplify the regulations. We have been working with a number of industries, one of which is the motor trades in areas such as training, second-hand motor vehicles, towing regulations and vehicle inspections. Another area is the real estate industry. They are two industries, and there have been others as well, where we have sat down with the entire industry to see what could be achieved. We recently made a significant appointment to the office. We are looking to make very significant headway in this area of deregulation.

I think at times we use the term 'deregulation' incorrectly. In fact, in many cases it is not deregulation but self-regulation or simplification of regulation. We are not about to suddenly deregulate the whole thing. We are saying there should still be some overall control and an audit in particular on the behaviour of the industry. Things can be done more efficiently and cost effectively. A classic example is in motor vehicle inspections. Inspectors had to go out from Adelaide and, if vehicles needed to be inspected because they had been defected in Mount Gambier, the officers drove there, invariably spent three days and two nights on the job and would then lift the defect notice. That is a waste of resource, I believe, and could have been done by suitably qualified mechanics who had special training and who already lived at Mount Gambier. They could have conducted the inspection and very quickly lifted the defect notice.

Mr BRINDAL: In my electorate, and I am sure many other electorates, industry generally is very excited about the issue of deregulation and is looking forward to an environment in which it can be more competitive at a self-regulated level. I refer to program 1—planning and policy development—on page 33 of the Estimates of Receipts and Payments. What is the role of the office of Project Coordination within the Department of the Premier and Cabinet, what is it fulfilling, and what projects is it managing?

The CHAIRMAN: Before calling on the Premier to respond, I advise members that four members represent a quorum, and that the Chairman as a member of the Committee is part of the quorum.

The Hon. Dean Brown: The Office of Project Coordination is there specifically at Premier's Department level to have a group of officers involved in identifying projects that come up and make sure that the relevant agencies or departments within Government are out there fulfilling their role and getting approvals through. Many of the applications that come in now are very complex. I give as an example the potential expansion of the wine industry. We have enormous opportunities in the wine industry, but there are some factors holding back that development.

One crucial question is how to make available additional supplies of water for what is a potential demand for \$300 million to \$400 million worth of investment in vineyards covering an area of about 15 000 hectares. On water alone, you are looking at responsibilities under the Minister for Environment and Natural Resources; the EWS; planning

implications are involved; the Murray River Commission is involved; and the Department of Primary Industries is involved. To help bring all those different activities together and to make sure decisions are made is one of the key functions of the Office of Project Coordination.

I think the Office of Project Coordination is working very effectively. It is also working very closely with the planning people, particularly the EDA. When the Chief Executive Officer or assistant to the Economic Development Advisory Board is appointed—and I expect that to be done in the next couple of months—it will be able to link in very closely with that office and therefore take very much the overview of economic development for the whole of Government. Incidentally, there are six people, or full-time equivalents, in that office.

Mr BRINDAL: In his last answer, the Premier touched briefly on regional development. I will expand on that by referring to program 1—planning and policy development—on page 33 of the Estimates of Receipts and Payments. Will the Premier explain the structure and role of the Regional Development Task Force?

The Hon. Dean Brown: The Regional Development Task Force will look at providing better planning for the whole of Government: that is, economic, social and physical planning of major regions. We have asked the group to prepare a planning strategy for each of these regions, bringing together many existing studies. With respect to the Riverland, there are studies in terms of new value-adding opportunities, the need for rehabilitation of irrigation systems, the potential for new industries, new crops, etc., but it needs to bring that together to incorporate it in an overall plan and to make sure that, where the Government is bringing in physical planning through supplementary development plans, it takes account of the economic development plan.

A classic example might be: should we be opening up further opportunities, for instance, for irrigation in the upper Murray River district or the lower Murray River district? Should we be transferring water rights between the two districts? One area where this has been done with some success already, and the Government has moved quickly on this, is the Willunga Basin, where we want to stop the urban sprawl east of Main South Road. We want to lift the freeze imposed there in 1986 and, at the same time, we want to enhance the viticulture, almond and other horticultural industries in the Willunga Basin and keep that unique environment whilst, at the same time, help to supplement tourism within the basin.

All of that is going to be brought together shortly in a supplementary development plan. It is important to look at the economic aspects as part of the development of that plan. In some ways it takes the principles of 2020 Vision for Adelaide undertaken for the metropolitan area and applies them on a regional basis.

Mr FOLEY: The Opposition welcomes the appointment of EDS as the preferred supplier of services, and I made that statement to the media today. Given the size and nature of the contract, the Premier will appreciate that the Opposition has concerns about the size of the contract and the quantum leap involved in the one step approach that the Premier is choosing to take as against a more stepped approach. That is a legitimate concern to have. I am not saying that we have not been supportive of the Premier's approach, but that is one of the concerns we have and we will be monitoring the situation.

Equally, the speed at which the contract will be implemented is an area that concerns us. In general, the Govern-

ment's thrust is welcomed by the Opposition and vindicates my line and the Opposition's line of questioning since the election because it has never been against the Premier's move towards outsourcing. Indeed, much of that was started under the former Government. What we were concerned about—and I feel we have been vindicated—is that we have never believed that IBM would stack up at the end of the day in being able to deliver what we believe EDS could deliver. The Premier has commented on my whole approach in the past seven or eight months, but I feel vindicated, because I was echoing the concerns that we were given when in government. Indeed, some of the most senior advisers to the Premier are the same advisers who advised us in government that, on balance, IBM's proposals would not wear the scrutiny that would be applied.

Knowing the senior advisers involved in all this, I am confident that they are doing a good job and that their advice has been finally agreed to by the Government. I acknowledge the Premier's personal commitment in this industry sector. He has taken on this area with a commitment that few Premiers have done before. However, it is an area of risk and, in any area of risk that involves \$1 billion of Government expenditure, it is not only appropriate but incumbent on the Opposition to scrutinise it. I make the commitment that we will not be spoilers in this, that we will be constructive and provide that scrutiny but not in a mischievous way or a way that tries to score cheap political points. It will be a constructive approach, one that will enhance the whole program.

That is a legitimate role of the Opposition and, if the Premier were in our shoes, he would be doing exactly the same. I want to put on record that much of what has occurred in the past nine months was started under the previous Government which, despite the Premier's obvious points about its being a little slower than he thought, laid the ground for EDS to be where it is today. The work of the Leader and the Deputy Leader of the Opposition should be acknowledged in that area as well.

There has been a remarkable turnaround in terms of the Premier's comments since last week when the Premier made the point that the Cabinet subcommittee had not considered specific proposals and that Cabinet had not considered any recommendations. I suspect that the Cabinet six day rule was broken and that there has been a short time since last week when the Premier indicated that there had been few or no proposals put to the Cabinet subcommittee. I do not expect the Premier to tell the committee what happened in Cabinet, but can he elaborate on the deal signed with EDS? I appreciate that negotiations are not finalised, but will the Premier expand more specifically on the quantum of the work to be outsourced?

The Hon. Dean Brown: At the outset, I welcome the indication that the Opposition will now play a constructive approach to this. I did not assess it that way last week when I thought that the attempt to speculate when no decision had been made and no firm proposal had been put to Government as to which should be the successful company was not constructive. I appreciate the Opposition's change of heart and the fact that it will now take that constructive approach. There was one big difference between what the former Government has done and what this Government has done. We decided that we would outsource and, therefore, that the work would go to an outside contractor, rather than try to do it through Southern Systems.

As to the original proposal, the Mark 1 Information Utility did have outsourcing as a major component, but the then

Labor Government then backed away from that in a big way. It then came to Mark 2 and backed away even further to come to the Southern Systems proposal. While the previous Government looked at options, it rejected the option that this Government has now taken. I stand by what I said last week to the Parliament—that as of last week no firm proposal, even up until 8 o'clock this morning, had been put to the Cabinet subcommittee or Cabinet in terms of which company should be the preferred company with which to negotiate the final contract. There was a Cabinet meeting at 8 o'clock this morning. The Cabinet subcommittee had been monitoring carefully the options right through. It met on Sunday to hear in detail what progress was being made, but the options were still wide open on Sunday, because further concessions had to be secured before we would be satisfied. We had to be sure that the overall net benefit to both the economic development side and the outsourcing side would lead to long-term benefits for South Australia.

Therefore, yes, the six day rule of Cabinet did not apply in this case and the Cabinet subcommittee had been briefed on an ongoing basis. It spent literally hours and hours having detailed presentations from the companies involved and in hearing detailed submissions from the various advisers to the Government, from the OIT and from the Information Task Force.

As to speed from here, I stress that we are adopting what would be the best practice one would find in the world in terms of this procedure, that is, we are going into a period of two or three months of due diligence, probably three months, where we have to identify all the computer equipment in Government that will not stay in Government ownership. That involves mainframes in particular, and that equipment will be sold to EDS.

As to due diligence, it must be finished for the whole Government, and we are looking at about 140 agencies, because there has been due diligence in some detail over the 12 major agencies and there is a large number of smaller peripheral organisations that have not gone through that due diligence process, and we are now doing that.

We have a clear understanding of the framework of the negotiations, and the final contract will cover all the parameters; it will cover economic development—which was included in the best and final offers as a formal submission from the companies involved—and, in terms of the outsourcing, we are clear about the cost savings. How we assess improvements in technology is part of that as well. In saying that, I stress that the cost savings over a nine year period will be more than \$100 million. If you take what has been the norm in Government, which has been an increase in the cost of data processing, you are looking at savings of probably well over \$200 million.

The \$100 million saving, even now, automatically assumes that there should be, through technological change, an ongoing improvement in terms of the efficiency of data processing, and that is used as the baseline. Even if we took a horizontal baseline, we would be looking at literally a \$200 million saving to the Government. At the same time, we have mechanisms in place in case there is a substantial change in technology, which none of us at this stage can foresee, because, if that was the case, the Government would need to continue to improve the benefit that flows through to the shareholders of Government.

Mr FOLEY: I point out that the Opposition has contacted EDS today to congratulate it on being in a position to win that contract, and I would hope that, at the appropriate time, the

Premier will be in a position to provide the Opposition with as much briefing as possible on the whole issue. I acknowledge that EDS is a world leader in outsourcing. This is an Australian first and one of the largest such contracts from a Government in the world. Indeed, the Premier points to Victoria as an example, where only one agency has been outsourced in 18 months.

Whilst I acknowledge, Mr Premier, that you are being somewhat brave in all this, there may well be reasons why other Governments have not moved as quickly as this Government. What experience does EDS have for contracts as large as this? I acknowledge that single agencies and some private sector companies have done this work, but what experience does EDS have of contracts of this size and also experience in dealing with the complexities of Government? Government is not one business enterprise: it is 20, 30 or 40 different business enterprises. Has EDS handled this scope of diversity before?

The Hon. Dean Brown: Yes, it has, and so has IBM. A team of specialists was sent around the world to talk to the clients of those companies where there had been an outsource in contract of this size. Anything over \$500 million is a big outsourcing contract, but there are examples around the world. The Taxation Department in the United Kingdom has been outsourced, as has Social Securities in the United Kingdom. The Federal Airports Authority of the United States of America has been outsourced, and that is a very big client body. A number of American Governments, in particular the Californian Government, has done substantial outsourcing, and other States of America are outsourced.

You will find that some of those outsourcing contracts are bigger than ours. The Cabinet subcommittee has seen details of a range of overseas contracts, some of a similar size and some bigger than the contract we are dealing with here. This is the biggest in Australia, although the AMP contract was a very large and diverse contract. It is similar to the Government contract, because AMP had a range of centres around Australia and those centres had a range of different functions. The AMP brought them altogether under one outsourcing contract. That contract was won by CSC.

I can assure the honourable member that what we have done here is not unique either in terms of size or for Government: it is unique for Australia but not by any means on a worldwide scale. What is unique, even across the world from what we can see, is the fact that we have included the requirement to introduce new economic activity as part of the assessment of who should win the outsourcing contract. That was a first. It could work here in Australia; it may not have worked in America or in Europe, but it could work here because the Asian area was still wide open for both IBM and, in particular, EDS.

The other point I make is that the offers on the table from both companies are a substantial improvement on the offer I had from IBM before the election and the offer I know existed with the previous Government. It is a much bigger leap forward than the offer which was made by EDS to the previous Government and which was accepted. You need to appreciate the extent to which, as a result of picking this regional significance in Asia and the opportunity for that to expand, we have been able to work both of these companies into making a much bigger offer than we previously had, and to change the whole nature of what we are putting here.

I do not want to sound repetitive but you must understand the huge Asian significance of what we have been able to secure for South Australia. As I said, as far as EDS is

concerned, there are only two other centres in the entire world, one in Europe and one in North America, that will match the one here.

Mr FOLEY: Past experience in both the public and private sectors shows that it has been a difficult task to keep major computing procurements to budget, and quite often they have been associated with reasonable cost overruns. That is not peculiar to the public sector: it is also prevalent in private enterprise. What safeguards are built into this whole process? The Government and EDS have indicated the expected savings. What are the safeguards to ensure that those contractual obligations are met? The potential exists to lock the Government into a long-term contract and then find that these savings are not met. I am concerned about ensuring that these objectives are met. The history of computer procurement and associated services would tend to indicate that this is not always something that can be achieved.

The Hon. Dean Brown: The Government is paying EDS so much per year and in return it must provide a complete service. It is like buying motor cars: the Government says, 'We will buy 100 vehicles. You are contracted to supply those vehicles to this specification and at this price.' Whether the car company ultimately makes a profit or a loss is its own concern. I stress the fact that the Government will pay EDS only so much and it must deliver.

Mr FOLEY: I wish to ask a supplementary question.

The CHAIRMAN: I will allow a brief question.

Mr FOLEY: To be clear, you are saying that the Government will enter into a contract that stipulates that the Government will pay \$X million per year for Y service and it is up to EDS to deliver and, if it happens to blow its figures out, it is tough cheese for EDS. Is that what you are saying?

The Hon. Dean Brown: That is it. We pay EDS, and EDS has to carry out the existing functions across the whole of Government, in terms of data processing specifically, for a figure. Whether it makes a profit or loss, the company would argue that we have an extremely good—if not exceptional—deal, and that is what it has been saying for the past couple of weeks.

Mr CONDOUS: I refer to Program 1—planning and Policy Development—on page 33 of the Estimates of Receipts and Payments. What action has the recently established Economic Development Advisory Board taken to identify key issues to be addressed by the board in the development of long-term economic strategy for the State?

The Hon. Dean Brown: The Economic Development Advisory Board meets once a month in a full board capacity. Initially it met once a fortnight but now it meets once a month, with its subcommittees meeting once a month as well—so it meets every two weeks, once in relation to its subcommittees and once as a full board. It has set down a number of key areas that need to be tackled as priority issues with respect to the economic development of South Australia, and individual members of the board have taken on those responsibilities.

One key issue is the wine industry and how to expand it. Mr Brian Croser is a member of the board, and he is chairing that sub-group of the Economic Development Advisory Board. He is also a commissioner on the Industry Commission Inquiry into the Wine Industry, and the State Government is in the process of putting together its major proposal to that industry inquiry. Another issue relates to looking at the role of small business; how to assist small businesses to grow, particularly in the manufacturing sector

and so on; and the impediments to that growth in the long term. Patricia Cook is involved in that matter.

Other issues relate to looking at the manufacturing sector, and Rob Gerard is involved in that; how we develop the tourism market and the potential of South Australia, and Mr Ric Allert is chairing that group; looking at information, science and technology, and Dr Don Williams is looking at that area; the service sector; the mining sector; and resource development, and Mr Robert Champion de Crespigny is chairing that. I think that I have covered all key areas and the members of the board.

Mr CONDOUS: I understand that the Department of the Premier and Cabinet has been involved in liaising with the Commonwealth Government as part of the project to rehabilitate the former nuclear test sites at Maralinga and Emu. Can the Premier report what progress has been made?

The Hon. Dean Brown: There has been liaison between the South Australian and Commonwealth Governments over the Maralinga and Emu sites. The appointed project manager is Australian Construction Services, which is an arm of the Federal Government. It is carrying out a detailed engineering design for the project now, which is due to be completed by the end of 1995. It is anticipated that the clean-up will take up to five years. The South Australian Government has been kept fully informed through the Maralinga Consultative Group, and there is also appropriate consultation with the Maralinga Tjarutja people, who make up the local Aboriginal community.

The South Australian Government has requested an indemnity from the Federal Government once the clean-up has been completed. This is important, as before we receive the land back we want to ensure that, if the job has been done inadequately, the State Government is not liable. There is a bit of a sticking point at this stage—I think the Federal Government is objecting to that condition. Negotiations are taking place between the Aboriginal community and the Commonwealth Government regarding compensation, and those talks are not yet finalised.

In effect, the Government is carrying on the policy set by the previous Government, which put down the procedure for consultation on both compensation and the clean-up of the land. The Government has put down some requirements which are additional to that and which include maximising employment wherever possible for the local Aboriginal community, and that there must be this indemnity from the Federal Government once the clean-up is completed.

Mr CONDOUS: My final question is one about which I am personally concerned. I understand that the Department of the Premier and Cabinet has been involved in coordinating South Australia's response to the Working Nation statement made by the Prime Minister in May. Can the Premier outline in what area South Australia is seeking funding from the Working Nation programs?

The Hon. Dean Brown: A number of Government departments are coming together as part of the initiative to try to maximise the benefits for South Australia under the One Working Nation program, where \$6 billion was put together in the Federal budget in April-May this year specifically for various employment programs. South Australia is well ahead of the other States in the areas of regional and industry development as part of its submissions to the Federal Government, and it has good prospects of securing funding for a number of those programs. The Riverland has already obtained \$82 000 for a pilot program to demonstrate the potential for new crop varieties.

South Australia, in conjunction with other States, has forced the Commonwealth to reconsider its proposed national survey of literacy skills, which would have duplicated the basic skills test initiative of the South Australian Government. The Australian Student Trainee Foundation, which is to promote school and industry cooperation in training delivery, will be chaired by a South Australian, Mr John Goodman, who is a former chairman of the board of Ford Products.

On a *per capita* basis, South Australia should be able to attract in the order of \$35 million to \$45 million in 1994-95 for the labour market programs, and 5 000 additional apprenticeships and other trainee places for this State. I think members would agree that that is a very substantial step indeed. A range of other initiatives is still being negotiated with the Federal Government. These include possible additional costs to the State resulting from an increase in off-the-job training; the lack of clarity about the role of Netforce, which is designed to fast-track accreditation as well as another initiative; and the implications for South Australia with the introduction of the national training wage.

Mr FOLEY: Can we now concentrate on what EDS is offering South Australia? Again, I do not expect that you are in a position to give the full detail of what the EDS investment will be, but could you elaborate on the facility at Technology Park? What is the size, scope and value of that investment? Is there a requirement from the Government, through the Housing Trust program, to provide the factory? I would like to know a bit more about what it is that we are getting for our money.

The Hon. Dean Brown: Details as requested by the member are due to be released tomorrow because it was thought appropriate that we wait until the Asian regional manager, Mr Ed Yang, is here to be part of that release. He is flying from New Zealand today. As I said, I spoke to him at 1.30 a.m., and I know other staff were still speaking to him at about 3.30 this morning. Like all successful negotiations, if you do not go without a fair bit of sleep then obviously you have not been driving the whole process hard enough. I assure the member that there has been plenty of hard driving in this. Some members of the team have had very little sleep for four or five nights. We have been able to keep replacing others. It is just part of the process of driving negotiations hard. There will be a press conference tomorrow when further detail will be provided.

We will be able to highlight what is proposed in terms of setting up new centres here, and there are quite a few different initiatives. We also will be describing the role for local industry in that and how we will secure very substantial export markets. If you look at what we put down in our IT 2000 vision, which came out of the information technology task force chaired by Professor Craig Mudge, and what we hope to achieve between now and the year 2000, you will find that through this program, which we have now secured through EDS, we will be able to achieve that very substantially. In fact, I think we will go well beyond it. It is inappropriate to give any more detail until the company is here to make the official announcement.

Mr FOLEY: No doubt these announcements will help the Government with its Estimates damage control. I applaud the Government on its tactics.

The Hon. Dean Brown: I make the point that this morning as I got up early I read that, according to the Opposition, the Government was too scared to make any announcement about information technology because it was

scared of being cross-examined during Estimates Committees. I smiled wryly to myself.

Mr FOLEY: Obviously there has been a lot of concern from local industry. I know the Premier has been party to a number of meetings where local industry has voiced its concerns. I know work has been done to try to allay those concerns, but that is something that would worry me and no doubt worry industry. Will the Premier elaborate on the nature of the relationship that will exist between EDS and local industry? Can he give a commitment that local industry will not be losers in all of this because, as he fully understands, quite a lot of local industry supplies services to Government as it currently exists?

