HOUSE OF ASSEMBLY

Wednesday 25 September 1991

ESTIMATES COMMITTEE B

Acting Chairman:
Mr V.S. Heron

Members:
Mr M.J. Atkinson
Mr D.M. Ferguson
Mr T.R. Groom
Mr G.M. Gunn
Mr G.A. Ingerson
Mr I.H. Venning

The Committee met at 11 a.m.

The ACTING CHAIRMAN: A relatively informal procedure will be adopted when asking questions. If the Minister undertakes to supply information at a later date that information must be in a form suitable for insertion in *Hansard*, with two copies to be submitted to the Clerk of the House of Assembly no later than Friday 4 October. I propose to allow the lead speaker of the Opposition and the Minister to make opening statements if they wish of about 10 minutes but no longer than 15 minutes. Members will be allowed to ask three questions with a brief supplementary question to conclude a line of questioning, alternating sides. Subject to the convenience of the Committee, a member outside the Committee who desires to ask a question will be permitted to do so once the line of questioning on an item has been completed by the Committee. Indications in advance to the Acting Chairman are necessary.

I remind members that Standing Orders allow members of Estimates Committees to ask for explanations on matters relating to Estimates of Receipts. Questions must be based on lines for expenditure and revenue, as revealed in the Estimates of Payments and Estimates of Receipts. Reference may be made to other documents, that is, the Program Estimates, the Auditor-General's Report and so on. Members must identify the page number in the relevant financial document from which their question is derived.

Minister of Labour and Minister of Occupational Health and Safety, Miscellaneous, $1 011 000

Witness:
The Hon. R.J. Gregory, Minister of Labour and Minister of Occupational Health and Safety.

Departmental Adviser:
Ms J. Powning, Chief Executive Officer, Occupational Health and Safety Commission.

The Hon. R.J. Gregory: In its short history, the commission has achieved tremendous results, when one considers that it has about 15 statutory functions providing the basis of major program areas. All its activities are planned and reported within the structure, which enables program performance budgeting and it enhances its accountability. I refer to the following in particular:

1. Standard setting: development of regulations, approved codes of practice and guidelines.

2. Administration of the Act: review of the administration and enforcement of the Occupational Health, Safety and Welfare Act and the related legislation on the functioning of health and safety representatives and provision of occupational health and safety services.

3. Training and workplace services: approval and promotion of health and safety training at all levels.

4. Research and information: collection, analysis and dissemination of health and safety data and information, and the sponsorship, commissioning or conduct of research.

5. Publicity and promotions: promotion of awareness about occupational health and safety and publicity and promotion of activities and programs.

6. Workforce and industry sectors: programs or activities aimed at high risk workforce groups (women, non-English speaking background workers) and industries such as the rural and construction industries.

As I say, this has been a fairly energetic commission. It has been working extremely well to date and has been able to produce a considerable number of regulations and codes of practice.

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

Mr INGERSON: Will the Minister indicate what codes of practice the commission is currently looking at? What major changes in direction does the commission think need to occur with those codes of practice?

The Hon. R.J. Gregory: I will not read out those codes of practice that have already been approved by the commission. In October 1987, a number of the existing codes of practice, which applied previously, were adopted by the commission and were eventually gazetted. Following that, work was then commenced on regulations, which have been operational since then. Since that time, the following regulations have been gazetted: asbestos regulations, for the safe removal of asbestos; asbestos work (excluding asbestos removal); manual handling regulations; occupational health and first aid regulations—there was also an approved code of practice with that; and approved codes of practice in respect of steelwork, timber preservatives and synthetic mineral fibres. There are proposed regulations in codes of practice in respect of logging—that is, logging stanchions and bulkheads, chainsaws and brushcutters. There are proposed regulations for excavation, that is, an approved code of practice for trenching. There are proposed workplace and hazardous substances regulations and a code of practice. It is proposed to have a consolidation of all regulations into a single set of hazard-based regulations. The idea of that is to provide for regulations that are user-friendly.

It is fair to say that some of the regulations and codes of practice that have been approved in the past are not easily understood by people with a reasonable command of our language; they have been written by experts for experts. It is a view of the Commissioner, and I agree entirely, that regulations should be written so these people in the workplace can pick up these regulations, read them and understand them, particularly with approved codes of practice, so there is no misunderstanding, and so people do not put it down because it is too hard to understand. That was a major initiative. A considerable number of Australian standards have been called up in regulations and approved codes of practice. They will eventually be changed to codes of practice. Tilt-up construction is currently being looked at, as are scaffolding codes and a demolition code. Some of

these are based on national standards and others on Australian standards.

I have made very clear to the Commissioner that it is my desire that we as a State should adopt Australian standards of occupational health and safety, particularly those that have come out of the tripartite organisation WorkSafe. The reason is that we are a small State and we also believe that if we adopt Australian standards and all the States do that, if one State is not particularly satisfied with that standard because it may believe it is inadequate and may not provide what it believes to be safe enough working conditions, it then has a platform to argue for those standards to be changed in the direction it wants. If as a State it changes to what it wants, it is then one out from the rest of Australia and it becomes very difficult to change the standard. Another reason is that we are a country of about 17 million people. I believe that we should act as one country and that we should have one set of safety laws. It makes it much easier for our workers and our employers when they are doing contract work interstate if the standards are all the same. They do not need huge boxes of standards that are slightly different and it saves them the embarrassment of being caught out. The other reason is that when people come to South Australia to do work from interstate, having the same standards means that inspectors can ensure that the work is being done properly.

Mr INGERSON: The recently introduced manual handling code initially created a fair amount of furore in the community, and it seems to be settling down in a reasonable form at the moment. What actually happens in the commission following up what might be practical or emotional difficulties in relation to the very significant changes that that brought about in the workplace?

The Hon. R.J. Gregory: I would hope that it would bring very significant changes, because one of the highest number of injuries we get is that caused by people over exerting themselves, which manifests in soft tissue injury and back injuries. Those who do suffer a back injury know that, once that injury has occurred, in many instances there is very little that medical science can do for that person. Also, strains and sprains account for an enormous amount of injuries. If we are able to cut those injuries by 10 per cent within two years, we would have a significant effect on WorkCover itself. The other side effect of that, which is more beneficial, is that the working men and women of Australia also benefit because they do not have an injury.

The manual handling code was adopted on the basis of recommendations from the tripartite committee. It has been through a consultative process. The implementation date was delayed for several months so that employers could have a chance to become aware of it, and the book that described it was sold by the Department of Labour for $10 a copy. I think that in excess of 15 000 copies have already been sold and I am gratified by that, because it means that the books are out amongst the community. The primary, essential aim is to have employers design poor work practices out of their work processes. Work practices do and can cause injury. One only has to look now at a brick truck carrying bricks out from a brick kiln to a building site.

I can recall as a youth when that truck would pull up and people would get out with pieces of leather around their wrists and on their hands, remove the bricks and carry them across the uneven dirt of a building site and put them where people thought they ought to go. Nowadays, when the truck pulls up, a forktruck drives off the back and the pallets are placed exactly where the bricklayers want them. When timber is delivered to a site, the hydraulic hoist on the back of the truck lifts the timber and places it in position. No longer are people manhandling it. During the time I have spent in the industry, I have seen this gradual progression that has been hastened by demands for higher productivity where people are no longer required to lift things. Designers are required to create a manufacturing process so that people are not placing their back under constant irritation so as to possibly finish up with a crook back. Further, we have taken on in the Department of Labour two ergonomists and four inspectors who are assisting in this process. For two years we have funded an educational program strategy to help employers. We have two trainers in the commission doing this. If any employer has a problem in the area of manual handling, the department is only too willing to help.

Mr INGERSON: As a supplementary question, what does the commission do in following up some of these difficulties? Does it know that these sorts of difficulties arise? What sort of function does it play in making sure that the code, once accepted in law, is then explained and maintained in a practical sense and not just a theoretical sense?

The Hon. R.J. Gregory: One has to understand how the commission works. It is a tripartite organisation consisting of representatives of employers, trade unions and Government. Those organisations are consulted by the commission when the codes of practice are being prepared and the representatives of those organisations are at liberty to raise with the commission the concerns that they may have with respect to occupational health and safety and any particular code.

I personally know of one employer's representative who took along their organisation's view of what a particular code ought to be. That was readily agreed to, and is now very close to becoming a code of practice within a very short time. If people do have problems with any particular code, it is a matter of writing to the appropriate people, and all those matters are considered. I will ask Ms Powning to expand on my comments.

Ms Powning: The tripartite commission has taken the view that providing education and back-up assistance with the introduction of significant pieces of legislation, like the manual handling regulations, is an important priority, and it has set up programs to enable that sort of assistance to be given. The staff of the commission provide training to a number of strategic groups within industry—all the trainers who would be training within individual enterprises and with employer associations and employees. So a systematic approach has been taken to provide back-up assistance. In addition, the commission staff receive a number of requests for help and inquiries, and are dealing with over 300 inquiries for assistance per week. Many of those are related to manual handling and to regulations in general. The staff of the commission research where necessary and provide practical assistance to employers and the work force seeking assistance.

Finally, the commission writes guidelines and is producing user friendly explanations for people within the work force who may not need to come to grips with the totality of codes of practice which may lie in the province of health and safety officers and health and safety representatives and employers. For a wide range of people within the work force, plain language guidelines are written to accompany all new regulations and codes of practice.

Mr INGERSON: I note from the Program Estimates reference to many workplace incidents involving occupational health and safety. How does the commission become involved in this exercise? Is it part of a tripartite exercise between the Department of Labour, WorkCover and itself and, if so, what sort of role does the commission play in advising on improvements in workplace conditions?

The Hon. R.J. Gregory: We need to understand clearly how departments work and what functions belong to whom. The Occupational Health, Safety and Welfare Commission's primary task is to formulate codes of practice and regulations for safe working conditions in South Australia. It is also involved with WorkSafe Australia, has people on its working parties and has an elaborate system of consultation when regulations are first formed. For example, a commission meeting will determine its policy and the work program for the next 18 months to two years. It will set out that work in accordance with the ability to perform that work and will consult widely with people.

The Department of Labour safety inspectors are responsible for ensuring that employers and workers comply with regulations and codes of practice. They do that through advice, requests; sometimes by the issue of expiation notices, default notices; sometimes by issuing prohibition notices; and sometimes by prosecuting the employer. WorkCover's responsibility is to provide rehabilitation and compensation for those people injured at work. Inter-agency meetings occur from time to time to ensure that the delivery of occupational health and safety is adequate and proper and, when people become aware of inadequacies in either the regulations or the code of practice, that is conveyed through the appropriate committees.

From the knowledge I have gained from being Minister over the past three years, I hold the view that our commission works extremely well compared to others. The output is more than adequate. Employers have complained to me that there are too many regulations coming out and that they cannot cope with them, but my response is that they do have obligations and ought to make themselves aware of them. We provide assistance to people if they need it. It means that many employees have the opportunity of working in safe working conditions, and if the employers understand the regulations and codes of practice they are able to provide that. The other spin-off for them is that, if they implement a proper and effective health and safety program within the workplace, the injury rate drops, the cost of WorkCover drops and productivity increases because the work process is not disrupted.

Mr INGERSON: As a supplementary question, does the commission ever become involved in on-site investigations at the request of either the department or WorkCover?

The Hon. R.J. Gregory: I find it very unusual for the department to ask the commission, because the people in the department are the ones who do it. WorkCover may have consultations with employers who are fairly poor performers in the sense of having high levels of injuries for their industry, and it is only proper that officers of WorkCover should interview those employers and explain to them the high level of injury occurring at their workplace. I am reminded of the employer who was found to have an injury rate of 300 per cent; that is, every person who worked at that establishment could expect to be injured three times in a year.

When confronted with this fact by WorkCover the employer concerned expressed some amazement that he was at the high level, because he claimed that this was normal for his industry. When the level dropped to 67 per cent WorkCover was still not satisfied as what they saw as an extremely high level. The employer thought that they had a very safe workplace, and I suppose that, as a matter of relativity, I was appalled when I found out that it had a high level of injury rate. I was also astounded that this company had been in operation for an extremely long period of time.

Mr FERGUSON: I refer to page 395 of the Program Estimates under the heading 'Issues/Trends' and the use of chemicals, which is mentioned there as a major health issue. Mr Chairman, as a former union official, you would know that it is very difficult to ascertain what chemicals and compounds are used in a particular industry, particularly where union officials chase cases in respect of workers compensation. For example, there have been many cases of cancer, where it was believed that the chemicals and chemical compounds were responsible, but the worker concerned and/or his representative were unable to find out what chemicals were being used. The reason that was always given for this is that of commercial confidentiality. Has this problem been addressed, and is an injured worker and/or his representative now able to find out what actual compounds and chemicals are used in a particular occupation?

The Hon. R.J. Gregory: At the moment, Worksafe is looking at hazardous substances and there is an argument going on among scientists and manufacturers as to whether the information about non-hazardous substances ought to be supplied. As the member for Henley Beach rightly said, the employers or manufacturers do not want to disclose information on the basis of confidentiality. They do not want to explain to people what is actually in the materials with which they are working. The matter is being looked at very seriously, and it is commonly referred to as a 'right to know'.

More labelling is needed, and I think you would appreciate that, when you pick up a bottle of soft drink, beer, wine or something like that, it contains preservatives and the label has numbers on it. I would suggest that anybody in this room who knew the ingredients in the bottle would have a little book in his pocket. It means nothing to me, nor I would suggest to all the people here that it is information which needs to be provided. Union officials and employers must be able to obtain that information, and one problem we have is that, if this information is not adequately made available, we could have dangerous circumstances in the workplace where, through misadventure, people could be badly injured.

I am reminded of Mr McArthur, the Director of the Country Fire Service, advising me just over 12 months ago of three members of the Country Fire Service in a country town who were very lucky to escape asphyxiation. They were taken to hospital and were all right, but they had been overtaken by fumes in attempting to put out a fire in a shed on a farm property. I expressed concern as to why the firemen had gone there, and why they had not just tried to contain the fire. When Mr McArthur asked, 'Why?', I said. 'Well, you have no idea what was burning. Even if a scientist had known what was in there, they would have had trouble in assessing what gases would be expressed by the fire. They just would not know so the best thing to do is stop the fire from spreading.'

He was surprised that I mentioned it to him. It indicates that with today's modern materials one has to take great care. The right to know will require safety data sheets to be available and, as I mentioned earlier, adequate labelling. Also, risks have to be assessed and, after assessing those risks, they then have to be controlled. In industry it is not unusual to have cyanites used in the heat treating of metals. It is perfectly safe as long as you do not eat it. In the electroplating industry for instance, one would not want to drink the fluid that is in the bath because one would die straight away. However, if adequate control and safe working practices are in force it is quite safe to use such chemicals. What we have to ensure at the national level is that

all our States and Territories adopt the same standards so that they will be common throughout Australia.

Mr FERGUSON: Page 395 of the Program Estimates states that research projects relating to stress and shift work have now been completed. What are the results of these projects? What is the effect on family life of shift work? Does this justify shift penalties?

The Hon. R.J. Gregory: With respect to shift penalties, I suggest to the member for Henley Beach that people's opinions differ depending on which side of the industrial fence they sit. The penalties that currently apply to shift work are those that I have always believed should apply, to ensure that people working outside the normal spread of hours are compensated for working, say, in the late afternoon, early evening and during the night. Such workers attract certain percentages with respect to their pay because of the perceived disability of working those hours.

With respect to stress, a study has been undertaken by the Department of Labour to assist it in its handling of stress in Government departments. As members know, in the Department of Correctional Services, the Police Department and the Education Department there have been a number of stress cases. When those cases first began all employers in Australia faced the difficulty of how best to treat the matter. Undertaking this research and publishing the document with its recommendations will enable the Public Service managers to better organise their workplace, equip them to recognise the early signs of stress, and then to take appropriate action to ensure that that person is removed from that stressful situation, that the cause of the stress is remedied and that the person can continue to work.

It is my view that when people had nervous breakdowns in the past they would be away from work for anything up to six weeks and then come back to work, but with very little having been done about the cause of the stress. We have found that when supervisors are appropriately trained to recognise when workers may be suffering stress and can intervene early we can avoid people being off work on workers compensation. This improves the quality of life for those people. It also means that the manager is managing and it gives him self-worth because he is assisting somebody to overcome a stressful situation.

The other thing we need in Government is more effective employee assistance programs so that when people are suffering the pressures that life brings we can provide properly trained and skilled people and, in many instances, move in without anybody else knowing what is happening and assist that person to overcome that difficult experience. That is working, and it works extremely well where the supervisors and managers are trained in those techniques. I am reminded that it was I who initiated Worksafe to look at stress at the national level, and the National Occupational Health and Safety Commission is doing this. One forgets when you give orders; you are a bit like a football captain—'Do this, do that'. However, people have gone off and done it and I am very pleased.

Mr FERGUSON: I refer to the emphasis that has been placed on targeting poor safety performance for safety audits based on WorkCover data. Has this program been effective? Are accident rates coming down? Is WorkCover data itself sufficient to be able to target poor safety performers?

The Hon. R.J. Gregory: The Government Workers Compensation Office in the Department of Labour has been assessed by WorkCover in relation to the audit process of rehabilitation, and we have found that, on average, the Government is performing better than private industry. As Minister I am not very happy that we have these injury levels in departments. At the Cabinet level I have initiated the collection of statistics so that we can look at trends. I envisage that by this time next year we will have a good idea about trends in departments. It is my intention that in relation to the poorer performing departments the Director of the Department of Labour and I will visit their CEOs. We will go through what we think is their poor performance, advise them what we think they ought to be adopting by way of policies to overcome that, and we will invite them to tell us what they are doing.

I regard workplace injury as a very serious imposition on people who go to work. I believe that employers have an absolute responsibility to ensure that when their workers go home at the end of their working day or their working life they can do that in one piece without having been injured at work. While some people might say that that is impossible, there have been examples in industry in South Australia where managers by applying determination, skill, knowledge and enthusiasm, have been able to turn companies around.

Recently I was privileged to visit a small manufacturing concern in the south-western suburbs of Adelaide where sometime ago the current manager was given the task of turning the company around, and if he was not able to do so in six months he was to wind it up and transfer the manufacturing process to Sydney. That was about eight years ago. This company is now consistently racking up $500 000-plus man days work without a lost time accident. An enormous amount of work is being produced in that factory in each period of time before a lost time accident.

My view is that we should be aiming for that type of excellence within Government. Whilst on average we compare very well with the industries that WorkCover provides for, I am not happy with that and want it to be better. I have also written to my colleagues seeking the same information from the statutory authorities that are not covered by the Government Workers Compensation Office. When we have that information, if we are not happy with their performance and safety, they will receive the same sort of visits as departmental heads. It is my intention that all Government authorities, whether they be departments or statutory authorities, will be excellent performers in occupational health and safety.

Mr INGERSON: On page 395 of the Program Estimates, mention is made that the Department of Labour will undertake 120 consultancies on occupational health issues. Is there any cross-relationship with the commission and, if so, what issues are intended to be taken up? There seems to be a fairly large number.

The Hon. R.J. Gregory: We have gone from the area of the Occupational Health and Safety Commission to the activities of the Department of Labour. The answer to the first question is 'No'. The answer to the other question is that these matters are operational.

Mr VENNING: As the Minister has said many times in the House, the farming industry is a dangerous workplace. What does the commission have on its books at the moment in relation to the rural industries? Is the commission's liaison with the UF&S cordial and are there on-going discussions?

The Hon. R.J. Gregory: The member for Custance is dead right: the rural industry is very dangerous. I think it is dangerous for a number of reasons. First, farmers in particular literally work on their own all the time. The only time they have a chance to meet with other farmers is at social occasions when they are not working, when they go to field days or when there might be a seminar on a particular matter in their district. Farmers are required to work in a complex area and they are required to have a variety

of skills. They work with a wide variety of equipment and chemicals, all of which, if used improperly, could be dangerous to them as operators.

Because of those hazards and because of the pressure of work, farmers have some difficulty in keeping up with the flow of information that comes out in relation to the wide range of activity in which they are engaged. As one can imagine, in the area of maintaining motor vehicles, tractors, plant and equipment, there is a whole body of information that, for example, a supervisor or a safety officer in a small, large or medium size engineering workshop would have at his command. Farmers do bits and pieces of all types of work and do not have time to access all the information. The same thing applies to chemicals and to some of their other activities.

I have had regular discussions on occupational health and safety matters with the United Farmers and Stockowners. The officers of that organisation I have met have assisted and encouraged the Government to bring out regulations and information about safe working practices. I understand there was a contribution from the Department of Labour at the Paskeville Show. I know there was last year. I have been advised by my officers that the stand had an enormous number of people visiting it and taking away information.

WorkCover has provided some funds for the employment of a person who has experience in the farming community, and it has established a program called Farmsafe. Under this program, people will audit a farm and, if it fits the criteria of that audit, the farm will get a tick and should be able to display something to indicate that they are running a safe farm.

To demonstrate the willingness of the United Farmers and Stockowners in the area of occupational health and safety: by chance I met with a junior officer in the street three weeks before the UF&S annual conference, which is held in June or July each year. I mentioned to him my concerns about the serious injury levels within the farming community. I told him that I would not mind being able to speak at a future conference, if that was possible. I had hardly got back to my office before I received a phone call asking whether I would be able to do it at such and such a time. Of course, I was delighted to be able to do it. Along with officers of our department, the UF&S appreciates that most of the serious accidents that happen with tractors and machinery happen on farms. A high level of machine accidents occur on farms.

We are collecting information in respect of injuries to find out just what is happening, where the criteria are. I am advised that this morning the commission will be running a consultative meeting with 150 farmers on roll-over protection. Further, the commission is running a seminar tomorrow at Paskeville. I am told that I will be attending the meeting, but I think that means Ms Powning will be attending it. An enormous amount of work is being done in this area. I am advised that the Farmsafe first national conference on occupational health and safety in rural industry was held in August 1988 and that it continues to liaise with the national commission in relation to the implementation of recommendations and so on. The farming community is getting a fair swag of this.

I must emphasise that the thing that really concerns me is the number of deaths and serious injuries that happen on farms which could have been avoided. When I read about them in the initial report that comes across my desk, I think to myself, 'That could have been avoided: if only they had known.' There is a responsibility on the part of the farmers' union or association to assist in doing that. The United Farmers and Stockowners has indicated that any information our department wants to give them on a regular basis will be published in its journal, which goes out to nearly every farmer in this State. The cooperation is there, but I do not know how long it will take before the number of injuries decreases. There will have to be an acceptance in the farming community that perhaps some of these city slickers do know something about occupational health and safety that they could learn from.

Mr VENNING: I am encouraged by the Minister's attitude. I will always resist the compulsory aspect of this Act and the commission. I hope that the promotion that has been carried out will make this compulsory aspect unnecessary. There was a promotion desk at the recent UF&S annual general meeting, and I fronted up, they appreciated my interest and I was sent a Farmsafe pack, which was a detailed package including all the safety gear, literature, stickers, and so on. I was encouraged by that. I thought that the way this was done was very professional. Is the Minister happy with the way the initial promotion is going? Is it being accepted? Is the Minister getting any results?

The Hon. R.J. Gregory: As a Minister, I am never happy when someone is injured. I would like to have perfection in this area, but it is a bit like the architects and the Gods. One knows that they are always displeased if there is perfection. I am happy with the progress that is taking place, but I am not happy with the continuing injuries, because it indicates that perhaps not everyone is getting the message. I take the view that in our community, we have a number of trade-offs. For example, one trades off the right not to wear a seat belt when driving a motor car to avoid getting hurt in an accident and to increase the chances of surviving it, and, further the hospital system is not loaded up with people who are injured and the emergency services do not have to be asked to remove bodies and badly injured people from motor cars. I have the same view about accidents in factories. There are times when we must have a method of compelling people to do things. We all know that the laws that we enact in this Parliament are there to handle those 5 per cent to 10 per cent who do not want to conform with good work practices.

I can recall being advised by an early union official about a previous Attorney-General who said that he would rely upon the good sense of the employer and that he would not want compulsion in this area. We had an extremely high rate of injury at that time and very low payments of compensation for people injured at work. I have the view that in some areas we might have to compel farmers to work safely. One must remember that the farmer usually works on his own and, if that farmer injures his back and is no longer able to do the work, it is very difficult for his partner to perform that work, in many instances, and the advice I have from the UF&S is that those people can no longer continue on the farm and must sell the property. It causes major problems within families; it causes families suffering.

I do not want to see that happening and, if we must go around to a couple of the farmers and tell them to put a rollover bar on their tractor and if they do not we will pinch them, what we are saying to that farmer is to put the bar on so that if the tractor does roll over and he is driving it, his wife does not go out into the paddock when he has not come home for tea and find him lying squashed underneath the tractor, and we do not then have to go through the problems of having him in hospital. Sometimes as a Government we have to take tough measures to ensure that the rest of the community is protected and, sometimes, we must protect people from themselves.

I was appalled at the number of farmers who rang up and complained after the Lindsay Park stud had been fined

extensively for not having rollover bars on a tractor when a young operator there had been killed. They realised they could have been fined $20 000, as Lindsay Park was, and they complained that they could not get the rollover bars. They were supposed to have put them on more than seven years ago. Ms Powning will talk about some of the activities in which she has been involved, in advising people.

Ms Powning: I could elaborate on the aspect of the question dealing with whether the farming community has been able to accept the activities of the Commissioner, particularly the new regulations and codes of practice. The Occupational Health and Safety Commission has spent quite a lot of its activities and efforts consulting with the rural community, and the Minister mentioned that as far as rollover protection bars for tractors go (tractors are the major cause of injuries and fatalities on farms), quite an extensive consultation is under way at the moment. The meeting that is occurring this morning is a very lively meeting with more than 150 farmers, who are making an input in future directions for rollover protection, and it is expected that a similar or larger audience will participate on Thursday.

I recently had meetings with representatives of the farming community—farmers themselves—who are on the Government's advisory committee and we talked about the style of new regulations and codes of practice which are being introduced nationally. These days codes of practice and additional regulations are leaving flexibility for employers generally and the farming community to introduce appropriate measures, rather than strict prescription in a technical manner. I was advised by the representatives of the farming community that they welcome this approach and are finding this style of legislation more encouraging.

