Interview with Lew Owens conducted by George Lewkowicz on 11th December 2007 for the Don Dunstan Oral History Project.

INTERVIEW COMMENCES

This is an interview with Mr Lewis Owens. Mr Owens is currently the chief executive of ETSA Utilities. The interview is by George Lewkowicz for the Don Dunstan History Project. The date is 11th December 2007, the location is at ETSA Utilities in Keswick, the topic is the area of economic development.

Lew, thanks very much for being willing to do this interview for the history project. Can you just give, for the record, just a brief bio about yourself and then talk about how you joined the Premier’s Department or whatever the title was at the time?

Yes, there certainly were a number of name changes. Basically, I did a chemical engineering degree at Adelaide University which ended me up in Adelaide Oil Refinery. After a couple of years there, whilst doing a part-time politics and economics degree at Adelaide, I decided I wanted to move outside the straight engineering, went over to England and did a Master of Science degree, unfortunately enrolled in an urban studies degree rather than environmental studies, which, when I came back to Adelaide, took me into the State Planning Authority, where I was involved in the Adelaide Recreation Study. After two years I looked for opportunities and moved into what I believe was then called the Development Division of the Department of Mines, which then became the Trade and Development Division, I think, of Premier and Cabinet – Premier’s, as it was called then – which ultimately became the Department of Economic Development, and I finished there in 1979 so I think I joined it in around 1976, and then left it in ’79 after Don Dunstan had stood down and Des Corcoran had taken over.

What was your role there when you joined and as you went through the term of your positions there?

I started as a – I think, and forgive me (laughs) but it is thirty years on – I started as something like a senior planning officer and eventually worked my way up to what was called an ‘assistant director’ in the Department of Economic Development. When I started there it had people like Doug Martin and Ken Belchamber, who were longstanding employees of that area under the leadership of a guy called Max
Scriven. Eventually the Department of Economic Development was headed up by Bill Davies and the main people there who were involved were people like Ian Kowalick and Barry Orr, they were both directors, and as I said I was an assistant director there. So a lot of the big names around that time were in that department as it evolved. I was actually at one stage involved in Max Scriven’s demotion to the role of Agent General because at that stage the government was planning to introduce container legislation and I, as a young person in the department, was given the role of doing a study on the economic impact of introducing the container legislation. The Premier denied on questioning in Parliament that such a study was being undertaken, he didn’t know about it, and of course the industry then said, ‘Well, it is being undertaken, it’s being undertaken by Mr Owens working for Mr Scriven.’

Whoops.

Scriven was severely reprimanded and his punishment was to be moved to Agent General, and Max never forgave me for this embarrassing scene. But Max was replaced as Department CEO by Bill Davies from Channel Nine.

So you mentioned the container project, but what other projects did you work on?

We were given some interesting roles but, because I was primarily in what was called the ‘new industry’ section for most of this and with my engineering background and economics and so forth was given pretty free range, we were sort of the group that was scanning statistics and data to look for opportunities where there might be new industries. And so the famous “gaps study” by W.D. Scott, I think it was, had been done earlier – ’72, ’73, something like that – it was pooh-poohed and scorned as a silly way of looking for new industry opportunities. Basically what it did was look at what the average industry composition was in Australia, compared that to the South Australian one and said, ‘Well, where there’s a gap, maybe that’s an opportunity for us’, which meant that it had this naïve view that everyone would have exactly the same economy.