The Hon. Dean Brown: Yes, I can. I go back to what Ray Dundon said this morning at the press conference. Part of the obligation on EDS is that it cannot give less work to local industry than it is currently getting. That is the worst case situation. I can assure the member that local industry is very closely involved with EDS and is very excited about the opportunities. What will happen is that Adelaide will be the service centre, the software development centre and the information management centre for the biggest outsourcing company in the world going right through the whole of its Asian area. Every time it finds another customer or client somewhere who needs some software developed it will come back here. Invariably, a company like this does not develop it in-house but contracts it out to software development.

What you are looking at is an enormous potential spin-off. Tomorrow the Government will be releasing details of the huge assistance being given to local industry to participate in that—and it is huge assistance. It is not just throwing some work out to local industry. It is creating a whole new industry around local industry—in fact, it is a whole new centre around local industry. Frankly, I find that probably one of the most exciting parts of the whole initiative. There has to be guaranteed performance as part of that. It is not just a wish—there has to be guaranteed performance in helping local industry in that development.

Mr FOLEY: From information available to me it was obvious that local industry was more comfortable with the EDS proposal than the IBM proposal. I find it ironic that the Premier is now discussing EDS with the same degree of enthusiasm that members of the former Government had for EDS. That just confirms our earlier position that EDS was a better proposal than IBM.

I now turn to the issue of jobs in the Public Service. This question is critical to public servants and to the Public Service. There were varying suggestions that up to 2 000 positions would be outsourced. What is the number of positions that will be outsourced? I do not expect the Premier to be in a position to give an exact number, but what is the approximate number of positions that will be transferred from public employment to private outsourcing employment? What arrangements will be put in place for those who are not required any more by Government and will not be picked up by the new outsourcer? Will public servants who choose to take packages have available to them the same separation packages as currently exist?

The Hon. Dean Brown: I pick up the first point which was more of a comment. The IBM proposal I released immediately prior to the election was a better proposal in terms of economic development and cost savings to the Government than any other that had been put on the table and accepted. Therefore, I have to say that in suggesting one offer was always better than the other was not correct at all. As I

say, the Government has progressed substantially from there to a whole new area. Both IBM and EDS have progressed further than from prior to December last year. That needs to be understood.

I put on record the enormous cooperation and commitment that both companies have made. I put that in the statement I released today. Both companies have made a very substantial commitment in terms of time, effort, energy and commitment in going through this process. Both companies were committed to the concept and the vision that we had. In the end, the Government picked the one that it believed would bring greatest benefit to South Australia. That has always been my position, and I have never changed from it.

In terms of Government employees, the member for Hart's figures are way out. The Government is looking at 400 people in the area of public sector information processing who, if you like, are to be considered. A number of those will be identified and retained within Government as people who we think are crucial and who must be retained to help manage the Government system from within and to monitor the outcome. All of the remaining employees will be offered jobs with the outsourcer on conditions equal to or greater than their present packages.

Therefore, there is no uncertainty in terms of jobs. At this stage I see no need for targeted separation packages at all in that area. That is something we are working through with our employees, but I think it is a very successful human relations outcome. This morning we sent a letter to our employees outlining in each Government department and agency the nature of the proposal, including the very substantial commitment that we have been able to achieve as part of the negotiations. I think you will agree that the very fact that they are either to be employed within Government or to be offered a job with the outsourcer highlights the sort of ongoing security and certainty we have been able to provide to those employees. So, there is no need to answer the latter part of your question which is about targeted or compulsory separations, as there is no necessity for that at all. A small incentive will be offered regarding those who decide to go off and join the outsourcers generally.

Mr FOLEY: I do not know whether the IBM proposal you referred to was better or worse, because that is the thing I have been trying to get from you for the last eight or nine months and you have not been in a position to answer, but perhaps one day—

The Hon. Dean Brown: It was detailed fully in the press statement.

Mr FOLEY: We know there is an agreement that I am not allowed to see, but that is not the point. If employees receive an offer but choose not to go for their own reasons, what happens to those employees?

The Hon. Dean Brown: We would have to sit down and discuss those on a case-by-case basis. You are dealing with a very small number to start with, I believe. In fact, I think we will find that there will be a clambering to take up positions with the outsourcer because of the enormous opportunities being created in that area. Our problem will be to find enough Government employees to go to the outsourcer.

Mr SCALZI: I refer to the Estimates of Receipts and Payments, page 33, Program 1—Planning and Policy Development—and I preface my question by saying that I am always interested in having extra economic activities or meetings in South Australia. I am aware that the next meeting of the Council of Australian Governments (COAG) will be held in Adelaide in February 1995. Can the Premier explain

what arrangements the State will be required to make for this important meeting and what costs the State will incur?

The Hon. Dean Brown: The next meeting of COAG (the heads of Government in Australia) is scheduled to be in Adelaide in February of next year. So, we will be hosting it. Normally, as the Commonwealth Government picks up all of the costs associated with a COAG meeting, we are expecting the Commonwealth Government to cover those costs. Of course, there are savings because we will not be having to fly out to another State, and we would expect any peripheral costs that might generally be associated with staging the COAG meeting here in Adelaide to be compensated for by the fact that there will not be any air fares or accommodation expenses incurred by the South Australian delegation.

This COAG meeting is quite different from the others, in that for the first time it involves a two-day meeting. All the others have been a one-day conference and, quite clearly, that one day has been insufficient to get through the agenda. We had the farcical situation in Hobart where at 5 o'clock, the scheduled time for finishing the meeting, three of the State Premiers got up—and I was one of those—and had to get on scheduled flights, as it was the last opportunity we had to leave.

Those people, like the Prime Minister and the Premier of Queensland, who fly around in personal jets, or Government jets, could stay and they went on to start dealing with the rest of the agenda in the absence of almost half of the delegates. That was quite inappropriate, and I therefore welcome the fact that it will be a two-day meeting. It will boost the numbers in Adelaide, because I find that the Commonwealth, in particular, come in hoards—they bring hundreds of people. With all their advisers, support staff, butlers and everyone else, it is a very significant number, indeed.

Mr SCALZI: What work is being currently undertaken by the State Disaster Committee?

The Hon. Dean Brown: This committee is coordinated out of the Department of the Premier and Cabinet, and its Chairman is Mr Fred Fairhead. The committee has just completed a comprehensive review of the State Disaster Act and regulations and, as the honourable member would know, I introduced amendments to the Act in Parliament last week which I expect to be discussed in October. The main provisions of the Bill will allow the State Disaster Plan to be applied to major emergencies as well as full scale disasters. There is a gap at present between a disaster of the proportions of, say, Ash Wednesday and a less serious disaster that nevertheless causes a major emergency. The fund can now be applied to those major emergencies as well, and I support that. The arrangements for planning a recovery from disasters and major emergencies will also be improved.

The State Disaster Committee is also conducting a comprehensive review of the tasks and structure of the State Disaster Organisation. This year's major training exercise for the Disaster Organisation will focus on a bushfire threat. The exercise, to be called 'Team Spirit 94', will concentrate on procedures for coordination and will involve treating massive casualties at a metropolitan hospital—of course, on a mock basis. An exotic animal disease exercise, given the name 'Purple mist', is currently being conducted in Loxton, Adelaide, Ballarat and Canberra.

Many people do not understand what would happen in the event of a major outbreak of an exotic animal disease in Australia. I am personally aware of it because I did some work when I was out of politics in helping to develop a national strategy on this issue. The Federal Government set

up a committee and I was one of the group that worked in a team putting this plan together. Potentially the consequences are horrendous. If there was a major outbreak of foot and mouth disease it would restrict very severely the movement of traffic. If that outbreak occurred on the road to Melbourne through the South-East, it could well result in having to redirect all traffic, and all animals within a particular zone would have to be burnt and destroyed under approved procedures. There could be no internal movements at all.

Schooling would come to a halt, because children could not move back and forth within that designated zone. There is also a periphery around that zone where there is very restricted movement, and people cannot be allowed to move back and forth across the zones. Therefore, it is time we ensured that the procedures are there. Australia has a huge advantage internationally because it is free of such exotic diseases, and that is something we should cherish. If an outbreak ever occurred, we need to get in and clean it up very quickly and effectively, even though it may cost hundreds of millions of dollars.

That is another major initiative in which the Disaster Committee is currently involved. The committee hopes to obtain Commonwealth assistance through United Nations International Decade for Natural Disaster Reduction funds to complete the earthquake donation project being conducted by the Department of Mines and Energy here in South Australia. Of course, apart from bushfires, the other huge natural disaster potential confronting South Australia would be a major earthquake. We have not had one in living memory.

There was the 1954 earthquake, which was relatively minor, but the city is potentially subject to an earthquake at some time. We hope that it does not come but that, if it does, we are adequately prepared. The committee will seek IDNDR funds to update the Riverland flood plain data and the probability and implications of a damaging earthquake incident in the Lower South-East. Apart from that, it carries out routine exercises as well.

Mr SCALZI: I was going to ask the Premier a supplementary question on earthquakes, but he has answered it adequately. I have an interest in that area. I do not know whether members are aware that Flinders Medical Centre lies on a fault line, and it is important that we are prepared for major disasters such as earthquakes. My third question relates to the Estimates of Receipts and Payments, page 33, Program 1, Planning and Policy Development. I am aware that a new Cabinet handbook has been published. What new Government policies are included in the handbook?

The Hon. Dean Brown: Yes, a revised version of the Cabinet handbook has been produced, and it includes three new policies. They include a new code of conduct for Ministers, which is part of the Government's commitment to re-establishing accountability and trust in the Executive arm of Government, and a commitment to increase women's representation on Government boards and committees. There is now a requirement for consultation with the Office of the Status of Women, and the new Government has undertaken a breakthrough register, which will establish a computer list of women who would be suitable for various Government appointments. The third key initiative is family impact statements. This was part of our initiative for the Year of the Family and reflects the Government's commitment to the family. There is now a requirement to prepare a family impact statement for any Cabinet submission likely to have a significant impact on the family. There are also other lesser

changes to the handbook, and they relate specifically to procedural changes.

The Hon. M.D. RANN: Returning to the EDS announcement today—and I guess I am also reflecting on the lead up to that—when the Premier made an announcement about the agreement with IBM, which was given national news coverage—and that coverage was certainly framed along the lines that a major deal had been struck which, apart from outsourcing, included various economic development benefits—who from IBM was involved in negotiations with you, and who in IBM concurred in that announcement? Was Brian Finn, the Chairman of IBM, involved; was the Chief Executive of IBM involved? Had the board of IBM given approval to that announcement being made in those terms, or was it just the Manager, Mr Mark Bradley?

The Hon. Dean Brown: I do not know all the internal procedures of IBM. Over the preceding year I had discussions with a range of senior people in IBM, as I did with other companies. I am talking about not just local South Australian people but interstate people. The discussions with IBM included Doug Elix, the Managing Director of the company, and his predecessor.

The Hon. M.D. RANN: It is just that the Opposition understood that it did not have board approval for that announcement to be made. I think that needs to be clarified, particularly as Mark Bradley was no longer the State Manager of IBM shortly after the election, for reasons of which I am unaware. The Premier mentioned earlier that it was the best deal available at that stage in terms of a whole range of things. Had you met senior management of EDS to compare what was on offer?

In the process of a quick fix election announcement, obviously there was no due diligence, no US lawyers, no chance for competitive tendering, no chance for proper scrutiny and no chance for parliamentary scrutiny. It seemed to us at the time to be a media gimmick; the Premier said it was an agreement. Why did the IBM deal not stack up and why was the EDS deal better?

The Hon. Dean Brown: The honourable member has failed to listen to what I have already said in great detail this afternoon.

The Hon. M.D. RANN: You have not said what was wrong with IBM's proposal by comparison—the one that you announced during the election campaign.

The Hon. Dean Brown: The honourable member continues to fail to listen. Perhaps he would listen for once instead of trying to jump to political conclusions. First, the honourable member is wrong if he is trying to infer that it was only the local management of IBM which authorised the press conference prior to the election.

The Hon. M.D. RANN: Was the board aware of that decision?

The CHAIRMAN: Order! The honourable member is out of order by carrying on a discussion with the Premier. The Chair's instructions were that questions would be directed through the Chair.

The Hon. Dean Brown: There had been ongoing discussions with a range of senior people in IBM up to the Managing Director, and I had also met the Chairman of IBM at least once or twice. In terms of the value of the offer made, to answer the question specifically, yes, I had met EDS before the election on at least three occasions, including Mr Ed Yang, the Asian Manager. They made a formal presentation to me, with some embarrassment, I would have thought, to the then Labor Government, because they put up some

detail of the commitment that had been secured by the previous Government, which was to create 25 new jobs in South Australia as part of Southern Systems.

It was interesting, because my office got out the old sheet this morning which highlighted some of the initiatives that had been put forward. They said that they were willing to go substantially further than that but, as I said earlier, the former Government failed to take the bold step of deciding to have substantial outsourcing. The former Government tried to create this internal system, called Southern Systems, to work with companies on a cooperative basis, but it was certainly not going into outsourcing and was never in a position to secure a major new economic development.

I stress that we have been able to achieve this only because we have a substantial outsourcing contract, which in itself is of value to South Australians, and also we have been able to use that major outsourcing contract to demand that other new economic worldwide activity should be brought by the company to Adelaide. The IBM proposal was the best that had been presented to me at least and to the Liberal Party prior to the election, and I would argue that it is the best that I have yet seen on the table. IBM has further improved on that, but EDS has substantially improved on its original offer. It is not that there was anything wrong with the IBM proposal.

We are now receiving acknowledgment, not just of the Washington-based lawyer in terms of our strategy but of a range of others, for the procedure that we have gone through, because we have been able to secure a substantially increased benefit for South Australia through the negotiating process. That is what it is all about. Companies wanted to seize the opportunity, but they realised that they had to offer something very substantial as part of it. IBM has improved its offer and EDS has substantially improved its offer.

The Hon. M.D. RANN: The Premier will be aware of the convention to which the Liberal Party has referred repeatedly that it is wrong and unethical for a Government in an election campaign to announce contracts. The Premier made a point of saying that, yet during the election campaign, without due diligence, without the US lawyers, without the proper process of scrutiny and without allowing a competitive tender, he signed an agreement with one of those companies. Would you not concede that is a rather odd and perhaps foolhardy approach?

The Hon. Dean Brown: The honourable member is wrong yet again, because no contract was signed.

The Hon. M.D. RANN: You announced an agreement?

The Hon. Dean Brown: I did not sign a contract.

The Hon. M.D. RANN: As a follow up question, will the Auditor-General, given the concerns mentioned in his report, be given a specific brief to monitor this contract and the processes, including the due diligence processes that will ensue, and will the Premier confirm that the Government will accede fully to the request by the Opposition under freedom of information for the release of all papers concerning the agreement announced between the Premier and IBM last December, including what was signed before and the correspondence that followed after the election?

The Hon. Dean Brown: I have already indicated to the Committee that the Auditor-General, I think as far back as March—it may have even been February—specifically at my request looked at the whole process and has continued to monitor that process with the request by me that, if at any stage he had any concerns at all, he would immediately raise those issues with me as Chairman of the Cabinet subcommit-

tee. As the Auditor-General has quite openly indicated in his report, and there is nothing to hide about this, he has looked at this and where he had any concerns he has raised them with me. He has reported those concerns, but he has also been able to report that not only has he raised them with me but I was able immediately to give him assurances that we were already aware of those matters and had taken action to overcome them, such as extending the period. I have already indicated to the Parliament—and the honourable member again seems to have a selective loss of memory on this issue—that there is no contractual obligation between the Liberal Party, and therefore certainly not the Government, and IBM—

The Hon. M.D. RANN: You certainly could not bind the Government and Opposition.

The Hon. Dean Brown: You cannot bind the Government and Opposition.

The Hon. M.D. RANN: That is why the word 'agreement' is a furphy; it was a PR stunt.

The CHAIRMAN: I call the honourable member to order.

The Hon. Dean Brown: If ever there was a person who loves to grab a bit of show, it is the honourable member. I have already indicated to the Parliament that the Crown Solicitor is perfectly satisfied with the fact that there is no legal commitment between the Liberal Party and IBM—none whatsoever. I have offered an invitation regarding that legal opinion to be given to the Cabinet subcommittee.

The Hon. M.D. RANN: So under the FOI you will—

The CHAIRMAN: I ask the Premier not to continue responding to interjections. The honourable member has had three questions and several supplementary interjections.

The Hon. M.D. RANN: I was just trying to make up for the 15 minutes lost time while I was waiting here.

The CHAIRMAN: The honourable member can hold his temper for a little while. I believe that from 5.30 p.m. onwards members of the Government will concur in deferring to members of the Opposition and waive their right to questions, which will return a quarter of an hour, and that will be a more than fair rate of exchange, since part of that quarter of an hour would have been the member for Hartley's question time. That is currently the agreement. The honourable Premier.

The Hon. Dean Brown: I think it is also worth noting that I have sat on these committees for many years and I can recall under Labor Ministers having to sit around and wait for well over half a hour, particularly for a former Premier, so I am not quite sure what the honourable member has his nightie in a knot over.

Mr BRINDAL: With respect to the Native Title Act and the Hilmer report, I refer to Estimates of Receipts and Payments, page 33, program 1, Planning and Policy Development. Will the Premier explain how the Government's responses to the Native Title Act and the Hilmer issue are being developed?

The Hon. Dean Brown: First, in terms of preparing the Government's response to native title, we formed a Cabinet subcommittee, whose members include the Attorney-General, the Minister for Aboriginal Affairs and myself. That subcommittee has been meeting frequently since the beginning of the year. When we came into Government nine months ago, I was shocked at the lack of detailed work that had been prepared on the issue of native title. For instance, there was no assessment whatsoever as to the extent to which native title might apply across South Australia. There was no detailed analysis of the Federal Government's legislation. I

was somewhat surprised to find that through the lack of any response there was clear evidence that the Labor Government in South Australia was willing to accept the position put down by the Labor Party in Canberra and take that as its base position, with little or no regard for its impact on South Australia.

We took a number of initiatives. The first was to try to identify the extent to which there was potential exposure for a native title claim in South Australia. In other words, we tried to identify what lands it could apply to, because it would apply to any Crown lands where there had not been a freehold title previously. We immediately sought legal opinion on key issues such as whether or not it would apply to national parks and conservation parks—and the fact is that potentially it would, if there were to be a claim—and to which Crown lands it might apply. Would it apply to Woods and Forests land in the South-East and, therefore, involve any potential there? So, we systematically started to work on that. It is a huge task because ultimately you need to look at every title of land, including perpetual leases, and to systematically work through that.

Secondly, we assessed the Act itself. There were in fact 30 areas of that Federal Act where we believed there should be amendments to improve the procedure, to put more certainty into the whole process, and to speed up the determination of native title, but also very clearly to cut out the potential conflict and duplication. It concerned our Government that you might go through a process first where a native title claim could be lodged with the Commonwealth tribunal, go through the lengthy procedure there, and then, the party concerned having lost, they could lodge a similar claim with the State tribunal, with the possibility of the same procedure having to be gone through. It does not take much to realise that you could be going through a procedure affecting a piece of land over a four or five year period at least.

We put down 30 areas where we believed the Act should be reviewed. As the honourable member would realise, we picked out four key areas where we are challenging that now in the High Court, not with a view to overturning the Federal legislation or overturning the right of native title, but very importantly in an attempt to try to improve the procedure.

The next major item the Cabinet subcommittee worked on was preparing the legislation, some of which is now before Parliament as State legislation. We found again that, even though native title had been discussed in Parliament, and even though there was talk by the former Government that legislation would be brought in as early as July or August last year, no such legislation had been prepared. I do not think that drafting instructions had even been prepared, so we immediately prepared drafting instructions and had legislation prepared. Those Bills were actually introduced in the Parliament in May of this year, but further Bills need to be brought in as well.

I touched on Hilmer earlier, and this includes undertaking an audit. There is a whole range of things. First, the South Australian Government has strongly resisted attempts by the Commonwealth Government to impose uniform competition laws and protocols. South Australia has serious reservations about some aspects of the legislation, particularly with regard to access to essential facilities and the grandfathering of indenture agreements and existing contracts.

The indenture agreements are unique to South Australia and are something the Commonwealth does not understand. Most major developments in South Australia have taken place under an indenture agreement approved by Parliament. That

includes Whyalla and the steelworks, Stony Point, Roxby Downs, Cooper Basin, Mobil Oil refinery, the pulp and paper industry in the South-East and many others. They were all established under indenture agreements. The point of indenture agreements is to set a particular development in legislation and make certain conditions that will apply.

