HOUSE OF ASSEMBLY

Tuesday, November 13, 1973

The SPEAKER (Hon. J. R. Ryan) took the Chair at 2 p.m. and read prayers.

FIRE BRIGADES ACT AMENDMENT BILL (BOARD)

His Excellency the Governor, by message, recommended to the House of Assembly the appropriation of such amounts of money as might be required for the purposes mentioned in the Bill.

QUESTIONS

The SPEAKER: I direct that the following written answers to questions be distributed and printed in *Hansard.*

PETROL SUPPLIES

In reply to Mr. COUMBE (November 6).

The Hon. D. A. DUNSTAN: The refinery at Port Stanvac has been operating normally since the strike concluded on Friday, November 2, 1973. Since then the pipeline from the refinery to Birkenhead bulk storages has operated continuously. When the strike finished, one tanker with product was awaiting discharge at Birkenhead. This has been discharged, and also another has since been unloaded. Two more tankers are scheduled to bring motor spirit products in the next three weeks. Since the strike concluded the stocks in the Birkenhead terminals have been gradually building up, but not as quickly as was hoped. This has been partly due to the fact that the amount purchased from retail outlets has been greater than normal: in fact, there are still reports of the public buying petrol in four-gall (18.1 l) drums. The oil industry has been surprised at the amount sold from retail outlets since the rationing ceased. The position is now regarded as being reasonable and there is no cause for alarm, or any reason for the public to make other than normal purchases.

FLUORIDATION

In reply to Mr. COUMBE (October 18).

The Hon. J. D. CORCORAN: The whole of the metropolitan water supply system is fluoridated, and Myponga is considered a part of this system. However, the water pumped in the new Murray Bridge to Onkaparinga main is not as yet fluoridated. The equipment is installed, and it is planned to commence fluoridation towards the end of 1974. At that time, the main will be linked to the Balhannah supply which already receives fluoridated water from the Mannum-Adelaide main. With regard to the fluoridation of country water supplies, I stated in July, 1971, that fluoridation would not be extended beyond the metropolitan water supply system during the life of the then Parliament. The Government will review this matter during the life of this Parliament.

ELIZABETH MEDICAL SERVICES

In reply to Mr. DUNCAN (October 30).

The Hon. L. J. KING: The Government is aware that difficulties have occurred from time to time in regard to the provision of medical services at Elizabeth. It is appreciated that the 15 doctors practising in the Elizabeth area have been working under considerable pressure and, in some instances, have curtailed after-hours services to patients. It must be emphasized, however, that the Government has no power to direct the activities of doctors engaged in private medical practice in the community. When the Government can help, it has done so. An alternative service at the Lyell McEwin Hospital has been provided with the Government's assistance. The Casualty and Emergency Department at the Lyell McEwin Hospital is open 24 hours a day 7 days a week, and is staffed on a joint basis by three doctors employed by the hospital, two resident medical officers seconded by the Queen Elizabeth Hospital, and by the sessional engagement of general practitioners from surrounding areas at times when vacancies have occurred in the hospital's medical staff establishment. Those practitioners who have helped to maintain the hospital's emergency medical services are to be congratulated. The full costs of all these services are being borne by the State Government.

The present Casualty Department of the hospital is insufficient in size to cope adequately with the steadily increasing demands on its services, and planning is well advanced at the hospital for extensions to be made to the department in the near future. To ensure that mutual understanding and agreement can be achieved as to the present and future medical service needs of the district, a Salisbury-Elizabeth Medical Association Forward Planning Committee has recently been formed to promote ongoing discussions between representatives of the local branch of the Australian Medical Association and representatives of the Lyell McEwin Hospital. Recommendations from this committee will be transmitted to both the Director-General of Medical Services and the South Australian Branch Council of the Australian Medical Association for mutual consideration. It will be noted, therefore, that the Government is now providing considerable direct support to supplement medical services at Elizabeth, and is fully prepared to consider additional avenues of support in conjunction with those providing the existing medical and hospital services in the area.

HIGHWAYS DEPARTMENT

In reply to Mr. CHAPMAN (November 6).

The Hon. G. T. VIRGO: The annual report of the Commissioner of Highways for 1972-73 was tabled in this House on September 25, 1973, and ordered to be printed. The Government Printer expects to complete printing the report on about December 14, 1973.

MOUNT BARKER EXPRESSWAY

In reply to Mr. McANANEY (October 25).

The Hon. G. T. VIRGO: The Outer Metropolitan Planning Development Plan shows a proposed deviation of the Mount Barker to Wellington main road to avoid southern development in Mount Barker. This plan has been on public exhibition for some time, and submissions are now being considered by the State Planning Authority. The purpose of the deviation was to avoid the severance of the proposed future developed area of Mount Barker. The road was thus located so as to skirt the limit of the proposed township development. It is not intended that the road would become a freeway or expressway but rather that it would provide access to the abutting areas, such access being controlled in a manner to minimize accidents whilst providing freedom for the flow of traffic.

WEST LAKES BOULEVARD

In reply to Dr. EASTICK (August 28).

The Hon. G. R. BROOMHILL: Since the Leader raised this question, both the Deputy Premier and the Minister of

Transport attended a public meeting on September 26, 1973, at which persons interested in the West Lakes boulevard proposal were able to express their views. As a result of this meeting, the Minister of Transport agreed that a further study of the scheme be undertaken by an independent consultant. Negotiations are now proceeding with a consultant who is acceptable to both the western residents against the highway organization and the Highways Department. Until the results of this study are known, I am not able to provide the detailed information sought.

BUILDING PLANS

In reply to Mr. EVANS (October 25).

The Hon. D. J. HOPGOOD: Investigations have revealed that no councils are rejecting building plans and specifications simply on the basis that they were not prepared by an architect. The Adelaide City Council and the Salisbury council have emphatically denied the accusation made by the member for Fisher. There is no power in the Building Act for councils to require plans to be drawn by architects and no provision to reject plans that do not meet this requirement. However, power does exist for plans to be returned if the council (or committee of council) considers that some detail is either not acceptable or needs clarification.

REYNELLA SEWERAGE

Dr. EASTICK (on notice):

1. Has any detailed planning been undertaken for sewerage mains and connection in Queensferry Road, Reynella?

2. If planning has been completed what is the priority for this project?

The Hon. J. D. CORCORAN: The replies are as follows:

1. A sewer extension is planned in Queensferry Road and States Road, Reynella.

2. Sewers in Queensferry Road in conjunction with numerous other minor extensions in the Morphett Vale and Reynella area are planned to be constructed when the main Christies Beach and Noarlunga scheme is completed at about the end of the 1973-74 financial year.

BUILDING WORKERS

Dr. EASTICK (on notice):

1. Were charges against 11 members of the Australian Building and Construction Workers Federation who were arrested at a building site at West Lakes on December 1, 1972, and who were remanded when they appeared in the Port Adelaide Magistrates Court on that day, not proceeded with?

2. If so, what was the reason that charges of failure to cease loitering were withdrawn?

3. If these charges were not withdrawn, what was the outcome of the individual charges?

The Hon. L. J. KING: The replies are as follows:

1. Eleven members of the Australian Building and Construction Workers Federation were arrested on a building site at West Lakes on December 1, 1972. When the charges ultimately came before the Port Adelaide Magistrates Court on June 8, 1973, the charges were withdrawn.

2. The reason that the charges of failing to cease loitering were withdrawn is as follows: the solicitor appearing for the men submitted the following:

(1) That the actions of these men were essentially industrial and they were not in any way loitering for criminal purposes.

(2) There was no violence, no damage, and no confrontation with any persons, and it was essentially a peaceful picket.

(3) That the industrial situation as at that time was relatively stable, and it may well be that further disturbances could be caused in continuing with the proceedings.

(4) The fact that the union has already been penalized in the Supreme Court for its actions and that the actions giving rise to these charges were just an extension of the activity for which the union and its leaders had already been penalized.

(5) The fact that two of the above defendants will not be present at the hearing and this may cause some problems.

The police view of the matter was, in fact, that the alleged offence arose out of an industrial situation, no violence was used by the unionists towards the police, and the action, or arrests by the police, resolved a tense situation which was developing at the building site. The police agreed that the industrial situation had by June 8 become more stable, there was no criminal intent in the incident, and, in the opinion of the police, no good purpose could be achieved by continuing with these prosecutions. The Commissioner of Police submitted a report to the Chief Secretary containing the representations of the solicitor and the opinion of the police, and advising that, providing there was a guarantee that no costs would be sought against the police, the action should be withdrawn. A further proviso was that such a decision on the part of the police should not be interpreted as a precedent for accepting such cases as being primarily "industrial" in all circumstances. The recommendation of the Commissioner of Police was approved by the Chief Secretary and the matter subsequently withdrawn.

3. Not applicable.

HOMOSEXUALITY

Mr. BECKER (on notice): Is it intended that action be taken against a parent who, withdraws a child from an organized lecture on homosexuality at his school?

The Hon. HUGH HUDSON: In the hypothetical and unlikely circumstances postulated by the honourable member, the answer is "No".

SCHOOL CLOSURES

Mr. BECKER (on notice): How many primary and infants schools have been closed in South Australia since June 1, 1970, and what are the locations and reasons for these closures?