What we did was sort of the next level down beneath that and say, ‘Well, you’ve got to look at where are our resources, where might we have a competitive advantage, what are the sorts of things that maybe we could develop?’ And we also
did long-term forecasts, fifteen, twenty years out, of what may be happening. We produced a report that was put out to say, ‘This may be where South Australia’s heading and where some of the opportunities are.’ I fear to think how inaccurate it would be if I went back and looked at it today. But that emerged into me carving out a sort of a niche area where I was able to employ five graduates under the graduate recruitment program and there was an ag scientist and an architect and an engineer and I forget what the others were, and what we did was trawl around for ideas on what could be new industries. This was anointed by Don, particularly because he was into a phase of wanting to encourage communes and alternative lifestyles, and he was looking for small industries that could be used by these groups to support their alternative lifestyle, so they wouldn’t be necessarily huge income-producing industries but they would be things that would sustain that community. So this group of five graduates and myself churned out about seventy ideas on potential new industries and a number of them have subsequently eventuated, particularly in the agricultural area. We were pioneers in a lot of the oils and new crops and seeds and a whole range of things – lots of no-hoper ones, too, like extracting sugars from seagrass on South Australian beaches and lots of those sorts of things. But that all came to an end when Don resigned, Des Corcoran took over, I was called in and told that the role had been ‘de-emphasised’ and that I should look for work elsewhere and so in late ’79 took a job in the Energy Division of the newly-formed Department of Mines and Energy, and that was my involvement with Economic Development.

At the time – you mentioned the new industries – do you recall any overall strategic framework and any debates about the role of government in industry?

Certainly I remember the Corcoran view which was there was no role for government, so that was the end of that era. I don’t personally – because I was a relatively junior person, I guess – I don’t recall Don himself intimately involved. We received messages through Bob Bakewell or Bill Davies. Bill Davies used to have an office on the south-western corner of 45 Pirie Street and I was in the north-western corner and Bill was famous for calling from his office for you to attend – he had one of the loudest voices – so we were sometimes summoned to be told what to do. But people like Barry Orr and Ian Kowalick and David Mitchell, they were
pretty instrumental there, and the old guard of Ken Belchamber and Doug Martin, it was a very experienced group and I think at the time was seen that it had a role to play in not only responding to proposals from outside, because there used to be a lot of nutcase proposals (laughs) that would come in for funding support through the development, whatever it was called – the Development Corporation? –

Yes, SA Development, yes.

– SADC – but also coming up with ideas that could be pursued. It was tough going, I have to say, and a lot of the work that I got involved in in the middle period was in the Industry Assistance Commission inquiries into the steel industry and BHP and the car industry and things like that. So a lot of our work in that middle period was actually arguing a South Australian position in defence of the industries that we had under a fair bit of aggressive attack from the IAC. And I guess that led on to saying, ‘Well, look, the writing’s on the wall. These are not going to be around forever. We’ve got to start to find things that might replace them based on some advantages that we may have.’

I’m just wondering, the work you were doing, whether that also involved setting up some sort of a database about South Australian industry –

It did.

– well, just if you can talk about that.

One of the problems that we always ran into was just, ‘What have we got here anyway?’ The ABS1 was unable to be accessed for that and a lot of confusion as to what was actually manufacturing or marketing of products from overseas, and so one of our tasks was to produce the first credible manufacturing directory, which was literally, I can recall, a red-covered book that went down every firm that we could find by ASIC2 classification; it involved us trawling through Yellow Pages and directories of the Chamber of Industry and Commerce and all of the government records to try and find who actually existed and we ended up with large numbers. A lot of them were very small. But the intention there was to put that out to promote

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1 ABS – Australian Bureau of Statistics.
knowledge of local manufacturers and to help them get sales and whatever. It was a major effort to get up-to-date, quality information and that was then taken to do studies on various industries and forecasts. So it, it took a long time to get a quality of data that we could rely on.

**How would you describe the detail and the thoroughness of the work you were doing? Was that based heavily on statistical background?**

Where we could. I remember putting together the South Australian submission to the IAC\(^3\) on the steel industry. And it was quite an interesting experience for a young person in the public service because there was literally no information kept at all. In Playford’s time, these deals were done, as I learnt, sitting on verandas at the Darling House up on the Yorke Peninsula, not recorded or whatever. So I was involved in trawling through government records because the IAC were saying, ‘Well, how was the price of water set? Why does BHP get its water for this price?’ There were no records anywhere and I was really struggling.