It is to the credit of both major Parties in South Australia that they have respected those indenture agreements since they were first introduced in about 1938 or 1939 by Thomas Playford. It is absolutely crucial to economic development in South Australia that a company can come and negotiate with the Government of the day, have legislation put through Parliament and know that that will not be altered with a change of Government, that once it has passed the Parliament both major Parties accept it. That is a most unique step and we are the only Australian State to have used indenture agreements to that extent. It is crucial that we protect those indenture agreements. The Federal Government, through Hilmer, is trying to come in and override those indenture agreements, which takes away all the certainty we have had in South Australia in the past.

Mr SCALZI interjecting:

The Hon. Dean Brown: The trouble is that the Federal Government seems to think it is the only Government in Australia at times. There are a number of other areas involved as well. Hilmer relates directly to bodies like ETSA, PAASA and EWS. Members should understand some of the potential impact of Hilmer if it is forced through by the Federal Government on State Government trading enterprises and the extent to which those enterprises will have to comply with the principles of the Federal Act, whether or not we like them.

Mr FOLEY interjecting:

The Hon. Dean Brown: It is much more than that. They are requiring them to be opened up to competition. They are requiring pipelines to be opened up to any other users, which has a potential impact in terms of availability of gas supplies in the longer term, because after the introduction of Hilmer no longer will South Australia be able to turn around and say, 'We want dedicated gas out of that field for this State.' I think we will be able to preserve existing commitments to South Australia, but potentially it changes the whole ball game as to what State Governments are able to accept. Finally, I refer to the extent to which Hilmer potentially allows the Federal Government to step in, not even where competition is involved or where the Trade Practices Commission or the Prices Surveillance Authority is involved, and interfere with any other area that may be construed by the Federal Government to be a restrictive practice and where, therefore, it believes that by using Federal legislation it can override State legislation.

Let me give an example. Within the education or health system we might set down certain practices that should apply and back them up with legislation. Under its proposal the Federal Government would be allowed to come in and override that. That has huge ramifications. Another point relates to what share of the additional benefit that goes to the Federal Government through increased taxation should flow back to the States. The Federal Government's present offer is entirely unsatisfactory. It offered South Australia about \$12 million a year, which was an absolute pittance. The former Government took about \$360 million out of those trading enterprises for its budget and we have taken about \$250 million, yet the Federal Government is offering \$12 million a year as compensation for a limited period. John Fahey did not accept it.

Mr BRINDAL: I believe that all South Australians can be grateful that the Premier is safeguarding this State from the avaricious tendencies of a monopolistic Government in Canberra that is encroaching on the Federal system in South Australia. It should be resisted as much by the Opposition as by everyone on the Government benches.

Members interjecting:

Mr BRINDAL: If the honourable member opposite does not stand up for South Australia, perhaps he best belong in another House. My question concerns the EDA Board and information technology in South Australia. In my electorate a number of industries in the information technology area are keen on what the Premier said about world's best practice and being at the leading edge of technology. Yesterday I visited Multiscreen Billboard Communications Pty Ltd, and that company asked me to raise this issue with the Premier. I refer to Estimates of Payments, page 33, program 1, planning and policy development. Can the Premier explain—

The Hon. M.D. RANN interjecting:

Mr BRINDAL: I am sure the Premier can handle such questions without notice. Yours might not have been able to, but ours can. Can the Premier explain what role the EDA Board is to have in encouraging the further development of the information technology industry in this State?

The Hon. Dean Brown: On 29 December we set up the Information Technology Task Force under the chairmanship of Professor Craig Mudge, and that task force set out clear objectives and a vision for what should be achieved for the year 2000, called 'IT 2000'. About a week ago it released its final report, the report to the end of June, on that vision. I think the member for Unley referred to that a moment ago. The task force report talks about the need to develop a strong local IT software industry that needs to be focused on exports, with 40 per cent of its activity being exports and a range of other initiatives like that, including the transfer of technology from international companies to the local industry and an interface between the local industry and international companies, particularly on marketing.

I was interested to see the way the national press picked that up, particularly the *Australian*. Its computer section is regarded as the best computer section and it led with a report of that task force. The Economic Development Advisory Board has decided, as one of the areas on which it will concentrate, that it will concentrate on the IT area in making sure that we maintain this long term strategy. Therefore, a unit under the Economic Development Advisory Board will be specifically looking at this. There will be one or two specialists brought in. Even though the individual negotiations on deal by deal will come under the Economic Development Authority, the matter of monitoring where we are heading and the opportunities available will come under the Economic Development Advisory Board and the specialist unit.

The Hon. LYNN ARNOLD: How many staff are now employed in the Premier's office? What are their titles, responsibilities and salaries, and what is this year's estimated total salary bill for this group compared to the same salary bill for the Premier's office last year? Which of those staff are employed under contract, and are they entitled, under certain circumstances, to productivity bonuses and, if so, what are the bonuses and conditions?

The Hon. Dean Brown: The total staff number is one or two positions below what it was under the former Premier and the former Government, but I will provide that specific detail.

The Hon. LYNN ARNOLD: Will a comparative schedule be provided?

The Hon. Dean Brown: We will provide the comparison in terms of total salary between the two. The Leader will find that there has been a reduction compared to the previous budget. The budget as such has increased by \$310 000. Of that increase, accommodation—because of the change in office (which had been determined by the previous Government)—was costing an extra \$136 000 under the refurbishment of the State Administration building. That was something this Government had to accept whether or not it liked it. With respect to media monitoring, we found that individual Minister's officers, and even individual agencies, were relying on Warburton Media Monitoring, which provided individual services at enormous expense.

We are trying to do that on a more coordinated basis and, as a result of that, achieve significant savings. Therefore, there are additional costs for media monitoring in my line, but in return we are expecting an off-set because agencies and Minister's offices that use that facility will repay us as part of the cost of using that facility. An allowance is made for additional media monitoring for my office, but that will be off-set by income. There is a carry over from my overseas trip at the end of June. Out of the whole line the total salary increment change is \$10 000. It is virtually no change at all.

That reflects a change in electorate allowance, as I am a country member of Parliament and the Leader of the Opposition, as the former Premier, is a city member. Our staff numbers are down at least one. All ministerial appointments to me as Premier are on contract, and that applies to all Ministers' offices.

The Hon. LYNN ARNOLD: I want to clarify that the Premier will provide a schedule for insertion in *Hansard* of the names of staff and their salaries, including bonuses for the present office and for the previous Premier's office (my office, in other words). Will the response contain information on all staff in his office, including media staff, as well as the details of the arrangements he has now outlined for media monitoring?

The CHAIRMAN: If the Premier undertakes to provide the names and salaries and the information requested in accordance with the *Hansard* transcript, I will be happy with that.

The Hon. Dean Brown: Certainly, Sir.

The Hon. LYNN ARNOLD: How many staff employed in the Premier's office have cars supplied for their use and/or the benefit of garaging paid for by the Government? Which officers have private numberplates on any Government cars they might have access to, and which staff in the Premier's office have approval to use those cars for private purposes as part of their employment packages?

The Hon. Dean Brown: Unlike the former Government, no members on my staff have Government cars with either a Government numberplate or a private numberplate, which is something that the former Government did. As I understand it, the former Government handed out Government vehicles with private numberplates, but that does not occur in my office. I stress again: no staff has a Government vehicle for regular use. If a staff member is specifically required to make a trip on behalf of the Government, he or she, like other members of the Public Service, is able to obtain access to a Government vehicle. In terms of numbers of car parks, there are some, and I will provide that information for the Leader.

The Hon. LYNN ARNOLD: Which staff in the Premier's office have mobile telephones paid for by the Government?

Have the staff been issued instructions concerning private use of these telephones, and how is that use monitored?

The Hon. Dean Brown: I have a mobile telephone in my ministerial car and my press secretary has one. A spare phone for use by other press secretaries or other staff is located in the office. Effectively, two mobile phones are located in the office. A relief person from the Premier's Department is working in my department at present and he has one, but that came from the Premier's Department and not from my office. The staff clearly understand that the phones are for Government use only, and that is it. I stress that my department has only two mobile phones, and I am sure that every one would agree that that is a very low number of mobile phones.

Mr SCALZI: My question relates to the new Strategic Policy Unit at page 33 of the Estimates of Receipts and Payments under the heading, Planning and Policy Development. The Government has recently advertised for appointments to a new Strategic Policy Unit. Will the Premier explain the role the unit is to fulfil?

The Hon. Dean Brown: The Strategic Policy Unit is very much a policy unit that looks at the whole range of Government policy. We want to continue to build on the existing Government policy across all areas of Government and to ensure that there is effective Government policy coordination between the various Ministers. One problem is that departments or Ministers tend to focus on policy as it relates to their area and not take the broader perspective across the whole of the State. We want to strengthen that unit. It will be a very small unit and it will look at the longer term.

Mr SCALZI: I refer to Program 2—public sector reform and management improvement—on page 33 of the Estimates of Receipts and Payments. What is the role of the Office of Public Sector Management and what change in direction has there been from that of the former Government?

The Hon. Dean Brown: As I pointed out earlier in my introductory remarks, the old Office for Public Sector Reform has now been abolished and the Government has created this new Office of Public Sector Management, which comes under the Department of the Premier and Cabinet. Its specific purpose is to provide a whole-of-Government management policy, strategy advice and coordination—in other words, to ensure that each CEO has the back-up of a specialist unit in terms of management style and structures, and to ensure that the management practices are up to world-best practice.

I said earlier that the Government, when it came to office, had a long way to go, and we have been working very strenuously with the CEOs to bring about that fundamental change in culture. I compliment the CEOs on their willingness to get in and be part of this. We have had a series of meetings with the CEOs, encouraging them to assess what are the modern management practices, how their departments can adopt them and how to become more performance-oriented. The CEOs are now under performance contracts, and we are writing those contracts in terms of the conditions that go into them, and they will be assessed on an annual basis. Also, we have worked to provide management consultancy services from within Government to Ministers and individual agencies and departments, and also to provide specialist management advice to CEOs and Ministers in terms of how they might more effectively improve the performance of their departments or agencies.

Mr SCALZI: What work has the Office of Public Sector Management undertaken with specific agencies to assist in their work?

The Hon. Dean Brown: There have been four specific areas of activity, the first of which is that the office is working to facilitate a coordinated overall response to the Commission of Audit report. The role of the office is to extend to longer term strategic planning and policy development work relating to public sector management, and to ensure that the public sector is structured to be able to maximise the opportunities available to it. The second specific activity is that it will ensure that the diverse range of management and human resource management are linked with Government policy, through the Premier, the Minister for Industrial Affairs and through Cabinet. In other words, the Department for Industrial Affairs is the main driver of industrial relations, but we must ensure that we bring the industrial relations component in with the management component, and a fundamental weakness has been that that invariably has not been the case.

Also, the office is to provide a management consulting service to Ministers and other agencies and, in particular, the office will work with Ministers to ensure the development, refinement and implementation of strategic agency's specific action plans needed to deliver the necessary changes to the public sector. The outcome of these activities will be performance-oriented strategies agreed with each Minister, agency specific actions and goals, the future performance measurements and accountability.

Finally, the office must be able to call on specialist expertise, particularly in areas where the public sector is presently weak in terms of internal resources. Examples of such areas are down-sizing, international benchmarking, management planning, contract administration and management, customer service and ensuring that there is an appropriate level of accounting advice within Government itself. Specific examples of departments to which this advice is given are: the Department of Transport, the Department for Education and Children's Services, the Office of Information Technology, the Department of Housing and Urban Development and the EWS. Assistance is also provided on a reduced scale to the State Library, ETSA, State Services and other key areas of Government.

Membership:

Mrs Geraghty substituted for Mr Foley.

The Hon. LYNN ARNOLD: Can the Premier provide information on how he and the Economic Development Advisory Board ensure the integrity of public administration when considering the provision of grants and assistance to private business? In particular, did Mr Bob Gerard absent himself from board meetings at which matters relating to assistance his company has received from the Government may have been considered?

The Hon. Dean Brown: The former Premier seems to be under the misapprehension that the Economic Development Advisory Board operates on the same basis as the old Economic Development Board, and that is not the case at all. The new Economic Development Advisory Board does not consider applications by private companies for financial assistance from the Government at all. The whole idea of the board is to look at the longer term development strategies for the whole of Government, to link in with Cabinet policy and to ensure that we bring together relevant Government agencies so that there is commonality of purpose about what they are trying to achieve. So, the Economic Development Advisory Board would not consider an application for

specific assistance made by an individual company. Therefore the question is not relevant.

The Hon. LYNN ARNOLD: Can the Premier advise us of the conditions of employment of the new Chief Executive Officer of the Economic Development Advisory Board, including remuneration, incentives and/or performance bonuses, and conditions of his performance agreement? Can the Premier advise us as to the role of his position *vis-a-vis* the Chief Executive Officer of the Economic Development Authority? As an apparent devotee of public sector reform, how will the Premier ensure that there will not be wasteful overlap between the roles of these key individuals?

The Hon. Dean Brown: I cannot answer the first part of the question because the person has not yet been appointed.

The Hon. LYNN ARNOLD: You must be planning for what is going to happen when the person is appointed.

The Hon. Dean Brown: The conditions in relation to that position depend on the negotiations held and who takes up the position. I cannot say what the package is because it has not been finalised. We are still going through a short list of applicants for that position. In terms of the difference between that role and that of the CEO of the Economic Development Authority, I make it quite clear that the Economic Development Advisory Board works alongside the Premier and Cabinet and ensures that we have long-term development strategies for South Australia.

The Economic Development Authority comes under a specific Minister: the Minister for Industry, Manufacturing, Small Business and Regional Development. The CEO of the EDA answers to that Minister. That department is out there specifically looking at any company that comes to Government and says that it wants to negotiate to set up a new factory or operation, or to expand its operation, or that it wants involvement with the Centre for Manufacturing, for example. That department deals with that. The Economic Development Advisory Board takes a much broader approach.

With the old structure the previous Government had, you had the Minister and the Economic Development Authority, and then at the other end somewhere you had the Economic Development Board, which was set up under statute and which nominally had responsibility for the Economic Development Authority. In fact, the same person was CEO of the Economic Development Authority and Chairperson of the Economic Development Board. I have argued for some time that that is ultimately an untenable position.

Particularly since the 1980s, unless they happen to be largely owned by one individual who wants to control the entire empire—and that is their own affair—very few companies or large public corporations now would ever have the CEO as Chairman of the board as well. There are some, but it is a very unusual thing.

Numerous and very authoritative papers have been prepared on how important it is to separate the governments of the corporation from the management of the corporation. I saw enormous problems in the structure that existed under the previous Government. We have removed that structure and now have the EDA as a department answering to a Minister. We also have an advisory board. I stress that because it is not set up under statute, and that is why it is called the Economic Advisory Board. It acts as an advisory authority to me as Premier and to Cabinet.

The Hon. LYNN ARNOLD: I would be interested to know whether the Government is intending to repeal the previous statute. That is not my question for the moment, the

Premier is entitled to answer it if he wants to. The Premier mentioned what in his view was the untenable situation. I do not agree with that assessment of it. However, what I believe will prove untenable—questioning next year will be very interesting, and I look forward to hearing the answers—is the matter of how the relationship will work between the CEO of the EDA and the CEO of the EDAC, because I think the structure that has been created is fraught with dangers, but we will have to wait and see. With respect to Mr Robin Marrett, what are the details of the severance package resulting in his no longer being with the EDB or the EDA?

The Hon. Dean Brown: First, the severance package does not come under this line. We can deal with that on the next line when we come to the commission.

The Hon. LYNN ARNOLD: I thought we could deal with this under 'other payments.'

The Hon. Dean Brown: It is not under the Premier's line because his salary was paid for under EDA.

The Hon. LYNN ARNOLD: Under 'other payments' I see reference to the Economic Development Authority and an estimate of \$42.502 million. I take your point that it is not under this line but according to page 42 it should come up under 'other payments.'

The Hon. Dean Brown: We can pick that up under the Commissioner's line. I come back to the pertinent point—

The CHAIRMAN: The Leader has drawn attention to one possible weakness in the documents in that 'other payments' appears specifically in the economic finance paper No. 2 but does not appear specifically in the performance budget papers. I cannot find the specific line for 'other payments.' Where to locate it in the PPB papers is a question I was going to raise privately. I find it happens in several Ministries, not just this one. The Premier is correct that it would be appropriate to respond under the Government management line but there is a problem with 'other payments' which I cannot reconcile. I will not make anything of it because it appears to be a thread running through all Ministries.

The Hon. Dean Brown: I am surprised that the Leader of the Opposition is having trouble understanding the significant difference. The Government has a range of different Government departments dealing with aspects of economic development. We have the Mines and Energy Department, the Department of Primary Industries, the Economic Development Authority, which acts as a department, the Tourism Commission, and the Transport Department which in different areas acts almost like a development department. They are a whole range of separate departments all with their own specific functions. The EDA quite specifically deals with areas such as manufacturing industry, small industry and small businesses, etc. You need a body that brings together all those different authorities or departments to make sure that there is a whole of Government approach.

Bringing those together ensures a medium and long term strategy for the development of the State as opposed to short term tactical moves—in other words, short term policy implementation which the other departments specifically concentrate on. That does not mean that they equally do not have some role in terms of long term policy development: they do. They are out there looking at specific areas. But who brings the whole lot together? That was always my argument with the former structure. There was no-one bringing it together who sat in a truly independent position and who said, 'We are independent of all of those departments and we are interested in bringing them all together', to act as a whole of

Government approach. One problem with the old structure was that it had responsibility in other areas.

The Economic Development Board had responsibility in a broader area, but equally the person who sat as Chairman of the board had specific responsibility for just one of those economic departments. I am very confident that the structure we have, particularly this concept under the leadership of Ian Webber and with the other sort of experience that we have on the Economic Development Advisory Board, truly acts as an advisory board in terms of where it is taking economic development here in South Australia and acting as a body to give advice to Government.

Mr BRINDAL: I refer to the citizens charter project. The estimates of receipts and payments at page 33, program 2, includes public sector reform and management improvement. How is the Government ensuring that quality services have been provided by agencies following its decision not to proceed with a citizens charter project?

The Hon. Dean Brown: One thing I found on assuming office was that the citizens charter project had grown into somewhat of a second structure of the whole of the Public Service. I was amazed to find that different Government departments were now setting up a specific division on the citizens charter. I was staggered at the extent to which citizens charter was not something that was brought down as a central agency matter and then simply set as a standard across Government. It was setting up many bureaucracies to monitor in each department the operation of the citizens charter. In fact, the citizens charter appeared to have become a separate bureaucracy.

That is not what good management is about. Good management is about making sure that it is driven by the CEO, with everyone within the organisation clearly understanding what the objectives are and being part of that decision-making process—being part of the implementation and monitoring the effects. The citizens' charter, in its broad terms, was commendable in regard to what it was trying to achieve for the citizens of South Australia, but the way it was being implemented was simply as a duplication of a bureaucracy in trying to set up something in its own right, which I saw as a waste of resource; so we abolished it. Of course, those roles have now been taken over by the Office of Public Sector Management.

I have the details as far as Mr Marrett is concerned. The targeted separation payment he received was \$212 870, plus \$5 000 as an out-placement service. You will recall he had two specific roles. That was not only as CEO of the EDA but it was also as payment for the role of Chairman of the Economic Development Board. The one thing that concerned me when I looked at Mr Marrett's contract was that there was no termination provision in it at all—in fact, through all these contracts.

I found one CEO's contract, signed only last year by the Labor Government, which quite specifically said, 'This is a five-year contract and, if it is terminated in less than five years, you have to pay out the full five-year contract.' That is absolutely hopeless and, quite rightly, this Government has moved to put in specific clauses which limit the amount of payout should the contract be terminated. Any private company would do that. No private company that I know of would write a five-year contract without performance criteria being included. Incidentally, there were no performance criteria either. So, we had no termination procedure and no performance criteria. It was a disastrous situation.

Mr BRINDAL: Following the Premier's comments about Mr Marrett, did Mr Marrett's payment work out the best possible negotiated position for the Government, and how did that payout compare with previous payments either forced upon this Government or made by previous Governments?

The Hon. Dean Brown: The payment based on the standards set by the previous Government was not unusual—

The CHAIRMAN: Premier, before I allow the response, I point out that the last answer, whereby the information on Mr Marrett was offered gratuitously, relates to the next line, \$41 million, Other Payments, Office of Multicultural and Ethnic Affairs, and it should be dealt with under that line.

The Hon. Dean Brown: I understand that. I have now received the information I was specifically after. I can give some examples, for instance, of what was paid out—

The CHAIRMAN: That information should be provided under the next line to keep the books straight.

The Hon. Dean Brown: I always defer to your judgment, Mr Chairman. I was part way through answering. I had answered the previous question and I think it is important to give this information.

The CHAIRMAN: I am not happy about it, because it is the wrong line. The matter of Mr Marrett was brought up gratuitously.

