

HOUSE OF ASSEMBLY

Thursday 23 September 1982

ESTIMATES COMMITTEE B

Chairman:

Mr E. K. Russack

Members:

Mr E. S. Ashenden
 Mr H. Becker
 Mr R. J. Gregory
 Mr K. C. Hamilton
 Mr I. P. Lewis
 Mr J. Mathwin
 Mr G. T. Whitten
 The Hon. J. D. Wright

The Committee met at 11 a.m.

The **CHAIRMAN**: The minutes of yesterday's proceedings have been distributed. Unless there are any objections, I will sign them as being correct.

The **CHAIRMAN**: Today there are six votes, so it may be desirable if a decision as to a time table is arrived at.

The **Hon. J. D. WRIGHT**: The time table is essentially in the Minister's hands.

The **Hon. D. C. Brown**: No, it is not.

The **Hon. J. D. WRIGHT**: It is, as its accuracy depends on how long each answer takes. If we are to follow the usual pattern of these committees, one can only hazard a guess as to how long matters may take. To a degree, it is a three-pronged matter. I therefore suggest that we try to get through Industrial Affairs and Employment by 3 o'clock and then turn to Trade and Industry. The Leader of the Opposition will be replacing another Committee member when that change to Trade and Industry is made, and I imagine that that and 'Miscellaneous' could be completed by dinner time. That would allow time for discussion of public works after dinner. I do not think that there is any possibility of the Committee's not sitting after dinner. I emphasise that all this depends largely on the length of time taken by the Minister in his replies, and on the number of people called on to reply to each question. However, I will make every effort to stick to that time table.

Is it possible under the rules (I have not checked this this morning) for the replacement to be made at 3 p.m., or must we make the replacement at the beginning of each session?

The **CHAIRMAN**: Sessional Orders provide that the Committee personnel can change at the end of a vote, at 1 p.m. or 6 p.m., or prior to the commencement of the afternoon and evening sessions.

The **Hon. J. D. WRIGHT**: That is my idea. I do not know what other members of the Committee think about timing.

Mr **MATHWIN**: I am quite happy with that. I think that we ought to be able to progress very well. Although I agree with some of the Deputy Leader's comments, there is another matter that he did not raise in relation to the giving of long answers. To some extent, it is related to the number of interjections that the Minister or department have while they are answering. They tend to stimulate the conversation and argument and to bring argument into the answers. I have had that on the two other Committees on which I have served. I do not disagree with the matters that the member mentioned, but the number of interjections also

adds to the length of argument. If we get the two things going, perhaps we should make progress.

Mr **BECKER**: There should be a little flexibility about 3 p.m., but let us get on with it. We have wasted seven minutes already.

The **CHAIRMAN**: This is a matter that must be decided now, and we must come to some understanding. I am sure that a few minutes now will assist us later.

The **Hon. D. C. Brown**: I would like to make one request to the Committee. Obviously, it is up to the Committee to set its own time schedule, and I will be only too happy to comply with that. If we wish to get on to the Department of Trade and Industry before 1 p.m., I will need to have 10 minutes warning so that I can get departmental officers down, because they are not due to arrive here until 2 p.m. Certainly, questions will be kept short, as they were last year. It also depends on the length of answers and statements made when the questions are being asked.

The **CHAIRMAN**: The major switch in officers would be at night, when we change from Industrial Affairs and Employment to Public Buildings, or are you planning a change of officers between the other votes?

The **Hon. D. C. Brown**: No, there will be a complete change of officers between the Department of Industrial Affairs and the Department of Trade and Industry. Then we will be back to a joint group of officers for the Miscellaneous line under Industrial Affairs and Employment, because two separate departments are involved there. Then there will be a complete change of officers for the Minister of Public Works line.

The **CHAIRMAN**: I understand that you will want at least 10 minutes. I think that that can be arranged all right. It has been suggested that Industrial Affairs and Employment and Miscellaneous be concluded by 6 p.m. Could we at this stage come to an agreement that the Minister's officers associated with Public Buildings would not be required before the dinner break?

The **Hon. J. D. WRIGHT**: I think that that is a reasonable approach to it. I am not in charge of Trade and Industry, and I do not know how long it will take. If it looks like winding up, I think that the Minister will have the chance to get his staff down.

The **Hon. D. C. Brown**: If I am given 10 minutes warning, I can have the officers here for the Public Works lines. They are on standby. They have been told that as soon as the telephone call comes through they are to be here. They are to be here at 7.30 p.m. for the resumption of sittings this evening, but they can be available before that.

The **CHAIRMAN**: That seems to clarify that, I feel sure. It has been the custom on the last two days of this Committee that a member is given the opportunity to ask three questions and then someone from the other side has an opportunity to do so.

Industrial Affairs and Employment, \$7 444 000

Witness:

The Hon. D. C. Brown, Minister of Industrial Affairs and Minister of Public Works.

Departmental Advisers:

Mr H. R. Bachmann, Director, Department of Industrial Affairs and Employment.

Mr M. C. Johnson, Deputy Director, Department of Industrial Affairs and Employment.

Mr B. J. Bartlett, Chief Administrative Officer, Department of Industrial Affairs and Employment.

The CHAIRMAN: I declare the proposed expenditure open for examination. For the benefit of Committee members, I refer to Parliamentary paper No. 9, Estimates of Payments. These lines will be found on pages 48 and 49.

The Hon. J. D. WRIGHT: I refer to page 48, the line headed 'Deputy Director/Administrative, Clerical and General Staff'. An amount of \$831 783 was allocated for this area last year, and payments amounted to \$873 911. This year the allocation is only \$583 960. I suppose this is because of a change in the administrative and financial structure of the department. Can the Minister detail these changes and explain why the changes in structure were necessary? Will the Minister also explain why the allocation for this area was overspent by some \$40 000 last year?

The Hon. D. C. Brown: There has been a major reorganisation of the department. It is not just a minor adjustment where the funds have been allocated. It was always the intention, even before the new Director was appointed, that once he was appointed there would be a major reorganisation. I discussed this at some length previously with Mr Bowes. It was decided, in conjunction with the Public Service Board, that that reorganisation would best be left to the new Director. If the honourable member is agreeable, I will hand over to the Director so that he can discuss the new divisions, the functions of those divisions, and what adjustments have been made compared with the old divisions within the department.

Mr Bachmann: The department is still going through the process of reorganisation. Two of the major changes to which the honourable member has referred involve the transfer of the Technological Change Office and the Manpower Forecasting Unit from under the Administrative Division to the Employment Division, which is headed up by the Assistant Director. It was believed departmentally that the Technological Change Office and the Manpower Forecasting Units were more closely allied with the Employment Division, which contained areas such as training services, youth bureau, and Community Improvement Through Youth. That has caused a reduction in the Administrative Division vote but a corresponding increase in the Employment Division vote. We are also in the process of completely regionalising.

We have had the position where some of our staff have been employed within the regions without direct control of their movements and work being attributed to the district inspectors in the regions. Two areas are involved with the investigation of complaints and routine inspections on wages and long service leave. That is done by the Investigations Branch. The other group comprises the apprenticeship supervisors people, who, prior to the implementation of the new organisation, were based geographically in the regions but reported directly to head office. That has changed now with the aim of having a regional manager in each region responsible for all people and all things done within a region, rather than some reporting back to head office direct. They would be the major changes that have come about in the reorganisation.

The Hon. J. D. WRIGHT: To continue on with administration, staff, etc., I refer to the 'Senior Project Officer/Project Officer, clerical staff and the Government job transfer office'. Last year, \$59 000 was voted for this area and payments amounted to \$62 225.

This year only \$37 000 is proposed. Why has there been such a reduction? Is the job transfer position to be abolished? I know that this is a three-part question, but it looks to me, after examining the proposals, that the end has come to the job transfer policies of the Government. Is that to continue, or will it now be abolished or abolished at some time in the near future?

The Hon. D. C. Brown: The Government Job Transfer Office will not be abolished. We find that it is still carrying out a very effective role. The Government had anticipated that there would be a point where perhaps the overall effectiveness of transfers within Government from areas surplus to areas of need would diminish fairly rapidly. It appears that that has not been the case and the transfers through the system have been maintained at a very high level.

The reduction in the expenditure of funds for this year, compared to last year, has occurred because last year there were three staff involved: the senior project officer, the project officer and clerical staff. This year there will only be two staff. The senior project officer, Mr Tony Milne, has been transferred to establish the new Workers Compensation Rehabilitation Board. The Government made that move because it believes that, now that the Job Transfer Office is up and operating and has had a couple of years experience behind it, it is operating very effectively. It was involved very heavily previously in early voluntary retirement schemes and in helping to monitor and assess the extent to which there were surplus weekly-paid employees within various areas of Government.

A lot of what one might call special project or special task work is now finished. So, it is a fairly routine function. The Government believes that it can be run by the two more junior officers; the more senior officer (Mr Milne), has been transferred to take up the new initiative of the Government in workers compensation rehabilitation. I stress that even in this new position Mr Milne still has broad responsibility in that area because he has had considerable experience in the area, but his time is largely oriented to the rehabilitation unit.

The Hon. J. D. WRIGHT: Is it possible for the Job Transfer Office to rearrange what the Minister would describe as surplus employment, effectively right throughout all departments? Is all the labour now being employed by the Government being found from within the Government or is it true that there have been some 400 to 500 stenographer-type clerical jobs created in the past 12 months, outside of the regular employment of the Government?

The Hon. D. C. Brown: First, any stenographer/clerical-type positions would be created under the Public Service Board. I stress that the Government Job Transfer Office is dealing with weekly-paid employees, not people employed under the Public Service Act. The question regarding the exact number of stenographer/clerical-type people taken on, I cannot answer. The honourable member would need to raise that question with the appropriate Minister: it is not my responsibility.

In the weekly paid area, the Government has always taken on a certain number of people from outside: it depends on need. What happens is that the Government Job Transfer Office, with the approval of the appropriate Minister and the permanent head of the department which needs to fill a vacancy (with joint approval), advertises outside the Government if it is not possible to find someone from within the Government to fill that position.

I receive and scrutinise a list of the names of people who are taken from outside the Government. That system has worked very well. It has meant that there has been a very tight and quick response. Departments have not had to sit back and wait for long periods. There were some minor administrative problems earlier in relation to Cabinet approval, but that has now been adjusted and I believe that the system is working very satisfactorily. I think it is fair to say that there have been virtually no complaints or even queries in the past 12 months in relation to the transfer system.

The continued feedback we receive from our own weekly paid employees indicates that they greatly appreciate the system. For the first time, a person who applies for a job as a weekly paid employee in a Government department is not destined to stay in that position for life, but has the mobility that is enjoyed by public servants. Therefore, they are able to apply for jobs in other Government departments and for jobs within the same department but at a higher level. It means that these people now enjoy real job enrichment.

Mr MATHWIN: I refer to page 48 of the Estimates of Payments and the vote 'Industrial Affairs Division'. I note that there is an increase in the line 'Commissioners and Industrial Magistrates'. The voted amount for 1981-82 was \$310 000; the actual payment was \$314 838; and the proposed amount for 1982-83 is \$368 000. Has that increase occurred because of an increase in staff? How many commissioners and industrial magistrates operate at the moment?

The Hon. D. C. Brown: When Mr Frank Cawthorne was appointed to review industrial relations, particularly the Industrial Conciliation and Arbitration Act, two part-time industrial magistrates were appointed, that is, Mr Stokes and Mr Mills. They have been kept on because of the commission's workload, even though Mr Cawthorne has returned to the Industrial Commission as an industrial magistrate. In effect, there has been an increase in the staff level, because Mr Cawthorne who was previously paid from another line under this vote is now paid from the 'Commissioners and Industrial Magistrates' line.

In relation to staffing, there are four commissioners: Messrs Pryke, Stevens, Cotton and Eglinton. There are four industrial magistrates: Messrs Chislett, Cawthorne, Hardy, and Di Fazio; and there are two part-time industrial magistrates: Messrs Stokes and Mills. The two part-time industrial magistrates are paid on a sessional basis, as required.

Mr MATHWIN: I refer to 'Apprentice Training Subsidies' on page 10 of the yellow book. I note that the proposed subsidy this year is \$322 000. How successful are apprenticeship schemes generally? What acceptance is there by the trades, and industry generally, of the apprenticeship scheme?

The Hon. D. C. Brown: As the honourable member would be aware, there had been a run down in the number of apprentices trained in this State during the 1970s. When the new Industrial and Commercial Training Act was implemented, the State Government placed emphasis on encouraging employers to employ additional apprentices. The Federal Government gave some financial assistance toward achieving that end with a grant of \$1 000 for each additional apprentice employed. The scheme seems to have been successful and the number of apprentices being trained increased in the years 1980, 1981 and 1982.

Indications are that the number of apprentices being trained this year is at about the same level as it was last year, or a fraction below last year's level. However, it is still a little early to calculate those figures because there is an intake of new apprentices part way through the year. Figures show that there were 2 942 new apprentices in 1980, and 2 703 in 1981. However, those figures are subject to revision and adjustment. I do not have the complete figures for 1982, but do have the figure for the total number of apprentices in training as at 30 June 1982 in each trade. Those figures are as follows: metal trades, 5 137; electrical trades, 1 481; building trades, 1 253; printing trades, 335; vehicle industry trades, 465; food trades, 748; and, other trades, 1 708. There were 1 974 new indentures registered in the first six months of 1982.

The Government has been concerned at the long-term attitude of employers about the high cost of training people. Because of that, the Government tried to look for more

flexible ways of treating the people being trained, and has initiated a number of group apprenticeship training schemes. It became possible to do this because of the new Act, which enables employer associations to sign indentures as well as employers. As a result of this, the Master Builders Association last year signed indentures for 90 apprentices in the building trades. The Metal Industries Association has also reached an agreement with the State Government and will employ 25 apprentices on a group basis.

Apprentices employed under this scheme work with a number of employers and are not bound to the one employer. That system has a number of advantages. First, apprentices now gain experience with a range of employers, which is better training for them. Secondly, if the work load of a particular employer is suddenly diminished, the apprentice does not face the probability of being laid off but has the opportunity to work with another employer because of his being indentured to a group of employers.

We are presently negotiating with two organisations to further expand this scheme. Funds for this scheme have been increased this year. The support given to this scheme by the State Government involves a direct cash grant. This is backed by the Commonwealth Government on a dollar-for-dollar basis. In addition, we have made interest-free loans available to the Master Builders Association and to the Metal Industries Association on the condition that those loans must be used only for training these group apprentices. In addition, the Government has employed a substantial number of group 1 year apprentices.

Under this scheme the apprentice is apprenticed to an outside employer but is trained by the Government during the first year of apprenticeship at no cost to that employer. That cost is borne by the Commonwealth and State Governments. At the end of that training year, and if the apprentice has completed that first year successfully, the apprentice goes out to work for the private employer to whom he was originally indentured. This State has employed a higher proportion of these apprentices on a per capita basis than any other State in Australia. I think the scheme is working well. These apprentices have been largely trained by the Engineering and Water Supply Department and by the Electricity Trust of South Australia.

There has also been a general drive within Government to increase the number of apprentices. Last year we employed a special allocation of 46 additional apprentices. The reason that the allocation under that line has decreased from \$591 000 to \$322 000 is that those additional apprentices, who were paid for under this line last year, have been transferred in this financial year to the line for the actual department for which they will be working and which will pay them. Therefore, finance for these apprentices will now be included under the appropriate departmental lines.

If one adjusts those figures by removing the amounts for wages that have now been transferred to other lines, one will see that the total allocation of funds in that area has increased, because the total allocation to group apprenticeship schemes has been increased.

I stress that it concerns me that we go from a shortage of tradesmen in some areas to a glut in other areas. I recently attended at a working party with the metal industry people who are engaged particularly in the structural steel area. There has been a significant shortage of boiler makers and first-class welders in that area. We considered some of the problems that exist in that industry and how those problems could be overcome. We had a final meeting on this matter two weeks ago and, as a consequence of that meeting, a number of significant steps have been taken to allow us to respond quickly where there is a shortage of tradesmen in the metal trades area: the aim is to employ more tradesmen and, if possible, to train more apprentices. I have instructed

officers to notify the trade unions involved about what has been decided. We are trying to identify where shortages occur and to overcome them quickly. Where shortages occur they tend to disrupt production and to lead to excessive wage claims because people are being bought on a barter system using over-award payments. This causes disruption of general stability within the metal industry.

Mr MATHWIN: Will the Minister say whether consideration has been given to the length of time apprentices have to serve before becoming journeymen? If so, what has been the reaction from tradesmen, and from the unions? I am familiar with the building industry trades and with the length of time that apprenticeships take in that industry. It could have been argued even in my time as an apprentice that the apprenticeship period was too long and that people do not need to be trained for that lengthy period to become capable trades people. Particularly in the light of what the Minister said, has any approach or any investigation been made in relation to this problem?

The Hon. D. C. Brown: Yes. It went back to the new Act because prior to that the old apprenticeship legislation required that all apprentices had to be trained in this State for a minimum period of four years. There was absolutely no flexibility in that. The new Act removes that minimum requirement and allows the new Industrial and Commercial Training Commission to set certain recommended periods. There is even flexibility beyond that, in that the commission has the right, provided it is satisfied that a person has met the educational requirements, and can meet the work requirements and perform at a satisfactory level, to grant an even shorter period of apprenticeship.

The general agreement that I reached with the trade unions when negotiating this—and I know that Mr Gregory was present at those discussions—was that the Government undertook, although it is not referred to specifically in the legislation, not to reduce it more than 25 per cent below the standard recommended period. In other words, if it was a four-year apprenticeship, we undertook, from memory, not to allow anyone to become a full apprentice in under a three-year period. They must still carry out a test of competency to achieve that shortened period.

However, I emphasise that the commission has adjusted a number of standard recommended periods in which to finalise apprenticeships, and some of them have been shortened below four years. I cannot specifically name the trades involved. I believe, if I can name a couple of areas, that it does not require four years to train a bricklayer. However it does require at least four years to train an electronic or electrical engineer or tradesman. In fact, I think it is five years.

Mr GREGORY: 'Engineers' are down at the University.

The Hon. D. C. Brown: I referred to an 'engineer', but I mean a tradesman in the electrical trades; I think that a longer period is required there. Discussions have been held recently between the commission and the E.T.U. on that. Some flexibility is being introduced. It is one in which, I suppose, a recognisable caution and a conservative attitude are taken by the trade unions involved. I can understand their taking that attitude, but I believe that there is still a long way to go to get adequate flexibility.

I emphasise, though, that, with the newly-introduced prevocational training course that introduces people to a family of trades for a period of six months before they start their apprenticeship training, the commission has acknowledged that at least portion of that time can be credited for their apprenticeship training. Those involved can then undertake a shortened apprenticeship, having finished successfully a pre-vocational training course.

Mr GREGORY: On page 21 of the yellow book, the expenditure for workers compensation (silicosis) in 1981-82 was proposed at \$65 000 although the outcome was \$40 000 and \$65 000 is proposed for this year. Page 425 of the Auditor-General's Report establishes that \$193 184 is held at the Treasury on account of the Workers Compensation Silicosis Committee. Will the Minister explain why there is an anticipated increase in expenditure of \$25 000 and what interest that \$193 184 is earning in the current cash account with Treasury?

The Hon. D. C. Brown: First, as the honourable member realises, employers in industries where silicosis may be experienced are required to pay a fixed levy to a fund, which is administered by a committee under the care of Treasury. The funds are invested at the normal commercial rate, which is currently between 16 per cent and 17 per cent interest. The \$65 000 is set aside for claims, although, as the honourable member would realise, we are never sure what claims will be made. That is why last year \$65 000 was set aside and there were claims of only \$45 000.

Mr GREGORY: Is the Minister sure that the \$193 000 current cash, which is not invested anywhere, is earning the 17 per cent?

The Hon. D. C. Brown: Yes, I am sure. The honourable member says that it is not invested anywhere. In fact it is invested. The honourable member obviously does not understand how cash and funds like that are administered by the Government. It comes under the responsibility of the Treasurer to invest those funds as he sees fit, based on the advice of the Under Treasurer. Right across Government that is done at a normal commercial rate and, as I indicated, that rate is currently 16 per cent or 17 per cent. Funds might be lent to, say, the State Bank, where I know a lot of them are, or to finance companies. I know that I regularly see how the funds are invested for the Long Service Leave (Building Industry) Fund. I can assure the honourable member that they are all lent out at normal commercial rates.

Mr GREGORY: I asked that because—

The CHAIRMAN: Order! I would like honourable members to address their questions through the Chair. If members would hold their comments until the Minister has finished, they will have an opportunity to come back and make further remarks and comments. Will the Minister answer the question?

The Hon. D. C. Brown: I have finished.

Mr GREGORY: I refer to the funds invested at the moment: Commonwealth securities \$264 000; debentures for the Electricity Trust, \$197 000; South Australian Housing Trust, \$900 000; State Bank, \$30 000; State Opera of South Australia, \$100 000; and the Pipelines Authority, \$300 000. I am querying this because it seems to me that that amount of loose cash floating around, when there is anticipated expenditure of \$65 000, represents something like 485 per cent of what is actually spent, whereas in the Long Service Leave (Building Industry) Account the loose money that is not invested represents 23 per cent or 25 per cent of anticipated expenditure.

The Hon. D. C. Brown: Loose cash that is held by Treasury is still invested, if need be, on the short-term money market, and it is done at commercial rates. I suggest that if he wants to pursue that matter further, the honourable member should take it up with the Treasurer when he appears before the Committee.

Mr GREGORY: Page 8 of the yellow book refers to industrial occupational licensing regulations. The vote for 1982-83 is the same as the expenditure for 1981-82. It was proposed to spend \$145 000 in 1981-82. It seems that this is a real reduction in expenditure in an area that is very important for the safety of South Australian workers.

The Hon. D. C. Brown: The following detail covers that matter. Costs include fees to members of the Motor Fuel Licensing Board at \$16 000 for 1982-83. Following intensive operations on the Shop Trading Hours Act in 1980, industrial investigation officers returned to normal operations earlier than anticipated. So, apparently the reason for the reduction in expenditure, compared to what was anticipated and why we were able to hold it at that level this year, is that those who were involved in policing and administering the Shop Trading Hours Act on an abnormal basis when this Parliament was debating and passing new legislation are no longer required to spend time on that project.

Mr HAMILTON: I refer to page 5 of the yellow book. Under the heading 'Corporate Management Objectives', it states:

To ensure that workers and public are not exposed to undue risk and dangers in the workforce and public places from unsafe equipment, procedure or conditions.

Further down the same column it states:

Society expects Government to ensure that high levels of safety are maintained in and around the workplace.

No doubt the Minister has seen the article which appeared on page 15 of the *Advertiser* this morning and which was referred to last night on television. Under the heading 'Negligent employers should be gaoled', the article states:

Dr J. A. Mathews, a research officer with the A.C.T.U.-Victorian Trades Hall Council Occupational Health and Safety Unit, said there were basic flaws in a regulatory process which imposed meagre fines on employers proved guilty of negligence.

Does the Minister support that view? Does he support the increase in fines for negligence in the workplace and perhaps even, as stated in the article, that negligent employers should be gaoled?

The Hon. D. C. Brown: First, I think that the conference to which the honourable member refers is a national conference. That comment from the A.C.T.U. was passed in a national perspective. I would like to see the detail of that speech before commenting specifically on whether or not I agree with what is proposed in it. It is somewhat unfair to ask a Minister to comment and indicate whether or not he agrees with a speech when he has not had the chance to read the speech. So, I will not be drawn on that question. Some areas of the Industrial Safety, Health and Welfare Act need amendment, and the Government will give due attention to that as soon as it is able to obtain the resources.

Mr HAMILTON: Reference is made on page 19 of the yellow book to the hearing of industrial offence claims. Can the Minister advise the number of prosecutions against employers and the amount of fines involved?

The Hon. D. C. Brown: We are trying to relate figures supplied to us by the Industrial Commission and Court with that specific heading. Under the Industrial Conciliation and Arbitration Act, prosecutions commenced prior to 30 June 1981 totalled three. Prosecutions instituted totalled 41, and prosecutions or convictions recorded totalled 22, six having been withdrawn. As at 30 June 1982, 16 were still pending.

Mr HAMILTON: Will the Minister say why those prosecutions were withdrawn? He may or may not have that information, but I would like to obtain it.

The CHAIRMAN: If the information is not readily available, the Minister can take the question on notice, and the information can be supplied later.

The Hon. D. C. Brown: I stress that these matters are before the court. We will try to get that information but the circumstances as to why they were withdrawn may be completely outside the Government's scope. We will try to obtain that information and will make it available if we can.

Mr BECKER: I refer to pages 25 to 27 of the yellow book which deal with industrial safety, health and welfare. I support a person's right to protection in industrial activity, particularly where safety, health and welfare are concerned. This is an extremely important area of the Minister's portfolio. I am delighted with the way in which the programme performance budgeting has now been set out. It would not be necessary to go any further in p.p.b. detail; otherwise we would be getting down to the nitty-gritty of stationery, paperclips, and so on. We are finding things in this portfolio that we can bring down into programmes, and it is quite satisfactory. On the right-hand side of page 25, under the heading 'Issues/Trends', the following appears:

The number of accidents involving workers compensation claims has increased slightly over the past two years to 72 400 in 1980-81.

In other words, it is stated that workers compensation claims have increased slightly. Yet, we know the hiccup that there has been regarding the tremendous increases in workers compensation insurance premiums. It continues:

The total cost of industrial accidents continues to escalate with workers compensation payments in 1980-81 totalling \$78 300 000. The department's inspectorial functions require considerable resources if safety legislation is to be effectively enforced. Employers are becoming more aware of the risk management approach to industrial safety.

When one considers the amount allocated in the Budget, particularly in this programme, the all-up total of programmed expenditure of \$1 659 000 is proposed, and there are some income reducing benefits of \$839 000. I note that some 63.9 staff are proposed against 63.4 staff. So, there is really not much of an increase. It also states that the staff have access to 37 motor vehicles.

Is the programme effective in industrial safety, health and welfare? What is being done and achieved for the amount of money spent to reduce the incidence of accidents in the work force? Can the Minister supply information regarding the overall performance? On page 26 of the yellow book, it is stated that 37 motor vehicles are fixed assets, but I understand that the reference to the 37 motor vehicles relates to the 63 employees. That appears to be quite a high ratio. Can the Minister explain that as well?

The Hon. D. C. Brown: Did you ask what the vehicles are used for?

Mr BECKER: There appears to be a high ratio of motor vehicles in this section, but that may relate to the large number of inspectors that are required. In a programme of nearly 64 people, certainly there are clerks and typistes. I would like to know what the back-up support is for the people who go out into commerce and industry to support all these programmes, so that we can gauge effectiveness and performance.

The Hon. D. C. Brown: If I can take the last part of the question first, these people are largely industrial inspectors (safety inspectors) who need to be very mobile. They spend most of their time driving around from industrial premises to industrial premises. They are mainly in regional offices and really one vehicle is needed for each person actively engaged in the field. Regarding staff ratios, I understand that there is generally a far greater proportion of people on the inspectorial side than there is on the administrative side in that area.

I take as an example the office at Mount Gambier. From recollection of visiting that office, there would be an inspectorial staff of about six and about two support staff. So, that gives some idea of the ratio. The Director has just informed me that about 25 per cent of staff are involved in the administrative side, as opposed to the inspectorial side, right across the State. I think that that explains why the majority of these people are inspectors and why they need a vehicle full time to carry out their work effectively.