The Hon. HUGH HUDSON: A total of 58 primary and rural schools and 8 infants schools has been closed since June 1, 1970. The rural and primary schools were at Black Springs, Cudlee Creek, Blewitt Springs, Muloorina, Finniss, Halbury, Hartley, Inman Valley, Tungkillo, Marrabel, Kangaroo Flat, Daveyston, North Shields, Verdun, Weetulta, Stanley Flat, Wandilo, Koppio, Burrungule, Mount Benson, Mount Wedge, Reedy Creek, Wepar, Waterloo, Sherlock, Mannanarie, Cherry Gardens, Hope Forest, Avon, Binnum, Cherryville, Coobowie, Cunliffe, Dublin, Eden Valley, Hatherleigh, Hoyleton, Merriton, Nurom, Pine Point, Pinery, Pirie East, Stockwell, Telowie Creek, Wall Flat, Wandearah East, Warnertown, Whyte

Yarcowie, Willalo, Wilton, Windsor, Gawler River, Bowmans, Mambray Creek, Woods Point, Yeelanna, Mabel Creek, and Siam.

The infants schools were at Black Forest, Rose Park, Flinders Park, Hampstead, Warradale, St. Leonards, Plympton, and Oaklands. The primary and rural schools were smaller country schools where the enrolments were at a low level and where satisfactory arrangements could be made to transport the children to larger schools where the educational programme and facilities were more comprehensive. Infants schools are disestablished rather than closed, and become incorporated into the primary school when infants enrolments decline. Usually a similar number of infants schools are established in other areas with larger infants enrolments.

WEST BEACH ROADWORKS

Mr. BECKER (on notice):

1. What kind of roadworks are contemplated on the land situated between Gray Street and Simcock Street, West Beach?

2. When will the work commence?

3. What other acquisitions of property are contemplated and what is the intended route of this road?

The Hon. G. T. VIRGO: The replies are as follows:

1. The possible realignment of Tapley Hill Road.

2. No date is contemplated at this stage.

3. Further acquisition will be limited to uneconomic development of vacant land.

CONCRETE SLEEPERS

Dr. TONKIN (on notice):

1. Will concrete sleepers be used in future railway works (including upgrading) in both the metropolitan area and in the country?

2. If no decision has yet been made on this matter, when does the Minister expect it will be made?

The Hon. G. T. VIRGO: The replies are as follows:

1. No decision has been made on whether concrete sleepers should be used in future railway works in South Australia.

2. The Australian Government recently announced that it intended to use concrete sleepers for maintenance work on the Trans-Australian railway. In respect of the standard gauge line to be constructed from Adelaide to Port Pirie, tenders are to be called for both timber and concrete sleepers. Should it be decided that concrete sleepers will be used for this work, an evaluation will be made by the South Australian Railways to ascertain whether it would be economical and practicable to use such sleepers in other work on the South Australian system.

PEPPERTREE COTTAGE

Mr. BECKER (on notice):

1. What was the extent of recent renovations at Peppertree cottage, situated at the rear of Government House?

2. What was the reason for the renovations and what was the total cost?

The Hon. I. D. CORCORAN: The replies are as follows:

1. The work at Peppertree cottage involved complete renovation and upgrading of the premises including the conversion of two small bedrooms to one larger bedroom; alterations to and the refitting and re-equipping of the kitchen; improvements to bathrooms; replacement of defective services; and replacement of furnishings and the redecoration of the interior and the exterior of the building.

2. Peppertree cottage was built in the late 1940's for use as a temporary quarters for staff at Government House. The construction took place during a period of restriction in the supply and use of building materials. The structure of the building is brick and timber, and the fittings were of a standard which was used generally in Housing Trust houses of the period and which is considered inferior by modern standards. Because of the ageing nature of Peppertree cottage, its apparent structural defects, and the unsuitability of its fittings and furnishings for continued use as a residence for the private secretary, it was decided to carry out the work—*vide* 1. The total cost was $34,000.

TRAFFIC LIGHTS

Mr. COUMBE (on notice):

1. Is it planned to install traffic control lights at the junction of Galway Avenue and North East Road, Collinswood?

2. If so, when will this work commence?

3. What will be the basis of financial responsibility between the Highways Department and the local councils concerned?

The Hon. G. T. VIRGO: The replies are as follows:

1. Yes.

2. It is expected that the work will commence early in 1974.

3. The Highways Department will bear two-thirds of the cost with the balance shared equally between the corporations of Walkerville and Prospect.

MALVERN FLOODING

Mr. MILLHOUSE (on notice): When does the Minister intend to answer my letters to him of June 18 and August 31 about the flooding of houses in Winchester Street, Malvern?

The Hon. G. T. VIRGO: As soon as a decision has been made.

PONDING BASIN

Mr. MILLHOUSE (on notice):

1. Has a decision yet been made about the site for the construction of a suitable ponding basin near Greenhill Road and Fullarton Road intersection and, if so, what is it and when was the decision made?

2. If not. what is delaying a decision and when is it expected to be made?

The Hon. G. T. VIRGO: The replies are as follows:

1. No.

2. Serious consideration of the various proposals is required, and this consideration is still proceeding.

MATRIMONIAL SUITS

Mr. MILLHOUSE (on notice):

1. Have administrative procedures yet been agreed by the Governments of the State and the Commonwealth so that the Commonwealth may make good to the State moneys lost to the State as a result of the non-collection of fees in matrimonial suits?

2. If so, what are these procedures?
3. If not, what is the reason for the delay in agreement?

The Hon. L. J. KING: The replies are as follows:
1. No.
2. Not applicable.
3. Discussions at officer level are to take place.

TRIAL COSTS

Mr. MILLHOUSE (on notice):

1. What has been the cost, so far, to the Government of the trials and appeals of Fritz Van Beelen?

2. How is that cost made up?

3. What is the estimated total cost?

The Hon. L. J. KING: The replies are as follows:

1. I cannot indicate the total cost, so far, to the Government of the trials and appeals of the abovenamed person. The total legal costs have been $161 750.

2. The cost is made up as follows:

	$
Crown Law Department:	
Briefing outside counsel	44 100
Department solicitor	6 200
	$50 300
Sheriff's Office:	$
Payments to defence counsel for trials	60 435
Juror fees	24 685
Witness fees	1 450
	$86 570
Law Society of South Australia:	
Payments to defence counsel for committal and two appeals	$24 880

3. It is estimated the motion for leave to appeal in the High Court will cost a further $3 500, giving a total of $165 250, It should be noted that the above costs are mainly legal fees and do not include the running costs of the courts involved or of the many hours of police investigations and attendances during the trials, or the clerical and other work undertaken by the department in relation to the appeals and trials. The total number of hearing days for each court is as follows:

Magistrates court	58 days
Supreme Court	110 days
Full Court of Supreme Court	15 days

ANIMAL WELFARE LEAGUE

Mr. MILLHOUSE (on notice):

1. Does the Government intend to assist the Animal Welfare League to establish in Adelaide a refuge for lost, sick, injured, or oppressed animals?

2. If so, what assistance is proposed and when? If not, why not?

The Hon. G. R. BROOMHILL: The replies are as follows:

1. and 2. When the league originally approached the Government for assistance, it was having difficulty in finding a suitable location and having problems in meeting day-to-day running costs. The league has purchased a site at Wingfield, and is currently planning suitable buildings for the area and obtaining estimates of costs. No approach has been made to the Government for financial assistance towards these buildings, as they are in the planning stage only. The Government has provided a maintenance grant of $1 000 on the current year's Estimates.

ANDAMOOKA STREETS

Mr. GUNN (on notice):
1. When will the streets of Andamooka be sealed?
2. Why has there been a delay?
The Hon. G. T. VIRGO: The replies are as follows:

1. It is not known, as this will depend on funds to be provided in the forthcoming Commonwealth Aid Roads Act to operate from July 1, 1974.

2. Because of increased cost of roadworks over the last few years, all available funds have been used on works of a higher priority.

EYRE PENINSULA RAILWAYS

Mr. GUNN (on notice): What plans has the South Australian Railways to provide bulk superphosphate facilities on Eyre Peninsula?

The Hon. G. T. VIRGO: At this stage, this department does not have any plans to provide bulk superphosphate facilities on Eyre Peninsula.

STUART HIGHWAY

Mr. GUNN (on notice):

1. Has the Highways Department any plans to by-pass Kingoonya when it reconstructs the Stuart Highway?

2. Are any negotiations taking place with the Commonwealth Department of Supply on this matter?

The Hon. G. T. VIRGO: The replies are as follows:

1. There are no definite plans to by-pass Kingoonya, but the possibility of using a shorter route is being investigated.

2. Yes.

SOUTH-EAST SALEYARDS

Dr. EASTICK (on notice):

1. What is the name of the consultants employed to investigate the South-East saleyards project?

2. How many tenders were received for the appointment and on what basis was the successful tenderer determined?

3. How many weeks have been allowed for the compilation of a report?

4. Is it intended to take evidence in the field and by what means has the method of approach to the consultants been advertised?

The Hon. J. D. CORCORAN:. The replies are. as follows:

1. P.A. Management Consultants Proprietary Limited, in association with G. P. McGowan and Associates Proprietary Limited.

2. (*a*) Three.
(*b*) The degree of expertise of the tenderers in all relevant fields and the comprehensiveness of the planned programme in relation to the fee sought.

3. About eight weeks.

4. (*a*) Yes.
(*b*) By letter, press announcement, and advertisement in local newspapers.

WEST BEACH RESERVE

Mr. BECKER (on notice): Does the Government intend to take over or alter the composition of the West Beach Recreation Reserve Trust and, if so, why?

The Hon. G. T. VIRGO: I expect to ask Parliament to alter the composition of the trust in this session of Parliament.