The Hon. Dean Brown: Can I simply say in answer to that question, without giving the detail—because I defer to your judgment on this matter, Mr Chairman, that it was not unusual. Under the Commissioner's line I will give relevant information that shows that even higher packages were paid out by the former Government.

Mr BRINDAL: What contribution is the Office of Public Sector Management making to the Government's financial reform program?

The Hon. Dean Brown: The office is undertaking a number of measures to bring that about. One is the report of the Audit Commission, which made a considerable number of comments about public sector financial management matters. The honourable member may recall that it commented on the lack of expertise, the lack of professional qualifications and the fact that many of the people involved in the Government's accounting work were inadequately qualified for the work they were undertaking. In broad terms, the Department of Treasury and Finance has carriage of financial management form and is now progressively implementing measures to improve it. Where appropriate, particularly where there are overlaps between the strictly financial and broad strategic issues, the department will be working very closely with the Office of Public Sector Management.

The requirement on agencies is that they integrate their financial management and reporting with their planning and their management processes, and any good manager would understand that, but we found across large areas of Government that was not the case at all. We found that the financial management information was invariably incredibly late. If you are going to manage, you need to have the information there on a week-by-week or certainly a month-by-month basis so that you use that information for management, but that was not the case at all. We found also that a lot of the information that was being produced was not suitable for a manager to manage with.

The second factor is that public corporations legislation is under review. The Department of Treasury and Finance has carriage of that process, but the Office of Public Sector Management will be providing input in respect of manage-

ment and general accountability questions that arise. Thirdly, Treasury and Finance will be reviewing the PPB—which is what we are going through now—to ensure that the system put in place fully takes into account the need for proper program evaluation and accountability for the true cost of programs and service outcomes. Preliminary discussions have already taken place with the Office of Public Sector Management.

Finally, the progressive introduction of accrual accounting throughout the public sector is in the hands of the Department of Treasury and Finance and full implementation will be completed by the beginning of the financial year 1996-97, and they are helping with that.

Mrs GERAGHTY: What specific projects have been undertaken for the women's suffrage centenary year by the Department of the Premier and Cabinet? How much of the allocation for these projects was made during the 1993-94 budget and the 1994-95?

The Hon. Dean Brown: I think the honourable member should raise that question with the Minister for the Status of Women, who has the responsibility.

The Hon. LYNN ARNOLD: So, there is nothing happening under the Department of the Premier and Cabinet in relation to women's suffrage celebrations?

The Hon. Dean Brown: Apparently, we provide some general support in terms of staffing, but the specific responsibility, which was previously with the Premier's Department, has now specifically been transferred across to the Minister for the Status of Women. She is the Minister who now administers all those programs.

The Hon. LYNN ARNOLD: The Education Minister would be doing certain things, as would the Minister for Industrial Affairs. So, we know the women's unit has been transferred; however, the women's suffrage year as a special year has involved many agencies. Does it involve the Department of Premier and Cabinet quite separately and, if so, how?

The Hon. Dean Brown: I am not sure whose question I am answering here, but I will take them both. The point is that the Premier's Department had a big role earlier this year in helping to get the suffrage year going and setting up a whole series of programs, but we have transferred the responsibility for all those programs across to the Minister for the Status of Women. I think you will find some ongoing activities where people from the Department of the Premier and Cabinet, and the Cabinet office in particular, are involved in a number of those initiatives, but no specific programs are directly under the control of the Premier, because they were all transferred across to the Minister.

The Hon. LYNN ARNOLD: I refer to the overseas visits of the Premier as shown on page 34 of the Estimates of Payments. On 1 February this year, following talks with Bernie Ecclestone, the Premier announced that Adelaide would automatically regain the Grand Prix if Melbourne were unable to stage it. This announcement was given considerable publicity at the time and hailed as a hard won deal, and it was well received in the community. Later, Mr Ecclestone said that there was no such deal and that if Melbourne could not stage the event the race was likely to go to a South-East Asian circuit. When that matter was then raised with the Premier he indicated that there had been a verbal understanding and that a contract was now before Mr Ecclestone which would mean that the race would move back to Adelaide in the event that Melbourne were unable to stage it. That was some months ago. Has that contract been signed by Mr Ecclestone; if not,

why not; and when can we expect some further details on the matter?

The Hon. Dean Brown: First, I reiterate that not once or twice but on a number of occasions Mr Ecclestone has stressed that commitment in terms of the position of South Australia, so there has been no change there. There may have been some general posturing in an industrial dispute in Victoria, which might have been specifically designed to remove some of the opposition to the Grand Prix in Victoria and therefore using a threat as part of the positioning of different parties. Our specific position with the Grand Prix is slightly more complex than just that, because there is also the 1996 Grand Prix, for which the South Australian Government effectively has a contract.

As the Leader would know, we have reached an accommodation with Victoria and with Mr Ecclestone (because the three parties are involved) whereby the 1996 Grand Prix will go to Victoria. In return, Victoria will buy the assets of the Grand Prix office or of the South Australian Government, and we will contract to Victoria some of our staff between now and the end of the race in 1995 so that we are offsetting the costs of running the Grand Prix office here. As you can imagine, as we go into the last Grand Prix next year, the demands on the staff will be fewer and we can use that surplus capacity of the office to help Victoria establish its race.

A contract is now being put together which quite rightly covers all these issues. It has to deal with the race from 1996 and with what happens if Victoria is not able to stage the race in 1996 at short notice. It has to deal with making the staff available on a contract basis, and the indications are that this will give some pretty significant benefits to South Australia of approximately \$1 million. Then there is the sale of the assets, and the benefits to South Australia there are very substantial indeed. All those factors are being tied together in one contract, including the issue that—

The Hon. LYNN ARNOLD: Including the reversion back to Adelaide in 1997?

The Hon. Dean Brown: Including the issue that the Leader raises. I understand that all the issues are being negotiated as one and cannot be settled until they are all finalised.

The Hon. LYNN ARNOLD: That is the contract that will go to Bernie Ecclestone?

The Hon. Dean Brown: Specifically, I took to London a contract just to deal with post-1996, but because of subsequent negotiations that have taken place it is now much more complex. All these other issues, including the transfer of staff, the sale of assets and the 1996 race, come into that and have to be dealt with as part of the one negotiation. There is some delay in that because, naturally, to be able to identify the true value of the assets, they want to get as close as possible to the final sale point.

The Hon. LYNN ARNOLD: I now propose to read these questions *seriatim*, as I indicated at the start. I do not expect the Premier to answer them now.

The Hon. Dean Brown: I think I have the right to answer them if I wish. I understand that the Leader would like to get as many questions as possible on the record, but I do not think we will sit here for 45 minutes and let the Leader simply read into *Hansard* 45 minutes of straight questions that he wants answered at some later date. That is just an abuse of the parliamentary procedure.

The CHAIRMAN: I think the Premier misunderstood: the Chair put the question to the Committee previously, in

view of the fact that the Premier and Cabinet line should have closed at 4 p.m., and we have extended it beyond 5.15 p.m. The Leader asked whether he could put questions on notice, and the Committee agreed to that earlier.

The Hon. Dean Brown: I have no objection to that; I just wonder how long this will continue.

The Hon. LYNN ARNOLD: It will not be very long at all. This practice is not new; it has happened in previous Estimates Committees with the concurrence of previous Premiers and Ministers. I am trying to assist the proceedings of the Committee, not obstruct them.

The Hon. Dean Brown: I misunderstood; I thought we were going to sit here for the next 45 minutes with the Leader reading out his questions.

Membership:

Mr Leggett substituted for Mr Condous.

Mr SCALZI: I refer to Program 2—public sector reform and management improvement—on page 33 of the Estimates of Receipts and Payments. What role does the Office of Public Sector Management have in coordinating the Government's response to the report of the Audit Commission?

The Hon. Dean Brown: The Office of Public Sector Management is working with individual agencies to identify actions needed to address the issues raised by the Audit Commission. We established a committee, under the Department of the Premier and Cabinet, chaired by the Chief Executive Officer, Mr Schilling, to look at the Government's response overall to the Audit Commission report. The implementation of that is being adopted through the Office of Public Sector Management. This will identify specific actions, together with their associated time lines, to achieve that.

The aggregated agency action lists will then be documented and monitored by the Office of Public Sector Management in the areas in which it has an interest. The agency action list will finally be incorporated into an agency business and strategic plan where there is a longer term implication. That covers that area, but there are other areas as well. Each Government department is systematically working through the recommendations of the Audit Commission. Some are being adopted but the Cabinet may decide to reject others. That has already occurred in some cases. By the end of October there will be a formal response by the Government to all 336 recommendations in the Audit Commission report. There will be a formal response, and to my knowledge we are still on track to achieve it.

Mr SCALZI: What has been the outcome of the public sector benchmarking study conducted by Deloitte Touche Tohmatsu?

The Hon. Dean Brown: This study—the so-called hidden report—was prepared by the previous Government. When we came to office many people had heard about this report, but no-one could find it. Why? Because it was rather embarrassing in terms of some of the facts that it contained about the poor quality of management of the public sector in recent years.

The study cost about \$500 000. It was conducted by Deloitte Touche Tohmatsu and coordinated by the Office of Public Sector Reform (now the Office of Public Sector Management), and 23 different agencies participated. The process relied on a genuine partnership between the consultants and the Office of Public Sector Reform and the 23 agencies and also 24 Australian benchmarking partners. They

were benchmarking the Government here compared with 24 other bodies throughout Australia. The focus was on identifying opportunities for improvement in the provision of corporate services, including efficiency in the delivery of financial management, human resource management and information technology services. Using the benchmarking for best practices, the management tool is increasingly a sign of a mature organisation seeking further to improve its performance.

Last week in Parliament I gave details of how, in respect of information technology, the South Australian Government compared with other organisations, and it was not a particularly good comparison. It will be recalled that there was a huge number of financial management software packages with a great diversity of equipment and there was little or no coordination. Twenty-three Government agencies were looked at, and there were 29 different financial receipts software systems. There was not even commonality in one Government agency, let alone between Government agencies.

Mr SCALZI: Organised confusion.

The Hon. Dean Brown: Yes, organised confusion. The gap of \$89 million does not represent a definitive target for cost savings. It represents what could be achieved if appropriate best practice activities were achieved within Government. There is the potential for fairly significant savings—\$89 million—across Government. The performance gaps described in qualitative and quantitative terms point to the areas in which the 23 Government agencies and central agencies need to focus on achieving a quantum improvement in performance. That is what we are now trying to achieve.

The report was referred to the Audit Commission in February and was used rather extensively by the Audit Commission. Action taken to close the gap is being addressed in the context of the whole of Government and individual agency action to implement recommendations to the Commission of Audit. Examples of action taken to create corporate services along the lines of best practice can be seen in the Attorney-General's Department, where radical changes to the style and structure of the corporate service delivery are now under way. Combined corporate service is taking place in the Department of the Premier and Cabinet, the Treasury, the Office of Multicultural and Ethnic Affairs and the Commission of Public Employment, with that sort of pooling of resource and sharing of resource between Government departments.

We have achieved already, with the announcement today, another significant step forward in terms of information technology in overcoming the sorts of problems that existed. So you can see that the Government has taken up that benchmarking study even though it was attempted to be hidden when we first came to Government, and I can understand why. I find now that Government agencies are embracing it enthusiastically, and I applaud them for doing that. There really has been a change in culture whereby Government agencies and departments are understanding the need for reform and are wanting to get in and be part of it. I think it is so encouraging to see that positive attitude occurring. This benchmarking study will become a key part of the adoption of new practices.

Mr SCALZI: I refer to program 3—overseas representation—on page 33 of the Estimates of Receipts and Payments. Will the Premier explain how South Australia's overseas representatives are now being managed?

The Hon. Dean Brown: There needs to be greater coordination of overseas representation. I found that the

Tourism Commission had its representatives overseas. Others were appointed by the Economic Development Authority and there was a protocol section within the Department of the Premier that had some dealing as well. I have appointed a board, and that board consists of representatives of each of the various departments or agencies involved, in particular the Economic Development Authority, the Department of the Premier and Cabinet, and the Tourism Commission. The Chief Executive Officer of the Department of the Premier and Cabinet is the Chairperson of that board.

That board will decide where there should be overseas representation, but after my approval, and it will also decide who should fill the role of that overseas representative. Where that occurs—and it may be the Economic Development Authority, if that is where the person is working on a day-to-day basis—it will report to the Economic Development Authority. The Economic Development Authority will be the agency which will go out and select the person once the board has decided a position should be created. It is likely to be on a contract basis rather than an employment basis. I think that is far more effective. Then it will be up to the board to finally ratify that appointment. In that way we will have far greater uniformity and there will be a small group within the Premier's Department that, if you like, plays a role equally in terms of liaising between the Premier's Department, and therefore the Premier, and the heads of other Governments around the world covering the diplomatic side of it rather than the specific agency side.

Mr SCALZI: So it is not out of sight and out of mind?

The Hon. Dean Brown: No.

The Hon. M.D. RANN: Following the Premier's last reply, I am aware of a proposal to relocate the office of the Agent-General from its current location at 50 The Strand, London, to take up vacant office space in Australia House. I understand that the process has been going on for some years, with the progressive downsizing of the Agent-General's Office in London from a staff of some 20 in the time of the Tonkin Government, and it has progressively changed in function towards a more economic development focus using London as a base for the Agent-General working in Europe, where I understand he spends about one week per month. I understand that, at the end of the lease of The Strand office, it is proposed to move along with some other States into Australia House. Has agreement been reached on that yet?

The Hon. Dean Brown: It was a matter I looked at when I was in London at the beginning of the year. There is in-principle agreement already. The existing lease will terminate before we have a chance to move into Australia House. Australia House will not be ready for at least another two years. They have to put in a new lift well and a new entrance. This was discussed between the Premiers and the Prime Minister informally at the COAG meeting. It was not part of the agenda but we had an informal discussion on it. There is general agreement between the States that we will all move into Australia House. Victoria is in a building next to Australia House. We have decided that we will use the existing ground floor entrance of the Victoria building, and finally Victoria has relented to the pressure of the other States on that.

People will come in through that entrance into a lift well which is yet to be constructed and which will be in the present immigration section of Australia House. That will take people up to the third, fourth and fifth floors where the States will be represented. I have seen the area where South

Australia's will be located. We have agreed in principle. In the interim it will be necessary for us to move the Agent-General out of the existing building where the rent increase is very substantial. I forget the exact amount, but it is huge. It is therefore unprofitable to stay where we are. I think Western Australia has agreed for us to move into Western Australia House, but still maintain a separate identity for the next two years while we wait for Australia House to be modified.

The Hon. M.D. RANN: As a supplementary question, whilst South Australia House has had a much stronger economic development focus over the past eight years, particularly under Geoff Walls who has done an outstanding job—his was a significant appointment—there is still usage of South Australia House. There is the wine centre in the basement and the fact that South Australians in London use the facilities of South Australia House to catch up on what is happening in South Australia, with the newspaper reading room service. Will those services continue if the transfer to Australia House does occur?

The Hon. Dean Brown: Some of those functions will continue, but some will be in a modified form. The space being leased in Australia House is smaller than the existing very large area in South Australia House. We will certainly retain our own separate identity, but not at street level, because it will be for the whole of Australia. All of the States have agreed that that is in the interests of Australia, and so they should. The days of trying to promote Australia as six independent States and a couple of Territories have well and truly passed. It is proposed that there be separate rooms and facilities for us to promote things like the wine industry.

The independent retail outlet for the wine, which operates as a commercial wine shop underneath, and whose name I forget, will have to be transferred. It is inappropriate for it to be in Australia House. I think that is understood by the commercial interests involved. I also add my support to the fact that the Agent-General does a superb job. His was a very good appointment and we should be proud of the way he represents South Australia.

The Hon. M.D. RANN: On 24 September 1992, when you were Leader of the Opposition, you made an undertaking to the Chamber of Mines to develop a uranium enrichment plant in South Australia. At that forum, you told the chamber that, upon becoming Premier, you would proceed immediately with developing a uranium enrichment industry. I raised this matter on Tuesday 15 February this year after the election and, in reply to my question in the House, you said that your speech on 24 September really concerned the fact that you believed there should be an immediate start on a feasibility study, not on a uranium enrichment plant, because of demand issues. When I again questioned you on 15 February, you said that the start on the feasibility study for a uranium enrichment plant would begin 'in the very near future. We will look at the feasibility of adopting such an enrichment plant.' Has the feasibility study begun?

Mr BRINDAL: To what line in the budget estimates does the question refer?

The Hon. M.D. RANN: Premier and Cabinet. It is the role of the Premier's office. I understand the feasibility would be under that process.

The CHAIRMAN: Can the honourable member relate the question directly to a line? It is a standard requirement, in the case of dispute, that the honourable member relate it directly to a line.

Membership:

Mr Condous substituted for Mr Leggett.

The Hon. M.D. RANN: It would be a policy matter under Premier and Cabinet. I refer to page 33, recurrent payments, planning and policy development, various committees of inquiry.

The Hon. Dean Brown: The speech I gave to the Chamber of Mines specifically related to a feasibility study. In fact, I acknowledged at that luncheon that there was no immediate demand for increased capacity for uranium enrichment in the world, but that South Australia at least should look at the possibility of establishing that industry and at whether or not it was feasible. We should look at a whole range of issues. We should look at various matters, such as where such an industry should be established, and what the restraints should be. I understand that the honourable member has fairly strong feelings against the establishment of a uranium enrichment industry in South Australia.

I know the stance he took against a former Labor Premier, Don Dunstan, when he was very strongly looking at the possibility of a uranium enrichment plant. Don Dunstan outlined on a number of occasions in the Parliament and publicly the benefits that could be forthcoming and how such a plant would be as safe as any other large industrial plant. The fact that it was a uranium enrichment plant did not suddenly impose any immediate risk *per se*. The feasibility study has not yet started because it is anticipated that there is not likely to be a change in demand over the next few years, and in particular because the events in Russia have released a significant amount of already enriched uranium. Within the foreseeable future there is not the scope to suddenly set up the industry.

I am still of the view that, as that situation changes, although it is not likely to change until the turn of the century, we should be ready by then to assess what the opportunities are for South Australia to set up a uranium enrichment industry. If Western Mining Corporation decides to go ahead with its significant expansion in South Australia, I would be interested in knowing whether the Opposition supports the doubling of capacity at Roxby Downs.

The Hon. M.D. RANN: Absolutely.

The Hon. LYNN ARNOLD: We said so before the election.

The CHAIRMAN: We still have the Premier responding to the Deputy Leader.

The Hon. Dean Brown: With any significant new negotiations the Government seems to secure, we suddenly have the old Government, even nine months later, trying to claim the benefit when, as we found today, it turned its back on significant outsourcing information technology.

The Hon. M.D. RANN: Technology Park had a tent on it before the 1982 election, yet you still claim credit.

The Hon. Dean Brown: We were the ones who set up Technology Park. I remember the Opposition Labor Party coming out strongly in opposition to the whole concept.

The Hon. LYNN ARNOLD: That's not correct.

The Hon. Dean Brown: It was. Your then Deputy Premier came out and strongly attacked the concept in 1980. He attacked the whole concept of setting up Technology Park here in South Australia. It was a new and bold initiative that I had driven, and everyone with hindsight now agrees that it was the right step to take for South Australia.

I come back to the question: our first priority now is to make sure that we have a coordinated approach in assisting

Western Mining Corporation to carry out all the necessary work for the feasibility study for the final board decision to be made in early 1996 as to whether it goes ahead with a major expansion at Roxby Downs and the possibility of a \$1 000 million investment there with the objective of doubling the capacity, not only the mining but also the processing capacity to separate out the copper and gold ores and the yellowcake. Therefore, there has been no feasibility study commenced yet. Whilst we are putting resources into looking at the doubling of capacity and because of the recent release of a large quantity of enriched uranium onto the world market out of Russia, there is no urgency in this, and I can assure the honourable member that, when it is appropriate, we will go ahead with the feasibility study.

The Hon. M.D. RANN: There seems to be confusion. Before the election, the feasibility study and the plant were going to proceed immediately. Immediately after the election, following questions from me, it was going to be in the near future. Russia had already released its enriched uranium onto the world market before both those statements were made. Another thing has happened: the Federal Coalition had announced a reversal of its policy and its Federal spokesman, Mr McGauran, said that there was 'zero chance of a uranium enrichment industry in South Australia or Australia and, indeed, the Federal Coalition now opposes it'. If you have scrapped the idea, why do you not say so?

The Hon. Dean Brown: Because we have not scrapped the idea.

The Hon. M.D. RANN: Before the last State election the Premier announced that, upon his becoming Premier, part of the Cabinet process would be to implement business impact statements regarding all Government decisions. We have seen the announcement of family impact statements, which were applied by the former Tonkin Government although, from what I can gather, unfortunately they were not taken seriously by a number of departments in putting in submissions for a new road between X and Y. They would say that the development would benefit the family.