Mr ATKINSON: Last year a constituent of mine who was employed by the Department of Correctional Services made a stress claim and this month he received a letter from a researcher at the University of South Australia asking him to participate in a survey of people who had made stress claims. What is the Government doing to protect the confidentiality of health records kept at work?

The Hon. R.J. Gregory: In the general community we have been accustomed to expect as individuals that when we go to see a general practitioner about a problem we are having with our health, that we can talk to our doctor in confidence. We do not expect to find doctors passing on private details about our health to anyone they should happen to feel like talking to. Disclosure of personal information without an individual's consent is regarded as unethical, and there is a possibility of charges of unprofessional conduct or disciplinary action against health professionals who do that. Unfortunately, when we get inside some of the workplaces in this State, we find that the workers do not have the same rights as you and I have when we consult our own GP. Sometimes there is an expectation that if the worker attends the occupational health service at their workplace, any information they give out about their personal health is the employer's property.

That is not right. The Government believes that individuals have the same rights whether they are seeing a doctor inside their workplace or outside it. That is why new regulations have been introduced, which ensure that occupational health services cannot divulge personal details about the health of a person without first obtaining that person's informed consent. Regulations protect individuals' rights but also make sure the information can be disclosed when necessary. So, for example, information required to complete workers compensation certificates and forms, which is covered by another law, is not affected. Also, information can be disclosed if it is necessary to prevent a serious and immediate danger to an individual or another person.

Labour, $32 151 000
Works and Services—Department of Labour, $963 000

Acting Chairman:
Mr V.S. Heron

Members:
Mr M.J. Atkinson
Mr D.M. Ferguson
Mr T.R. Groom
Mr G.M. Gunn
Mr G.A. Ingerson
Mr I.H. Venning

Witness:
The Hon. R.J. Gregory, Minister of Labour.

Departmental Advisers:
Mr Andrew Strickland, Commissioner for Public Employment and Chief Executive Officer, Department of Labour.
Mr Peter Ochota, Director, Regional and Technical Services.
Ms Susan MacIntosh, Director, Corporate and Planning Services.
Mr Adrian Dangerfield, Director, Personnel Management.
Mr Graham Billett, Manager, Administration and Finance.
Mr Trevor O'Rourke, Manager, Support Services.

The ACTING CHAIRMAN: Minister, do you wish to make a statement?

The Hon. R.J. Gregory: Yes: 1991-92 sees significant changes in the operation of the labour portfolio. Effective from 22 July 1991, and as reflected in the Estimates papers, the proposed budget allocation includes the amalgamation of the old Departments of Labour and Personnel and Industrial Relations retaining the name Department of Labour. The combining of these two small departments both specialising in human resources and industrial issues will result in the creation of a more efficient core Government agency. As I stressed at the time of the amalgamation, services to the public and industry will be maintained. The retention of the name 'Department of Labour' will ensure continuity of service points and avoid any disruption to clients.

1990-91 saw the transfer of the occupational health function from the Health Commission and the return of safety control of mineral fibres (including asbestos) from SACON. Both transfers have worked extremely well and provide a better co-ordination of these services to industry, across Government and within the department. Additional resources were provided for the implementation of manual handling regulations and codes of practice. Four additional occupational health and safety inspectors, who were funded in the 1990-91 budget, commenced in February 1991. This resulted in an overall increase in the size of the inspectorate from 32 to 36. Two extra ergonomists were also recruited and an Ergonomic Branch established in the Occupational Health Division. As part of a general intake, a 19 week training program for eight occupational health and safety inspectors was conducted.

During 1990-91 a program was commenced which targets employers with a poor safety record based on information provided by WorkCover. The department will continue to issue improvement and prohibition notices along with fines for breaches of the Act. The numbers of such notices and fines increased over the past year. The maximum fine imposed in 1990-91 was $40 000 ($25 000 in 1989-90) for

an accident involving an employee who fell through the roof on his first day of employment.

The current economic climate, together with the widespread implementation of award restructuring, resulted in a high demand on the Industrial Advisory Service. In 1990-91, 75 000 telephone calls were handled with a further 87 000 in regional offices. Additional resources were reallocated to meet these demands and ensure a timely response to the public's requests for information.

There was discussion with the Commonwealth regarding greater co-operation and the possible joint accommodation of the Federal and State Industrial Commissions. It is my intention to continue to vigorously pursue any sensible integration of State and Federal industrial tribunals.

In 1990-91 the need to reduce the overall level of the Public Service because of the economic and budgetary situation led to the introduction of new measures and strengthening of existing schemes designed to assist in this process. The Public Service was reduced by over 1 000 full time equivalent employees, or 2.2 per cent, by June 1991. The successful operation of employment restrictions, redeployment and the introduction of voluntary separation schemes assisted in this process. The operation of three separation incentive schemes in 1990-91 resulted in the separation of 638 people from the public sector. A single voluntary separation package will be used in 1991-92 to assist agencies involved in major restructuring and further work force reductions.

Significant progress was achieved in award restructuring across the Public Service. All GME Act employees were translated to the new classification streams from 1 June 1991 and formal implementation following a detailed review of all positions will become effective on 1 October 1991.

The overall performance of Government agencies in workers compensation continues to be of some concern. In as large and diverse a work force as the South Australian public sector there are inevitably some areas of improvement and some of less than satisfactory performance. This has been true of the past year. While the cost of claims has risen again in 1990-91 as a result of increases in weekly payments and medical expenses, the number of new claims fell for the first time since 1987-88, and indicates that prevention strategies may now be having an effect.

The growth in stress claims has been controlled over the past year and both the time lost and the costs involved in such claims reduced. The number of stress claims has reduced by 5 per cent since 1989-90 and the time lost reduced by 25 per cent and the average cost per claim reduced by 19 per cent.

Departments will be assisted in meeting the WorkCover, exempt employer standards on prevention, rehabilitation and claims handling and a fraud prevention policy for workers compensation claims will be developed.

Action to increase the employment of Aboriginal people in the Public Service continued with the original aim of 1 per cent again being exceeded. As at 30 June 1991, 546 or 1.06 per cent of the Public Service workforce were Aboriginal. Significant efforts were also made to ensure access to training and development to provide Aboriginal people with career path opportunities as well.

A new initiative involving the employment and training of people with impairments was also introduced. A total of five people with impairments have now been placed in departments, and it is to be hoped this is the beginning of increased employment and training opportunities in the public sector for such people.

For 1991-92 as a result of both the amalgamation and to meet the overall budget demands, the proposed budget allocation for the Department of Labour includes reductions totalling $1.9 million on the following areas:

	($'000)
Government Agency Review Group (GARG) initiatives	1 200 000
Traineeships	394 000
Other areas (including savings due to amalgamation)	295 000
Other savings requirements	$1 889 000

While these reductions will obviously add to the pressures on the new department, the level of field services has been maintained, and the provision of client services will remain the highest priority.

There is no question that 1991-92 will be a tough year. However, I am confident that the department will be able to operate effectively within its budget allocation and that service delivery in key areas will be maintained. Although not included in the 1991-92 budget figures, a decision was taken on 23 August 1991 to transfer to the Department of Labour the occupational health and safety functions of the Mining Inspectorate from the Department of Mines and Energy. This is a further step in the consolidation of occupational health and safety functions to ensure South Australia has the best possible arrangements in this area.

Mr INGERSON: With respect to the costs of employment for the department and by the Government in particular, now that the DPIR has been included, how many claims above the national wage case decision are in the pipeline at the moment, what areas of public sector do those claims cover, what percentage increases are being sought, and what negotiations are likely to be concluded in the near future? The purpose for asking the question is that, within the budget papers this year, a figure of 3 per cent has been included in all departmental figures, we believe, but there is a significant rounding sum which has been excluded.

The Hon. R.J. Gregory: To the best of my knowledge, there are no claims currently valid in excess of the national wage case. Neither I nor my officers know of any. That does not mean to say that people will not make them, but at this time we do not know of any. One has to appreciate that the Police Officers Association made its claim some time ago. I recall attending a public rally on the steps where I advised police officers, like everybody else who works for the Government, that they would have due process within the Industrial Commission. One is aware of what has happened in the Industrial Commission with respect to them lately.

Mr INGERSON: How does the department see itself, and what are the guidelines set down for the department within this budget if there are any future claims within this unit?

The Hon. R.J. Gregory: If any claims in excess of the 2.5 per cent are made on the Department of Labour by its employees they must be met from the department's budget.

Mr INGERSON: My next question relates to a phone call to my office this morning and one yesterday relating to compulsory unionism within the public sector. Will the Minister advise the Committee of the position in relation to the following instance? The person concerned is employed in the department and has been a member of a union within the public sector for 24 years. He has been a shop steward, but recently resigned because of personal and other difficulties within the union. In recent days, he has been placed under enormous pressure, first by a manager in the department and, secondly, by a union official advising him that, unless he rejoined the union, under the Government's preference to unionists clause, he would not be able to be promoted and, if there were any job losses in the near future,

he would be on that list before others who were members of the union. The union concerned is the FMWU, which is the same union in the case of yesterday's phone call. This man is concerned that he is being discriminated against and harassed, and he has asked me to ask you, as Minister responsible, what action he should take and what is the position in relation to his future employment in the Government area.

The Hon. R.J. Gregory: Will the member for Bragg advise me whether this is in respect of the Department of Labour or some other department?

Mr INGERSON: It is in respect of the general policy direction. We are talking about the Department of Labour and DPIR at the moment.

The Hon. R.J. Gregory: There is no Department of Personnel and Industrial Relations any more: it ceased to exist on 22 July this year and its officers were merged with those of the Department of Labour. With respect to the Government's policy on preference of employment to unionists, it is well known. It has been announced numerous times in the House of Assembly by me, by the previous Minister of Labour (Hon. Frank Blevins) and by the Premier (Hon. John Bannon). That policy has not changed.

In respect of the specific matter raised by the honourable member, if the honourable member were to advise me of the details I would ask the Commissioner for Public Employment to have the matter investigated.

Mr INGERSON: As a supplementary question, it is important for the Committee to understand the exact position in terms of employment of an individual who chooses, for his own personal reasons, to leave a union once he has been employed by the Government. That is the issue—not the issue of whether the Government's policy is compulsory unionism, preference to unionists or whatever. The issue is that this person was in a union in the public sector and, having decided to leave, has been advised by both management and the union that if he does not rejoin the other issues will flow on. He is concerned about being harassed in the area. I think it is a fair and reasonable question.

The Hon. R.J. Gregory: I have advised the honourable member of the Government's policy. I am not responsible for what individual union officials say to people: that is between them. I have no idea what the manager has said to this person, because I have now heard it possibly fourth hand, and it may have changed in the telling. I offered to have the matter investigated by the Commissioner for Public Employment. Certain provisions within the GME Act provide protection for people, and I will say again: we in this Government do have a policy of preference to unionists, and we do not walk away from that.

Mr FERGUSON: I wish to refer to the making of industrial awards, regulating wages and working conditions noted on page 393 of the Program Estimates. Will the Minister outline what possible changes will need to be made to regulation and legislation in view of the enterprise bargaining situation that is now developing? The ACTU and most, but not all, employer organisations have now come to some sort of agreement about the way in which enterprise bargaining will go. Other people have different ideas on enterprise bargaining, but I imagine that this will mean some substantial changes to industrial legislation and regulation to accommodate the oncoming negotiations for enterprise bargaining. Has the Minister's department yet looked at this question?

The Hon. R.J. Gregory: The recent amendments to the Industrial Conciliation and Arbitration Act provide for the registration of agreements reached between unions and employers, and one would anticipate that enterprise agreements would be registered using the facility in the Industrial Relations Act, as we now call it. I will refer to some of the more bizarre things that have happened within the Australian industrial relations community: certain employers and political leaders have been calling for the abandonment of central wage fixation, with the only form of industrial regulation being agreements between employers and workers, and extolling the virtues of the New Zealand system.

In New Zealand they have abandoned arbitration completely, abolished awards and unions as such, and allowed them to become registered as industrial associations. We have the two extremes in this operating within the industrial relations field in Australia. My view is that if we were to go down the New Zealand path we would find enormous disruption within the employment area as we know it. We would find the young, the unskilled, females and middle aged and elderly workers later being extremely discriminated against. We would see the development of an aristocracy of labour in which those people who were highly skilled could demand and receive enormous salaries compared to everyone else in the work force, and we could see it in some key industries groups of workers getting together to establish high wages and low working conditions.

Some people in our community say, 'So, what? So be it.' What they do not understand is that the general wage level of everyone else in our community, which makes South Australia such a marvellous place in which to live, will be destroyed. It will mean enormous poverty among working people and a select few who will be all right.

One has only to look at America, where labour unions have great difficulty in surviving; where laws are made that encourage employers to keep unions out of factories; where unions are not encouraged to be formed; where they have an enormous number of people living on or below the poverty line; and where people live in absolute poverty; that has some other manifestations in the community.

At the national level the commission is examining just what it will do in relation to wages. I think that we are seeing an evolution of wage fixing in Australia at the moment where unions, their members and employers are looking more at what is good for them, and they want to reach an arrangement appropriate to them within a central wage-fixing system. They are really saying that they want to have the right and the ability to reach the appropriate arrangements that are suitable for their industry, but they also want the protection of the Industrial Relations Commission.

We have a fairly extensive dispute settling process, and that is what the Industrial Commission and the Arbitration Commission in this State do. They settle disputes and assist people to do that. That is why, when you look at strikes in Australia, you find that they are of very short duration, although there may be a lot of them. When you look at other industrial relations systems, their strikes are of long duration, of 18 months and more.

Within Government, we are working towards models where our awards are reduced in number. In certain categories of employment, we would very much like one award to cover a group of workers whereas, before, there may have been a plethora of awards. We want to have only one or two awards, and that is the general aim of discussions that we have been having with the United Trades and Labor Council to eventually get the one award for blue collar workers in the Public Service: one award for white collar workers, and one award for professionals. That is what we are aiming to do. A transitionary process is going on, and I think that eventually we will get to that position.

We are also seeing on the waterfront a rationalisation of

unions, and we will shortly see the employees of the Department of Marine and Harbors being in one or two unions and not a plethora of unions. It will then become a proper regulation of industrial relations.

Mr FERGUSON: I understand that the Minister has been to New Zealand to look at its industrial situation, and that in New Zealand the Parliament sets minimum wage rates. What advantages or disadvantages does the Minister see in the Parliament setting minimum wage rates?

The Hon. R.J. Gregory: I think that if that happened it would become an argument between a group of people in Parliament as to what the minimum wage ought to be. We already have a process that does that and, in this State, it is called the Industrial Commission, and nationally, it is called the Industrial Relations Commission. The people who are appointed to those commissions are highly skilled and knowledgable. They understand what is happening in the workplace, take submissions from interested parties, and make appropriate decisions. We have seen that process happen over the past few years, and we have seen it changed.

One of the problems in having Parliament fix wages is that there may be a hiatus, and nothing will happen. One can recall that, during the term of the Tonkin Government, the maximum amount of money paid to a worker who was no longer able to continue because of a workcaused injury just did not move, because this Parliament could not agree. One can be reminded of a number of instances that have happened in Parliament from time to time where we were unable to reach an agreement. The amount of money that ought to be awarded to Mr and Mrs South Australia as a minimum wage should not be determined by Parliament itself, because it is not the appropriate place to do that. We are here to make laws and to govern the State, not to determine what Mr and Mrs South Australia ought to get as a wage.

Mr FERGUSON: I understand that the Minister also looked at safety laws and regulations in New Zealand and made some comparison with South Australia. What are his views about that comparison?

The Hon. R.J. Gregory: I was interested to note that like a number of other countries, New Zealand, with the new emphasis on occupational health and safety, was developing along similar lines to what we here in South Australia are and what is being done in Australia with WorkSafe. I was parochial enough to feel that what we are doing is slightly better at this stage. The work output of the Occupational Health and Safety Commission of late, and what will be happening over the next 12 months, will demonstrate that we are starting to move ahead.

I was appalled that it was the view of people operating in that area in New Zealand that the Government was going to reduce the ability of their inspectorate to enforce the laws and leave it up to the good sense of the employers. One knows from personal experience that a number of employers will ensure that they have adequate occupational health and safety measures, because they understand that, if they have an unsafe workplace, their productivity will fall. However, a considerable number of other employers do not understand that and are prepared to take the calculated risk of people being injured at work on the basis of, 'We will pay it, and that is that.'

Mr INGERSON: In reply to a question from the member for Henley Beach, there was a discussion on the minimum wage. Does the Government accept that there should be a minimum wage concept?

The Hon. R.J. Gregory: We have not made any decision in that area.

Mr INGERSON: Further in reply to the member for Henley Beach, and in relation to enterprise bargaining, the Minister made the observation that the existing Act gives an exclusivity to contracts that include unions and employers. The Minister would be aware that, in some industries in this State, there is less than 10 per cent membership of unions. Does that mean that any future industrial direction in this State will exclude large numbers of enterprises from having the option of entering into enterprise bargaining as well as the option to be part of existing award structures?

The Hon. R.J. Gregory: No, it does not exclude them from any of those options. If any enterprise in this State, as it now exists under common law, already participates in the existing award structures (I suppose you could say whether they like it or not) and wanted to opt out of that, they would have to ensure that the minimum standards of their agreement were in excess of the standards laid down by the awards under common law in this State.

If they want to reach an agreement with somebody, they can have such an agreement, just like any other agreement that is reached on a contractual basis between a number of people. Those agreements, if reached, are enforceable in the Supreme Court or in the Local and District Criminal Court; I am not aware of the division there. However, if they want to use the experience, skill and knowledge of the South Australian Industrial Commission, they would need to be in the appropriate union and employer organisation. If they do not want to do that, they can go to the Supreme Court.

Mr INGERSON: In relation to the Government Workers Rehabilitation and Compensation Fund, it is stated on page 131 of the Auditor-General's Report that, for the second year in succession, the claims paid out were significantly up by $4.6 million and in a previous year by $4.2 million. If you add together those two figures, the claims payments are in fact up by some 27 per cent. In the Minister's opening address, he stated that claims were down and that, in some areas, payments were also down. Will the Minister explain to the Committee how we have this $8.2 million increase in payments if that is the general trend and, if it is the trend, what is causing the problem?

The Hon. R.J. Gregory: I will take the liberty in answering this question to make a statement on Government workers compensation. The number of claims records by the Government Workers Rehabilitation and Compensation Office in 1990-91 fell for the first time since 1987-88 to 6 686 compared with 6 726 in 1989-90. Some 20 Government departments experienced a decrease in claims (compared with 14 in 1989-90) while 18 agencies (compared with 23 in 1989-90) showed an increase in claims.

The net cost of claims continued to rise in 1990-91 to $39.6 million, an increase of 13.9 per cent over the $34.8 million recorded in 1989-90. However, in real terms workers compensation payments have only grown by 6 per cent in the five years to June 1991—effectively the period since the introduction of the Workers Rehabilitation and Compensation Act 1986—compared with a 93 per cent increase in the previous five year period to June 1986. The past growth of stress claims has had a major effect on claims expenditure in recent years.

In 1990-91 stress claims fell by 5 per cent compared to the previous year down from 538 to 509. The average lost time per stress claim has also fallen from 8.9 weeks two years ago to 6.1 weeks in 1990-91. However, although stress claims were less than 8 per cent of all claims last year, they accounted for over 36 per cent of total payments. When stress claims are removed, workers compensation claims costs have actually dropped dramatically in real terms since the Workers Rehabilitation and Compensation Act was

introduced. The State Government is tackling the stress problem on a number of fronts. The most significant of these during 1990-91 were:

The use of early intervention funding for rehabilitation to commence in cases where determination of the claim is delayed.

A new strategy of referring claimants to a psychological service to provide early assessment, identify stressors and develop rehabilitation plans was trialled and proved successful.

A seminar titled 'Stress: Strategies for Action' was held for Government department rehabilitation coordinators.

A study of past stress-related claims was funded resulting in the report 'Strategies Against Stress'.

That report will act as a guide in attacking the stress problem. Its recommendations are already being implemented. We are already having some success in tackling the stress problem, especially in those departments that were first to experience increasing claims in this area.

In Correctional Services these claims dropped by 11.6 per cent to 76, Police claims fell by 9.4 per cent to 29, and Education claims also were down by 3 per cent. Family and Community Services and DETAFE both had increases and will now be targeted for special action in the light of experience gained with the departments that I mentioned previously.

The Government through the Government Workers Rehabilitation and Compensation Office has been placing particular emphasis on improving performance in rehabilitating workers back to work as soon as medical advice permits. During 1990-91 Public Service departments, like the private sector exempt employers, were subject to an audit by WorkCover in relation to the application of WorkCover rehabilitation standards. Of the Government agencies administered by the Government Workers Rehabilitation and Compensation Office, 74 per cent passed the audit. This compared extremely favourably with the private sector where only 30 per cent of exempt employers passed the audit. It should be further noted that the successful departments account for 79 per cent of Public Service employees. Special attention is now being paid to those departments which failed the audit to ensure improved performance.

It is worth mentioning at this point that by comparison with the private sector the Government performs quite well in terms of other Workcover performance indicators. To compare industry sectors, WorkCover uses a formula measuring the number of claims per millions of dollars of remuneration. Using the latest available data from 1989-90, the average number of claims per million dollars remuneration was 8.5. In comparison, the Government's ratio was 5.1, better than every private sector except for finance/property and business services at 2.1.

Despite the fact that the Public Service is performing reasonably well in the management of workers compensation matters, there are a number of initiatives being undertaken to further improve overall performances. Perhaps the most significant of these is the development of a two year strategy for injury prevention and effective management of workers rehabilitation and compensation and occupational health and safety in the Government sector. The basis of this plan is the progressive delegation to departments of responsibility for the management of their workers compensation claims and more accountability in the area of occupational health and safety. To date, four departments, Engineering and Water Supply, Marine and Harbors, Road Transport and Woods and Forests have assumed almost total responsibility for workers compensation claims management under the guidance and coordination of the Government Workers Rehabilitation and Compensation Office. By 30 June 1993 the 15 largest departments will have assumed this responsibility.

In conjunction with this delegation of claims management responsibility, in 1991-92 those 15 departments will retain in their own budgets the workers compensation allocation to cover the cost of claims for the first two years. In other words, departmental management will have to directly tackle their own compensation costs, which is likely to see a greater emphasis on injury prevention and better claims management from those departments. This really will bring home to departments the cost they inflict through workplace injury in their areas.

Other measures being adopted by the Government Workers Rehabiliitation and Compensation Office to further contain costs are more stringent controls on acceptable medical services and charges made, and the proposed appointment of a fraud prevention officer to more clearly focus activities relating to the early detection and prevention of fraudulent claims. All of this clearly indicates how seriously the Government takes the issue of workplace injuries and compensation in the public sector.

To further emphasise this, I can reveal now that Cabinet has recently determined that injury and work absence figures from Government must now be reported quarterly to the Department of Labour. This will be used to further monitor departmental performance and target poor performers and make positive 'better practice' examples of the good performers. In certain cases, and where warranted, I intend to meet with the CEO's of departments, accompanied by the Director of the Department of Labour, to point out to them just how important Government views this area as a vital part of management performance. We are also in the process of gaining information from statutory authorities outside the Government Workers Rehabilitation and Compensation Office to assess their liabilities and, more importantly, to monitor their workers compensation performance.

Turning now to the area of outstanding liabilities, as the Government Workers Rehabilitation and Compensation Fund has traditionally been funded on a pay-as-you-go basis, there has been no call to estimate liabilities beyond the immediate budget year. However, in recognition that such information may become more relevant under the new legislation, the Government Workers Rehabilitation and Compensation Office has been progressively working towards providing an estimate as at 30 June each year. In Consultation with the Actuarial and Insurance Services Branch of Treasury it was agreed that the first estimate would be prepared as at 30 June 1991. Although it was hoped that the work would be completed by the end of August the task is taking longer than expected. Outstanding liabilities for claims arising from the 1971 Act are estimated to be about $6 million. Liabilities for claims under the 1986 Act are currently being investigated.

I think the member for Bragg referred to a total amount of $41.1 million for 1990-91. In the foregoing I referred to an amount of $39.6 million, which is $1.5 million less, because that was recovered from third party claims. That is why there is a difference in those figures, because where we can get third party recovery we do get it.

Mr INGERSON: As a supplementary question, while all that sounds great in that everything is going in the direction of a reduction, I will quote the remarks made by the Auditor-General—and he is seldom wrong—that it is going in the other direction. The Auditor-General states:

Claims paid have increased significantly for the second year in succession, up $4.6 million from $4.2 million last year to a total of $41.1 million.

As the Minister explained, that might be $39 million because of recovery. However, it does not really matter whether or not it is from recovery, because it is still picked up as a cost to this scheme. It is no different from WorkCover. In essence, the community has to pay whether it comes via the Government Workers Compensation Scheme or whatever. So, that balancing factor is always there.

The Minister also said that the number of claims, due to stress in particular, from the Education Department and the Department of Correctional Services was decreasing. According to the Auditor-General, in 1990 the claim payments were $10.3 million and in 1991 payments were $12.27 million. In relation to the Department of Correctional Services, the Auditor-General said that in 1990 it was $3.654 million and this year it is $5.366 million. If all the measures being implemented by the Minister are working, what is causing the problem of this 27 per cent blow-out in two years? Something seems to be going wrong. I accept what the Minister says, that all these things have been implemented, but the Auditor-General tells us—and we must assume he is right—that all the good things the Minister is doing are not giving the results in dollar terms that the Minister says he is achieving. The results, shown at pages 131 to 133 of the Auditor-General's Report show an opposite trend.

The Hon. R.J. Gregory: In answer to the first question, I made quite clear that the number of claims was coming down and that the costs are going up. When I read that statement, I did not hide from the member for Bragg the fact that costs had increased, and I referred to the percentage amounts. The amount of time people spend away from work due to stress is also decreasing. But in absolute dollar terms, an increase has occurred and no-one can hide that. I did not attempt to do that: I just said that that is what is happening. I also said that in real terms it was a 6 per cent growth. I also made clear to the honourable member that I was not happy with it. I also made clear to the member, in some detail I thought, the strategies we had put in place to overcome that problem.