Regarding the effectiveness of the entire programme, it is largely successful, but I think that there is a point at which acting as a straight policeman on industrial safety for the extra effort put in tends not to produce extra results or benefits. To get industrial safety through to the work place, there needs to be a tremendous change in attitude by the people involved: employers, safety officers and employees.

Frankly, one achieves that not necessarily through industrial policemen (inspectors) but with an educational programme and by going out and educating people about the high cost of industrial accidents and ways of overcoming them. That is why the department has put some effort into risk management, because that is really drawing to the attention of employers and people in the work place where the risks are. Risk management basically involves monitoring where accidents have occurred, monitoring the factors that are likely to lead to an industrial accident, and then trying to do something about those factors.

It is generally recognised that a series of circumstances lead up to an industrial accident, and invariably those circumstances can be almost predicted beforehand, if the employer and employee are aware of them. So, that is one reason why we put additional resource into this risk management.

An excellent film has been produced on our experience with risk management in the Engineering and Water Supply Department. That film will be released shortly, and I invite all members of Parliament to come along and see that and make an assessment of the value of risk management. My colleague, the Minister of Water Resources, and I will be putting on a joint function to highlight the value of risk management.

The other area that has concerned me is that it is time that employers, particularly those with bad safety records, did, if you like, a safety audit of their premises. It might be necessary to get in outside safety experts, not necessarily departmental officers, to go right through the premises to look at where safety, or the attitude to it, could be improved.

One thing that the department has decided to do in the coming year is sponsor safety audits. It will be conducting, throughout metropolitan and country areas in the coming months, a series of seminars in which it will be highlighting the value of safety audits and risk management, and trying to encourage employers, if for no other reason than financial reasons (although I hope also for humane reasons) that they should put far greater effort into industrial safety.

I believe that waving the big stick is only partially effective and that by far the greatest results can be achieved by a more positive attitude in convincing people that they must get in and do something without just being willing to comply with the minimum standards set by Government regulation.

Mitsubishi has done this and has actively promoted a safety and rehabilitation programme for people injured at work. Therefore, the overall cost of industrial injuries in that company has been substantially reduced, even though wages and other workers compensation costs have generally increased. So, that company has gone against the trend, and I think that many other companies could achieve the same result if they made the same effort. It is an area where some companies could do a great deal and others could do very little and where employees need to think more about what risks they are taking. It is up to employers to encourage employees to think about those risks and, if need be, draw those risks to the attention of the employees. This area concerns me greatly. When one looks at the costs of workers compensation payments in this State, the figure is quoted at \$78 300 000 in 1980-81. That is an enormous cost and it is time that something was done.

Of course, that is one reason why we introduced a rehabilitation committee in relation to workers compensation.

That committee will change a lot of the existing attitudes over the next few years. I am delighted with the personnel who have been appointed. The Chairman is Mr Dinning, who is now a world authority in the field of rehabilitation. I could not ask for a nicer or more competent person or a man more dedicated to industrial rehabilitation. The Workers Rehabilitation Advisory Unit has representation from the trade unions, employers and private insurers.

In fact, the committee has just been appointed and consists of the Chairman, Mr Dinning, who is a neurosurgeon; Dr Robert Wight, a medical practitioner, who has been involved in industrial clinics and has a very perceptive understanding of where the medical profession has fallen down in relation to rehabilitation; the employer representative is Mr Michael Perry; the exempt employer representative (that is, those employers who are exempt from having to take out private insurance in relation to workers compensation) is Mr Hagel, the Manager of Safety and Workers Compensation, at Mitsubishi Motors. I have just mentioned that company's experience. I am sure that Mr Hagel's experience will be of value to other employers. The workers' representatives are Mr Andrew Saunders, who is the Compensation Officer with the Amalgamated Metal Workers and Shipwrights Union, and Mr Norman Rennoldson of the Australian Textile Workers Union. The insurers representative is Mr Jack Mack, the former Manager of Chamber of Manufacturers Insurance Limited.

Mr BECKER: It is interesting to note the composition of that committee, because there is no representative from the building and construction industry. It would be advisable to consider including someone from that area at some stage. I refer back to the real effectiveness of these programmes. I refer to the subprogramme dealing with safety on construction and demolition sites. In 1981-82, \$378 000 was spent in this area and \$402 000 is proposed for 1982-83. There is a very marginal increase in the proposed number of employees from 16.6 to 17.3. In relation to the subprogramme dealing with safety of commercial and industrial premises, \$424 000 is proposed for 1982-83, compared with \$429 000 spent in 1981-82. There were 18.4 persons employed in that area in 1981-82, compared with 18.2 proposed for 1982-83. In relation to the subprogramme dealing with boiler and pressure vessel safety, \$366 000 is proposed for 1982-83, compared with \$373 000 spent in 1981-82 (proposed expenditure for 1981-82 was \$428 000). There are about 17 employees involved in that area.

I have referred to those three areas to highlight my concern, which relates to my original statement, that is, that there is an increase in industrial accidents—and that disturbs me. I take the valid point in relation to safety on construction and demolition sites and the issue currently before the Minister and Government, that is, the asbestos issue. I have a friend who recently passed away after suffering from asbestosis. It was one of the cruellest deaths I have ever seen; unfortunately, he lingered on for about 18 months. I cannot reiterate enough or give enough support to the need to remove blue asbestos and to impose very strict health and safety regulations in relation to that removal. That is why I keep referring back to the effectiveness of these programmes. Can the Minister add any more to what he has said to assure the Committee that positive steps will be taken, certainly on construction and demolition sites and in other areas?

The Hon. D. C. Brown: I give the honourable member the general assurance that the department goes to enormous lengths to try and introduce new programmes in an attempt to improve the safety record. I ask the honourable member to not react too much to the opening sentence under 'Issues/Trends', as follows:

The number of accidents involving workers compensation claims has increased slightly over the past two years to 72 400 in 1980-81.

That was a very minor increase. These fluctuations tend to occur from year to year. For instance, it may have been that more people made claims for hearing loss in that year than in previous years.

Mr BECKER: We must do something about it.

The Hon. D. C. Brown: I could not agree more; we must do something about it. I stress the point that minor fluctuations occur from year to year. That it has risen slightly does not mean that there is an enormous trend upwards. I ask for this matter to be put into perspective. Every effort is made to improve the safety programme and particularly the awareness amongst employers and employees.

The honourable member referred to the specific issue of asbestos. I refer to what the Government has done in this regard, at least in relation to industrial affairs and employment. Regulations in relation to the protection of workers involved in asbestos areas come under the Industrial Safety Health and Welfare Act and the Industrial Safety Code. I referred the whole matter of asbestos to the Industrial Safety Health and Welfare Board last year. I am delighted to say that in response to that I received recommendations, and on 3 June this year amendments were made to regulation 39 of the Industrial Safety Code and to regulation 161 of the Construction Safety Code in relation to asbestos.

It now means that, before any building or structure containing asbestos is worked upon in some way so as to cause the giving off of asbestos fibre in excessive amounts, the approval of the Chief Inspector must be obtained. Previously, that regulation applied only to blue asbestos; it now applies right across the board. The amendments resulted from a referral I made to the Industrial Safety Health and Welfare Board in August 1980 (therefore, it was two years ago and not 12 months ago), following a request from the United Trades and Labor Council to investigate the need for regulations to cover the removal and treatment of asbestos in buildings.

As a result of certain issues raised by trade unions, a meeting was held this morning with about eight trade union representatives. We have fully considered their concerns. It appears (and the points raised this morning must be investigated in more detail), that, some builders, particularly those involved in demolition, are not notifying the Government of demolition work involving asbestos. Therefore, it is not possible for an inspector to visit those sites. We are not aware of that, but several cases have been mentioned and they are being investigated.

We are also ensuring that the new regulations are carefully adhered to. I gave an undertaking this morning that, if the requirements of industrial safety are not upheld, work on those sites will be stopped immediately. I think that is the most important point of all. In other words, we are not prepared to tolerate second-rate standards in relation to the removal of asbestos. I have suggested that the department prepare a very practical set of written instructions as to what should apply on any building site where asbestos is being removed. Those detailed practical instructions will be handed to builders when an inspector visits a construction site.

A copy of those instructions will be made available to trade unions. If these standards are not maintained inspectors should be notified immediately and work will stop on the site involved. I agree with the honourable member that there should be no second standard concerning asbestos. This is a problem which sometimes becomes an emotive one and which is sometimes taken out of perspective. There were other matters raised this morning which do not relate to the industrial affairs area at all and which I will not deal

with. Another problem that exists with asbestos occurs in the maintenance of buildings where asbestos has been used. I am referring to private buildings where there is blue asbestos which might cause some risk to maintenance workers because they do not understand that they are dealing with an asbestos area. I urge all maintenance people to be very careful in such circumstances and to make sure that they wear appropriate protective equipment when working in such areas.

The Public Buildings Department has purchased suitable equipment for our maintenance workers dealing with asbestos. One member raised the point this morning that it may be necessary to purchase additional equipment and if that occasion arises I am only too happy to ensure that that equipment is purchased. The Public Buildings Department will not tolerate its employees working in these sorts of areas without the proper equipment, which consists of a full gown, almost a capsule, that they step into.

The Public Buildings Department also carefully monitors for asbestos fibres in the air. I have increased from one to three the number of staff engaged in the Public Buildings Department to monitor asbestos fibre levels, and we are presently considering a fourth person for this work. All public buildings are monitored on a regular basis. I can assure the honourable member that we can say that those readings reveal no danger to staff, patients or the public using public buildings. We have also received advice from people from the Sydney University whom we called in to assess asbestos levels in certain buildings.

There may be a problem of public understanding of the asbestos problem. Some people believe that, simply because there is asbestos in a building, the best course of action is to immediately remove it. That may not be the case. The best thing may be to seal that asbestos by using appropriate resins and to then place appropriate warnings for maintenance people saying that they should not touch those resins, thereby breaking the seal over the asbestos, when not wearing appropriate protective equipment, or before carefully monitoring for asbestos fibre. I gave an assurance this morning that I now repeat, that the Government has put a lot of resources and effort into the monitoring for asbestos to make sure that there is no risk to people. Approximately \$1 000 000 has been spent removing asbestos from Government buildings since this Government came to office. Although funds are not specifically earmarked for removal of asbestos in the Public Buildings Department line, if a health risk exists anywhere then it is automatically given first priority by me, and all other programmes are pushed aside so that that risk can be immediately overcome.

This was done at the State Library. There were no funds allocated for the removal of asbestos from the State Library, but automatically the rest of the building programme was pushed aside to make room for that work. I gave an undertaking this morning that that is the attitude of this Government—that it will not, and I repeat 'not', tolerate any risk to people from asbestos. I equally ask that people be rational and not emotive when considering this problem because there is much emotive talk about it, some of which is quite unfounded.

Mr BECKER: That last statement might be so, but it is tragic to know of somebody who had asbestosis which was fatal. I am pleased that the Government is doing what it is doing because I am extremely concerned that it has been a long, slow process to get this positive action.

Mr WHITTEN: My first question will relate to safety and occupational health. I am pleased to hear that the Minister is taking the matter of asbestosis seriously. In the 1940s and the 1950s I was involved with asbestos because it was used in the binding on welding rods. I am concerned that it has not been until now, 20 or 30 years later, that

people are finding that asbestos fibres have entered their lungs, causing cancer. The Waterside Workers Federation recently undertook to have its older members tested for asbestosis because of their having been employed on the asbestos boats lumping asbestos in bags. It was found that several of the members had asbestos fibres in their lungs, so I am pleased to hear that the Minister is now taking this matter seriously. I turn to pages 7 and 8 of Vol. 2 of the yellow books and those parts referring to safety and occupational health in and near the work place and in other areas. It appears that there is the same number of inspectors, either 63 or 64, employed in that department. However, there appears to have been a cut back in the amount of money available to this department. On page 8 proposed recurrent expenditure for 1981-82 is shown as \$1 664 000 but that amount has been reduced this year to \$1 659 000. If one takes the amount spent in 1981-82 and allows 10 per cent for inflationary trends and increased wages, that figure would be increased to \$1 772 000. Can the Minister explain this reduction?

The Hon. D. C. Brown: When dealing with a programme involving \$1 600 000 it is difficult to ascertain why an amount of \$5 000 less is allowed this year than was allowed last year. I highlight the fact that the difference in the amounts is so marginal. I understand that there has been a slight increase in the number of employees in this department. However, there are a large number of items included on that line that do not affect the so-called safety aspects. That amount includes administrative expenses, terminal leave payments, and similar expenses. It may also be that people left last year. The \$5 000 may relate to these areas. That line also includes the following miscellaneous lines. Grants to the Standards Association; grants to the National Safety Council; and grants to the University of Adelaide, including expenditure on terminal leave payments. I think the one area where there has been a reduction is in the grant to the University of Adelaide for its noise research programme with circular saws. The reason for the reduction might be that the funding of that programme has now been scaled down.

The note that I have here is that staffing and expenditure are stable, and the provision allows for increased costs. The overall reduction in the line by \$5 000 in \$1 600 000 may be due to that research programme at the University of Adelaide. The honourable member said he was delighted that the Minister was now putting some effort into asbestosis. Right from the day that I became Minister I have put top priority on asbestosis. I think that the record shows that we spent \$450 000 on the removal of asbestos in the first year in which I was Minister and approximately \$450 000 in the second year in which I was Minister. A committee was set up in the Public Buildings Department involving the trade unions responsible for the removal of asbestos in Government buildings. The honourable member can see that as far back as August 1980 I referred the matter to the Industrial Safety, Health and Welfare Board and sought its advice. The honourable member will realise that trade unions have equal representation with employers on that committee. The additional positions that have been made available in the Public Buildings Department for monitoring were filled some 12 months ago. I believe that the record that I have as Minister has been one of grave concern for the problem and top priority in ensuring that resources are made available to minimise any human risk involved.

Mr WHITTEN: I said that I was pleased that this sort of thing was going on. I refer the Minister now to page 25, which also deals with safety and occupational health. The member for Hanson mentioned that departments and inspectorial staff require considerable resources if safety legislation is to be enforced. I agree with that and think that

much more money should be spent on industrial safety than has been spent.

Also on page 25, under '1982-83 Specific Targets', mention is made of amendment of the Lifts and Cranes Act and the Boilers and Pressure Vessels Act to transfer greater responsibility for the safety of such equipment to industry. Does that mean that there will be fewer inspectors and more reliance placed on the employer to ensure that safety is paramount, or will there still be the same number of inspectors or an increased number of inspectors to ensure that the Acts are properly policed?

The Hon. D. C. Brown: I brought to the attention of this Committee last year when this matter was being discussed the intention of the Government to introduce amendments to the Lifts and Cranes Act and to the Boiler and Pressure Vessels Act to change the method of inspection. Under the Lifts and Cranes Act at present there is a requirement, as I understand it, that once a year one of the inspectors from the department must be available for a full service of a lift. The lift service is carried out by a suitable qualified tradesman, but the inspector from my department stands there and watches him perform that service. Of course, no tradesman is going to cut corners while he is being watched. We believe that there is a far greater need to carry out spot inspections of lifts to ensure that at other times there is full and proper maintenance. It is proposed—and I remember that the Deputy Leader of the Opposition at the time complimented the Government on taking the proposed step—to adopt what now applies in New South Wales, where they do not have the inspector present for the actual service work. We will register lift maintenance tradesmen. Maintenance can be carried out only by a registered person, but the department will carry out spot checks on a much more frequent basis. So, I think that that is a far better use of the resources than just having people standing there watching other people work.

Those amendments have not come in yet. They are now virtually finished, and I expect them to be introduced in this session of Parliament. Many of the pressure vessels, particularly for projects like the Cooper Basin scheme, have been dealt with by highly skilled and qualified engineers. What is proposed is to ensure that people who do that design work are responsible for what they do and are properly qualified. As I understand it from those amendments, we will require those people to be qualified, but we will accept the work that they do. At present it is believed that once you get into some of the more complex work in this type of area our inspectors are probably less able to understand the specific stresses and strains than are highly qualified overseas engineers who have done the original design work. Perhaps the honourable member could wait until the amendments come into the House, but I assure him that there will be no move to lessen the safety. In fact, we believe that it will improve the safety record in those two areas.

Mr WHITTEN: I turn to page 48 of Parliamentary Paper No. 9. I want to ask a question about terminal leave payments. It appears that in 1981-82 there was an amount proposed and voted on of \$90 000. Actual payments exceeded that by more than 50 per cent. What reason has the Minister now to presume that there will be 50 per cent less terminal leave payments this year? He has not altered the amount that was voted last year that was exceeded by \$57 902. Perhaps he will say again that it is a small amount, but I want to know what his reasoning is.

The Hon. D. C. Brown: First, the amount spent last year was greater than anticipated. The honourable member may recall that, under the Superannuation Act, when the actuary comes down with certain specified amounts or percentages—

Mr WHITTEN: The 30 June proposal?

The Hon. D. C. Brown: It is the 30 June proposal. That is right. The Public Actuary altered the commutation rate for a person who changes from regular payments to a lump sum payment. The finding that he came down with was less favourable after 30 June. Therefore, there were a substantial number of people who retired and were due to retire prior to 30 June. This is well known and was raised in the House at about that time. The terminal leave payments were therefore much higher last year than normally anticipated. We expect to return to a normal level (in fact, slightly below normal, because people who would have retired this year in fact retired last year).

The CHAIRMAN: Order! The procedure that has been adopted in the Committee is that we go from left to right. Every member on the left has had a call, but on the right only two members have had a call.

The Hon. J. D. WRIGHT: With very great respect, it would appear to me to be the responsibility of those people elected by the Liberal Party as members of this Committee to be here. If they are not, that is not my fault. As I see the situation at the moment, everyone in this Chamber has had one go. I started the debate. It would seem to me that the correct way of placing the position now would be that I would get the next call. I had first call before the member for Glenelg. Surely, I should have the second call. If the members of the Liberal Party have no interest in this Committee, surely that is not for you to decide or for me to decide, Sir. I must take my turn, in my view.

The CHAIRMAN: As the Chair sees it, it has been the procedure to take the call from left to right, and not just as far as the numbers on one side are concerned. In this instance, the Chair sees that, following the same procedure, the member for Glenelg has the call.

The Hon. J. D. WRIGHT: I will have to dispute your ruling, Mr Chairman, if I am permitted to do so. I believe that that is not the proper procedure to adopt, and I call on the Committee to decide whether or not it is the Government's or the Opposition's turn. If that is permissible under Sessional Orders, it is clear that I am going to win that vote because there are only two—

An honourable member interjecting:

The Hon. J. D. WRIGHT: They might not even be in the House. We will test where those members are if we take that sort of action. I do not want to get into a conflict with the Chair, as I believe that the Chairman is a very fair man. However, I cannot accept his ruling as the Government members having had the opportunity would have been permitted to ask their three questions. I have sat here since I finished my questioning at 11.30, with great patience until now—some 65 minutes later—only to find that the turn to which I consider I am entitled has been superseded because of some system going from left to right. If the four members on the Government side have had their opportunity (as they have), I believe that we ought to return to where we started.

The CHAIRMAN: I point out that in regard to the procedure of calling a member, there have been no set rulings apart from the Chairman having the discretion. In this instance, a call has been taken from left to right, irrespective of whether a person on either side has been called twice before another member. Sessional Order 16 states:

Proceeding of Estimates Committees: Consideration of proposed expenditures in an Estimates Committee shall follow, as far as possible, the procedures observed in a Committee of the Whole House.

It has been the procedure in a Committee of the Whole in the House that members are called from one side and the other. However, to my recollection no attention has ever been given to whether one member belongs to a certain political Party, is on one side of the House, or belongs to a Party on the other side of the House. Disagreement can be

taken against the ruling of the Chair. Sessional Order 18 states:

If any objection is taken to the ruling or decision of the Chairman of an Estimates Committee, such objection must be taken at once. Having been stated in writing, the Chairman shall, as soon as practicable, advise the Speaker, who shall give notice that the House is to meet at 9.30 a.m. on the next day provided that the Estimates Committee may continue to meet but shall not further examine the vote then under consideration.

So, if there is disagreement with the Chair, the Speaker is to be notified. The House meets the following morning at 9.30 a.m., this vote will discontinue, and we will go on to the following vote, namely, Trade and Industry.

The Hon. J. D. WRIGHT: I do not agree with what is happening. I have made my point. However, I am so bound up in the rules of this place now that it means that we cannot decide this matter until 9.30 tomorrow morning, which seems to be completely outside the bounds of any sensibility. I suppose that to belabour this question is to take up further time of the Committee. In those circumstances, I raise with you, Mr Chairman, my final objection and ask you to take up the matter with the Standing Orders Committee so that at some future time we can decide an issue.

If the Liberal Party (or the Labor Party for that matter), wants to keep its numbers down on the Committee, the question must get out of order. As I pointed out earlier, Liberal members had the opportunity. As one member has now come in, one member is still missing. I am not naming anyone, but they have had the opportunity to ask questions. I believe they had the opportunity and that the responsibility was on them to be present at the time. I accept your ruling, Mr Chairman. I am not happy about it, but I accept it so that this little dispute is not prolonged further and certainly not until 9.30 tomorrow morning, which is when we can settle it.

The CHAIRMAN: I accept the explanation made by the member for Adelaide. I assure the Committee that the Chair is endeavouring to be fair in this matter. This morning, 12 questions were asked by Opposition members and five questions were asked by Government members.

The Hon. J. D. WRIGHT: That is because they are not here.

Mr MATHWIN: No, it is not. You can have it the heavy way if you want to.

The CHAIRMAN: Order!

The Hon. J. D. WRIGHT: You can have it the way you want it—you are putting on the act.

The CHAIRMAN: Order! The ruling of the Chair is that the member for Glenelg has the call.

Mr MATHWIN: Before that delaying tactic by the Deputy Leader of the Opposition—

The CHAIRMAN: Order! I ask the honourable member to ask his question.

Mr MATHWIN: I refer to page 26 of the Programme of Estimates for 1982-83. I refer to safety on construction and demolition sites, and note an increase in the allocation for this financial year. Last year the amount spent in that area was \$378 000. This year the proposed allocation is \$420 000. I ask the Minister whether the main problems within the construction industry relate to such things as faulty scaffolding and the erection of such scaffolding. It could be a difficult area in which to educate people. With large buildings and large scaffolding of the tubular type it is usually erected by expert scaffolders, who must have a certificate to prove their ability to erect scaffolding. On smaller building sites that is not applicable. Through my experience in the building trade some years ago, I found that scaffolding was being used, possibly by myself, that was not up to standard. However, it was easy to erect, and was the right size, height,

length, and so on. Will the Minister explain that line and explain what the \$402 000 is for?

The Hon. D. C. Brown: During 1981-82 there was a vacancy in that area for at least part of the year. We expect to fill that vacancy this year. That is the reason for the increase in allocation from \$378 000 to \$402 000. As a consequence of that, the staffing level will increase from 16.6 people to 17.3 people. I must also stress that we are dealing with programmes there and, of course, that picks up terminal leave payments and grants to the Standards Association, which will be \$22 000 this year and which, I think, involved \$21 000 last year.

The honourable member asked a specific question about scaffolding. The last significant scaffolding problem I can recall that was drawn to the Minister's attention occurred in 1980, when, on a number of building sites around Adelaide, there was a disagreement between builders which were using a certain style or technique of demolishing their scaffolding. A number of the trade unions were objecting to that method and classed it as unsafe.

I had a meeting with the builders labourers in 1980 and we discussed the problems involved. There was also a meeting with officers of the department involved. As a consequence, a number of builders have amended the practice to remove what was then regarded as an unsafe practice.

So, that problem was solved, and I do not think now that there is any significant problem with scaffolding. Of course, scaffolding is always an ongoing problem, and one needs to be very careful, particularly when it is being erected by people who may not understand what stresses and strains are put on that scaffolding.

I remind the honourable member that on at least two occasions public entertainment scaffolding and public stands erected on scaffolding have resulted in minor collapses. One occurred during the Festival of Arts in 1980 and one during the festival down at Naracoorte. On both occasions, people were partially injured. That does not come specifically under me, this Act or under the department. It is something that was drawn to the attention of the Minister responsible because it comes under public entertainment. We now use our inspectors to inspect that scaffolding for such public purposes.

Mr MATHWIN: I also point out to the Minister that on page 25 of the yellow book, under the heading 'Need being addressed', it states:

Accidents and diseases occur on industrial premises and construction sites as a result of unhealthy conditions, carelessness, lack of training, unsafe conditions, etc., which causes a large amount of personal suffering and great financial cost to the community. In addition accidents involving workers and the public may occur with certain types of operations particularly when potentially dangerous machinery and equipment such as boilers, pressure vessels, cranes, lifts and escalators are involved because of design faults, installation errors, inadequate maintenance, and when proper operating methods are not observed.

Can the Minister inform the Committee of the problems with that type of accident? Is there any information as to the cost to the community generally, or industry, of this type of accident over the past financial year? We must face up to this problem but, of course, it reflects on everyone because the purchaser must pay in the long run. So, it is a costly problem. Can the Minister supply information in relation to this matter?

The Hon. D. C. Brown: Insufficient information is available on costs to enable me to give the honourable member a figure. The best figure that I can give him regarding the cost of such accidents, at least in monetary terms, is the overall cost of workers compensation payments in 1980-81, namely \$78 300 000.

I do not know whether the Director would like to comment in more detail on that sort of accident and about what can

be done to overcome it, but I think that it relates largely to the comments that I made earlier. It is a matter of public awareness, particularly the awareness of people at work, whether they be the managers, supervisors or workers. It really entails everyone's becoming involved and making sure that they do not tolerate unsafe practices.

I draw to the honourable member's attention a number of things that I have seen as Minister as I have walked through factories. I was particularly horrified to see that in a food processing factory water was literally running all across the floor, giving rise to the danger of very slippery floors. I was even more horrified to find that electrical cords and connections were lying in that water and that men were using electric drills. I told the Managing Director, who was showing me around, that this was a highly unsafe practice, and I also pointed it out to the gentlemen involved. All it needed was sudden spurt of water to be raised to the point where it would have got into the female/male electrical connection, and I am sure that someone probably would have been killed in that circumstance.

It is carelessness like that which results in unfortunate industrial deaths. It does not matter how hard one goes around with a big stick and tries to stop it: it is up to people to ensure that they do not do it to start with. They should not want to do it and it should be plainly obvious to everyone that one does not have electrical wiring lying in water on the floor.

Mr HAMILTON interjecting:

The Hon. D. C. Brown: No, I did not. I understand that the gentleman immediately took some action to get the whole thing cleared up. But, it was a once-off maintenance job. It was in the country and, if the inspector had gone back the next day, this particular maintenance job would not have been on. It was a quick, half-hour job, an extension cord was run across, and everyone said, 'She'll be alright; there are no dangers. Let's take the risk.' Unless one has an inspector in the place every day, all day, then one will not stop that sort of practice. I stress that it is a problem in relation to attitude that must be confronted by society and, until it does, it will pay enormously in human and financial costs in relation to industrial accidents.

The Hon. J. D. WRIGHT: I think it is significant that the majority of questions asked today by concerned members have covered industrial safety, and the methods, changes, issues and policies of the Government. I commend those members who are interested in those areas, because they are of great significance. No doubt the Minister recalls that last year I was somewhat critical of him during this Committee and publicly in relation to a 5.3 per cent reduction in funding for industrial safety, health and welfare.

