This is George Lewkowicz for the Don Dunstan History Project interviewing Mr Robert Ruse. Robert worked in economic advisory area and the Department of Economic Development in the 1970s. The date today is 30th May 2008 and the location of the interview is in the Don Dunstan Foundation offices.

Robert, thanks very much for doing this interview for the history project. Can you just talk a bit about yourself and your academic studies, and how that led into joining the Premier’s Department?

Sure. Thanks, George. I’m a graduate from Adelaide University and I had got an honours degree in economics in 1972, and I was recruited into the Premier’s Department in May 1973, a few months after I had graduated. I was recruited by Milton Smith, who was head of the Economics Intelligence Unit of the Premier’s Department in those days, and I came from a short stint in the [Australian] Bureau of Statistics, where I’d been a cadet during my final years in my economics degree.

How did you come across the position? Did you see it in the paper or did somebody approach you because they knew you were a good economist?

I know I was a late applicant for the position. I can’t recall how I was aware of the job. I knew I wanted to come back from Canberra to Adelaide for personal reasons, my girlfriend was here. And I know Milton rang me up and said he was prepared to interview me as a late applicant, and I think he’d got some positive references from my lecturers at Adelaide University.

And you’d got a first-class degree, I think Milton was very impressed with that.

Yes. Well, Milton was impressed with things like that.

Right, and the other reputation you had, you were a monetarist: did that influence any of your later work? That’s my recollection.

I certainly did my thesis on monetary economics and I had probably a predisposition in those days to some of the views of Milton Friedman, who was a trendy theorist in those days and he still probably commands a fair bit of respect in terms of free market economics.

Yes. And that was letting the market go. Did that strike you as being a bit – having that view, working in the Premier’s Department where the government
might have been seen to be involved in industry – a bit of a contradiction, or something to be worked on?

I guess I was a bit too young and naïve in those days to see it as a contradiction, and although in my first few years there I realised it wasn’t easy for the government to accept recommendations that tended to be of a ‘let the market go’ [type], they weren’t or Don Dunstan’s Government wasn’t that hidebound that it would refuse to listen, and in fact over the course of my work in the government in those early days they made quite a few decisions I believe that were relatively free-market in relation to, for example, freeing up licensing for vigneron, eventually freeing up pricing for grapes and things like that. There were a number of issues that, from a policy perspective, we got involved in that they were happy to accept a less regulated approach.

Because it was again a strange sort of phenomenon in those days: there used to be these almost monopolistic marketing bodies from what seemed to be –

Exactly.

– a free market raving Country Party sort of point of view, like the Country Party was anti-socialist, but at the same time they were very interested in these virtual monopolies, wanting to regulate prices on things.

Well, in those days I used to say the Country Party or the National Party was farmer socialists. (laughter)

So what was your position and role when you started in the – was it the Economic Intelligence Unit when you started?

That’s what they called it, yes. I reported to Milton Smith – I think he had the role of Senior Economist – and I probably had a role like just economist or project economist or something like that.

What was that role, when he explained it to you?

Well, the role when I got into the job was essentially that of providing regular advice to the head of the department and I guess the Premier and his cabinet colleagues on the state of the South Australian economy, and that would probably take a good week of each month to prepare those reports on the state of industry in
terms of how our retail sales were going, how our building approvals were going, how our motor vehicle sales were going, what was happening with population growth and all those sorts of things. But in addition to that regular reporting on the state of the economy and why and how things were doing what they were doing, we were also involved in providing policy advice on issues relating to the state economy, and there were particular projects that we got involved in that I guess we’ll come to later.

We’ll come to those later on, yes. And who were some of the people you were working with, were they all pretty young people or some older ones?

Well, Milton was about twenty years older than me so he would have been in his early forties and I was in my early twenties, and there were other I guess youngish people – now that I’m old – in their twenties that were part of that economics unit, people like Geoff Byrne, people like Ross Harding, people like Robert Swartz I think joined as well. And of course it wasn’t only the people in the economics unit that we used to relate to; they had a group called the Committee Secretariat –

Oh, yes.

– that had a group of young graduates in as well.

What did you relate to with them?

Well, it’s more to do when there were public service-wide reviews or committees established that they’d have some role in servicing we’d possibly have a role in providing some economic input.