INDUSTRIAL CONFERENCE

Dr. EASTICK: In the absence of the Premier, I ask the Deputy Premier whether he will make a formal request to the Commonwealth Minister for Labour (Mr. Cameron) to enlarge the scope and composition of what is being described as his "industrial peace conference". A press report today states that the Commonwealth Minister has announced that he will convene a tripartite industrial peace conference next month to which will be invited representatives of the trade union movement, the Chamber of Manufactures and the Employers Federation in order to discuss industrial relations. Although I am in full accord with such a meeting, I believe its basic weakness is that the Minister has ignored the largest employers of all, namely, the six State Governments. I have suggested repeatedly that there is an urgent need for the Prime Minister to call together a conference between Government and employer and employee organizations from right around Australia to discuss problems of national concern. I. have received replies from the Premiers of all States and also from the Prime Minister. The Prime Minister, although not completely closing the door to such a meeting in the future, said that he did not believe that such a meeting would be productive at that time. I do not agree with that comment but, as the Commonwealth Minister for Labour has, on his own initiative, gone a substantial way along the road to convening such a meeting, will the Deputy Premier request the Commonwealth Minister to broaden the representation at this meeting so as to include not only the Leaders of the six State Governments but also the Leaders of the six Labor or Liberal Party Oppositions?

The Hon. J. D. CORCORAN: I am pleased to think that the Leader has commended the Commonwealth Minister for Labour on taking the initiative that he has taken, and I believe that that initiative will bear some fruit.

Dr. Eastick: If it is extended wide enough.

The SPEAKER: Order!

The Hon. J. D. CORCORAN: I will come to that later. I think the Leader will appreciate that initially it is important for the Commonwealth Minister to speak to those people who are subject to Commonwealth awards. As the Leader knows, many parties in this State who are involved in disputes are subject to a Commonwealth award, and the State itself can play no part in such disputes. I think that the Commonwealth Minister is trying at that level, first of all, to establish dialogue between the employer and the employee representatives in order to see what will flow therefrom and what recommendations may be implemented. Possibly, as a result of that initial *meeting, the scope* of the discussions will be extended to include the States as well. I point out to the Leader that this procedure is not new, as this State has had this type of organization for about two years. In fact, employer and employee representatives meet, I think, about every three months, under the Chairmanship of the State Minister of Labour and Industry. It may well be that the Commonwealth Minister for Labour has taken a leaf out of our Minister's book, putting the same operation into effect on a national level. As I have said, I believe that makes good sense. Although I will examine the Leader's request, for the reasons I have given I do not think that at this stage (at least until the first meeting has taken place) there would be much point in the States being represented, as we are subject to State awards and probably would not have very much influence on a Commonwealth basis. We should wait and see what happens at the first meeting. However, I will examine the Leader's question and discuss the matter with the Minister of Labour and Industry to see whether there is any point in doing as the Leader asks.

MURRAY RIVER FLOODING

Mr. COUMBE: Can the Deputy Premier give me further information about the flooding of the Murray River? It would appear that the flooding of sections of the river is much more severe than indicated in reports previously given to the House by the Deputy Premier in reply to several questions and, in particular, to a question asked by the Leader on August 2, as reported at page 170 of *Hansard.* Other questions have since been asked on the subject. Extensive flooding has now caused damage in many public areas, affecting growers, shack owners, and house owners. Can the Deputy Premier say what is the present position with regard to the flooding and what he expects the position to be in the next month or so? More particularly, what consideration, if any, has the Government given to providing compensation or other financial payments to some of the groups of people to whom I have referred? Is an application to the Commonwealth Government for financial assistance, such as was made when the Murray River previously flooded, being considered?

The Hon. J. D. CORCORAN: At this stage, the Government has not considered any form of compensation to shack owners or other people. As the honourable member will know, if they have been affected by the flood, it is the prerogative of primary producers to apply for assistance under the Primary Producers Emergency Assistance Act, as the damage involved would be considered to be a natural calamity. The honourable member is possibly aware that, from the border to the mouth of the river, there are about 8 000 shacks along the banks. I understand that since the 1956 flood (or at least in the last nine or 10 years) 50 per cent of these shacks have been constructed, 80 per cent of them being established in areas adjacent to the river and below the level of the 1956 flood. In each case, councils have been responsible for granting building permits. To my knowledge, advice has not been sought from my department about the effects of this sort of activity: It must have been well known to the councils and indeed to the people who built these shacks what sort of situation would develop if a flood of the magnitude of, or slightly less than the magnitude of, the 1956 flood occurred again. In these circumstances, one would imagine that the people concerned went into the matter with their eyes wide open. Therefore, in this case, it is difficult to see how the Government should be held responsible for any compensation. I have mentioned the other groups.

Mr. Coumbe: What about primary producers?

The Hon. J. D. CORCORAN: Primary producers are covered by the Primary Producers Emergency Assistance Act. Further, local government can contact the Government if it requires, and it is capable of doing so without any prompting from the honourable member or from me (and I do not make that comment critically). Most of the irrigated area inundated with water is pasture and is not area presently under horticulture, and that does ease the situation slightly because, if this area were planted to horticulture (for example, vineyards) the crops could be severely damaged, whereas pastures are likely to recover.

Mr. Coumbe: What about the—

The Hon. J. D. CORCORAN: The honourable member knows that the 1956 floods were far more severe than the flood now coming down the river. In respect of current

peaks and levels in the river, I point out that the predictions made by the Engineering and Water Supply Department have been accurate and, in some cases, almost uncannily so. I demonstrate this fact with the figures I now provide. The peak is at or near Morgan at the moment, with levels stationary at locks 2 and 3. The river has now started to fall at lock 4 and is continuing to fall at all stations recorded by us upstream, as far as lock 9. A table showing the figures recorded, as well as the department's predictions, is as follows:

	Peak	Prediction	Date of peak	
Renmark town gauge.....	25ft. 2in. (7.670 m)	24ft. 11in. (7.342 m)	Nov. 4)	2in. (5.8 cm) rain
Lock 5	23ft. 1½in. (7-376 m)	22ft. 11in. (6.733 m)	Nov. 5)	on Nov. 3 and 4
Berri pumping station.....	R.L. 158.60	R.L. 158.55	Nov. 6	
Lock 4.....	24ft. l0in. (7-569 m)	25ft. 2in. (7.670 m)	Nov. 7	
Loxton pumping station	R.L. 153.76	R.L. 153.75	Nov. 7	
Lock 3	25ft. l l½in. (7-660 m)	26ft. 0in. (7.924 m)	Nov. 10	
Waikerie pumping station . ..	R.L. 141.20	R.L. 141.15	Nov. 11	
Lock 2.....	29ft. 11in. (8.866 m)	29ft. 9in. (9.144 m)	Nov. 11	

Morgan town gauge yesterday morning read 25ft. 6in. (7.772 m) and the prediction for the peak is 25ft. 8in. (7.823 m).
The reading at Lock 1 is 18ft. 11½in. (5.777 m) as against a predicted peak of 19ft. 4in. (5.892 m).

Strong winds over Saturday and Sunday caused sharp fluctuations of up to 8in. (20.32 cm) in some sections of the river downstream from Blanchetown, and these created difficulty.

Only yesterday I agreed to a suggestion by the Mobilong District Council that the speed of speedboats and pleasure craft on the river be restricted to a maximum of eight knots. This problem caused difficulty because the wash was damaging banks and causing water to flow over the banks. I have questioned departmental officers responsible for the management of the river, especially in respect of the barrages, and I have found out that all barrages are open, except the Goolwa barrage, where 60 of the 240 gates are open. However, the actual level in that area is lin. (2.55 cm) below normal.

The other problem we have is that water cannot go out if the tides are high. The tidal effect came back as far as Goolwa on Sunday. However, I assure members that everything possible has been done in respect of management of the river to alleviate any damage that the flood is causing. I personally regret and feel for those people whose properties suffered damage but I must emphasize again the fact that, in many cases, especially in respect of those properties which have been damaged and which were established on levels below the levels reached by the 1956 floods, councils were well aware of what they were doing when they allowed these developments to take place.

PORT AUGUSTA HOUSING

Mr. KENEALLY: Will the Minister of Development and Mines, as Minister in charge of housing, obtain for me a report on Housing Trust plans for future development at Port Augusta? One consequence of the building of the petro-chemical complex at Redcliffs will be a huge increase in the demand for housing at Port Augusta, and I point out to the Minister that at present there is a 14-month wait for housing and I would not like present applicants for houses to be prejudiced by the demands of people who come to Port Augusta as a result of the establishment of the complex.

The Hon. D. J. HOPGOOD: There are two components in this problem: first, the short-term problem of housing the large number of workers (possibly about 4 500) who will be in the area during the construction phase; and secondly, housing the on-going work force that will operate the petro-chemical plant. The trust already is considering ways to solve both problems, and I shall be pleased to get a report for the honourable member.

ABDUCTION

Mr. HALL: On my behalf and on behalf of the member for Mitcham, who is absent from the Chamber at present—

The SPEAKER: Order!

Mr. HALL: —I ask the Attorney-General whether he has a reply to the two questions put to him last week about the alleged abduction that was the subject of a report of statements by the member for Hanson. I should appreciate receiving the report or reply on that subject, if the Attorney has one.