Mr INGERSON interjecting:

The Hon. R.J. Gregory: They will be working. I do not make statements that our policy is very fluid and that what I say today is likely to be changed tomorrow.

Mr FERGUSON: In relation to the issue of shopping hours, the Program Estimates (page 392), under 'Issues/Trends', state:

Gradual deregulation of legislation in relation to shop trading hours is being sought and the means of effecting appropriate change are continuously under review.

Can the Minister indicate what are the latest trends in this area, and when we can expect, if ever, to get complete deregulation of shopping hours?

The Hon. R.J. Gregory: Since the introduction of Saturday afternoon shopping, I have made statements that the current Government does not intend to amend the Act to provide for shopping on Sundays. However, the reality is that a considerable number of shops, because of their size, can and are trading on a Sunday. One only has to drive around the suburbs to see that that is happening. Some country towns that are not declared shopping districts are able to trade when they like. Indeed, in a number of those country towns that are declared shopping districts, most of the shops, with the exception of one or two, can trade.

However, as a Government, we are not ironclad in this approach that there will be no shopping on Sundays with the larger shops. Recently, I have announced that the two Sundays prior to Christmas will be shopping days, that the shops will be open from 11 a.m. to 5 p.m. Frequently, I receive requests from shops in certain areas to be open on a Sunday for special reasons, occasions or interests. I think that will next happen on 22 October. I am not sure of the exact date, but that will be in the Port Adelaide shopping district, where there will be shopping on a Sunday because there is some spectacular event taking place there.

Over the holiday period we receive constant requests from country towns who consider themselves to have a high tourist activity to have certain days for festivals, and we do that. However, we do not intend to deregulate shopping hours totally. I am not sure when we will see totally deregulated shopping in Australia. We have tended to follow the Eastern States in this. I might add that, since South Australia has had Saturday afternoon shopping on a permanent basis, retail sales have lifted slightly above the national average.

Mr FERGUSON: I refer to the Program Estimates (page 398). Under the Equal Opportunity for Women program, it states that first priority in the workplace is being given to the restructuring process. What has the program achieved so far, and what does it expect to achieve this year?

The Hon. R.J. Gregory: The achievements of the program can be summarised in identifying some of the areas where it is important for employers and unions to take account of the situation of women in the restructuring exercises and providing resources that enable them to do so. Specific activities have included: a consultation program with women working in trade unions and private industry to determine their concerns about the impact of restructuring processes and to assist in targeting activities; the production and distribution of 1 000 copies of a kit for consultative committees to assist those groups in the restructuring process—and the feed-back on the kit from private industry has been excellent—and organising the keynote seminar for Human Resources Week. This was entitled, 'Paving the Way, Productivity and Equity in the Workplace', it was attended by about 100 people, and, again, the feed-back was positive. There was a two-day practitioners' seminar on identifying and describing women's skills; the production of a pamphlet explaining the workplace restructuring process to women and encouraging them to become involved in workplace and union activities; and the development and implementation of a project to investigate barriers to effective description of women's work skills. Again, the cooperation from unions and industry has been very high.

This year's major activities will include: the development of new ways of distributing information obtained from the above-mentioned project to women and human resource practitioners; the distribution of a discussion paper on part-time work, the launch of which is being organised in conjunction with a major private employer; and the facilitation of the development of a skills, audit and training program in the community services industry, which is being done in conjunction with non-government employers and unions within the industry. On top of this, the Women's Adviser is constantly involved in providing information resources to private organisations wanting to improve their performance, particularly in areas enabling workers with family responsibilities to combine work and domestic commitments.

Mr FERGUSON: Further on the Equal Opportunity for Women program (Program Estimates, page 398): what is the reason for evaluating the experiences of women making unfair dismissal applications?

The Hon. R.J. Gregory: The Women's Advisor is a member of the management committee of the Working Women's

Centre. In this capacity, she has noticed that an increased proportion of the centre's clients are seeking assistance in connection with unfair dismissal applications. The centre's record shows that the number of inquiries relating to unfair dismissals increased from 1 349 in 1989-90 to 2 185 in 1990-91—an increase of 61.9 per cent. Unfair dismissal inquiries rose from 20.7 per cent of all inquiries in 1989-90 to 48.3 per cent in 1990-91.

As a proportion of case work, unfair dismissals increased from 30.8 per cent in 1989 to 50 per cent thus far this year. In seeking to determine whether this reflected a community change the staff of the unit examined the records of the Industrial Court and Commission. Although comprehensive records of these cases are not kept, the examination revealed that in 1990-91 the proportion of women lodging applications was roughly in accordance with their representation within the workforce, that is, 37.3 per cent; women were more likely than men to withdraw their applications (55.9 per cent women, as opposed to 42.5 per cent men); and while it was not unusual for several men from the same organisation to lodge an application at the same time, this was not the case for women.

Anecdotal evidence suggested that women were less likely to be members of unions and therefore more likely to have difficulty with the processes involved. Indeed, commissioners have, at times, referred female applicants to the Working Women's Centre for assistance. The examination will seek to identify any aspects of legislation or procedures which might have a differential impact on women, and any resources which might be provided to improve women's ability to deal effectively with the procedures involved.

Mr INGERSON: In the Auditor-General's Report there is a statement that the Government's liability for outstanding claims was not readily available. I noticed that the report also states that the database on claims information was set up as early as July 1987 and that the audit review that occurred last year suggests that it may be available by August 1991. Why, out of that database, have liabilities not been able to be produced last year or this year, and it seems that it will be some time in the future before it will be possible for this to be done?

The Hon. R.J. Gregory: Traditionally, governments have never determined what their liabilities are, because they make the natural assumption that they will be here forever. Private employers try to make governments behave as they do and make provisions for the future. Private employers are required to do that by law, because they are temporary organisations and may or may not be here next year. Consequently, to take it a step further, the Australian Government has never provided the full funding of its liability in respect to pensions in Australia. So, for those reasons, we have never bothered too much about providing full funding for the costs of providing rehabilitation and compensation for persons injured at work. Work on obtaining an estimate of the outstanding liabilities on claims managed through the Government Workers Rehabilitation and Compensation Office is now well advanced. However, as this is the first time such a task has been undertaken, it is taking longer than expected. Preliminary figures should be available shortly. To date, it has been established that the outstanding liabilities from claims arising from the 1971 Act and related to common law matters were slightly in excess of $6 million. There are 123 known outstanding claims in this category. I draw members' attention to the opening statement I made in respect of this matter.

Mr INGERSON: My next question relates to the fraud prevention policy. Is it possible for the Minister to give some detail as to what this policy is all about because, again, it got a special mention in the Auditor-General's Report?

The Hon. R.J. Gregory: Fraud prevention is receiving increasing attention in the public sector. In September last year the Crown was successful in its first fraud prosecution relating to the new Act, with the attention of all Government employees being brought to the matter by the publishing of a brief resume of the case in the *Weekly Notice of Vacancies.*

The officer had driven a taxi whilst on full workers compensation benefits without notifying the Government Workers Rehabilitation and Compensation Office and, when asked to declare his earnings to the office in conjunction with a review of the level of weekly payments, he had grossly understated the amount concerned. The worker was fined $300, ordered to pay $1 700 in costs and placed on a two year good behaviour bond. In passing sentence the Magistrate indicated that he had taken into account the likelihood that disciplinary action would be taken under the Government Management and Employment Act. The officer has subsequently been dismissed.

A further prosecution is currently in progress where, following a stress claim, a correctional officer was redeployed to STA in an alternative position but receiving make up pay to his previous salary. When asked to provide advice pursuant to section 38 of the Workers Rehabilitation and Compensation Act, 1986 regarding any other earnings, he did not disclose that he had been earning income with another employer at Moomba and Roxby Downs whilst in receipt of workers compensation payments. He did admit to working at the Grand Prix and Royal Show but understated amounts earned and it was also ascertained that he was in fact on sick leave from STA whilst working at these two events.

The matter is proceeding and is set down for hearing in the Adelaide Magistrates Court on 28 November 1991. The Government Workers Rehabilitation and Compensation Office (GWRCO) has developed a close liaison with the fraud prevention area of WorkCover, which has provided material to assist in the development of a formal fraud prevention and detection policy for the GWRCO. Approval has also been given to the engagement, initially on a temporary basis, of a Fraud Prevention Officer in the GWRCO during 1991-92.

In April this year, the GWRCO adopted a new policy on acceptance of medical expenses, similar to WorkCover's new approach. The claims management computer system has also been modified to facilitate checking of correct medical charges and analysis of provider costs and performance.

Mr INGERSON: My next question relates to the method of payment of workers compensation by the Government. I note again in the Auditor-General's Report on page 133 that $31 million was paid out from the fund and $9.9 million by departments. Why is all that funding not brought together under the one fund, and what areas of departmental control are specially given, as against having them all controlled under the one funding exercise? It seemed to be unusual that we would have two different payment systems running parallel to one another, and there must be a reason for that.

The Hon. R.J. Gregory: There is a very good reason for it. We do not have two payment systems running parallel with each other. In my opening remarks I said that four departments have had delegated to them from the Government Workers Rehabilitiation and Compensation Office the responsibility of managing rehabilitation and compensation of people injured in their departments. I also mentioned

that it will happen for a further 15 departments. The idea—and I think it is a very good idea and one I approve of—is that the managers of those departments—the CEOs—in adopting a proper management approach to their department, as well as ensuring that they carry out the statutory requirements established for their department, or the functions that they engage in, will have as one of their duties the provision of information on the cost of people being injured, because they as a department will have direct responsibility for the costs of rehabilitation and compensation of their employees who are injured whilst employed by that department. The Government Workers Rehabilitation and Compensation Office will not be making those payments; the departments will. However, the office will be continuing to oversee what they do. It will be assisting them if they have problems.

I would also remind the honourable member that earlier I made the point that, as from the end of this month, for the first time all departments will be forwarding the number of injuries and absences from work and the costs in workers compensation to the Department of Labour. That will be done quarterly, so there will be a monitoring effect. I also make the point that if any of these departments are not performing adequately or at a level that is thought to be appropriate, they will receive visits from me and the Chief Executive Officer of the Department of Labour who is also the Commissioner of Public Employment and who will be discussing with the CEO of that department and any other officers he or she cares to have present at that time what we consider to be a poor performance.

I made very clear in my opening statement that it is our intention this year to place a lot of emphasis on this; it is the first time we will be able to do it on a systematic basis, and I anticipate that once we get over the lag effect of the injuries and the costs of those dragging on, we will see a significant improvement.

Mr HERON: With reference to page 401 of the Program Estimates under 'Personnel Management Improvement', a target for 1991-92 relates to the review of the principles of personnel management in a further eight agencies. What are those principles and how does the Commissioner review their implementation in agencies?

The Hon. R.J. Gregory: The principles of personnel management in the Government Management and Employment Act (1985) can be summarised as: selection on merit; no nepotism or patronage; fair and consistent treatment of employees; no discrimination against people seeking employment; equal opportunity to promotion; access to worthwhile employment and training for employees; reasonable avenues of redress available to employees; safe and healthy working conditions for employees; and appropriate remuneration for employees.

Each year the Commissioner reviews approximately eight agencies, focussing specifically on two to three of the principles, with agencies encouraged to consider others. Agencies provide a report to the Commissioner, detailing the manner in which they are implementing the principles under consideration, and recommending areas in which improvement is required. The Commissioner reports to Parliament on each year's review results.

Mr HERON: Will the Minister provide details as to why and where public sector employment has increased under the Bannon Government?

The Hon. R.J. Gregory: Yes. Since June 1982 the level of public sector employment has increased by 7 450 FTEs or 8.5 per cent. To fairly compare the level of employment over this period at a more detailed level, adjustments have been made for the fact that neither the Children's Services Office nor its predecessor, the Kindergarten Union, are administrative units. It is then apparent that the level of employment in administrative units actually fell by 515.5 FTEs or 1.1 per cent between June 1982 and June 1991. The increase in public sector employment over this period was due to a significant increase in the level of employment in other State public sector organisations of 7 965.5 FTEs or 18.5 per cent. During this period, with more services provided to an increasing State population, the size of the public sector as a percentage of the total numbers employed in South Australia declined steadily from 17.3 per cent in June 1982 to 16.9 per cent in June 1991.

Major increases have occurred in health and welfare agencies, with an increase of 6 084.4 FTEs, or 27.5 per cent. An expansion of health services led to a major increase in the number of nursing staff. Justice agencies new initiatives, with an icrease of 1 462.3 FTEs or 27.7 per cent, have led to an increase in the services provided by courts. At the same time there has been an increase in the number of police and correctional services officers. Education agencies, with an increase of 584.3 FTEs or 2.2 per cent, and an expansion of education services, required that the number of school assistants and TAFE college staff be increased. Also, there has been an increase in the services provided by the Children's Services Office.

In relation to labour commerce industry agencies, including commercial enterprises such as State Bank and SGIC with an increase of 1 862.2 FTEs or 53.3 per cent, increased commercial activity, and an increase in service provided has brought about the need for additional staff. Major decreases have occurred in works construction general service agencies with a decrease of 2 706.6 FTEs or minus 11.5 per cent. Each increase in economic constraints in the shift from construction to a maintenance focus in these agencies led to this decrease. The decrease in land management agencies of 545.4 FTEs or 8.8 per cent is due to changes in the level of commercial activities in these agencies. The level of employment in the Department of Environment and Planning, Department of Fisheries and Department of Agriculture, which have major responsibilities in environmental management increased over this period.

Mr HERON: With reference to page 402 of the Program Estimates under 'Equal Employment Opportunities', what progress has been made in the employment of women in administrative units?

The Hon. R.J. Gregory: The total number of women employed in administrative units has increased from 18 729 in June 1982 to 23 361 in June 1991, an increase of 24.7 per cent. The proportion of women in administrative units has also increased, from 37.9 per cent of all employees in June 1982 to 45.5 per cent in June 1991.

In June 1982 the number of women employed under the GME Act was 4 610 (or 33.9 per cent of all GME Act employees), which has increased to 6 633 women (or 41.7 per cent of all GME Act employees) in June 1991. This is an increase of 43.9 per cent.

The proportion of GME Act women who are employed in temporary positions has remained fairly stable since 1982 (14.8 per cent at June 1991), even though the number of women employed under the GME Act has increased significantly over this period. Women also continue to be more likely than men to be employed in temporary positions.

The number of GME Act women employed on a part-time basis has increased by 120.8 per cent since June 1982, which means that women have taken advantage of the more flexible working conditions which are now available, particularly those returning from accouchment leave.

Just under two-thirds of GME Act women are employed in the clerical officer group. The proportion of women in promotional clerical officer positions has increased from 8.7 per cent in June 1982 to 20.1 per cent in June 1991. Job redesign is removing the clerical barrier in base grade clerical positions which will enable women to more easily move into promotional positions.

The administrative officer range is normally the main feeder group for the executive officer range. The number of GME Act women employed as administrative officers has increased fourfold from 39 (or .8 per cent of all women) in June 1982, to 210 (or 3.2 per cent of all women) in June 1991.

Employees in the executive officer range hold the most senior decision making positions in administrative units. The number of GME Act women employed as executive officers has almost quadrupled from 6 (or .13 per cent of all women) in June 1982 to 23 (or .35 per cent of all women) in June 1991.

The increases in both numbers and proportion of women in administrative and executive officer classifications indicate an increase in women's participation in decision making and an improvement in certain elements of job satisfaction (that is, authority, responsibility, salary, and career path).

Mr INGERSON: Page 400 of the Program Estimates contains a reference to the Government's needing to comply with its exempt employer status in relation to general guidelines set out by WorkCover. Did the Government need to make any significant changes in complying with those guidelines? If so, what were they?

The Hon. R.J. Gregory: As I said in my opening statement, compared to private employers our agency compares more favourably; 34 per cent of exempts complied with the audit requirements, and 74 per cent of our agencies complied. A number did not, and we are paying particular attention to them to ensure that they do. When the self-auditing was done, the department which rated itself at a failure level were the Department of Correctional Services; the department no longer in existence or unable to complete was the Department of Local Government; the departments that had not separated the roles of claims administrator and rehabilitation coordinator as per WorkCover's rehabilitation standard were the Department of Agriculture, Court Services, Public and Consumer Affairs, SACON, the Department of Employment and Technical and Further Education and the Department of Mines and Energy.

There is an argument in this area to the effect that WorkCover wants the claims and rehabilitation people separated. The smaller administrative units claim that they just cannot afford to do that. However, it is a requirement. Departments that have failed to demonstrate appropriate policies and procedures developed through consultation were Public and Consumer Affairs, State Services, Department of Employment and Technical and Further Education, SACON, Mines and Energy, the Parks Community Centre and Court Services. The departments that failed to provide adequate training and resources for rehabilitation or to initiate proactive innovation were SACON and DETAFE.

As I said in my opening remarks, all those are being addressed and will be assisted and encouraged; all the persuasion in the world will be used to ensure that when the next audits are undertaken they are able to meet the standards. Overall, if Government agencies are able to hit the mark at 74 per cent compared with private employers, who hit the mark at 30 per cent on rehabilitation, it is not a bad effort on the Government's part, I have also said that I am not happy with it.

Mr INGERSON: On the same page there is a reference to a new claims estimation procedure. Will the Minister explain that to the Committee?

The Hon. R.J. Gregory: I am advised that the Government Workers Rehabilitation and Compensation Office, after consultation with WorkCover, is looking at developing a standard claim procedure across the whole of Government. That fits in with the procedures of WorkCover, so that when we do a statistical analysis, like can be treated with like.

Mr INGERSON: What was the general direction for alleged breaches of shop trading hours, and what was the final result? The Program Estimates state that very few cases went to court. What sorts of breaches are we talking about?

The Hon. R.J. Gregory: A breach of shop trading hours occurs when people are breaching the Act. That means that they may be selling red meat outside allowed hours, or they may be opening a used car yard outside the closing hours. The usual argument is that they are open on Saturday afternoons and Sundays. A well-known car yard at Medindie reached the stage where our officers were visiting it so frequently that the proprietor knew them by name. The only way we were able to obtain enough evidence was in discussions with the Motor Traders Association which, after a fair bit of advice from officers of the department, found some people who were not known to the proprietor of the car yard or his staff; they actually went there and purchased a motor vehicle on the Sunday. That matter never came to fruition because, as we all know, the proprietor went bankrupt before we could run him into court.

I am advised that, in many areas, infringements result from a lack of understanding. One that comes to mind is a small cooperative hardware store on the wrong side of the street in Renmark. I understand that Renmark has a declared shopping district, but, if you go to the other side of the street, it is not declared. The manager of this store thought that he was in the non-declared area and opened on a Sunday. However, he was soon advised that it was inappropriate to open, and he ceased doing so. There have been discussions with departmental officers about how he can open. As the member for Bragg knows, shops of a certain size and with certain numbers of people working in them can open on a Sunday if they wish. I am advised by officers that, since we have had Saturday afternoon shopping, the number of alleged breaches has diminished, consequently less time needs to be spent in enforcing what is obviously a fairly unpopular regulation, because many people will take advantage of Sunday shopping.

Mr ATKINSON: A 1990-91 target was a more efficient system of publishing award information involving the discontinuance of the *Industrial Gazette*. What has been the reaction of union officials and employers to the discontinuance of the *Industrial Gazette*?

The Hon. R.J. Gregory: By discontinuing the publication of the gazette, we have been able to have the facility in the commission itself where, within two days of making a decision, the new award and decision can be published and posted to people. The notices of changes made each week are published on Thursday in the *News* under 'Industrial Notices'. They carry advertisements of matters being brought before the commission. I am advised that all this is an Australian first, and that neither the Federal commission nor any of the State commissions are so far advanced in this service to industrial partners and the public. Notwithstanding that the system has been operating for only a few months, other States have sent their people to South Australia to study it and to see whether they can copy it. It is making the information available virtually immediately to

the people who need it. Copies of the award as varied are available within two days of settlement by the Registrar, and that is a significant advance, which means that people are getting exactly what they need and not pages of stuff that they do not want.

Mr ATKINSON: On page 394 of the Program Estimates, a 1990-91 specific target is to issue a quarterly newsletter, *Insight*, about the construction industry long service leave scheme. What was the need for this newsletter?

The Hon. R.J. Gregory: The Long Service Leave (Construction Industry) Fund is managed by a board, which is responsible for a considerable fund of money. They have inspectors who collect money from employers and also make sure that workers are registered and have money credited to them as required. My advice from the board is that a leaflet-style of information, which is published on a regular basis, would allow industry to know exactly what is happening, it would allow the board to become better known in the industry; and people could be better informed about the board's activities. They think that, by doing this, they will have fewer problems in collecting money, and that beneficiaries will know where and how to collect moneys. It will also highlight some of the pitfalls that can happen to people, because some employers do not make payments and, consequently, may not advise the board that they have certain people working for them who ought to be beneficiaries under the provisions of the Act. If this is found out, people will make the appropriate inquiries, and the employers will make the correct payments to the board.

Mr ATKINSON: Under the same program title, one of the 1991-92 specific targets is that further amendments are being made to the Holidays Act during 1991-92. Can the Minister further explain that?

The Hon. R.J. Gregory: I think that we have done that. The amendment to the Holidays Act was to move Labour Day to the first Monday in October. It used to be celebrated on the second Monday and, as soon as we have the Labour Day holiday this year, we will move to have the Act proclaimed so that people who manufacture calendars and make arrangements for all sorts of things will know that Labour Day will fall on the first Monday of October 1992, instead of on the second Monday.

As Minister, I have made approaches to colleagues in other States to see if we can have some uniformity in public holidays. The reason for doing that is that, as we are a smaller State than most others in Australia, our fortunes are very much tied in with those of Victoria and New South Wales. It makes economic sense to have public holidays on the same day and not on different days. It will now mean that, when we have a public holiday in October, it will be on the same day as, for example, a very important race meeting in New South Wales. It will mean that about 50 per cent of people in Australia will be celebrating a holiday. It means that the contact that our people have with New South Wales, in particular, will not be wasted on that Monday when we are at work, and the day in New South Wales will not be wasted when we are having a holiday.

I would very much like to see the other States look at how we can rationalise this. We particularly in this State will also have to look at what to do about the 26 December. We are the only State in Australia that does not have it as a holiday, because we have one on the 28 December. I do not know how successful I will be in this endeavour. I think that parochial State rights might rule supreme on it.

Mr INGERSON: On page 392, it is stated that there are proposed amendments to the Employees Registry Office Act. What is that all about?

The Hon. R.J. Gregory: That is the 1973 Act. I would have thought the member for Bragg would have had people coming to him complaining about activities of unlicensed people in advertising work. A good example is a very enterprising sort of a young gentleman, who rented a postal box in Norwood. He advertised that, if you sent him $30, he would send you information about work. I think that he would have done that, but it would have been addresses of people all over the world. He has been caught out and will be stung with fraud.

The other aspect is that the Act applies only to the metropolitan area. My advice is that it was designed in the days when it was thought that the metropolitan area finished at Gepps Cross, Darlington and possibly at Glen Osmond. The idea is to ensure that that Act covers the whole State, that it is applicable to modern-day standards, that the reputable employment agency is protected, and that the unscrupulous rip-off merchants can be prosecuted for breach of that Act and any other activity they might get up to. It is designed precisely to protect workers who, in difficult circumstances, are sometimes prepared to pay for a job. The provisions of the current Act and those of the new Act will ensure that people who apply for work to an employment agency do not pay the agency a fee. That fee is paid by the employer. There are a number of reputable employment agencies in this State that do excellent work. It is the view of departmental officers that this scheme is not working as effectively as it could because of the inaccuracies involved. There will be extensive consultation with the people involved in this area and, with a bit of good fortune, we may be able to consider it in the Parliament next April.

Mr INGERSON: In relation to the distribution of information from awards when they are changed (this is really a supplementary question to that asked by the member for Spence) last week a hairdresser telephoned to say that he had been in to the Department of Labour the previous week to get an updated award. The award that he was given was five or six months out of date. You said earlier in reply to the member for Spence that the commission will have it updated within a short period. Does the same system run through to the Department of Labour?

The Hon. R.J. Gregory: My advice is that the department guarantees a supply within 48 hours of a consolidated amended award after the settlement of minutes. If any of the members of the Committee have been involved in the Industrial Commission, they will know that sometimes a commissioner can make decisions, as can a court, and that, until the minutes are settled, it is not valid and sometimes that takes a long time.

As to the award referred to being five or six months out of date, if the member for Bragg wants to return the copy to us, we will have it examined and if it is the appropriate one at that time, it will be returned. If it is not the appropriate one, we will return an appropriate copy.

Mr INGERSON: As the Minister would be aware, his inspectors have a fairly significant role to play—and rightly so—in making sure that awards are up to date. I have only one example of the department's issuing awards that are out of date. In response to the answer that the Minister gave to the member for Spence, I thought that if the Minister had this very efficient system the department ought also to have it, I will therefore supply him with the information and he can have it investigated.

The Hon. R.J. Gregory: The member for Bragg will also know that there are an enormous number of complaints about under payment of wages. Very few of those complaints go to prosecution. Nearly all of them are settled on

the basis of discussion between the inspectors, the employer and the employee. It is in only those disputes where the employer refuses to accept the advice and behaves in an irrational manner that prosecution is sought, and there are very few of them compared to the number of complaints made. I am very pleased in this sense that, when inspectors visit employers' establishments and are able to point out certain things to them, corrections are made very very quickly.

Mr INGERSON: In relation to the same page there is a reference to creating a data base for rules of associations. What is that all about?

The Hon. R.J. Gregory: My advice is that the Industrial Commission will have on a data base all the rules and constitutions of all registered associations. It is in the process of being put together. That is not yet up and running. It means that people could quite easily and readily look at it. It also means, I suppose, that you could get one printed off if you wanted to pay for it.

Mr HERON: I refer to the 'Equal Employment Opportunity' program on page 402 of the Program Estimates. What steps are being taken to inform agencies of the implications of the proclamation of the age discrimination amendment to the Equal Opportunity Act 1984?

The Hon. R.J. Gregory: Information and training has been provided on the age discrimination amendment to the Equal Opportunity Act. This has taken the form of a briefing paper to all chief executive officers and a number of information sessions conducted with agencies. As the honourable member and I might know, this discrimination in the Equal Opportunity Act might help us in our future employment.