Economic input. And how did you find working in the unit? Was it stimulating or a bit of a dead hand?

Well, as somebody fresh out from uni I guess my experience of work wasn’t clouded by any preconceptions and I thoroughly enjoyed my work, and I guess being in the Premier’s Department you’re close to the key policy issues of the day and you get involved in providing advice or putting input into those things, so yes, I found it both interesting and worthwhile.
And you felt it was going somewhere, the advice? It wasn’t just landing on somebody’s desk and staying there?

The monthly economic reporting, you were never quite sure how that – I mean, that was just telling what is and it wasn’t always clear whether people read it or cared about it. But certainly on the policy issues we were required to get involved in, yes, I’m confident they would have been looked at and taken heed of.

We’ll probably come up to some of them when we talk about the projects.

Yes.

But you mentioned you worked with the Committee Secretariat and I imagine with other parts of the Department; which ones did you work or relate to more closely with than others?

Within the Department?

Within the Department itself, yes.

Well, there was a time when the Department included the Industrial Development Division, which I think Max Scriven headed, and we used to get involved with them because at that time there was lots of industrial development issues, particularly around the motor vehicle industry because there were moves to reduce protection on it and submissions having to be made to the relevant federal authorities on those issues. There were also issues about the need for a separate population centre out at Monarto, which the Industrial Development Division were interested in promoting. So they’re the sorts of issues and that’s the division that we tended to relate to mostly, although if there were non-industrial development issues around the place – so Committee Secretariat and Industrial Development Division were the key areas.

And how did you find the culture of the place? Highly political and sensitive, or you felt as though you could give frank and fearless advice?

Well, again, because I was so fresh, I tended to be less concerned about offending people. But probably my advice to anybody would have been filtered either by Milton or Bob Bakewell. But I know I was put on one of the projects we might get to, I was put on something called the Committee of Review into Long Service Leave
for Casual Workers in the Building Industry, and I had quite a different view from clearly what the government wanted to promote through that review and I was quite prepared to give it. Probably wasn’t well-received, but I didn’t feel as if my career was going to suffer from the fact that I put forward something that was not necessarily consistent with government policy at the time.

Nobody got to you later and said, ‘What the hell are you on about?’

No. In fact, I can remember seeking advice from either Milton or Bob Bakewell on what I should do because I didn’t really agree with it, and they actually told me to write a minority report, so I did. (laughter)

Really? Fair enough.

They probably knew it wouldn’t go anywhere, anyway, so it didn’t matter.

What about the Treasury, did you come across any of the people over there?

At the level I was reporting at I didn’t really have much to do with Treasury. I mean to the extent I had a view on Treasury is that they just made sure the budget was balanced and didn’t take a broader interest in economic policy issues.

What about Grants Commission work, was there any of that?

Not from my [point of view], although funnily enough when I did join Treasury a few years later I was actually the director who looked after the Grants Commission reports; but while I was in Premier’s Department I had no involvement.

So you’d been there for a while. Were there any things that impressed you about we’ll call it broadly the Dunstan Administration? That’s Don’s leadership and how that flowed into the Department.

It’s probably fair to say that I didn’t have a lot of personal contact with the Premier himself. Most of my views about him came through people like Bob Bakewell and Milton Smith. I had a view that he was progressive, in the sense that he was prepared to challenge the conventional thinking, and it was a period where budgetary-wise there wasn’t a lot of pressure on the budget because we sold the railways, which were costing us money, and got a positive sum from the Whitlam Government. So there was a fair bit of money around to spend on things like the
arts and social reform and what have you. But in my view of the world it was a progressive organisation that treated its staff fairly and it was prepared to listen to sensible views that were put up.

And just the economic context of the time, you just mentioned there was a fair amount of money around, just by way of some of the history, the early ’70s up to about ’75 seemed to be a time of money and then after ’75 things seemed to tighten up a bit. Do you recall the sort of impacts that had on some of the economic thinking of the time?

No. Well, I personally wasn’t involved in the way the budget was prepared, that was essentially a Treasury thing. I worked there in ’73, ’74 and ’75, and in ’76 I went overseas for a year and came back and I worked in the Department of Economic Development, and by the time I got back I was probably aware of a slightly different approach in terms of things were a bit tighter, but not that affected me in a big way.