When I first looked at the Budget papers and made my Budget speech in the House, I commended the Government for increasing the expenditure for the industrial safety, health and welfare area. I refer to page 48 of the Estimates of Payments. If my figures are correct, there appears to be an increase of \$815 591 in this area, which is an increase of about 49 per cent. It is very interesting that the Minister has at last heeded something that I have been saying since I have been shadow Minister and that he has decided to increase the allocation in this area.

I know that the Minister has said that we must make people aware of these problems. I have advocated that for some time, and I have also advocated other efforts in this area which I believe could be of assistance, but I will not go into them now. I do not understand the very large and significant increase of \$815 591. Will all the increase or the entire \$2 478 250 in proposed expenditure be used solely for safety, health and welfare purposes only? Does that expenditure represent a large increase in staff and training, or has some other area been merged with that division? It

is a significant increase, to which I will not object if it is used for the specific purpose of establishing safer working methods in the industrial health, safety and welfare area. I ask the Minister to provide the Committee with a breakdown in relation to that increase. How will officers from the department be engaged if they are not working in the industrial safety, health and welfare area?

The Hon. D. C. Brown: A fair portion of that increase has occurred because of the reorganisation in the department. In a moment, the Director will specify the new areas in more detail. I think some of the training supervisors and investigators have been brought in, and they may have been included under other programmes. The amount provided is for the salaries of an Assistant Director and 126.4 staff, including engineers, technical officers, safety officers, inspectors of industrial safety, boilers, lifts and shearers accommodation inspector training supervisors and investigation officers. Thirteen training supervisors, 27 investigation officers and support staff were not allocated to this division last financial year. Allowance was also made in 1982-83 for two engineering positions, which do not currently exist, for a period of nine months each. In other words, it will take us three months to appoint them, and they will operate in the department for about nine months. The Director will cover the other aspect in more detail.

Mr Bachmann: The Minister has covered this area fairly substantially. The member might recall that in reply to an earlier question it was stated that the predominant increase in this Treasury line was brought about by the transfer of training supervisors and investigation officers to the Regional Services Division. The programme for safety and occupational health in and near the work place in other areas has in fact been maintained at the same level as it was the previous year. The increase granted was brought about by the transfer from the Administration Division and the Employment Division of those two groups of people into this Treasury line.

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

The Hon. J. D. WRIGHT: Before lunch I was attempting to establish exactly what has happened in the industrial safety, health and welfare areas. From the Minister's answers it is obvious that there have been no dramatic increases in funding for this department because there has been a combination of a number of departments. I am trying to ascertain whether the allocation in this area has remained static, or has increased or decreased in real terms. Will the Minister take these points into consideration in his answer so that I can establish what has happened here and how conscious the Government is of this important area? The majority of questions from this Committee today have been directed to this area, an area about which all honourable members are conscious. I know that the Minister has expressed his view as to the way matters should proceed, but if there is no real increase in funds one would have to question the Government's attitude to this area.

The Hon. D. C. Brown: There has been a marginal increase of funding in this area amounting in real terms to approximately \$50 000.

The Hon. J. D. WRIGHT: Have I had two questions, Mr Chairman?

The CHAIRMAN: Is the question that the honourable member is now about to ask a supplementary one, or is it in clarification of the question he has already asked?

The Hon. J. D. WRIGHT: It is in clarification of my question.

The CHAIRMAN: Very well. The honourable member for Adelaide.

The Hon. J. D. WRIGHT: The Minister has said that there has been a minor increase of \$50 000 in this area. Such an increase is insignificant. Will the Minister say whether that means additional staff have been employed, more motor vehicles have been purchased, extra training is underway, or what that extra money will be spent on?

The Hon. D. C. Brown: There has been an increase in staffing of about half of a position. It is a little confusing because two engineers are about to be appointed. However, there is certainly a marginal increase in staff. I cannot split the \$50 000 into exact categories.

The Hon. J. D. WRIGHT: The Committee knows that these engineers' salaries will be included in this allocation. What will be the duties of these engineers, and will those duties be directly related to industrial safety, health and welfare or to some other area?

The Hon. D. C. Brown: The two positions are for an engineer—construction, and a supervising engineer.

The Hon. J. D. WRIGHT: I know that you are allowing me a very reasonable opportunity to ask my questions, Mr Chairman.

The CHAIRMAN: We determined during the first day of the sittings of this Committee that a member would be allowed to ask three questions, but that if there was a final question to clarify a matter that question would be allowed. The honourable member for Adelaide.

The Hon. J. D. WRIGHT: The Minister has given the classifications of these engineers, but what I want to know is what their duties will be, what occupations they will be responsible for and whether their duties are in the areas of safety, health and welfare?

The Hon. D. C. Brown: The supervising engineer will be engaged in technical design. The engineer—construction will be involved specifically with building industry inspections.

The Hon. J. D. WRIGHT: So one position is related to safety and the other is not?

The Hon. D. C. Brown: No, both positions are specifically related to safety. These people are directly involved in the safety programme.

Mr ASHENDEN: My first question relates to the Manpower Forecasting Unit. The actual payments shown in this line for 1981-82 were \$54 000 and this year an amount of \$78 000 is budgeted for. That is a considerable, almost 50 per cent, increase over the previous year. Will the Minister say why there has been such a marked increase in the allocation to this line?

The Hon. D. C. Brown: There are four staff members involved with the Manpower Forecasting Unit. The financial allocation has been increased because some of the positions involved were only filled for part of last year. This is a new area, one which I think is most important. This area has not received much attention from Governments anywhere in the past. When I came to this department I think it is fair to say that although the previous Minister had established a committee to consider the area of manpower forecasting there had been no specific work done in this area. We found it difficult to find suitably qualified staff to fill these positions as there are few people available in this field because the Commonwealth Government has set up an Institute of Labour, which has soaked up most of the available qualified people in Australia. Mr Steven Baker is now the Director of that unit.

There is an advisory committee under the chairmanship of Professor Blandy of the Flinders University which oversees the activities of the Manpower Forecasting Unit. I will highlight some of the projects that this unit has been involved with during the past six months. The first project was to produce a manpower forecast for the building industry, which I think has been a useful document. That document has highlighted to what extent building companies and the

industry as a whole should be looking at training additional people. The big unknown factor is demand as it is difficult to forecast from year to year what demand will be, particularly in the building industry, which fluctuates with changes in interest rates, liquidity and things of that nature. That study of the building industry was widely appreciated. The people involved in the project held a special seminar for the printing industry to highlight its changing manpower needs, brought about by the technological changes in that industry.

It is an area where there has been an almighty and very rapid swing-over from the old typesetters to the present electronic printing. Last Sunday I was with a small country printer who does his entire newspaper in addition to all his commercial printing with electronic printing techniques in which he uses something like a word processor to print the page, then photograph it and then simply print from that photograph. Whereas he had three typesetters in the past he now has one person doing that process. Virtually an entire trade—the old typesetter trade—has suddenly disappeared and you have new skills and reduced manpower requirements within that industry because of technological change.

I opened that seminar and again, I think, it brought home some very general principles on the value of manpower forecasting and some of the problems involved. May I highlight, perhaps, the main problem? It is fine to sit back and try to forecast what changes are occurring as a result of technology, but those changes are invariably fairly small on an annual basis, and slow. Yet, you can have something like an international recession such as the world is facing now that can have enormous effects and suddenly produce great hiccups that otherwise would not have been picked up in just monitoring the long-term change as a result of technology. The Manpower Forecasting Unit also has been involved in the studies looking at available manpower within the metal trades. We have looked also at A.D.P. in conjunction with the Council on Technological Change and, in the hospitality industry, research has commenced into the semi-skilled labour requirements of that industry in response to a request by the Industrial and Commercial Training Division. A preliminary report was produced by 30 June this year.

There are a number of other projects, but I will not go through them all. They have been involved with boilers, welders, and engineers. They have looked at forecasting techniques and library research; they have done a review for DOLAC and a number of other manpower assessments.

Mr ASHENDEN: The second question that I would like to ask the Minister relates to one of the points on which he touched briefly in his previous answer. Again, I noticed that in the financial year just completed the amount of money spent in the staffing area of the Technological Change Centre was a shade under \$114 000. I noticed that this year's allocation is again in excess of inflation at \$132 000. Could the Minister advise us again of the reason for that rather greater-than-normal increase?

The Hon. D. C. Brown: There is an increase in the staff there by one in the Office of Technological Change. Again, if I can outline briefly the activities of that new unit: as the honourable member would know, the Government set up the Council on Technological Change with broad representation from employers, trade unions, industry, research institutes, Government and others. Under that council there were three working parties—one looking at the public sector, one at manufacturing industry and one at the commercial sector. My assessment has been that, overall, the office, the council and the working parties have been an enormous success, particularly in educating the public and making

them aware of some of the changes that are taking place around us.

The council has had basically two functions: to educate the community, to encourage employers to take on new technology, and also to try to monitor the disadvantages of certain new technological changes that are occurring and trying to minimise those disadvantages, particularly looking at the industrial relations and the manpower requirement aspects. The council has now started to issue a number of technological assessments. The first of those looked at retail scanners. Another looked at methods of communication. Another one looked at micro-processors and that followed a survey on the use of micro-processors within South Australian industry. Others are coming out as well. Some of the others that are almost finished now are: robots, the use of computers in printing, electronic funds transfer and Videotex, biotechnology, and CAD/CAM. There are two reports in the CAD/CAM area: one on how a CAD/CAM bureau should be established in this State and what assistance, if any, the State Government should give, and the second highlighting what need there was within Government for CAD/CAM. For those members who do not know, CAD/CAM is Computer Aid Design—Computer Aid Manufacturing. It is obviously a very significant new area in which micro-electronics is going to play a key part in simplifying design and then being able to take that design straight off the computer and put it through an electronically controlled lathe and produce the required product at the end.

That covers most of the technological change appraisals, and I expect those to come out now on a regular basis. The purpose of the appraisals is an educational one to stimulate public discussion on these changes occurring around us and to highlight what impact it is likely to have on employment, the training needs in that industry, and what social and community aspects should be considered. The appraisals are not due to come up with all the answers. They are not due to be theses on the subjects, but are designed simply to raise certain questions and encourage and stimulate further work to be done to solve these problems or highlighting the advantages available.

Mr ASHENDEN: The third question that I would like to ask is based on the answers that the Minister has given already. To what extent is the information that is being compiled in both the area of the Technological Change Centre and the Manpower Forecasting Unit being made available to private enterprise, and particularly to that section of private enterprise where the businesses are small and, therefore, are perhaps not in a position to be able to enter into this field as, say, big corporations such as General Motors-Holden's, Mitsubishi, and so on, obviously are able to do? The nub of my question is: to what extent is assistance being provided to private enterprise by these two departments?

The Hon. D. C. Brown: The Government, when it produces the technological appraisals, publishes those, and those publications are available to all people, including employers. In the printing industry a seminar was held and all printers were invited to come along to that. I think that I would be right in saying that 40 to 45 people attended, including employees and some trade union people. Where appropriate, it might be that materials are sent out specifically to the employees involved. On other occasions, it is just general public releases. I invited the media to come in and spend a session with the Chairman of the council and Mr Gary McDonald, who is the executive officer. I think that that has been a very worthwhile exchange, and the media now understand the role of the Council for Technological Change.

I have been delighted to see that as the technical appraisals have been released they have now invited the chairman, particularly, to go on talkback programmes, such as the

Philip Satchell programme, the Jeremy Cordeaux programme, and others, to talk about the findings and studies. I think that is probably the best educational type of programme one could have. I am also interested to see the extent to which the Chairman, Professor Donald Stranks, has now become a popular speaker at seminars on the issue of technological change. I suppose, looking at what we have achieved in the last year, one would have to say that it has been certainly very successful in making the South Australian public more aware of what changes are occurring and stimulating sensible informed public debate on that issue.

By contrast, I think that we want to look at some of the earlier debate on the issue of technological change where it developed as a public fear and almost a rejection of such change. The Myer Committee Report I think partly assisted in overcoming that. But, I think the importance of this council is that it is ongoing and is making an ongoing assessment of new technologies. I personally have very high regard for what has been achieved. I know that some people are a little disappointed because some of the studies or appraisals tend to be rather superficial. That is bound to occur where they are doing a relatively quick assessment. But, it is important to have people do a quick assessment and stimulate debate in more informed research than simply to do nothing for three years while we undertake an in-depth analysis and find that we do not have the resources to cover even major technological changes. Also, I am trying to think of the number of seminars which have been at least partly sponsored by the staff and the council on technological change. I suppose I have opened at least six or a dozen myself in the last year.

For instance, they held three seminars during information technology week. I opened the National CAD/CAM Conference held in Adelaide several weeks ago. There was a specialised CAD/CAM seminar for senior management in South Australia at which overseas speakers talked. There was the printing industry one which was partly manpower forecasting and partly technological change, and others. I have given that information in some detail because it is a new field. It is the first time that these things have been done. I know it raised some discussion. The Deputy Leader of the Opposition several months ago said that he believed that they should be coming out with specific papers on new technologies. In fact, that is what they have been planning for some 12 months. Those papers are available and are coming. I have had excellent feedback on that. I want members to be aware that I think many of the things highlighted by this committee in the last four or five months have, in fact, already been largely achieved.

The CHAIRMAN: This morning it was suggested that we might conclude this vote at 3 p.m. The Chair has been advised that it would now appear impossible to seek the information required by that time. The suggestion is that we continue on this vote until 3.30 p.m. We must get clarification on this. The vote we are on now is just industrial affairs and employment.

The Hon. J. D. WRIGHT: Get the vote through.

The CHAIRMAN: It has been the habit of the Committee of having a break in the middle of the afternoon. The suggestion is that we break from 3.30 to 3.45 p.m. Is there any objection to that? No; then that is when we shall have the break.

Mr GREGORY: On page 8 there is set out a statement of occupational health in and near the work place and other areas. Allocations of money are shown which indicate an increase equivalent to 2.97 per cent which is, in my understanding, way below the inflation rate. Given the Minister's glowing words this morning about the activity of his department in securing the best possible industrial safety, health and occupation in the work place, how does he intend to

do that when the increase is far less than the current inflation rate?

The Hon. D. C. Brown: I think this relates to the \$50 000 increase about which I spoke this morning.

Mr GREGORY: It was \$48 000.

The Hon. D. C. Brown: All right, \$48 000, if you want to split hairs. I forget exactly what detail I gave then, but I think primarily the present commitment has been continued. There is no lessening of effort there. That line includes a grant to the Standards Association and a grant to the National Safety Council. I did point out that there was one area of reduction, which was to the University of Adelaide. There is a project on noise coming from circular saws, which has been under way for about four or five years now. I believe that that programme should be either funded by private industry or wrapped up, and that it should not continue under Government funding. I have had talks with Dr Bies on the programme. I have written numerous letters to private employers or employer associations which would benefit from that research, and I have suggested that they start to pick up the funding. If I remember rightly, we promised to fund it this year on a dollar-for-dollar basis up to \$45 000, whereas previously we were looking at \$75 000.

Mr GREGORY: I do not think the Minister has answered my question. Given that there was an increase equivalent to 2.97 per cent in actual funding, there has been an increase in injuries. The Minister claims that the Government is going to do more to reduce accidents. I want to know how he is going to do it. He has not answered the question. All he has told me is that they have reduced funding for research into circular saws noise.

The Hon. D. C. Brown: I was trying to explain that, despite the fact that there is only a 2 per cent increase, the effort in real terms was being maintained because there was one specific project within that line that was being reduced. If one removes that project, one finds that the increase in funds will be in line, approximately, with inflation. I want to stress the fact that there is a continuing commitment. In fact, there is a marginal increase in the staff allocation of an extra half a person in that area. There is no removal of commitment whatsoever. That line does not include the rehabilitation programme. I have stressed the part where new initiatives are taking place this year.

The new initiative is in appointing a rehabilitation board and setting up a rehabilitation unit on which there are, I think, two people already there, and a further two will be appointed. I believe that that unit will carry out a very significant role in educating employers about the importance of safety, highlighting to them the monetary and human costs of industrial accidents, and how to improve safety and rehabilitation practices within the work place. I believe that is where the most urgent need is, and that is where we put the resources. But, I stress that that area is not included specifically in the line referred to by the honourable member. It is closely related to the safety and health of workers in and around the work place.

Mr GREGORY: I am perplexed: what has rehabilitation (for which workers themselves are paying) got to do with occupational safety and health? I now refer to the handling of dangerous goods as indicated on page 8. An increase of \$13 000 is shown which is a percentage increase of 4.7. Dangerous goods apparently include the storage and transportation of flammable liquids and gases and also air pollutants such as dust, smoke, asbestos, silicon, other fibres, toxic vapours etc. Increasing attention is being paid by people to asbestos and there is concern about the effect of new toxic substances on workers. How can a small increase, less than the inflation rate, hope to fulfil the undertaking given by the Minister this morning that the Government is working to increase safety in this area?

The Hon. D. C. Brown: I realise that the honourable member is a new member and that this is the first time he has sat through Estimates Committees. I point out that the proposed expenditure for 1982-83 does not include wage increases during the year. It is the wage commitment at the beginning of the year. Wage increases during the year come from round-sum allowances and, therefore, if one included inflation, that amount would be substantially increased. I realise that until the honourable member understands some of the idiosyncrasies of the accounting procedures of Treasury officials, it is rather difficult at times to pick up where some of these increases are buried. I highlight for the honourable member that it is not correct to say that the inflation rate is 13 per cent and that therefore expenditure should increase by 13 per cent, as wage increases are not included. In addition, other increases are not included. Inflation on contingencies of 4 per cent only is allowed. If the inflation rate is greater than 4 per cent the department has the right to go to Treasury officials and ask for an additional allocation from round-sum allowances, as set aside elsewhere in the Budget.

I then come to the specific question which the honourable member raised in regard to the allocation of funds for the handling of dangerous goods and substances. There is partly a grant to the Standards Association which can be split up under three different lines. There is a marginal increase in staff in that area. That area is largely related to the handling of dangerous substances under the new Dangerous Substances Act which has now been operating for just over 12 months. I think the honourable member also raised the issue of asbestos. The majority of the asbestos inspection is carried out under other areas of the department. The Director informs me that most of the inspection on asbestos is carried out under the 'Safety and Occupational Health' line in and near the work place. It is not carried out under the line 'Dangerous Substances and Goods'. Dangerous substances and goods specifically relates to the new legislation on flammable fuels, l.p.g., and other like substances. It is partly under the Department of Industrial Affairs and Employment and partly under the Department of Transport. For instance, that department administers the cartage of dangerous substances but our inspectors administer the installation of the fittings for l.p.g. in vehicles. It merely indicates that the same number of people will be involved in inspecting those fittings as were involved last year.

Mr GREGORY: I might be new and be a bit green but I am not silly. If we look at the amount proposed for 1981-82 as compared with the amount proposed for 1982-83, we see an 8 per cent increase. One may say that inflation since 1981-82 was shown in the final outcome. Will the Minister indicate how he is going to do those things with an increase that is less than the inflation rate in an area that is growing in importance and is having a growing effect on the health of people in South Australia? He has been very gratuitous and has appointed an additional 0.1 of a person for the next 12 months.

The Hon. D. C. Brown: I am sorry that the honourable member seems to have taken offence to my pointing out the idiosyncrasies of the accounting system of Treasury officials. He has again missed the point. The figures for 1981-82 show what was specifically spent. The figure proposed for 1982-83 is the commitment, based on wages as at 1 July 1982, and has not taken into account any inflation in wages which will occur during 1982. One cannot take the inflation rate for the last 12 months or the anticipated inflation rate for the next 12 months and say that that should represent the increase, because no allowance has been made for wage inflation during the year. One would expect it to be higher than last year but the extent to which it is higher is very difficult to determine from those figures.

One cannot say that there is only a 3 per cent or an 8 per cent increase allowed for and that it will not cope with inflation because one does not know what may be paid under that specific line from the round-sum allowances. Having been a member of the Budget Review Committee and having poured through those figures in great detail, I know the complexity of it. I am sorry that the honourable member thought I was being derogatory in my remarks: I was simply trying to be helpful.

The CHAIRMAN: I understand that the honourable member is endeavouring to pursue one particular question. I will therefore give him another opportunity.

Mr GREGORY: I must assume that, in the recurrent expenditure, money is available to spend on items other than wages and salaries. Surely new material and equipment must be bought. We cannot do all these things with nothing. Consumable equipment must be provided. Inflation in that regard must surely be known as well.

The Hon D. C. Brown: This matter is important as all members of the Committee should understand on what basis these figures include inflation. Matters which the honourable member has just raised in regard to consumables and equipment are those where an allowance for an inflation rate of 4 per cent only has been made. If the department can prove that inflation is over and above that percentage, a mechanism exists whereby it can go back to the Treasury and ask for a further increase in the round-sum allowances for that higher rate of inflation. Only a 4 per cent increase should be taken into account for those non-salary items included.

The CHAIRMAN: I call the member for Todd.

Mr GREGORY: I have had only two questions.

The CHAIRMAN: To be fair, the honourable member has had about six questions. Does the honourable member have a supplementary question on that matter?

Mr GREGORY: The questions that I have asked were on the increase in occupational health and safety and the handling of dangerous goods, and there were supplementary questions to both of those main questions.

The CHAIRMAN: The honourable member must accept that he has had a fairly generous call, and he will have an opportunity to be called again.

Mr GREGORY: You are like a football umpire: you change the rules as time goes on.

The CHAIRMAN: Order! Is the honourable member suggesting that the Chair is not acting in a correct way?

Mr GREGORY: Mr Chairman, I understand that you are being flexible in this matter. I sat here this morning, and it is my understanding that I am allowed to ask three questions and supplementary questions. I was under the impression that I had asked two questions and a number of supplementary questions to each question, but just two questions.

The CHAIRMAN: The Chair sees it in this way: in the honourable member's particular instance I feel that I gave him a generous opportunity. The honourable member asked a question and then called it a supplementary question. Rather it is a question in clarification. I think that I allowed him two questions in clarification for every basic question that he asked. That is how I see it.

Mr ASHENDEN: I wish to address the question of unemployment. I refer specifically to page 5 of the yellow book, to four points that are made under the subheading 'Issues'. I note that the Minister and his departmental officers have indicated, first, that one of the issues is continuing high levels of unemployment, particularly among young people. The second point states that a restructuring of industry is progressively changing the requirements for skilled workers in terms of training, numbers and location. This is obviously a major factor in the ways in which the problem could be assisted. The third point is that there is a need to assess the

future requirements of South Australian industry and commerce for trained manpower to the fullest extent possible with present techniques.

The next point is the crux of the situation: the current combination of high youth unemployment, changing training requirements, and an educational output inappropriate in certain aspects for the needs of the labour market requires special attention by the department. Can the Minister outline to the Committee in more detail what his department plans to do, specifically in relation to the high youth unemployment, but not overlooking the problems of unemployment in all age groups?

The Hon. D. C. Brown: First, can I take up the youth unemployment aspect. There is no doubt the target group of young people who become unemployed are those who have no trade or specific skills at all. So, the Government has put a lot of time, thought and resource over the past three years into how to tackle that difficult problem. The first thing was to take those who had already left school, who were unemployed and had been unemployed for some time, and to try to give them some specific training.

The Government initiated the prevocational training course, which I personally took a great deal of interest in, even though it is not specifically funded under this department. That programme was set up for people who had been unemployed for a period of eight months or more; they received unemployment benefits plus \$6 a week during that period of training. It was basically a training period of up to six months.

In the first year I think we took on 400 people under that programme. We have now lifted that to about 800 people and I think that we are still trying to assess what the figure will be for next year. In fact, Mr Johnson is the Chairman of the school-to-work transition programme and is, therefore, the person who has been responsible for overseeing the prevocational training programme and other programmes. The Federal Government made a significant contribution to the programme and I want to highlight the value of the contribution. I think that it was \$2 300 000 the first year, \$2 500 000 the second year and it has been substantially lifted this year to about \$3 800 000.

Secondly, it was important to get to the young people to see whether we could give them some training or skills before they left secondary school. Again, this was the target group: the girl or lad who had finished year 10, was fed up with school, wanted to leave, fed up with the authoritarian nature of teachers, and who was about to go out into the workforce without any skills. Obviously, that would be the target group to become unemployed. We have taken six schools in the metropolitan area and two or three in the country and have encouraged those schools to develop what we call vocational awareness courses, where the person who was about to leave at the end of year 10 now stays for year 11 and year 12. Half of that student's time is spent at the school dealing with normal educational subjects (maths, English, etc.) and the other half is spent taking on specific trade or technical skills (industrial design, electronic work, metal work, etc.)

I recently had the chance to go the Thebarton High School to look at what had been done. I was most impressed with the results of that programme, considering that it was the first year the programme was running and we were only about seven months through the programme of the full year. The comment I had back from the staff at the Thebarton High School was that the programme had been so successful that approximately half of the school children involved in the programme at Thebarton had been snatched up by private employers and that, as a result, the class sizes were down considerably.

If that is the result, I am delighted to see it because, after all, that is what we are doing it for: to make these people employable before they leave school. There are a number of other programmes under the school-to-work transition programme, and perhaps Mr Johnson can comment on this shortly. Then, there is the CITY programme and there the Government is trying to deal with the long-term unemployed and is trying to give them some leadership skills and a lift in morale. They are people who had been frustrated because they have been unemployed, have probably dropped their hope of getting a job and have dropped their standards and expectations accordingly. I have been very impressed with what David Turner and his staff have done in that area.

Then there is the self-employment venture scheme, which is another important scheme, where we take people who are unemployed and who cannot get a job because the jobs are not being offered by the traditional employers in the community and we try to encourage those people to go out and find a niche for themselves and become self-employed in fulfilling that need in the community. Our assessment is that there is an enormous scope which is not being met at present. In other words, people want things done, they cannot find people to do it, but they are not willing to employ people to do it. So, they are looking for self-employed people.

I recently released some posters which highlighted a number of cases where young people, having gone through that self-employment venture scheme, have successfully set up their own business and are now employing other people. I highlight a photographer who I think now employs two or three other people. His only asset when he started the scheme was that he loved photography and that he had a camera. He now runs his own photographic business and, as I said, employs extra people. They are just some of the schemes. It might be appropriate if I ask Mr Johnson to fill out some more detail on that. It is an important area that the Committee needs to be aware of.

Mr Johnson: Several other initiatives have been taken in this area, including such things as link courses linking secondary school courses to those provided by TAFE. There are also foundation courses which introduce young people to a family of trades to give them an introduction to what they might want to do when they leave school. The Minister has already mentioned the pre-vocational initiatives. We fund 10 regional advisers throughout the State whose prime responsibility is to ensure that the school-to-work transition programmes are properly co-ordinated within those regions.

We give small grants to schools to enable them to go out into the community and discover the real needs of the people. Therefore, it is not something that is handled strictly from Adelaide; it involves discovering where the needs lie. We also fund community grants to community organisations such as Apex, and so on. If those groups are interested in any kind of employment generating proposals, the committee will provide funds accordingly. There are also areas where the teachers themselves are specially set aside to undertake some training to understand the needs of young people, the community and the expectations of employers.

There is also curriculum development. We are very keen to be as sure as possible that those young people in years 10 and 11 are specifically able to relate what they do in their school years to the types of things that they want to do when they leave school. There has been some criticism over the years that everyone is forced to study the same subjects, that is, maths, science, history, and so on. Many children are not that way inclined and, therefore, are not properly prepared when they leave school. They are some of the things that come to mind in relation to the expenditure of these funds.