The Hon. L. J. KING: The police have made a very thorough investigation of the matters which the member for Hanson raised and which were referred to in the question asked by the member for Goyder. The basis of the investigation was the press report in the *Advertiser* on November 8 of statements by the member for Hanson. The report was headed "Child nine drugged in Abduction Attempt at Shops" and I want to quote briefly from that report, because it explains the inquiries that were made by the police. The report continues:

A middle-aged woman tried to abduct a girl, nine, from the Marion shopping centre recently after injecting a drug into her. Mr. Becker, M.P., said this yesterday outside Parliament. He said the girl's mother had rescued the dazed child as the woman was trying to lead her away from a lavatory. It was the third abduction attempt he had heard of in the past four days, Mr. Becker said. All involved a middle-aged woman and young girls. A girl, 14, had been grabbed by two middle-aged women in the same shopping centre lavatory two weeks ago. Another mother had rescued her daughter from a middle-aged woman at a metropolitan K-Mart store about a fortnight ago. "I'm worried about it and so are a lot of other people," he said. "I will ask the Attorney-General (Mr. King) to order a thorough investigation." Mr. Becker said the nine-year-old disappeared about lunchtime. "Her mother had kept her home from school because she wasn't well, but eventually took her to Marion with the baby to do the shopping," he said. "They were having lunch at the Quarterdeck restaurant when the girl said she wanted to go to the lavatory." The mother had let her go alone while she minded the baby, Mr. Becker said. When her daughter had not come back the mother had gone looking for her and had seen the woman leading the child away by a hand. "When the mother approached them her daughter was glassy-eyed and didn't recognize her," Mr. Becker said. "The woman said, 'I'm sorry I can't stop, my little girl isn't very well.' " The mother screamed, 'That's my little girl' and snatched her away and the woman ran off." Mr. Becker said the child had been unable to recognize her mother for some time and the parents had taken her to the Adelaide Children's Hospital, where they learnt she had been given an injection. The police had then been notified.

The report goes on to refer to remarks made by the father of a 14-year-old girl. The police spent a considerable time over the weekend trying to verify this information. Detectives interviewed the member for Hanson to obtain what information he could give about the source of this story and the subsequent story that had been given to the press. It was reported that one incident occurred on October 19, 1973, when a 13-year-old girl and a 15-year-old girl went to a toilet at the Marion shopping centre. They there discarded their school uniforms and replaced them with casual clothes (jeans) and then went to the mirror and began to apply make-up. There were three middle-aged women in the toilet who were carrying on among themselves a conversation not related in any way to the girls, but apparently they looked at the girls with some interest as these proceedings were going on. On one occasion one of the women looked in the mirror also and in doing so came into contact in some way with the girls, or one of the girls. The girls then left the toilet and the women left, and that was the beginning and end of the incident. No offence was committed; no approach was made to the girls; nothing Of an improper nature was said or done; and there was certainly nothing that could be remotely regarded as an attempted abduction.

The result of the police inquiry into the reported drugging and attempted abduction of a nine-year-old girl shows clearly that no such incident ever occurred. The member for Hanson gave as his source of information a lady by the name of Dirrmann. The police traced the story right back and I will have to weary the House with some particulars of this because I think it is instructive. This lady was told by a Patricia Messenger, who was in turn told by a Sheila Messenger, who was in turn told by Lorraine Bryant, who was in turn told by Marlene Rawson, who was in turn told by Doreen Page, who was in turn told by her next door neighbour, who was in turn told by her mother, who was in turn told by Mrs. Grace Jones, who was in turn told by Laurel Evans, who was in turn told by May Padley, who was in turn told by her granddaughter (Pamela Richards), who was in turn told by her mother, who was in turn told by her sister, Mrs. Button, who heard it from a neighbour (Mrs. Schultz), who had got the information through a china-painting class conducted by Mrs. Cooter where the story was related by Mrs. Berriman, who had in turn got it over the back fence from a Mrs. Haar, who told her of an incident said to have occurred at the Adelaide railway station eight years ago.

The member for Hanson then gave as a source of information (members will recall that he said he had heard of three incidents in the previous four days) a Mrs. Last, who related an incident relating to the Arndale shopping centre (whether it was supposed to be the same incident is not at all clear). She was told by a Pat Groves, who in turn was told by her sister-in-law (Mrs. Ryan), who in turn was told by her mother (Mrs. Robb), who in turn was told by Elle Allen, who was told by a Rene Jones, who in turn was told by a Mrs. Grace Jones who was in turn told by Laurel Evans. If these names start to sound familiar, it is because we are back on the same trail as before and we get back to the same Mrs. Haar and the story about the back fence and the incident at the Adelaide railway station eight years ago.

The member for Hanson gave as a further source of information, as to the story of a mother rescuing her daughter, two other people, a Ron and Ruth Goodall, and they in turn were told by a Mr. Madsen, who in turn was told by a Mrs. A. Cock, who in turn was told by her mother, who in turn was told by a Mrs. Button—and if that name seems at all familiar it is because she is the same lady who was told by her neighbour (Mrs. Schultz), who in turn got it from the china-painting class, and once again we get back to the same Mrs. Haar and the incident eight years ago at the Adelaide railway station.

The matter is serious because the police also had got a report from a lady whose name I will not mention because she reported it to the police and it is confidential. This related to an attempted abduction in public toilets, and that lady had got the story from a neighbour, a Mrs. Schultz, who in turn had got it at the china-painting class. Once again it gets back to the same story related by Mrs. Haar about an incident at the railway station eight years previously. The police also had received a report of an alleged incident of drug injection at Belair National Park. They received that report on October 25, and it was investigated.

The lady who made the report had got it from Mrs. Burke, who got it from Mrs. Walters, who got it from Mrs. Harris, who got it from Miss Sue Duckett, who got it from Mrs. Coulter, who got it from Mrs. Pearne, whose husband got it from his boss, who got it from a neighbour, who got it from Mrs. Sutton, who got it from Mrs. Grant, who got it from Mrs. Coulter, who got it from Mrs. Cooter, who conducts a china-painting class. She got it, of course, from the same lady who got it from Mrs. Haar, and it related to this incident eight years ago at the Adelaide railway station.

The instructive part about this is that that story, given about an incident occurring eight years before, had resulted ultimately in five different stories, ranging from the Marion shopping centre, to the Arndale shopping centre, to a metropolitan K-Mart, to public toilets, to Belair National Park; and ranging from simple abduction attempts to the use of drugs, and so on. The Deputy Commissioner of Police, in making this report, has made some observations that I think I ought to convey to the House. He states:

> In fact, it will be seen that both the information received and given the press and the sketchy unconfirmed second and third-hand information already in possession of the police all stemmed from an original source at Largs Bay and relates to one incident which occurred eight years ago. The only incident which actually occurred is the one involving the two girls at the Marion shopping centre. When looked at in isolation, particularly when no offence was committed, it does not, in the police view, have any relation to abduction or attempted abduction. All in all, this exercise has caused a number of detectives and a commissioned officer to be involved throughout the entire weekend, in checking out this information. It indicates the need for information of the type disclosed in the schedule—

and that is the information I have given to the House—

> being referred, whenever possible, to the police at the first opportunity for impartial and careful assessment of what action and attention is needed and warranted. Separate from this, the police are additionally in a position to determine whether such information fits in with the *modus operandi* of any other offence or offences already known to the department.

I did say that this had a serious aspect in spite of what is obviously the rather humorous aspect of the way that stories multiply, diversify and are distorted. I think it is an unfortunate thing that a member of the House should rush into print and give publicity to stories of this kind without satisfying himself that there is a real foundation for those stories, because the consequence of this is that not only have these senior detectives spent a weekend on which their services are needed for other matters concerned with protecting the public, tracking down these baseless and alarmist stories, but also it has the effect of spreading alarm and concern among many parents in the

community. It is hard to think of a more alarming story than that of a nine-year-old child being drugged in an attempt to abduct her, and it is wrong that unfortunate parents in the community should be subjected to alarms of that kind when there is no foundation for them.

I believe it is very important that members of this House, and everyone else carrying responsibilities, should exercise those responsibilities in a way that will not produce unnecessary alarm and that they should take the elementary precaution of satisfying themselves that there is some foundation for a story before rushing into print. In this case I should have thought that the obvious precaution to take would be to go to the police with the information and have it properly checked out before any publicity was given and any alarm spread.

The Hon. J. D. Corcoran: Undue alarm.

The Hon. L. J. KING: Yes. In this case the investigations have shown that there is no foundation for the stories that have been spread. I realize, of course, that newspapers are in a difficult position when, given information on the authority of a member of Parliament, they have only a short time in which to decide what to do about it. I do not intend to criticize the newspaper in this case, but I do think it may be that the lesson that emerges from these investigations will not be lost on the newspaper or, indeed, on other newspapers in situations like this and that care will be taken to check the facts as well as they can be checked before publicity is given to such a story. It may not be too much to say that particularly when the story emanates from the member for Hanson, because, if he is not prepared to check his information, I think that the newspapers should exercise great caution before they disseminate information conveyed to them from that source.

All in all, it is an extremely unfortunate incident, which has occasioned expense and inconvenience to the police and which has spread much alarm in the community. I think the only further point I ought to make is that, when parents or people generally in the community hear of an incident of this kind, their proper course is to go straight to the police with it (and that applies to members of Parliament as well as to everyone else) so that the police can check out the information, satisfy themselves whether there is any basis for it, and exercise their own judgment as to whether the matter calls for publicity in the public interest. I hope that, for the protection of children in the community, this practice will be encouraged and inculcated. I noted with interest that (he member for Hanson, in his original statement to the press, said:

> The parents have to be educated to take care. They must be encouraged to report all incidents to the police.

I am only sorry that the honourable member did not take his own advice: he would have saved everyone much trouble if he had.