Mr HERON: I refer to page 402 of the Program Estimates. How is it proposed to review the equal employment opportunity program in the Public Service in 1991-92?

The Hon. R.J. Gregory: The review of equal employment opportunity in Public Service operations is currently being conducted by Carmel Niland of Carmel Niland and Associates. Ms Niland was selected for this review because of her nationally recognised extensive experience in the field of equal employment opportunity; for example, she has held the position of President of the New South Wales Anti-Discrimination Board for seven years.

The review commenced in early September and is due to report by the end of November. During the course of the review, Ms Niland will consult widely across the Public Service, call for expressions of interest in the review, and examine all public documents including annual reports, previous research findings and policy initiatives. It is confidently expected that the final report will provide Government with a framework for future strategic development in the equal employment opportunity area.

Mr HERON: In view of the Government's commitment to restructure the public sector for more efficiency, what is the effectiveness of the Government's redeployment processes as detailed in the 'Staffing of the Public Service' program (page 403 of the Program Estimates)?

The Hon. R.J. Gregory: The Careers Consulting Unit (previously known as the Redeployment Unit) is noted for its consistency of achievement in the placement of surplus employees and in giving advice to agencies which are able to manage their own relocations internally. The Careers Consulting Unit is noted also for the professionalism and sensitivity with which it manages these processes. Over the last four years the Careers Consulting Unit specifically has arranged more than 300 job placements each year and has given advice as well to assist employees and agencies to arrange other placements.

All clients of the Careers Consulting Unit are engaged in productive work if permanent relocation is not immediately possible, by arrangement with their substantive employing agency or department. Temporary placements are often used by the Careers Consulting Unit to complement other retraining or skilling measures, in equipping surplus or underutilised staff for effective longer term relocation or career change. Although the number of direct placements made through the Careers Consulting Unit in recent years has been maintained consistently at more than 300 per year, the number of surplus employees registered for permanent placement with assistance from the Careers Consulting Unit at 30 June 1991 was 79 less than at 30 June 1987.

This reduction in the number of clients working in a temporary placement pending permanent relocation has been achieved by consistent refinement of the redeployment processes used, including the application of recruitment restrictions and better techniques of skills assessment and career planning, including the use of specialised external consultants. The voluntary separation initiatives of Government clearly have assisted in providing an appropriate alternative for managing other surplus employees of Government in an acceptable and cost effective way.

Mr INGERSON: On page 394 of the Program Estimates under the program title 'Conditions of Employment' I notice that there had been just over 2 000 formal complaints lodged in relation to breaches of awards, and that almost every one of them had been fixed up in some form. What sort of breaches are we talking about?

The Hon. R.J. Gregory: I thought that I had answered this question earlier when I was answering the question about the underpayment of wages. That is about where it is: it is the non-provision of wages; it sometimes has to do a bit with long service leave; and will have a bit to do with superannuation in the future. As I said, when our inspectors visit establishments and have discussions with employers they very readily fix up the matter, as evidenced by the fact that so few go to prosecution.

The other factor is that the Industrial Conciliation and Arbitration Act, as it was then known, was amended over 12 months ago. Therefore, when an underpayment of wages is detected, instead of an inspector sitting down, going through the wages book and calculating the wage for everybody, the employer is required to have an auditor do the work, or the employer is to do the work and get an auditor to provide a certificate that the wages have been adjusted in accordance with the Act. That means that the inspectors did not have to spend a lot of time at these places, and it also means that if a mistake is made the employer has to arrange for it to be fixed up and pay for it. What I find very pleasing is that very few of these cases actually go to prosecution.

Mr INGERSON: Page 394 of the Program Estimates refers to the need for cooperation in joint activity in award and industrial legislative requirements with the DPIR, or what used to be DPIR. It has been put to me that there is a potential conflict between DPIR now being put together with the Department of Labour and the role of overseeing the Industrial Relations Commission. Is that an issue? If it is, how does the Minister see it being overcome?

The Hon. R.J. Gregory: I have never seen it as an issue while I have been the Minister of Labour; I never saw it as an issue when I was the Secretary of the United Trades and Labor Council; and, I never saw it as an issue when I was an organiser in the Amalgamated Metal Workers Union. The Director of the Department of Labour, formerly the Secretary of the Department of Labour, has to my knowledge and experience always had financial responsibility for

the operations of the commission. Breaches of the Industrial Conciliation and Arbitration Act have always been dealt with in the Industrial Court. The Director of the Department of Labour had the ultimate say whether these prosecutions would take place. In those circumstances nobody ever suggested that there would be a conflict of interest between the senior officers of the Department of Labour and the judicial officers of the commission.

With the merging of the Department of Labour and the Department of Personnel and Industrial Relations there has been some suggestion that there could be a conflict. One has to remember that the Minister of Labour, prior to the merger, was also the Minister responsible to Parliament and Cabinet for DPIR. There was no thought of conflict of interest when that was the situation. I do not see any conflict of interest now. In fact, I have the highest regard for the independence of the judicial officers of the commission. Some people have been unkind enough to suggest that perhaps there could be a conflict of interest. I think that that is a slight on the judicial independence of those people. Anybody who knows the commissioners, the President, the Deputy Presidents and the magistrates would know that they are of the highest calibre and beyond reproach in that area.

The merging of the two departments just meant that where we have two departments with similar and complementary activities, they are able to work more effectively and save money in administration. Somebody has to be responsible for the allocation of moneys. I am also of the view that any administrative unit in Government has to be ultimately responsible to Parliament for how it spends its money, not how it makes its decisions. It is just like the Auditor-General. The Auditor-General reports to this House without fear or favour each year on a certain day. But, the money for the Auditor-General, how that money is spent, the allocation of resources and the employment of people is a decision that is made here in this Parliament. I think we need to be sophisticated enough to understand the difference between the two and accept that these people who hold these offices hold them with the dignity they deserve. It has never entered my head that because I am the Minister I could influence them. I would not attempt to do it because I think it would be demeaning their position, and I hold them in too high a regard for that.

Mr INGERSON: That is fairly reassuring. It is the attitude that everyone expects but it is not what some people in the community have been saying—and that was the reason for the question.

The Hon. R.J. Gregory: I take it that you support my remarks?

Mr INGERSON: I do. My next question relates to the marketing plan referred to at page 394 of the Program Estimates as follows:

> To determine the effectiveness of existing client strategies and develop a marketing plan.

Will the Minister explain what that is all about?

The Hon. R.J. Gregory: I am advised that it relates to the Construction Industry Long Service Leave Board. That is what the board will be doing.

Mr INGERSON: What is the necessity of having an actuarial review of the construction industry fund?

The Hon. R.J. Gregory: I believe that for any funds held in trust for other people, particularly with a fund based on an Act of Parliament, the people managing that fund should have it checked to make sure that the percentage of payroll that is collected each week or fortnight, depending on how the collections are made, is adequate to meet its commitments. The conventional wisdom is that for funds similar to those for long service leave in the construction industry there is not a need to do that, but I have insisted that it happen. The previous Government Actuary was unable to comply with the Act and sought exemptions. I insisted that they get a private actuary to do it; they have done that, and they are going to do it on a two-year basis. Also, I think it is a good disciplinary move on the part of the board, because the actuary will tell them exactly what they are doing, whether the provisions that the board has made for future entitlements of the beneficiaries of the fund are adequate and whether it is conducting its business properly. A number of the initiatives undertaken by the board in the past two years were as a result of the Government Actuary's report, which came down after a private actuary was engaged. I am advised that the cost of doing this is quite small. I regard the expenditure as very useful.

Mr ATKINSON: I refer to Estimates of Receipts (page 50). Under 'Department of Labour', in the first line it appears that fees for regulatory services will rise by 12 per cent in 1991-92. Will the Minister explain the reasons for the rise?

The Hon. R.J. Gregory: Since I have been Minister—and I believe the previous Minister also did so—I have insisted on a number of activities of the department being on a cost recovery basis. In this area, we have seen increases in fees to bring up the recoverable money to the level of expenditure. I am not quite sure of the numbers we have achieved, but it operates in relation to the Lifts and Cranes Act and the Boilers and Pressure Vessels Acts and with a number of others, where the fees must cover the costs involved. The Motor Fuel Licensing Board is operated on the basis that the industry will pay for its operations. The fee that the motor fuel retailers pay is there to cover that. We will be moving in the Department of Labour in the next financial year or shortly thereafter to a position where most of those fees will then commence to rise with CPI, because they will be at that cost recovery level. In relation to another department for which I am responsible, where there is a very low recovery of actual costs, the increases can be quite savage, and they have been savage in this area previously.

Mr ATKINSON: I refer to Program Estimates (page 394) and to the Conditions of Employment program. I believe the new Construction Industry Long Service Leave Act came into operation on 1 July last year, thereby expanding the scheme to cover electrical, contracting and metal trades workers. How many additional employers and workers have been registered under the expanded scheme?

The Hon. R.J. Gregory: Some 51 additional employers and 396 employees had been registered at the end of the 1990-91 financial year.

Mr ATKINSON: I note that some 2 100 formal complaints were investigated during the past financial year in connection with State awards and legislation specifying minimum wages and conditions. What results were achieved from those investigations?

The Hon. R.J. Gregory: These are under State awards and long service leave provisions, as I mentioned earlier. In this area the employers usually respond fairly quickly. As a result of that, $1 009 535 was retrieved from employees, and a further $57 000 was collected from employers as a result of routine inspections of work places. Of the over 2 000 investigations that took place, only 24 went to prosecution. I think there were 2 010 formal complaints and, as I say, only 24 went to prosecution, which indicates that, by and large, the employers are doing those things by mistake, and when it is pointed out to them they respond very quickly.

Mr INGERSON: I understand that there will be a transfer of some of the inspectorate staff from the Department of Mines and Energy across to the Department of Labour. Will that transfer be a total one in that the officers in that department will be transferred across or will there be an initiation of new inspectors set up but within the Department of Labour?

The Hon. R.J. Gregory: In my opening address this morning, I said that as from 22 August a decision was taken to transfer the inspectorate services from the Department of Mines and Energy to the Department of Labour. The people who are coming across are the inspectors involved in the mines and petroleum area. Primarily, they will be concerned with the occupational health and safety inspectorate of that department. Negotiations are currently underway between officers of the Department of Labour and the Department of Mines and Energy to determine the exact number of people and the equipment they will be bringing with them.

I anticipate that very shortly agreement will be reached on those matters and those people will then become employees of the Department of Labour. They will head up a technical unit, and they will work under the direction of Mr Peter Ochota. They will be a discrete unit within the department. Once they become employees in the department, their training and skill level of occupational health and safety will be enhanced because they will be going through training courses. As well as being accredited inspectors in the area of mines, I hope that those people will develop skills in other areas, for which the department has carriage under other Acts, and that they will all have the skills and abilities of the other occupational health and safety inspectors, so they will be able to take with them into the mines area and to any other place they go all that knowledge and experience that they will have.

We are very pleased that this has happened, because it expands the inspectorate, it expands the ability of the department to deliver a total service to the employing community and it will mean that these seven to 11 inspectors (about whom discussions are taking place) will have available to them the resources of the department generally, from the occupational health section of the department, the mineral fibres section and whatever else we are able to provide them. It means that their abilities and skills will be expanded and we will see a better delivery of occupational health and safety.

Mr INGERSON: You are saying that the total number coming over is between seven and 11. Were any employees who were in that division left with the Department of Mines and Energy, or are they being deployed somewhere else?

The Hon. R.J. Gregory: There is an involved function within the Department of Mines and Energy, where these inspectors do other work, including safety inspectorate work. They did tenement inspections and they also did inspections with regard to rehabilitation after the mine had completed its work. It is not our intention to continue with tenement work nor is it our intention that they should continue with the environmental work. They are concerned solely with occupational health and safety. I should imagine that what work the Department of Mines and Energy does will fall within the purview of the Director of that department and the requirements he has to comply with and enforce the various Acts for which he is responsible.

Mr INGERSON: My next question relates to page 395 of the Program Estimates, in which the statement is made that new audit procedures were trialled, and 54 targetted companies were audited based on 'in-penalty levy' data from WorkCover. Could the Minister explain to the Committee what that process is all about?

The Hon. R.J. Gregory: Members will recall that some time ago the Workers Rehabilitation and Compensation Act was amended so that WorkCover could provide information to the Department of Labour on what is commonly called the poor performers. Advice is forwarded to the Department of Labour about which employers are under penalty in WorkCover. The Department of Labour then carries out an audit of the workplace. The audit involves an analysis of the workplace structure to resolve occupational health and safety matters and includes questions, for example, on whether they have safety committees, representatives and policies, and they also carry out a full inspection of the workplace.

It is important that we ensure that, when an inspection team 'hits' one of these places, we examine how the company goes about providing for a safe working environment. If a safety procedure is not in place, and if they do not have a safety policy, safety representatives or an appropriate system for examining dangerous situations or occurrences so they can eliminate them from the workplace, the employer needs to be assisted in establishing those structures, because that sort of activity on the part of employers will bring about a reduction in work injuries. It is very important that our inspectors take on more of an auditing role in that, when they go to a workplace, as well as looking at all the obvious places for traumatic injury and at dangerous chemicals and substances, they also look at the procedures the company has in place. The approved codes of practice mentioned earlier this morning were designed so that the employers can be flexible in how they go about providing a safe workplace.

Under the old system, the regulations provided that people must do this or that and left no discretion with an employer. However, with a code of practice the employer is free to organise his or her workplace and state how the work is done, and the only stipulation on what they do is that the end result must be better than the code of practice. We are looking for outcomes, and the outcome we want to see in the workplace is reduced injuries. We think that auditing processes will achieve that. When the amendments to the Act were moved in the House, this is precisely what we were asking for in the amendments. We were pleased that the Opposition cooperated with us in carrying that amendment, because we are now seeing the fruits of that.

Mr INGERSON: My next question also relates to page 395 of the Program Estimates and to a question I asked earlier today. It is mentioned that you would undertake 120 consultancies on occupational health issues. What is that all about?

The Hon. R.J. Gregory: The occupational health division we have in the department was transferred from the Health Commission. As well as providing assistance in determining whether or not something is hazardous, it also runs a number of consultancies. For instance, consultants can be hired to examine fumes in a workplace. Employers can and do hire them to do that. They run seminars; their skills are generally sought by industry. They are a very valuable resource for employers.

The ergonomists who are employed as a result of the manual handling code are placed in this section and they work from that to go out to industry and assist employers in providing safe workplaces. Last year they did 115 consultancies and a diversity of investigations, from insecticide use in grain silos, solvent exposures, development of methods to measure rubber fumes and dust contrast with the examination of air quality—the list just goes on and on; they do an enormous amount of work. They have a very informative data base. It is a tremendous facility for people

in South Australia who want to know exactly what is happening in their workplace. Again, it is an initiative on the part of the consultancies; if this assistance is provided, the employer ought to be paying for it.

Mr HERON: I refer to staffing in the Public Service, referred to on page 403 of the Program Estimates, which relates to the special employment and training program for people with impairments. What progress has been made under the program in placing persons with impairments?

The Hon. R.J. Gregory: A while ago Cabinet determined that we would employ 15 people with impairments; five people with intellectual impairments and 10 with physical impairments. My advice is that at the moment six people have been placed in employment. It was my privilege a while ago to go to the Police Department's Novar Gardens workshop and see a young man of about 22 years of age who is totally blind. I asked him whether he could differentiate between day and night, because some blind people can, and he said he could not. However, there he is doing work removing radios, lights and the decals on the side of the police cars when they come in for rejuvenation. Before they are sold all the police gear is taken out of them. It has got to the stage now where, in certain circumstances, fully sighted tradespersons are going to this person and asking him to do certain work. As members know, a lot of feel is involved in repairing motor cars; sometimes one cannot see what one is doing. This lad can do it better than they can. He was enthusiastic. I have not met his parents but I understand that they are immensely proud of this boy. He is dropped at the gates of this place and he finds his way up to the workshop each morning. The reason for the training is that each of these people who is placed in employment needs special consideration, and sometimes some members of our community are not as tolerant as others and are a bit bigoted, and they need to be advised of their responsibility to other people.

The managers need to understand their special needs and these need to be provided for. It is a very worthwhile initiative of the Government. What we are saying to those less fortunate members in our community is: if you have the intiative; if you want to do something; if you are prepared to give it a go, we are prepared to provide an opportunity for you. We have been able to place a hearing impaired person as a computing technical officer in the Department of Lands, whilst a person profoundly deaf has been placed as a data entry operator in the Attorney-General's Department. The blind person I referred to earlier has been placed in the Police Department. A hearing-impaired person has been appointed as a surveyor's assistant, and a person with partial paralysis of the left side is an administrative services officer in State Supply.

I have made it quite clear to people who operate in this area that I want to see intellectually impaired people working as well. The reason for doing it is that these people have parents who are very worried about what will happen to their children when they have gone. I just think it is the right thing to do, as a Government that employs in excess of 100 000 people totally, we should be employing some of these people, and we are doing so. They are not the only people we have in Government who have severe impairments. I am waiting for the day when we can find positions for intellectually impaired people. My advice from the Commissioner for Public Employment is that we are very close to doing that.

Mr HERON: I refer to page 403 of the Program Estimates, and objectives under 'Staffing in the Public Service' and the Aboriginal employment strategy. Given that the current South Australian Aboriginal employment strategy concludes in October this year, what progress has been made since its inception in 1988?

The Hon. R.J. Gregory: Currently we employ slightly in excess of 1 per cent of Aborigines. The strategy was designed so that by the year 2000 we would have at least 1 per cent representation of Aborigines in a wide range of occupational categories and at all levels. When I was a member of the ACTU Executive, I was fortunate enough to be Chairman of the Aborigines Committee of the ACTU. As such I was involved in a national Aboriginal Employment Development Committee which went to enormous lengths and effort to ensure that the high level of unemployment amongst Aboriginal people was reduced. We developed strategies and conducted advertising campaigns, and provided people to assist Aborigines in obtaining work. We all know there is a high level of unemployment amongst Aboriginal people in South Australia and Australia, and it causes a social blight with these people. As we all know, unemployed people suffer disadvantages, and as a Government we should be showing the way in doing this.

I can recall, as Minister of Marine, visiting Port Giles jetty and meeting a number of Aboriginal people working there. When I inquired of one of them how long he had been working for the Government, he replied that it was over 17 years and, judging from his age, that was most of his working life. That goes against the stereotype that the press likes to portray. We are finding with our Aboriginal people that they are filling top jobs. They are becoming supervisors. I have had the pleasure on two occasions now of awarding certificates to Aboriginal people who have been to management training courses and who are on their way to senior management within our Government departments.

We have a number of people who have been involved in career development programs. I obtain a great sense of satisfaction every time I meet these people, because they are pathfinders. They are proving against all the stereotyping that the less fortunate people in our community can make it, and I am confident that we will keep on with this 1 per cent. Quite frankly, I want to see it a bit more. As we do more training on the skills and knowledge of these people, I am quite sure one day we will see an Aboriginal heading up a Government department.

Mr HERON: With reference to page 404 of the Program Estimates under 'Industrial and Employee Relations', how is the implementation of the award restructuring progressing across the Public Service and what benefits will be achieved?

The Hon. R.J. Gregory: I would say a lot. Award restructuring is progressing extremely well with all groups of employees in the Public Service, the Health Commission, police and teachers having satisfied the relevant Industrial Commission sufficiently to be awarded both structural efficiency increases available under the structural efficiency principles of the August 1989 national and State wage case decisions.

In the Government Management and Employment Act area of employment and the salaried area of the Health Commission (excluding nurses and medical officers) four new awards have been ratified by the State Industrial Commission to replace the large number of awards that previously existed (19 awards were rescinded). These new awards are the professional services, technical services, administrative services and operational services awards. These awards cover the work of hundreds of occupational groups that operate within Government departments and the Health Commission. The structures in the awards are linked by common salary points.

Some work still remains to be completed in the area of weekly paid employment before proposed new amalgamated

awards can be implemented. It is expected that the existing 31 awards will be reduced to 15 in the first instance, and possibly less over time. The new awards are likely to be operational before the end of 1991. In addition to consolidating the number of awards, agreement has been reached with the UTLC for an integrated wages structure to apply across the new awards thereby ensuring equity of rates for work of equal value across Public Service departments and the South Australian Health Commission.

Some groups have gained increases under the special case provisions in excess of those generally available from the wage decisions, that is, medical officers, nurses, teachers, and police. As originally stated in the Auditor-General's Report for the year ended 30 June 1990 the pursuit of the structural efficiency principles is one avenue that provides opportunity to improve work force productivity. This view has been reiterated by all the parties to the last national wage case hearing, including Federal and State Governments.

Generally, the benefits of award restructuring include the developing and implementation of new classification structures and consistent rates of pay that are relevant to the needs of agencies, improve flexibility, efficiency and productivity, enhance equity and provide employees with career development opportunities.

Mr INGERSON: I refer to page 396 of the Program Estimates and, under 'Public Safety' in relation to the handling of dangerous drugs, it states that the Government will assess the green paper submissions and develop policy. How far off is that?

The Hon. R.J. Gregory: I think the member for Bragg is referring to 'dangerous substances', not 'dangerous drugs'. I can understand a pharmacist making that mistake. The Dangerous Substances Act covers an enormous range of substances used in industry in South Australia. It is an Act that has been in operation for some time and, under the policies of the Government, it is in the process of being reviewed. A green paper has been prepared and issued for consultation. At the moment the views of people who have responded to that initiative are being evaluated and considered by the department.

Currently in the Parliament there are amendments to the Dangerous Substances Act with respect to the provision and maintenance of cars that have LPG facilities installed in them. Members may recall that, during the petrol crisis last year, there were some reports of poor workmanship in this area whereby some people were placed in very dangerous situations. The proposed amendments to the Act will overcome that problem and require the owner or occupier of the business having the work done or tendering for that work to be responsible, as opposed to the tradesperson working for him.

I am of the view that those amendments will enhance safety in that area. However, there needs to be a revision of the Dangerous Substances Act to bring it more into line with other Acts in Australia, and to make it more relevant to modern technology.

Mr INGERSON: Special reference is made on page 398 of the Program Estimates to some research findings in a paper on part-time work, as it is and will continue to be a very important issue. Will the Minister say when he expects that discussion paper and the findings to be in the public arena?

The Hon. R.J. Gregory: I will be visiting Email some time next month and launching that issues paper then. It is an initiative of the Women's Adviser to the Department of Labour and covers a fairly important topic, because many female workers work part time, some through choice and others through the lack of availability of full-time work.

Mr INGERSON: On page 399 there is special reference to the number of days lost in 1990-91, and it is stated that two specific problems here in South Australia caused that. The next estimate for the year 1991-92 also seems quite high compared to previous years. Why does the Minister believe that that is likely to occur?

The Hon. R.J. Gregory: In the last financial year, we saw some general activity on the wage front that had not been evident for some time, and that was the disputation in the metal industry. South Australia has in employment a higher proportion of metal workers or workers whose conditions of employment are covered by the Metal Industry Award than other States. I can also advise the Chair that, in this State, when stoppages are called as a result of national action in respect of the Metal Industry Award, South Australian workers respond more on a per capita basis than do workers in the Eastern States. As a former official of that union, I can attest to that.

I have not inquired of the officers why they expect that the disputation will be higher again in this financial year, but one has only to do a bit of thinking. We have a Liberal Party advocating enterprise agreements, and we have employer organisations appearing in the commission saying, 'Award no increases: we want to negotiate in the workplace.' Negotiations in the workplace will bring about more disputation, and in the metal industry, if the Federal commission ignores the signals that have been coming in from the MTIA, the ACTU and the metal unions. There will be further disputation in that area. As it is a national dispute, we will be the recipients of a higher proportion of South Australian workers in the metal industry hopping off the job to demonstrate their anger at a lack of understanding about their conditions. One must recall that it was the metal industry that had the initiative on award restructuring, and I thought it a bit thick when the Federal commission decided not to approve its restructured award that had been in negotiation with a clear understanding at the end of nearly four years hard work.

Mr INGERSON: Today I received a letter from the Law Society, whose concern related to the independence of review officers in the WorkCover administration arena. The Law Society has attached an example of the difficulty of independence of the review officers. Is the Minister prepared to comment on what he thinks ought to occur in relation to the independence of these review officers in WorkCover?

The Hon. R.J. Gregory: I am surprised that the member for Bragg received the letter only today. The matter has been looked at by the WorkCover board.

Mr INGERSON: As a supplementary question, does the Minister have an opinion that is relevant to the question? In other words, instead of flipping it off to the WorkCover board, it is the Minister who is responsible for WorkCover.

The Hon. R.J. Gregory: The letter from the Law Society sets out its views about a certain set of circumstances in which the WorkCover board asked some review officers to improve their productivity. Sometimes, members of the South Australian public would love to be able to ring up judges and say, 'Listen here, you get on and make that decision,' particularly when some people have been waiting for over 12 months. Justice delayed is justice denied. One of the problems—and the member for Bragg would be fairly familiar with this because we are both members of a select committee and as yet we have not reported to the House on anything—is that some discussions that have taken place in private indicate that there are long delays between the end of the hearing of evidence and the decision being made.

I am having the matter investigated and, consequently, when the Chief Executive Officer of WorkCover responds to the Law Society, I will respond to him and I suppose that, eventually, we will have some discussion. Like all experienced politicians, I do not just take someone's word for something: you always check the facts to make sure that what you have been told is exactly what it is and not what someone thinks it is.

Mr HERON: Cabinet approved the use of a number of voluntary separation schemes to operate during 1990-91. Which schemes are approved for the use of agencies during 1991-92?

The Hon. R.J. Gregory: Prior to the beginning of this financial year, three voluntary separation packages were operating in Government. One meant that, if an employee was offered a voluntary separation package, he would be offered eight weeks pay and then three weeks for each year of service up to a maximum of 104 weeks pay. Added to that would be any long service leave entitlement, annual leave and whatever else was available.

There was a voluntary incentive retirement package, I think it was called, which made available eight weeks pay plus two weeks pay for each year of service if you were over the age of 55 and, if the department was approved to make that offer, employees would be invited to participate. If they wanted to, they could; if they did not want to, they did not. There was also a voluntary incentive retirement package available to those under the age of 55 years. The experience of the Government after the introduction of the packages was that people would rather have the voluntary separation package and were ignoring the other two schemes. As a consequence, the voluntary separation package as we know it commenced on 1 July this year and the other two schemes have been deleted.