So we’ll pick up some sort of trends or themes going through some of the projects. Perhaps we could turn to some of these projects. You mentioned the long service leave one: what was that about?

Well, in those days a lot of people in the building industry tended to not necessarily work for the same employer but worked in that industry and changed jobs and they were subcontractors and stuff like that, and there was a view held that they should be entitled to get some long service after continuing employment in that industry. And I think the push essentially came from the building industry unions, which was fair enough, and the Labor Government was keen to support that. So the inquiry was all about how that should be introduced, and I guess from my perspective there was a view that, ‘They’re casual workers, they get paid extra and if you think they should be remunerated more just give them some more money and they can save up for their own long service leave’, whereas we were going to establish a bureaucracy. But essentially that issue was all about providing an opportunity for workers in the building industry, who essentially were casual in nature, could have money put aside by their employees and records kept of how much time they’d accumulated in the industry so that after that period of time there would be a pool of money for them to
draw on and take some long service leave if they wanted to. And my understanding is that coming out of that, despite the fact that it wasn’t necessarily something I agreed with at the time, was a Board for Long Service Leave for Casual Workers in the Building Industry, or something along those terms – pretty bit of a much of a mouthful – and it still exists for those workers.

And you were a full member of that committee, is that right?

Yes. Yes, I was.

So you were on equal par with the senior members. More or less.

I was clearly the most junior member in terms of seniority, but the Premier’s Department – it was the secretariat or the people who look after it was I think the Department of Labour and Industry at the time and there were people from the unions and people from the employers’ groups, so it wasn’t just a government committee, it was an across the relevant stakeholder committee.

So you were there, what, as an expert or a representative of the Premier, so to speak?

Well, Premier’s Department was probably required to put a – and Bob Bakewell nominated me, and I was there as an economic policy person.

But he didn’t say, ‘Well, look this is – – –’?

No, no, ‘Well, this is our line’, sort of thing. Perhaps he should have.

Left you to it. Right, okay. So what was the reaction in the committee when you put forward your views? Did they just ignore them or did they try and debate them with you?

They didn’t ignore them totally, but I think – and it’s probably a reflection of the fact I must have been about twenty-two or -three at the time – that the unions and the employers were of the view that this was a policy position the government wanted to go and they were just going to do it anyway. (laughter) I mean, my view in retrospect, after a number of years, is probably why set up a bureaucracy to do this when you can just pay them two and a half per cent more and let them either piss it up against the wall or save for their long service leave when it becomes due?
But they set up this bureaucracy to do it and it just strikes me as being a waste of time.

I was just trying to gauge how people from the Premier’s Department might have been looked on, because I had similar experiences, if you like, so just interesting to get this on the record if you have any further observations on it.

Well, I don’t know if it was a view in the Premier’s Department or so much a view of me as a bit of a young Turk, which are not necessarily the same view. I mean the Public Actuary was on it as well, guy called Stratford, I think –

Yes, Peter Stratford.

– Peter Stratford. He was probably the only one who vaguely shared my view that it was a waste of time, but he was the one who sort of would be the expert on what percentage of somebody’s salary needed to be put aside so they could accrue the relevant money, and he was probably more mature than me in the sense that he knew this was a bit of a fait accompli so he didn’t hit his head against a brick wall. I was still at that point where I didn’t realise when one was hitting one’s head into a brick wall. (laughter)

Another project was the one on the wine industry, the small wineries. Can you recall some of the broad themes around that?

Well, as you’d know, George, because we worked on this together, this was a project that came out of an election promise from Don prior to an election, probably in whenever he was elected – in 1972, was it? I can’t remember –

Probably ’3, yes.

– 1973 – whereby there’d been a number of small wineries taken over by big multinationals like Philip Morris and stuff like that and there was a bit of a concern at the time that our small, family-owned wineries were being driven out of business and taken over by multinationals who were going to dominate the industry. So the broad terms of reference were how could we essentially save our small, family-owned wineries from the big, nasty multinationals. And my recollection of our review was that essentially, although this was happening to some extent, those
small, family wineries were not really being massively disadvantaged; they were being paid quite handsomely and in many cases were going down the road and setting up another small, family-owned winery. (laughter) And the only substantive recommendation that I can remember coming from that was that we should allow these small, family-owned wineries to actually sell their plonk on the weekends, when most of the tourists were going there to buy it, and that was a recommendation that was finally taken up by the government.