Mr HAMILTON: I was very interested in the Minister's comments before lunch in relation to employees and their need to think more about risks and safety on the shop floor. I do not disagree with that. The Minister made a similar comment about employers. I strongly question what occurs in a non-union shop. I suggest that many members of my Party are aware of instances where pressure has been applied to employees to work under unsafe conditions under the threat that they will lose their jobs if they do not comply. In fact, a young chap who associates with my second son was recently placed in that situation. Unfortunately, he was not prepared to go on with his complaint.

Random breath testing applies in South Australia, but what random checks are made by inspectors from the inspectorial division in the industrial area? Are those checks conducted on an annual basis, quarterly, half-yearly or on a two or three-year basis? I refer to this morning's *Advertiser* which states in relation to random checks that for every Australian injured in a road accident about six others are hurt at work. The Government has introduced random checks in the transport area in relation to motor vehicles and drink driving: I believe that this Government and successive Governments should introduce random checks in the industrial area.

The Hon. D. C. Brown: I understand that industrial inspectors visit all industrial premises at least once a year. It is not possible to be specific about how many times inspectors visit each plant, because the frequency depends on the nature of each plant. If it is a high-risk, poorly managed plant in relation to safety, the number of visits by inspectors is likely to be far higher than for a plant with a good safety record. I am assured by the Deputy Director, who has been involved in this area for many years, that it is exactly the same type of procedure as occurred under the previous Government.

Mr HAMILTON: How many industrial premises do we have in South Australia and how many inspections does each inspector carry out annually?

The Hon. D. C. Brown: I will obtain that information and forward it to the member.

Mr HAMILTON: I refer to 'Issues/Trends' on page 20 of the yellow book, as follows:

The number of complaints alleging breaches of awards and/or industrial legislation are averaging about 1 500 per year. This figure is increasing slightly each year. Almost no routine checking is being done at present because the investigation officers are almost fully engaged in the investigation of complaints.

I attended a Party convention some years ago where a young fellow stood up and referred to an incident involving a girl who was subjected to some outrageous activities by an employer. What increases will occur over the next 12 months to reduce the number of complaints in this area? If the number of staff is insufficient to conduct these checks, will the Government consider an increase in the number of inspectorial staff if the number of complaints continues to rise?

The Hon. D. C. Brown: The honourable member is referring to industrial awards. For some years the effort in that area has been to simply follow up complaints. In relative terms, there has always been a minimal effort in relation to the random checking of industrial premises. One reason for the high level of investigations is that I think people are now more aware of the situation, or at least they are more willing to contact the department or inspectors and check on their rate of pay and the conditions under their industrial awards.

Mr HAMILTON: Can you back that up with statistics?

The Hon. D. C. Brown: It is my perception that people have become more aware. That is highlighted in the education system where there has been an effort in the school-

to-work transition programme and other link courses to highlight to young people leaving school their rights and how to obtain information if they need it. Recently, I came out very strongly and criticised employers who were employing young people on less than the award rate and those employers who were terminating employment without paying their employees the appropriate benefits that they should receive.

I wrote to a large number of employer associations expressing my disgust that this was occurring and asking for their general support to highlight among their members that people must be paid appropriate award rates. I also indicated that the department would pounce on any employer trying to dodge his legal obligation. The number of complaints investigated has increased from 1 500 to 1 600, which I think indicates that people are now more aware that they can get this information and so are tending to ask for it.

Mr WHITTEN: I refer the Minister to page 32 of book 4, volume 2, dealing with industrial and commercial training. It was proposed to establish a special two-year skills training programme for boilermakers and welders. Is that programme in operation and, if so, what success has it had?

The Hon. D. C. Brown: The paragraph to which the honourable member is referring states:

A proposal to establish a special two-year skills training programme for boilermaker/welders comprising a combination of off and on-the-job training and associated technical and further education was developed.

For about nine months the department has been having discussions with employers about how to overcome the critical shortage of boilermakers and welders. I talked last year with a Federal Minister and we considered the possibility of taking people of considerable experience on the shop floor and putting them into a special two-year training programme consisting of a crash six months on the job followed by six months off the job, a further six months on the job and a final six months off the job. We developed that package in some detail. We tried to find industrial premises where the off-the-job training could be done.

However, this plan met with a mixed reception from employers because, in many cases, they were looking for welders who were not first-class welders or boiler makers. Also, the shortage was found to involve welders possessing a certificate from the Department of Industrial Affairs and Employment. There was some talk about how we could overcome that problem and it was suggested that perhaps the number of first-class welders who could work with a welder holding a certificate should be reviewed. That package was put together but no further action has been taken and I do not see anything further happening, because it appears that the critical shortage of welders and boilermakers that existed at the beginning of the year when we were planning the liquids scheme for the Cooper Basin and Stony Point development was relieved when a significant number of tradesmen came from interstate, and from the Whyalla area, to work on those schemes.

It was found that there were a number of skilled tradesmen in Whyalla who were available and on site. I have spoken to the SANTOS people and have recently visited Stony Point. I understand that they now have a significant number of skilled tradesmen who have come from Whyalla. I think that they were surprised at the number of skilled tradesmen they were able to get from the Whyalla area who must have been performing other work. That programme will not now proceed further, but at the time we produced this document that need still existed.

Mr WHITTEN: The Minister mentioned employers not wanting first-class welders but wanting second-class welders. He is probably aware that second-class welders have not been through an apprenticeship.

The Hon. D. C. Brown: I realise that.

Mr WHITTEN: I turn now to the handling of dangerous goods and substances referred to on page 28 of book 4, where it states the following under the heading 'Issues/Trends':

The use of greater numbers of dangerous substances will require monitoring by the operators of these products to ensure that a satisfactory level of exposure to workers is maintained.

I am concerned that this monitoring by the private sector will require oversight by a Government department or instrumentality. However, when one looks at the employment levels for average full-time equivalents in this department it appears that there has been no increase in those levels. Will the Minister comment on this lack of increase in staffing levels.

The Hon. D. C. Brown: I am not quite sure what the second part of the question was.

The ACTING CHAIRMAN (Mr Mathwin): The honourable member may give a further brief explanation.

Mr WHITTEN: Thank you, Mr Chairman. There is to be no increase in inspection staff employed in this area, yet it is recognised that there will be use of a greater number of dangerous substances which will require monitoring. I relate this to what is happening at Stony Point where, because of the pipeline and the storage of dangerous gases and liquids, greater oversight will be required. Yet it appears from the financial allocation shown in this line that it is not intended to employ further field staff.

The Hon. D. C. Brown: I will need to check whether this programme includes the Stony Point development, as I do not think that it does. I think that the Stony Point development involves industrial inspectors from the department involved with pressure vessels and boilers rather than with dangerous substances. This is a problem one faces when one takes a line budget figure and tries to split it into individual categories. It is sometimes difficult to know who does what work and whether they are included in one programme or another. I will certainly check this matter, but I think that the Stony Point development comes under a different programme from that involving pressure vessels and boilers.

Mr WHITTEN: Is there any proposal to train extra staff to be involved in the inspection of dangerous goods and substances, which I suspect may be located at Stony Point? That may not be so, but certainly it would be so on the proposal for the Asahi Chemical Company that may be established in my area of Port Adelaide or Gillman. I think that many dangerous substances would be used there. Does the Government intend to train employees who will be capable of carrying out these inspections that will be necessary on a petro-chemical plant, wherever it may be established?

The Hon. D. C. Brown: Certainly, if the need exists we will do it. I was uncertain very early in the programme of the Cooper Basin liquids scheme as to what extent it would put pressure on inspectors from the department. As it has turned out, it has not imposed much difficulty on the department—no abnormal stresses, at least. I made some inquiries when I was at Stony Point recently and they seemed to have a very happy and cordial relationship with the department. No delays were being experienced through lack of personnel or anything else within the department. So far (and we are only part way down the track, of course, on the liquids scheme), there is not a large number of pressure vessels. The majority of the work has been putting in very large steel storage tanks, concrete bases, pipelines, jetties and other infrastructure like that. We will have to monitor that carefully over the next couple of years.

Probably in about 12 months some of the pressure vessels will go in, both at Stony Point and at Moomba. If a petro-chemical plant proceeds with Asahi at Gillman, we would

have carefully to monitor the department's needs. I think that I am right in saying that we recently put an additional person through a training course as an inspector. It is normally about a three-month course, if I remember rightly, so we can respond fairly quickly as the need arises. We took on a suitable employee at the beginning of this year, I think, and put him through a three-month training course.

Mr HAMILTON: Is it the Government's policy or that in the Minister's department to refer workers compensation cases to private practice rather than to the Crown Law Department and, if so, why?

The Hon. D. C. Brown: Crown Law, as I understand it, handles all Government cases. The only ones that the Government would be handling or referring to anyone would be the Government cases. Crown Law deals with those. I presume that the honourable member is asking who deals with the legal side of workers compensation cases within the Government? The answer is that Crown Law does so.

Mr HAMILTON: But it is not happening?

The Hon. D. C. Brown: What is not happening?

Mr HAMILTON: It is not being referred to private practice.

The Hon. D. C. Brown: They are all dealt with, as I say, by Crown Law. Crown Law has the potential to brief out, but I do not know of its doing so. You would have to ask the Attorney-General that question. All our work goes direct to Crown Law. We as a department do not have the power to brief out. It is up to the Attorney-General to brief out.

The Hon. J. D. WRIGHT: Does the Minister agree with my submission that the allocation for Industrial Commission staff has been decreased by \$159 793?

The Hon. D. C. Brown: On which page?

The Hon. J. D. WRIGHT: I do not have the page. It is in the white book and I have just made notes of it. The Minister has staff there who will find it quickly for him; they are very efficient people. Being an extremely strong supporter, as the Minister knows, of the arbitration system and particularly the South Australian Commission, which, I think, does a magnificent job in all aspects, it worries me to see a decrease in personnel there, or it would worry me if it were in personnel, services, commissioners, judges, or whatever.

I heighten that argument by reminding the Minister that he currently has before the House certain amendments to the Industrial Conciliation and Arbitration Act that, if passed, would certainly ensure that the work load of the Industrial Commission in South Australia would escalate almost immediately. I remind him that there are such things as auditing programmes that will have to be conducted if that legislation is passed. There will be preference-for-unionists clauses that will have to be argued, and so forth. One would think in those circumstances that the staff ought to be increased to accommodate it, if the Minister is confident of getting his legislation through the House. It is rather irregular that at this stage, when the Minister has forecast to the State such dramatic changes to the Industrial Conciliation and Arbitration Act, in conjunction with that to decrease the industrial staff situation at the commission by such a very large amount. In fact, it is a 13.9 per cent decrease on my figures.

The ACTING CHAIRMAN (Mr Mathwin): It would appear that the question is related to page 48, the Industrial Affairs Division line.

The Hon. D. C. Brown: I take it in clarification that the honourable member is referring to the decrease from \$1 149 000 to \$990 000. Is that right?

The Hon. J. D. WRIGHT: Yes.

The Hon. D. C. Brown: The reason for that is that that overall programme has included the previous industrial relations review—the Cawthorne review. Three staff were

involved full-time and further staff part-time. That review is no longer proceeding now that the legislation has been introduced. Therefore, that accounts for the reduction.

The honourable member specifically asked why I had reduced the staff in the Industrial Commission as such. It was suggested that I had done so. In fact, it is the opposite. The staff in the Industrial Commission is being increased from 56.6 to 58.3. The allocation for that has been increased from \$2 100 000 to \$2 300 000, in rounded off figures. I draw that to the Member's attention, so that he need have no fears that the staff on the commission is being reduced. It is just the opposite: it is being increased. Apparently, there might be slight impact from the re-organisation, but I think that most of it is the Cawthorne Committee, which is not continuing. I refer the honourable member specifically to page 19 of the yellow document which sets out that programme in more detail.

The Hon. J. D. WRIGHT: That raises a rather relevant question then. The Minister said that the reduction in staff followed the Cawthorne inquiry. Exactly what was the cost of the Cawthorne Report? Evidently we are not going to see the final report, but I think that the taxpayers should be in a position to know exactly what is in that report.

Of course, the Minister has already said that it is a private and personal report. I hope he does not take it with him when he goes. I want to look at it and I want to release it, because it is public property. How much did it actually cost the taxpayers for something that they will never see if the Minister stays as Minister of Industrial Affairs?

The Hon. D. C. Brown: First, where am I going? I am staying. I do not know what the honourable member is referring to. Secondly, I know that he has made certain accusations on television. Of course, he did not really tell the truth.

The Hon. J. D. WRIGHT: Why did you not debate it?

The Hon. D. C. Brown: I could not debate on *Nationwide* because *Nationwide* knew (and I think the honourable member knew equally well), that I had a dinner commitment that evening.

The Hon. J. D. WRIGHT: I am not invited to the same dinners as you. I knew nothing about your dinner.

The ACTING CHAIRMAN (Mr Mathwin): Order!

The Hon. J. D. WRIGHT: I was told by—

The ACTING CHAIRMAN: Order! Honourable members will refrain from this chit-chat across the Chamber. If members want to talk, they should talk through the Chair in the proper manner, like grown up people.

The Hon. D. C. Brown: The honourable member raised a number of points that I believe should be answered. First, the Deputy Leader of the Opposition claimed publicly that I refused to release the Cawthorne Report. What he did not say was that, in fact, the recommendations of the Cawthorne Report that relate to legislation introduced into Parliament were released. In all the statements that have been made on that he has, quite deliberately I believe, ignored telling that very important part of the truth about the facts as they stand. It is wrong to come out and say the that Cawthorne Report has not been released when its recommendations, as they relate to that legislation, have been released. Of course, it is a red herring that the Deputy Leader of the Opposition is trying to raise in relation to that legislation.

The second point that the Deputy Leader raised related to my apparent refusal to debate the matter. I gave *Nationwide* 1½ hours that afternoon in which to do an interview. Its personnel knew that I had a dinner commitment. They knew that I could not go on and debate, so *Nationwide*, with its usual standard, did not bother to relate the full facts. The honourable member, I believe understanding exactly what the facts were, also did not bother to reveal the true facts, and he stands up and screams about it. I am

concerned about the flippant way in which some people like to deal with the truth, particularly when they are talking publicly. The cost of the Cawthorne Report from beginning to end was \$123 000.

I again stress that I have released the recommendations as they relate to the existing legislation. I intend to release the other recommendations as we go through the debate or to discuss those in further consultation with outside bodies. I indicate now that finally all the recommendations of the Cawthorne Report will be made available. I ask the honourable member, when he uses the facts publicly again, to indicate quite clearly that the recommendations of the Cawthorne Report that relate to the legislation currently before Parliament have, in fact, been included in my second reading speech. I do not know why the Deputy Leader has not taken it up. It is probably because he does not want to make known the fact that I have revealed these recommendations—that I argued with him on two of the recommendations from that report which we had not adopted. I have seen no praise of the Government for adopting any of the other recommendations of that report.

The ACTING CHAIRMAN: I remind the Committee that it was expected that the debate on this line would be completed by 3.30 p.m.

The Hon. J. D. WRIGHT: At page 5 of the yellow booklet, under the heading 'Issues', we find:

Rapid developments in the industrial relations area require continuous consultation with employer and employee interests and frequent adjustment of the legislative framework if South Australia's good industrial record is to be maintained.

I could not agree with that more. I want to ask the Minister two questions. What consultation has he had with the trade union movement and other interested bodies in relation to the latest and previous industrial legislation that has been brought into this House? Secondly, how many times in the past two years has the consultative tripartite committee, of which the Minister is Chairman, met?

The Hon. D. C. Brown: The main cost of the Cawthorne Report was in employing Frank Cawthorne, Bryan Shillabeer on a part time basis, Sue Filby, and one clerical assistant to carry out that consultation. Those consultations have proceeded for about a 15-month period. The whole reason for setting up the Cawthorne inquiry was to carry out that consultation. The direct answer to the member is that the consultation has been long, extensive and complex. A discussion paper was released after initial consultations. As I understand it, they were basically as follows: Mr Cawthorne had initial discussions with all the main parties involved, and he then asked them to prepare detailed submissions. Thereafter, he had discussions on those submissions with them and finally produced a discussion paper.

The Hon. J. D. WRIGHT: You are ducking the question.

The Hon. D. C. Brown: He put out a discussion paper, and asked the parties involved to present further submissions based on that discussion paper. Finally, after that exhaustive consultation over a 15-month period, he made the recommendations to me. Then, having taken those recommendations, all of which I believe must be considered as part of that consultation, we drafted the legislation. There was discussion with the trade union movement, with the combined employers council and with the President of the Industrial Commission. Then the legislation was introduced into Parliament. I should have thought that an 18-month period for consultation was fairly exhaustive. I realise that some people, despite the fact that they are outside parties, would like to believe that consultation means they write the legislation themselves and that it be adopted in Parliament. I point out that an elected Government is given the responsibility of preparing legislation and introducing it into Parliament.

The Hon. J. D. WRIGHT: The second part of my question was not answered. How many times has the consultative tripartite committee met in the past two years?

The Hon. D. C. Brown: I would have to get that detail. I think it was four or five times.

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

Trade and Industry, \$1 625 000

Chairman:

Mr E. K. Russack

Members:

Mr E. S. Ashenden
Mr J. C. Bannon
Mr H. Becker
Mr R. J. Gregory
Mr K. C. Hamilton
Mr I. P. Lewis
Mr J. Mathwin
The Hon. J. D. Wright

Witness:

The Hon. D. C. Brown, Minister of Industrial Affairs and Minister of Public Works.

Departmental Advisers:

Mr L. G. Rowe, Director-General, Department of Trade and Industry.

Mr I. J. Kowalick, Deputy Director-General, Department of Trade and Industry.

Mr D. J. Martin, Director of Assistance and Services, Department of Trade and Industry.

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

Mr BANNON: On each occasion at this stage of the Estimates Committees we have asked questions concerning a split function between the Office of State Development in the Premier's Department and the Department of Trade and Industry in its role of encouraging investment and promoting the State as a place for industrial establishment and generally assisting economic activity. During the past 12 months there has been further evidence of a confusion of function between these two departments.

I make no secret of the fact that the Opposition has always believed that these functions should not be split but should be under one Ministerial direction and co-ordinated departmentally. Yet, the Government has persisted in the artificial distinction between State development and trade and industry. I refer again to the department's broad objectives and goals, as set out in the Programme Estimates on various pages. One can see, despite reference to the co-ordinating role of the Office of State Development, that there are obviously a number of areas where the two are, in a sense, duplicating functions. I also draw the Minister's attention to the report released on Tuesday by the State Development Council in which a recommendation specifically refers to the way in which the Government should handle this aspect. Recommendation 7 states:

The council recommends that the State Development Office be strengthened to ensure that it has sufficient manpower and financial resources to provide the first point of contact and reference point for individuals and companies seeking advice and ensure in conjunction with the responsible department—

I presume that that is hinting at the division which still exists—

that action takes place to implement the Government's policies for the development of the State and promote the State both nationally and internationally as a suitable place for investment.

My understanding of that recommendation is that it sees the problems (and the reference in the text would indicate that) in the divided function. After a further 12 months experience, which includes the disastrous double advertisement advising people on a national basis to contact two different points for exactly the same reasons and purpose, what now is the Minister prepared to tell the Committee about the division of function and its contribution to an efficient and united effort on the part of the Government to attract investment and development?

The Hon. D. C. Brown: This seems to be the perennial question of the Leader of the Opposition. I get the impression that it is done for no other than political reasons. He appears to be only person suffering from such confusion. Whether it is real or imagined only he can say. Certainly, in the past 12 months since the Leader raised the point, I have had no onslaught of inquiries, despite his stirring on the issue, from people who wanted to know the difference between the Department of Trade and Industry and the Office of State Development.

Can I perhaps clarify that once again, because I do not know whether the Leader seems to forget, if he does not wish to remember or even if he does not wish to listen to what is said. First, this State, as with all States, has a number of departments involved in development which have specific functions as development departments. There is a Department of Tourism, which is responsible for development in the tourism area; there is a Department of Agriculture, which is responsible for the rural/primary industry sector; there is a Department of Mines and Energy, which is responsible for development in the mineral area and the processing of minerals; there is a Department of Fisheries, responsible obviously for the area of fishing; there is a Department of Trade and Industry, responsible obviously for the area of the manufacturing industry, commerce and associated industry, and so it goes on.

There is an important need for an overall co-ordinating function and that co-ordinating function lies with the State Development Office. That office, the Director of which is Mr Tiddy, has the function of co-ordinating all of those different functional departments and, at the same time, making sure that there is an overall corporate strategy.

I believe that the report on State development released by the State Development Council earlier this week highlights the need and, in fact, compliments the State on what it has achieved in a number of the functional areas: areas like off-set manufacturing, which the Department of Trade and Industry has been involved in; it specifically referred to the restructuring of the car industry which, again, is under this department and a number of other areas.

What I find interesting is why the Leader of the Opposition thinks that the fishing industry is important enough to have its own department, why he thinks that tourism is important enough to have its own department, but that the manufacturing industry and commerce is not important enough to have its own department. I stress that the Leader appears to be the only person who seems to be confused. Of the people who come to me, I cannot recall in the past 12 months a specific complaint or inquiry where someone said that he was confused as to the functions of the Department of Trade and Industry, or the State Development Office.

It has been said throughout, and it has operated extremely well, that people who come to this State, perhaps from overseas, no matter whether they are coming on a tourism aspect, an industrial development, manufacturing development or mines or energy development aspect, in fact go to the State Development Office and to the Premier first.

Asahi, when they first came to South Australia, went to see the Premier. Some of the people involved in the Cooper Basin, when they came to this State, went to see the Premier. Western Mining Corporation and BP had initial dealings with the Premier, but they have all been sent off to their respective departments to be dealt with by those departments.

The one thing that I can say is that there has been an excellent working relationship between the Director of State Development and the Department of Trade and Industry. I think that that working relationship has strengthened the industrial development of this State.

I highlight the dangers of what would occur if what was proposed by the Leader of the Opposition, in fact, took place. I presume that the Labor Party is proposing to set up a Department of Economic Development or a Department of State Development, which would have very broad responsibilities and be similar to the old department, which would become so broad and wide that it would chase issues and people all over the place and never help specific industries and, as a consequence, small industry would be largely neglected and ignored and specific developments like off-set manufacturing largely ignored, simply because the overall function of the department was so broad and wide that no single department could ever cover such a scope.

It is interesting to see how this Government gave a specific function for commerce and manufacturing industries and the way in which other States in Australia have now followed suit. Victoria followed suit about 12 months after this State. Queensland set up a Department of Industrial Development. Western Australia set up a Department of Industrial Development, quite separate from the Department of Resource Development. New South Wales set up a Department of Industrial Development with a separate Minister.

Again, I stress that it appears that this State has set the trend which the rest of Australia has followed. It appears that the only one who is out of step and kilter with the rest of Australia and with what has become an obvious need, appears to be the Leader of the Opposition. I feel for him in his loneliness.

Mr BANNON: Whether the Minister believes it or not, I am not necessarily attempting to make a political point, but a point, I believe, which is valid in the context of effective promotion of industrial development, in particular in this State, but overall State development as well. Whether we are alone in suggesting that this is the way to do it or not, I do not think is necessarily the point. I do not agree with him that we are, incidentally. But it is about time we did show a bit of leadership in some of these areas.

We have had a fair reputation of innovation in public administration in Australia and I think that we ought to maintain it. I do not feel at all lonely in proposing this particular approach to development. On the contrary, I believe that the past few years have seen considerable confusion of function and role and what it has seen effectively is a slow but steady expansion of the State Development Office, a stretching of its tentacles and a consequent muscling in, if you like, more and more on the territory of the Department of Trade and Industry.

It is just as well that the Minister's Department enjoys good relations with the Premier's State Development Office. If it did not, it would be in even more trouble than I believe it is. As far as the State Development Council is concerned, it does make the point—and obviously its role is not to get down to the detail of administrative arrangements—that in other States (page 55 of the first released section of the report):

In other States, particularly those experiencing higher growths such as Queensland and Western Australia, there is typically a central development spurring agency within the Government which has strong Ministerial direction and support. For example, the Co-ordinator-General's Department in Queensland and the Department of Industrial Development in Western Australia.

From those comments and its recommendation, one can see that the council is not satisfied that the current arrangements are satisfactory or as effective as they may be. I believe that the Minister is either being complacent or is simply refusing to face the facts.

Let me come to the specifics of the vote we are looking at. As I see it, the Department of Trade and Industry is experiencing no increase in real terms in its vote this year. If one goes back to the State Development Office, particularly as far as its Director, Project Research Officers and so on are concerned, there is quite a considerable increase, in fact, from \$365 000 to \$474 000. That seems to me to illustrate in a broad-brush way the problems that are arising as the Minister's Department is squeezed, except in certain specific areas such as small business, and State Development takes over its functions. The duplication that is going on is something that I would have thought the present Government, in particular, would be very concerned about.

The Hon. D. C. Brown: There are a couple of points I should clarify for the Leader of the Opposition, because, based on his assumptions, he is quite wrong. First, the Leader needs to appreciate that, although it appears that the Department of Trade and Industry in expenditure has only gone from \$1 600 000 last year to \$1 625 000 this year, the Technology Park component which was previously included under the lines of the department last year have now been separated out, as it is now a separate statutory authority.

Although the same function has been largely carried on, there is now a separate allocation of \$305 000 in the lines. If the Leader is going to compare like with like, he should include that \$305 000 in that line and he will then see that there has been a significant increase in the department. In fact, there has been a far greater increase in this department, even on percentage terms I suspect (and certainly in monetary terms), compared with the Office of State Development. If the Leader removes the unusual payments for the Riverland cannery from the 'Miscellaneous' line he will see that there has been a substantial increase in those lines.

In particular, the 'Incentives to Industry' line has been increased from \$8 563 713 to \$9 880 000, which is an escalation far greater than the inflation rate. If one includes the vote for the Department of Trade and Industry and its 'Miscellaneous' line, I suspect that the result will be a far greater percentage increase in monetary terms than for any other Government department. The honourable member said that we should follow what is done in Queensland. The model that we use is almost identical to what occurs in Queensland. The Queensland Premier has beneath him a co-ordinator general who performs almost the same function as the South Australian Director of State Development. Under a separate Queensland Minister there is a separate Department of Industrial Development and Decentralisation. The task performed by that department is almost identical to the South Australian Department of Trade and Industry. The Leader of the Opposition also referred to Western Australia. I stress the fact that the Western Australian model is almost identical. Western Australia has a broader department of resource development and a more specific department of industrial development. It is interesting that the two States mentioned by the Leader as being ideal models—

Mr BANNON: The Development Council.

The Hon. D. C. Brown: The Leader used the example. I pointed out to the Chairman of the Development Council that what they are highlighting in Western Australia also applies in South Australia and he said that he was not quarrelling with what is done here. He is highlighting what is done interstate and pointing out that we have adopted a similar model. He is saying that it is important to have a centralised co-ordinating role. It is for that very reason that

it is important to have an Office of State Development beneath the Premier. I still believe that the Leader has made this point for political reasons, because it does not seem to fuss anyone else. If it does not fuss anyone else and everyone else seems to think it is going extremely well and he is the only one who is perennially confused—because he raises this matter on a perennial basis—I can see no other reason for it but a political reason. That seems to be the Leader's motive. I stress that the Leader has tried to score political points out of this issue time after time, but it has fallen on deaf ears and I am sure it will continue to do so. The other point he raised was the fact that we are expanding State development at the expense of the Small Business Advisory Bureau.

Mr BANNON: No, I said with that one exception. I conceded that the Government has expanded the Small Business Advisory Bureau.