Mr HERON: As a supplementary question: is only one scheme operating now?

The Hon. R.J. Gregory: At the moment only one scheme is operating. It avoids confusion, and means that the scheme is there for people who want it. People must be invited to express an interest, and it is not a scheme to which people can roll up willy-nilly and accept. The reasons for offering the scheme are that, if there are a number of employees in a department who are surplus to requirement, the scheme is offered to those people. If they do not want to accept it, they are relocated to other Government departments.

As I said earlier in response to questions, we replace over 300 people a year in jobs. Last year 638 people accepted voluntary early retirement, the voluntary resignation incentives or the voluntary separation package. Another example of how popular the packages are is that the VER had 46 acceptances, VRI 17, and VSP 575. It has cut out a lot of confusion and assisted people who wanted to move on.

Mr FERGUSON: I refer to page 394 of the Program Estimates under 'Issues/Trends' where it states: 'Number of complaints . . . continues at an unprecedented level'. In the line above that it mentions occupational superannuation. Is there a special reason why there should be an unprecedented level of complaints in this area?

The Hon. R.J. Gregory: I think I have already responded to that: there have been approximately 2 010 complaints about payment of wages; and 24 prosecutions; something just over $1 million recovered; and $57 000 in other payments. In relation to superannation, we have issued a leaflet, and a bit of press publicity has been generated from that, because I am not convinced that a lot of employers who are required to pay superannuation are actually making the payments. It is fairly important that, in relation to occupational superannuation, Australia starts to think about how it provides for the retirement of workers. Apparently 85 per cent of workers in Australia have some form of occupational superannuation; the other 15 per cent do not. Most people in the better brackets of occupational superannuation are in supervisory or highly skilled categories. People who are not receiving it are those who are not very well paid and who have casual employment and part-time jobs.

I think that we need to catch up with the rest of the so-called advanced economic nations in the world which have legislative requirements for certain moneys to be paid into a fund each pay period or each year on behalf of employees so that, when they retire from work, they can draw from it. Some of us know of people who come from European countries where they worked for some time but, when they retire here, they write to their country and suddenly get pension payments from that country. We should introduce a scheme similar to that, and I am pleased to see that the Australian Government has made the decision that, from next year, we will have occupational superannuation.

Occupational superannuation is usually done on the basis of a wage trade-off. It has meant that workers have foregone wage increases to get a deferred wage increase called superannuation so that, when they retire, they get a bit more money. Whilst it is now difficult for people to pay twice for it, I think that we as a nation need to take that step, so that we can bring ourselves into line with all other advanced industrialised nations in the world.

Mr INGERSON: Page 401 of the Program Estimates refers to the setting up of a specialist unit to help the Commissioner and the Chief Executive Officer improve performance in the area of weekly paid and GME Act workers. Can the Minister explain what this specialist unit is all about?

The Hon. R.J. Gregory: We were thrown a bit by the reference to the GME Act and weekly paid workers. It is for senior officers.

Mr INGERSON: It did not make sense as it read.

The Hon. R.J. Gregory: I ask the Commissioner for Public Employment, Mr Strickland, to make a comment.

Mr Strickland: It refers to the senior officers group, who are the executive officers appointed under the Government Management and Employment Act by the Commissioner for Public Employment. This unit assists me in ensuring that the selection processes and my involvement in them are all according to the Act and proceed in a proper way. We have also recognised that we must look at the development needs of this group, so the unit also assists with advice to help decide which executive officers go to which management development programs around the country. This year we have purchased a software package which enables us to match competencies of existing executive officers with particular job requirements across that whole group. We thought it made a lot of sense to bring their small group together in a single unit, since we are undertaking all these different activities and having all the other organisational changes between ourselves and the Department of Premier and Cabinet, and that is what we did.

Mr INGERSON: Page 402 of the Program Estimates states:

> An increase in the number of agencies adopting EEO performance goals for managers.

Can the Minister explain what those performance goals are?

The Hon. R.J. Gregory: I ask the Commissioner for Public Employment to advise the Committee.

Mr Strickland: The goals are in the whole range of equal opportunity policies and practices that are being promoted throughout the whole public sector, but it applies particularly to the Public Service. They range from paying sensitive attention to special employment and training for particular,

disadvantaged groups, namely, women, Aborigines, people with disabilities and people from ethnic backgrounds, to make sure that they all have in place—and report on it to Parliament in their annual reports—equal opportunity planning processes and clear goals so that they can measure where they are going with this, and how they were achieving things within their particular organisation.

As part of the Commissioner's review of personnel principles, this year I made a particular point of looking at those eight departments referred to this morning which had attention paid to them through that review process. On the whole, we found that there was pretty good compliance with this, but a couple of departments needed to look much better and more deeply into their planning process, and some suggestions were made about how they could make improvements.

However, generally, the management attention that is being paid to equal opportunity is pleasing and is going quite well. Of course, we are also looking forward to the results of the review by Carmel Niland, to which the Minister referred earlier. The results of that review will tell us whether we are really up with the latest EEO practice and what our goals for the next 10 years ought to be.

If you look back over the last decade in South Australia, the South Australian Public Service has been something of a pacesetter in the whole field of equal opportunity. We have done particularly well in getting women into administrative, executive officer and now CEO positions. We compare very well with interstate Public Services on those sorts of grounds. We were the first Public Service in Australia to introduce permanent part-time work which gave an enormous amount of talented women the possibility of returning to useful and effective work. Over the years we have done well, but we can always do better and we hope we will get some guidelines on how we can do better from Carmel Niland.

Mr INGERSON: Page 403 of the Program Estimates refers to—

> ... full implementation of the Special Employment Program through the appointment of 15 disabled persons.

What is this program all about? How does it work? How was it selected?

The Hon. R.J. Gregory: I talked about this earlier, Mr Chairman, and went into it in some detail.

Mr INGERSON: Also on that page, I refer to—

> ... implementation of leave management facilities for all HR:M agencies.

What are HR:M agencies?

Ms MacIntosh: HR:M is the title of a package that is used across a number of Government agencies for payroll and personnel purposes. HR stands for 'human resources' and M stands for 'millenium'. The package of leave management facilities was trialled successfully before 30 June in two Government agencies and it follows a recommendation of the Public Accounts Committee concerning liability for long service leave. It is being used successfully in the Lands Department and the Department of Labour, and other agencies are now scheduled to take on the leave management module during the next 12 months.

Mr HERON: Page 398 of the Program Estimates under 'Issues/Trends' states:

> The Federal Government ratified ILO Convention 156 on 'Workers with Family Responsibilities' in 1990 and the first report is due in 1992.

On the same page under the heading '1991-92 Specific Targets' it states:

> ... Promote the implementation of ILO 156.

What is 156?

The Hon. R.J. Gregory: What we have seen in recent times is a considerable number of people in the work force who have primary care responsibilities for young people. One of the problems with some of the employment structures we have around the place is that they are not flexible enough to accommodate the requirements of people with family responsibilities, and the ILO Convention does do that. Some of the things that the Women's Adviser in the Department of Labour has been active in in the last year or so have included assisting in the implementation of that requirement, and the issues paper on part-time employment will be part of that ongoing process.

The member for Peake has also raised a question about ILO Conventions in general. The Minister for Industrial Relations in the Federal Government (Senator Cook) has made it fairly clear at Ministers of Labour meetings, and also at the meeting I attended in Canberra recently at which the General Secretary of the International Labour Organisation was present, that it is his intention that what ILO Conventions Australia can ratify will be ratified and that we should work towards doing that. One has to appreciate in over 60 years of operations of the ILO that there would be a number of conventions that are no longer applicable because time has made them unnecessary. There are a number of conventions that are purely Commonwealth matters, and that is primarily to do with seafarers.

My advice is that as a State we are well up in the ratification of ILO Conventions. I have instructed the Chief Executive Office of the Department of Labour to have one of our divisions pay a little bit of attention to that so that we can see exactly what we have to do to comply with these Conventions. I give an example of how simple it can be to comply. At one of the first meetings I ever went to as Minister of Labour I noticed that there was a Convention with respect to the manning of vessels. That convention was made in 1936, which was a very auspicious year in South Australia because it was the centenary of the founding of the State—and also happened to be the year of birth of the member for Henley Beach and the member for Florey. We think it was a very good year. I also notice that the Marine Act in South Australia was founded in that year.

When I returned to Adelaide I inquired why we were the only State not complying with the requirements of the manning of vessels. I was advised that there was some complicated procedure with respect to the length, breadth and tonnage of vessels, and that our Act could not comply with it. Being the Minister of Marine, having the carriage of the Marine Act, and being the Minister of Labour, I instructed the Director of the Department of Labour to get onto the Director of the Department of Marine and get this fixed up—and they did. Subsequently Cabinet approved amendments to the Act, and as the amendments were being drafted we got a message from Parliamentary Counsel that there was no need to amend the Act, that all we had to do was change the definition in the regulations and we could comply, and this we did.

Members will recall that last session in this Parliament we amended the Marine Act to provide for representatives of trade unions to be representatives of the crewing committee. In the interests of equal opportunity and a few other things we changed it from 'manning' to 'crewing'. So, it indicates that sometimes a little bit of attention to detail means that we can comply.

It is also very important that we do comply because it indicates that as a nation we are wanting to be with all the other nations in the world in having the best possible occupational health and safety standards and the best conditions for workers that we can possibly afford. It also indicates

that we comply with international standards. In other words, we can say to other countries in the world, 'We are doing this, why aren't you doing it?' I can assure the Committee that the several times I have been to the ILO Office in Geneva, when you walk around one of the foyers and see Conventions that have been signed by all the member nations at the time the Convention was named, and you see that somebody signed on behalf of Australia, it gives you a very good feeling. As a nation we were a founding member of the ILO, and I think we ought to play a very important part in it.

With respect to 'Workers with Family Responsibilities' and the extension of employment provisions, there has been consultation with industrial partners. I announced the intention to make an application under section 25a of the Industrial Relations Act of South Australia to extend the entitlement of maternity leave to all South Australian workers. Further consultation arising out of the 1990 ACTU parental leave case is required before the time this application can be determined. We have been doing those sorts of things.

Mr HERON: The Program Estimates (page 399) under the heading 'Specific Targets/Objectives' states:

Proposals for the regulation of the working conditions of disabled workers were developed with interested parties.

Has the controversial issue of wages for disabled workers been discussed? Has any progress been made in relation to this matter?

The Hon. R.J. Gregory: When appointed as Minister I became involved in discussions with the trade union movement, employers and people who operated sheltered workshops regarding the conditions of employment of the people who attended there for work. Following a long period of discussion we are now able to have an agreement which sets out the conditions of employment in nearly all of these establishments. It is very much like an award, with the exception of wages and a number of other wage-related matters. People who attend sheltered workshops, or if they are working in an out-placement, know what they have to do as an employee.

The matter of wages is a very complicated one because all those people are receiving a disability or invalid pension. They receive additional payment for attending work at a sheltered workshop, which is called an incentive payment. Also, they receive a sum of money from the organisation where they attend work. This can range from a very small amount of money, $1 or $1.50, up to $40 per week. My advice is that, if they receive more than $40, that has a diminishing effect on what they receive as pensions.

Many parents of people who are in receipt of these pensions are reluctant to see anything happen that might result in a person's pension being diminished or lost. For example, a Down's syndrome person was working for the Department of Labour for several years—he has now, unfortunately, resigned. I gave his parents an undertaking that either I or a successor would assist him to get the invalid pension if ever he left the employ of the Department of Labour and had any difficulties in trying to get a pension. I anticipate that the officers closely associated with him knew of my express wishes in that area and would have assisted him if it were needed.

The Commonwealth is looking at this matter, and a report will be available towards the end of this year which will be up for discussion. It will deal with the very difficult problem of how one actually works out how a person should be paid. Ideally, I believe that people should be paid for what they do, and we should not then diminish their pension. Every time one sees people in these workshops, or on the street on their way to these places or to outside employment—and that has been happening for a long period—I always think, 'There goes somebody with a little bit of courage.' What they are doing is going out in the community and trying to hold down a job that everybody else accepts as their right and the norm.

These people should be treated as equals in our community. In our program within Government we will take on 15 people. Once we get those placed I will be putting up a submission to get some more into Government, and we will encourage other employers to take people on. We will be able to provide these people with an inner sense of worth. I have been to conferences held by these people, and I find them very fulfilling because there are people who are able to articulate their problems. I have had some of these problems investigated, and sometimes people in these workshops have had a visit from an inspector and they have had to change some of their practices. They have changed them quite willingly. No longer will these people be shut away where people cannot see them: they will be accepted as part of our community. The Commonwealth Government has the special responsibility to ensure that they are properly remunerated for their work. An enormous amount of money and resources goes into this area at the moment. I think we ought to look at how that is managed in the future. We must make sure that they are properly rewarded for work and that they have a sustainable, fulfilling and worthwhile life out of work.

Mr INGERSON: On page 403 there is a reference to minimising the Government surplus employees through the application of voluntary separation strategies. I would like to read a letter, which I received yesterday from a constituent who makes a general complaint about the process, as follows:

I am writing to you as a concerned public servant employed in [a particular] department.

I wish to lodge a complaint in relation to the Government's voluntary separation package. My department sent out letters with a statement of intent attached to I believe all employees within the department. I duly filled mine in and returned it to Personnel on the 5 July 1991 and have since received a reply stating that the department does not have any surplus positions; therefore I would not be considered.

The department knew that it did not have any surplus positions but still sent out letters asking for those interested in the package to respond. I feel that I have been denied any opportunity to be considered by the Government for the voluntary separation package.

If the Government is serious about cutting back the Public Service then it should, at least, consider all serious applications with surplus positions and those members filling those positions but wish to be retained in the Public Service.

My reasons for being seriously considered stem from medical reasons and not because of being eligible for a large payout; in fact I would only be entitled to approximately six months pay. This would allow me a year on half pay to attend various specialists unhindered for treatment.

Then he attaches some letters from Minister Blevins and also some advertisements in the paper. He is really saying that all things seemed to be above board until he actually applied and then, when he applied, the department had no intention at all to carry it out. Would the Minister like to comment on that in relation to this line?

The Hon. R.J. Gregory: When the service-wide call for GME Act employees was made, a number of departments were not included because either they had VSPs in that department or they were departments where decisions had been taken that at this stage the VSPs would not be offered. The reason for offering it service wide was to get an indication of the number of people who were prepared to accept a voluntary separation package. All the workers would have been advised that, in advising their departmental head of their interest in the package, there was no guarantee that it

would be offered to them. In offering the VSPs, we will not allow people to resign or retire from the Government just because they want to. What we are saying is that, if certain positions are surplus to requirements in government and we have a corresponding number of people who want to accept VSPs, we will do some adjustments within departments and, possibly, across departments. Adjusting across departments is more complex because we must match positions with positions, and then it becomes arguable about who pays for what. However, the aim is to bring about a general reduction in the number of people employed in the Government, and that is happening.

I said earlier that in the Department of Marine and Harbors one particular young tradesman, who was in an area where we wanted to keep him and a number of others in employment because of their special skills and knowledge, was not eligible for VSP. He complained bitterly to me about it, because he wanted to pay off his house with the money he would have received and go to Europe for a holiday for two years with his wife. The VSPs are there to assist people in moving out of employment in Government where we have surplus requirements; they are not to provide people with lump sums to pay off houses and to go touring in Europe. I have had people in my electorate office who want VSPs but who are working in departments where VSPs are not being offered, because we are offering them only on a proper basis to ensure that we get the best utilisation of our work force.

I am sure that the Chairman will remember the famous Parkinson's law that the time taken to do a task will expand to the time available. I remember hearing that quoted frequently. I was amazed one morning when I was driving along the roads of South Australia to hear Phillip Satchell introducing a Professor Parkinson. This was at the time when Phillip Lynch was the Federal Treasurer. Professor Parkinson was asked by Phillip Satchell whether he would approve of the 5 per cent cut that the Federal Government was making then across Government departments, and Professor Parkinson said that he did not approve of it. It set Phillip Satchell back on his heels a bit. The professor explained that a proper review of Government functions would mean that in some areas employment would be increased because there would be a need to improve the delivery of services or a function by that department and in others they would do away with the functions because they were no longer needed. He said that there needed to be real questioning as to why that was being done.

That is precisely what is happening in the GARG process. We are examining the functions of Government departments and determining whether we ought to continue to perform this function, whether we should enhance that function or whether we should change. We have seen the Government Agency Review Group carry out work in the rationalisation of the engineering workshops. There we can see that more efficient mechanical and electrical repair tasks can be performed in several large workshops instead of being performed willy-nilly in district workshops all over the metropolitan area. We will see the rationalisation of workshops in country areas. We will see the proper utilisation of plant, equipment and men. There will certainly be a reduction of people in this process, but we will see an increased effort and productivity in Government workshops. That is what we are about; we are not about providing early retirement schemes for everybody who wants them. Some people will be disappointed. However, if the member for Bragg would like to advise us of the department and the person in particular, we will make sure the matter is treated confidentially and we will examine it.

Mr INGERSON: The major point I would make is that in this instance there was never any chance in the department that there would be surplus employees, and the unfortunate thing is that the person who sent out the first letter offering the retirement package also wrote back saying that the department was in a growth mode. It was really only a PR or a communication problem in this whole exercise. That is the point the gentleman is making; he is really saying that he applied on compassionate grounds, having been offered it, and he seems to have been treated as if he were a number in the system and he is not very happy about that.

The Hon. R.J. Gregory: I accept what the member for Bragg is saying, but there is the possibility of cross-departmental movement. If the member for Bragg forwards the information to us and lets us know who the person is, we will look at it.

Mr INGERSON: Also referring to page 403 of the Program Estimates, it states that the youth recruitment program will be deferred until later in the year 1991-92. Why is that so, and what effect will that have in terms of young people's opportunities within the public sector?

The Hon. R.J. Gregory: I am pleased that the member for Bragg has asked that question because both he and the Leader of his Party have made constant references to the size of the public sector and how we ought to reduce it in numbers. We are doing precisely that. It seemed to the Government incongruous on the one hand to be paying VSPs for people who exit the employ of the Government and, on the other hand, to be taking on people as they finish school. We have a task in Government of reducing the size of the Public Service and, at the same time, retaining its efficiency. The VSPs are doing that. However, if we are having people go out at one end and others are taken on at the other end, we would not be reducing the size. Either it would remain the same or increase slightly. We are about reducing it at the moment and, when we have reached the level of employment that is adequate, we will then make decisions about recruiting younger people into Government employment to then restore the age balance.

Mr INGERSON: As a supplementary question, does that virtually mean that no young people will be employed in the public sector until this policy direction is changed?

The Hon. R.J. Gregory: It will be reviewed again at the end of this financial year or even earlier. Cabinet made a decision some time ago, and the matter will come up for review, and it will make a decision then. It is not a permanent decision but it is subject to review about 12 monthly.

Mr INGERSON: Under 'Support Services' on page 405 of the Program Estimates, there is a reference that, due to the Treasury review of the whole CAGL financial system, the planned improvements in data entry and on-line entry procedures were not implemented. Why not, and what has happened to pick up what seems to be a fairly important issue of general data input?

The Hon. R.J. Gregory: I would invite Ms MacIntosh to respond to that question.

Ms MacIntosh: During the last financial year, Treasury undertook a review of the two major financial systems used across Government. At this stage they have not moved to an upgrade to the latest version of the CAGL general ledger system. Therefore, to put in improvements before an upgrade of the version goes in would mean that the work would have to be done a second time when the new version went in. The second stage of that Treasury review has just commenced. We are awaiting the outcome before we put in the enhancements.

Mr INGERSON: There is a reference on page 405 of the Program Estimates to the initiatives including instructions on the handling of awkward customers. It is currently investigating the possibility of establishing a departmental health and fitness program. As I am very interested in the fitness of members of Parliament, could the Minister advise whether *(a)* he is included in it, and *(b)* what is the program?

The Hon. R.J. Gregory: I do not want to have a contest with the member for Bragg as to how fit either one of us is. If we took a ratio of age, I might be fitter than he or it might be *vice versa*. It is fair to say that one of the most difficult tasks that officers in the Government have is when dealing with members of the public who are aggrieved at Government decisions and who, in a sense, become awkward. I can recall discussions I have had with an ex-employee of the Department of Marine and Harbors who has suffered enormously during his lifetime. He was a displaced person who came to Australia. He finds it very difficult to trust people and accept advice. I found it the most frustrating experience of my life, the hour and a bit I spent talking with him. We have people working for the Government who need to be trained to handle these people. One thing that concerns me as Minister is that occasionally people come to my office who are agitated and upset and want to have it out with me. The people who work in my office are not there to be abused by any member of the public. However, they are fairly skilled at handling those types of people, and we ought to ensure that other people in the front line service are skilled at handling them also.

Mr INGERSON: In relation to the second part of that question, what is the investigation into the possibility of a departmental health and fitness system all about?

The Hon. R.J. Gregory: I will invite Ms MacIntosh to respond.

Ms MacIntosh: This is one of a number of initiatives being looked at by the department's Occupational Health and Safety Committee. The possibility of establishing a departmental health and fitness program is related to the management of stress in the workplace. We have heard earlier today about the impact of stress in the workplace. Clearly, it has been shown that if people are fit it gives them a better ability to cope with stressful situations. The matter is being investigated at the moment, and a number of options are being looked at in terms of providing these programs to staff.

Mr INGERSON: On the same page is a reference to the need to establish a full library service for the Department of Industry, Trade and Technology, based on the recommendations of the 1990-91 feasibility study. What is that all about?

Ms MacIntosh: The Department of Industry, Trade and Technology currently does not have a library service. During the previous financial year, we investigated the feasibility of the Department of Personnel and Industrial Relations, which at that stage was providing a library service to three other core agencies, taking on the provision of a limited library service to the Department of Industry, Trade and Technology. A business case was developed, and it was approved by the Department of Industry, Trade and Technology.

Now, the Department of Labour is providing this service, which includes on-line searching and reference services to the Department of Industry, Trade and Technology. This is a more effective use of resources than establishing an independent library in the Department of Industry, Trade and Technology.

Mr INGERSON: Special mention is made of the need to continue to enhance the docket tracking and word processing facilities. Last year, we spent some time talking about that and having it explained. What has actually happened that requires improvement?

Ms MacIntosh: With the amalgamation of the two departments and the change in requirements proposed under the freedom of information legislation, there is an enhanced need for us to be able to retrieve documents in a number of different forms, not just those traditionally held under the docket management system. There is also a need to look at the two different systems currently in use within the agency, and rationalise those systems into one. In relation to word processing, we are also looking at the ability to retrieve information that we have word processed in the past, to make it available for officers to use in other documents. So, an upgrading of the service in both areas is being proposed.

Mr INGERSON: How is this tracking system likely to affect any freedom of information requirements with which the department or the Public Service generally might need to comply in the next few years?

Ms MacIntosh: It should ensure that the department can meet the requirements of that legislation. We have had independent advice as to what our requirements will be, and we are reviewing the system in line with that advice.

Mr INGERSON: On page 415, under DPIR, it is noted that the training of departmental personnel in relation to the introduction of computers and concepts of word processing spreadsheets and databases covered 47 per cent of the work force. Is that low, or is it a high percentage of those who will end up using those processors?

Ms MacIntosh: Training 47 per cent of the departmental work force is a very high proportion if you are looking at keyboard usage, which we are here. Departments, traditionally, have tended to have specialist keyboard staff. This is part of our approach to a greater use of individual project officers being self-authors and, therefore, it is a slow process but a very important one in ensuring that all staff are more productive, rather than limiting the use of such tools to a very small number of the staff, which would have been the case in most Government agencies prior to job redesign. So, 47 per cent is about 50 people out of the old Department of Personnel and Industrial Relations who have had training in both word processing spreadsheets and databases as well as the use of the computing system.

Mr INGERSON: In relation to age discrimination, has the department had any specific difficulties with the legislation in terms of employment or other areas relating to employment? I ask that because there has been a fair amount of publicity in the private sector about the difficulty in advertising with stating the category and, in particular, the age. Is the public sector having the same difficulty and, if so, how is it overcoming it?

The Hon. R.J. Gregory: We are not having any difficulty, because we are not advertising for work at the moment. When you see advertisements with the South Australian emblem on top, you will notice that they are for positions. From my recollection, age does not seem to come into it; it involves more the qualifications. I suppose that we will have some problems when we want to recruit young workers but, at the moment, we are not recruiting them, so we have avoided the problem. I will invite the Commissioner to respond.

Mr Strickland: We should not have any problem with that because the Government Management and Employment Act equal opportunity provisions enable you to declare a group, so that you do not have to apply any of those, in a sense, discriminatory provisions, because you are discriminating in a positive way, if you understand what I am

saying. Let us say that we are running a youth employment program and advertising for school leavers, and we put age limits on it: as long as we declare it under that section of the Act and the Commissioner for Equal Opportunity has authorised it, we would not be in breach of the Age Discrimination Act.

The other point is that it has about another year to go before this applies but, as was reported earlier, we have been sending information around to departments to ensure that they are prepared for the impact of the age discrimination provisions of the Equal Opportunity Act.

Mr INGERSON: In August last year, the Minister tabled a report on the Promotion and Grievance Appeals Tribunal for 1989-90. The report is dated 28 August 1990, so it has taken the Minister almost a year to table it, which I understand is a breach of Government Management and Employment Act regulations requiring annual reports to be tabled promptly in the House.

The report, by the Presiding Officer of the Tribunal, Mr Betts, contains comment about personnel management in the public sector and proposals to abolish some appeal rights. In relation to personnel management, Mr Betts says:

> My own feeling about the quality of personnel practice in the Public Service is that there is scope for improvement generally but that in a small number of organisations the need is much more acute.

This is in direct conflict with the annual report for the same period of the Commissioner for Public Employment, Mr Strickland, which stated that 'most departments are taking personnel selection much more seriously and standards are improving'.

In relation to appeal rights, Mr Betts has questioned a recommendation which he says is now before the Government to abolish rights for classifications at and above AO3, saying that inexplicably he had not been invited to confer with the review team that made this recommendation and that 'no-one in authority saw fit to provide me with a copy of the review report even though its recommendations impacted on the tribunal'.