Mr BRINDAL: Mr Chairman, on a point of order, to what line is the honourable member referring?

The CHAIRMAN: Highways do seem to be irrelevant to the Premier's line.

The Hon. M.D. RANN: Economic development is in the Premier's line, Mr Chairman. I refer to the Economic Advisory Board and policy, at page 33. When we have business impact statements, will they be taken seriously and will they take into account small business interests?

The Hon. Dean Brown: Cabinet has been doing that for about nine months. The Cabinet office has a specific directive, because this Government has put down clearly that economic development and trying to rebuild the State's economy, our having lost 15 per cent of our employment during the recession, which is more than any other Australian State because of some pretty misguided policies of the former Government, is our first priority so that we can create jobs. I can assure the Committee that every Cabinet submission is considered carefully both by the Minister in putting up the submission and by the Cabinet office as to its potential impact in terms of best development or economic development. That will continue to be the case here in South Australia.

The Hon. M.D. RANN: So there is a formal business impact statement procedure?

The Hon. Dean Brown: We do not have to go through a formal procedure—

The Hon. M.D. RANN: That is what you announced in the election campaign.

The Hon. Dean Brown: I said we would assess each submission to Cabinet in terms of whether it was assisting economic development in South Australia or was against it. I can assure the honourable member that any Cabinet submission goes through my own personal assessment, and that is somewhat more significant than the former Government, which did not have anyone with business experience sitting in Cabinet.

Members interjecting:

The CHAIRMAN: Order!

The Hon. Dean Brown: We had these disastrous decisions made by the former Government having no people with business expertise sitting around the Cabinet table. Very importantly, I have a specific instruction to the Cabinet office that every submission that goes in needs to be assessed for its impact on the economic development of South Australia. That is working very effectively. Look at the results that are already occurring in just nine months, including today's decision.

The Hon. M.D. RANN: As to who sits in on Cabinet, and as all Ministers would be aware, one has to swear various oaths or affirmations to the Governor on becoming a Minister. Cabinet deals with matters such as taxes that may go up or down and other decisions that affect share prices, and obviously there has to be a strict code of ethics, to which the Premier referred in the election campaign. Does anyone who is not a Cabinet Minister so sworn sit in on Cabinet meetings?

The Hon. Dean Brown: The Cabinet operates in very much the same way as a board of a large public corporation. Whenever we think it appropriate, we bring in other people to brief Cabinet. For instance, at a Cabinet meeting this morning we specifically brought in Ray Dundon to brief Cabinet on the outsourcing proposal, and we brought in Ray Mudge to brief Cabinet on the economic development components. Other officers come along on a regular basis. When the Cabinet talks about the broad economic development of South Australia, I would like to invite Ian Webber, Chairman of the Economic Development Advisory Board, to participate.

The Hon. M.D. RANN: Do Messrs Yeeles and Schilling sit in on every meeting?

The Hon. Dean Brown: They attend some of the meetings but not all meetings. They certainly have access to the Cabinet room, as I think is appropriate, and that will always be the case.

The Hon. LYNN ARNOLD: Are they sworn on oath or affirmed?

The Hon. Dean Brown: They do not formally swear on oath because, if you look at the swearing of the oath, it relates more specifically to a general responsibility as a Minister. A code of conduct applies to them as it does to any Minister, and that is the important thing.

The Hon. LYNN ARNOLD: Following an earlier question asked today about the major projects coordinator, will the Premier explain why Mark Hennessy-Smith did not continue in that position?

The CHAIRMAN: These are questions on notice.

The Hon. LYNN ARNOLD: I am asking two questions and then I will ask questions on notice.

The Hon. Dean Brown: There was a need for Mr Hennessy-Smith to return to the Department of Housing and Urban Development.

The Hon. LYNN ARNOLD: Supplementary to that question, why then did the Premier, in his press release on 7 January 1994, talk about Mr Hennessy-Smith, saying he will play the role of troubleshooter for potential developers and other investors and making numerous other references in that press release to his ongoing activity in the position, no reference being made to the fact that his position was short-term?

The Hon. Dean Brown: It was because he was brought in specifically for that task and he carried out a function in that role. Just because you put someone into a particular position does not mean he or she must be like lumps of stone and sit there for the rest of time. Good management is all about using people and resources in the area where they have most effective impact. I can assure the Leader of the Opposition I will continue to do that as Premier.

The Hon. LYNN ARNOLD: I think that is long-hand for the Premier thinking Mr Hennessy-Smith was no good. I refer to page 34, State Appeals and Minor Grants: will the Premier provide a schedule for what payments were made to individual groups or appeals for the years 1993-94 and 1994-95? Will the Premier provide advice on the Bank of Tokyo arrangements.

The Hon. Dean Brown: Which Tokyo arrangements?

The Hon. LYNN ARNOLD: Page 34 indicates that last year's budget for Bank of Tokyo expenses was \$30 000; \$31 000 was spent; and the budget for this year is \$20 000. I simply want a statement as to what that is all about. With respect to State promotions (page 34), how much did it cost the taxpayers for the production of the glossy colour budget flier, how many copies were produced, and how have they been circulated? In relation to that same line, what other publications are proposed in the \$120 000 promotions allowance?

The Hon. Dean Brown: It came out of the Treasurer's line, and the cost was about \$5 000.

The Hon. LYNN ARNOLD: I understand you may not have the figure off the top of your head and if there is a change I am happy to be provided with that information.

The Hon. Dean Brown: To the best of my knowledge the quote was \$5 000, or \$5 300.

The Hon. LYNN ARNOLD: In relation to the appointment of Mr Mike Schilling, under what conditions might Mr Schilling receive a bonus payment, and will a copy of the performance agreement between the Premier and Mr Schilling be made available? Will the Premier provide a copy of the performance agreement between Mr Matthew O'Callaghan, head of the Public Sector Reform Unit, and the Premier, and what are the conditions of his employment? With respect to the State disaster line, how many shipments of uranium oxide occurred in 1993-94 in South Australia from Olympic Dam to Port Adelaide? Have any disaster strategies been organised by the State Disaster Committee in the event of an accident during the shipment of uranium oxide?

The Hon. Dean Brown: I will check, but I do not think that the State Disaster Committee is notified of shipments of uranium oxide.

The Hon. LYNN ARNOLD: Are you aware of any disaster strategies organised by the State Disaster Committee in the event of an accident during shipment? It may be that there are none, and that is fine.

The Hon. Dean Brown: The Leader has got the wrong Minister. Normally, if there was a shipment it would come under the Minister for Industrial Affairs, or the Minister for

Transport under the Transport of Dangerous Substances Act; the Leader should ask the relevant Minister, not me, because I do not think there is any requirement to notify the Premier of what shipments might take place. I am not sure there is any requirement to notify any Minister but, if there were a requirement, it would come under the Transport of Dangerous Substances Act.

The Hon. LYNN ARNOLD: I take the advice of the Premier on that. Is Mr Cliff Walsh employed as an adviser to the Premier; if so, what is his remuneration and terms of employment; and what projects is he working on? Is Professor Walsh's Centre for Economic Studies working on any projects to implement recommendations of the Audit Commission?

The Hon. Dean Brown: I do not know whether the centre is involved in implementing the recommendations of the Audit Commission. The centre does some economic studies, as it has for many years, for the EDA. In fact, I think I am right in saying that a contractual obligation was prepared by the previous Government for those studies up to a certain level to be undertaken each year, and I am sure the former Minister knows—

The Hon. M.D. RANN: \$150 000.

The Hon. Dean Brown: Something like that. That is through the EDA. The centre has done some work for the Premier's Department in the wine industry. Through the Economic Development Advisory Board we are preparing a detailed submission and we have seconded one staff member from the centre on a contract basis to work in the Premier's Department through the Economic Development Advisory Board in assisting our preparation of the submission and ongoing response to the wine industry authority. The other area where the centre has done some work for the Government through the Premier's line is in response to the Hilmer recommendations: on some of those aspects relating to the Hilmer recommendations, I have engaged Professor Walsh directly to give advice to the Premier's Department.

The Hon. LYNN ARNOLD: Supplementary to the Premier's earlier answer on deregulation and in relation to page 33, given the significant deregulation activities that have taken place since 1979 in this State under Governments of both persuasion, will the Premier ask the Deregulation Advisory Unit to prepare a report on what deregulation has actually been achieved in South Australia since 1979?

The Hon. Dean Brown: I do not think that one should spend a great deal of resource on something where less than satisfactory results have been achieved.

The Hon. LYNN ARNOLD: There was a very good track record under the Tonkin, Bannon and Arnold Governments over the past 15 years.

The Hon. Dean Brown: I do not think there was; the amount of legislation in South Australia continues to blossom. Over the past 10 or so years, it has been the fastest growing industry in the State.

The Hon. LYNN ARNOLD: I take it that the Premier's answer is that he refuses to ask for a report.

The Hon. Dean Brown: As the Leader has raised this matter, I am happy to look at what specific recommendations were handed down in the report. I do not want to spend literally thousands and thousands of dollars on an inquiry, but I am happy to look at the recommendations brought down in his Government's last report on deregulation and to see how many of them were formally adopted during his period of government; it will make interesting reading.

The Hon. LYNN ARNOLD: I would appreciate receiving that information.

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

The CHAIRMAN: I understand that the Leader still has a question.

The Hon. LYNN ARNOLD: My next question may be better dealt with under the next line, so I will take your guidance on the matter, Mr Chairman. Shortly after the election the Premier decreed that there should be some new public sector reform in addition to that which had happened prior to the election. In particular, he spoke about the opening of Government offices between 8 a.m. and 6 p.m. on weekdays and, in certain cases, on Saturday morning. Which Government offices were open over the 1993-94 Christmas-New Year break? Which of those were staffed by a skeleton work force, and how much did this increase the Government's wages bill for the past financial year? I am talking about Government offices generally but I would also appreciate any information on electorate offices, in particular. It was not a commitment made by the Opposition.

The Hon. Dean Brown: The Leader has the wrong impression about this matter. What I clearly indicated was that I believed that Government agencies, where appropriate, should be open during normal working hours, because there was a range of Government departments that were closing for business at 4 p.m. Whilst that might have been suitable when all people paid in cash, in modern society where people tend to pay by credit card or cheque, and so on, it is more appropriate to keep those offices open until 5 p.m. as there is no requirement to bank the money before the close of business.

I said that in key functional areas of Government, such as the Economic Development Authority, there should be a service provided well after 5 p.m. Shortly after coming into Government, I had cause to telephone that authority on two occasions at 4.55 p.m. and it appeared that, under the previous Government, employees of that authority had developed some pretty bad habits as they were shutting the office at 4.50 p.m. If I were an overseas business person or anyone wanting to expand my operation and I telephoned them at 4.55 p.m. and found that they had shut up shop for the day I would be pretty annoyed. It sends all the wrong messages. So, my clear message was that the core hours for senior management were from 8 a.m. to 6 p.m., and that they should be there and willing to answer the telephone during that time.

That did not mean that someone had to operate the switchboard because, if the switchboard operator had left, modern telephone systems would allow the use of a night switch facility, and the other people in the office could pick up the telephone and answer it, as they should do. I indicated that my office and my department would be open to receive such calls for the core hours from 8 a.m. until 6 p.m. There was no additional cost there at all. We put out as a suggestion that other agencies then look at—

The Hon. LYNN ARNOLD: As a suggestion, not a requirement?

The Hon. Dean Brown: It was a suggestion. It is interesting to see that just about all other Government agencies have adopted that to ensure, first, that their public presence is available until 5 p.m. instead of closing at 4.30; and, secondly, that senior management is there from around 8 a.m. until 6 p.m. I am delighted that when I telephoned a range of Government agencies late in the afternoon I found

that people were still there answering telephones. I found only one department closed at 4.30 and that was the Motor Registration Division. I found that out fairly recently, and I have drawn it to the attention of the Minister with a request to at least look at that matter. I see no reason why it should not be open until 5 p.m. What we were doing was part of changing the culture of a former Government that had grown very tired under a lack of leadership. I am delighted to say that the response seems to have been very effective. There has been no substantial cost, if any, since.

I think one or two Government agencies initially misunderstood our directive between Christmas and new year. Again, I expected the agencies to provide a minimal service. It is totally unacceptable, where you have companies that are expecting to do three days trading between Christmas and new year and where there are ongoing required Government functions, to find that the Government has simply packed up for the day. Equally, I point out that the day before Christmas, which was not a public holiday, I again wanted to make sure that Government departments were not shutting their doors at 10 a.m. and taking no calls. I was very annoyed to find that the Courts Administration Authority had shut its doors before 12 noon. Someone went down there at 12 noon to pay a fine as it was the last day they could pay it.

First, they telephoned and eventually they received a recording machine message that said they had been queued. They sat there for half an hour and there was no response. So, they went down to the office and found that there was a Christmas party going ahead and the doors were closed, and yet they, as members of the public, were required to pay a fine by 4.30 or 4 o'clock that afternoon. I find that unsatisfactory. All we have asked is that, without wanting to incur significant additional costs, where there are normal trading hours we expect Government departments to provide at least a minimal service, and they did that during the Christmas/New Year period.

The Hon. LYNN ARNOLD: As a supplementary to that, I take it that the Premier would want to prove his point on this matter, and therefore will be happy to provide a schedule of those departments that can answer 'Yes' to the question that they provided a basic service between Christmas and New Year; can answer 'Yes' to the question that they have provided contact points between 8 a.m. and 6 p.m. on weekdays since the election; and can answer 'Yes' to the question that they have provided Saturday opening.

The Hon. Dean Brown: I must say that we do not run Government as if we were schoolmasters/schoolmistresses. We do not send out an instruction that we think a department ought to have its facilities open and then, at five minutes past the hour, pick up the telephone and check whether people have followed that—

The Hon. LYNN ARNOLD: Are you saying that you cannot provide the schedule?

The Hon. Dean Brown: No. I do not know whether the information is available.

The Hon. LYNN ARNOLD: You ask them; you go back and ask them.

The CHAIRMAN: I ask the Leader to address all questions through the Chair and to refrain from interjecting. He should allow the Premier to respond to the question which he posed.

The Hon. Dean Brown: The request went out and, as any sensible manager would do, CEOs of the departments were expected to apply a great deal of commonsense and make their own judgment whether or not they were a core agency

and, if they were, to apply it accordingly. I am delighted to say that the other interesting thing is that I do know that most of the Ministers were in their offices working. I am delighted that the Leader has highlighted the difference in management styles between his Government where a real lethargy had settled across the whole of Government, a real despair, and the present Government, which has seen that there is a very positive future for South Australia. In fact, we are willing to get our public sector behind us and out there developing those opportunities.

The Hon. LYNN ARNOLD: I am inviting the Premier to highlight any such point he wants to make. He can do so by providing a schedule of those officers who have done precisely what I indicated. If they say 'Yes' to that, then he does highlight his point. If he cannot provide such a schedule, he does not highlight his point. I know the Premier was working between Christmas and New Year because he and I had a meeting. So, I was on duty, and he was on duty. I was aware of that.

The Hon. Dean Brown: Does the Leader of the Opposition want me to send a letter to every Government agency asking whether or not they were open, how many people were present and what hours they were open between Christmas and New Year? If that is what he wants, I am only too happy to send that out to all Government agencies.

The Hon. LYNN ARNOLD: We will simplify the matter—

The CHAIRMAN: Let the Premier respond.

The Hon. Dean Brown: If that is what the Leader of the Opposition wants, I am only too happy to put his name on it, in terms of him asking for the information.

The CHAIRMAN: The Chair's understanding is that the Leader of the Opposition is trying to elicit information from the Premier, and the *modus operandi* by which the Premier obtains that information is at the Premier's discretion.

The Hon. LYNN ARNOLD: You are correct on that. The point is, it was not I who made that commitment before or after the last election, it was the Premier who said that offices would open between 8 a.m. and 6 p.m. each day and on Saturdays as well. It was the Premier who said a basic service would be provided between Christmas and New Year. As a result of the Premier's own publicly announced statement on this matter (with some fanfare I might say), I am simply asking what response there was. It is a matter of simply surveying all the Government agencies and providing the answers to that survey in a schedule that can be printed in *Hansard*—to find out whether the Premier's publicly announced statement was in fact adhered to by the Government and, if not, what was the result.

Mr BRINDAL: On a point of clarification, Mr Chairman: in his original question the Leader of the Opposition clearly asked the Premier for that information in respect of electorate offices.

The Hon. LYNN ARNOLD: No, I did not. The question was which Government offices were open.

The CHAIRMAN: The Chair's understanding was that it was a general question.

The Hon. Dean Brown: I am only too willing to seek that information. I also point out that once again the Leader just does not listen. First, the specific request related to what we intended to do and whether we would ask Government agencies to look at this. We were talking only about Monday to Friday, not Saturday morning. To clarify for the Leader, I will send him a copy of the memo that was sent out by the

Chief Executive Officer of the Premier's Department. To my knowledge, it did not relate to Saturday mornings at all.

The Hon. LYNN ARNOLD: I will look forward to receiving a copy.

The CHAIRMAN: Before closing the line, I have a written motion from the member for Unley, seconded by the member for Colton, although under Standing Orders seconding a motion before the Committee is not required; a member can move his own motion before he speaks to it. If members are inquisitive as to whether this is precedential, of his own volition the Clerk has provided me with more than 20 examples of motions moved before a variety of Estimates Committees since the late 1970s, seven of which were moved by colleagues of the Premier, including the Premier himself, and some 13 of which were moved by colleagues of the Leader. The motion is not precedential. I accept the motion and invite the member to move it.

Mr BRINDAL: I move:

That, having examined the matter of information technology, this committee supports and commends the Premier on the new and exciting initiatives which he announced today.

I would hope that this motion receives bipartisan support. Members of the Opposition questioned the Premier on this matter. We did not hear very much criticism; in fact, we heard from the member for Hart what amounts to considerable and I believe justified praise, coming from the Opposition bench. We have promised a new spirit of conciliation and cooperation. As the Premier said, it is a world first, it is of absolute significance to South Australia and it is a bold new initiative being undertaken by this Government. I would hope that if nothing else we could leave this Estimates Committee tonight united as a Parliament supporting this Premier and his Government in what is a bold and strategic new initiative for South Australia.

The Hon. M.D. RANN: I move:

To amend the motion to add ' , even though it contradicts an announcement made by the Premier when Opposition Leader of an agreement in principle with IBM for a similar deal, but without due diligence, scrutiny or accountability.'

The CHAIRMAN: There is no facility for the Premier to speak, since this is a Committee motion and the Premier is a witness before the Committee. The motion will be debated and passed or defeated by the Committee.

The Hon. M.D. RANN: We want to applaud the role of the Minister for Infrastructure on getting his way in the Cabinet sub-committee and in Cabinet. If we are to have these silly games, we will support this amendment.

The CHAIRMAN: Does the honourable member wish to speak to the amendment?

The Hon. M.D. RANN: I think it speaks for itself, Sir.

Mr CONDOUS: I support the original motion and speak against the amendment. I have sat in Parliament and watched the member for Hart fire question after question at the Premier in an endeavour to embarrass him, implying that the decision had already been made and that IBM had been granted the licence. That brings into total disrepute the credibility not only of the Opposition, but of the member for Hart. The Premier has made an important announcement today. I congratulate him and his supporting staff on the effort that must have gone into it. During the past nine months the Government has made continual positive steps to regain the confidence of this community. I believe that this announcement today that the Premier has made—

The Hon. M.D. RANN interjecting:

Mr CONDOUS: No, that does not matter; that is a minor hiccup. You know how I stand on this.

The CHAIRMAN: Order! Members will speak through the Chair.

Mr CONDOUS: The point is that small business has started to pick up confidence, and I believe that the announcement made by the Premier today is the catalyst that is required to give the 60 000 to 70 000 small businesses, which each employ between five and 30 people in this city, enough confidence to realise that there is a future in South Australia and that it is worth reinvesting in this State. I was a businessman in my early 20s when this State was under the leadership of Tom Playford. I knew what industrial development was all about, because my business was situated in the city of Adelaide, serving many working class people who were able to work not only in full employment but with enormous overtime as well.

The announcement that has been made today is most significant for this State. I can envisage that from now on there will be an enormous movement in the business community because it can see at long last that the accumulative positive things that have been done, headed by this announcement which I think is the cream, will get everybody up and running. I know from talking to small business people that they realise that they should get up and start to run with it. I expect to see enormous inroads in the business community over the next 12 months.

Membership:

Ms Geraghty substituted for Mr Foley.