Dr. TONKIN: Will the Attorney publicly emphasize again the great need for members of the public to report suspicious circumstances suggesting any possible attempts at abducting children, or attacks on children? I would say (and I am not commenting: I am reporting a fact) that I am most disturbed at the Attorney's reply today to a question asked last week. By his attitude and his reply today he has done the. community no service.

The SPEAKER: Order! The honourable member said that he was not commenting, but the latter part of his explanation was definitely a comment, and commenting is not permitted.

Dr. TONKIN: Thank you, Mr. Speaker. There is no doubt whatever that in his reply this afternoon the Attorney implied that senior detectives had spent the weekend wasting their time tracking down what turned out to be a baseless and alarming story. Further, he said that parents and the entire community had been alarmed unnecessarily. It could be asked on what basis detectives decide whether a story is baseless. Do they make this decision before they start tracking down the story or afterwards? No-one knows whether or not the children who were abducted from the Adelaide Oval were drugged. In this serious matter that affects the community, I want to make sure that the Attorney, by his reply this afternoon (which was given in a spirit of levity), has not in any way put at risk any of the children in our community.

The SPEAKER: Order! The honourable member may not debate the issue. The honourable Attorney-General.

The Hon. L. J. KING: I made clear in the course of my reply that one of the purposes of exposing the futility of the way in which the member for Hanson went about this exercise was to emphasize the correct way to deal with a situation of this kind. The correct way is for anyone in the community (parents, members of Parliament, or others), when he learns of or suspects an incident of this kind, to communicate with the police so that the matter can be properly looked at. That was the emphasis I placed in my reply, and that is the emphasis which I repeat now. I am more than surprised to find that the member for Bragg, through his question, condones the way in which the member for Hanson went about this matter and—

Dr. Eastick: That's not so.

The SPEAKER: Order!

The Hon. L. J. KING: If that is not so, then I can say only that I did not hear the member for Bragg repudiating and dissociating himself from the attitude taken by the member for Hanson.

Members interjecting:

The SPEAKER: Order!

The Hon. L. J. KING: No greater disservice can be done to the community, to parents and to children by members of Parliament or by others seeking publicity than by disseminating alarmist and unfounded stories which divert the attention of the police and the community from (he real incidents that occur from time to time. I refer to the old adage of "crying wolf", which has a real application to the present situation. I hope that the member for Bragg, on consideration, will realize the folly of the comment he has just made and (hat he will, if he becomes acquainted with incidents of this kind, report them to the proper authorities so that they can be properly investigated. I will encourage, as I always do and as I hope the member for Bragg will do, members of the community who learn of incidents of a suspicious kind affecting children to go to the police immediately and report the incident while the trail is still warm, and when such incidents can still be investigated. In the meantime, the honourable member should eschew and resist the temptation to seek cheap publicity out of such incidents.

Mr. MILLHOUSE: In the light of the reply by the Attorney-General on the matter of attempted abduction (which was given, publicity by the member for Hanson last week), which reply shows that the stories were without foundation, I ask the Leader of the Opposition whether he intends to take action to seek the resignation of the member for Hanson—

The SPEAKER: Order!

Mr. MILLHOUSE: —or to take any disciplinary action against him.

The SPEAKER: Order! The question is out of order.

MODBURY HIGH SCHOOL

Mrs. BYRNE: Will the Minister of Works have expedited the installation of fire-escape stairs in a building at Modbury High School and treat this matter as one of urgency? The library complex at this school is boused on the first floor in the centre wing of the main building. If a fire occurred and emergency action was required, students might not reach the existing exit. Indeed, this fact must already be realized by the people concerned, as a steel fire-escape door has now been provided, but no connecting stairs have been installed to enable children to reach the ground. The Minister will be aware that the member for Florey asked a similar question on October 23 in relation to Enfield High School.

The Hon. J. D. CORCORAN: I am aware of the question, and I shall be happy to do as the honourable member asks. However, I think that at present about 13 schools are in a similar situation. We have asked the contractor involved to do his best to have all these installations completed as quickly as possible because, as the honourable member has pointed out, it may otherwise lead to a serious and dangerous situation, and we certainly do not want that to occur. I will examine the case referred to by the honourable member and give her a report as soon as possible.

MORIALTA HOME

Mr. DEAN BROWN: Will the Minister of Recreation and Sport say whether the Government is willing either to rent or to purchase the Morialta Children's Home and make it available to organizations that care for disabled and under-privileged children? I am led to believe that this home is currently operated at a loss. It is having great difficulty in continuing the work that it has done so long. The temporary closure of the home has now occurred. This valuable property is set in an ideal situation that would be suitable for a camp or hostel site for use by disabled children. The Children's Foundation of South Australia Incorporated is at present asking for a camp site, which will need to be close to the city and in pleasant surroundings so that it can be used by disabled children during weekends and school holidays. This organization currently conducts camps on the basis of charging a nominal fee for the weekend at the hostel and for transport to and from the camp site. However, it is having increasing difficulty in finding suitable camp sites. National Fitness Council of South Australia camp sites have now tended to become too expensive and are often located in hilly surroundings. Other camp sites are unsuitable, because of their lack of heating, for children with certain diseases that require specialized conditions. Such a Government centre, if established, could therefore act as a recreation and sporting centre for these disabled children. I understand that several other organizations, such as the Diabetic Association of South Australia, the Asthma Foundation, the Crippled Children's Association of South Australia Incorporated, the cystic fibrosis organization, and other special schools, would also use such a centre. Therefore, there are many advantages in the Government's obtaining such a site, either by renting or purchasing it, so that it can be used as a hostel or camp for disabled children.

The Hon. G. R. BROOMHILL: I have had no approach from this organization to use the premises referred to in the way suggested by the honourable member. I am not sure whether the Minister of Health has had an approach. I will certainly discuss the proposal with him to see whether he has received an approach, and we will consider the suggestion made by the honourable member.

INVESTMENT COMPANY

Mr. EVANS: Will the Attorney-General have investigated the credibility of W.A. Pines Proprietary Limited and report the results of that investigation? I have given the Attorney a copy of the prospectus of the company. The Melbourne *Age* of October 24 contains, under the heading "Don't get caught in the woods", a report (and this may refer to the company concerned) of a young couple who signed an agreement to buy shares. The report states:

A perusal of the agreement shows that the couple would be tenants in common in a leasehold over Government land but no other description of the land was given in the agreement—no location, nothing. This had apparently been left for the forestry company to fill in later. There is no mention of dividends but investors purchasing shares pay interest at 5 per cent annually on the balance owing. Names of three referees, who are well-known to the couple, had to be given but the forestry company did not have to give any references about itself. The agreement contains a clause that should the purchaser fail to observe any of the obligations under the agreement the deposit and instalments paid will be forfeited to the vendor.

In a newsletter issued by this company it is stated that there is a film available that shows how money grows .on trees. People could win a free trip for two to the Melbourne Cup (this newsletter was issued before last Tuesday's race) plus $200 spending money simply by writing down "the most uses and by-products of pinewood". Throughout, the inference from the newsletter is that the company is going to extremes to sell shares in this venture, which may be authentic. I ask the Attorney to have the matter investigated.

The Hon. L. J. KING: I will look into the matter and see whether it calls for any statement.

STALE MILK

Mr. GOLDSWORTHY: Is the Attorney-General satisfied that the serious allegations made by the member for Florey about the supply of stale milk by Southern Farmers Co-operative Limited had been satisfactorily substantiated before they were made? From time to time, the member for Florey has made serious allegations in this House. I recall that there was an allegation—

The SPEAKER: Order! The honourable member may not comment.

Mr. GOLDSWORTHY: I am explaining the import of my question. There was one reference to Coca-Cola Bottlers, and another—

The SPEAKER: Order! The honourable member has asked for an inquiry to be made into a certain matter. He cannot then branch out into another subject matter.

Mr. GOLDSWORTHY: My question relates to a reply given by the Attorney who gave advice to members of the House (and it was directed particularly to members on this side) regarding allegations made against companies and others, and about unchecked material. Therefore, I ask him whether he is satisfied that the member for Florey had substantial grounds for his complaints before voicing them in the House, the most recent being a serious allegation regarding Southern Farmers Co-operative Limited.

The Hon. L. J. KING: Incorporated bodies are accused of many things on many occasions, but never before have I heard them associated with allegations of injecting drugs into children and abducting them; just how an incorporated body would go about that, I do not know. As I do not know of the matters to which the honourable member has referred, I will consider the question.

Mr. WELLS: I seek leave to make a personal explanation.

Leave granted.

Mr. WELLS: I regret the need to make this explanation. However, I was accused by a member of this House of having asked a question without researching it, and reference was made to Southern Farmers Co-operative Limited. In these circumstances I believe I must make a statement to clarify the position. In respect of Southern Farmers Co-operative Limited, a milkman, in my district having three milk rounds complained to me about four months ago that he was receiving stale milk from Southern Farmers Co-operative Limited. I refused to do anything about the matter until he put his complaint in writing, which he recently did. I sent the letter in respect of this complaint to the Minister, and I sought an investigation into the matter. I then asked a question in this House only in respect of stale milk. My constituents are entitled to fresh milk and what I have not said in this House, although it is included in the letter to which I have referred, is that Southern Farmers Co-operative Limited was apprehended by the Weights and Measures Branch for selling underweight cream.

The SPEAKER: Order! The honourable member sought leave to make a personal explanation. He must confine himself to the personal explanation and not introduce new subject matter or debate the issue.