The Hon. D. C. Brown: We have expanded the Small Business Advisory Bureau along with other parts of the department. I point out to the Leader that, if it is taken on like terms, the department has received an extra \$325 000 this year for administrative purposes compared to last year. The 'Miscellaneous' line has been increased by about \$1 000 000 compared to last year. I think that is a fairly substantial increase.

Mr BANNON: That is if the Riverland cannery component is excluded.

The Hon. D. C. Brown: Yes; after all, that is an extraordinary payment.

Mr BANNON: I refer to page 50 of the Estimates of Payments and the line 'Payments to consultants'. What payments occur under that line? There was considerable underspending in relation to this line last year and the proposed expenditure has been considerably reduced this year. Will the Minister provide details about the consultancy project that has been mentioned in the House in relation to the American consultants who are investigating a scheme to attract investment from the United States? Where does the funding for that particular project appear in the lines? I understand that funding for that project will amount to about \$250 000.

The Hon. D. C. Brown: Last year, \$195 000 was voted for the 'Payments to consultants' line, specifically for the large number of consultants required in relation to Technology Park, Adelaide. That was underspent because a ball park figure was arrived at at the beginning of last year. It was not known exactly how many consultants would be required and in which areas they would be engaged. Expenditure last year amounted to \$145 225 and the proposed expenditure for 1982-83 is \$47 000, which is about the normal figure we would anticipate. The Government has not yet made a final decision in relation to the Graden consultancy from the United States. That consultancy has not been included in any of the lines, because the Government is still investigating it.

Mr MATHWIN: I refer to page 50 of the Estimates of Payments and the line 'Small Business Advisory Bureau'. Actual payments last year amounted to \$72 557; proposed expenditure for 1982-83 has been increased to \$119 000. What is the function of that bureau?

The Hon. D. C. Brown: It assists all small businesses in this State and services the Small Business Advisory Council. The Small Business Advisory Council provides information to me as the Minister in relation to small business matters. The council has a membership of small business men, including a representative from the Federated Chamber of Commerce, a Mr East; there is also a small business man from the country and a Mr Paddock from the Mixed Business Association. The bureau also assists any small business men requiring advice. It runs a series of seminars. In fact, a

series was recently conducted in the city and the country. The bureau conducted seminars at Port Augusta, Port Pirie and Whyalla two weeks ago over a two-day period. There was also a session at Naracoorte last Sunday afternoon.

That seminar at Naracoorte was attended by 35 or 40 people. It was addressed specifically to marketing in Naracoorte. On Monday night we held a seminar at Mount Gambier which was attended by 65 people and at which a whole range of issues was discussed. These seminars are largely conducted by Mr Peter Elder, manager of the bureau, who is usually accompanied by a staff member. At most of these seminars a film is shown on how to approach a bank manager for finance. There is then a discussion about the strengths and weaknesses of small businesses and about how to overcome any problems that they have. If need be, or if local people request it, there is then a discussion on a specific subject. It is proposed to have small business people or people from the bureau going out on a regular basis and consulting on this subject throughout the State. This has already happened at Whyalla and I have undertaken to have an officer from the bureau attend at Port Pirie, Whyalla, Port Augusta, Mount Gambier, in fact at most country centres, on a regular basis.

The officers conducting these seminars will use Government offices in those centres, such as in the Riverland, and will, where possible use offices which are part of the Industrial Affairs and Employment Department, which has offices in many centres. I have been impressed by the feedback and response achieved by these seminars. I think that they have developed a wide-ranging reputation. I spoke last night to the Southern Vales Grapegrowers Association. At the completion of that meeting the President of that association indicated to me that the speaker at a previous seminar had been the Leader of the Opposition, who spoke on the same subject. However, he did indicate to me that he thought that there was a bigger crowd present last night than there was on the night that the Leader spoke. I did not wish to embarrass the Leader by raising that fact, but the President said that when the Leader was there he had been under considerable pressure and had not received a particularly favourable response from the membership. That is a comment he passed upon which I do not wish to pass judgment.

We have received considerable positive feedback from throughout the State and the metropolitan area about these seminars. If the Leader wants any feedback on this matter, then I suggest that he gets in touch with the A.L.P. candidate for Kingston, who attended last night's meeting and took copious notes. The staffing level of the bureau will increase this year. A full year's salary has been allowed for Peter Elder who commenced his duties in November 1981. There is also an amount allowed for the annual salary of Mr Jack Maesel, who commenced his duties in December 1981. There will be an additional 1.6 people, on full-time equivalents, employed in the 1982-83 year. There is an amount of \$17 000 allocated for consultancies and an amount of \$12 000 allocated for publicity.

The bureau also releases a newsletter called the *Small Business News* quarterly. I have received favourable feedback about that publication from people who appreciate the educational role it plays. It goes out to small business people throughout the State. We now publish 10 000 copies of that publication each time it is printed, and I know that on a number of occasions we have run out of copies, so one can see how widespread is the acceptance of this publication throughout the State.

Mr BANNON: In this week's edition of the *Guardian*, a local publication in the Glenelg and Brighton areas, an advertisement appears as follows:

John Oswald M.P. Member for Morphett, invites you to learn about

SUCCESS IN SMALL BUSINESS

A workshop for Small Business Owners and managers to discuss

'Solving problems in Small Business'

and

'A positive approach to raising finance'

DATE: Tuesday 5 October 1982

TIME: 5.30 p.m. to 8.15 p.m.

VENUE: St Leonards Inn

Smorgasbord Dinner. Cost \$9.50

Telephone for details

Two telephone numbers then appear, and the logo of the Small Business Advisory Bureau, Department of Trade and Industry, with the slogan 'A South Australian investment in your future' appears at the bottom of the advertisement. There are two telephone numbers, the first of which is that of the member for Morphett's electorate office and the second the telephone number of the Small Business Advisory Bureau. On what basis is the Small Business Advisory Bureau combining with the member for Morphett in this exercise? Who paid for this advertisement, and is the facility, if that is what is being offered, open to all members of Parliament?

The Hon. D. C. Brown: I understand that the member for Morphett paid for that advertisement. I have said to local chambers of commerce, various trading groups and to members of Parliament that if they want to run a small business seminar in their area with the bureau attending to conduct that seminar, I am quite happy for that to happen. The bureau has a fixed format that has been used on numerous occasions at these seminars. I mentioned before that we have had seminars at Mount Gambier, Kadina, Port Pirie, Port Augusta, Pinnaroo, Strathalbyn, Berri, Renmark, Seaton, Reynella and other places. I try to involve local people where possible. We also try to get a local sponsor. For instance, and the honourable member for Mallee might confirm this, at Pinnaroo the local sponsor was the council.

Mr LEWIS: It was the local chamber of commerce.

The Hon. D. C. Brown: The sponsor varies from place to place. If there are any members of the Leader's party who would like to have such a seminar they can have one. At those seminars Peter Elder talks about how to raise finance for small businesses and discusses problems experienced by small businesses. I then speak briefly. Invitations are paid for by the bureau and sent out in my name, the bureau's name or the joint name of the local sponsoring body and the bureau. The venue, food and other expenses are paid out of the fee charged for attending so the whole seminar is conducted at a minimal cost to the Government.

We believe that people are only too willing to pay to come along and participate in this kind of seminar. I highlight to the Leader that at Port Augusta the local chamber of commerce ran 47 news or radio spots advertising the seminar held there. We asked people to promote these seminars locally, but how they choose to do that is their concern and is done at their expense. We merely run the formal part of the evening and print and send out the formal invitations.

Mr BANNON: Was the advertisement bearing the logo and title of the Small Business Advisory Bureau and apparently paid for by the member for Morphett, authorised by the Government or the bureau and was the use of the bureau's telephone number also authorised?

The Hon. D. C. Brown: Yes, I gave the honourable member permission to go ahead and advertise however he saw fit, because it is a seminar sponsored by the Small Business Advisory Bureau. I understand the advertisement was prepared at his expense.

Mr BANNON: The Minister said earlier that he had given this opportunity to members of Parliament, among others. I am certainly not aware of the existence of these seminars and I do not recall any of my colleagues being made aware of them. I would have thought that either myself or the Deputy Leader, who has responsibility for this particular area, would have been advised of this matter if this was a genuine offer.

On all these other occasions that the Minister has mentioned, were members of Parliament approached to be sponsors, and were they sponsors? Secondly, in what form were invitations issued to members to organise such seminars?

The Hon. D. C. Brown: It has been on the basis of my being approached specifically, whether by a member of Parliament, a Chamber of Commerce or any other local group—for instance, at Strathalbyn it was the local Rotary Club which sponsored it, did all the organising, got the thing off the ground and promoted it in the district. I made the offer to people who approached me. I have not formally sent out letters offering it. It has been on the basis of an approach to me, but I emphasise to the honourable member that, if any members of his Party would like it and they would like to approach me, certainly I will arrange it.

I did leave out Keith from the list I read. It was the local government body at Keith which put on a function in the local R.S.L. hall, organised the afternoon tea and invited along small business people.

Mr BANNON: In relation to small business, on pages 70 and 71 of the yellow book, reference is made to hardship loans, as follows:

Hardship loans during 1981-82 amounted to \$194 000. Loans for 1982-83 are expected to amount to \$15 000.

What was the nature and qualification for these loans? Why will so much less be required in this present year, and what has replaced the function that was carried out previously by these loans?

The Hon. D. C. Brown: I just make the point that we are now in the 'Miscellaneous' line.

The CHAIRMAN: If page 71 refers to the 'Miscellaneous' line, it is in the next vote and is out of order.

Mr BANNON: It is really in the programme dealing with Small Business Services, and so on, but I do not mind. I will ask it under 'Miscellaneous'.

The Hon. D. C. Brown: I am quite happy to answer it later, but I emphasise that it is in the line there. If you, Mr Chairman, would like me to cover it now I am happy to do so, for clarification at least.

The CHAIRMAN: If it is in 'Miscellaneous' it must be dealt with under the 'Miscellaneous' line.

Mr BANNON: I will leave it to 'Miscellaneous'. That is fine. It is purely a matter of convenience. I would like to ask the Minister about the department's assessment of investment in the coming 12 months. The Minister has been on record as making a number of statements about investment, particularly industrial and manufacturing investment in South Australia. I would appreciate it if he could give the Committee the figures that he has been using and their breakdown, and what he or his department predict will be the experience over the next 12 months.

The Hon. D. C. Brown: First, we have generally relied on two specific sources for information: one was an attempt by the department to go out and clarify the matter with those firms that we knew were involved in expansions, potential expansions or expansions that were now completed; we asked them to send back to us information on what

moneys they had actually been involved in investing over the last two years since the survey was started. We did this survey at the beginning of the year and it came up with the figure that there were about 107 projects known to the department, involving an expenditure of about \$1 600 000 000 in rounded-off terms. A number of those were about to commence and some were already completed. There were a further nine projects in the final feasibility stage, involving a further commitment of \$1 336 000 000. Put those together and you are looking at approximately \$3 000 000 000 in the manufacturing area. We also broke that down (where we could) into jobs, but I do not have that information specifically before me here.

Then there was the survey carried out by the Department of Commerce and Industry at a Federal level. Unfortunately, I do not have a copy of the report specifically before me, but can I relate the figures to the honourable member? I think that the figures have been rounded off slightly, but they are certainly accurate in general terms. They originally used to do that survey in April and November of each year. The figure for April 1979 was a committed investment in both mining and manufacturing in South Australia of \$255 000 000. By November 1979 that had increased to just over \$300 000 000. I emphasise that the department has refused to reveal the individual figures for South Australia and Tasmania for manufacturing or mining, although the department gave them for the other States. However, it did give the combined figure for manufacturing and mining for Tasmania and South Australia.

The latest survey, and a copy of that report was given to me by the Federal Minister when I was in Canberra about two or three weeks ago, shows for the first time the figures broken down into manufacturing and mining for South Australia. The combined figure, I think I am right in saying, for South Australia was \$4 000 000 000. That is both mining and manufacturing. The separate figure for manufacturing, I think I am right in saying, was \$1 500 000 000. I am not sure whether that is the right figure, but it was something like that.

It was simple to get the specific figure for the increase. Previously, as I said, the department had not given specific figures for manufacturing for Tasmania and South Australia. However, it did for the other States. By taking the total manufacturing and deducting all the other States except Tasmania and South Australia you could come up with what the figure obviously was for South Australia and Tasmania. But this time the department gave separate figures for those two States. It also gave details in the text of the report as to which new manufacturing projects had been started and those abandoned for those two States. You could, therefore, work out by simple deduction what the original figure was six months ago for South Australia. I think that that showed a \$440 000 000 increase. Perhaps the significant thing is that, whereas in April 1979 the combined figure for manufacturing and mining here in South Australia was only \$255 000 000, now for manufacturing alone it is \$1 500 000 000 and for manufacturing and mining now it is over \$4 000 000 000. So, we have had this extraordinary (in fact, unbelievable) leap from \$255 000 000 to \$4 000 000 000 under this Government.

The other matter of some significance is that the honourable member quoted the percentage of proposed manufacturing investment in South Australia compared to that in the rest of Australia. In the manufacturing area, South Australia represented 19.5 per cent of the national total. I know the extent to which the honourable member and some of his colleagues tend to try to make a significant factor that we might have 10 per cent or 11 per cent of the national unemployment. Here is a case where we have 19.5 per cent of the nation's proposed investment in manufacturing proj-

ects, twice what one would expect and, on a per capita basis, the highest in Australia. I think that, therefore, indicates that over the next few years, not just 12 months, this State can look forward to a very considerable investment in that area.

The other significant fact to come out of the report was that, despite the fact that there was a drop for the whole of Australia for mining and manufacturing investment, South Australia went against that trend in both those areas.

The CHAIRMAN: The Chair proposes to call the Leader once more, then there is an indication of a call on the other side.

Mr BANNON: What the Minister has just told us is a fair summary of the public statement he made some weeks ago, as he said. What I really sought is what I think this Committee deserves: a more 'in depth' analysis of those figures. For instance, what proportion of that manufacturing investment can be related to the Stony Point project? What is the other significant evidence of that investment? For example, I understand that the thermo-mechanical pulp mill, Cellulose, represents some \$50 000 000 or so of that proposed investment. We are all aware that that project is certainly stalled for what appears, unfortunately, to be quite some considerable time. What I am really seeking from the Minister is not a political statement on how well or badly we are doing. I am trying to get from him information on a breakdown of those figures, where he sees this investment, particularly in manufacturing, taking place, and whether that accords with the advice he receives from his department, which takes major surveys in this area, of expected employment levels and activity.

Sure, on the surface 19.5 per cent of proposed investment sounds very good for the State. It certainly helps counteract dreadful figures like 4.5 per cent of the job vacancies and other figures in which we are falling down badly. But, what I am asking is for the Committee to be given some insight into what the Government and the Department really sees as being the breakdown of that investment, how changeable it is, and indeed, whether it is as significant as the superficial analysis the Minister has given us would suggest.

The Hon. D. C. Brown: I would be the first to want to say, 'Look, this Committee should not expect every one of those projects to proceed,' because the report itself has stressed that they are final feasibility studies; the report highlights the difference between a committed project and a final feasibility study. Secondly, companies will always change their mind, because some projects (for various reasons due to changes in world demand) are on, while other projects are off. For instance, he raised one particular project, the proposed thermo-mechanical pulp plant, Cellulose, with A.P.M. The announcement by Cellulose does not really alter the long-term chance of getting that project. I was at Cellulose on Monday this week and my Director-General, I think, was there last week. The board plant has unfortunately been closed. They still produce pulp there, but it was the board plant which always used old technology and machinery. Little investment has taken place there. It annoys me that we did not get investment back in the late 1970s to upgrade the equipment. I have been pushing A.P.M. since 1980 to invest money there because, if the people do not invest money in that sort of plant, the product produced will become unacceptable on the market. That is largely one of the problems: the product being produced at Cellulose was not up to what are now market standards and, certainly, was not up to what was being produced by competitive plants elsewhere in Australia.

Sure, I would think that it is unlikely, with the sudden drop in the price of pulp on the world market, that the project will proceed within the next 12 months. However, the company is still pursuing markets overseas. In talking

to timber industry people whilst in the South-East this week I was informed that when the market does change it will change very quickly. I am not suggesting that that is about to happen. The outlook is that the market has dropped. It is probably about stable now. It might go lower or it might start to improve. If the world economy picks up quickly, one could see a fairly rapid change in the demand for pulp, because I understand that the world supplies are down and a number of plants have shut throughout the world; that includes, I think, a \$600 000 plant in Canada. It is not just a problem for this State, or even Australia.

Getting a thermo-mechanical pulp plant in the long term is very important to the management of forests in the South-East. I believe that it is quite feasible for us to proceed fairly quickly once the world market turns around. The Government is continuing to monitor the situation. In fact, we almost had the project; it was virtually signed and sealed with A.P.M. All that was needed were overseas contracts for the pulp.

Mr BANNON: It is a very important element. Announcements were made before the contracts were signed.

The Hon. D. C. Brown: In fact, we had even got down to the opening date of the plant in negotiations with A.P.M., and we had a long discussion to make sure that there was an adequate power supply. The Director-General was keenly looking at those sorts of aspects. As I say, that project has not been put on ice, but is still under review waiting for those long-term contracts for pulp to be signed overseas.

Coming back to the question of \$4 000 000 000, I point out that some of it might slip by the way, and other projects might be deferred for six months or a year. In fact, new projects might appear. I am surprised at the extent to which we have jumped, compared even to six months ago. The overall jump in mining and manufacturing was something like \$500 000 000 compared to six months ago. So, it is unpredictable. They are not all absolutely committed projects. Some are committed, some are under way, and some are in the final feasibility stage. I stress the point: in 1979, the figure was only \$255 000 000, and the same uncertainty applied about projects then. One can only be optimistic that in relative terms we are so far better off with what we see in the next two or three years in major investment in new projects compared to where we were in 1979.

Mr ASHENDEN: I refer to the Estimates of Payments. My first question to the Minister relates to the industry and commerce division, where it is indicated that actual payments last year were \$446 367. The proposed amount for the coming year is \$684 000, which is an increase of over 50 per cent. Will the Minister say how or in which direction that extra money is going to be spent?

The Hon. D. C. Brown: It may be appropriate for the Director-General to answer that question.

Mr Rowe: The increase is partly due to the fact that we have now absorbed within the department the functions of the old South Australian Development Corporation. That group of three male officers is integrated within the Industry and Commerce Division. The increase reflects a full year of salary for these three men. Members would have seen, in the staffing of the department that most of the increase this year is to be within that division. In fact, we are transferring the support staff within the administrative division to the branches in their operating division so that the manager of each of the branches in the Industry and Commerce Division has direct control of all the resources that he needs to carry out his function.

Members will notice that the Assistance and Services Division allocation has reduced and that the other has increased. Part of that is due to the transfer of clerical assistants from a centralised source to a decentralised location

under the direct control of the manager of that branch. The two main aspects are the increased function of finance guarantees with the staff from S.A.D.C. and the transfer of clerical assistants. It does provide for an increase of officers within both the industry projects group and the industry studies group, where we are lowering the complement more than we should be, in our judgment and also in the Minister's judgment, to enable us to carry out our function to the optimum. That explains briefly how that increase arose.

Mr ASHENDEN: I refer to the next line, 'Small Business Advisory Bureau', where we find, once again, that in the year just gone payments were \$72 557, there having been more than a 50 per cent increase to \$119 000. Will the Minister or the Director explain the reason for that increase?

The CHAIRMAN: Order! I believe that the question has been asked before.

The Hon. D. C. Brown: I refer the honourable member to the answer I gave in some detail earlier. The increase in staff is of the order of 1.6. It is to pay on a full-time basis two people who last year were paid only on a part-time basis. The people concerned are Peter Elder and Jack Mazel. They were taken on part way during the year and will now have to be paid for the full year.

Mr ASHENDEN: Will the Minister say whether any of the increased funding allocation will be utilised in the Industry and Commerce Division to attract industry to South Australia and whether a greater effort will be made in the coming year than has occurred previously in that direction? Also, in relation to the increase for the Small Business Advisory Bureau, does that indicate that additional help will be made available to small businesses? The first area, would play an important part in relation to employment prospects in South Australia, and the second has an important role to play in the vital section of small business in South Australia.

The Hon. D. C. Brown: The whole thrust of the Industry and Commerce Division is to attract new industry to this State. It reflects what is being spent there. All that effort is going towards the matters to which the honourable member referred. Certainly, in the Small Business Advisory Bureau there will be a further increase in effort over and above what we have seen already. I think the honourable member realises the extent to which the Government has upgraded that service. I believe the figure has doubled for each of the past two years, which highlights the importance that the Government places on small businesses.

Mr BANNON: I refer to the study that the Minister commissioned from the Small Business Advisory Bureau into the financing of small businesses. Has that been completed and, if so, what were its findings?

The Hon. D. C. Brown: Would the honourable member be more specific? A study was commissioned in the southern metropolitan area on available finance for small business.

Mr BANNON: That is probably the one to which I am referring. Could the Minister outline the findings that came out of that study?

The Hon. D. C. Brown: I cannot give specific information now. It may be best to ascertain whether a copy of the report can be made available for the Leader. I will try to obtain a copy. I need to check on the nature of the report. I will try to at least give the Leader a resume of what the report came up with, if I cannot release the full report.

The ACTING CHAIRMAN (Mr Mathwin): There being no further questions, I declare the examination of the vote completed.

Minister of Industrial Affairs, Miscellaneous, \$15 621 000

Chairman:

Mr E. K. Russack

Members:

Mr E. S. Ashenden
Mr J. C. Bannon
Mr H. Becker
Mr K. C. Hamilton
Mr R. J. Gregory
Mr I. P. Lewis
Mr J. Mathwin
The Hon. J. D. Wright

Witness:

The Hon. D. C. Brown, Minister of Industrial Affairs and Minister of Public Works.

Departmental Advisers:

Mr L. G. Rowe, Director-General, Department of Trade and Industry.

Mr I. J. Kowalick, Deputy Director-General, Department of Trade and Industry.

Mr D. J. Martin, Director of Assistance and Services, Department of Trade and Industry.

Mr M. C. Johnson, Deputy Director, Department of Industrial Affairs and Employment.

Mr. B. J. Bartlett, Chief Administrative Officer, Department of Industrial Affairs and Employment.

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

Mr BANNON: I refer to a specific matter in the incentive to industry area, namely, the announcement made this week about the Fletcher Jones Company of Mount Gambier. What was the meaning of the announcement that there would be a five-year remission of pay-roll tax? I understood that companies outside the metropolitan area, as defined, are not paying pay-roll tax. The significance of that scheme or announcement rather escaped me, or have I been misinformed on that matter?

The Hon. D. C. Brown: The reason is that there is a policy of giving a full rebate of pay-roll tax and land tax within a certain zone of the State, and there is also a 50 per cent zone closer to the metropolitan area. That is done on an annual basis. Of course, this policy applies from year to year. Regarding Fletcher Jones, I stress that incorrect figures were used in the story in the *Advertiser*, and that the way in which it was written gave the wrong impression, which I think has also been picked up by Mr Jones in public statements. The Government has given a letter to Fletcher Jones saying that that firm has a Government undertaking, which is seen to be a five-year commitment, that it will be exempt from pay-roll tax.

It is similar to what was done by the previous Premier in an undertaking to Johnson Tannery (or to the subsequent owners, when that was taken over), when in a letter the Government guaranteed a five-year remission of full pay-roll tax and land tax. It was part of a discussion that took place with the company on what functions it would carry out at Mount Gambier, and it was put up as an overall package to the company. The part that concerned me a little is that it was suggested that we just gave the company a \$120 000 interest-free loan. However, that was not the case at all. There were certain talks with the company about expansion and functions carried on at Mount Gambier that previously were carried on elsewhere and, provided that the company met certain conditions, they would be eligible for an Establishment Payments Scheme grant.

I am sure that the Leader is aware of what that Establishment Payments Scheme is all about and that a payment is made on the delivery of goods and on performance, rather than on just a promise of performance. So, any payments that are made depend on the extent to which Fletcher Jones performs in increasing employment and meeting any undertakings given. That is the part about which Mr Jones said publicly, 'We have not eaten the carrot yet.' This is because it involves an offer made to the company in talks; a general understanding has been reached with the company that, until it actually does this, it will not get any financial assistance from the State Government.

Mr BANNON: To clarify the pay-roll tax situation, with the exception of a company such as Fletcher Jones, where some sort of agreement has been entered into which, presumably, would be seen as binding over the period that it operates, the remission of pay-roll and land tax rebates is very much a year-to-year proposition. Does that imply that the Government has some long term plan or has decided that at some stage that scheme will be abolished or altered in some way? What is the position in relation to the other companies that are at present enjoying that remission?

The Hon. D. C. Brown: No, it is Government policy that that scheme should continue. I suppose that the letter of guarantee is more of a specific deal in case there should be, at some time in the future in that five-year period, a change of Government. It is not an unusual sort of deal. I stress that the previous Premier made the same sort of agreement with Johnson Tannery at Mount Barker.

The companies do this and the Government is willing to offer it so that it has a degree of certainty for a five-year period, no matter what Government policy may be. I stress to the Leader that it is this Government's intention that that pay-roll tax rebate for the decentralised manufacturing and processing industry is a key part of its policy to encourage decentralisation, and this will continue. Just because we have given that letter to Fletcher Jones, does not in any way suggest that it is not ongoing policy; rather it is just the reverse. The Government gave that undertaking that it is its ongoing policy.

Mr BANNON: I have a further question of a more general nature regarding pay-roll and land tax reimbursements. On page 57 of the yellow book, where the text deals with major influences that will cause significant increased expenditure/staffing during 1982-83, it states:

The effects of increased employment and inflation on the level of pay-roll and land tax reimbursements. An increase of \$663 000 over 1981-82 expenditure ...

Is it really expected that total employment will grow in 1982-83, particularly in these regional areas? From July 1981 to July 1982 total employment in the State fell by 4 500 jobs. Figures released today show that on an August to August basis the fall was 7 400 jobs, from memory. We certainly seem to be on a year-to-year downward trend, with particular problems being experienced in those country regional areas. I am interested to know on what calculations the Minister is basing this anticipated increased expenditure, due to increased employment, under this scheme.

The Hon. D. C. Brown: Before answering that question, can I go back and add some more information to the question on Fletcher Jones? In fact, the previous Government had a similar agreement with Fletcher Jones of Mount Gambier that that firm would get a pay-roll tax exemption for a five-year period. I should have mentioned that, because I think that it is relevant. The Government has merely renewed that for a further five-year period. I think that that expired about a year or so ago. As part of these negotiations, Fletcher Jones asked for an ongoing renewal of that, and the Government was quite happy to give it because, as I said, it is part of our policy to give it not only to Fletcher

Jones but also to other decentralised manufacturing industries.

Coming to the Leader's question, first, we pay this financial year pay-roll tax that was paid last year. Under the scheme people pay pay-roll tax on a monthly basis over the 12-month period. At the end of that 12-month period, the Government assesses what pay-roll tax is eligible under the scheme and then makes a payment back to the company. So, the Government can fairly accurately determine what that should be, because that pay-roll tax has already been paid. We are therefore basing it on employment during 1981-82 rather than during 1982-83.

It is a remission of pay-roll tax: they have actually paid the pay-roll tax during 1981-82 on monthly instalments. The Government makes a calculation and actually pays back to them in 1982-83 what they actually paid to us in 1981-82. So, it is a remission of what they paid last year. One could not do it sooner than that, because it would cause administrative problems, as calculations must be made. In some plants, some people are eligible for the rebate whereas others are not.