Yes. The licensing people.

Yes.

Just the methodology on that, that seems as though we got into the microeconomic sort of arguments about barriers to entry. I don’t know if you can – – –. (telephone rings, break in recording) We were talking about using economic observation, if you like, or theory about what to analyse in such a study, and there was this idea we had, I think, about low barriers to entry to at least the small winery industry, anyway.

Well, yes. To the extent our analysis concluded anything, it was that yes, there were low barriers to entry, and that although multinationals might have found the easiest way to enter the market was to buy a brand name like ‘Rouge Homme’ or something like that, the individuals who had those brand names could set up wineries – I mean, you obviously need some money, but if you get paid handsomely for what it is you’ve sold them you can easily establish another one. I mean, you have to look at the way (laughs) people continue to set up vineyards and set up wineries because it’s a boom industry. It is a relatively-easy industry to enter. I mean, obviously, you’d probably reach different conclusions if you were looking at retailing or something like that, although when I say ‘retailing’ I mean grocery retailing – although, having said that, there’s probably plenty of small retailers in the grocery industry, too.

Yes. One of the other things, I think, that came up was the rates and taxes going up for land that some of these small wineries owned if they were particularly near the non-metropolitan fringe.

Yes. I mean there are a few things about the wine industry that were around in Don Dunstan’s time. There was that question of whether people who had vineyards in
areas close to the Adelaide metropolitan area were somehow being disincentivised to continue with their wine growing because their land was worth more as urban development. But there was also a thing called the Coombs Report, which came out just after 1972, when Whitlam came to power, which if you like challenged a lot of the economic thinking prior to that time, and I can remember one of the issues that needed a response from the South Australian Government related to changes in the valuing of wine stocks. I’m sure somebody will have spoken to you about that. But essentially the Grange Hermitage producers of this world would value their stock at a very low price and they wouldn’t actually have to pay tax on it until it was sold, whereas the Coombs Report amongst many other things decided to change the tax rules around valuing wine so that, as stocks of wine went up in value as they got older, that increase in value impacted on their income that year and they had to pay tax on it. So we obviously represented the state’s interest in that by arguing against it. I don’t think we ever had much success at the end of the day.

The rationalists over there got hold of it, in Canberra. Is there anything else you wanted to – – –?

Well, I know that’s one of the things we did, we had to write a response. The Coombs Report was quite a thick report. It had hundreds of recommendations, including doing away with free school milk and things like that.

Oh, really?

I can’t remember too many of the issues, but I know that we had to write a report on every one of them and put a submission to the Whitlam Government about why it was okay or not okay to go ahead with it.

You mentioned the bread industry: you had a peripheral involvement there. What was that inquiry about?

Well, there used to be controls on the price of bread and also controls on the hours in which bread could be baked, and even controls on when it could be delivered. And I know there was an inquiry into it and the Premier’s Department provided the chairman and a guy called Peter Mills –
Peter Mills, yes.

– was selected by Bob Bakewell to chair that, and Geoff Byrne from our economics unit was one of the members of that. Obviously, our view of all that was that this should be deregulated. It obviously eventually has, but I think the first report from that review was a level of deregulation but not total deregulation. I can’t remember the details of it, it probably needs to be – – –.

Interesting. Yes, sure.

At the time there was a metropolitan area and people outside the metropolitan area could bake any time they wanted to, so people used to go to Goolwa and Mount Barker and all that to get fresh bread on the weekends but you couldn’t get fresh bread on the weekends in Adelaide. It was just crazy, in retrospect –

Bizarre, yes.

– when you consider where we are now. But anyway.

Yes, incredible.

They were areas where the sort of free market approach was pushed by the bureaucracy, I suppose, and Don Dunstan’s Government understood the reasons for it, but it was more the politics of it was hard to get through straight away. But eventually they recognised the sense of moving in that direction. (telephone rings, break in recording)

And the motor vehicle industry, you mentioned a lot of work: that was in relation to reductions in tariffs, wasn’t it?