I went down to the State Library and who should be coming out but Sir Thomas Playford? And, brash young public servant that I was, bailed him up and said, ‘Excuse me, Sir Thomas, you haven’t got a clue who I am but I’m just about to do this. I was wondering if you might be able to give me some help.’ (laughter) And he talked for about two hours –

**Really?**

– with perfect recall – and of course I had no paper or anything, I was trying to keep it in – luckily my memory was a bit better then than it is now – trying to recall all this, but he had it down pat. He said, ‘I was coming back from a trip up north and I ran into Jim Darling and I said to him, “We need to do this”, and we sat down on his balcony that night looking out over the waters and he said, “Well, if you can give me water for this sort of price I can do a deal”, and da-da-da.’

**Wow.**

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\(^2\) ASIC – Australian Securities and Investments Commission.

\(^3\) IAC – Industries Assistance Commission.
And it was just unbelievable, and it just filled in the whole picture about how the indenture had come about and the subsidies and all of that; and none of it was documented, but it did give you some confidence that when you fronted the IAC at least you vaguely knew what had happened and why these arrangements were in place. So we were always struggling, I guess, to have quality information and a lot of what we were on about was to try to build up that database.

Yes, and you had a good relationship with the ABS?

Yes. Although, you know, you always run into that confidentiality stuff and I can remember one stage where we got them to send out letters to everyone on their manufacturing list because they wouldn’t give us the list, and then we were waiting for people to respond and there were lots of no-answers and things like that. So it was always a challenge; we had to do a lot of repeating, in effect, what they would have been doing themselves.

One of the very broad areas here is what industry thought about all of this work going on, that is under the Playford Era seemed to be on the basis of individual agreements, then you have a – I’ll call it a ‘socialist’ government come in and quite interested in using its role to invest in industry, to support industry. What did you see as the response of industry itself to all of that? Were they reluctant to get involved or were they quite happy for the government to come in and hold hands and invest time and money?

A bit of both and generally at the same time. (laughs) I think they on the one hand would protest that government should get out of the area and leave it to them, but on the other they were always the first ones through the door with their hands out. There wasn’t a lot of money around; the SADC was being asked to distribute tiny amounts of money, really, and so the only projects that would end up with the SADC were generally projects that were no-hopers and had as much risk of failing as succeeding. I remember there was a proposal for a margarine plant. We had to go through it and we got into all of the issues about, ‘Could you knock off Meadow Lee?’ or whoever was the biggest one at the time, and they always were messy and difficult. Industries that were okay probably kept away from you; the ones that you tended to be involved with were the ones who were struggling and therefore nothing the government could do could help them.

How did you assess your success in your work?
Probably didn’t. It was probably a feel-good thing. At the time I vaguely think we felt that we were doing something meaningful; whether we actually achieved – I mean, that’s always been the issue with economic development: you always claim the successes even though they would have happened without you and everyone blames you for the failures. So I don’t know whether we actually achieved anything. We probably put up a good fight and, at worst, we wouldn’t have done any harm but hopefully did a few things. But no, I don’t think they were questions one asked at that time.

And it’s said at the time that the cycle of economic development in SA had sort of changed from the early ’70s quite buoyant, particularly with Commonwealth support, and then about the time you came in there seemed to be all these, one, budget difficulties; two, tariff changes; and all sorts of things. Did you pick up any sense of that when you were working there, like this very difficult environment?

Yes. Very much. One of the roles I had to do once was to write a speech for Bob Bakewell and it was called ‘The fourth wave’, I recall it now. And I recall being quite honoured at the time because when he gave the speech he actually acknowledged me, which I thought was one of Bob’s good traits, that he was always prepared to acknowledge those who had done the work for him. But it was based on a previous speech by someone else that talked about the three waves of economic development in South Australia: the early agriculture, the mining and then his third wave was the sort of post-war, the Elizabeth and the vehicle industry and the iron and steel industry. So in this paper, in the mid-’70s, I was putting in Bob Bakewell’s mouth that the fourth wave was happening. I can’t even remember what I said it was now, but it was (laughter) whatever we thought was happening in the mid-’70s was this – you know, it was probably something to do with, I don’t know, technology or – I don’t know. It would be interesting to drag out the speech and find it.

So we were clearly thinking about, ‘Well, the economy’s gone through these stages of growth.’ It wasn’t mining, we certainly got that one wrong, but it must have been something that was high-tech and whatever and we were clearly thinking about where is the next phase of growth for South Australia now that the motor vehicle and Elizabeth and those sorts of things have failed.
I'm just trying to remember when computers came in; probably a bit later than that.