In a winery, for example, people involved on the manufacturing side of the operation are eligible for the pay-roll tax rebate, whereas those involved on the primary industry side of the vineyards and grape-picking are not. So, until the year is over, it is difficult to make an accurate assessment. That calculation is based on what was actually paid and the people employed in 1981-82.

Mr BECKER: Will the Minister explain the line 'To cover losses and other payments associated with the operation of Riverland Fruit Products Co-operative Limited...'? The actual payment in 1981-82 amounted to \$9 550 000, whereas the proposed expenditure for 1982-83 is \$4 500 000, making a sum total of \$14 050 000. What accumulated losses have been incurred by the cannery, and how much will the Government contribute to the receivers and managers? Will the Government's proposed expenditure for 1982-83 be used to allow the cannery to continue to maintain its current level of employment, or will it be used to repay the accumulated losses?

The Hon. D. C. Brown: I do not have before me the detailed accounts for the Riverland cannery. Therefore, I can supply only a general reply. These payments are made to cover the accumulated losses incurred by the cannery. Those losses have been accumulating since the receivers and managers were appointed in about September 1980. I believe that more detail is supplied on page 174 of the Auditor-General's Report. Some of the expenditure will be used to service losses carried by the South Australian Development Corporation. The member would realise that my department took over responsibility for the financial liabilities of the Development Corporation and, as such, we have been rolling over commercial bills to cover that. We are now trying to terminate some of those commercial bills.

The South Australian Development Corporation held about \$9 000 000 in commercial bills when it was taken over. I have been rolling over those commercial bills on a three-monthly basis. It has been decided that it would be better to stop rolling over those bills where possible and to start paying them out. There is no likelihood of those bills being repaid by the cannery, because those debts were incurred prior to the appointment of the receivers and managers. For that reason, these payments occur in the lines. The Attorney-General gave specific details in the Legislative Council.

Mr BECKER: Where? It is no good making a statement like that. I do not know what was said in the Legislative Council.

The Hon. D. C. Brown: It was said about two weeks ago; I will obtain specific information for the member. Unfor-

tunately, I do not have before me all the financial statements in relation to the cannery.

Mr BECKER: That is unfortunate, because this is a very large allocation out of the Minister's budget. It is a very significant amount that the State will have to make up in relation to one failing project. The South Australian Development Corporation should also receive close examination when one considers its assets and liabilities. I can see nothing in the lines in relation to Government guarantees. Has the Minister accepted all responsibility in relation to the activities of the South Australian Development Corporation? What are the accumulated losses of the Riverland Fruit Products Co-operative Limited and what future commitments will be made by the Government? Do the accumulated losses amount to about \$35 000 000? Are some of those losses covered by guarantees and, if so, is it to the State Bank? How will we make good this amount?

The Hon. D. C. Brown: From my own knowledge, the member's figure of \$35 000 000 is not correct. Certain guarantees have been given, not necessarily by the State Government but by the State Bank. The State Government has guaranteed the State Bank for some of that money. That is not an unusual arrangement where the State Bank invests large quantities of money in relation to a particular financial venture; it asks the State Government at least to guarantee those funds beyond what could be termed a normal bank risk or loan.

If the member refers to page 174 of the Auditor-General's Report, he will note that certain assets were held by the Development Corporation as follows: \$3 642 000 in cash and short-term deposits; \$2 501 000 in outstanding loans; \$1 000 000 in interest in a subsidiary company; and \$250 000 in shares. In relation to liabilities, there were borrowings of \$8 298 000. As I understand it, some of the \$9 550 000 last year and the \$4 500 000 this year will be used to cover those liabilities and some of it will be used to cover liabilities incurred by the cannery since the receivers and managers were appointed. I will obtain information about the current position in relation to the cannery losses.

The Government has made a commitment. Details in relation to the cannery's continued operation for the current 12 months have been given by the Minister of Agriculture. The Government has undertaken to purchase fruit from the growers on the same basis as occurred last year in relation to tonnage. The Government has also given a guarantee in relation to the price, and I believe that the figure is \$180 per tonne. I refer the member to the detailed statement that has been made in relation to this matter.

The member also referred to guarantees. The Treasurer is responsible for guarantees. Those responsibilities have not been transferred to the Department of Labour and Industry. However, the Industries Development Committee, which is the body that examines and approves any guarantees given by the State Government, has received the results of investigations conducted by the Department of Trade and Industry.

Mr BECKER: This matter is becoming very complex. I think that the issue should be simplified, and I believe that we are entitled to know the full story. I would appreciate all the information that the Minister can supply. I am concerned that the Government will guarantee to purchase this fruit. Will the fruit be canned and sold? I understand that there is a very large stock of tinned fruit that is probably reaching the end of its shelf life. Has the Government received any approaches from Japanese organisations interested in purchasing the cannery? If so, what stage has been reached in relation to those negotiations? If there have been no recent approaches, is the Government still interested in negotiating to dispose of the cannery?

The Hon. D. C. Brown: In legal terms, the cannery is in the hands of receivers and managers. All negotiations for the sale of the assets of the cannery have been conducted through those receivers and managers.

To my knowledge there have been approaches made about the cannery by a number of people and detailed discussions have taken place which include at least one Japanese party. As I understand, those negotiations have not been successful. That does not mean that the receiver/managers are not still pursuing some purchaser for the cannery because I know that they are. I also know that they have done a tremendous amount of work in improving the efficiency of the cannery and in trimming losses. I can indicate that losses now being incurred are, on a monthly basis, substantially less than they were 12 months ago. Those losses were substantially less than they were 12 months prior to that when they were less again than they were at the height of the problem and before the Government was notified that a loss was occurring.

The problem was that despite requests by the Government for information to be supplied to appraise it of what was occurring, the Government was not supplied with that information. Certain assurances were given at the time that this Government first came to office. It is obvious now that those assurances were incorrect. It was not departmental representatives who gave those assurances, so their incorrectness was not the responsibility of this Government. This Government has acted responsibly in trying to sort out the enormously complicated problem handed to it in the form of marketing agreements and other matters which had not been thought through properly in relation to the cannery. I compliment the receiver/managers for what they have done. The Attorney-General and I meet with them on a regular basis. They have ensured that management has improved and that losses have been reduced. I do not wish to go into too much detail about other matters because some of the information is of commercial significance. However, contracts with Henry Jones have been renegotiated and parts of the plant that were in real difficulty in 1979 are now running much more smoothly.

The renegotiation of certain contracts on a short term basis has resulted in certain operations continuing without any loss, so certain parts of the operation appear to be close to a break-even point if they are not breaking even. I agree with the honourable member that this is a complex area because in the middle of this problem we have had a co-operative and the South Australian Development Corporation, (which is outside the control of this Government but under legislative control) being involved in the *de facto* management of that co-operative. Then the receiver/managers were appointed. When I compare what I saw at the cannery in 1978-79 with what is there now it is obvious that the whole of the management has been tidied up. I believe that finances have also been tightened considerably. It is unfortunate that for many years more appropriate management was not applied, that a tighter rein was not kept on losses, and that the real financial position was not revealed. I do not think that anybody quite understood what had occurred for a number of years, what certain equipment had cost or what was involved in installing that equipment in 1979.

The Hon. J. D. WRIGHT: Having listened to the Minister, I have almost come to the conclusion that the cannery now has a fairly sound future. I have been to the cannery recently and know that there is genuine concern felt throughout the district particularly by those people who work at the cannery. If one were to read what is recorded in *Hansard* as being said by the Minister today, one might think that the Minister is now fairly confident that the future planning of the cannery is well under way and that a guarantee of security of employ-

ment is well under way. Can the Minister tell the Committee what are the Government's future plans for the cannery if things return to the previous state? There have been many attempts to correct the situation at the cannery and I would not want any false information appearing in the press or *Hansard* because of the effect that that would have on people and on the local community, and more particularly on those people who work at the cannery. Is the Minister in a position to state that the forward planning for the cannery now pretty well ensures job security, and what alternative plans does the Government have if the success the Minister believes might be achieved is not achieved?

The Hon. D. C. Brown: I ask members to read carefully what I have said. I think that what the Deputy Leader has said (and I can understand him saying it) does not quite perceive what is a complex picture for the whole industry. I will try to explain some of those uncertainties. The Government has spent weeks of its time trying to clarify some of the uncertainty associated with this matter. An I.A.C. hearing is being held at the Federal level and we do not know what findings that hearing will come down with.

Mr BANNON: We have a fair idea.

The ACTING CHAIRMAN (Mr Mathwin): Order! If the Leader wishes to speak, I ask that he directs his remarks through the Chair. All members will have an opportunity to ask questions.

The Hon. D. C. Brown: There was an interjection, 'We have a fair idea'. I have been closely involved with this investigation but I do not know what findings this Commission will come out with. The Federal Government has offered a short-term tree-pull scheme. That tree-pull scheme applies until the end of this year. It is a scheme announced perhaps more to overcome a problem in Victoria than the problems in South Australia and in New South Wales. They are facing enormous difficulties in the canning industry in New South Wales and Victoria. There were three canneries in Victoria but one has now closed. I believe that the tree-pull scheme introduced by the Federal Government is aimed at the canneries in Victoria and particularly at pear growers, who needed to pull out their trees and plant something else. There is the uncertainty of not knowing how effective the existing tree-pull is and the further uncertainty of not knowing what the I.A.C. will recommend. There is also the uncertainty of not knowing where the other three canneries in Australia are heading.

There have been detailed talks proceeding for a year or so between the canneries. It is an industry in which some rationalisation has already occurred. We are trying to make sure that we are in the most fortunate position after any rationalisation that takes place. I can give no undertaking about the long term future of the cannery. I think that any person who tries to do that would be a fool because there are so many unknown factors that will arise during the next 12 months. All I can say is that the Government has tried hard to make this an efficient, viable proposition. There are two aspects of this matter, the general canning line and the fruit canning line. However, while they are an integral part of the cannery, they can be seen as slightly separate.

I emphasise that the general products line is on a short term contract only that is due to expire in January or March next year. We fortunately have been able to renegotiate that midway through the contract to get a better price because the cannery was running at a substantial loss on the existing contract. That has meant that, certainly, the general products line on the existing contract appears to be at a break-even point. I want all members to realise that there are many unknown factors in both the general canning area and the fruit canning area and the fruit canning industry of Australia. This Government will do all that it can to see that this is a viable proposal if it keeps going. I think you can see the

financial commitment as a Government that we have had to make, frankly, because of very serious mistakes that were made several years ago before this Government was in office, for which we are now having to pick up the responsibility.

The ACTING CHAIRMAN (Mr Mathwin): At the moment there are calls on the other side of the Chamber. The Deputy Leader has the opportunity of asking three questions before I go to the other side.

The Hon. J. D. WRIGHT: Looking at the Miscellaneous lines, I note that there is a \$5 000 increase on the amount of money voted for the Community Improvement Through Youth, which, of course, we all know as CITY. What actual activities has the Youth Advisory Panel that the Minister created some months ago been undertaking? I have not been able to catch up with any of its activities. I saw the announcement and the introduction of the Chairman, and I noted the people who were on it and made some criticism of those people at that stage. I make no criticism of the idea. It is a worthwhile one when we have the problem that we have with our youth at the moment. What has it been doing? Has it come up with any ideas, whether they have presented any papers, whether they have been in touch with the youth, holding seminars, or what have been its activities? I may be wrong about this, but I could not find anything in the lines or in the yellow book in relation to any Budget money that it may have had to spend or whether or not it was receiving any fees. I do not know whether it is or not. I could not find it, though it may be there. I want an idea of what it has been doing since it was appointed, how successful it has been, what communications it has had with the unemployed youth and other youth in our State, and whether or not it has a budget on which to operate?

The Hon. D. C. Brown: First, there is no specific financial allocation for the Youth Advisory Panel. The reason for that is that its members are not being paid a fee for their meetings. It was decided at the request of some of them that because of the nature of their work and the advice that they were giving it would be inappropriate to ask for a fee. I agreed with that. Therefore, they are not receiving what one would call a normal Government or board sitting fee and there is no specific financial allocation. They are serviced by the Youth Bureau, which is not covered under CITY, but elsewhere under a line on which we have already voted. However, I am happy to go ahead and answer the rest of the question.

The first task that it had was to comment specifically on a number of papers prepared by the Youth Bureau. I am still waiting on those detailed comments. It has been asked also to get in touch with a broad spectrum of youth organisations in the State, to get to know them, to hold discussions with them and to talk about youth issues, particularly employment issues initially, with those bodies. Of course, the body itself had very broad representation of youth groups in the State. I certainly do not accept the criticism that has been levelled at that panel. I think that if you look at all of the details of where the people came from, it is remarkable that on a panel of nine people you could have so many different community interests represented, from rural interests to the interests of the arts, to the unemployed, to the disabled, to women and to other groups as well. Really, I think that that answers the honourable member's question. Its task is to advise the Government on a number of issues that I have given to it specifically and also to come to me with specific advice.

The Hon. J. D. WRIGHT: So far it has not come with any advice. You are waiting on advice. Is that the situation?

The Hon. D. C. Brown: It is still formulating its response on a number of papers that I have referred to it.

The Hon. J. D. WRIGHT: My final question relates to the home handyman scheme. I noted that last year there was about \$15 000 voted for this line and that only \$2 772 was spent. I was the Minister who introduced the home handyman scheme and it was a very successful scheme at that time, taken up particularly by elderly people.

The Hon. D. C. Brown: On a point of order, if there is no allocation for a specific point, is it possible or competent for this Committee to debate it?

Mr BANNON: This Committee can move to include it this year.

The CHAIRMAN: Order! The Minister has asked for a ruling. It would be quite in order to consider the vote for 1981-82 of \$15 000 and the actual payments of \$2 772 in that year.

The Hon. J. D. WRIGHT: I was making the point that it was one of the more valuable schemes, particularly for elderly or disabled people. I recall circulating the recipients of that scheme, asking them whether or not they agreed with the scheme. To my everlasting surprise, a very large majority of those people replied commending the scheme. I have had various councils raise the matter with me from time to time, and particularly last time I was at Mount Gambier. It is still raised in my own council area. It seems to me that it is an issue at least still within the community. I noted that for the first two or three Budgets this Government kept it going, so in its view it must have been a worthwhile scheme. I notice that on this occasion there is no allowance, and last year only \$2 772 was spent out of a budget of \$15 000. Has the Government not promoted it, and why would it all of a sudden fail when it was being used to great effect? Secondly, has the so-called visiting tradesman scheme to a large extent superseded the home handyman scheme?

The Hon. D. C. Brown: First, I do not think that it is appropriate to talk about the visiting tradesman scheme. I would be only too happy to do that under the P.B.D. line later this evening. On the home handyman scheme, there is no allocation this year. I have told Parliament already the reasons why the Government decided not to proceed with that scheme. It was a scheme specifically designed to create employment for unemployed young people.

Our assessment was that it was not giving full value for money, that there were other ways of spending the money which would have been of far greater benefit to unemployed young people in getting a job. I do not think it is appropriate to go into any detail over those arguments. The actual payments for 1981-82 were due to late claims. The scheme was in fact, terminated at the end of the financial year 1980-81. We put \$15 000 aside because we were not sure how many late claims would come in. The late claims were much smaller than we anticipated, as I said, \$2 700.

Mr ASHENDEN: My question relates to the line, incentives to Industry, which lists considerable detail. I note that the amount has gone from just over \$8 500 000 to almost \$9 900 000, which is well in excess of inflation. Could the Minister outline the areas in which most of the money is to be spent and where he feels that the incentives to industry will be mainly directed?

The Hon. D. C. Brown: We expect an increase in payments under the establishment payments scheme. We expect an increase in funds under the motor vehicle industry assistance scheme. The export bridging finance scheme has largely become self funding. The Government, having put aside money for that scheme, is now receiving repayments because the Federal Government has now paid up the moneys payable. That goes back into a deposit account so the scheme, although not entirely, is now largely self-funding. I think we are putting aside \$80 000 this year for its administration. There is certainly an increase in the pay-roll tax and land

tax for decentralised industries. I think we have increased the pay-roll tax rebate scheme for youth workers. Looking right across the board it is not possible to say any one of them has jumped at the expense of the others. In fact, they have all increased, with the possible exception at this stage of the export bridging finance scheme which, as I said, is now self-funding.

Mr ASHENDEN: I seek further clarification of the Minister's answer. Could he explain the additional money he indicated is going to the incentive scheme and to the scheme for assistance to the motor vehicle industry? Is this because the Minister believes that there will be additional industry attracted to South Australia and, therefore, greater spending on incentives, which is what I originally asked? In what areas is there to be additional spending in relation to motor vehicles assistance?

The Hon. D. C. Brown: The establishment payments scheme operates on the basis that someone makes a commitment. They develop their new venture or expansion; they invest the money, they employ the people and we pay them, based on performance. Last year under the establishment payments scheme we paid out \$1 230 000. This year under that scheme we have known commitments of \$1 750 000, which means that there has been a very substantial jump in both new investment and jobs. The fact that we are going to pay it this year means that, in the months prior to that payment, that situation has actually occurred. Certainly, the scheme has proved to be very successful since we modified its guidelines about two years ago. Certainly, it highlights the extent to which the Government has been very successful in attracting expansion of existing industry, expansion of jobs, or the attraction of new industry to this State.

The fact that we have this sort of commitment already, when we are just starting a financial year, indicates how successful the Government has been in attracting new manufacturing investment. In the motor vehicles area, again it is very hard to predict. It depends on what applications come up. We try to respond very quickly in that area and it is not really possible to be quite definite. We have allocated approximately \$1 000 000 a year. Generally, we have not spent that amount, but will continue to allocate that sort of level. It is hard to estimate from year to year. It might be that someone comes along with a significant proposal and the payment is made almost immediately, once development starts.

Mr ASHENDEN: My second question relates to the Small Business Advisory Bureau reimbursement to consultants. I notice in the line that the proposed amount is the same as the proposed amount for last year, but it is in excess of the actual payments for the year just completed. Can the Minister indicate the areas of expertise that he will be seeking from consultants that are not available within his own department?

The Hon. D. C. Brown: Again, this is very hard to predict, because it depends really on what applications come in. For instance, I can recall one case where an applicant came in and had what appeared to be an excellent piece of technology. Two people were involved. They were from the member for Mawson's electorate, and wanted someone to do a financial assessment of what funds would be required to get an industry with significant potential off the ground. So, we paid, I think, half the cost. Generally we do it on the basis that we require the participating party to pay half and we pay the other half. Sometimes small companies come along with potential to expand, but with a particular problem, which may be marketing or something else. I indicate that in 1980-81 seven firms received assistance under that scheme, totalling \$23 000. Last year that increased to 19 firms covering \$53 000. The figure for this year is again set at \$70 000.

It is hard to predict what it might be. In some cases one overspends, and in others, underspends. To a certain extent, they are all part of the figures. We do it on that basis because we need flexibility between our lines.

That is why one sees under incentives to industry that we put all those together so there is flexibility in moving funds from one area to another under the incentive scheme, depending upon the need. I think that that is one characteristic for which this Government has developed a reputation, not only in Australia, but overseas. A large number of companies has complimented us on our rapid response and flexibility in meeting specific requirements of companies when looking at development proposals in this State.

Mr ASHENDEN: My third question relates to the line Technology Park, Adelaide Corporation. Of course, I know why this is a new line in this Budget, but I wondered whether the Minister could indicate the area in which he would anticipate the \$305 000 allocated to that line being spent.

The Hon. D. C. Brown: It might be appropriate if I asked the Deputy Director-General who tends to take responsibility in liaison. There is a new corporation in that area to cover the general areas broadly. They are largely picking up staffing and other functions which have been carried on in the department, plus the new functions of the board.

Mr Kowalick: Of course, being the first year in which Technology Park Corporation operates in its own right it has some initial establishment costs. The corporation currently has two staff.

With overheads, that amounts to about \$70 000 for costs associated with that. There will be some on-going maintenance costs associated with maintaining the site. However, the balance is basically for marketing in co-operation in part with the department. There will be some consultancy exercises required because, when we get the first client we have to install various services. Engineering consultancy is required because, obviously, the corporation does not have specialised staff for the development of sites. The single biggest item would be staffing and marketing costs.

Mr ASHENDEN: Can the Minister or the Deputy-Director expand on the aspect of marketing? Obviously Technology Park could play a major role in South Australia's future. Could I be given some indication as to the way in which that park is going to be marketed?

The Hon. D. C. Brown: I cannot give final answers on that because it is still being assessed. Fortunately, the Chairman of the corporation, Mr David Pank, was overseas on private business but while there he took the opportunity to talk to people involved in science or technology parks overseas. We are looking at types of proposals as to how to market the park. There are a number of different ways in which that can be done. We have been marketing it on a general basis with advertisements in the *Business Review Weekly*, the *Australian Business*, the *Bulletin* and other publications. We found a fairly interesting response from those. Surprisingly we had a greater response from some of the more specialist magazines than some of the more general ones.

The full marketing strategy is in the final stages of being worked out now. It would be inappropriate for me to say more than that except that it will need several different strings to the approach that is taken. It is a key and vital part. We have invested a large amount of money in the asset of land and the right location for that land. The important thing now is taking it beyond that stage. We have put a lot of thought and effort into it.

Mr BANNON: I refer to the incentive to industry schemes, particularly to the Establishment Payments Scheme. In response to the member for Todd, the Minister stated specifically that much greater demands were being placed on

this scheme and that it was expected that major expenditure would be incurred. That does not seem to be borne out by the experience last year where there was a Budget allocation of \$2 100 000. It was not all spent, and, in fact, it was considerably under-spent. Even if we take into account the fact that there is a carry-over of \$670 000, which is going to be spent this year because of delays in the submissions of applications (and we require some explanation of that), that still leaves a net under-spending of the amount. The total then spent, if we add that in as predicted expenditure, becomes \$1 900 000 as opposed to the \$2 100 000 allocated. Clearly, the Government's anticipated expenditure in this area has not been matched by its experience. I wonder why it is that the Minister believes there will be increasing demands here, apart from those carry-over projects. What major projects are on the boil for the current financial year which justifies this increase in allocation?

The Hon. D. C. Brown: The department receives an indication from the firms involved in projects as to when they expect the expenditure to be made and staff to be taken on. I believe payment is made at the end of the first three months and then at the end of the first 12 months. The commitment for 1982-83 at this stage is about \$1 750 000. That is based on what we understand to be commitments where people have been employed and will have to be paid at the end of the three-month or 12-month period. I stress that one can never sit down and accurately predict what is going to occur over the next 12 months when we are looking into a crystal ball. However, certain indicators are fairly firm. Whilst there may be some slippage in the \$1 750 000 committed, they are not projects in the feasibility stage where a general undertaking has been given but where money has been invested and people taken on. I make the prediction that the sum of \$1 750 000, based on estimates provided by the department, relates to definite commitments already given by companies.

To enlarge on that, the Establishment Payments Scheme approvals which have already gone through the Industries Development Committee in 1981-82 total 36. Two have been rejected. The value of the capital expansion involved is \$34 932 000. It will provide 1 320 jobs. They are specific applications approved by the I.D.C. in the last 12 months. In addition, 10 applications for Government guarantees were approved valued at \$12 000 000 and four applications were declined.

Mr BANNON: I move on to the motor vehicle industry assistance scheme. Reference was made to this by the Minister in his response to the member for Todd. Certainly, headlines in today's paper suggest that it is an area where some sort of demand may well be made. I notice that an allocation of \$1 000 000 is being provided in the Budget for the scheme. It is interesting to note that that is exactly the same amount as was allocated in the 1979 Budget of the previous Government. So, in real terms we have gone down because, in money terms, we are the same.

It is also worth noting that, and I do not think on any occasion since the full amount allocated has been spent. In fact, in 1981-82 there was a 40 per cent underspending. Can the Minister say what the precise figure of expenditure is under this scheme? According to the Auditor-General's Report on page 175, the amount was \$606 000. On page 64 of the yellow book, the amount is recorded as \$632 000. So, there is the discrepancy there of some \$20 000-odd. Can the Minister supply the correct figure? I am not sure why there is such a discrepancy.

Looking at the experience of use of this scheme, why is it that in the past the amount has not fully been spent? Does it have something to do with the way in which the scheme is promoted or with the general response of the companies to it? In what precise areas does the Minister

see expenditure being required in this coming year, which allows for the \$1 000 000 to be allocated? Indeed, is that \$1 000 000, which was the same amount allocated in 1975, going to be sufficient in view of the enormous dislocation that could occur, particularly in the components area over the next year or so?

The Hon. D. C. Brown: First, to clarify the actual expenditure, I can give some information on that. As at 18 June 1982, which is not quite the end of the financial year and which date the Auditor-General would have used, the figure actually paid was \$606 089.52.

Mr BANNON interjecting:

The Hon. D. C. Brown: Obviously the Auditor-General took it as from 18 June. There were, however, three further payments approved, but not actually paid, and they amounted to a further \$70 500. Obviously, by 30 June, and this is the date on which the yellow book is based, at least one of those payments of \$20 500 had been made. The Auditor-General's figure was closed off on 18 June, and the yellow book was closed off on 30 June, and that is the reason. But there had been approvals already standing as at 18 June which were not included in the Auditor-General's Report.

In terms of the effectiveness of the scheme and the way in which money is spent, I stress that the scheme is there to help the restructuring of the motor vehicle industry. That \$1 000 000 allocated does not mean that that \$1 000 000 needs to be spent or that the scheme has not been successful if that money has not been spent. If one wanted to take a very strict conservative line, one would allocate a lesser amount and then start to impose tight guidelines to make sure that that amount was not overspent. That is the way in which Treasury would normally tend to budget.

I stress, and I said this earlier, that we need flexibility in those areas so that, if a number of applications come along in one year, say in the motor vehicles area, then we can meet those without having to turn people away and it might mean that funds are allocated from one area of incentive to another. It really is impossible to make accurate predictions when one does not know who might come and knock on one's door during the year. It might be that one gets 30 or 40 very small requests; it might be that one gets three or four very large ones.

Of course, the large requests involve considerable amounts of money and make significant differences. Sometimes the Government puts aside amounts of money, expecting a payment to be made in that year, and because the project is running two months late, the actual payment is made in the next financial year. That occurred in one particular year where a payment for the plastics plant at G.M.H. was deferred from one year to the next. The fact that the \$1 000 000 has been underspent, does not detract from the scheme at all. I do not think that it shows that the guidelines are inadequate.

One has to judge the scheme on what has been attracted and assisted because of the availability of the scheme. Can I be quite honest and say that four or five years ago I was somewhat sceptical about Governments being successful in trying to restructure industry. Having come through an interesting three-year period in which Australian industry, particularly industry in this State, has undergone a very substantial restructuring, I have changed my attitude on that completely. It is perhaps very hard for me to relate this until one actually knows specific examples of where the Government has helped a company and what we have been able to achieve. I would rather do that in personal conversation because, to a certain extent, I do not want to reveal to other States some of our successes.

The Hon. J. D. WRIGHT interjecting:

The Hon. D. C. Brown: I have always supported this motor vehicles scheme. I have never said that it was a socialist plot, as suggested. Another question which was raised by the Leader and which he has not had a chance to ask specifically, I would like to answer for him in the moment I have got; it relates to special assistance loans or hardship loans. There were a number of these loans that the Government picked up which were a carry-on from the hardship loans we offered, because of the Riverland cannery going into receivership. The Leader may recall that we had offered these loans for small local industry which was going to be put in a very difficult position because of that receivership and the fact that they would not have been paid.