Mr. WELLS: Thank you, Mr. Speaker, so I will not mention the dirty crates in which milk is delivered. The facts are that, after I had asked this question in the House, another member came to me (apparently he was directly concerned) and I paid him the courtesy of having the letter to which I have referred read to him by my secretary. The honourable member concerned subsequently asked me to speak with the Manager of Southern Farmers Co-operative Limited, which I did. I explained the situation to him, and he accepted my explanation. Later in the evening a newspaper reporter rang me, saying that he had a report from the Manager of the co-operative that I had rung him to apologize for my statements in the House. I immediately denied this, and the other honourable member involved took all steps to ensure that that story was not published, because he had heard my remarks to the Manager. The honourable member said that I had made no such retraction and that I was determined that the matter should be investigated fully. I did not in any circumstances make any statements I could not verify by producing correspondence and by the production of milk tops which show that the milk being delivered was sometimes four and even five days old. I did not make a statement in this House that I could not verify. Moreover, I never have made such a statement, and I never will. Even if the member for Hanson or other members of the Opposition are willing to do so, I am not.

BANK POLICY

Mr. ARNOLD: Will the Deputy Premier discuss with the General Manager of the Slate Bank the bank's policy in respect of not granting a loan to build a house on Crown perpetual lease land, which has been the subject of subdivision, until such time as the new lease has been prepared? The issuing of a new lease can take up to one year, or even longer, from the time the Minister of Lands has given his consent to the subdivision and transfer. Many private banks will finance house loans on the consent of the Minister, but it appears that this is not the case with the State Bank, although it is a Government institution. Recently, a constituent of mine obtained bridging finance from a private bank to build his house. The house has now been built and the State Bank will provide the long-term loan once the new lease is available. As this policy creates much inconvenience to clients of the State Bank, I ask the Deputy Premier to discuss with the General Manager of the State Bank the possibility of adopting a policy similar to that of the private banks.

The Hon. J. D. CORCORAN: I shall be happy to take the matter up as suggested by the honourable member. The honourable member referred to bridging finance being obtained. It is not unusual for this to take place, because the number of applications before the State Bank is large. I will certainly have the matter examined. This situation seems unusual, and I will bring down a report.

GLADSTONE SWIMMING POOL

Mr. VENNING: Will the Minister of Works, representing the Minister of Education, ask his colleague to reconsider the application by the Gladstone Swimming Pool Committee, in co-operation with the Gladstone High School, for financial assistance in respect of the cost of a fillration unit at the Gladstone swimming pool? The Commonwealth Government has recently announced that it will provide South Australia with about $750 000 toward the cost of sporting facilities. As a result of the pressure being taken off the Government in this area, will it reconsider the application made some time ago by the two bodies in respect of a filtration unit costing about $12 000, thereby assisting the people in the area? In August this year I asked the Minister of Education a question concerning the amounts the Government had spent in respect of swimming pools. The Minister told me that $153 000 had been spent by the Government entirely on the provision of swimming pools in certain areas.

The Hon. J. D. CORCORAN: I shall be happy to take up the matter for the honourable member and to inquire. May I say that the minor surgery the Minister of Education has undergone has been successful. He is now at home recuperating, and I hope it will not be much longer before he is back with us.

THREAT

Mr. GUNN: Can the Attorney-General say whether a police inquiry was held into the alleged threat on the life of the member for Goyder? Did the police interview the member for Goyder or his secretary?

Mr. Langley: Or his secretary?

The SPEAKER: Order! I will have to rule that question out of order. It is a personal matter concerning some other individual and is not a matter of great importance to this House or the public.

PETROL PUMPS

Dr. TONKIN: Will the Minister of Labour and Industry obtain a report on the operation of self-service petrol pumps in the metropolitan area? I and, I am sure, all other members other than Ministers, who have their Ministerial cars, use self-service petrol pumps after normal trading hours. A sealing valve is attached to the nozzle of these pumps so that the hose must be inserted right into the inlet pipe and must be pushed against it with a ring sleeve that pushes up and opens the valve. I understand that many of these valves leak at that point, so that petrol not only enters the fuel tank but also runs down the outside of the inlet pipe and can run down outside the car or between the nozzle and the car body. This can result in petrol collecting in the boot or in some other cavity in the body work, leaving a high concentration of petrol vapour in the boot and sometimes in the interior of the car. This high level of petrol vapour concentration could be a serious danger, particularly to people smoking and using electric cigarette lighters. One wonders whether

children playing with cigarette lighters also could be at risk in these circumstances.

The Hon. D. H. McKEE: I will obtain a report on the matter for the honourable member.

RIVERLAND HOUSING

Mr. ARNOLD: In the absence of the Minister of Education, will the Deputy Premier ask his colleague to examine the housing situation for married schoolteachers in the Berri-Barmera area as it affects Glossop High School? The Chairman of the Glossop High School Council has told me that, of 18 teachers, 10 have had to find their own accommodation in an area where houses are extremely difficult to obtain. I understand that in Barmera a housing block near the Lutheran Church is available, and the Housing Trust at present is building three houses in that town for purchase. The position will become even more critical at the commencement of the new year, as two single teachers will be marrying soon and a new Deputy Headmaster will be appointed. Therefore, I should appreciate the Minister's having the housing position examined as a matter of urgency.

The Hon. J. D. CORCORAN: I shall be pleased to do that and will let the honourable member know the position.

HAMLEY BRIDGE SCHOOL

Mr. RUSSACK: Has the Deputy Premier, in the absence of the Minister of Education, a reply to the question I asked on October 23 about improvement of toilet facilities at Hamley Bridge Primary School?

The Hon. J. D. CORCORAN: No, but the matter would be handled in the normal way now, with written replies given to you, Mr. Speaker.

Mr. Evans: That wasn't the case earlier today.

Mr. RUSSACK: I rise on a point of order. This afternoon the member for Goyder asked the Attorney-General for a reply to a question he had asked last week. Therefore, I consider that a precedent has been established.

The SPEAKER: I cannot uphold the point of order, because this House has laid down a procedure to be adopted.

Mr. RUSSACK: I rise on another point of order.

The SPEAKER: I ask the honourable member to explain the point of order.

Mr. RUSSACK: The members for Goyder and Mitcham last week asked questions and this afternoon the member for Goyder asked the Attorney-General for a reply.

Mr. Venning: And he got it.

The SPEAKER: There is nothing wrong with that procedure: it has been the procedure and it will be followed.

The Hon. J. D. CORCORAN: Members opposite seem a little upset about the procedure that is followed.

Members interjecting:

The SPEAKER: Order!

The Hon. J. D. CORCORAN: If the honourable member desired a Minister to read in the House a reply to a question he had asked previously and if he asked that by arrangement, nothing would prevent that from being done.

Dr. Eastick: Was it by arrangement?

The Hon. J. D. CORCORAN: I do not know, but it was certainly in the public interest that the reply be given as it was given.

Mr. Goldsworthy: In your judgment.

The Hon. J. D. CORCORAN: Not only in my judgment but in the judgment of every thinking member of this House, it was certainly proper that the reply to the member for Goyder should have been given by the Attorney-General in this House this afternoon.

WORKMEN'S COMPENSATION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from October 25. Page 1452.)

Mr. COUMBE (Torrens): I regard this amending Bill as a most important one and I intend to support it at the second reading with a view to moving several amendments that I consider will not only make it a better measure for all concerned but also will correct several anomalies at present contained in it. These anomalies possibly have occurred unintentionally but nevertheless I consider that they must be corrected.

The Bill is important because it affects the work force (both men and women) of this State, and also management and the dependants of our work force. However, I must admit to being a little surprised that a few months ago the Government announced its intention to introduce this amending Bill during this session, at a time when the Commonwealth Government has appointed the Woodhouse committee to investigate a system of wider coverage than is contained in our Workmen's Compensation Act. In addition, the rewritten Act of 1971 has been operating for only a short period and that Act made many important changes, not all of which have been felt completely up to this time.

Those who have studied the subject, of course, are aware that of all unlikely persons it was Bismarck, the Iron Chancellor, who in 1881 introduced in Germany the first attempt to insure workmen against injury. In England the Workmen's Compensation Act of 1897 was brought in, Covering mainly heavy industry and mining and providing for a maximum payment of $1 a week. The Australian States and, eventually, the Commonwealth Government introduced legislation from 1902 onwards, mainly based on the original English Act, and also based on the legal principle of compensation based upon fault.

The fault system is another matter of separate disputation. These early efforts to remedy the ills mainly arising out of the industrial revolution of the nineteenth century are a far cry from the more enlightened attitude and outlook adopted today. There is now a great variety of systems in force throughout the world, particularly in Sweden, Germany, the U.K., Canada and the United States of America. I have referred to countries with which I am conversant. In Australia, whilst the various States have minor differences in several categories, in many areas there is a degree of uniformity. I refer members to the 1973 edition of *Conspectus of Workmen's Compensation Legislation in Australia and Papua, New Guinea,* which sets out very clearly the benefits paid under various headings. Whilst some may care to plead for uniformity in this field, it is apparent that the six States have found it desirable to make their own adjustments and variations, as they think best, that apply to conditions within their own States. Likewise, in examining this Bill we must not necessarily be bound by the false idol of uniformity.

Referring now particularly to South Australia, there was a lag in monetary payments to injured workmen or their dependants for some time. I recall that, in 1968, I was able, as Minister of Labour and Industry in the Liberal and Country League Government, to introduce an amending Bill which raised, amongst other amounts, the weekly payments basis to $40, and at that time this was a significant increase. I regarded this at that time as an

interim measure only to provide some badly needed assistance to workmen in this State, whilst I proceeded with the task of rewriting many sections of the principal Act. However, unfortunately I was unexpectedly unable to be present in the House and my office late in 1969, and further amendments introduced by the Acting Minister of Labour and Industry were not completed before the House rose before Christmas that year, and so the amendments lapsed.