I am aware that many public servants fear a restriction on appeal rights will lead to nepotism. What was the reason for the 12 month delay in tabling this report? Was it because there was a difference of opinion between these two reports?

The Hon. R.J. Gregory: For which year is that Promotion and Grievance Appeal Tribunal Report?

Mr INGERSON: For year 1989-90, tabled in August 1990. It is a year late.

The Hon. R.J. Gregory: My advice is that it is within the three month period. I will check that, but there is a continuing debate within the Public Service generally about the provisions of appeal procedures and a fear that, if appeals were abolished, nepotism, favouritism and everything else that you could think of would creep in. However, there is provision for workers' representatives to participate in the selection processes, and I think that the introduction of the GME Act has been a very positive step in the selection processes for positions within base grades and what have you.

The selection process consists of someone outside the work place and members of the Public Service Association. I have encouraged the PSA to have more involvement in the selection process. I indicated to the PSA that, in my view, departments should train people so that they can become skilled in that process. The reason for this is that, if the abilities of the people in the work place are enhanced in the selection processes, nepotism would not raise its head, because if there was an attempt at it by a CEO, there would immediately be a number of whistle blowers, and the members of the PSA or the appropriate union would be down to their union so quickly that it would not be funny.

Any complaints in that area are immediately investigated by the Commissioner for Public Employment, who has power to overturn decisions if, in his opinion, they are wrong. Several allegations have been raised in the House of Assembly and the Legislative Council in respect of nepotism. After very thorough investigation by people who do not have axes to grind, in each case it has been found that the allegations were unfounded. I have given lengthy statements in the House regarding this matter. My view is that the best defence against nepotism, favouritism or anything else you might want to call it in the Public Service is to ensure that competent members of the PSA or another association which might cover the field of employment where the vacancy has occurred are on the selection panel as well as people who actually work in the work place, because they will ensure that the best person is employed. This will stop the old business that used to happen before the GME Act was introduced: if you had the right handshake, the right accent, went to the right church or you had the right colour eyes or hair, you would get the job and somebody else would not.

What we are doing and what we are all about in the State Public Service is creating a service which gives promotion on merit, skill, and ability to get the job done, not on where you come from or where you might end up. I will ask the Commissioner to supplement my remarks.

Mr Strickland: I would like to make a few points. First, the report to which Mr Betts referred was made some two and a half years ago, and, at the request of the Premier, was conducted into the operations of the Government Management and Employment Act. The report was conducted by Mr John Uhrig, Chairman of CRA, in conjunction with Fred McDougall, the Professor of Management at Adelaide University. Amongst other things, they found that, when they went around and asked CEOs about the operation of the Act, there was considerable annoyance about the operations of his tribunal, and that is the report to which he refers. Therefore, I want to make clear what we are talking about here.

Secondly, Mr Betts is very kind and sends me the results of his inquiries after he has heard an appeal and made a determination. In the years since he has been in operation (some five years now), I have never received from him one case that has had anything to do with patronage, nepotism or anything really to do with favouritism. When, on the rare occasions, Mr Betts has overturned a decision made by a Chief Executive Officer in respect of an appointment, it has almost invariably related to the actual process that was undertaken. In other words, he has found something wrong with the way in which they have gone about the selection. I have found that sort of feedback to be extremely useful, and I picked it up in looking at the departments on the cyclical basis through the review of the principles of the Act. I do not believe that it is inconsistent. Over that five year period we have seen improvements in the way in which people go about making selections. That is not inconsistent with the sorts of comments he has made.

Mr INGERSON: As we are all aware, there has been an amalgamation of the two departments. Can the Minister advise the Committee what stage this is at, what sort of changes have occurred, the direction in terms of staff personnel, and when the final goal of reducing the overall size of the two departments is likely to be achieved?

Mr Strickland: As soon as the Government made the decision to amalgamate the two agencies, we had a meeting of the executives of the two departments to discuss the ways

in which we could come together immediately into a working arrangement for the next few weeks, and also come to some agreement about the type of organisational structure, mission statement and objectives under which the department could operate. After that one day meeting we came up with all those things and circulated them to all members of the department and received feedback. As a consequence, we have arrived at a new organisational structure. Of course, this has occurred at the same time as the award restructuring processes have occurred, and that has had to continue. Therefore, that feeds in to all the placements of individuals within those new structures. We are now operating on that new structure.

Essentially, we have reduced the senior management by two positions, and we have integrated certain functions that were previously in the separate departments. For example, in the Personnel Management Division we have the personnel management responsibilities of the former Department of Personnel and Industrial Relations combined with the Government Workers Rehabilitation and Compensation Office and the Occupational Health and Safety Services Branch, which focuses on the public sector. Therefore, that division brings all public sector human resource functions for Government into one unit, and we think that makes a lot of sense.

We have continued to have a separate service area for occupational health and safety, which is the area headed up by Dr Milton Lewis, and which we have heard quite a bit about today. It provides all those consultancy services. We have put the two former administration and support areas together into a new Corporate Planning and Services Division, headed by Ms MacIntosh. That is the area in which, eventually, the support savings, apart from those senior overheads, will be achieved. We have not really changed the functions in the regional and technical services area, which is primarily the area of regional offices, the inspectorate and dangerous substances. They remain in that particular division, so we have an operating department and a new mission statement. My impression was that the staff, having been involved in the whole process from the bottom up, were very pleased with the way it went, and I think that it is operating very well.

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

[*Sitting suspended from 4.45 to 7.30 p.m.*]

Marine and Harbors, $5 500 000

Chairman:
The Hon. T.H. Hemmings

Members:
Mr M.J. Atkinson
Mr D.M. Ferguson
Mr G.M. Gunn
Mr V.S. Heron
Mr E.J. Meier
Mr I.H. Venning

Witness:
The Hon. R.J. Gregory, Minister of Marine.

Departmental Advisers:
Mr H.R. Bachmann, Chief Executive Officer, Department of Marine and Harbors.
Mr A.F. Herath, Director, Corporate Services.
Mr M.G. Travers, Manager, Corporate Finance.
Mr R. Buchanan, Director, Regional Ports.
Mr I.R.B. Pascoe, Director, Port of Adelaide.
Mr J. Page, Director, Marine Safety.

The Hon. R.J. Gregory: I should outline to the Committee the achievements of the department. A united effort marked 1990-91 as the year in which the department achieved the most dramatic restructuring in its history. This restructuring flowed from the draft corporate business plan released in October 1989, and the formation of the department into semi-autonomous business divisions in February 1990.

The mission of the department to achieve excellent customer service and strong financial performance based on a teamwork approach guided the micro-economic reform process. Workforce restructuring, a major component of this process, resulted in a workforce reduction of 29 per cent over the year. In achieving the restructuring the department and State Government faced some industrial action. The short-term disruption to customers, while regrettable, was necessary to deliver more efficient, cost effective and responsible services for the benefit of South Australian industry and the community.

Once again the department offered price increases in 1990-91 for port services at below CPI levels. In real terms, this increase represents a 20 per cent reduction in general prices over the past six years. Furthermore, with an increase in overall trade through the State's ports, combined with reductions in operating costs, the department recorded an operating profit on commercial operations for 1990-91 of $5.8 million compared with $3 million from the previous year.

Customer-related achievements in 1990-91 included extending the berth at the Outer Harbor container terminal by 150 metres to enable simultaneous berthing, and in regional ports the trialing of intraport movement of grain using self-discharging vessels with a view to reducing shipping costs in the long term. Total container trade increased by 17 per cent due in part to continuing cooperative marketing efforts with South Australian industry, capturing a larger share of total Australian container trade.

The department's productivity improvements largely resulted from workforce restructuring including multi-skilling of employees in several areas. This was held by the pioneering use of voluntary separation packages in the South Australian public sector in conjunction with the Department of Personnel and Industrial Relations.

Other restructuring initiatives involved the successful implementation of accrual accounting. Also, a transfer pricing system for all internal services was introduced to raise the level of cost consciousness and enhance the budget process. New business management systems were also developed in key areas, including financial management, for implementation commencing in 1991-92.

Business plans for the department's range of community services as well as financial targets for commercial ports services are being developed. Many of these plans are scheduled for completion in 1991-92 covering the *Island Seaway*, the fishing industry, recreational boating and jetties and the West Lakes waterway.

Another major issue for next year is finalising details of the department's financial charter including debt equity structure and dividend policy. This will build on a major independent review undertaken in 1990-91 of the value of commercial ports assets. Teamwork will be further bolstered by the introduction of skills audits leading to an enhanced training program and a new Occupational Health and Safety Committee network.

While the department incurred some extraordinary restructuring costs in 1990-91, the foundation has been cast for a solid team approach in 1991-92 whereby the department's customers can expect better and more cost-effective services.

The CHAIRMAN: I remind the Minister that any information he undertakes to give to the Committee must be in the prescribed form by Friday 4 October. I remind members of the Committee that all questions must be linked to a relevant page in the documentation before them. I declare the proposed payments open for examination.

Mr MEIER: At the outset, I should like to say that it is very heartening to hear from the Minister about the way in which the Department of Marine and Harbors has performed over the past 12 months. That department has seen probably the greatest restructuring since it has been in operation, and there is no doubt that the new corporate structure offers new challenges to all those concerned with the department and with South Australia generally. I compliment the Minister and his staff on the advances that have been made.

I draw the Minister's attention to a proposal by Australian National to establish a new rail head siding known as the grand trunkway modal facility at Gillman. This will mean that the Outer Harbor terminal will no longer have an efficient direct rail link with Melbourne, as it is proposed to transfer containers by road from this new facility to the Outer Harbor terminal. Any reduction in existing rail services or increases in rail charges will seriously affect the importers/exporters of South Australia, as far as I can ascertain, and it concerns me that, at a time when we are endeavouring to cut down on an excessive number of vehicles on the roads as well as on both noise and air pollution, we will have an increased number of vehicles, in particular road transport heavy vehicles, transporting containers from Outer Harbor to the new modal facility at Gillman. Because it has a significant bearing on the efficiency of the port, was the Minister or the Government consulted prior to the briefing of the shipping industry about this proposal by AN on 6 September?

The Hon. R.J. Gregory: No.

Mr MEIER: It is disappointing that a key group that should have been consulted before any moves were made was not consulted. Would the Minister agree that this initiative runs counter to the State Government's Port of Adelaide transport hub concept, which requires an efficient and reliable direct rail corridor from the terminal to all capital cities?

The Hon. R.J. Gregory: It is our opinion that the port of Outer Harbor will continue to be serviced by the Australian National rail link, and we are going ahead with our plans for the hub there. We are still looking for an inter-modal operator to work at Outer Harbor. When it comes to fruition we will have a very efficient port operation there. One must bear in mind that, like any other organisation, Australian National is a corporate body, and they have made some decisions, and, let us face it, they have a monopoly on rail in South Australia, and there is very little that you can do if they have made a decision to do that.

Mr MEIER: Is the Minister aware that the companies that are affected (I believe that they are Conaust Ltd, Freight Bases, and Wooldumpers) will face a surcharge of $110 per rail wagon if they choose not to have their goods transported by road to the grand trunkway modal facility?

The Hon. R.J. Gregory: The cost of rail operations has nothing to do with the Department of Marine and Harbors.

Mr HERON: On page 431 of the Program Estimates reference is made to the introduction of accrual accounting within the department. Can the Minister explain why this was done and what are the benefits?

The Hon. R.J. Gregory: Accrual accounting is innovative in Government departments. You may recall that, as in early accounting processes, Government accounts have always been on the basis of cash accounting and, whilst that will give a very good operation for 12 months as to how the cash flows in and out of the Government department, it does not allow for profit and loss statements to be prepared. There has been a continual argument within Government circles as to whether we ought to have accrual accounting.

With the Department of Marine and Harbors moving to a business and commercial operation, we must have accrual accounting to properly show in its accounts its liabilities, what is owed to it, what it owes, and what profits and losses it makes. Indeed, we must make the appropriate provisions for depreciation, future expenditure and likely expenditure; in other words, we must run like a company. This year is the first time that that has happened. The officers in the department have been working extremely hard to ensure that the department is efficient, that it provides a service to the customers of the port, that it returns money to the Treasury, and that we will see over the next few years a very lean, mean and hungry outfit operating in South Australia that will provide excellent port facilities to shippers, importers and exporters in South Australia, and something to be proud of.

It is my personal view that, with the introduction of accrual accounting and all the other changes that have taken place, the Department of Marine and Harbors leads the other port authorities in efficiency and restructuring and, whilst they are talking about doing it, we have done it.

Mr HERON: Page 186 of Estimates of Payments relates to the department's capital expenditure program. Will the Minister detail those projects planned for the new financial year?

The Hon. R.J. Gregory: That is the capital works program. We will be spending between $3.5 million and $3.7 million in the Port Adelaide tanker berth on firefighting facilities and, if anyone has not seen the restructuring that is going on down there, I invite them to make arrangements with the officers to see it. It has been designed and built under the supervision of engineers of the Department of Marine and Harbors, and the work that I have inspected is a credit to them and to the people performing it.

For the first time in a long time in the Port of Adelaide we will have a safe and secure common user terminal for the discharge of inflammable liquids into the port. Also, when they are able to install the booms for the discharge, we will also have one of the safest discharge terminals in the State, because we will be dispensing with the need for workmen to drag heavy hoses around.

As to the cranes at Outer Harbor terminal, we are thinking of spending between $1.3 million and $1.5 million in upgrading one of the container cranes there. The reliability and performance of the cranes need to be improved. Major work is planned for the No. 1 crane, which is 14 years old, and that includes the upgrading of control panels and systems, painting and structural improvements and the upgrading of the braking systems to ensure that the reliability of the crane is improved and enhanced. The further replacement of the cladding at Port Giles jetty involves an allocation of $600 000, the jetty having been impregnated with asbestos, which is being removed for occupational health and safety reasons.

The sum of $800 000 involves part of the upgrading of navigational aids systems throughout the State, which are

changing from acetylene power to solar power. Apart from efficiency, it is also an occupational health and safety measure. If anyone has seen workmen replacing the heavy acetylene cylinders off a navigation line onto a moving vessel, the first thing that goes through one's mind is how they have not hurt themselves more frequently. There are other projects such as $200 000 for the Wallaroo approach jetty; Port Adelaide security surveillance equipment; West Lakes revetment; strengthening of the Thevenard jetty structure, and annual provisions for plant and equipment.

Mr HERON: Waterfront reform is mentioned in the Program Estimates at page 421. Can the Minister indicate whether anything is really happening in this area and what, if anything, has been achieved in South Australia?

The Hon. R.J. Gregory: In the Port of Adelaide we have achieved, I think, a fair bit. The work we have done in restructuring has put us out in front of all other marine authorities, considering that we are a single authority in the State operating a number of ports and facilities. Over recent years the Department of Marine and Harbors has sought to overhaul port operations in order to improve its efficiency and productivity, and has been commercialising its port authority functions. It is now organised into three discrete groupings, the principal business divisions covering the Port of Adelaide, the regional ports, and marine safety. There are three support divisions that cover corporate services, technical services, and commercial services, and there is a strategic planning unit.

Each division has clear objectives and performance targets, and is required to achieve a level of accountability consistent with the overall vision for the department. Decision-making has been decentralised to establish accountability for business performance in each division. User and community input into the operations of South Australian ports is being pursued through a broadly-based Ports Liaison and Advisory Committee with membership comprising senior executives from organisations and associations involved in the delivery and consumption of port services.

A review of the legislative framework for port and marine functions is currently in progress. The department has restructured itself as a public sector business consistent with South Australian public sector management improvement initiatives. These reforms, which are now largely complete, are designed to lead to a greater focus in meeting customer needs, commercialisation, and improved financial performance.

In relation to the financial and operational controls mechanism, from 1 July 1990 the department is primarily dependent on its own income to support its operations. Under the new arrangements, the department is to separate the financial management of community service functions from commercial operations. The department was committed under the financial climate to achieving a 7 per cent rate of return on revalued assets for its commercial operations, including a dividend to the Government.

In its commercial operations, the department has moved from a $1.8 million deficit in 1987-88 to a $3 million surplus in 1989-90 with a net profit before extraordinary items (the voluntary separation package) of $5.6 million in 1990-91. We have also been reviewing the operations and assets, and, of course, there is waterfront reform involving the stevedoring companies which is subject to immense press speculation at the moment.

Mr MEIER: I was disappointed and surprised at the Minister's response to my last question—along the lines of would the Minister agree that the initiative by AN ran counter to the State Government Port of Adelaide transport hub concept which required an efficient and reliable direct rail corridor from the terminal to all capital cities. He said that it really did not have anything to do with his department. I recognise that it does not come under his direct jurisdiction, but I would have thought that he would be concerned with it because of the future implications for the efficient management of the Department of Marine and Harbors, at a time when he, for much of the time in this Estimates Committee, has indicated that greater efficiency is being sought and achieved in many areas.

Has the Minister had a chance to look at the Railways Transfer Agreement Act 1975, specifically sections 7 to 9, which relate to AN not being able to reduce the services to South Australia or to make them less competitive? If so, has the Minister had a chance to consider whether AN is acting contrary to that agreement?

The Hon. R.J. Gregory: I have not had a chance or even bothered to look at the agreement. I suppose now Mr Baker will be making some ridiculous comment about it. Mr Chairman, I thought that we were here to examine the expenditure of the Department of Marine and Harbors. The transfer of the non-urban section of the South Australian Railways and the Tasmanian Government Railways to the Australian Government and the formation of the Australian National Railways Commission (commonly known as AN) was designed to create an efficient railway system in Australia. One of the things that has certainly happened with the merging of the SAR non-urban section with the old Commonwealth Railways is that from Kalgoorlie to Bordertown to Broken Hill and to Alice Springs we now have a very efficient railway service.

One of the downsides to that in relation to freight carrying capacity is that the non-viable country spur lines and the poorly laid and maintained tracks have disappeared off the map in South Australia, and that has caused some concern in the farming community. However, it has brought about an efficient operation that is returning a profit, and it is the model that is being used for the freight corporation to operate throughout Australia. I would have thought that the member for Goyder, and in particular the Liberal Party, would welcome that initiative.

What AN has done in Gillman alongside a railway siding is put down a paved area, and it has let a contract to a freight organisation so that a number of freight forwarders can pick up freight from that area. Whilst that may provide some competition with the Port of Adelaide, one has to remember that the container terminal in the Port of Adelaide, and indeed anything else in the Port of Adelaide, is constantly under competition threat from the Port of Melbourne and the Port of Fremantle, and have a guess who carries it to and from those ports? It is AN.

The only way we have been able to compete with AN is to offer a more efficient and cheaper service for the exchange of cargo at the terminal at Outer Harbor. I should imagine that, if we get into the hub terminal concept and we are able to get ships to use the Port of Adelaide as their only call, the freight forwarders will have discussions with AN and either purchase or own dedicated railway wagons and have arrangements with AN for the delivery of containers to terminals that they own in the Eastern States. Because of the very quick and rapid exchange of cargo in the Port of Adelaide those containers would be able to be delivered to the doorsteps of their customers within 24 hours of discharge from the Port of Adelaide. We all know of the legendary long delays in the exchange of containers in the Port of Melbourne and Sydney.

I see the operations of AN as a competitor; sometimes a friendly competitor, sometimes a collaborator, but still a competitor. In this business we have to be better than the

rest if we want to survive. We are only exchanging through the Port of Adelaide about 48 per cent of the cargo that originates in South Australia; the rest is being railed to Melbourne anyway. So, it is a matter of business. It is something that the Chamber of Commerce and Industry, the Port users and the department have been very successful in convincing shipping companies to call into Adelaide, because once they call in here it is easier to get the containers unloaded here. Every time a container is unloaded in South Australia instead of being railed from Melbourne or Fremantle it is a direct saving to the South Australian importers and exporters.

Mr MEIER: The Opposition agrees that AN needs to operate efficiently, but at the same time the Opposition wants to ensure that the Port of Adelaide is not disadvantaged. In that respect I ask the Minister whether he is proposing or has taken any action to ensure that the Port of Adelaide is not disadvantaged by the restrictions placed on this mainland corridor by Australian National?

The Hon. R.J. Gregory: The only way that we can ensure that the Port of Adelaide remains viable and used is to ensure that we can do it more cheaply and better than anybody else, and that is what we are about.

Mr MEIER: Page 424 of the Program Estimates refers to Uniform Shipping Laws Code (USL), about which I know the Minister made a statement not long ago. However, it has been brought to my attention that the South Australian Surveyed Charter Boat Owners Association is deeply concerned about the proposed new regulations. Indeed, I believe that it has recommended self-regulation, as part of its submission on the green paper about proposed regulations under the Boating Act for the licensing and inspection of hire and drive bareboat charter yachts. I believe that this group will now come out against the Minister and his department.

So, that means that the Australian Yachting Federation, representing international standards and some 100 000 sailors Australia-wide, the Boating Industry Association of South Australia, representing South Australian boating interests, the South Australian Surveyed Charter Boat Owners Association, representing boat owners, the Port Lincoln Council, representing tourist interests in South Australia, and the Lincoln Cove Yacht Charter, which is South Australia's largest bareboat charter operator, are all now committed to opposing the Minister's regulations. It would appear that not one organisation is supportive of the Minister and his department.

I cite an example of how costs would go up under the Minister's proposals. Let us consider a fleet of 10 charter vessels—which it has been put to me is a number that any large scale operator would be looking at for an economical charter operation—where the cost to be imposed by the Minister's USL code would be as follows: USL code modifications of $6 000—for 10 boats that is $60 000; stability information, which would include stability testing, $1 800—a total of $18 000; life rafts at $4 000 each—a total of $40 000; the initial survey at $61 per metre—so 10 boats at 10 metres totals $6 100; and additional special life jackets at six per boat for the 10 boats at $20 each would be another $1 200. That makes a total of $125 300 in capital outlay. Also to be imposed would be the following: annual survey at $40 per metre, 10 boats of 10 metre length would be $4 000; annual life raft check of $400 per boat, another $4 000; and slipping costs of $300 per boat is another $3 000. That comes to a yearly operating cost of $11 000.

Other costs, such as a 24-hour radio watch, dedicated rescue vessels, charter licences and indemnity insurance have not been taken into account in these figures. The total impact on such a business would be about $125 300, as I indicated, serviced at whatever the current interest rates are—probably about 12 per cent or 13 per cent—and, taking into account depreciation, there would be an interest bill of some $28 192 plus the yearly operating costs of $11 000. That would total some $39 000 per year, or approximately 10 per cent of the gross revenue of one of the Beneteau Oceanis 350s, which is a particular type of boat. Add to this the Government burden of 18 per cent import duties and 25 per cent sales tax, and it is little wonder that the charter industry in South Australia struggles to survive despite the fact that the product is recognised as world class.

I believe the bottom line is that, as an industry, we cannot afford these regulations as proposed by the Department of Marine and Harbors. There is simply no demonstrated cost benefit. If we apply the same cost structures as logically should be placed on all vessels going to sea, using the Minister's own stated 'no compromise on safety' attitude, the sums are quite interesting. At $3 900 cost per vessel, multiplied by some 2 500 sailing vessels, that would total $9.75 million per year. I believe it is important that I detail that background.

Mr FERGUSON: On a point of order, Mr Chairman, is there any limit to the length of time a member has to ask a question? This seems to be more like an Address in Reply debate.

The CHAIRMAN: There is no point of order. I remind the Committee that, in order to maximise the amount of information that can be obtained from the Minister, it is in our best interests to keep the questions fairly concise. In previous days, members have criticised the length of some of the answers given by Ministers, but I am in the vexed position that if the Chair gags the Minister about the length of replies it could be seen that I am not giving the Minister a chance to fully answer the question. The member for Goyder is perfectly able to assess for himself when he has given sufficient information to elicit a reply from the Minister. There is no point of order and I leave it to the member for Goyder.

Mr MEIER: Without question, I believe that it is commendable that the Minister is concerned regarding safety and that there will be no compromise on the same. I ask the Minister: in drafting up the new boat regulations, will the Minister indicate whether all vessels will be equipped equally and, if not, why not?

The Hon. R.J. Gregory: I am appalled that the member for Goyder has seriously asked me a question like this. He is virtually saying that in the commercial boating area we should let people regulate themselves. There used to be self-regulation in the boating area, and Mr Plimsoll became very concerned about the number of vessels that were sailing from ports and never coming back. A little bit of quick work by the insurance companies found that they were old boats which were overloaded with so-called precious cargo, highly insured, and the people who never went to sea were the ones reaping the money. Consequently, the Plimsoll line came into effect. The insurance companies got together and said, 'If your vessel is laden over this line, we will not insure it.' Well, the greedy grasping capitalists in those days quickly understood that lesson.

What has happened in Australia and, indeed, throughout the world is that, at an international level, Australia, with reference to the International Labour Organisation, has responded and has confirmed a considerable number of conventions and regulations regarding safety at sea. Indeed, there are four regulations and there are the conventions of the ILO that need to be ratified by the Commonwealth, all of which refer to safety at sea.

The uniform shipping law code to which the honourable member has referred is not my code: it is a regulation of the Australian Government which was made under the express powers of Mr Peter Nixon when he was Minister for Transport. I understand that Mr Nixon was a Minister in the Liberal-National Party Coalition Government. I do not recall any Mr Nixon in the Labor Government. However, I do support the broad thrust of that uniform shipping code, because it endeavours to lay down safe boating practices for all Australians.

I know that we have had few deaths from boating accidents in South Australian waters. However, every death grieves me, particularly when one knows on reading the reports that a little bit more care and wisdom in the operation of the plant and equipment or of the vessel could have meant that that life could have been saved. In many instances South Australians are lulled into a false sense of security because of the excellent regulations we have here which, when complied with, mean that people are venturing to sea in safe vessels. We run expensive programs to ensure that the boating public go to sea in the safe vessels. There are 11 marine and safety officers who operate in the South Australian waters assisting in doing that.

I do not know on whose behalf the member for Goyder is acting. However, there are not 10 boats involved in that bareback boat charter: there are four—and one is being sold. There is a big difference between a person who owns a yacht and who, under the Boating Act, has general requirements to operate that vessel in a safe manner and a person who puts out a vessel for hire who says it is safe and then says, 'Here is a map, go here, go there, and if you want us get us on the radio and we will come.'