The other specific area related to a couple of sub-contractors at Mount Gambier on the North-West Shelf when Brian Grove Constructions went into receivership, where we gave some hardship loans to be repaid to a number of the subcontractors because they had not been paid for either materials or work already carried out, and were in a position of not being able to carry on with that job and complete it. I have seen the job; it is now almost completed and is going very well. I think that that scheme has been successful.

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

[Sitting suspended from 6.2 to 7.30 p.m.]

The CHAIRMAN: Before proceeding, I point out that there are three remaining votes: Public Buildings, Public Buildings Department associated with capital expenditure, and the Minister of Public Works, Miscellaneous. Does the Committee wish to come to an arrangement in relation to timing?

The Hon. J. D. WRIGHT: I think most members of the Committee have been here all day. I do not think that we will be prolonging proceedings any longer than necessary. I have had a behind-the-scenes discussion with the member for Glenelg and we have decided to proceed without setting a time limit for each vote at this stage, in the hope that good progress can be made. Obviously, we must finish by 10 o'clock, anyway. I think common sense will prevail and the Committee will conclude all three votes to your satisfaction, Mr Chairman.

The CHAIRMAN: Does the Committee agree to the Deputy Leader's suggestion?

Mr BECKER: Yes.

Public Buildings, \$54 196 000

Chairman:

Mr E. K. Russack

Members:

Mr E. S. Ashenden

Mr H. Becker

Mr R. Gregory

Mr K. C. Hamilton

Mr I. P. Lewis

Mr J. Mathwin

Mr G. T. Whitten

The Hon. J. D. Wright

Witness:

The Hon. D. C. Brown, Minister of Industrial Affairs and Minister of Public Works.

Departmental Advisers:

Mr H. E. Roeger, Director-General, Public Buildings Department.

Mr L. Bates, Director, Client Services, Public Buildings Department.

Mr R. Power, Director, Operations, Public Buildings Department.

Mr N. Nosworthy, Manager, Programming and Budgeting, Public Buildings Department.

Mr F. Crosby, Director, Other Government Buildings, Public Buildings Department.

Mr G. Manning, Director, Education Buildings, Public Buildings Department.

The CHAIRMAN: I declare the proposed expenditure open for examination. Are there any questions?

The Hon. J. D. WRIGHT: Mr Chairman, I hope you will bear with me, because my first question will be relatively long and it will be supported by a letter that I will read into *Hansard*. I think it is true to say that since this Government took office it has been cutting the amount of work performed by the Public Buildings Department, partly through a reduction in the number and size of projects undertaken and partly through an increase in the amount of contract work. In 1982-83 it will continue to cut the size of its workforce through natural wastage and through transferring the remaining maintenance staff and health care units to the Health Commission.

In 1981-82, \$6 600 000 (in fact, a 12.5 per cent overrun) was budgeted for recurrent payments. The Government lists the following causes: renegotiated lease rentals, \$1 500 000; telephone charges, \$380 000; Health Commission maintenance, \$1 100 000; providing for obsolete stocks, \$570 000; preliminary investigations not proceeded with, \$213 000; wage increases \$1 300 000; and surplus labour (which we will not have to deal with under this vote), \$1 000 000. I refer to a letter from a very interested Public Buildings Department employee, as follows:

As a daily paid worker employed by the Public Buildings Department, I wish to place on record, my concern at the manner in which this department has been downgraded in the past two years. The Liberal Government's policy of allowing Government departments to run down by the process of natural attrition has created serious morale and efficiency problems within the P.B.D. and has led to a decline in service to client departments, who are now forced to endure lengthy delays in our response to breakdown calls. The practice of engaging private contractors to carry out breakdown and minor maintenance work is not, I believe, in the best interests of client departments or the taxpayer.

Clients must receive more effective service from a pool of service personnel, who, through experience, gain specialised knowledge of each Government asset and the individual problems associated with each one, than from a variety of private contractors. The taxpayers receive better value for money with P.B.D. personnel for a number of reasons:

- (1) Supervision of private contractors engaged to carry out breakdown repairs is almost impossible due to:
 - (a) the urgency of the job;
 - (b) lack of sufficient inspectorial staff;
 - (c) location of the job (e.g. in country areas).

While not suggesting that all private contractors are dishonest, the temptation exists to engage in dishonest practices such as charging for materials or spare parts not used, or to 'make the job worth while' by taking longer than necessary. A good example of this, and by no means an isolated one, was the case of a Port Augusta electrician, called in to repair a minor fault at Port Augusta Gaol, was instructed by his employer to spend no less than four hours on the job.

The private contractor has a vested interest in performing certain jobs as cheaply as possible, with little or no regard to future maintenance problems. P.B.D. personnel have nothing to gain from such practices.

- (2) Client departments, particularly in country areas, often request visiting P.B.D. maintenance personnel to rectify various other problems apart from the original purpose

of the visit which, if possible, are attended to with little or no extra cost to the taxpayer.

Private contractors, called in to rectify a particular problem, level a charge for each service performed.

- (3) Claims made by the Government that work performed by private contractors is cheaper than that performed by the P.B.D. are false.

The labour rate charged for work performed by P.B.D. personnel is currently \$16.64 per hour. The hourly rate for tradesmen is currently \$6.19 per hour.

I point out that this letter was written in April, so there could now be some variation in those rates. The letter continues:

The mandatory 65 per cent overheads charge, fixed by State Government audit regulations, takes a tradesman's hourly rate, including personal overheads to \$10.21.

The remaining \$6.43 per hour is charged to cover administration and inspectorial costs which are incurred regardless of whether the work is carried out by private contractors or P.B.D. tradesmen. To gain a valid comparison, this \$6.43 should also be added to the hourly rate charged by contractors, which in many cases, is far in excess of our \$16.64 per hour, anyway.

I enclose a copy of an article in the newspaper *Voice* 17.3.82 which details the manner in which the Noarlunga City Council was able to achieve a significant reduction in the cost of its maintenance programme by the use of day labour in preference to private contractors. I believe the Liberal Government has blatantly and deliberately duped the public into believing better value for money is obtained by using private contractors rather than daily paid tradesmen to carry out Government maintenance programmes. This policy of preference for private enterprise is no doubt the price that had to be paid for the support given to the Liberal Party by business interests before and during the last State election.

I believe it to be in the best interests of the South Australian taxpayers for this policy to be reversed and staffing of P.B.D. maintenance sections restored to a realistic level so that breakdown and maintenance work can be quickly and efficiently carried out. As a member of the mechanical workshop, Netley, I have seen the number of tradesmen employed in this section reduced from 85, prior to the last election, to 44 at the present time. This number of tradesmen is inadequate to cope with the present workload, and will probably reduce even further, as men continue to leave due to the uncertainty of their future.

It is therefore essential that maintenance sections are permitted to replace men who leave, so that present staff levels are at least maintained, and preferably increased. As a State election is imminent, the employees of P.B.D. have a right to know the specific intentions of the Labor Party, regarding the issue of daily paid staffing levels in maintenance workshops within the P.B.D. should Labor gain office. I respectfully request a prompt reply so that members of this workshop and others will know, one way or the other, what the future holds for them under a Labor Government, and can cast their votes in a manner likely to serve their best interests.

I think that illustrates what has happened in the Public Buildings Department since the present Government took office. It is a well thought out, well written letter, and no-one could deny the claims it contains.

I was worried when I looked at the reasons given for this overrun of \$6 600 000. The Minister made certain allegations after coming to Government about overruns during the terms of the Dunstan and Corcoran Governments, yet here we have a \$6 600,000 overrun this year. I would like the Minister to say how he sees the letter I have just read out, which was written by a member of his staff who has told me that if I desire I may use his name, although I prefer not to do that, for obvious reasons. I would like the Minister to explain the reasons for this overrun with emphasis on the amount of \$1 000 000 attributed to surplus labour. Is it a fact that that \$1 000 000 overrun has been caused by contractors being called in to perform work while employees of the Public Buildings Department have been idle?

The Hon. D. C. Brown: There are a number of issues raised here by the honourable member. I would appreciate receiving a copy of the letter he has read so that I can deal with the matters contained in it in detail. I think that all honourable members appreciate that, when one has a two-

page letter read to one which raises a number of specific matters, it is quite impossible to reply to those matters immediately. I cannot even recall all of the points raised in that letter. Would the Deputy Leader be willing to supply me with a copy of that letter so that I can give him a detailed response, particularly as the individual who wrote that letter is willing for his name to be known to me?

The Hon. J. D. WRIGHT: It is recorded in *Hansard*, so it is only a matter of the Minister getting it from there.

The Hon. D. C. Brown: I understand that the writer was willing for his name to be used, so I wonder whether it is appropriate for the honourable member to make a copy of that letter available to me so that I can go back to the person who wrote that letter and answer those allegations.

The Hon. J. D. WRIGHT: He wrote the letter to me, so if the Minister gives me the answers I will pass them on to him.

The Hon. D. C. Brown: The gentleman was willing for his name to be used so I think it appropriate that I go back to him. I am surprised that the Deputy Leader, having indicated that he is willing for the author's name to be used, is not now willing to give it to me.

The Hon. J. D. WRIGHT: I have not said I will not give it to the Minister. I have said that the contents of that letter are recorded in *Hansard*. If the Minister cannot answer these matters using the *Hansard* record he can tell me and I will give him a copy of the letter.

The CHAIRMAN: The Minister has asked the Deputy Leader for a copy of the letter and I think the Minister should now continue with his answer. The Deputy Leader can comment further later.

The Hon. D. C. Brown: I still think it appropriate that I deal with this letter specifically after I have had a chance to go through it. The main purpose of the Deputy Leader's question was to investigate the overrun in the department. I will systematically go through the points he has made, points I think he has picked up from the Supplementary Estimates introduced into the Parliament. The \$6 600 000 does not equate to an overrun on individual projects that I referred to when I became Minister of Public Works.

I clarify this matter by saying that the areas I made some statements about at that time were areas where there had been overruns on projects without approval from Cabinet, the Minister in charge of public works or an appropriate person within the department. I forget the exact figure involved in those overruns, but I think we were dealing with a combined total of about \$21 000 000. I stress that the \$6 600 000 overrun under discussion does not in any way equate with that quite different overrun made without approval. I would highlight to the honourable member that one would normally expect some overrun because there is no provision made for a number of these matters in the original Budget. As I said earlier today, the component for wages does not include a component for wage increases; yet \$1 300 000 of that \$6 600 000 was specifically for salary and wage award increases. Another \$1 500 000 was put aside for increased rentals applying to new and renegotiated leases. I again stress that when the Budget is drawn there is never a specific provision included for increases in rentals during that year. Those increases are traditionally paid out of the lump sum allowance, so one would expect to pick that up.

There were also increases in power and telephone charges, totalling \$380 000. I stress, once again, that that is something normally picked up from the round sum allowance over and above the Budget amount because inflation is not provided for in the Budget. We are now left with four items, but the items already dealt with deal with the greatest amount of that \$6 600 000. I have mentioned the figures of \$1 300 000, \$1 500 000 and \$380 000, a total of \$3 180 000.

The amount involved in writing off stock involved the writing off of the last of the stock of Demac units. That is something that arose as an extraordinary payment and similar extraordinary payments, involving some writeoff of stock occur in most years. I suppose that one could put that down as the being the last formal accounting associated with those Demac units, the use of which, as the honourable member knows, was terminated. The next amount of \$213 000 relates to preliminary investigations not proceeded with. This is a traditional area of adjustment because there is a certain amount of work done that is not proceeded with. In other words, this is work that cannot be debited to a specific project.

We are then left with two amounts, one of which is the cost associated with Health Commission assets. The reason for this amount occurring is that certain maintenance units within the Public Buildings Department have been transferred to the control of hospital units. The hospitals were to take responsibility for maintenance of Hillcrest Hospital and Glenside Hospital from 1 January this year. Because of certain technical hitches they were not transferred before 1 July this year when Glenside was transferred, but Hillcrest remains the responsibility of the P.B.D. Therefore, those hospitals were still the responsibility of the Public Buildings Department and an additional \$1 000 000 had to be put aside for the maintenance of those hospitals for that further six months. That was, in effect, a transfer from the Health Commission because money for those hospitals was provided for in the Health Commission Budget. The only amount now to be accounted for is the \$1 000 000 associated with surplus labour costs.

The surplus labour problem is not in the maintenance area, as suggested by the honourable member, but rather in the construction area. The Government has made no secret of the fact. In fact, it has gone out and argued the value of putting major construction work to public tender and I believe that that has worked extremely well over the past three years.

Many of the weekly-paid work force within the Public Buildings Department would be in the area that previously would have been paid for from the Loan funds—not from maintenance funds—and the \$1 000 000, as I understand it, was put aside to pay the wages and associated work, and the supervision of surplus labour personnel who were not doing the construction work as previously had been done and who, therefore, were required to do other work.

They were not sitting back idle. Indeed, many of those persons were doing additional maintenance work. In Government schools we had a visiting tradesman scheme by which, if there was a maintenance problem in a school, a tradesman would go out, and they were paid for out of that allocation, as well as their doing other work on the Government assets. That explains where those people came from and why the money was allocated. I emphasise that the relationship developed, and the argument put forward by the honourable member, that we were taking on outside maintenance people in lieu of these people, where this \$1 000 000 was allocated, involves a false assumption because, generally, those people came from the construction area.

The Hon. J. D. WRIGHT: The Minister has, I suggest quite deliberately, evaded answering any of the allegations in the letter. I would like to receive from the Minister an assurance that he intends to answer the allegations in that letter at some stage, whether or not I provide him with a copy of the correspondence. To commence that operation, I ask him to comment on the first three points made in that letter, in which the writer talked about supervision of private contractors engaged to carry out breakdown repairs as being almost impossible, because of (a) the urgency of

the job, (b) a lack of sufficient inspectorial staff and, (c) the location of the job in country areas. In particular, he referred to the Port Augusta Gaol where there was an instruction by the principal contractor in those circumstances, whatever the job was, to take a minimum of three hours.

That is a really pertinent point in deciding the efficiency of the contract system (I am talking of maintenance) as opposed to the Public Buildings Department. I think that the matter has been fairly well explained by the contents of this letter. Will the Minister say (and I think that the Committee is entitled to know) whether he thinks that the private contracting system is more efficient than that of Public Buildings Department employees, and which of those two systems is the most costly to the taxpayer?

The Hon. D. C. Brown: I think that in the vast majority of cases the private contracting method is the cheaper and that, therefore, it is of value to the taxpayers. There will always be exceptions to that, and it will always be easy to pick up and quote one or two exceptions to them and try to turn that into the general rule. I am confident that what the Government has done over the past two or three years has been a very worthwhile exercise. It has been mainly not in the maintenance area, incidentally, but in the construction area. The amount of work that has been specifically taken up in maintenance contract is fairly minimal. I will get the Director-General to give more detail on that.

I think that it was not until about July of this year that we let three significant contracts on maintenance. Most of the maintenance work had been carried out, as I understand it, largely as previously was done. I emphasise that the big change has taken place on the construction side, where there is new work and where that new work has been let to tender or contract through the tendering system. In some areas, maintenance work can be carried out by private contractors. In other areas, it is better to do it using the weekly-paid work force. I frankly think that in the maintenance area (and I think that this is reflected in the organisation review report) a mixture of both is probably the most efficient method. I think that the honourable member, in suggesting that the Government has swung entirely across to private contractors in the maintenance area, is jumping to a false assumption. There is still a weekly-paid work force within the department of the equivalent of about 1 400 people. Perhaps the Director-General would like to comment in more detail on the points that are raised in the letter.

Mr Roeger: I have not much more detail. As the Minister has said, there is a mixture of contract and day-labour maintenance, with predominantly day-labour maintenance. In country areas, maintenance is primarily by contract, and in the metropolitan area maintenance is primarily by day labour. That situation has existed for some time. If contract maintenance is introduced in lieu of day labour it is in areas where it is more economical and more satisfactory to do it by contract. No great increase has occurred in the amount of contract maintenance carried out in the metropolitan area in recent years.

The Hon. J. D. WRIGHT: I realise that the Minister may not be in receipt of this information and I make no criticism of that, but perhaps some of his officers are. Allegations are contained in this letter and in other correspondence that I have about the services that a client receives, particularly in instances where the contractor has been in charge of the operation. Could the Minister or his officers give me any information as to the attitude of the clients to the services that are rendered to them in circumstances in which the contractor has been designated to do the job, as opposed to those complaints that clients have forwarded in regard to the maintenance jobs being done by Public Buildings Department employees? The comparison which I am trying to draw and the information which I have been given goes

back over quite a period now, that is, that P.B.D. employees on many occasions have been called back to rectify jobs that have been done by the private contracting firms. I have no evidence of that except allegations. Have there been client complaints? If the Minister is not in a position to answer I would be prepared to listen to his officers.

The Hon. D. C. Brown: I suppose as Minister of Public Works I am the target for every client to complain to if there is dissatisfaction. I probably get more complaints than anyone in the department, although I am delighted with the performance of the department, because I really think that it has lifted its performance over the past few years, despite the difficult circumstances through which it has gone in such a massive reorganisation and run-down in numbers. At least from the response that I have had from outside clients, I think that the Public Buildings Department has done a remarkably good job and that the standard has been lifted. Certainly, the number of complaints that I had in the past 12 months was far fewer than the number of complaints that I had in the first year that I was Minister.

I am not taking credit for that, because the staff, particularly senior management, has done such a superb job in tightening up the department. They should take the credit. Frankly, by far the largest number of complaints comes to me relating to work done internally. But, I want to qualify that immediately by saying that I expect that, because they do by far the greatest amount of maintenance work. So, if they are doing far more work, one could quite rightly expect that there would be far more complaints. We are talking about maintenance. In reverse, I would get more complaints on the construction side from the private sector. Again, I qualify that by saying that that is because the private sector is doing by far the largest portion of the construction work. I can relate one case where a contractor has fiddled, delayed, and not met the time schedules. My instructions to the department are that, where it runs into such a contractor, he is not to get further Government work.

I stress that we deal harshly with private contractors that do not match the performance expected by the department. On numerous occasions I have told my staff to make sure that this or that particular contractor does not get any additional work from the Government because he is not up to standard. Some of those people have argued bitterly about it and said, "Why aren't we getting more work?" We tell them. We have not hidden the fact that we have been totally dissatisfied where this has occurred. That occurs in a minority of cases. I think the one thing that has come through is that the department acts in a very professional manner, particularly in the larger construction jobs, where I suspect that, by using services from within the department and then externally, it would be difficult to get a more professional group.

I highlight the Sir Samuel Way Building. That project, which has gone extremely well, has involved a blend of skills within the department, under project manager, Mr Ray Power, construction managers, Baulderstone, and a mixture of professional services from within and outside the department. We had the architectural skills of John Morphett and his staff, and I think that when the product is finished it will be a credit to all who have been involved. But, perhaps the Director-General could comment more specifically on how he at least receives comments back from client services in relation to work done either by private contractors or work done within the department by weekly-paid staff.

Mr Roeger: The department naturally tries to satisfy the needs of its clients and to work so that it avoids criticism. In the bulk of cases we do exactly that. We perform fairly well and get no complaints. It would be difficult without statistics to give more information, and I do not think we

have statistics on numbers of complaints received. However my gut feeling is that I would have more complaints from clients on day labour work than I would have from clients on contract work. But, I am talking about a very small number of complaints and a very small number of jobs as a percentage of a big maintenance organisation, which we have.

Again, if I was asked to judge the difference in quality between work done by contract and work done by day labour, it would be very difficult. I think, in the vast majority of cases, that they are just about equal. We specify work to be done by a contractor and we supervise it. We use the same specification requirements for work done by day labour, and vice versa. In the bulk of cases, it would be difficult to determine any difference.

Isolated exceptions exist. We have had to do again work done by contractors and by day labour. At the same time, I would not like to put any figure on this. Generally, we have trained staff whose specific job is to supervise contractors to ensure that we get from them the work for which we pay. If we increase contract work, we will naturally have to increase the supervisory staff to ensure that we are getting value for money expended by contract. We try to apply those same checks to work done by day labour.

Mr MATHWIN: I would like to ask the Minister a question relating to the line 'Operations', on page 53, involving an amount of \$13 638 200. Included in that operations area is the Public Buildings Department, which is named at page 82 of the yellow book, in which corporate management objectives are mentioned, some of which are as follows:

To provide Government with an executive resource through which it can examine and implement its needs for buildings and building maintenance.

To assist departments in formulating their components of the Government's total building programme.

To recommend to Government and departments appropriate designs and other criteria to meet users' and Government's requirements for building and maintenance.

To recommend to Government programmes for its capital and recurrent building expenditure.

Is that the same area to which that allocation applies? Also, where does the P.B.D. actually come in when one speaks of planning and programming for the year? What are the priorities? At what stage of the consideration of priorities does the P.B.D. come in?

I mention a specific problem in my electorate, about which the Minister will no doubt be guessing. Of course, I am very concerned about the problem at Brighton High School, which has had some press coverage recently. As far as I am concerned, as a layman, I believe that that school ought to have priority now over all schools because of its condition. At page 82, under 'Strategies' it is also said:

P.B.D. must increase its scrutiny of requests from clients for major capital projects. In conjunction with Treasury and clients, the department must consider alternative sources of funding for projects (e.g., Law Courts Building).

It goes on:

With clients, P.B.D. must examine the priority of new building works relative to the needs of maintenance of existing facilities.

Here again, Minister, I think you will find in relation to Brighton High School that when the problems at that school are assessed the dire need for maintenance in the many timber classrooms, resulting from their age, and so on, will mean the need for maintenance and upgrading that will extend far beyond the redevelopment programme for that part of the school. In relation to that matter, where does the P.B.D. come in? How far do its recommendations go in relation to priorities?

The Hon. D. C. Brown: I return to the first part of the question, which specifically related to the Operations Division, for which \$13 600 000 is proposed this year. The department has undergone a fundamental reorganisation.

The line Budget has been adjusted because last year funds were allocated on a quite different basis, as they have been for 1982-83. I will ask the Director-General shortly to talk about the new organisation of the department and the divisions involved, and to answer the honourable member's question regarding when the Public Buildings Department, through its Client Services Division, becomes involved in the project. If the honourable member is looking for a line more closely related to the present works down at Brighton High School, it would probably be the client services area rather than the operations area. I will ask the Director-General to outline the four new functions under the operation of the department which now include operations, client services, management services, and administration and finance.

Before handing over to the Director-General, I would like to comment on the Brighton High School. I am aware that the honourable member has fought a very strong campaign to represent his area. I applaud him for making sure that the Education Department and the Public Buildings Department were fully aware of the state of the Brighton School and the extent to which it has been dependent for many years now on transportable buildings. The Government is concerned that for many years that project has been put off continually. I understand that the honourable member himself was told that development plans existed in 1979. I have never been aware of any such development plans. When I asked the department for such plans several months ago, I was told that to its knowledge there were no such plans. It appears either that those plans were lost or that the wrong information was given.

Following requests from the honourable member and the resultant deputation to me and the Minister of Education, the Government has decided to invest funds in undertaking a redevelopment plan of the school. I have undertaken to have that finished by the end of the year. In addition, the Government is urgently assessing a request by the school for an activity hall funded under the Capital Works Assistance Scheme. The Government will assess that need and return with an answer as quickly as possible.

I am aware of what is described by some as a fire danger and of the views of parents of children at the school, teaching staff, and the honourable member. The member can tell his constituents that the Government is sympathetic to the needs of Brighton High School and that it is being assessed with that sympathy in mind. I will ask the Director-General to refer in more detail to the structure of the department and to say at what stage it becomes involved with the Education Department for planning needs for new facilities.

Mr Roeger: The department's new organisation structure is outlined on page 80. It will be seen that there are two units, one of internal audit and one of communications, which report directly to me. The department is split broadly into four divisions as follows: the Client Services Division; the Operations Division (to which the honourable member referred); the Management Services Division; and the Administration and Finance Division. The Client Services Division, the front end of the department, deals directly with clients and Treasury and develops programmes and priorities as far as possible. It develops technical policy, functional appropriateness and conformity with Government policies. That is where the department's planning work is done. Having arrived at a programme of projects to be carried out, the Operations Division will carry out that programme by proceeding with the detailed design and arranging construction to parameters of time, cost and quality, as set out by the Client Services Division.

As support to the department, the Management Services Division has a Personnel Branch, the Industrial Relations Branch, the Management Investigations Branch, and our

computer systems. Supporting the lot is the Administration and Finance Division, with financial control, accounting, administration, and supply and transport.

In regard to the department's corporate management objectives, as quoted on page 82, the Client Services Division will provide directly at least four of those functions and objectives listed. It will govern with an executive resource through which it can examine and implement its needs in order to assist departments in formulating components of the total building programme; recommend to the Government appropriate designs and other criteria; and recommend to Government programmes for its capital and recurrent building expenditure.

The Operations Division comprises all professional design people, construction resources (whether they be day labour, contract or maintenance resources) and property management resources. That is the operating arm of the department. I trust that that will clarify the situation.

Mr MATHWIN: We have operations and expenditure of \$13 638 200. Could we have some idea of what that amount covers in relation to where it is within the department?

Mr Roeger: The line 'operations' contains salaries of people within the division. The department's major projects officers the three architect officers, mechanical and electrical engineering, site development survey, the Construction Division, Regional Services Division, property services, and part of the senior management of the head office group are included. This includes persons such as Mr Power, who is here today and whose salary is booked against that division. They are salaries and related payments of people actually grouped within that division.

Mr GREGORY: Page 90 of the yellow document refers to the provision of clerical and secretarial staff to members of Parliament and Parliamentary committees. It also refers to the provision of facilities, property services and payment of salaries and expenses for both electorate secretaries and staff of the Leader of the Opposition. However, no amount of money is mentioned. First, would the Minister advise what money is spent, and, secondly, whether, in the allocation of expenditure for 1982-83, the Government proposes to supply shredding machines to electorate offices?

The Hon. D. C. Brown: An amount is indicated at the bottom of that page and there is no subprogramme. The amount as indicated is \$1 411 000.

Mr GREGORY: What about shredders?

The Hon. D. C. Brown: I will come to that. The honourable member can see the figure at the bottom of the page, with 57 full-time staff involved. The answer is 'No', there will be no shredders supplied to electorate offices.

Mr GREGORY: On a question of clarification, I would have thought that with the Government's mania for secrecy it would have done that. On page 83 there is mention of a reduction of 163 staff employed on the programme. That refers to maintenance which is being reduced because of the transfer of responsibility of the maintenance at Glenside Hospital. How many of those people are being reduced because of the transfer, attrition, through retirement, death, or whatever else happens to make people leave?

The Hon. D. C. Brown: The figures are that, of the 163, something like 48 at Glenside have been transferred across to the hospital this financial year; 90 weekly-paid people are anticipated to retire or leave the department during the year; and the remainder would be professional or Public Service staff.

Mr GREGORY: Can the Minister say what happened to those Public Service staff; were they retired or transferred?

The Hon. D. C. Brown: Five public servants have transferred to Glenside Hospital and are not included in the 48; these are supervision staff. The other public servants are what we would call 'natural attrition', and that would be

people who applied for positions in other departments, people who retired or people who leave the service altogether.

Mr GREGORY: On page 86 reference is made to a national sinking fund and the proposed expenditure for 1981-82 was \$5 600 000, but the actual expenditure was only \$1 737 000. The proposed expenditure for 1982-83 is \$5 600 000. Can the Minister explain why so little was expended and why so much is allocated again for the 1982-83 year?