Since that time the new Act was introduced in 1971 and, to make a comparison between 1968 and 1971, the weekly payment amount was increased from $40 to $65. That is, at present we work on the basis of 85 per cent of average weekly earnings or $65, whichever is the lesser. My personal attitude when speaking on this subject has always been to adopt a sympathetic and humane realization of the injury and suffering caused to a workman arising from a work-caused injury and to support a fair and adequate recompense, and, at the same time, to consider what is a fair and reasonable responsibility in regard to the liability of an employer.

I believe that we should obtain a clear perspective of what has happened in regard to this matter in order to consider a fair balance between the parties involved in this legislation. Before referring to the details of the Bill, I believe we should examine what has occurred in South Australia since the introduction of the 1971 Act. I quote the figures of the Commonwealth Bureau of Census and Statistics, under the heading "Industrial Accidents", for the period 1970 to 1972 as at June 30, the latest full figures available, as follows:

	1970	1972	% increase
Number of accidents . .	9 859	11 628	22.9
Time lost in weeks . .	40 919	44 267	22.1
Amount paid.....	$3 360 000	$4 330 000	33.8

It must be noted (and it is an important aspect of these figures) that this period included a period of fairly high unemployment, so that in a period of full employment the increases quoted could be much higher. The amount of premiums paid by employers has increased by about 50 per cent, as was forecast in the 1971 debate. These results are merely put forward to illustrate what has happened since the last amending Bill was introduced, and as background material when considering this present measure. Whilst referring to the clauses, I will deal with what I regard as more important aspects of this legislation, because other matters can be discussed by speakers who follow me in this debate. I agree with clause 3, which obviously clears up some ambiguity and corrects some difficulties which might operate to the detriment of the workman concerned. Clause 4 is the definition clause and some significant and important changes occur here.

Paragraphs (*a*), (*c*), (*d*), (*e*), (*f*), (*g*) and (*h*) are all acceptable, but (*b*) and (*i*) are important because they introduce new interpretations to this legislation, and aspects that can make a fundamental and basic change to the whole concept of workmen's compensation. First, I refer to the new definition of "injury". The amendment in the Bill strikes out the qualifying link with employment, and now baldly states that an injury is defined to include a disease (full stop), or the aggravation, etc., of any pre-existing injury or disease.

The Minister said in his second reading explanation that the definition had been recast to remove the reference to the fact that the employment of the workman was a contributing factor to the injury and that the compensability of the injury would be tested by section 9 of the principal Act. I believe that statement was a little vague, or perhaps the Minister was being naive, because an examination of section 9 shows that the important words are "arising out of or in the course of the employment". This matter is vital, and the courts have found in many cases that it requires only a temporal and not a causal connection with the employment. I consider this amendment to the Act to be objectionable on three grounds. First, the definition in the 1971 Act, which is similar to Acts in other States, has worked very well, and I know of no case where a genuine worker has been denied justice under this section.

Secondly, by defining "injury" to include, without the qualifications to which I have referred, a disease and by removing any need for a causal relationship with the employment, the Bill extends the cover afforded by Statute beyond what I regard as the justifiable and fair responsibility of the employer. Thirdly, the difference between those conditions that are compensable and those that are not will in many cases be extremely difficult to define. I suggest that the definition inserted in 1971 in the principal Act, which was the brainchild of the Minister and his Party and which was accepted, should remain, because I believe the courts have been able to administer this well. More importantly, I believe the new provision will lead to delays, confusion and expense for all concerned, not only in the court but also in solicitors' offices.

Surely this is what we all desire to avoid: we should be striving to streamline procedures rather than creating ambiguities and confusion, but this clause will defeat the very object of the spirit of the Act and operate to the disadvantage of the workman, and I object to that. We want to cut out the delays that might occur. I strongly suggest that the definition in paragraph (*b*) should remain as it is in the 1971 Act, for the benefit of all concerned. The workmen will benefit most from the old Act, and surely we should see that we avoid the delays that will inevitably occur if the Minister persists with this definition. More importantly, I believe that by defining "injury" to include, without these qualifications, a disease, and by tying it up with a causal relationship with employment, we are breaking away from the whole concept and philosophy behind the principle of workmens compensation.

By clause 4 (i), certain subcontractors are to be deemed to be workmen. It is interesting to read the long definition in the Bill. This clause means that, where a principal enters into a contract with a contractor for him to perform any prescribed work of a prescribed class, that contractor shall be deemed to be a workman for the purposes of this Act. This obviously cuts across the fundamental master-servant concept of this type of legislation (and I admit that I do not like the expression "master-servant"), because it at once sets up categories of a self-employed person entitled to benefits under the Act: these categories will be defined by regulation. The Minister has given the House no indication of what these categories will be, and this is bad legislative practice. If these categories are to be prescribed, I believe it to be the function of this House to define these categories clearly in this Bill and not leave it to the Minister to bring in regulations from lime to time.

I know it is necessary for regulations to be made under some Acts, but I believe the House is entitled to know what these categories will be. If the Minister insists on this type of legislation, he should define such matters in the legislation itself. I still oppose the whole definition, because it cuts across the fundamental principle and immediately extends the area of an employer's responsibility beyond what is fair and reasonable. Certainly, it will lead to abuse, because an employer will have no control over some of the subcontractors and he may not even

in some cases have any knowledge of or control over the contractors who are deemed to be workmen and for whom he will be responsible.

This especially could apply to the ordinary person in the community who would for the first time be an employer as defined in this Act and would have to lake out an insurance policy. He may not want to take out an insurance policy, but under the Bill he will have to do that. This is going too far. Quite apart from the fact that the section is wrong in principle, I think it is going to ludicrous lengths to promote this idea. When a private individual engages a contractor and he has men working for him. that contractor is required by the existing law to take out a workmen's compensation policy on behalf of the men who work for him. That has been the practice for many years. The contractor is obliged to take out this insurance and is responsible for his own workmen.

The self-employed person or the single proprietor has the opportunity to take out his own insurance, as all members know perfectly well. However, the Bill provides that a prescribed class of person will now be brought under this legislation, and this plainly is going too far and is reaching a ludicrous position. I do not believe for a moment that the people whom the Minister is hoping to catch in this net will thank him for this provision.

The Hon. D. H. McKee: You aren't saying all subcontractors are covered now?

Mr. COUMBE: What I was saying was that when a contractor was engaged to work, say, on building a house for the Minister, that contractor was responsible by law to take out a workmen's compensation insurance policy in respect of the men working for him.

The Hon. D. H. McKee: What about the subcontractor?

Mr. COUMBE: The Minister is talking about the self-employed person. Where does one draw the line? The self-employed person, as well as everyone else, should take out his own insurance and not be placed in a prescribed category and forced to observe the requirements that the Minister is trying to foist on him. Clause 5 is quite unnecessary. Although I can readily see what the Minister is attempting here, I consider that the present Act adequately covers this position and that this clause could lead to a real lawyers' bonanza. I recall that the spirit of the 1971 measure was to avoid this type of litigation. I understand that under this clause workmen will be entitled to compensation because the greater susceptibility produced by the strain occasioned at work will be sufficient to provide a real practical connection with the strain that occurs at home. One can easily think of examples here: a man who has recovered from an injury may suffer a recurrence of it at home through innocent causes, as it were. I refer especially here to back injuries

The 1971 legislation provides that death or incapacity at home may result from a work injury and thus be compensable in terms of section 49 or 51 of the Act. I cite the case of *Gnatenko* v. *General Motors-Holden's* to illustrate this point for the benefit of the members for Playford and Elizabeth. As the phrase "results from" has received a wide and liberal interpretation in the courts over the years, I consider that the amendment effected in the Bill is unnecessary. I believe it is fundamental to justice that the court itself should determine whether the link between a work injury and subsequent incapacity or death is sufficiently strong to warrant the finding that the latter results from the former. To be completely fair in this matter, I submit that, if death or incapacity results from a work injury, the person concerned should be entitled to his full assessed amount of compensation; but, if death or incapacity does not result from a work injury, why should compensation be payable? That is the important question.

This provision, which will create much uncertainty, may defeat its own purpose. I believe that the existing section in the Act is fair and satisfactory and that, in any case, it should be for the court itself to decide the link to which I have referred. As I have said, since the 1971 measure was enacted and before that, the courts have applied a liberal interpretation to this provision. Those advocates who are versed in this matter will recall the case I have cited, as well as other cases. I am afraid that the amendment effected in the Bill may work to the detriment of the workman himself because of the confusion and uncertainty that may be created, whereas the existing section in the Act is fairly definitive and clear, the courts having so ruled (in most cases in favour of the workman).

Clause 10 provides a penalty of 1 per cent a week payable on a lump sum not paid within two weeks of the registration of an agreement. I make no excuse or plea regarding wilful or neglectful delay in settlement by an employer or insurer. If wilful delay occurs, whoever is responsible should be penalized. However, bearing in mind the way in which the clause is drawn, I believe that on occasions the court itself, the Social Security Department or even the post office may be responsible for an innocent party being inadvertently penalized. I am sure that this was not the Minister's intention, and I suggest that he might seriously consider accepting a suitable amendment at the appropriate time to provide a defence where an insurer can satisfy the court that it was not guilty of wilful delay or neglect. This would then provide a fair and just position in the case of inadvertence.