The Hon. LYNN ARNOLD: I am very concerned that this is apparently the way that the Estimates Committee is to be treated. I was elected to Parliament in 1979 and we had the first Estimates Committees in 1980. At that stage I could still be regarded as a greenhorn member. I remember being a member of the first Estimates Committee and moving a motion on the first day. I have since attended many Estimates Committees, both as an Opposition member until 1982, having the chance to question Ministers and Premiers, and later as a Minister myself at the Estimates Committees.

I might say that I have long since realised that that motion I moved in 1980 was, in fact, a very naive way to misuse the time of the Estimates Committees, which is supposed to be about providing opportunities for the proper questioning of the Premier or Minister under cross-examination. To have this motion before us tonight is an abuse of this Committee. It is not that I disagree with the announcement that has been made today—and I have made that point myself and the member for Hart made that point earlier. We believe that, if things are as they are said to be, we are very happy for that to be the case.

However, if we are now going to spend the next two weeks in the Estimates Committees going through every single thing of the budget that everyone does agree on (and in a budget of \$5 billion, there must be many things that members on both sides of the House will agree on, for example, the fact that, notwithstanding that 11 000 public servants will go over the next 3½ years, there will still be 87 000 or thereabouts public servants left in the public sector, and we will agree on at least those 87 000; or the fact that 40 schools will close, and we will agree on the fact that there are still 660 or whatever the number of schools left) and moving a motion to take up valuable questioning time, then in my view it is an abuse of the way this Committee should be handled.

I have already argued against the arrogance of this Government in the way in which it has handled the planning of Estimates Committees, where it has shown us no consideration at all in taking account of the fact that we have members who are having to double serve on committees as a result of their shadow ministerial responsibilities and representing Upper House shadow Ministers. Unlike what was offered to the then Opposition when we were in Government, all we have had in return is one amendment made to accommodate a Government Minister because she had a dinner party on. We have had no accommodation made at all for us, and I criticised that in the second reading speech on the budget process. Now tonight we find that yet again we are to see the time of this Committee taken up with a motion such as this. Private members' time in the House is available to the member for Unley to move such motions, and I am quite certain that we will enjoy participating in that private members' time on that occasion.

I have to say that this morning I was pleased at the way this committee was progressing. It appeared that a reasonable chance was being given for the Opposition, which I as a Minister and Premier always acknowledge had the key role in Estimates Committees, to ask the bulk of the questions. I draw the member for Unley's attention to all my committees over the years and look at how many questions were asked by Opposition members of me as opposed to those asked by Government members, and he will find overwhelmingly the majority were given to the Opposition. This morning I was pleased at the way things were looking. Then we came to the IBM/EDS situation, and I asked a question about a chronology.

I was very happy that the Premier gave this Committee a detailed answer that ran for about half an hour. I was very impressed indeed that he clearly seemed to have the knowledge at his fingertips about what had happened over that whole period of time and informed this Committee. I did not complain once that that answer took half an hour, because I felt we were being done a courtesy at the length of that answer. However, the rest of the afternoon then seemed to turn into lengthy answers coming to questions that were not so significant and seemed to be blocking answers trying to block out the opportunity for the Opposition to ask questions.

We even had a situation late in the afternoon where that which had been agreed upon early in the morning, that I would allowed to put on the record questions without answer, providing the opportunity for the Premier to have them answered later which I had done as Minister and Premier and others of my colleagues had done to Estimates Committees, the Premier himself tried to then block that late in the afternoon. Fortunately, you, Mr Chair, recognised that we had reached an agreement earlier in the day on that precise matter.

It is now 8 o'clock. We are running over schedule on the time that tentatively had been agreed between the Premier and me. We are running over schedule for a number of reasons, and I do not lay that blame on one side of the House or the other. But we did not need a motion to take extra time in this Committee to use up the valuable time we have left. We now have two hours left to deal with the Commissioner for Public Employment, a very important area, and multicultural and ethnic affairs, which the honourable member should well know is a critically important area, an area on which I have lots of questions I want to ask, and now I am finding that minute by minute my opportunity to ask is taken away. The member may interject, which I know he is not allowed to do, but I am using up time by speaking now.

I must put on the public record my annoyance at the way in which things seemed to be developing in this committee this afternoon and this evening. I hope that the member for Unley will take the opportunity on future days of the Estimates Committees to recognise that this is an opportunity for question and answer and that, if he wants to move motions, he should do so back in the House of Assembly and recognise that some of us were green in the early days but eventually you grow up.

The CHAIRMAN: The member for Unley has the right to speak. If he does speak, he will conclude the debate. Does any other member wish to speak? The member for Unley.

Mr BRINDAL: I am disappointed in the attitude of the Leader of the Opposition. I spoke for less than three minutes. I am here not as a member of the Government but as a member of the Government Party. This is not done by the Government. It is done by myself and the member for Colton. It is entirely, or you would have ruled otherwise, Mr Chairman, within my rights as the member for Unley and as a member of this Committee, and I strongly object to getting a lecture from the Leader of the Opposition about taking up time when I took less than three minutes. This would be one of the most significant announcements made in South Australia in a decade and it is within the cognisance of this Committee to recognise that. The Committee has questioned it. It is well within our rights to commend the Premier on that. Therefore, in accordance with Standing Orders and precedent, I have moved a motion that stands on its own. I for one do not need a lecture from the Leader of the Opposition about my rights as a member of Parliament. I will answer to my Leader and my Party; not to the Opposition.

The CHAIRMAN: The question before the Chair is that the amendment be agreed to. In view of the fact that all members of the Committee are present, and we have no facility for the ringing of the bells in any case, I will take it that a show of hands is adequate. Those in favour of the amendment, raise their hands. The amendment fails. The Chairman's casting vote is not given in favour of the amendment. The original motion is now put. Those in favour of the motion raise their hands. The Chairman's casting vote goes with the Ayes. The motion is carried. There being no further questions, I declare the examination of the vote completed.

Office for the Commissioner for Public Employment,
\$13 063 000

Departmental Advisers:

Mr Graham Foreman, Commissioner for Public Employment.

Ms Jan Andrews, Director, Personnel, Policy and Planning.

Mr John Stock, Director, Personnel Management.

Mr Graham Whiteway, Principal Consultant.

Mr Paul Della, Administrative Officer.

The CHAIRMAN: I declare the proposed payments open for examination and refer members to pages 35 to 37 in the Estimates of Receipts and Payments and to pages 23 to 32 in the Program Estimates.

The Hon. LYNN ARNOLD: With respect to the Commissioner for Public Employment and his employment

conditions and remuneration, will the Premier provide the Committee with a copy of the performance agreement between himself and Mr Foreman, and under what conditions will Mr Foreman receive a bonus payment?

The Hon. Dean Brown: First, there is no performance payment for Mr Foreman and, secondly, because it is a statutory appointment, it is inappropriate for the Premier of the day to be putting down the performance conditions as part of the contract.

The Hon. LYNN ARNOLD: Sorry, can you say that again?

The Hon. Dean Brown: The commissioner is a statutory position where the Act sets out clearly what are the responsibilities of the commissioner. It is inappropriate for the Premier of the day to superimpose or in any way try to countermand what is laid down quite clearly in the Act.

The Hon. LYNN ARNOLD: Is the Premier saying that the Act does not provide an opportunity for the Government to give bonus payments to the Commissioner for Public Employment as part of the salary package?

The Hon. Dean Brown: I understand that the Act does give that opportunity if need be, but in fact that is not part of the package. There is no performance payment.

The Hon. LYNN ARNOLD: It is nothing to do with the Act or its statutory nature; it is not in the package.

The Hon. Dean Brown: The Leader misunderstood what I said. I said there was no performance pay, no bonus pay, to the commissioner and, secondly, the Leader of the Opposition asked quite specifically, for details of the performance conditions that I had laid down for the commissioner. I am saying that the Act as a statutory position clearly lays down what the performance conditions of the commissioner are to be. It is inappropriate for me as Premier to try to override the effect of the Act.

The Hon. LYNN ARNOLD: How many, if any, staff members of the Office of the Commissioner for Public Employment are eligible for bonus payments and/or other incentives that would recognise their contributions to productivity and efficient improvement?

The Hon. Dean Brown: There are no staff with a bonus element.

The Hon. LYNN ARNOLD: Given the Premier's announcement about a wage freeze over the next two years and the fact that any wage increases would have to be offset by further reductions in public sector employment, does the Premier anticipate that any wage increase that may occur in the area of the Commissioner for Public Employment over the next two years will be offset by a budget cut, hence staff cut, in that office, or will it be subsidised by a budget or staff cut in another area of Government?

The Hon. Dean Brown: First, let me clarify what the Leader has said. The Government has said that the effect across the whole of Government will be that there will be no provision in the budget for salary increases and, if there are salary increases within specific departments, they must be absorbed within the budget of that department, and the same applies with the line we are dealing with here, the Office of the Commissioner for Public Employment. It must be absorbed within the budget of that department.

The Hon. LYNN ARNOLD: So, there is no cross-departmental allocation of funds if one area is not able to sustain any budget and/or staff cut?

The Hon. Dean Brown: We are dealing with the Office of the Commissioner for Public Employment, and the answer

is that if there is a salary increase they must absorb it within their existing budget.

Mr BRINDAL: In deference to the Leader of the Opposition's comments about the Government Party giving the Opposition a fair chance for questioning, we will defer further questions until 8.30 p.m., to make up for time lost for the motion.

The CHAIRMAN: The Chair accepts that as a goodwill gesture to the Opposition and invites the member for Torrens to question. Thank you to the member for Unley.

Mrs GERAGHTY: Premier, Commonwealth grants under the youth training and employment strategy are set to fall from \$4.3 million to \$2.167 million in 1994-95. What is the reason for this and has the State failed to meet any requirements for matching of funds?

The Hon. Dean Brown: It is appropriate for the Commissioner to answer that detailed question.

Mr Foreman: Was the question about the reduced allocation of Commonwealth funds in the budget papers?

Mrs GERAGHTY: I refer to Commonwealth grants under the Youth Training and Employment Strategy.

Mr Foreman: The use of Commonwealth funds under that strategy in the financial year will be increased, but there were funds that were unspent at 30 June which, when taken together with funds needed for this year, will provide for the employment of trainees at the level announced by the Government, that is, 950 trainees during this financial year.

The Hon. Dean Brown: As the Commissioner said, there is an increase in the number of trainee persons taken on under that program compared with the previous year. More will be taken on in 1994-95 than were taken on in 1993-94.

Mr Foreman: During 1993-94 it was 750 and in 1994-95 it will be 950.

The Hon. Dean Brown: I wish to clarify the position. In 1993-94 we spent \$4.8 million and in 1994-95 we will spend \$9.8 million, so there is a substantial increase in the level of expenditure. It is almost doubled.

The Hon. LYNN ARNOLD: Where does one find that figure?

The Hon. Dean Brown: Moneys have been carried over from the previous year.

Mr Foreman: I refer to program 3.

The Hon. Dean Brown: It is item 17.

Mrs GERAGHTY: Can the Commissioner and the Premier indicate the number of persons who have received VSPs and the number of persons who have since worked as consultants to Public Service department agencies and GBEs since the new Government took office?

The Hon. Dean Brown: The Government has a strict policy that, once people have accepted a targeted separation package, they are required to sign a declaration that they will not work for the Government for a period of three years. That policy also applied under the previous Government. We police it rigorously. In fact, yesterday I identified someone who was not working directly but where a consultancy had been let out to a small consultancy firm, which had sublet part of that consultancy to a former Government employee. The moment I found that out, I issued an instruction that the subconsultancy was to be stopped immediately as it was a clear breach of the condition and, in fact, the Commissioner's office was telephoned by my office and asked to telephone the parties involved to put that into effect.

That matter has been raised on a number of occasions, particularly on talk-back radio programs where people have made the general allegation, but no-one has sent in much

detail to verify the claims made. I can think of another case where someone has written in and I asked for an investigation. The trouble here was that someone was working specifically for a third party, if you like—they were not working for Government—and they thought they could get away with it. I think the instruction is quite clear: they are not to be working directly for Government.

I have had several letters from people who have accepted TSPs and who are asking for clarification. I can give an example of what is acceptable. There is the case of an engineer working with Government who takes a TSP. Subsequently, he or she sees a job vacancy somewhere with a consulting engineering firm. They apply for that job and are successful in winning that employment. That engineering company may be doing work for Government. However, I pointed out to the person who inquired that that individual should not do Government work. The engineering company doing the consulting work may have a large number of ongoing contracts for the Government, but the individual who is engaged should not be doing Government work.

Mrs GERAGHTY: In view of the Auditor-General's concerns regarding the over use of consultants and concomitant loss of public sector capability and control over operating costs in key areas, what are the Government's principal policies concerning the use of external consultants, and do these policies include arrangements requiring the transfer of competencies to the public sector?

The Hon. Dean Brown: The Government will engage a consultant where it feels it has a particular need or skill and particularly where that skill is not an ongoing need or demand. A classic example is the sort of skill that we have used in the information technology outsourcing that I talked about earlier today, where there are specific legal and other skills like that, which you cannot get within Government and which you would not want to try to employ within Government because they would be used for six months and that would be it.

The Commissioner has highlighted the fact that there is a specific program for skills transfer, where they are used in training programs. In particular, regarding the use of consultants in Government in a number of cases, I have specifically put down the requirement that I want to see those skills transferred across to Government. In some cases, I have suggested—and I think it has been done—that a consultant be taken on specifically to give that outside skill to people within Government. That is a classic example of where a consultant has been used constructively for Government.

Mrs GERAGHTY: Does the Government maintain data on skills internal to the public sector to make an informed decision on when to make use of external consultants?

The Hon. Dean Brown: When a task comes up, the Government assesses where those skills are in Government. If we do not have the skills within Government, we look for them elsewhere. It depends also on the nature of the specific task that might come up. Of course, another key factor is whether we can do it more cheaply by taking on the skills within Government or whether it is more cost effective to take on a specific skill through an outside consultant but for a very limited period.

The Hon. LYNN ARNOLD: I note from the Estimates of Receipts and Payments (page 36), Program 3—Staffing of the Public Service, that last year the estimates for salaries, wages and related payments was \$912 000, \$850 000 was spent and \$3.194 million has been allocated for this year. I am aware, and I have mentioned before this evening, that the

Government is imposing a two-year wages freeze on public sector workers.

This is a significant increase in the budget allocation, notwithstanding what is an expected fall in the number of FTEs of the office. Is the increased amount the result of enhanced salary packages for certain staff of the office? Does it reflect the use of external consultants, and can the Premier supply details of any salary packages provided to employees of the office that exceed current award standards? Can the Premier also supply details of consultancies awarded under the line?

The Hon. Dean Brown: I point to program 3 on page 36 of the Estimates of Receipts and Payments, the line to which the Leader refers. However, I refer him to 'Intra-agency support service items not allocated to programs' and 'Salaries, wages and related payments': the reason for the increase under one line is that there has been a transfer from another line within the same agency. So, there is no black magic. In one year some of those salaries have been in one line and another year in another line because of changes within the commission office.

The Hon. LYNN ARNOLD: I would appreciate the Premier's advice or that of his officers as to why the funds have moved from 'Intra-agency support services items not allocated to programs' into staffing of the Public Service. There must have been a reason for it, and I look forward to hearing it.

The Hon. Dean Brown: In the past they were bulked into that and this is now breaking them out into specific programs. It is now a more correct allocation of where the salaries should be.

The Hon. LYNN ARNOLD: Supplementary to that, it would help if an example could be given of something that was incorrectly allocated previously and is now bulked in with program 3.

The Hon. Dean Brown: For instance, staff development programs were allocated to 'Intra-agency support service items not allocated to programs' and have now moved into the more appropriate area of Public Service staffing. I point out that the same applies to office accommodation for those staff.

The Hon. LYNN ARNOLD: My final question relates to program 1 of budget paper 2, page 36, and Program Estimates, page 29, relating to the development of intended changes to the GME Act as a central part of the role of the Commissioner for Public Employment. What are the changes to the GME that are broadly envisaged, and how do these relate to methods of appointment, conditions of employment of public sector workers at different levels of the system, the role envisaged for use of individual contracts, appeals mechanisms and the current, as I understand it, still extant no retrenchment policy?

The Hon. Dean Brown: It is inappropriate to be sitting here speculating as to what might be in legislation introduced into Parliament when the Parliament itself has formal mechanisms for considering and debating these issues. Cabinet has not made any final decisions on these matters. I assure the Leader that when final decisions have been made after a period of consultation—and we have not had that period of consultation but there will be one—with the Government employees and the unions legislation will eventually be introduced into the Parliament.

The Hon. LYNN ARNOLD: Supplementary to that, although I do not wish to be awkward, I understood that the Premier invited us to consider certain pages in both the

Estimates of Payments and the Program Estimates. On page 29 of the Program Estimates the program description for the Office for the Commissioner for Public Employment states:

Assist in the revision of the Government Management and Employment Act and the development of a new Public Sector Management Act.

I recall my time as Premier and Minister that these drafts came before me for amendment. If I was not happy with what was being put forward to the Estimates Committees and if I felt they did not reflect what the Government wanted to put before the Parliament at that time, appropriate action could be taken.

I accept what the Premier says: that it is the Government's right to introduce legislation at any time it wants to, but this is the budget and this has been put in with the budget papers. That statement has been put there. The Premier does not want me to pursue the matter. He is really telling me that I am not to question some issues in these documents.

The Hon. Dean Brown: Not at all. I am saying that the Commissioner has a role and the office has a role to assist in the revision of the Act and the preparation of a Bill to be introduced into the Parliament. Surely, the Leader of the Opposition does not expect me to try to pre-empt what Cabinet might decide in this matter. We all understand that, when decisions have been made by Cabinet, I can formally announce them and I will bring the legislation to the Parliament.

I suppose that, in a general sense and as far as I would be prepared to go at this stage, what was said in the Governor's speech to the Parliament at the opening of this session clearly indicated the sort of direction the Government was intending to take in this legislation, but to go beyond that into specifics when Cabinet has not made final decisions is inappropriate. It is not for me to speculate or to tell this parliamentary Committee what I think might be there.

The Hon. LYNN ARNOLD: Apparently, when we see in this budget document items listed under 1994-95 specific targets/objectives, significant initiatives, improvements, results sought, and it says 'Assist in the revision of the Government Management Act', I will be given the answer that I will not be told. Perhaps that is the way the Government wants to play it. It does not seem to me to be the proper way of dealing with this process. I would appreciate it if the Government stated candidly that, when it makes statements such as that, it is not going to give us the answer.

The Hon. Dean Brown: Again, I do not quite understand what the Leader wants. Does he want me to try to speculate what might be in the legislation? What does he want me to tell him? The legislation has not yet been approved by Cabinet, so it would be no more than speculation. Does he want me to sit here and simply put forward speculation?

The Hon. LYNN ARNOLD: Clearly, this page and others were given to the Premier at some stage in recent weeks for his approval for their being included in the document to come to us.

The Hon. Dean Brown: That is right.

The Hon. LYNN ARNOLD: So, he has approved that. I do not expect him to give chapter and verse. Clearly, whatever is being considered has to go to the parliamentary draftsman, in any event, notwithstanding Cabinet instructions. However, we are advised that the Act is to be revised.

The Hon. Dean Brown: That is right.

The Hon. LYNN ARNOLD: Basically, we want to know the groundwork, the basic rules or principles that the Government is following. We do not want to know—we

would love to know, but I understand we are not going to be told—specific chapter and verse of the amendments. But it is not uncommon (and one has only to look at Estimates Committees for the past 14 years to see this) for Ministers or Premiers of the day to advise that in the next 12 months they would consider amendments to certain aspects of certain legislation. You then have to wait to see what Cabinet finally agrees upon as being the specific details of that but, once it is put in there, we have been advised that there is revision. Is this revision to be a tightening up or a liberalising of the Act?

When we say 'liberalising', does that mean a more *laissez-faire* approach to Government management and employment will be taken, or does it mean a more regulatory approach? What are the basic principles upon which the Government is operating? If the Government will not give us that information, I suggest that next year when it drafts this document it leaves such things out of it.

The Hon. Dean Brown: First, I am not going to leave them out of the lines, because this is a factual account of what the staff is working on. The former Premier, who would clearly understand the procedures of government, is trying to make a mountain out of an absolute molehill here. If he wants to know the broad directions, I suggest that he simply goes back to the Governor's speech at the opening of Parliament. I think there were at least two paragraphs on this, but I am happy to read out in general terms the sort of thrust of that speech, which was, in summary, that what we are looking for is a way to work together with our public sector employees in a clear and flexible management framework, to provide a better Public Service all round. Many of the provisions of the current Act, designed almost a decade ago, are simply no longer appropriate if the South Australian public sector is to be able to respond to current and future needs.

In particular, the Governor's speech indicates that we are looking at putting more responsibility onto the CEOs of Government departments in terms of management and performance responsibility, and that we are building up the expectation that at the senior levels of the Public Service there is to be a performance criterion under which people perform. I refer the honourable member to the Governor's speech which said approximately that as well.