Yes, exactly. Obviously, South Australia had a large exposure to the motor vehicle industry and our state government essentially used to put forward arguments about why tariffs shouldn’t be reduced. At the end of the day, it just led to a gradual reduction, and now we’re still going through a phase of reduced tariffs and I think for the moment they expect it to be reduced to, I don’t know, five per cent by 2010 or something, I don’t know what the rules are. But back in mid-1970s, I think tariffs
wore still around forty-five per cent and stuff like that, so bringing them down was obviously horrendous for our local industry.

Yes. So what was going on? You were doing some economic modelling, or just a logic flow of impact?

I guess this is where personally I had the biggest dilemma because, as a free marketeer, I was supportive of the notion of reducing tariffs; but it was essentially one of arguing the case for why, if you were going to reduce tariffs, you needed transitional support to help the workers out of it and also you shouldn’t reduce them too fast. So it’s essentially just representing to the federal government what the consequences would be for South Australia as a regional economy if that happened.

Were you using any econometric models, or just estimates of not only direct but also the spreading impact of job reductions?

Well, we had lots of information about employment in the motor vehicle industry and what the consequences would be if sales fell, but I wouldn’t go so far as to say we had sophisticated econometric models, although there were times where we did enlist the support of Adelaide University, who had some input–output models. But I personally wasn’t involved in those things. Ian Kowalick probably could tell you more about that because I think he was probably the key person in the economic development area.

What about Graham Maguire? He’d done some econometrics in Canberra but I’m just trying to remember how much he was involved in this area.

Actually, Graham Maguire was one of the people that was in Milton’s area when I first joined, but it didn’t seem long after that that he made his play to get into the Senate. I don’t know, do you know when he went to the Senate?

No, that was later. He ran for a seat in Sturt and didn’t get that.

Oh, okay.

And he went into like a program review area he ran for a while, and then he went into Don’s personal staff for a while. But I was just wondering whether, given he did a master’s in economics, whether he had any influence on your research methodology in these things.
Not that I can recall. He may have, I can’t remember.

Okay. So what actually happened on the motor vehicle inquiry? Did some of your recommendations get picked up, can you recall that? Like all this work was going on: did it have any influence in Canberra?

At a political level it did, but at the end of the day the aim of the game with all these submissions was essentially – well, was more political than it was economic, I think essentially was to demonstrate the consequences for employment in the state and what that would mean for, (laughs) I suppose, governments that let it happen.

Another inquiry was the work with some international expert – I forget his name – on the fishing industry. I know you weren’t directly involved in that, but did you keep up with what was going on there?

Well, it was the Simon Fraser University of Canada, based in Vancouver – and I can’t remember the name of the professor, either – but I again was aware of it mainly because a colleague of mine, Geoff Byrne, was involved in it. Essentially, it was related to ensuring the sustainability of our fisheries in the Spencer and Vincent’s Gulf and the consequences of – well, the balance between giving licences to fish and if you don’t control that, well, then the fisheries will be depleted and things like that. My recollection is that it actually did lead to changes in the licensing arrangements with stricter controls and things like that, but again because I wasn’t directly involved I can’t remember the details of that.

Yes. That seemed to be an early alert in the context of environmental and other conservation that was picked up and some early work done.

Yes.

The population growth, the Borrie Inquiry, was that after Monarto or before Monarto?

I think it was around soon after Monarto was started. Monarto was a policy initiative of the Dunstan Government and they’d sort of set land aside and there were plans for a satellite city to be built out there, and then I think the Borrie Inquiry just happened to coincidentally be initiated by the Whitlam Government as to what our likely population trends were and how we were going to deal with it, and I know
we made submissions, just from the perspective of how we saw the South Australian population growing. I mostly can’t recall what the Borrie Inquiry ended up concluding.

**At some stage it was realised that the population growth wasn’t as high as everybody thought it was going to be, the usual inputs being calculated: employment growth, immigration, fertility.**

I mean there was a period when South Australia was experiencing quite reasonable shares of overseas migration from the English and that, but by the time we were looking at it those shares had declined quite a bit.

**Just looking across these sorts of projects, your work and the other units, did you ever talk about your research methodology as a team and what approaches you ought to take, or was it a sort of one-by-one basis?**

I think it’s fair to say it was more a one-by-one basis, because sometimes we were looking at the microeconomic issues of bread controls, the next we were looking at the issues of population growth or the consequences of protection on the motor vehicle industry. I mean they were quite different and specific issues that we looked at.