The Hon. D. C. Brown: I am informed that that is a Treasury matter and we will have to get the answer from Treasury. It is apparently some financial accounting.

Mr Roeger: It is a distribution of the State total and is a figure put in by Treasury as being the P.B.D. portion of it. It is not a direct expenditure by the department.

The CHAIRMAN: The position is that this is the member for Florey's third question, but I said earlier that to complete a line of questioning an additional question is permissible.

Mr GREGORY: I appreciate the Treasury putting things in and it does strange things from time to time, but if all that was spent last year was \$1 737 000, why has \$5 600 000 been allocated again? Is there some padding going on?

The Hon. D. C. Brown: I can only assume that it is what Treasury expects. This is one of the difficulties when one takes line budgets and tries artificially to break them up into functions. I am not opposed to that, but I highlight some of the problems. What the honourable member is trying to do is proportion different Treasury costs against different departments. I presume that this is a line which traditionally would be picked up under a Treasury line somewhere and which has been broken up and allocated on a proportional basis to different departments. We will obtain the information for the honourable member.

Mr BECKER: On looking through the Programme Performance Papers I tally up a total of 567 motor vehicles listed. Can the Minister indicate how many motor vehicles are available to the department? What is the policy in relation to the use of motor vehicles and the parking and/or storing of them? I realise that some officers would be on call 24 hours a day by virtue of their job for emergency purposes and there would also be officers on call over the weekend at least. I understand that there has been a move to reduce the number of cars available.

The Hon. D. C. Brown: The honourable member's sums are correct and seem to be spot on. There are 421 light vehicles and 146 heavy vehicles, making a total of 567. It would be better if the Director-General answers the specific questions about availability, parking and vehicles used for emergency purposes.

Mr Roeger: The use of Government vehicles is for Government purposes only. It will be appreciated that the department's activities are spread over a wide geographical area of South Australia. There are many diverse activities where vehicles are necessary to go from job to job and, in fact, to work on a job. The use of Government vehicles is in accordance with Government policy, in that no private running is allowed. Vehicles can only be taken home with specific approvals. Approvals are given to named employees engaged on call-out, who are needed on many occasions to be called out after hours. But, those employees are specifically approved on each occasion. The parking of vehicles is scattered around South Australia: vehicles in the country are parked at country depots, in the metropolitan area they are parked in metropolitan depots and within the City of Adelaide we use the central car parks in Gawler Place and several other car parks around the city.

Mr BECKER: I refer to page 91 of the yellow book '1981-82 Specific Targets/Objectives (Significant Initiatives/Improvements/Achievements)', which states as follows:

Implement the findings of the Organisation Review in relation to the function of property acquisition and development—this has been delayed pending the appointment of new directors.

Have those appointments been made? I understand that the organisation review has received recommendations from various committees. In some cases, reclassifications have been recommended for higher grades rather than the original findings. What action has been taken in that regard?

The Hon. D. C. Brown: I refer those specific questions to the Director-General.

Mr Roeger: The original review recommendations accepted by Cabinet involved fairly substantial regrouping of various sections of the department, which takes some time to achieve. For example, Mr Bates, Director, Client Services, was only able to commence duties in July this year; Mr Power, Acting Director, Operations Division, must go through the normal processes of Public Service appointment, including an appeal, which will further delay the matter. Until a person is appointed to lead a new division it is very difficult to implement many of the changes. Nevertheless, we are achieving a fair amount of regrouping.

The organisation review itself did not recommend any classification levels for officers; they were determined by the Public Service Board. Of course, they were approved in the normal way that Public Service Act classifications are approved. I cannot think of any position that remained the same in relation to duties and responsibilities that has been classified at a higher level. A working party is currently looking at the rearrangement of our regional operations in conformity with the approved recommendations of the organisation review. That will necessitate the creation of five new positions at a fairly senior level, which will really be a replacement for a large number of positions at a lower level, where a fragmented type of service is currently being provided. Certainly, there has been no reclassification of an office to a higher level without any substantial change in the duties of that office.

Mr BECKER: I often wonder at the system used by the Public Service. It must be extremely frustrating to management when new positions are created: efficiency must be maintained but the new position must be advertised, interviews conducted and the appointment can be subject to appeal. I have often wondered whether there was a more efficient way of handling this procedure. A job must be done, but it cannot begin until the person appointed runs the gauntlet of this system, which has been with us for many years. Could some autonomy apply in relation to filling these jobs?

The Hon. D. C. Brown: I agree with the honourable member that, because of the appeal provisions, someone can be appointed to a position in an acting capacity for a very long period of time. That creates a great deal of uncertainty while appeals are heard. I stress that that has a flow-on effect right through the system, because everyone who steps in behind the person who has been moved up into an acting position must also remain in acting positions just in case one of the appeals is successful. That is a problem at the moment. In fact, I introduced Mr Power as the Director, but he is the Acting Director. The situation is far from ideal. I stress that I believe this area is outside of my Ministerial responsibility, but it certainly causes significant problems in all three of my departments.

Mr HAMILTON: What components are contained in the salary of a member of Parliament's personal secretary. There is no doubt in my mind that most members' personal secretaries are usually loyal and dedicated and work a considerable amount of overtime. I think that is true in relation to most of the secretaries. Is an overtime component included in the salary of a personal assistant?

The Hon. D. C. Brown: No overtime component is in that salary. The component is made up of a salary based on a normal 37.5-hour week. I think a loading is paid to those secretaries because of the temporary nature of the employment. I think that has always been taken into account. Those types of employees cannot be regarded as true casuals, because they work 52 weeks of the year. There is no overtime component.

Mr HAMILTON: The Minister would be aware that Federal members are provided with assistants for their personal secretaries. No doubt the Minister appreciates the position of members on both sides of Parliament in relation to the amount of time worked by personal assistants who assist members. Will the Minister favourably consider providing a number of assistants available to members when they are overloaded with work? I have in my office correspondence from the Minister in relation to this matter. I remind the Minister that my office is one of the busiest electorate offices in the metropolitan area. I prevail upon my secretary frequently and I must say that she is willing to assist me. Nevertheless, I believe there is a form of injustice in relation to the workload undertaken by some personal assistants above their normal duties. Will the Minister favourably consider providing a pool of assistants to be spread amongst members when their workload becomes too heavy?

The Hon. D. C. Brown: I have a very high personal regard for the work performed by electorate secretaries. I think there is no doubt at all that they work far more than the required number of hours without receiving any remuneration for that. They normally take on the job because they have a personal interest and a personal commitment to that type of employment. I think all members of Parliament have a high regard for the role they play in the very difficult circumstances under which they work. However, I think it is most inappropriate that I make available a pool of additional staff.

I think that something like that would be most difficult to administer. If we are going to make such staff available on an equal basis from a pool how those persons would allocate their time amongst the different members of Parliament would be difficult to work out. I would not like to have to pass judgment that a particular member in a metropolitan district had a right to additional help before someone else, so the answer is that I will not make such staff available.

Mr HAMILTON: First, can the Minister advise me as to the basis on which the department disposes of its motor vehicles? Secondly, what consideration has been given to converting Government cars to use liquid propane gas?

The Hon. D. C. Brown: We dispose of cars on the traditional basis of 50 000 km or 2½ years, whichever is sooner. Those vehicles are disposed of through the Department of Services and Supply. My Ministerial car runs on l.p.g. I can recommend it and will give some figures as to why I do so. That vehicle previously returned about 5.2 kms per litre of petrol used. It had an economy performance at least equal to any of the six cylinder vehicles purchased by the Government. It was converted to l.p.g. and now returns approximately 4.2 kms for every litre of l.p.g. used. In other words, the return is down by 20 per cent, but we buy the l.p.g. at less than half the price of petrol. Therefore, the honourable member can see that now the most economical vehicles in the Government Ministerial fleet are the V8 Statesman cars running on l.p.g.

I think there is an enormous difference in running costs as the cars are now far cheaper to run. We are very satisfied with the performance of this vehicle on l.p.g. I believe that the vehicle runs more smoothly, is quieter yet has presented no problems. There is no detectable alteration in the per-

formance of the vehicle; in fact, I believe there is no alteration in its performance at all. I have not estimated these savings in terms of dollars.

As the honourable member would realise, this conversion was done on a trial basis. Our experience is that that trial has worked well. To what extent the department has undertaken conversion of vehicles to l.p.g. I do not know. I will ask the Director-General to comment on that. As I understand it, Ministerial cars were selected for this trial. I have been so impressed by this conversion that I would recommend that a large number of departmental vehicles be converted to run on l.p.g. There are some cases where I would not recommend that. For instance, it is most inappropriate with a utility or a station sedan, because I believe it is important that the cylinder be in the boot of vehicles converted. It also depends on how essential is the boot space in the vehicle. The Holden Statesman has a large boot and the cylinder fits nicely under the back seat without diminishing the effective usable space of the boot. However, once a l.p.g. cylinder is placed in the boot of some vehicles there is no room left in that boot.

Mr Roeger: I hate to disappoint the Minister, but I am not aware of these details. I know some trials of l.p.g. have been made. I believe that those tests started in the Department of Services and Supply or the Department of Transport. The Public Buildings Department has participated in these trials. We always buy vehicles through the Department of Services and Supply, which would know the Government policy regarding the more extensive use of l.p.g.

The Hon. D. C. Brown: It is one effective way of not having to pay an extra cent in fuel tax to the Federal Government.

The CHAIRMAN: Are there any further questions? There being no further questions, I declare the examination of the vote 'Public Buildings \$54 196 000' completed.

The Hon. J. D. WRIGHT: I misunderstood the reading of this paper, as did Mr Mathwin. We thought that we were dealing with 'Public Buildings Department', 'Salaries and Wages and related payments', 'General' and then 'Public Buildings Department, Buildings and Land'. I have no questions under 'General' but have some under 'Buildings and Land', as do other people.

The CHAIRMAN: Is it then the wish of the Committee that we reconsider the vote 'Public Buildings—\$54 196 000', which covers pages 53 and 54 of Parliamentary Paper 9 excluding 'Miscellaneous', which will be covered later, so that the Committee can consider 'Buildings and land' on page 54?

Mr LEWIS: No.

The CHAIRMAN: This would require a unanimous vote.

Mr MATHWIN: To clarify the situation, I have been speaking with the Deputy Leader of the Opposition about this matter and it is quite obvious that we both believed that the vote was on the line involving \$12 945 000. We expected there to be a separate vote on the \$1 559 000 for 'General'. We had agreed that there would be no questions directed to that line, but had also agreed that there were questions to be asked on the line 'Buildings and Land—\$39 652'. I made an agreement with the Deputy Leader that I feel I must uphold.

The CHAIRMAN: The situation is this: I have offered that the Committee return to that vote, but that decision must be unanimous. I am sorry that there has been a misunderstanding of the time table, but as there was a dissentient voice the only way now that the Chair can see its way clear is for someone to move that we return to the vote, Public Buildings, \$54 196 000.

The Hon. J. D. WRIGHT: I move:

That the vote, Public Buildings, \$54 196 000, be reconsidered.

Mr BECKER: I support the motion because, even though there is a misunderstanding, I am surprised at that because page 52 in the Estimates of Payments sets it out clearly. It always has been the practice that the vote has been taken on the lines as, in this case, they are established on page 52, which is \$54 196 000. However, as there has been a misunderstanding, and the member for Glenelg has also said that he misunderstood the situation, I have no objection to recommitting it.

Mr LEWIS: On two occasions during the Estimates Committees in previous years when I have sought to have the opportunity of asking questions in precisely the same circumstances in which we find ourselves this evening the Committee chose to do otherwise than allow me that privilege. This Committee under your Chairmanship, Sir, always has examined complete votes in the way in which you put it to the Committee not five minutes ago. If members of this Committee at any time have not understood that, by now they should have. I do not believe that any member of this Committee has any matter of great moment to ask of the Minister or his advisers, judging by the kinds of questions—and I know that it is a subjective judgment—that I have heard this afternoon and this evening. I think that it is a waste of time to detain the public servants and members of the Chamber to pursue that line of questioning, and I believe that it breaks with the precedent that was set against my express request on previous occasions. I therefore will continue to oppose the motion.

Mr MATHWIN: The member for Mallee has said that it is of no great moment in relation to the matters on buildings and land. My biggest concern is the fact that I gave my word to a member of the Committee, irrespective of what side of the Committee he is sitting on, that this is the way we would deal with it, and we were not considering any votes, consideration or discussion at all on buildings and land. I gave my word. My word is my bond and I stick to it. I hope that I get the support of the rest of the Committee.

The Committee divided on the motion:

Ayes (7)—Messrs Ashenden, Becker, Gregory, Hamilton, Mathwin, Whitten, and Wright.

No (1)—Mr Lewis.

Majority of 6 for the Ayes.

Motion thus carried.

The Hon. J. D. WRIGHT: Thank you, Mr Chairman, and thank you, members of the Committee, for considering what was a genuine mistake made both by me and the member for Glenelg, which was very simple to rectify. We now have rectified it. I want to draw the Minister's attention to the level of activity in the capital works area that has been steadily declining. I quote in cash terms: In 1980-81—

The Hon. D. C. Brown: A point of order, Mr Chairman. We are not dealing in any way under this line with the capital works area.

The CHAIRMAN: I uphold the point of order. The capital works are on pages 121 and 122 in Parliamentary Paper No. 9 and are included in the next vote. If the question deals with capital works, the question is not in order. That is in the next vote.

The Hon. J. D. WRIGHT: The the only question I have left relates to capital works.

The CHAIRMAN: Could I just explain to the Committee—I endeavoured to do that just now—that the next vote is Works and Services—Public Buildings Department, \$67 650 000, and that is found in Parliamentary Paper No. 9, Estimates of Payments, on pages 121 and 122. Members will notice that on the page before page 120 it says, 'Estimates of Payments of a Capital Nature'.

The Hon. J. D. WRIGHT: What about the administration of capital works? Surely the Public Buildings Department administers them, at least?

The Hon. D. C. Brown: Could I point out to the honourable members that we come to the loan works programme shortly. If members want to talk about specific buildings—when is the work going to start, and things like that—that is the appropriate time. I highlight that now is not the appropriate time to talk about the capital works programmes as such.

The Hon. J. D. WRIGHT: I accept that. Just before we pass on to the next vote, I am confused now. We are talking about school and hospital buildings in the vote we are about to complete—\$54 196 000. What are we talking about there? Are we talking about buildings or maintenance of those schools?

The Hon. D. C. Brown: We are talking basically about maintenance.

The Hon. J. D. WRIGHT: What do you mean by 'basically'? I do not want to get caught again.

The Hon. D. C. Brown: It is clearly spelt out at the top of page 54 that we are talking about maintenance, minor additions, alterations, furniture, furnishings, equipment, services and other expenses in accommodation. We are not talking about major capital works.

Mr HAMILTON: If it is on maintenance, I certainly would like to ask a question about the Hendon Primary School and the maintenance, particularly in relation to painting that is required there. Can the Minister tell me when that painting programme will be carried out?

The Hon. D. C. Brown: I think the answer to the honourable member's question, which was a very general one, is that the outside of the Hendon Primary School has been painted, under the additional funds that the Government has made available for maintenance work. I visited the school last year and was appalled at the lack, and the state, of the paint work, particularly on the outside of the school. Additional funds have been made available for Government assets for maintenance. I want to stress this, because it was taken up during a radio programme this morning in a statement by a spokesman for the South Australian Institute of Teachers, in which a suggestion was made that the allocation for funds for maintenance at Government schools had been reduced. I highlight to the Committee what has been done in the last 12 months in this area.

First, about the beginning of last year I became aware of what was a very substantial rundown in the maintenance of Government assets, which had been the case for a number of years. Cost cutting had gone on for a seven or eight-year period. One area in which costs had been cut was maintenance. I asked the Director-General to present evidence to me as to the state of this area. He and I went to see the Premier in about March last year and put a case to him that there had been a deplorable rundown which had only just been brought to my attention; it was a long-term matter and something needed to be done urgently to overcome that problem. In the 1981-82 Budget a special allocation of \$1 000 000 was made available by Treasury for urgent maintenance of Government assets, particularly in schools. That money was spent in December last year. In April this year, when it became apparent that there were some additional funds that could be spent by the Public Buildings Department on maintenance work, a special allocation of \$4 300 000 was made available, again for special maintenance and minor works. That money was spent both at the end of the last financial year, that is 1981-82, and at the beginning of this financial year. Almost all that money has now been spent. Additionally, the special allocation of \$1 000 000 made available last year has been repeated this year. That means that in the last 12 months a total special allocation of

approximately \$6 300 000 has been made available for maintenance and minor works for Government assets.

The painting of the outside of the Hendon school was done under that programme. I understand there are two classrooms that the honourable member wanted painted. That is still being examined. The point is that those two classrooms are not normally required by the school in its specific classroom allocation. Where there are wooden classrooms in schools, the Government has to decide whether to paint and maintain them, even though they are probably now obsolete. Certainly, in schools where student numbers have run down, we have to decide whether we should maintain all the assets even though perhaps only a half or two-thirds are being used. I assure the honourable member that I was very sensitive to what I thought was the deplorable state of the school. I am delighted to be able to do something about it. I think at this stage we need to look at that as a policy issue. I understand that there is still some painting inside the school that needs to be done, which will certainly be done as soon as funds are made available. I became very much aware of the problem, having visited the school. I think that was the first case brought to my attention where I thought there should be much more money allocated for maintenance work.

Mr HAMILTON: Because of the time, I ask whether the Minister could advise me by letter about maintenance, minor additions, and so on, in relation to page 54, to be carried out at Woodville Primary, Findon Primary, West Lakes Shore, Semaphore Park, Seaton, West Lakes High, and Seaton High Schools?

The Hon. D. C. Brown: I will certainly do that. It is not always possible at the beginning of the financial year to indicate what maintenance work will be undertaken. Some of that has been described as urgent maintenance or breakdown maintenance work, but if there is any routine maintenance work planned for those schools, we will notify the honourable member.

The Hon. J. D. Wright: Is the Minister able to give the Committee any information about the Elizabeth Field Junior Primary School? I had intended leaving this to the capital area, but now that we have concluded that we are on maintenance, I had better put it to the Minister. I have a copy of a letter addressed to the Minister of Education and signed by the Chairman of the school council, Mr C. Sloper, from which I quote:

We, the members of Elizabeth Field School Council feel most strongly that some children at Elizabeth Field Junior Primary School are being disadvantaged because of inadequate school buildings and facilities. The children concerned are those whose classrooms are currently situated in a triple-portable block

- with exposed wooden floorboards in the corridor
- without running water nearby

Further on, he says:

The exposed wooden floors were (and continue to be) in a very poor condition and need covering on health and safety grounds.

Further on, he says:

This corridor is used as a learning area and teachers complain that it is virtually impossible to keep clean

- sand and food-stuffs lie in the cracks between the wooden floorboards, attracting mice and ants
- spilt paint soaks into the floor and cannot be removed
- small strips splinter off when the children are attempting to clean-up spilt paint. Indeed it is impossible for children to work or sit on the floor because of splinters
- nails and pins jam into the cracks and cannot be removed easily.

It is a two-page letter, which continues:

In 1979, a request was made to have water connected to the classrooms of this triple-portable block for the following reasons:

- Children are forced to carry buckets of water from the toilets (their nearest water source) for use in painting, art/craft activities—usually most of the water is lost before they arrive back in their classrooms.

- Children wash paint brushes and pots in the toilets. This entails children carrying pots and brushes from their classroom, across the playground, to the toilets. Although responsible Junior Primary children are chosen to do this, paint invariably ends up on the children's clothing, the buildings, and on the floor of the toilets, where it is tracked throughout the school. It is difficult to avoid this, as the teacher cannot leave her class unsupervised, to supervise the children in the toilets whilst they are cleaning paint pots and brushes.

I will not quote the rest of the letter. I am really asking the Minister to give me an indication whether a programme has been worked out for maintenance and repairs to the school.

The Hon. D. C. Brown: I will have to take that question on notice and come back with a reply.

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

Works and Services—Public Buildings Department,
\$67 650 000

Chairman:

Mr E. K. Russack

Members:

Mr E. S. Ashenden

Mr H. Becker

Mr R. Gregory

Mr K. C. Hamilton

Mr I. P. Lewis

Mr J. Mathwin

Mr G. T. Whitten

The Hon. J. D. Wright

Witness:

The Hon. D. C. Brown, Minister of Industrial Affairs and Minister of Public Works.

Departmental Advisers:

Mr H. E. Roeger, Director-General, Public Buildings Department.

Mr L. Bates, Director, Client Services, Public Buildings Department.

Mr R. Power, Director, Operations, Public Buildings Department.

Mr N. Nosworthy, Manager, Programming and Budgeting, Public Buildings Department.

Mr F. Crosby, Director, Other Government Buildings, Public Buildings Department.

Mr G. Manning, Director, Education Buildings, Public Buildings Department.

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

The Hon. J. D. Wright: It is true that the capital works area has been steadily declining, and I will quote figures to show that. In cash terms, the figure for 1980-81 was \$66 357 620; in 1981-82 it was \$67 498 653 (which was an increase of 1.7 per cent); in 1982-83 the figure proposed is \$67 650 000, which represents an increase of 2 per cent. I believe that that represents a decline for those financial years of somewhere between 15 per cent and 20 per cent. It concerns me that there has been a reduction in real terms. If we look at the breakup, we find that in 1980-81 the allocation for schools was \$34 600 000, the D.F.E. figure was \$13 000 000; and, for other public buildings it was \$18 000 000. In 1981-82, the allocation for schools was \$27 000 000; D.F.E. was \$15 000 000; and for other public buildings it was \$25 000 000. In 1982-83, the proposed

amount is \$26 000 000 for schools, \$15 000 000 for D.F.E., and nearly \$26 000 000 for other public buildings.

I make the point that there has been a decrease of some 20 per cent in school buildings over the past two years. The relevant proportion of this expenditure in 1980-81 was 52 per cent for schools; for D.F.E. it was 20 per cent, and for other public buildings it was 28 per cent. In 1982-83, the school allocation dropped to 40 per cent; the D.F.E. allocation rose to 22 per cent; and that for other public buildings rose by 10 per cent to 38 per cent. First, does the Minister dispute the figures that I am giving him? Secondly, is it the Government's policy not to build new schools as necessary? Finally, what is the Government's policy?

The Hon. D. C. Brown: First, the Deputy Leader has quoted the figures quite accurately, as those figures are allocated under the Loan works programme as specified in the Budget papers. I am not disputing the figures that the honourable member has given, but those figures are only part of the overall picture, which I draw to his attention, because there has been an increasing tendency for the Government to fund its building work outside the normal Loan works programme.

I believe the honourable member would realise that, as the Federal Government has reduced funds for Loan works, this Government has tried to find alternative means of funding projects outside the Loan Council programme. I will give the honourable member figures as to what has been spent. In 1979-80, the figure was \$77 800 000. In 1980-81, it was \$82 200 000. In 1981-82 it was \$92 300 000, and for 1982-83 the figure will be at least \$94 300 000. I understand that, on some estimates, total work done through P.B.D. could be as high as \$100 000 000 if all the outside work is taken into account. Therefore, there has been a gradual increase in the total amount of work being done through P.B.D. The figure has gone from \$77 000 000 to a total of \$94 300 000 on those figures. Additional work takes that figure this year to approximately \$100 000 000.

I raise that because the trend, as the honourable member pointed out, would show in real terms that there has been a decline, whereas this would suggest in real terms that there has been a holding of the line. If the figure comes to \$100 000 000 this year on a real cost basis, it would be about level right through. The percentage breakdown to which the honourable member refers is at least a reflection of what is occurring but, again, it is slightly confusing. School activity halls now being built are no longer funded out of the schools programme but rather are funded out of the capital assistance scheme. About \$3 000 000 a year could be included under that programme. Certainly, the trend is correct.

I highlight the reason for that: there has been a dramatic drop-off in the number of students at schools. Therefore, there has not been the same pressure to build new schools as there was previously. There is not the same pressure to expand existing schools because these schools are either constant or declining in student numbers rather than increasing. There had been some neglect over many years of other Government buildings. The courts in the State were in a deplorable situation, and a major investment programme was needed which is now under way with the Sir Samuel Way building. There was also significant neglect of, for instance, the assets and buildings for correctional services.

Based on projections that were found about two years ago, there would have been a critical shortage unless urgent action was taken to increase the capacity. I think that everyone has known the deplorable state that existed at the old Adelaide Gaol and the urgent need for a remand centre.

So, there has been a reorientation of priorities away from the non-growth area of schools to the urgent need of other Government buildings. The further education programme

is dictated largely to the State Government by allocations from the Federal Government. The figures quoted by the honourable member as an overall percentage for those are fairly correct, and no additional funds are put into that area generally, although there is a small additional allocation for the city college car park. But, we are largely bound by Federal funds in that area.

The other area where work is being done using outside financing sources is the Fire Brigade building, where additional money was collected through the statutory authorities loans scheme. That project is now under way, as the honourable member would realise if he drove up Wakefield Street, as it is in his electorate. The honourable member should be pleased, because the Government is spending a lot of money in his electorate this year. Work has started on the Adelaide City College and on the Fire Brigade building, and work will start shortly on the Museum building. So, the honourable member certainly has a favoured electorate in terms of where the money is spent.

Mr HAMILTON: In relation to the West Lakes Shore Primary School, what major additions will take place? I am informed that there is a projected increase in numbers at that school.

The Hon. D. C. Brown: I understand that no work is included on the programme for that school this year.

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

Minister of Public Works, Miscellaneous, \$26 000

Chairman:

Mr E. K. Russack

Members:

Mr E. S. Ashenden

Mr H. Becker

Mr R. Gregory

Mr K. C. Hamilton

Mr I. P. Lewis

Mr J. Mathwin

Mr G. T. Whitten

The Hon. J. D. Wright

Witness:

The Hon. D. C. Brown, Minister of Industrial Affairs and Minister of Public Works.

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Mr N. Nosworthy, Manager, Programming and Budgeting, Public Buildings Department.

Mr F. Crosby, Director, Other Government Buildings, Public Buildings Department.

Mr G. Manning, Director, Education Buildings, Public Buildings Department.

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

The Hon. J. D. WRIGHT: Under this vote there is an obvious question, and there is probably an obvious reason for it, too. I notice that the 1981-82 vote for aid to charitable and other organisations was \$50 000 but that actual payments were only \$27 000. This year \$26 000 is proposed. I hope

that the assessment of that amount is not as far out again this financial year as it was last year. I am not complaining about money going to charitable organisations if they are a worthy cause, but I would like to know the reason for such an overrun on this occasion.

The Hon. D. C. Brown: This is the scheme that the honourable member has referred to elsewhere as the visiting tradesmen's scheme. In fact, it involves aid to charitable organisations. Basically, this work is given where there is a surplus of tradesmen and where the Government believes that a worthwhile community activity can be carried out using those tradesmen.

As it relies on surpluses, we are not always able to predict that at the beginning of the year and, to a certain extent, it is therefore seen as a flexible amount, depending on what

the need is during the year. The figure overall is still very small.

A number of projects were under way, and allocations had to be increased to complete them. The \$26 000 so far allocated for this year was to finish those projects. To what extent there will be additional projects depends largely on the extent to which there is surplus labour and what we assess is the need outside in charitable organisations.

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

ADJOURNMENT

At 9.24 p.m. the Committee adjourned until Tuesday 28 September at 11 a.m.