Mr BRINDAL: I refer to Estimates of Receipts and Payments, page 36—'Seminars and registration fees': you may have to take this question on notice. The 1993-94 estimate was \$260 000, the actual figure was \$202 992 and the estimate is only \$50 000. Could you comment on why those receipts are going to be down?

The Hon. Dean Brown: We did receive \$260 000 last year and we only expect an amount of \$50 000 this year, and one of the main reasons for that is that this function has been transferred partially at least to two other departments, one being the Office for Public Sector Management and the other the Department of Industrial Affairs. So, three areas are now involved. I mentioned earlier that the old Office for Public Sector Reform was previously in this office and that was the reason why these receipts were received. However, much of that function has been transferred across to the Department of the Premier and Cabinet.

Mr BRINDAL: Is this a form of cross-charging?

The Hon. Dean Brown: The office ran—and charged for—a seminar on training Government employees, and these are the receipts that it received. As I said, that function now has been transferred at least partially to two other departments.

Mr BRINDAL: My next question relates to Program 3—‘Staffing of the Public Service’ and Program 4—‘Inter-agency support service items not allocated to programs’. In answer to the Leader of the Opposition, the Premier pointed out that there was a reallocation between those two lines. Can the Premier confirm that if the salaries for those two lines are added together the total is \$4.203 million and that the estimate for last year was \$4.5 million, so that in fact the estimated expenditure over the amount voted last year represents a reduction of 6 to 7 per cent, which is in line with the reduction occurring in other sectors?

The Hon. Dean Brown: Your mathematics would be correct if it were as simple as that. It is not quite as simple as that, but you are very close to the mark.

Mr BRINDAL: My last question relates to Program 3—‘Staffing of the Public Service’: to what degree are surplus officers who are not interested in voluntary separation packages redeployed to positions in other agencies where officers in jobs that are required might be interested in TSPs?

The Hon. Dean Brown: Someone within Government who no longer effectively has a useful role within a department can be put on an unattached list. That does not mean that they sit in an office by themselves with an empty desk waiting for something.

What happens is that they are identified as surplus to that department’s needs but then constructive work is found for them, even though it may not be as high a priority as one would expect. For a period those people continue to be carried on the budget of the department that they have come from, but then there has been a specific program of looking for opportunities where vacancies may exist that could be filled by someone with a TSP. There have been a number of occasions where the Commissioner has, in consultation with me, issued a TSP where we know that someone from the unattached list can specifically take up that appointment.

Mr Foreman: People who are surplus in one agency are able to be placed behind a required officer who is prepared to take a TSP in another agency. There were over 70 redeployments of that kind in the past financial year.

The Hon. Dean Brown: So that you are aware of the sort of magnitude of what we have been talking about, in the period 1 August 1993 to 1 September 1994—13 months—77 people were able to secure positions elsewhere within Government replacing TSPs. It is not an insignificant program. It has helped 77 people find effective and constructive employment within Government.

Mr BRINDAL: I understand that, for instance, in Education, when the Minister flattened the administration, certain administrative officers who were also teachers did not wish to take TSPs. I believe they went back into schools as principals and some principals then took a TSP. Is that the sort of thing you are talking about?

The Hon. Dean Brown: Yes, but here we are talking about 77 across agencies. What you are talking about is people still within the agency, and that would be in addition to the 77 I have talked about already.

The Hon. M.D. RANN: What was the value of TSPs given to President Judge Brian Stanley and Commissioner Perry of the Industrial Commission?

The Hon. Dean Brown: The TSP for Commissioner Perry was \$196 834 and for Judge Stanley it was \$295 990.

Mr Foreman: The separation payment for Judge Stanley was in line with the scheme agreed to by the Supreme Court.

The Hon. Dean Brown: The other point I make now, Mr Chairman, which you asked me to defer until we got to

this line, is that the sorts of TSP that were offered to people like Mr Marrett were less than those offered to some other people by the former Government. It is important that we understand there has been no dramatic change in the formula of TSPs under this Government compared to the previous Government.

For instance, Mr Nicholls, under the former Government received a TSP of \$223 000; and Hedley Bachman under the former Government within two years of retirement received a TSP of \$188 000. The Commissioner has pointed out that the former Government offered TSPs always under the full formula, whereas the present Government has been negotiating below the formula applied by the previous Government. So, we have applied the conditions more rigorously than the former Government.

The Hon. M.D. RANN: As a supplementary, could the Premier table the schedule that he was reading from?

The CHAIRMAN: As the Chair pointed out, unfortunately there is no provision within the Estimates Committees for the tabling of documents, but information can be made available to members of the Committee. They cannot be tabled, but information can be made available.

The Hon. Dean Brown: I do not have whole files here, so I would not know what to table. The honourable member should ask a specific question, and I will try to respond.

The CHAIRMAN: Can the honourable member do that? The Chair has no discretion; I simply have to refuse tabling.

The Hon. M.D. RANN: I would like to see a list of those people who have been given TSPs at the senior level since the Government came to power and the amounts paid.

The Hon. Dean Brown: I will look through it and see whether we can pick out those names and supply that information. Perhaps we will go back over a period so that people can get a fair comparison of what has applied.

The CHAIRMAN: Does that satisfy the honourable member?

The Hon. M.D. RANN: I am very satisfied. My second question is again in relation to wages. The largest single element of the State Government expenditure is the cost of salaries, wages and related payments for Public Service employees. It accounts for about 55 per cent, as I understand it, of the total discretionary recurrent expenditure. The Treasury forward estimates prepared last year allowed for average wage increases in the public sector of 2.9 per cent for 1994-95, and 2.8 per cent for 1995-96. However, the Government’s financial statement announced a wages freeze for both 1994-95 and 1995-96. It is estimated that a 1 per cent wage increase would cost in the order of \$28 million for budget sector agencies. Based on forward estimates, the wage freeze will save \$81 million in 1994-95 and \$78 million in 1995-96, which is a total of \$158 million.

In other words, the Government has reduced the salaries of public servants by \$158 million to help meet its \$300 million recurrent savings target. In other words, over half the total savings made by the Government will be made by cutting wages. There are a number of questions. If the Government policy is to offset any wage increases above 2 per cent—

The Hon. Dean Brown: Mr Chairman, before going further here, it needs to be clearly understood that this is a budgetary question that should be put to the Treasurer. The Commissioner has—

The Hon. M.D. RANN: The Commissioner for Public Employment, Wages—

The CHAIRMAN: Is the member relating it to a specific line?

The Hon. M.D. RANN: Yes.

The CHAIRMAN: If the member can refer to the line, we will make an assessment.

The Hon. M.D. RANN: The line is on wages.

The Hon. Dean Brown: If we are talking about the wages for the Commissioner's office, that is fine, but the honourable member is talking about wages across the whole of Government.

The CHAIRMAN: If the member can give me a page, and then if he wants to generalise from a specific, we will see whether it can be done.

The Hon. M.D. RANN: Page 36, programs 2 or 3.

The CHAIRMAN: The question was?

The Hon. M.D. RANN: If the Government's policy is to offset any wage increases above 2 per cent by job cuts, and if wage growth is 3 per cent, which is the estimated rate of inflation, this would result in a cut of a further 700 jobs. Can the Premier confirm this?

The Hon. Dean Brown: Again, I highlight Mr Chairman—

The CHAIRMAN: It is a policy question. I rule the question in order.

The Hon. Dean Brown: I highlight to you, Mr Chairman, that we do not have any of that sort of information here. That is information held by the Treasurer. Frankly, if they want it, I am happy to try to get an answer. If they want an answer, let us try to get one from Treasury.

The CHAIRMAN: That really leaves the questioners with two options. One is to raise the matter with the Treasurer tomorrow and the other is to accept the Premier's offer to obtain the information.

The Hon. Dean Brown: I also point out that I think the honourable member is trying to put together a hypothetical model, saying that this is what will occur over the next 12 months in terms of wage increases and then drawing specific conclusions as to what the impact might be. I think that is a pretty unwise sort of thing to do, because the agencies are told that there will be no specific provision for an increase in wages. First, the honourable member is trying to guess what the wage increase might be over the next 12 months, which I would not like to guess.

The CHAIRMAN: The Chair accepts that hypothetical questions are beyond Standing Orders.

The Hon. Dean Brown: Secondly, I point out that there are other ways of paying for that wage increase—by reducing expenditure in other areas, deferring some capital item of expenditure or something like that. To suggest that any wage increase is automatically taken off in terms of Government employees is an assumption that simply may not apply within various agencies. It is up to the individual agencies to determine how they implement that.

The Hon. M.D. RANN: Let us talk about individual agencies.

The CHAIRMAN: With respect to the Deputy Leader, the Chair suggests that, since the question did go into the realms of the hypothetical and Standing Orders deals specifically with that, the honourable member will have to try his luck with the Treasurer tomorrow.

The Hon. M.D. RANN: I will get specific. Given that the wages and salary bill of the Department of the Premier and Cabinet has increased since the Government came to office, it is clear that the wages freeze is not intended to apply to all uniformly. In such instances, is it the case that other agencies

will be forced to shed jobs at an even greater rate to make savings that the Premier's own department has failed to make?

The Hon. Dean Brown: No wonder the State got into the trouble it did with the State Bank, SGIC and everything else. I am amazed that a former Minister can make bold assumptions like that; it must have been a bit of a circus in the Cabinet room when they came to try to put a budget together.

The Hon. M.D. RANN: Just answer the question. You might impress Mark Brindal, who leaks about you behind your back but who crawls around you to your face—

The CHAIRMAN: The honourable member is not helping the tone of the Committee. The Chair is having problems relating the salary increase to which the honourable member refers to the response given earlier by the Premier when he adverted to the fact that in program 3 there was a transfer of salaries and wages from one line from the second section of program 3, 'intra-agency', to the first section of program 3. I am having a problem relating the increase to any of the specific lines.

The Hon. Dean Brown: First, I point out to the honourable member that we finished the Premier and Cabinet line a while ago.

The Hon. M.D. RANN: You asked me to be specific, before, because you could not answer the broader questions on a policy issue.

The Hon. Dean Brown: I point out that we dealt with the Premier and Cabinet earlier. Perhaps the honourable member was out when I explained this to the Committee, unless he has a short memory; we know that he suffers from that occasionally. In my opening remarks, which were very special remarks prior to lunch today, I went to some lengths to highlight in some detail the new functions that have been transferred to the Premier's Department. The honourable member wrongly suggests that because there has been an increase in the salaries line in the Department of the Premier and Cabinet and that therefore, because specific functions have been moved into that department from other departments, the Premier's Department has been treated differently from other departments.

I point out to the honourable member that in fact the Department of the Premier and Cabinet had a \$400 000 reduction in its base allocation for this year. If you took out the new components that have been put in and compared like with like, the Premier's Department this year compared with the Premier's Department last year, the line for the Premier's Department has been reduced by \$400 000. The honourable member should be more careful in the way that he loosely throws around his allegations when clearly he does not understand the facts.

The Hon. M.D. RANN: As for being hypothetical, the figures came from your budget papers and financial statement. Perhaps they were hypothetical, and that raises questions about your administration.

The CHAIRMAN: The honourable member said that he was going on to specifics when the Chair asked him if he could relate his remarks to a specific line.

The Hon. M.D. RANN: Commissioner for Public Employment, program 3, Budget Paper 2, page 36: will the Premier explain the nearly tenfold increase in allocations for administration, minor equipment and sundries from \$144 000 to \$1.32 million?

The Hon. Dean Brown: About half an hour ago I went through in some detail how in salaries, office accommodation and other expenses we had made an adjustment between the

line 'Program 3—Staffing in the Public Service' and the next line, which is the intra agency support services item. I pointed out that we had reallocated the specific programs in what we thought was a more appropriate manner. That is the reason for the increase.

The Hon. M.D. RANN: Does that make up the total increase? If the Premier needs time, we are happy to accommodate him.

The Hon. Dean Brown: There is a range of different programs, not just the two. As I said earlier, it is between a range of programs. It includes concept project expenditure and public sector management course expenditure previously not shown against these programs.

The Hon. M.D. RANN: Where were they shown before? I thought you said you detailed this half an hour ago.

The CHAIRMAN: I ask the Deputy Leader of the Opposition to address his remarks through the Chair.

The Hon. Dean Brown: I suggest that you look at lines 21 and 22. This is what I explained earlier. There has been a transfer from one program to other programs.

The Hon. M.D. RANN: So that makes up the totality of the increase?

The Hon. Dean Brown: There is just under \$300 000 under one program, \$118 000 under another and \$600 000 under yet another. If you put all those together, I think you will find that they just about make up the totality.

The Hon. M.D. RANN: Perhaps we can get the detail later because there seems to be some confusion.

The CHAIRMAN: I point out to the honourable member that most of the question was asked by the Leader previously. Perhaps the Premier could supply the detail to the Committee.

Mr BRINDAL: On a point of order, Mr Chairman: in the course of this questioning of the Premier the Deputy Leader of the Opposition improperly referred to me and cast direct aspersions on me. I object strongly to those remarks and ask him to withdraw them.

The CHAIRMAN: I have to confess that I did not hear the remarks in the question. If the honourable member repeats the remarks, they will be in *Hansard* twice. From the point of view of wanting minimum problems, I suggest that the honourable member simply allows the matter to lapse. That is just a suggestion from the Chair.

The Hon. LYNN ARNOLD: Before the election the Premier indicated that if he were elected to office, the Government would introduce a policy of requiring all senior executives to have the skill of being able to speak a language in addition to English. That policy gained considerable publicity at the time. What moves have been put in place since the election to ensure that that pre-election policy is being put into effect?

The Hon. Dean Brown: First, I have appointed a head of the Premier's Department who can speak German as well as English. Quite seriously, I have asked my head to look at what sort of training programs would be appropriate, because I am a keen supporter of making sure that we adopt a broader language skill within the senior ranks of Government. I have asked them to start looking at what sort of programs can be put together, including incentives in terms of encouraging people to go off and be trained in those languages. It is an important feature. Of course, the key feature the Government is looking at as part of the program right across Australia under COAG is to look at how we increase in the primary school level the number of students receiving training in an Asian language, and there is a very specific target that 60 per

cent of the children should receive training in a second language, and that language should be Asian.

The Hon. LYNN ARNOLD: I am pleased to hear some of the Premier's comments. I might just say parenthetically that the Premier mentioned before that no COAG meeting had gone beyond a day before. That is not quite correct: the first COAG meeting held in Melbourne went for a day and a half. On the matter of languages other than English at the primary school level I, as Minister for Education in 1985, introduced the policy that by 1995 every child in primary school would be having access to a language other than English. I hope that program is still on schedule, but we will obviously have to ask the Minister for Education about that.

The Premier has indicated that he has asked the Commissioner to set in place a training program, and I am pleased to hear that. What funds are available to fund that training program in the 1994-95 financial year? Noting the Premier's comments about Asian languages—and I am concerned that we need a spread of language abilities, including Asian languages but not solely Asian languages—what are the priority languages that will be dealt with in that training program that the Premier has just now announced is taking place?

The Hon. Dean Brown: That varies from department to department. For instance, in the Economic Development Authority, there is a significant need to increase the Chinese language skills, and Mandarin is the obvious one there, but that should not be restricted only to Mandarin. There should be increasing training in Japanese, again particularly in the Economic Development Authority. I suggested to someone only the other day that we should look at taking on some young trainees who have a secondary language skill at university level, who have basic commercial skills—economics or something similar—but also very importantly an equal skill in language, particularly in key areas. We should train them within Government. In other words, what I am saying is instead of just saying, 'Let's take senior Government appointees and train them in another language,' let us also look at whom we recruit right in the very early days of their career and make sure that they have those skills at that stage.

The Hon. LYNN ARNOLD: I commend the Premier on that last sentiment. That as a corollary to any program is certainly a useful thing to do, and I would be pleased to hear further advice on how that program is working over time as well. But, coming back to the senior staff of the Government, I would like to have—not now, I understand that—a schedule provided on what the actual budget will be for training in each of the Government areas for the training of senior executives in languages other than English over this financial period.

The Hon. Dean Brown: I can point out to the Leader that the Commissioner indicated that they are doing a needs analysis of Government now in terms of that—not only in languages but in other areas of training as well. Those training programs, whether they be languages or in other areas—and I do not want to see it dedicated to just one or the other—are part of the individual departmental training program, and so it should be.

The Hon. LYNN ARNOLD: As a supplementary question: it will not be a problem for the Premier to provide a schedule of how much money is available once that needs analysis has been done, because presumably if training will take place in 1994-95, it will cost money. Therefore, there must be money for it somewhere. If it will not take place in

1994-95, there does not need to be a budget provision. It is simply a matter of finding out what that budget provision is. Now that the Premier has introduced other aspects in addition to languages, I would appreciate some information—if not now, later—on the other areas that will compete with language training in terms of the use of that money.

The Hon. Dean Brown: The sorts of areas include general management skills, personnel skills, and in some areas it might be technical skills or financial skills. I have already raised today the matter of lack of skills, particularly in terms of accounting skills, and also project management skills. That is the range of areas. There is a specific allocation for general training of staff within each Government agency and we will get out those figures for you.

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

Office of Multicultural and Ethnic Affairs, \$2 372 000

Membership:

Mrs Hall substituted for Mr Brindal.

Departmental Advisers:

Nocella Paolo, Chairman, South Australian Multicultural and Ethnic Affairs Commission and Chief Executive Officer of the Office of Multicultural and Ethnic Affairs.

Steven Everard, Secretary, South Australian Multicultural and Ethnic Affairs Commission.

Hon. J.F. Stefani, MLC, Parliamentary Secretary Assisting the Premier on Multicultural and Ethnic Affairs and Trade Development.

The CHAIRMAN: I declare the proposed payments open for examination and I refer members to pages 40 and 41 in the Estimates of Receipts and Payments and to pages 43 to 49 in the Program Estimates.

The Hon. Dean Brown: First, I draw attention to the fact that we have three quarters of an hour for the lines of both the Office of Multicultural and Ethnic Affairs and the Commission for Multicultural and Ethnic Affairs, and we also have the Economic Development Program to go through. Members need to realise that we have only three quarters of an hour.

The CHAIRMAN: An erratum was distributed to all members concerning the Office of Multicultural and Ethnic Affairs, as set out in the PPB papers, page 50, amending the broad objectives, goals, performance and indicators, targets/objectives under 'Equal Opportunity'.

The Hon. LYNN ARNOLD: I refer to recurrent payments on page 41 dealing with the South Australian Multicultural and Ethnic Affairs Commission. Some members retired at the end of June, others retired at the end of August and I have not had a chance to read the *Gazette* in the last couple of weeks and it may be that all those vacancies have been filled. Have the vacancies been filled and, if so, who has been appointed to the vacancies?

The Hon. Dean Brown: There are three dates at which people can retire from the commission. There were some at the end of June, some at the end of August and some at the end of September and, rather than putting up three different Cabinet submissions, I intend to handle them all at once. No appointment has yet been made, but I expect appointments to be made in the near future.

The Hon. LYNN ARNOLD: When I was Minister for Multicultural and Ethnic Affairs I was concerned about the irregular staggered dates of appointment of a number of members of the commission and I was moving towards having a set date each year at which about one-third of commission members over a three-year cycle would be retired or reappointed. We were well down that phase and this year was to be the last year of that tidying up. Is it the Premier's intention to continue that tidying up so that in future years members retiring will do so on a set date, be it 30 June or some other date?

The Hon. Dean Brown: Yes. That is part of the problem at present: there are three different dates all falling within a space of three months.

The Hon. LYNN ARNOLD: The concern was raised when we were in government that, when people were appointed to the Ethnic Affairs Commission, there should have been an appropriate consultation mechanism to canvass community views as to people who were interested in serving on the commission. Indeed, there was implicit criticism that an advertising process was not followed by me as Minister at the time. Has the Government proceeded with an advertising program or does it accept the previous practice put in place, that interest in such a position would not be advertised but rather selected by other consultation mechanisms by the Minister?

The Hon. Dean Brown: I have already started to look for suitable persons to fill the vacancies. The procedure that I was intending to adopt was, in fact, simply to do it through other means. That does not mean that, in some of those cases, there has not been wider consultation, but perhaps not the specific consultation that the honourable member is suggesting.

The Hon. LYNN ARNOLD: I am not saying it did not happen: it was said to us that it should have happened.

The Hon. Dean Brown: For instance, the Government has established the breakthrough register, which has been an advertised process asking for women interested in standing for Government boards or commissions. It is very appropriate that that should be established this year and that, in itself, has been widely advertised. One of the lists we are referring to is that breakthrough list. So, whilst specific advertisements have not been placed, and at this stage I had not intended to do so, there has been at least a broad consultation process in terms of selecting people who would be interested in standing for Government boards.