**And at some stages there was studying going on about industries to promote or to identify for support or attraction and promotion, like gap studies or their versions. What was the relationship between your area, whether it was in the Economic Intelligence Unit or later when you went as part of the Economic Development Department?**

I’m trying to remember the name of the consulting firm that did those things.

**Was it Scott’s[?]?**

Scott’s, yes. Well, I guess the economics unit wasn’t directly involved, they were more driven by the economic development groups within either the Premier’s Department or when it was a separate agency. I know Milton Smith and myself were of the view that these reviews tended to be a bit of a wank in the sense it was a group of consultants trying to recommend to the government where the government should place its bets on which industries we should be attracting, and they tended to come up with the usual list of things like things that required technical expertise –
you know, things that we were good at because we had technical expertise in motor vehicles or mining or that sort of stuff.

**Sophisticated engineering.**

Yes, that sort of stuff. Having identified what is more likely to be viable in the state it wasn’t clear that it made any sense to actually do anything specific to attract them, other than let them come here because that’s what we were good at.

**Or, flipping it the other way round, I remember some information going out about our low wage rates, our low industrial disputes, there might have been some others. Was your unit involved in any of those sorts of fact-gathering for that sort of – – –?**

Oh, definitely. We used to prepare the information in our monthly reports and whenever else it was needed on level of industrial disputation relative to the rest of the country or what our wage rates were. We even gave submissions from time to time to cases before the Industrial Court whenever there was a need for a flow-on increase from a national wage case why our flow-on should be more or less than the rest because of the cost of living in our state and all that sort of stuff.

**How was that received, can you recall?**

By and large the flow-ons would be almost identical from what the national wage case was. So despite the fact we might argue how we have a lower cost of living, it tended not to be considered by the Industrial Commissioners.

**Was there any interaction with what’s now called Business SA but I think was the Chamber of Commerce in the old days?**

There were instances where our data collection, we’d sometimes use them for the purpose of getting information about employment in key employers in the state, but I personally wasn’t involved in dialogue with them on broader policy issues, it was mainly just data.

**What about getting briefings for say the Premier, if the Chamber was criticising the government? Did that come into your unit’s bailiwick? I recall now and again the Chamber of Commerce, I think there was a chap called Colin Branson, who used to say a lot about – – –.**
Oh, yes. He was on that Long Service Leave for Casual Workers, if I remember. Well, any time there was an issue in relation to the state of the economy and whether any particular policy was hindering or helping a trend that might have been observed, yes, we would be expected to give some advice on it, yes.

Advice, yes, some arguments. Just getting to Don Dunstan himself, were you ever involved in any briefings with him and got any impression of how much he knew about economics?

Occasionally I might have been involved in briefing him, but mainly it was done through Milton. Milton (a) was the more senior officer and (b) he had a personal relationship with him in the sense that they’d gone to uni together or worked together or something, I can’t remember precisely what it was, and Milton knew his wife as well. So that was the main direct connection. I can vaguely remember being involved in briefing him on something to do with a submission on the motor vehicle industry, I think it was, where I then, having been involved in briefing him, then observed his performance in delivering to that theme, and I was impressed with his ability to absorb the brief and then (laughs) present it in a way that was very compelling, if you know what I mean. He was a great orator and obviously intelligent deliverer, and he takes up all the points. In terms of his understanding of economics, I don’t think it was a key – I mean, I think he understood it to the extent he needed to, but it wasn’t an area he was particularly interested in. That was my observation. But I wasn’t close to him.

Just thinking about the Dunstan Decade and Don’s overall economic performance, have you got any things that stick in your mind about it?

Well, in a sense I think he was there in a period of relative benign economic circumstances. In the early years he was fairly flush with money from Whitlam’s payment and in the latter part things might have been tougher but they weren’t – I mean, compared to some of the periods we’ve been through with the State Bank and stuff, I don’t think he had to face those economic difficulties. He was keen to spend money in areas that he was interested in, like the arts, and protecting them. And things like Monarto, because he had a view about population growth which ended
up not being necessarily correct. But I don’t regard him as either a particularly astute economic manager or a poor one; I think he lived in relatively benign times and he did a reasonable job. (telephone rings, break in recording)

And just thinking about it, was there much a state government could do, anyway? When you were working there, did you ever think, ‘Well, gee, I wish they’d done this or done that: things would have been better economically’? Or, ‘I wish they didn’t make that mistake’, for that matter?