Certainly. I remember when I started at WorkCover in 1990 I said to someone then, ‘I don’t want one of those things on my desk; I never use them.’ So I would imagine that computers were probably late ’80s or something or other, yes.

At the time how were your relationships with the rest of the Premier’s Department? That’s as a unit or branch.

Always separate because we were never physically – we were always in a separate building.

I see, yes.

So we were always, in my time, in 45 Pirie Street. And so we had very little to do with cabinet office. Yes, there was a cabinet office.

Yes, Policy Division.

I think you were probably there then. Policy Division. So we were a bit independent of them.

Yes. What about work with other departments? You mentioned Agriculture.

Agriculture we did a fair bit with – although I must say we kept running into brick walls. Agriculture was very traditional, you know, it was wheat and it was fruit trees and not much else, and so we actually – and Don was the one who pioneered this, he actually arranged for a lot of these experimental crops to be grown out at Yatala Prison, and so it was through Prisons or Correctional Services, whatever they were called, that we did a lot of our work and it was through Bruce someone or other, Bruce – can’t think of him; anyway, he was the promoter of all of these herbs and spices and everything that we picked up a lot of the work from there. And also with Woods and Forests we were doing things. So Agriculture itself was just a bloody dinosaur that didn’t support and almost actively opposed some of this stuff. Peter Barrow and a few like that. I mean, I think they came along reluctantly but they never had their heart in it, didn’t have the passion that Don had for the opportunities that we had in agriculture. So it was always a bit of an uphill battle there trying to be treated seriously.
What about the Mines Department?

Yes, we had a little success. But I must say we were fairly unimaginative there and we were looking at things like talc and some of the obscure minerals – I don’t think, surprisingly, that mining was much on our agenda.

You didn’t get involved with the uranium work, uranium enrichment?

Not at that time. Later on when I was in Energy Division we did, but not then.

So did you have any sense of the role of the cabinet and the other ministers in promoting economic development?

No, not a lot, and that might have just been my lowly level. Was Don Hopgood, I think he was the Minister for Mines when we first came in? But it was more in the Premier than the others.

So when you reflect on your time there and your subsequent experience, what sort of things, if you do reflect, do you think of as the role of governments in economic development?

I found it a fascinating place to be early on in my career. I mean I was basically given a long rope, I was free to roam over whatever we wanted to do. There was always a discipline there and when you front up to the IAC, you can’t be half-baked and whatever. And we put together, I think, credible – we used to call them ‘pre-feasibility studies’: ‘This is all the information we can gather. This is the imports and the exports, this is why these things might be suitable for South Australia. This is the skill base, the natural resource. This is the sorts of economic parameters you might expect; it now needs to be taken forward.’ Some of them were – we got into metal forming, we were working with Harold Jury, who was the South Australian guy who invented the stretched aluminium to form those aluminium security grilles, brilliant invention, and I remember being with him in his factory when he always used to have a bit of chalk behind his ear and he’d draw on the factory floor, and we were working with him to create leadlight windows by putting the glass behind the stretched aluminium so it would be, rather than the individual creation of the thing, sort of a mass-produced leadlight window with security. They were the sorts of ideas. I don’t think it ever came to anything, but they were the sorts of ideas that we
were set free to go and investigate and certainly in the agriculture area a number of those things did get picked up down the track.

But as a young person in the public service it gave me a positive view on the public service. The traditional view of a boring, rules-bound, do-what-you’re-told, don’t-be-creative – that just wasn’t my experience and I guess I took that forward then when we got into the energy area and elsewhere. I’ve always seen the public service as a creative entity that, if you allow it, can come up with that; and that was certainly Don’s view of it, I think, that we had a role to play in unearthing opportunities, of putting them out there, seeing what support we could give to get them developed. And I guess today’s modern equivalent is the government supporting mining exploration so that someone can take those opportunities and develop them. It was an environment that was a very pleasant one to work in – with some great personalities, Bakewells and the like. I always remember Bob in one of his speeches to us saying something or other about we were at the ‘peak of the trough’.