The Hon. LYNN ARNOLD: The Premier mentioned that some positions fall vacant in September. What date in September do they fall vacant and how many are there? As I understand it, there was a total of five at the end of June and August.

The Hon. Dean Brown: No, I think there were three at the end of June, one in August and one in September.

The Hon. LYNN ARNOLD: So, there will be five by the end of September?

The Hon. Dean Brown: Yes.

The Hon. LYNN ARNOLD: So, we have another couple of weeks?

The Hon. Dean Brown: Yes.

The Hon. LYNN ARNOLD: Will the appointments be made before the end of September?

The Hon. Dean Brown: I would never try to pre-empt Cabinet.

Mr SCALZI: I refer to page 41 of Estimates Receipts and Payments under the heading, 'Provisions for interpreting and

translating services'. I notice that in the 1993-94 financial year there was a reduction in the actual costs to provide interpreting and translating services. What is the reason for the reduction in the estimated costs of providing such services for the current financial year?

The Hon. Dean Brown: There are three reasons: first, Italian has not been a language that has been in high demand, and this therefore provides some savings in the overall costs of this recurrent expenditure. Secondly, there has been a reduction in the costs of fixed salaries because a number of interpreters' skilled in the Italian language have taken voluntary separation packages consistent with the policy directions of the previous Government. Thirdly, OMEA (Office of Multicultural and Ethnic Affairs) has been able to further reduce the costs in providing interpreting and translating services by negotiating more competitive outsourcing services from the private sector.

Mr SCALZI: I refer to page 41 of Estimates of Receipts and Payments, program 2, under the heading 'Promotion of multiculturalism'. What input is the Office of Multicultural and Ethnic Affairs having to the celebration of the women's suffrage centenary in South Australia, and what activities have been undertaken to highlight the important role of migrant and non-English speaking background women in the social and economic development of South Australia?

The Hon. Dean Brown: There have been a number of programs and I will ask the Chairman of the commission to outline them.

Mr Paolo: The involvement of the commission in connection with the 1994 celebration of the centenary of suffrage has been varied and substantial. During the course of the year we have had two multicultural forums especially dedicated to issues concerning non-English speaking background women. The first was held at the beginning of the year in the grounds of Government House, and it involved not only the Governor but also a panel of four distinguished speakers who spoke to an audience of approximately 200 invited women, mostly of non-English speaking background, on women in politics, women in education, women in the arts and women in business.

The second multicultural forum was held only 10 days ago and was devoted to Australia through Asian eyes. That forum involved four distinguished international visitors, Madam Chia from Singapore, Senator Ng Yen Yen from Malaysia, Mrs Dewi Pramona from Indonesia and Professor Lourdes Custodio from the Philippines. They spoke at length about how they see Australia through their Asian eyes.

In addition, the magazine *Multicultural Life* was produced in February and has become a bit of a collector's item because it was completely devoted to the issue of non-English speaking background women. In addition to that, the percentage of multicultural grants was higher than in previous years. Up to 30 per cent of the grants were devoted to projects to benefit women of non-English speaking backgrounds. The assistance provided to the establishment of the Asia Pacific Business Council for Women was also a part of this general thrust. This organisation now exists and is located at 198 Greenhill Road, and it provides an alternative channel for promoting exports through geographic and gender specific avenues.

The recent international women's conference for non-English cultural background women was held on 3 and 4 September, and received substantial assistance from the commission and the Office of Multicultural Affairs in terms

of secretarial assistance, a small grant and practical help during the proceedings.

Finally, and perhaps most importantly, the research study designed to identify the successes, achievements and contribution of women of non-English speaking background was launched earlier this year. It is now the subject of an application for funding from the Bureau of Immigration and Population Research. It is intended to profile approximately 500 South Australian women of non-English speaking background for the purpose of bringing this group of women to the attention of Government Ministers, with the idea of appointing these women to boards, panels and committees. That is a very rapid listing of the activities that have characterised our contribution to the 1994 celebrations.

The Hon. Dean Brown: I point out that I was one of the speakers at the beginning of the conference in September. There was a very good attendance at that conference at Norwood Concert Hall. I had the opportunity to hear the first few speakers and was very interested to hear the very strong point of view they put. One cannot help but be impressed by the fact that South Australia has continued to be a leader in a whole range of fields as far as women are concerned.

Mr SCALZI: I agree with the Premier: I attended those functions and the conference in September. In relation to Estimates of Receipts and Payments, page 41, program 2, 'Promotion of multiculturalism', what Government grants have been made available to country specific chambers of commerce?

The Hon. Dean Brown: First, I will outline what I think is one of the most exciting initiatives that this State has seen in this whole area of using our ethnic communities to promote trade and to help focus our commercial and industrial activities on the export market, that is, the establishment of our centre specifically and then using the various ethnic affairs chambers to make sure that we are able to help promote South Australian goods and companies in the respective countries that those ethnic chambers represent.

There has been fantastic feedback. People have seen the centre on Greenhill Road with all the flags out the front. It is truly a multicultural centre, and there are now 18 or 19 ethnic chambers of commerce represented there. They now have a central secretariat and a director who is experienced in international trade and promotion, and it is such a unique opportunity to have this group of chambers, with the enthusiasm they have and the links they have back to their own countries in terms of contacts, cultural knowledge, business knowledge, etc., out there promoting our companies and products.

In terms of the specific chambers that have received grants, there is the Australian Vietnamese Chamber of Commerce and Industry; the Australia Israel Chamber of Commerce; the Australian Indian Business Council; the Australia Korea Business Council; the Asia Pacific Business Council for Women, which is what the Chairman was just talking about; the Latvian Chamber of Commerce, for which there is a pending grant approval; and the Australia Singapore Business Council, also a pending grant approval.

Two other organisations are currently being developed, one of which is the South Australian-Shandong Business Council. I addressed the inaugural gathering of that council some weeks ago. That Chamber of Business Council has been formed with the specific objective of promoting trade from South Australia into Shandong Province in China, which is a sister State with South Australia. I visited that area a couple of months ago, and the potential there is enormous.

About 90 people attended that seminar, which went for the best part of a day, and I was very impressed with the people who attended it and the companies that were represented at it. I attend quite a few of these functions and I have a commitment to develop and promote the role of South Australia, particularly in relation to the Asian area. However, in saying that, I am in no way diminishing the role, and we have given much financial support this year to help the Hellenic Australian Chamber of Commerce to go into Thessaloniki, and also the Italian Chamber of Commerce to go into the Food Trade Fair at CIBUS 1994.

In fact, I think that the trade mission left about 10 days ago and is currently in Thessaloniki. We have approved a grant of \$42 480 to the Hellenic Chamber of Commerce which has not yet been paid in full, and a further \$5 000, approximately, was given to allow a small delegation from that chamber to go on to the surrounding countries and look at how we could promote trade into those surrounding countries through Greece. The Italian chamber has been granted the total sum of \$49 713 and has received \$33 000 of that for CIBUS 1994.

Mr SCALZI: How does the establishment of the centre on Greenhill Road differ from the promotion of trade among ethnic chambers in other States?

The Hon. Dean Brown: This is the first time that it has been done in Australia, and when the Federal Government heard of the initiative it immediately got on the telephone and said that it would like to participate in the launch, and gave us a grant of \$35 000. We received that amount from the Federal Government without even asking for it. If you know the Federal Government, you also know that it must be a unique and a very good initiative for it to volunteer \$35 000 without even receiving a request for it.

The other interesting thing is that private companies have become involved in this centre, and Telecom in particular has become a major sponsor and has given a great deal of assistance. It has been developed in conjunction with the Employers Chamber, and everyone who has seen the centre cannot help but be impressed by it. If some members have not had a chance to see it yet, I would urge them to have a look at it; to stand there and see all the different chambers or business councils representing the world, which is unique, and to see the enthusiasm of those groups, particularly with the back-up staff they have.

I think that the centre will have a profound impact in terms of focusing our industry onto the rest of the world. An enormous number of people attended the opening; there was an absolute crush of people who attended simply out of interest.

The Hon. LYNN ARNOLD: I refer to the Estimates of Receipts and Payments, page 41, recurrent receipts—'Interpreting and translating charges': the estimated receipts from State Government departments last year totalled \$1.76 million, the actual was \$1.424 million and the estimate for this year is \$1.425 million. When that estimate was set last year, we were having trouble with some Government agencies actually using the services of the then language services centre, particularly the Health Commission. There was concern that some of the units of the Health Commission were choosing to go back to second rate translating and interpreting type services; in other words, someone on the staff who might happen to know a language being asked to interpret for somebody at the counter, or family members being asked to do the interpreting, both of which are simply second rate solutions.

I expressed concern about that at the time and the message was being passed on. Clearly, that message did not properly get through or at least appears not to have got through. It appears, therefore, that the Health Commission has been reduced as a client of the language and interpreting centre. I notice this year that the estimate is exactly the same as the outcome for last year. Is that a reflection of the fact that it is estimated that that will continue to be the case or are there other factors involved? If it is a continuation of reduced patronage by Government departments which may then be falling back on other means of interpreting which are not as satisfactory as properly trained interpreters, what action will be taken to ensure that is stopped?

The Hon. Dean Brown: One of the reasons the level is the same as last year is that the Government has actually dropped the hourly fee rate. We have restructured the fee rate. It is hard to give a percentage drop because we have tried to make it more competitive than what it is.

The Hon. LYNN ARNOLD: That was already happening.

The Hon. Dean Brown: That has only just applied from 1 August.

The Hon. LYNN ARNOLD: Changes were made last financial year.

The Hon. Dean Brown: Sorry, 1 August last year.

The Hon. LYNN ARNOLD: I was going to say! I was the person who approved them.

The Hon. Dean Brown: That is one reason for the lesser income. The other area, though, is the fact that some agencies such as the Health Commission have used alternative translating centres or alternative individuals. The Government has looked at that and has tried to make sure that the service we are providing is a cost effective service. I think there was some criticism that the costs were too high. I indicate that the Government is still insisting that the appropriate standards be maintained.

The Hon. J.F. Stefani: I am happy to comment on that by saying that there is a need for that service to be continued and we have spoken to the migrant health unit about the engagement of interpreters through that unit. It is Government policy that that unit will engage 90 level three interpreters and there is also the requirement for translation. That is another issue. We are looking carefully at rationalising the translation services so that we have a central position where translations are conducted at the language centre. Negotiations and discussions are still ongoing. We have the possibility of servicing more clients with the same money. This is about better services being provided. We are conscious that providing more services or languages directly at the point of service, that is the Health Commission, will mean that perhaps there are some savings to be gained. That process is ongoing and certainly under review. Careful consideration in terms of the standards as well as the long term future of the language centre, which I think is important for the courts, will be maintained as an integral part of the services that have been provided.

The Hon. Dean Brown: The Leader might be interested to know that the actual number of assignments has remained the same.

The Hon. LYNN ARNOLD: Will you provide a schedule of the number of assignments from the Health Commission?

The Hon. Dean Brown: Yes. So there has been no drop-off in demand; it has been provided at a lower cost.

The Hon. LYNN ARNOLD: Can we take that schedule back to 1992, because a drop-off was occurring between 1992-93? I was concerned about that, as it was under—

The Hon. Dean Brown: Certainly, we will try to obtain the figures for the past three years—1992-93, 1993-94 and as much of 1994-95 as is available.

The Hon. J.F. Stefani: I also remind members of the Committee, as the Premier previously indicated, that there has been a drop-off in the requirement in respect of the Italian language. That is a phenomenon that we do not understand, but it appears that the call-up on Italian language is not as great as it used to be, and this is one of the reasons that some of the assignments have dropped off as well.

The Hon. LYNN ARNOLD: Earlier today the Premier referred to the fact that there had been some amalgamation of support services involving a number of units under his authority, one of which was the Office of Multicultural and Ethnic Affairs, and he referred to some of the support services there. Can he advise whether the South Australian Multicultural and Ethnic Affairs Commission was consulted in the process of the amalgamation of the support services of the Office of Multicultural and Ethnic Affairs with other units in his office?

The Hon. Dean Brown: Yes, I did consult with the Chairman, and it was agreed that that would go ahead on a trial basis to see how it worked.

The Hon. LYNN ARNOLD: Was the full commission consulted?

The Hon. Dean Brown: I do not know; I would have to ask the Chairman that.

Mr Paolo: The commission was certainly kept informed and well aware of what was happening. It was a question of internal adjustments to bring about a flatter structure, a less top heavy structure, and one that would respond more immediately to the demands placed upon the organisation.

The Hon. LYNN ARNOLD: So the commission was happy? We had set in place a program of multicultural management commitment plans that were to occur over three years. I would like a report on how that program is progressing—indeed, whether it is still progressing. How many of those plans have been completed, how many plans have still to be done, and will those plans be made available to members of Parliament upon request?

The Hon. Dean Brown: I will ask the Chairman of the commission to answer that.

Mr Paolo: Stage 1, the first three year cycle, came to an end, and certainly it is possible to provide the number of plans that have been completed. All 32 agencies under review have completed a report. Naturally there is some deformity in the nature, quality, depth and substance of the reports, but all departments cooperated. What is happening now in stage 2 of this process is that the program is maturing and taking on a different physiography. In practice the activities of the office and the commission will be concentrated for this year on departments which we have engaged in a specific major project. That will constitute the bulk of the activities of the office for 1994-95, and it will be reported in the annual report.

Rather than a blanket approach to every single agency in the same way, now there is graduality. Certain departments have responded more eagerly and have been targeted because of the nature of the project and the relevance to the corporate plan of the Office of Multicultural and Ethnic Affairs. What we will see this year is certain departments working very closely with us, or us with them, and others remaining

perhaps dormant until the next year when other projects will be picked up. However, other programs rather than departments will cut across all agencies. For instance, the cross cultural training program will affect all agencies that will be partners with us in the provision of cross cultural training for three modules, in fact for three different customer groups within agencies.

Mr CONDOUS: The two questions that I would like to ask the Premier are very important and are inter-related. I refer to page 41, program 2, of the Estimates of Receipts and Payments, with regard to the promotion of multiculturalism. What trade missions have been funded by the Liberal Government since taking office, and what money has been allocated by the Government to assist with these trade missions?

The CHAIRMAN: The Chair may be under a misapprehension, but I thought the Premier had already given a substantial list.

The Hon. Dean Brown: I named some but did not go through them all, so it would be wrong to assume that I have answered the question fully. There are three in particular: the Italian Chamber, \$49 000 for CIBUS 1994, which was an international food exhibition in Parma; the Hellenic Australian Chamber, a \$42 480 grant for the 1994 Thessaloniki trade fair with an additional allocation of \$4 984 to establish links in the surrounding countries, producing port facilities in Greece; and a grant of \$47 760 to the Russian Australian Chamber to undertake a trade mission to Moscow in September 1994, with a further \$1 958 to allow the Russian Chamber to represent some Russian businesses here in Adelaide and Sydney. That was a very small grant. That small grant of \$1 958 should be seen as a rather exceptional one-off payment.

The Government tries to identify where there is significant opportunity to go into countries and promote our products. The one that has been outstanding so far has been the thrust by the Italian Chamber, which has helped to establish quite significant trade between South Australia and Italy in a range of products such as beers, home-brew kits and honey in particular, involving companies such as Spring Gully Pickles, Coopers Fine Foods, Priority Health Pty Ltd and others. I have met some of those suppliers and they are very enthusiastic about the sort of demand being created.

Mr CONDOUS: Last evening I had contact with one of my constituents who is involved with the Korean trade delegation at the new centre on Greenhill Road. In October, the film crew of the largest women's television program in Korea will come to South Australia to do seven days' filming. They were originally going to Sydney, Brisbane and Adelaide but they have now decided to bypass Sydney and Brisbane and spend their entire seven days in Australia here in Adelaide. They will take that program back to 20 million women who will view this program in Korea.

I shall be presenting you with a letter from my constituent who goes into how, once the program is shown in Korea, we get the feedback to bring those people interested in Korea back to Adelaide. Could the Premier advise what other initiatives will be undertaken by the Government through the extra resources allocated for the promotion of multiculturalism?

The Hon. Dean Brown: Basically, the program is threefold. First, it is to encourage ethnic chambers to establish themselves, of which there has been an increasing number, and to give them general support. The second is to encourage those chambers to take products into trade fairs. We are

talking not about paying air fares, but about floor space at trade fairs where products can be shown. It is the hard sell that is important. It is not so much getting people over there as making sure that we assist them once they are there.

The third key part is the International Centre which has been established on Greenhill Road. I have already talked about that. We have allocated \$500 000 to this program of encouraging the ethnic chambers to go to trade fairs in other countries with the establishment of the International Centre on Greenhill Road, including staff, leasing of office space, the provision of equipment and so on. That will be an ongoing allocation. This is a unique initiative which I am confident will have significant benefits. The Hon. Julian Stefani was just telling me that we have exported over 100 tonnes of honey to Italy as a result of the initiative by the Italian Chamber. It has had great success. Indeed, it has not been able to keep up with the demand for Spring Gully Pickles as well.

The CHAIRMAN: I remind members that there are two lines to complete. One is multicultural and ethnic affairs and the other is other payments of \$41 million.

The Hon. M.D. RANN: I have two questions. I guess that one would really refer to the program title, 'Promotion of Multiculturalism.' Earlier in the year at the Greek Glendi the Premier alluded to a push to involve a number of multicultural festivals, such as the Glendi, the Italian and the Schutzenfest festivals, to be grouped together for the promotion of multiculturalism and tourism. Later in the year the Minister for Tourism announced that the Special Events Group would be reporting to him, and maybe the Premier, in July on that issue in respect of something that could be held as an alternative year to the festival. Have discussions been entered into with the organisers of the Schutzenfest, the Italian Festival and the Greek Glendi with a view to a back-to-back ethnic festival as was alluded to by the Premier and the Minister for Tourism earlier this year?

The Hon. Dean Brown: The matter has been referred to the people who were bringing together the concept of a Major Events Corporation. A general structure has been put together which will look at the structure that this Major Events Corporation can take on. A large number of very good opportunities have been identified, and we want to establish a calendar of events through the year, varying from one year to another. I see those events being centred on three or four different categories. One would be the arts, and the Adelaide Festival is the obvious one every alternate year. Another would be on wine and food. The Barossa Wine Festival is one of those, but there are others as well. The Schutzenfest could, to a certain extent, be included as part of that. Another is the Bushing Festival at McLaren Vale.

Then sporting events was the third area, and the fourth one was the cultural area. Until a formal committee or board has been appointed to oversee the running of the major events area, no firm decisions will be made, but there are some very exciting opportunities there. I can assure the honourable member that cultural festivals are being looked at as part of the broader calendar.

The Hon. M.D. RANN: On the general policy area of multiculturalism, the Premier would be aware that a number of States, including New South Wales under its Liberal Government with Labor support and Western Australia, have racial vilification legislation in place. In New South Wales that legislation has a range of features, including some punitive clauses in terms of fines, and so on, that can be implemented for gross racial vilification. In Western Australia, there is more of a negotiated settlement, trying to bring the parties together in the case of racial vilification. What is the State Government's attitude and the Premier's own personal attitude towards racial vilification laws in this State?

The Hon. Dean Brown: The Cabinet has not formally approved any such legislation as yet. If and when it does, obviously I will introduce that into the Parliament. Again, I do not think I should be sitting here pre-empting what Cabinet might or might not do. It is inappropriate to do so.

The Hon. M.D. RANN: Have you had discussions with the commission at all about this matter?

The Hon. Dean Brown: Not specifically with the commission but other parties, yes.

The Hon. LYNN ARNOLD: Will you raise it with the commission?

The Hon. Dean Brown: Certainly it is a matter that I can have a discussion with the commission on, yes.

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

Premier and Minister for Multicultural and Ethnic Affairs—Other payments, \$41 000 000

The CHAIRMAN: I declare the proposed payments open for examination and refer members to page 42 in the Estimates of Receipts and Payments. There being no further time to elicit information from the Premier, I apologise that I have to declare the examination completed. The Chair would like to take the opportunity of thanking the Premier and his staff and assistants for their attendance during the day, as well as the several who have already left. I would also like to thank members of the Opposition and members of the Government benches for their forbearance and for the manner in which they have conducted the Estimates Committee today. I would also like to thank table staff and certainly *Hansard*, who would manage to make literature out of what comes out of our mouths in the course of the day.

The Hon. Dean Brown: Mr Chairman, I thank you for your chairmanship of the day. It has been a very smooth day. I appreciate the wisdom you have shown, and I thank equally all members of the Committee. I also thank my own staff and advisers for their participation during the day.

ADJOURNMENT

At 9.59 p.m. the Committee adjourned until Wednesday 14 September at 11 a.m.