As I said, there are big differences between that and a person who owns the vessel. First, they are not familiar with the vessel. Secondly, when they do hire it for the week, fortnight or month, they expect to be hiring a vessel that is safe. I am not suggesting that the person who owns these vessels would deliberately put anyone to sea in a vessel that was unsafe. However, certain rules must be complied with in this area. There are 300 hire boats or houseboats on the River Murray that are put out for hire. Over the past 10 years they have all been subject to survey. They are not complaining about it at all, because that means that the customers who hire those houseboats know they are getting a vessel that conforms to a certain standard.

I am also of the view that the sea is very unforgiving. With a motor vehicle on the road, if one has a problem and it stops, one can get out of it and walk away. The only person who was able to walk on water got crucified for doing that. These bareback charter yachts operate in some of the roughest waters in South Australia and, when comparisons are drawn with Queensland, we are not comparing like with like. When Matthew Flinders was operating around the South Australian coast, he lost a crew of six people who were experienced seamen who had spent all their lives on the sea. They did not go to sea on weekends or for one week a year; they went to sea for two, three and four years. They got on the boat in England and when they went back three or four years later, that was the only time they got off the boat. They were at it all the time. They had experience in the roughest seas known to people but they got killed in those waters because they are dangerous and treacherous.

In my and the Government's view, when people go down to the sea in ships, particularly in hire ships, those ships should be fitted to a certain standard. I should think that when ships are put out for hire they ought to have all that safety equipment about which the member for Goyder was talking. It would be a crook old thing, would it not, if in the middle of the night with the wind blowing at 40 or 50 knots and with seas at two, three, four and five metres, when trying to step off the stern of the boat onto the dingy, which could sink at any moment, there was no life raft that floats when it hits the water. There should be a life jacket for every person on the boat.

If people are operating this sort of business, there ought to be a 24 hour manned radio station that can be called for help. If we are saying that, so that some tourist operator can operate cheaply, we will downgrade our standards and compromise on a national code to suit that operator in a particular area, we must say to all the other operators in South Australia that we will lower our standards for them as well. Then we would be saying to all the people who go down to the sea in ships that we are putting their lives at risk.

I would suggest to the member for Goyder that the economic arguments put forward were exactly the same opinions put forward by the mining companies when popular opinion forced kids out of mines. They said they would not be able to make any more money, because these little children could get into coal seams that big people would not get into. The same economic arguments have been put up all the time. What happened when we took kids out of mines? We had more efficient mines and the health of young people improved.

In this area, the health of all South Australians will improve, because we are not endangering them. It is not just three or four bareback yachts we are talking about; we are talking about the whole of the commercial boating industry in South Australia. If we change the uniform shipping law codes for one, we must change the lot, and I do not want to place people's lives at risk, because I do not think it is right. In these times when we are saying that people should go to work safely, those people spending their lives at sea earning a living should be able to do it safely. There is no compromise in that area, because when you have problems at sea there is no getting out and thumbing a ride to somewhere else; you are dead.

Mr MEIER: Supplementary to that, I do not believe the Minister answered the question, which was whether he felt that all vessels should be equipped equally and, if not, why not? He went on to a long spiel about safety standards, but I do not believe he answered the question.

The Hon. R.J. Gregory: I thought I answered it perfectly and put the position clearly about hire vessels.

Mr FERGUSON: In these tough economic times the survival of a commercial business is dependent on the prompt collection of moneys owed by debtors. Therefore, it was pleasing to see on page 431 of the Program Estimates that the department intended to review its credit policy. Could the Minister expand on what this review is likely to entail?

The Hon. R.J. Gregory: I would like to share some information that is incidental to the last question. One of the last times I visited my father he asked me who held the record for endurance swimming in the world. I said I did not know and he said it was Methusela, because he was mentioned in the Bible before the great flood and after the great flood, but he was certainly not mentioned as going on the ark.

In response to the question from the member for Henley Beach, I advise the Committee that the department improved its outstanding debtor situation as at June 1991 compared with the previous year. The balance outstanding was 8.3 per cent of total income compared with 10 per cent for the previous year. This was achieved in the face of difficult

economic circumstances for some of our customers, based on the re-establishment of a credit controller function.

While this has reduced the level of outstanding debts there are a number of longer standing debts which are a concern, and the department is looking at other normal commerical credit control policy options. These options include: reducing the time to pay; payment on, or in advance of service delivery; payment based on estimated rather than actual cargo; interest penalty for late payment; and a mixture of the above. When these options have been developed a proposal will be discussed with customers and a new policy will then be introduced.

Mr FERGUSON: It is noted on page 431 of the Program Estimates that the department's training impetus marginally declined in 1990-91. We are all aware of the importance and legal requirement to promote training of our most valuable assets—people. Therefore, can the Minister expand on what the training initiatives and the department did?

The Hon. R.J. Gregory: Training and development activities for the previous financial year included initiatives in the areas of occupational health and safety, transportation, technology, skills enhancement and management development. While these activities have been focussed on achieving outcomes related to the department's business plan and objectives, departmental restructuring had a temporary retarding impact on departmental initiatives, particularly during the last half of the year when considerable numbers of employees accepted separation packages. Training expenditure per employee reduced during the year for these reasons from $800 per employee in 1989-90 to approximately $750 per employee in 1990-91. This level of expenditure remains well in excess of the 1 per cent Training Guarantee Act guideline reflecting the department's significant ongoing commitment to the training of its workforce.

During 1990-91 the department hosted 11 apprentices in a range of trades. Apprentice training was provided through in-house activities, the Department of Technical and Further Education and external work placements. Occupational health and safety related programs conducted included: occupational health and safety for managers; fire hazard recognition and control; halon/CO^2 fire control; emergency evacuation; heat stress; heat stress management; St. John first aid; crane chaser; boom operator training; forklift driving; and life raft instruction. Skills training initiatives focused on the areas of computer usage software package usage customer contact telephone techniques; and project management and contract administration.

Other training and development covered management development, transportation, technology, structural efficiency, professional and trade development. Future training and development activities will focus on the department's corporate objectives and associated skill needs following restructuring. To ensure that the training and development program is appropriate it is proposed to undertake a detailed skills audit and task analysis to identify specific needs. A joint management employee working party has been established to guide this process. The identified needs will form an essential part of the training and development program. In parallel with these initiatives on-going occupational health, safety and welfare training will continue, as will appropriate management and organisationally supportive education programs.

One of the undertakings given by me at the time of the restructuring was that we would have an advanced training program within the department. We want all our workers, whether they be white collar or blue collar, to be highly skilled. With appropriate training, proper leadership and that skill level, we believe we will have a work force the best of its type in Australia, one that will perform better and more efficiently, a department of which the workers and I, as Minister, will be proud.

Mr FERGUSON: Occupational health and safety is a vital component in our everyday working life, and so it should be. Therefore, it is with interest that, on page 431 of the Program Estimates, I note that reference is made to the various initiatives being pursued by the department. Can the Minister expand on these issues?

The Hon. R.J. Gregory: Since 1986 the department has been conducting an in-house rehabilitation program agreed with employee representatives. During the year, following the conduct of a self audit process involving employee representatives, WorkCover officers reviewed departmental rehabilitation and claims adminstration functions against WorkCover standards. The department was granted continuing exempt employer status and a remission of 33 per cent of the levy payable to WorkCover, resulting in a saving of $27 000. A pleasing feature of the review was a very positive response from employee representatives to the self audit processes, where a joint management and employee representative working party had the opportunity to score the department's performance on various aspects of rehabilitation.

With respect to health and safety committees, the review of the committee structure which commenced in 1989-90 continued during the year and is near completion. It has taken longer than expected due to changes to work groups as a result of the department's restructuring. Consultation with a working party established under the tripartite Occupational Health and Safety Agreement has continued in an endeavour to finalise the committee structure. The Central Health and Safety Committee held seven meetings during the year to overview the department's occupational health and safety and risk management programs and the 12 local area occupational health and safety committees continue to meet reviewing local health and safety matters.

With respect to preventative programs, a health and fitness program provided an opportunity for departmental employees to participate in this preventative activity to improve their general health and fitness. A medical monitoring program was initiated at Port Adelaide to establish whether there is a link between employees' health related problems at head office and pollution from nearby industries.

A harmful fibres (asbestos) program involving safe working procedures with asbestos and related products was introduced. A register of all locations where asbestos is present on departmental work sites was prepared. Training of local area harmful fibres inspectors to supervise all asbestos works as permitted by regulation was carried out and a register of employees who wish to record their past exposure to airborne asbestos fibres was prepared. Employees were given information sessions on the key elements of this program. Ongoing development of the chemical register and the collation of the related hazardous substance data sheets in accordance with the new Worksafe Australia format was undertaken. An introductory session covering the regulations and approved code of practice on manual handling was presented to all levels of management. Details of the department's strain injury program which has been developed to implement the code were also presented.

A revised occurrence reporting and analysis system was developed to meet the new standards required for injury/incident management and will contribute to improved performance in the future. To prevent employees from suffering a hearing loss whilst working in areas designated as having hazardous noise levels, a comprehensive hearing

conservation program was implemented throughout the department. This program involved surveying of work areas to establish the levels of noise and the levels of exposure affecting employees. As a result of the survey, engineering and administrative control measures were recommended as well as medical monitoring via audiometric testing.

Mr MEIER: How many sailing vessels are registered in South Australia, and how do their survey requirements, areas of operation and equipment levels vary from the USL code requirements? If there is a variation, why is this so?

The Hon. R.J. Gregory: I can give only approximate numbers of vessels registered in the department by their length. This is subject to correction, but I think about 2 300 vessels are over seven metres long. Of course, not all of those are sailing vessels. As I said in an earlier answer, there is a difference between the responsibility that boat owners have if they use the vessel privately or if they hire the vessel out to other people. I gain from the thrust of the question the impression that the honourable member is of the view that the standards for vessels for hire should flow through to vessels that are not for hire. There has been a very clear differentiation between vessels for hire and those that are not.

There is a stricter requirement, and I draw the attention of the member for Goyder to this piece of information. If he wants to operate a bus for hire, that bus must have annual inspections. If he wants to purchase a bus and drive his family around in it, he need not have annual inspections. The same principle applies with vessels at sea. If it is your own personal vessel, you are under obligations generally required in the Boating Act. On the other hand, if you then want to put that vessel out for hire to carry other people for reward, there is a requirement which is stricter. That is the general thrust of the legislation.

The other is in respect of our boating regulations. Why should we then be the only State in Australia not to live up to the uniform shipping law code? Why should we then be different from everybody else? Why should we have lesser safety standards here? We will become the Panama of Australia or the Liberia of Australia. We will have boats from Australia with their front falling off. This is the sort of thing that happens when we get into this business of getting away from proper uniform standards. We regard ourselves as an advanced industrial country with a high level of understanding and an awareness of other people, and I do not think we ought to just degrade our standards to fit in with somebody else. What we have to do is face up to the fact that, if we are to offer vessels for hire, they must be of a certain standard.

Mr MEIER: There is no question that appropriate standards are needed, and I recognise that we must differentiate between different boats. If, for example, we have in the sailing boat category a fishing boat, a charter boat with a captain, a bareboat charter, a private boat and, perhaps, a sailing boat with no engine, I believe that they would all be differently equipped. I do not for one minute advocate that minimum safety standards should exist, but I question whether the standards that the USL code imposes are the standards that we must follow, because, I am informed, the Australian Yachting Federation codes in some ways are safer than the proposed USL code, particularly as it relates to the need to use a safety harness; to have on board bolt cutters; and to have spare navigational lights. I believe that there are some 33 items of difference altogether.

Really, it is a question not of whether we should follow the USL code but whether the Australian Yachting Federation code is not equally satisfactory for our State. Does the Minister recognise and appreciate that if a charter vessel were to go from North Haven to Port Vincent it would need to follow a significantly different course from a privately owned vessel going from North Haven to Port Vincent?

The Hon. R.J. Gregory: A different course?

Mr MEIER: The Minister might like to seek advice but, under the proposed USL code, they would follow two totally different courses. The charter vessel would need to follow a line that went north, then across in a westerly direction and then down south, because it would need to limit its operation to certain waters, whereas the privately owned vessel would be able to set a course as the crow flies from Outer Harbor to Port Vincent.

The Hon. R.J. Gregory: I apologise to the Committee for being perplexed by the question, but the member for Goyder is persisting with the defence of certain people in South Australia who do not want to comply with the standards with which the rest of Australia must comply. In an earlier question, the honourable member listed the cost involved in having a vessel comply with standards and referred to the cost of lifebelts or jackets. Is the honourable member seriously suggesting that someone should go to sea without life jackets in the vessel, and that people have yachts but do not put them on the slips to clean the muck off the bottom? Is he seriously suggesting that, in some of the most dangerous waters in South Australia, you should not carry a life raft?

I am very pleased that we have not deregulated the shipping regulations, because we all recall the shark fishermen from Port Clinton who a few months ago set off for a week's fishing off Kangaroo Island. As the vessel reached the coast just past Port Stanvac, it sank, the life raft inflated and the fishermen were able to climb into it and, within 24 or 36 hours, were rescued and back in Port Clinton. If we relaxed the requirements and said that we did not need life rafts, there would have been a memorial for two people at Port Clinton, and there would not have been two people in their homes with their families.

One must remember that the Australian Yachting Federation requirements for equipment are based on vessels engaged in racing. This is not pleasure craft cruising but competition racing. The Australian Yachting Federation advises the department that these requirements do not replace but, rather, supplement the requirements of Government authorities. In other words, it is saying that the Government regulations are the base standard and that theirs are better. Due to the conditions in various operations of some bareback charter yachts, there is a need for a life raft to be carried that is not provided for to the same degree by the Australian Yachting Federation.

The USL standard requires that, in those very dangerous waters off Port Lincoln, a life raft be carried. It is essential. In my early years as Minister of Marine, I received submissions from an operator of bareback charter in Port Lincoln, and he was a very persistent lobbyist. I thought that the only way to understand what this person was talking about was actually to go and see, so we spent three days in the area visiting every place that yachts would go within the area designated for their use.

I can recall that we slipped around one corner and all I could see was a little flag above the waves. As we approached, we came across a person in a crayfishing boat, lifting his pots, re-baiting them and putting them back. We were running in a decent sort of a swell. I cannot recall how big the waves were, but there was this crayfishing boat carrying a decent sized mast. At one time you could see the top of the flag, then you could see the boat. I was in a Department of Marine and Harbors vessel with large and powerful motors,

and on board was a very experienced marine captain, a coxswain who was also very experienced, and one of our people who run the hydrographic survey unit for the Department of Marine and Harbors.

All those people were highly skilled and experienced and in a craft that they knew well, and they all said to me that, if people were in this area with a vessel with which they were not very experienced, they would be having some difficulties; and these people did not regard that sea as rough. When we have these codes, we do not have them for fair weather conditions or because conditions are smooth; we do it on the basis that the vessel is going to sea and can be caught in unexpected, extreme conditions.

One of the problems with the Port Lincoln area is that, whilst it is large and very attractive for recreational sailing, it is also subject to very quickly rising seas and very high wind conditions, not from the south-west, but from the north-east and the north-west. In summer, this can create very dangerous conditions. As the Minister of Marine, I have the personal view that I will not be the Minister who degrades Australian standards on the safety of vessels at sea on charters, and then read in the newspaper one morning that one of these boats has gone down, a number of people have died, and search parties are out looking for them.

Also, I do not want to be in the position where I have downgraded safety at sea, where rescue squadrons and police officers must go to sea in extreme conditions looking for these people to see if they can help them. I do not think it is fair to them, their families or anybody else. Quite frankly, I think it is a nonsense to be spending most of our night here worrying about reduction of safety standards for bare-back yacht charters when the Department of Marine and Harbors is operating a very essential service for the shippers, exporters and importers of South Australia with over $60 million of income and expenditure.

We are worrying about somebody who wants to downgrade Australian standards and safety when we, as a country, are moving to have one standard for all of Australia. Suddenly we must have in South Australia something that is less than everybody else, because somebody wants it. My advice is that most other people in this area of hiring out vessels are quite pleased to know that their vessels comply with the standards that are applicable at the time.

Mr MEIER: It is far from a nonsense that we are discussing tonight: in fact, the future for yacht charter depends so much on the new regulations that I will shortly tender evidence indicating that there is every chance that at least one yacht charter group will leave South Australian waters if the new regulations come in. It is certainly not a nonsense, and at the beginning, I identified the various groups that, according to my information, are opposed to the Minister's proposed regulations, and I believe that they must be reconsidered. As the Minister has been emphasising the safety standards, will he say how many fatalities have occurred in South Australia from sailing-related incidents since 1945?

The Hon. R.J. Gregory: That information is not readily available to a Committee such as this. I will ask the officers of the department to search their records which they have available. I do not know if they will be able to obtain that information in the time required, but we will endeavour to do it.

Mr HERON: With the downturn in the economy generally, can the Minister describe what has happened to trade through South Australian ports in the years 1990-91?

The Hon. R.J. Gregory: Total shipping trade through South Australian ports was 19.4 million tonnes in 1990-91. This was a slight increase on the tonnage of 1989-90, which was 19.3 million tonnes. Overseas trade increased from about 8.5 million tonnes in 1989-90 to about 10.3 million tonnes in 1990-91, an increase of about 21 per cent. The coastal trade declined from about 10.8 million tonnes to 9.1 million tonnes, a decrease by some 16 per cent.

The increase in overseas cargo was due mainly to the increase in the export volumes of wheat and barley through a number of ports, iron and steel products from Whyalla, crude oil from Port Bonython, oil products from Port Stanvac, and due to an increase in imports of crude oil to Port Stanvac. The decline in coastal trade was related to the decrease in volumes of gypsum, coal, crude petroleum, cement and cement-clinker carried interstate and in limestone and dolomite carried intrastate.

Total bulk and breakbulk cargo tonnages remained stable between 1989-90 and 1990-91 at 18 million tonnes and 9.5 million tonnes respectively. The most significant increase in break-bulk cargo handled was in exports of iron and steel products via Whyalla, from 400 000 tonnes to 520 000 tonnes. However, there were declines in the volume of sugar imported to Adelaide, from 64 000 tonnes to 27 000 tonnes and livestock exported through Adelaide (decreasing from the equivalent of 46 000 tonnes to 27 000 tonnes).

Containerised cargo via the port of Adelaide showed a substantial increase. The containerised trade increased from 37 600 TEU to 42 800 TEU; that is, an increase of 14 per cent. The majority of the increase in container traffic was a result of a full year's operation of the East Asia service and further volume increases for the ANRO service. There was a decline in the total number of ship calls at our ports by 76 calls, from 1 831 calls to 1 755. This decline was due to the decrease in sailings of the *Island Seaway.*

Mr HERON: On page 421 of Program Estimates, mention is made of mooring activities or disturbances during 1990-91. Can the Minister describe what has happened to mooring services throughout the State of South Australia?

The Hon. R.J. Gregory: Following the mooring gang dispute in the port of Adelaide, rationalisation of services has taken place. A pool of labour within the Department of Marine and Harbors now share a roster to provide mooring/unmooring services. The transfer of responsibility for the *Island Seaway* and the container terminal is awaiting the negotiation of enterprise business agreements with the Waterside Workers Federation and the stevedores.

Adelaide Brighton Cement have had some technical difficulties with their remote controlled quick release hooks. DMH continued to provide both mooring and unmooring services until Saturday 7 September, when the vessel departed without our labour in attendance. The department continues to moor the vessel at Adelaide Brighton Cement's request, although it is expected that that company will take over this function very soon.

Discussions have been held with Penrice and a training program for their employees to moor/unmoor vessels has been arranged. It is expected to take two to three months to train all Penrice employees, after which Penrice will take over their mooring. At this stage the Outer Harbor container terminal services continue to be provided by the department awaiting agreements between the operator and its workforce.

As to regional ports, the mooring/unmooring of vessels at the ports of Thevenard, Port Lincoln, Port Bonython, Port Pirie and Wallaroo is currently carried out by the civil gang employees supervised by a clerk/wharfinger. At Port Giles casual employees are engaged to handle lines due to limited employee numbers at that site. Casual employees are also engaged at Thevenard to supplement permanent employees.

There will be a reduction in the use of casuals at most ports as the services of tradesmen from the bulk loading plants become available for mooring operations. Santos has advised that it is its intention to assume responsibility for mooring operations at Port Bonython and negotiations between the company and their respective unions are currently in hand.

Mr HERON: On page 421 of Program Estimates, the department has indicated that it intends to review the open wharf policy in 1991-92? Would the Minister further elaborate on this issue?

The Hon. R.J. Gregory: The open ports issue is of some controversy, particularly in the Port of Wallaroo. The department employed a consultant, Coopers & Lybrand, to review public access to departmental wharves and jetties. The work involved identifying relevant issues, proposing suitable actions, and costing the implementation of such actions. The report was presented to the department in January 1990. The report proposed that public access to wharves and jetties continue with some restrictions, especially with regard to periods of operational activities.

The report of the joint review committee established by the intergovernmental committee to examine the recommendations of the National Crime Authority on port security was released in November 1990. This report has identified a clear need to improve the level of security at Australian seaports. The department is reviewing the practices at South Australian ports and will hold and prepare for discussions with Federal and State agencies to establish appropriate standards for port security in this State.

Other port authorities are concerned about action proposed by Australian Customs which would add to costs for ports. However, other ports are relatively secure and safe and are not exposed to liability for public or occupational safety. Video surveillance of the commercial port facilities may well be a more cost-effective option than conventional patrols. The South Australian Government is concerned to allow public access to wharves and jetties for recreational pursuits where not at odds with safety and security. Such access is not available at public interstate or at private facilities anywhere.

Some restrictions will be necessary where commercial cargo operations are proceeding. However, it is expected that at least 60 per cent of the wharves in the inner harbor at Port Adelaide, which are no longer required for commercial shipping, will be accessible at all times for recreational use. The Port of Wallaroo has now been provided with security gates for the purpose of preventing access to the public during the mooring and unmooring of vessels, or such other operations considered dangerous to the public. The jetty structure at Port Giles has been provided with security gates to prevent access to the jetty during working hours and when a vessel is alongside or working cargo.

One of the things that people need to understand is that in South Australia, with our open wharves policy, people have had access to wharves for fishing and other recreational pursuits for a long period of time. I can recall as a very young person fishing in the Port of Adelaide when the exchange of cargo on vessels was going on at full speed and walking in amongst homeowners' cargo coming off ships. Thinking back on it with the knowledge I now have, it is amazing that more people were not injured.

At the port of Wallaroo, a departmental employee was hurt one day when a mooring line broke. One can imagine the havoc that could have occurred if a mooring line broke and members of the public were standing around. We have an obligation to ensure that people are not placed in dangerous situations.

Mr MEIER: How many millions of dollars did the Department of Marine and Harbors invest in Lincoln Cove?

The Hon. R.J. Gregory: I do not think the Department of Marine and Harbors invested any money in Lincoln Cove; it is my understanding that the Department of Marine and Harbors acted as the project manager for the construction of it. I think the thrust of the question of the member for Goyder is that, if we go ahead with our Uniform Shipping Law Code, the operator who operates out of Lincoln Cove will pack his bags and go to Queensland. I understand the threats being made. I think that there are six or seven operators who provide charter vessels in the Port Lincoln area and they have no intention of going to Queensland if the regulations are brought in, because they comply with the survey regulations.

The worrying part that I find in this whole matter is that, for some reason or other, because somebody does not want to pay to have their vessels brought up to a national standard, we have to compromise and degrade standards in South Australia. The advice I have is that the South Australian Government did invest about $12 million in Lincoln Cove, but I do not think the success of that depends on the yacht charter that operates out of it.

Mr MEIER: The Minister is quite right that Lincoln Cove Yacht Charter has indicated that, if the new regulations come into force, it will find it uneconomic to stay in South Australia. I believe that that is a very relevant and important consideration, particularly in relation to its advice that other yacht charter companies may also leave the State. I believe that there is an open door for such a company to operate in areas such as Tonga and Fiji. If the Minister is determined to proceed with these regulations it would appear that South Australia will lose at least one business, and perhaps more, that we could well seek to retain, rather than being obstinate and insisting on regulations that perhaps are not necessary to our particular waters.

My next question follows on from the question just asked by the member for Peake which concerned security gates at Wallaroo. Are those security gates operating further up the wharf so that they only restrict the area where the boat is berthing or do they shut off the major portion of the jetty?

The Hon. R.J. Gregory: My advice is that the gates operate further up the jetty, and that they are there to safeguard from injury employees working on the wharf. I want to make a comment, because we are all making comments about safety here. The member for Goyder asked me how many people have died at sea in yacht accidents since 1945, and I advised him that I would get that information. He is saying that we have not had very many deaths at sea since 1945. Is he then saying that because of that we ought to adopt risk management on this basis, that if we get two or three people dying a year in yacht accidents it is all right? Is he actually saying that we do not have to worry too much about it? Does he have concern for his fellow South Australians, Australians and people who might visit here? It might be that we have so few deaths because we have fairly stringent safety requirements.

I think that one of the best selling points we have for tourism in South Australia is, 'Come to South Australia. Sail in some of the safest yachts in the world and be guaranteed safe passage. We can guarantee it.' One of the things that will ruin the yacht charter industry in our State is if one of these yachts goes to sea and sinks and there is loss of life. That will ruin the industry, and it will ruin not only one operator but everybody else. One only has to see what happens with tourism in particular areas when a shark cleans up an unsuspecting swimmer: people do not go there for some time until their memory dims.

When we are saying that we run one of the better States in Australia, we also ought to be saying that we run one of the safest States in Australia. We are not enforcing, merely for fun, drink driving and speeding laws so that we can reduce the number of accidents on the roads, and we are not introducing, for fun, legislation with respect to residual current devices to reduce the electrocution of people in their homes and at work: we are doing these things to protect peoples' lives. We should have the same attitude towards people when they go to sea in ships.