I don’t think there’s a lot a state government can do about the broad economic cycle, if you know what I mean, even at the moment there’s not a lot a state government can do about dampening inflation; these things are factors to do with terms of trade, world demand, oil prices, all that sort of stuff. Even national governments probably have got a limit to how much they can do. But to the extent anybody at a government level can do it, it’s the national government; and not state governments: their bailiwick is essentially making sure the details get implemented. I mean, I do think some of the areas he did move on, like whether it’s bread trading hours, minimum prices for grapes, there are lots of areas where the government has an input into economic policy, but they’re at a very micro level. It’s making sure things run smoothly instead of putting a spoke in the wheel. But you can’t do much about broad level of employment and inflation when they’re driven by such global factors and the level of national surpluses and deficits and things like that.

Things like industrial democracy, I don’t know if you were involved in any of the internal departmental stuff, but did they strike you as not really fitting into an attraction of industry paradigm? Were they running counter to attracting industry or encouraging?

To the extent I thought about it, I think I was fairly neutral. Industrial democracy is essentially all about ensuring the workers as stakeholders have a sufficient and valid say in what’s happening around the place. To the extent you’re the only state that does that, well, it may be a bit of a disincentive for those people who are thinking of coming to the state. But when you look back at it in hindsight it was pretty marginal sort of stuff and I can’t imagine people would have either been deterred or
encouraged to come to South Australia because of those sorts of trends. Much bigger issues that influence decisions.

And were you in the Economics Department when the Tonkin Government came in?

I was in Treasury at that stage.

Oh, in Treasury, right, okay. What I was fishing for was a bit of a comparison: did things sort of loosen up, get more industry-friendly, just because there was a Liberal Government and improve just because of that?

Ah. I doubt it, personally. But I wasn’t directly involved. By the time he came to power, I was more involved in things like negotiating the Stony Point indentures and Roxby Downs indentures and stuff like that, implementing them from a Treasury perspective.

And the Dunstan Government’s uranium policy or anti-uranium policy, did you put that into some economic development context?

Well, the Stony Point indenture was all about the liquids ..... and then the Roxby Downs was obviously the uranium thing and Tonkin was in power but they needed the support of the upper house to get it through.

Yes, Norm Foster.

And Normie Foster, blah-blah-blah.

But when Don knocked back the opportunity, if you were in the Economic Development Department, was that frustrating?

I wasn’t around within the economic area when that issue came up, so no – well, now that I know where I am at the moment it would have been frustrating, but whether — — . I might have been more green then, I don’t know. (laughter)

Okay. Do you think there’s anything I’ve missed out in our discussion that you were wanting to talk about I haven’t covered?

Not really.

One area I didn’t ask about was the other ministers, whether you came across any of them, and how good they might have been in this economics area. Like Hugh Hudson, for example.
No. To the extent I came across – well, Blevins was the minister, but I think that was after Dunstan.

**Yes, that was Bannon, yes.**

A guy called Brian Chatterton was the Minister for Agriculture –

**Agriculture, yes.**

– when we were dealing with those wineries and stuff like that. Well, I thought he was a reasonable sort of guy. (laughs) He didn’t seem to last – because he was in the upper house, I can’t remember how long he lasted.

Yes. He fell foul of John Bannon when Bannon came in as Premier over something to do with the Middle East and deals, dry land farming, and there was some company –

Oh, SAGRIC.

– **SAGRIC International, yes.**

Oh, yes, well, SAGRIC – later in my career I was involved in selling off SAGRIC to Coffey. Yes. When I was in the Premier’s Department I really didn’t have a lot – oh, what’s the Labor guy, when I was doing my – – –?

**Jack Wright.**

Jack Wright, yes. Again, I didn’t have a lot to do with him other than offend him by writing a minority report on long service leave. My recollection of Don was if he had a view most cabinet ministers would tend to be fairly supportive.

**Even if they were sometimes seemingly bizarre and outlandish.**

(laughter) Yes.

**All right. Well, on that note, thanks very much, Robert, for a great interview.**

No worries.

**END OF INTERVIEW.**