**The peak of the trough, right.**

(laughter) That always challenges me to this day to work out where we were in the economic cycle.

**So what was his role? I know as the head of the area, but what did he actually do to support and encourage people?**

It’s hard to remember but I do have – I mean, we used to laugh about him and some of his expressions and all that, but it was a supportive role, and I presume he must have been the channel between the Premier and us and passing things up and down. I just wasn’t close enough to see that. But it was always encouraging and supportive and wanting to know what you were doing and that sort of thing, so again it was a great environment. And, you know, especially when you got anointed for having written the speech or something or other, that was a big step up for a young public servant.

**Yes, ‘You did well, you’re okay.’ Did he open up any channels to other departments and the Commonwealth Government?**
We didn’t have a lot to do with the Commonwealth. As I said, the only thing I can recall is the IAC and that was a fear thing, you know, that you’re going to get mauled because they’re out to get you, type stuff. But other than that I don’t recall. A lot of it was us doing our own sorting through whatever information we could get and engaging with people to try and pick up these ideas.

When you look on the Dunstan Era, we’ll call it, he’s more noted for his social reforms and a lot of people criticise the lack of economic progress in the State under his various governments. What’s your comment about that sort of thing?

I think that is unfair because I think it was a difficult time. The traditional industries were starting to encounter pressure on tariffs and the national move of removing barriers, and there hadn’t been time for people to think about, ‘Well, how do we manage that and what are the things that are going to replace it?’ So it was a time of transition.

Obviously, his thoughts on the alternative lifestyles and that, that didn’t take off. But at the time – I remember I wrote my thesis in England for my master’s on leisure, and I was forecasting then that we were going to be working twenty-five-hour weeks and we had all this spare time and leisure was going to be the dominant industry of the future. Well, here we are working eighty-hour weeks still –

Yes.

– and (laughter) we got that one wrong. But at the time that was a view and there was certainly the strong view that a number of people were going to want to withdraw from this hectic life and we need to find some means of giving them support through economically-productive activities that may not be large but may be there. So I think it was credible. It might have been misguided, but it was a serious effort to look at that.

Can you remember any of the readings, like what was happening around the world at the time or some of the more radical ideas of the time that were influencing any of this?

There was an underlying debate about the role of government and certainly we were looking at some role models, if I recall, about what some cities in America had done – I can’t remember now, was it Pennsylvania? There were some things; and England, of course, with its New Towns.
New Towns, yes.

And of course Monarto was in amongst all of this and all of the duties was to look at what sort of things can you set up at Monarto. So there was an element of theory; but we felt that we were pretty much on our own. And, as I said, the old W.D. Scott gap study always kept being brought up as an example of a stupid approach and we were going to be much more sophisticated than that. Whether we were is another point, I think. It’s hard yakka. But there was a few, some of the heavies I think, did do a bit of the Tom Playford stuff of going around the world door-knocking and there was the Agent General encouraging people to come to this wonderful place. I never got involved in that and I can’t remember what the things [were] that they were talking to them about.

And did you see any of the work that was being done with the South-East Asians, the Malaysians and others?

No. Not that I recall.

Well, I’ve covered the areas I wanted to. Were there any that you made a note of that you’d like to put on the record, Lew?

I think I’ve mentioned the main ones. Yes. I was going to say that Ian Kowalick and Barry Orr were quite important, influential people in the department at the time I was there and, you know, went on from there to take leading roles in that area. So it was certainly a formative time for some of those other people who went on. I took the ‘de-emphasised’ (laughter) role –

‘De-emphasised’, yes.

– out to Energy and carved a career out of the energy side rather than the economic development area.

I’m seeing Barry on Thursday.

Oh, okay.

I’m going to Sydney to interview him. So I’ll tell him he was an important cog in a lot of machines.

He was, yes. We had a good relationship and we fed off each other. He was very insightful and a good boss to work to. So it was a good time. It was only, as I look
at it now, only three years or so that I was there, but it was a time when a lot was happening.

All right. Well, thanks very much, Lew. That’s been very good.

My pleasure.

END OF INTERVIEW.