Mr MEIER: It is my understanding that the Minister's figures that hopefully he will provide on the number of fatalities through yachting accidents will be minimal. My argument is that our safety standards are and have been quite adequate, and therefore our charter operators have been operating under very safe conditions—conditions that guarantee the safety of all the people using these vessels. For that reason, why do we have to go to new safety standards? I believe our record will show it has been exceptionally safe, if not 100 per cent safe, for charter operators.

The Hon. R.J. Gregory: There is not just one charter operator: there are a number of them in this State. All the rest of the operators have their vessels surveyed and they comply with the survey regulations. There is only one operator who does not, and that is the one who is complaining. All the others comply. That is why we do not have accidents and deaths. To say that the only yacht charter operators in South Australia, particularly those around Port Lincoln, do not have their boats surveyed is an absolute nonsense because they themselves regularly say that one operator in Port Lincoln is not complying. We will have to find out how many yacht charter businesses have been operating in South Australia since 1947, because we will certainly find that this business has not been. The rest of the operators certainly have been complying with survey standard requirements, because they take the risks seriously.

Mr FERGUSON: In the Auditor-General's Report it is noted that the department once again recorded a profit from its commercial port services. Will the Minister provide more details concerning this result? How does it compare with the previous year's result?

The Hon. R.J. Gregory: This matter has given me much satisfaction since I have been Minister. As a member of the Public Accounts Committee, I was always of the view that Government departments, properly led and properly managed, could out-perform and be better than other commercial operations in Australia—and indeed, we have a department in South Australia that is doing that.

The commercial ports operations achieved an operating profit on commercial operations of $5.8 million for the 1990-91 financial year. This result represents an improvement of $2.746 million over that result achieved in 1989-90. The most significant factor which contributed to this improved result was an increase in revenue of $1.073 million to a total of $46.8 million. This increase was the result of a general rate increase of 4 per cent, effective from 1 October 1990, which raised approximately $840 000 with the balance being achieved through increased trade levels, particularly grain exports.

The department's expenditure decreased by $1.673 million from the level incurred in 1989-90. This result represents a 3.9 per cent decrease in the department's expenditure which, when compared with the increase in the consumer price index of 4.7 per cent for the same period, represents an effective saving of 8.6 per cent. The final operating profit from commercial ports services equates to a 10.9 per cent rate of return before financing charges on assets valued at written down historical cost.

The department undertook a major restructuring initiative during the 1990-91 financial year incorporating the payment of voluntary separation packages to those eligible employees who wished to separate from the department. The cost of this initiative totalled $5.538 million and was treated as an extraordinary item in the commercial ports services profit and loss statement. The department anticipates that the pay-back period for the cost of this process will be achieved within two years.

The department operates within a highly competitive environment with cyclical trade and seasonal fluctuations. Like any other commercial business it therefore has periods throughout the financial year when fluctuating income inflows do not match the more constant outflow nature of expenditure. In addition, the department has the added financial responsibility of financing its other services which do not recover its full cost. These factors have necessitated the department's borrowing a working capital funding requirement of $3 million. Whilst these funds have been used throughout the year to overcome cash flow imbalances, the department had a balance of over $3 million within its bank account as at the end of the year.

Mr FERGUSON: On page 422 of the Program Estimates, reference is made to work scheduled on the Port Giles bulk loading plant. Will the Minister expand on this matter? Will this work interfere with shipping at the port?

The Hon. R.J. Gregory: The cladding was replaced in two ports: part of it was done last year between shipping from the port, and the remainder will be done this year during the lull.

Mr FERGUSON: On pages 421 and 422 of the Program Estimates, mention is made of microeconomic and waterfront reform. One of the important principles to come out of these reform issues is the need for a closer link between the price charged and the actual cost of providing services. Will the Minister detail what initiatives the department is undertaking with this issue and how it will impact on future pricing policy?

The Hon. R.J. Gregory: A review of the department's pricing policy is now largely complete. An initial discussion paper was prepared last year which outlined a range of options and indicated the likely range of associated charges. The paper was presented to a meeting of the South Australian Ports Liaison Advisory Committee to canvass views of users. The paper clearly indicated the department has no intention of following the policy changes recently introduced by the major ports of Sydney, Melbourne and Fremantle which substantially increased the charges on ship owners and stevedores.

Responses to the discussion paper and subsequent consultation indicates port users are generally satisfied with a pricing policy which largely reflects the existing charging structure. The main user requirement is for certainty in the level of costs of using South Australian ports. A review of pricing arrangements is nearly complete. Future pricing initiatives will be based on recovery of costs and removal of cross-subsidies; a clear definition as to the users and customers of the ports; a clear agreement with the parties as to who are the customers; pricing structure and policy to be used as an instrument of competitive advantage; pricing structure geared to the needs of individual ports; and simplicity and predictability. A public discussion paper is presently being prepared and will be released later this year.

Mr VENNING: I refer to the grain belts which carry the most important product of this State into the ships. We are told at page 421 of the Program Estimates that one of the Minister's goals is to capture an increasing amount of the

national trade throughout South Australia. Under 'Issues/Trends', it further states:

Microeconomic reform of the transport sector, including the waterfront, is recognised as essential to improve Australia's trading position.

I believe there is duplication of services with these belts. The belts are the same as those that run right throughout the whole silo system in every complex. When the grain comes out of the weighing bin from the silo at CBH control, it drops onto the same belt, but it is then under the control of the Department of Marine and Harbors or this department.

I believe that is a duplication of services because CBH must have belt technicians to look after its belts, as does Marine and Harbors. I know the Minister has made many speeches about this matter. Does the Minister see that there could be a time when that could change? Does the Minister agree that there is duplication? What are the conditions of these belts? Surely, some of the belts that are about are getting to the end of their workable life and no doubt a great cost will be involved in replacing them. I know that many people are looking at this area because high costs are involved in delivering the South Australian grain crop to the markets.

The Hon. R.J. Gregory: I have given information to members of the House of Assembly on the cost comparisons of the farming community in delivering grain to ports. South Australia has the lowest possible cost of any of the States that export grain. The transport cost to the grain terminals is cheaper in South Australia than anywhere else in Australia by a significant margin. There is a very good reason for that: we operate grain terminals at Ardrossan, Thevenard, Port Lincoln, Port Pirie, Wallaroo, Port Giles and at the Port of Adelaide. There are seven grain terminals. In New South Wales, they operate two.

I am not sure of the ratio of actual grain that is exported, but I am confident that New South Wales exports more grain than South Australia. The cost of transport to the farming community of New South Wales is horrendous in comparison to South Australia. The Department of Marine and Harbors has built seven grain terminals in South Australia, and those facilities have been there for a long time. I can recall when the first lot of bulk wheat ever exported from South Australia went over the private belt operated by BHP at Ardrossan. I forgot to mention that that is a grain terminal.

I was there sampling wheat as a youth. I was very young and inexperienced in the ways of the world and just starting to experience what exploitation of the working people was all about. From that has grown a fairly efficient cargo handling service, operated by the department. I do not believe that as a Government we should be handing the assets that the community has built up over a long period of time to a sectional interest of that community. I am confident that the facilities of the department will operate and be adequately maintained to deliver the cargo to the holds of the vessels. Those facilities have been designed and built by departmental employees, and the structures they stand on have been designed and built by the department. Arguments have been going on with the farming community, particularly a group of people in Thevenard who want us to do enormous work in the Thevenard area which would not increase the efficiency of the port or increase by an ounce the amount of cargo removed from it. That is not as necessary as some of the people think.

We have seen self-unloading vessels take wheat from Thevenard to Port Lincoln very efficiently, quickly and cheaply. We have seen that wheat loaded back into the silos of Port Lincoln faster than the vessels could discharge the cargo, which, I am told, is about 2 500 tonnes per hour. We have a maintenance program within the department to ensure that the facilities operate effectively, safely and efficiently.

There are not belt technicians; fitters and turners, boilermakers and electricians fix up the belts and maintain them, and it is probably an unskilled worker who goes around ensuring that the rollers are greased from time to time. These things have been well maintained by departmental officers over a long period of time, and I see no reason to change that. The department provides for replacement of the belts through asset replacement, as we do for other pieces of capital equipment. If one looks in the budget papers, one will see that money is set aside for capital equipment and we do that as required. I can assure the Committee that we are not doing unnecessary maintenance; we are doing maintenance that is justified and required.

Mr VENNING: As a supplementary question, how could the use of the belts be generally described, and are there any of great concern nearing the end of their life?

The Hon. R.J. Gregory: I believe the regular maintenance, design and structure of the bulk grain facilities in South Australia means that they are maintained at a high level. I do not believe they are near the end of their economic life. Our maintenance levels will ensure that they continue to operate. Unlike motor cars, which some people seem to change as often as they change their underwear, we do not need to replace huge, expensive capital equipment regularly because it was built 30 years ago. With modifications and the use of current technology, the life of that equipment can be extended, and it can be just as efficient as, if not more efficient than, a new plant.

One has only to remember what has happened in bearing design and how bearings now are operating longer and longer without replacement, how they need less lubrication and how they have less friction and operate more freely. Motor design and numerous other designs have changed. All we have is a structure that is designed to get the bulk cargo in the hold of the vessel as quickly as possible.

We have done a number of things to improve that, and I can well recall being advised by people in the Wheat Board that it was a Department of Marine and Harbors and Port Authority's problem, and that the reason why we were unable to load these vessels any more quickly was that we have all these restrictive practices. I asked Capt. Buchanan, who was then the operator of Port Marine Operations, to talk with some people and see if we could get constant loading. He did that and was able to arrange for continuous loading. When he told the Cooperative Bulk Handling Authority and the Australian Wheat Board, they said, 'No; we do not want to do that. We do not want to operate 24 hours a day.' They were like the emperor with his new clothes; they were found out.

The facilities we have in our bulk ports are upgraded in the off-season. I indicated earlier that the cladding of the Port Giles jetty is an example of that. In the off-season the cladding, which has an insulation of an asbestos fibre based bituminous product, which was coming loose and posing a health hazard to the people who worked there, will be replaced in the off-season. That is what we do. When any plant and equipment operates for limited periods of time, the off-season is the time when the engineering and maintenance staff do all the work required so that when the operating season comes around it is all go, go, go until it is finished. I am reasonably familiar with this, because when I used to work with tools that is what we used to do, only we used to do it every Saturday and Sunday; when the production workers were home we were in there working to keep the plant going.

Mr VENNING: My next question is to do with the Port Pirie harbor. I understand that the Minister recently received a delegation and a submission from the Port Pirie Development Committee, which was discussing the deepening of the port. We know that is expensive and many points of view have been put about that over the years. Given that there is a major railway running away from Port Pirie and the hinterland right into New South Wales, the future of Port Pirie relies very dramatically on that harbor and, with the larger ships, the future of that harbor is severely jeopardised. Could the Minister comment on the delegations received from Port Pirie and what he would see as the future? Have any studies been done recently by the department on deepening the harbor?

The Hon. R.J. Gregory: I thought Port Pirie was established as a port for smelting the ore from Broken Hill. Because Broken Hill had one of the largest deposits of zinc, lead and silver in the world, one of the largest lead smelters in the world was established at Port Pirie. That is what I was taught at school, and I do not believe things have changed all that much except that the ore body at Broken Hill is nearly exhausted. The port is there because of the smelters. We do operate a port facility there. The costs of deepening the harbor approach would be about $17 million. When you then raise with the users of the port—

Mr VENNING: It is nothing to do with State Bank.

The Hon. R.J. Gregory: You want to add to the State Bank?

Mr VENNING: Instead of.

The CHAIRMAN: I suggest that, when members of the Committee ask a question, they leave it for the Minister to answer.

The Hon. R.J. Gregory: We are operating a business in the Department of Marine and Harbors. We are not running a philanthropic organisation, running around giving away money willy-nilly. I would have thought that the economic rationalists from the Liberal Party would applaud what we are doing. Its Leader has said from time to time that it would run the place as a business or, better still, with respect to the ports, give them away to people. We are ensuring that any money we invest in the port is money wisely spent. Sure, we could go around and deepen the port a bit and spend $17 million. We would not get an extra cent in revenue out of it.

However, what is happening is that the shipping companies around the Australian coast have recognised the advantages there and have provided for service on the Australian coast self-unloading vessels. My advice is that the motor vessel *Express* will be using the port of Lincoln to transfer wheat, and we will see this self-unloading vessel transferring wheat from Pirie, Wallaroo and Thevenard to Port Lincoln where it can be onloaded onto a very large vessel.

I recall being in Lincoln when 95 000 tonnes of grain was lifted in one lift from that port. I have yet to see the motor vessel *Express* self-discharge its cargo, but the advice from officers of my department is that it is an awe-inspiring sight to see this stuff coming out of the conveyor with nobody running around on deck. It is all controlled from the bridge, with the ship maintaining its ballast. One must remember that the rate of discharge of these vessels is also limited by the capacity of the Master of the vessel to maintain the ballast at the appropriate level so that the ship is not damaged.

With these shallow ports, we will see these vessels on our coast specially designed to provide this facility. Pirie will still continue to have wheat stored at the silos. The wheat will be exported by vessels to a deep-sea port. There are a number of exciting and innovative things that the Wheat Board is thinking about, and I am confident that the ingenuity of these people will ensure that this port will be used into the future.

Mr VENNING: What can we do in South Australia to enable us to load larger boats? The Minister has already highlighted an alternative which I know could be very positive. The Minister would realise that the Australian Wheat Board is making it very difficult for us, and we are being by-passed in many areas for the sake of the bigger ports in the Eastern States. At some stage we will have to load boats where the product is. As well as the self-unloader ship, the motor vessel *Express*, has the Minister done a feasibility study on barges? Can we utilise our deeper ports better? Can we build up a better rail infrastructure to use our deeper ports—particularly Port Giles? Is a road or better rail an alternative? More importantly, why have we never made any of our jetties in South Australia longer to get to deeper water? A few months ago I went to Queensland and saw one jetty north of Townsville which is 5.9 kilometres in length, just to load one product. You can barely see the end of the jetty from the shore, because it is built to get to deep water. If we were to build a jetty half that length at Wallaroo, you could load any amount of large ships. I know that the deep water is not that far from the end of the Wallaroo jetty. Has any recent test or feasibility study been done?

The Hon. R.J. Gregory: There are studies examining the use of innovative methods of moving cargo between the ports. One has to consider what South Australia is. The member for Custance might know better than I the amount of grain that is grown in South Australia in a normal year in comparison with the amount of grain grown in New South Wales. If he does, I would appreciate it if he would enlighten the Committee. I am of the view that if we are to spend money on these things in South Australia, it ought to be cost-effective. New South Wales has two ports for the export of grain. If we had two ports or just one port for the export of grain, we could afford to build a jetty I suppose that could stand in 20 metres of water. We could get the biggest grain vessels in the world there, but we would need only one of them. We would not need seven of them.

If we had one of them, we would then have to look at all the costs of transporting that grain to that port. One does not have to be Einstein to work out that suddenly the costs of carting wheat to that port would start to be in the same level as that in New South Wales—two to three times greater than here in South Australia. South Australian farmers have the cheapest delivery of wheat. In other words, on the average price of wheat paid to Australian farmers, if you take away from that the cost of delivery to the ports, they pay less than anyone else in Australia.

Consequently, they get more for their wheat than anyone in Australia. They want us to increase the costs they incur so that they are on a par with New South Wales. They are lucky that we operate seven grain ports plus the private port at Ardrossan, which is not that far from Port Giles. The farming community of South Australia should be very grateful, instead of whingeing all the time about the condition of the grain ports. We cannot have Rolls Royces parked all around South Australia used only occasionally. We have a deep port at Port Giles and at Port Lincoln, and all we need to do is extend Port Giles—I am not sure by how much, but not by much.

We have had discussions with the Wheat Board and, at this stage, it does not think it that is necessary. The problem we have is that there are in South Australia people who want in their backyard the ability to get a ship that is in there once and loads in one shift all the wheat that they

produce in that area. That is an enormously expensive thing. We will do what we will be doing on a cost effective basis. I believe that the farming community of South Australia really benefits from the cost effective way in which the Department of Marine and Harbors has put up these facilities around the State and operates them today. They ought to be praising the department instead of complaining about it.

Mr VENNING: As a supplementary question, some of the things the Minister said may have been true many years ago. South Australian farmers grow up to 15 per cent of Australia's wheat and New South Wales can grow up to 35 per cent. This year South Australia's share will be up to 20 per cent or 25 per cent. Although South Australian farmers are used to having the most efficient system in Australia, in the last two or three years we did not have the most efficient system: we were getting stung. The Minister would be aware that we are paying two port loading charges and we now have the new ocean charge that the Wheat Board is paying.

Because ships stay longer in our waters as they have to be loaded at two ports, we are paying an extra ocean charge to the shippers. South Australian farmers are not used to this. They have been very price competitive compared to our Eastern States colleagues, but they say, 'What have we done in recent days to make sure that our system will be as efficient as anyone else's?' As we know, Australian farmers are the most efficient in the world. We heard all this from the royal commission into grain handling and freight; we have read it all. We have been very efficient, but at the moment we in South Australia are starting to pay costs that we could avoid if we kept our grain loading situation up to date. I am afraid that not many grain people think it is up to date.

The Hon. R.J. Gregory: With all due respect to the member for Custance, I do not think that he fully appreciates the position. If we were to turn each of our ports into a deep sea port, as he suggests, the costs would have to be recovered. We are not running a benefit society: the department is a commercial organisation. If we were to spend large amounts of capital, such as $17 million on the approaches to Port Pirie, or the $50 million that would be needed at Thevenard—and I do not know what we would need to do at Wallaroo—in a poor year a vessel would turn up at Thevenard and lift 95 000 tonnes of wheat and then go down to Port Lincoln and top up. I do not know whether the farming community would be prepared to pay the high cost that we would then need to charge. We have there a facility which, on current costs, enables us to give the farming community a very cheap service. Even with double handling, it is cheaper than the service in New South Wales, and I am advised that it is even cheaper than the service in Western Australia.

But, if the farming community wants these high costs in transporting their product to a deep-sea port, we will have discussions with the Wheat Board, and we will do that. However, I advise the Committee that our operations people are constantly in touch with the Wheat Board in respect of port facilities in this State. The initiatives that were undertaken by the department at Port Lincoln years ago were due to a demand for a second grain port which could lift heavy cargoes. But, we cannot afford to have scattered around the coast of South Australia six of these ports, which might receive one or two ships a year.

If, on that basis, the member for Custance is suggesting that we ought to beggar everything else in the State just to do this for the occasional use of something, that is ridiculous. It is like getting a Rolls Royce and using it once a year. It is like getting $300 000 (and I do not think you would get a Rolls Royce for that amount), putting it in the bank, going there every year and getting the bank teller to count it, have a look at it, then put it back at 3.75 per cent—not even at the rates that one could get in investment accounts.

I also think that it must be appreciated that, over the past six years, the cost of port charges in South Australia in real terms has decreased by 20 per cent. We have been able to do that by not having wish lists for things that we ought to have in the department. We need to consider that we are operating a lean, mean business, a business that is effective and efficient, and not one that is gold plated. We are not operating a taxi service that is full of Rolls Royces: we are using Holdens, and we are getting the best returns for the people of South Australia. As I have said, the farming community is getting a good deal out of it.

Mr HERON: On page 429 of the Program Estimates, mention is made of the West Lakes Regulations and third party appeal rights. Can the Minister elaborate on those issues, and tell us how they may impact on local government relationships?

The Hon. R.J. Gregory: One of the problems is that, when the West Lakes development was proposed, it was fairly innovative in South Australia—and Australia—at the time. Those of us who are young enough can remember that area of West Lakes.

Mr FERGUSON: You used to play two-up down there.

The Hon. R.J. Gregory: No, I have a strong Protestant work ethic, and I do not believe in giving away money by gambling. I could never see the sense in playing two-up. However, the area of West Lakes was known as the reed beds. It was a repository for all the rubbish that people could think of; it was a haven for mosquitoes; and a lot of crop dusting pilots crop-dusted the area with poisons to knock off the mosquitoes. It was also a feat of engineering, and the Department of Marine and Harbors, because of its experience in dealing with buildings, water, and what have you, was given the responsibility of developing the lake. As a result of that, we found that we had control of what happened on the water. It is my view that it was really a local government matter. The question as to who wants to operate what on the waters of West Lakes is really a local government matter, and it should have been, and is now being, transferred to the appropriate local government bodies.

There was a long period when we had to go through exhaustive procedures in consulting with all the people to ensure that, when it was transferred to the care and control of the Corporation of the City of Woodville, there would be no unattended consequences that could cause problems elsewhere. In itself, that took time; it was protracted; there were many discussions; and it eventually happened. We are now trying to get the last of the functions we have in relation to West Lakes transferred to the Woodville council, which we think is an appropriate place for it. Our operations ought to be in the provision of exchange of cargo in South Australia for traders and fishing people, and safe navigation within the coastal waters.

Mr HERON: On pages 421 and 422 of the Program Estimates mention is made of the objective to identify business opportunities for increased shipping services to South Australian ports. Can the Minister detail what action the department is undertaking in pursuit of the new services?

The Hon. R.J. Gregory: We have established a very good relationship with the Chamber of Commerce and Industry in South Australia. Departmental officers, along with offi-

cers from that organisation, have been very successful in increasing the calls of vessels from our major conference lines into South Australia from Europe, Japan/Korea, East Asia and South-East Asia. However, there are inherent problems with this method of approach. It is only successful for trade regions where South Australian cargo volumes are significant; low volume regions are unlikely to attract direct services.

There is no long-term commitment from the shipping line, that is, investment. The marginal nature of South Australian trade makes Adelaide port calls susceptible to trade fluctuations, such as the recession. Relatively low South Australian cargo volumes do not allow economies of scale in port service provision. The level of shipping service provided for South Australian cargo does not allow for the total conversion of South Australian trade through the Port of Adelaide; some of it still goes through Melbourne. As I said earlier, there is this business of containers coming to Adelaide from Melbourne by rail.

The key to extra direct shipping and one of the major commercial objectives of the department is the establishment of adequate base cargo by centralising other States' cargo through the Port of Adelaide. Significant opportunities exist in this area for both the existing service and the attraction of new shipping services. The department has for some time been liaising with major overseas shipping lines interested in centralised cargo through Port Adelaide. Prospects in this area look positive. However, the current recession is not conducive to the introduction of new services. Existing shipping services have also expressed an interest in the movement of Eastern States cargo through the Port of Adelaide.This opportunity is being pursued with both the shipping lines and Eastern States importers. Further, the department's objectives in the area of warehousing/distribution and transport hub are conducive to establishment of centralised shipping services.

One of the problems we have been having is getting a direct call to New Zealand. If we were able to do that we would be shipping cars manufactured at Tonsley Park and Elizabeth from the Port of Adelaide and not from the Port of Melbourne. I understand something like 60 containers a week leave Adelaide for Melbourne so that they can travel to New Zealand. We have been working strongly to get that trade, but at the moment there are restrictions and limits on shipping imposed by the Trans-Tasman Accord between Australian and New Zealand unions. Until there can be some competition in this area I am not as hopeful that we might be able to get a shipping call in here. However, as soon as we can we will see the cost reduced to South Australian exporters and importers. The problem with exporting cars by rail to Melbourne is the high cost of damage. If these cars were to go on the ships here in Adelaide the level of damage would be reduced.

Mr MEIER: Is the Minister aware of the limitations of the Port Adelaide bulk grain loading facilities? I believe that the loading gantry height limitations and loading boom outreach have on numerous occasions over the last few years necessitated the ship filling a ballast hold prior to loading in order to lower the height of the vessel to allow the loading booms to position over the open holds so grain can be poured into the holds. Additionally, with modern, large bulk carriers with beams in excess of 30 metres, loading has been stopped while additional wharf labour is engaged to manually move the grain heaps in the hold to the outboard side of the vessel. I also believe that load-out rates are below those of other South Australian ports. As the Port of Adelaide is the major port for exporting grain from the Mid-North and Mallee areas, has the Department of Marine and Harbors plans to upgrade the facility with new technology?

The Hon. R.J. Gregory: Not at the moment. One of our problems is that we have inexperienced shipping agents who are not getting the right ships for the port, even though they are available. The statement made by the member for Goyder demonstrates that, with a bit of ingenuity, we can get the wheat into the vessels. I have made quite clear that we have six ports, plus Ardrossan, unloading wheat, and we just cannot afford in this State to have Rolls Royces parked everywhere.

Mr MEIER: I believe there are some good second-hand Holdens at Glebe Island, on the New South Wales coast, where the loading facilities that were used there are now no longer needed. At least three of those spouts are available, one of which has already been committed. I believe that there is every chance that those spouts may be able to be used at Port Adelaide and that they could upgrade our facilities considerably. Has the Minister had this matter investigated and, if so, what has the report revealed?

The Hon. R.J. Gregory: My advice is that if we were to do that we would be getting T-model Fords.

Mr MEIER: I am disappointed with that answer because I believe that the output from those Glebe Island loading facilities would increase our load-out rate by a factor of three. I hardly refer to that as going from a Holden back to a T-model Ford.

The Hon. R.J. Gregory: The department's forward planning on capital works program is looking at spending approximately $1 million. Before we do that, we will look at the cost benefit and return to the department of that expenditure. As I said earlier, we are running a business, not a benevolent society.

Mr MEIER: Is the Minister aware that, because of the poor facilities, ships can spend up to one extra day in port and is he concerned about that?

The Hon. R.J. Gregory: As I said earlier, Mr Buchanan at one time was able to negotiate with the stevedores and the waterside workers for continuous loading of grain ships, so that they spent less time in ports, but those responsible for hiring the vessel, which I think was the Australian Wheat Board, were not interested. Its view was that the cost of the vessel was not as great. I cannot understand it. I would have thought that, by creating a situation where the vessel could have just about continuous loading, it would have jumped at it, but it refused it.

As I said, we operate a very efficient department. We provide one of the best services for the money that we have invested. The farmers get the best return out of it, better than any other State, and we seem to be able to get the wheat away from here, even with some of the difficulties being referred to tonight, still cheaper than anywhere else in South Australia. I think it is a credit to the officers of the department and the people who provide the day-to-day contact with the plant and equipment as well as the people who operate it.

The CHAIRMAN: Having come to the end of the time allotted, I declare the examination of the vote completed.

ADJOURNMENT

At 10 p.m. the Committee adjourned until Thursday 26 September at 11 a.m.