Clause 12 contains a curious amendment to section 41 of the Act; it deals with costs and provides that the court shall not order costs against a workman unless his conduct is vexatious or fraudulent. I emphasize "shall" and, as the legal members of this House know full well from their own practices, this provision seems to interfere with the long-standing practice and principle that an unsuccessful party to litigation should pay the reasonable costs of his successful opponent. That has been the principle since time immemorial. However, by the provision in clause 12, the principle is altered, since costs cannot be awarded against a workman (unless his conduct is vexatious or fraudulent) if he loses a claim.

Clause 16 amends section 49 of the Act, dealing with lump-sum payments in the case of death. I want members to realize that what is proposed is an increase in payments of about 66⅔ per cent, which is fairly solid, coming as it does so soon on the heels of the 1971 legislation, which members will recall was supported by the Opposition. The upper limit is increased from $15 000 to $25 000, and this creates a rather curious anomaly to which I draw the attention of the legal profession. In practice, it means that, under this proposal, a widow will actually receive more than the damages that would be assessed if she made a case at common law under the Wrongs Act.

Mr. Millhouse: Well, that—

Mr. COUMBE: The honourable member can speak to me in a moment, if he wishes. I want to compare this sum of $25 000 with the relevant sums in the other States as follows: New South Wales $13 250; Victoria $13 690; Queensland $12 680; Western Australia $12 208; and Tasmania $14 683. I took the trouble to ascertain how money

values had fallen in South Australia since the commencement of the current provision on July 1, 1971. Average weekly earnings increased, between December, 1970, and June, 1973, by 27.06 per cent. The minimum weekly award rate for the adult male increased, between December, 1970, and July, 1973, by 37.91 per cent, and between July, 1971, and July, 1973, by 26.15 per cent. The consumer price index, which is the basis for many awards (and in the last few weeks a certain tribunal was given some interesting figures based on that index), increased between December, 1970, and September, 1973, by 22.09 per cent. When I applied each of the above increases to the maximum of $15 000, as provided in the 1971 legislation, the result was as follows: $15 000 X 27.06, $19 059; $15 000 X 37.91, $20 686; $15 000 X 26.15, $18 922; and $15 000 X 22.09, $18 313. Those increases should be compared with the increase contemplated in this legislation to $25 000, an increase of about 66⅔ per cent. I point out that that increase compares with an increase of 22 per cent based on the consumer price index.

These figures are extremely relevant to what I have to say about later provisions in the Bill. When I deal with clause 18, I will suggest alterations to the upper limits and the weekly payments that can be awarded. However, with regard to lump-sum payments, the Liberal and Country League does not oppose increases in the maximum payments to the suggested sums of $18 000 and $25 000. Although I have canvassed the comparison between the proposal in the Bill and the other percentage increases, and although this is a time of inflation, we take the responsible and humane view that the death of the head of a family (and it could be the breadwinner) cannot be measured only in monetary terms. Although the increase to $25 000 is fairly steep, we have decided to accept it. In order to keep a fair balance between benefits and liabilities, I emphasize again that in agreeing to these increased sums it should be understood that we will suggest alterations to sums provided for in clause 18.

Sooner or later someone will ask how much these increases will cost. I believe they will be a considerable cost to the community. The 1971 legislation increased the amount of premiums payable by about 50 per cent. The increase on this occasion could be greater than that, or at least about the same. It is rather difficult to work out what the increase will be. In 1971, I said that it would be about 50 per cent, and that is about what it turned out to be. Members should be aware of how premiums are fixed. There is a dependence on the pay-roll of the company or employer concerned and the classification of the workman according to the type of work he undertakes. For instance, a fitter and turner is based on a higher percentage rate than, say, a clerical worker. Although it can be said that this cost can be passed on and absorbed or offset in taxation (and that is perfectly true), I point out that this is just another increase in overheads being foisted on a certain section of industry and commerce, and is certainly of a much greater magnitude than will be faced by its competitors in this State and other States. However, we support the upper limits provided for lump-sum payments.

Clause 18 deals mainly with weekly payments in cases of injury or incapacity. There is a major alteration from the present provision of 85 per cent of weekly wages or $65 (whichever is the lesser) to the new proposal of average weekly earnings during the previous 12 months. Naturally, average weekly earnings will include overtime during the 12 months, reference to this being made in section 51 of the Act. The Minister stated that a worker should not be disadvantaged because he was on workmen's compensation, and he referred to "normal pay". Following my comments on the previous clause, in respect of which we accepted the full amounts proposed for increases in lump-sum payments. I suggested that, instead of average weekly earnings, we adopt the principle of "full pay". What is full pay? This expression, as I understand it, appears in the 1972 Industrial Conciliation and Arbitration Act, and I understand it to include award rates, over-award payments, bonuses, incentives, shift allowances, etc., but to exclude overtime. I suggest that the weekly amount payable be increased from 85 per cent to 100 per cent, and that we delete the $65 limit.

This suggestion is fair and reasonable, because the 100 per cent principle already applies to a person on sick leave. Anomalies are created by the amendment. Why is there a difference between the rate paid for compensation and that paid in respect of sick pay?

Mr. McRae: Because the Upper House forced it on us.

Mr. COUMBE: I am referring not to another place but to what I consider to be a reasonable proposition. The average weekly earnings concept, apart from removing any incentives of the worker to return to work, overlooks the basic fact that not all firms work overtime, and difficulties in this area could arise between competitors. Further, overtime can be reduced while a worker receives worker's compensation, and he could receive more than his workmates. True, provision for this is included in the Bill, but the provision is too complex. Therefore, I suggest that full pay be applied in this clause instead of the payment of average weekly earnings, especially as this amendment comes soon after a substantial jump in payments of two years ago. I realize that in respect of some awards there will be special problems because of the special allowances and conditions written into those awards.

The Hon. D. H. McKee: Are you suggesting award rates?

Mr. COUMBE: This is an important principle. I suggest that the full pay represents 100 per cent instead of 85 per cent, and that we delete the old provision of $65. I refer to the Industrial Conciliation and Arbitration Act under which full pay includes award rates, over-award payments, bonuses, incentives, shift allowances (where they are applicable to a man's margins), leading-hand margins, but excluding overtime. This is a fair and reasonable alternative to the proposition concerning average weekly earnings, which includes overtime.

I refer again to increases of 22 per cent and 66⅔ per cent in the consumer price index to lump-sum payments and to paragraphs (*b*) and (*f*) of clause 18, where power is given to the court to award, in the case of total incapacity, greater amounts than the maximum. I suggest that, having accepted the greatly increased lump-sum payment of 66⅔ per cent, which is far above the amounts that are provided in other States, we should accept the maximum limit now set out, that is, $25 000 and no higher figure. The words to which I object are "or such greater amount as is fixed by the court, having regard to the circumstances of the case". We are accepting a jump from $18 000 to $25 000. I suggest that this latter figure be the upper limit, and that we delete the words "where the court can award greater amounts having regard to the circumstances of the case". I believe the sum now provided is fair. Unless this is done, further uncertainty and confusion will be created, whereas the acceptance of my suggestion provides a clear definitive position. We will then know where we are going, because the clause is unnecessary

(because of the $25 000 maximum), and because uncertainty will otherwise arise in respect of this provision. I emphasize that this is a matter of fundamental principle, and we are trying to remove areas of ambiguity and uncertainty throughout the Act.

New subsection (7) deals with retrospectivity, and creates an anomaly that should be corrected. Clause 20, which deals with penalties, needs tidying up so as not to inhibit rights in a genuine case of disputation. Ln referring to this clause, I suggest that subsections (1), (2) and (3) of section 53 of the principal Act be examined with the aim of improving the existing provisions so that, if an employer disputes liability, he should not be liable for a penalty. I am sure an oversight has occurred here. Section 53 already provides for payments to be suspended if a claim is disputed, and it must follow that the penalty should also be suspended for this provision to be consistent. Indeed, I am sure that the Minister intends that, if payments were to be suspended as provided, the penalties in the principal Act should also be suspended.

Clause 21 deals with the payment for holidays, a matter that has created problems in the past. The Minister said:

It makes clear that compensation is payable in addition to any payment, allowance or benefit for holidays, annual leave or long service leave.

What does that really mean? I suggest it means double pay for holidays, and there can be no misunderstanding of that. Surely this is inequitable. We are dealing with an Act in which we are trying to get equity, and double pay for holidays is completely objectionable. Members know that normally annual leave or long service leave is taken after the injured workman has returned to work.

If the clause as it stands at present were passed, in effect a workman who was absent would receive more payment than he would receive if he remained at work: he would be getting double what a man still at work would be getting. For many years the principle has been that a man who goes on workmen's compensation is entitled to the full amount but, if annual holidays occur, they are taken after the man goes off compensation. A man should not suffer because holidays occur when he is absent, but he should not receive double pay. I suggest that the Minister examine this clause closely to see its real effects, because I hope the Minister did not intend to achieve the result that I have explained.

Clause 23, which amends the famous (or infamous) section 67, is another effort to approach the vexed question of employment being found for a workman when he recovers from incapacity. Members will recall that section 67 was the result of a prolonged conference between both Houses. The 1971 Act provides that the onus is on the employer to prove that employment for which the workman is fitted is reasonably available to the workman. Lt is now intended to change this so that the employer must prove that employment for which the workman is fitted has been found for him by the employer.

Obviously, many problems will be created by this change. In some cases, it could operate to the detriment of the workman. In my view, the present section fully protects the rights and interests of the genuine workman because already he is entitled to weekly payments at the rate of incapacity, unless the employer can discharge the difficult onus of establishing that employment for which the workman is fitted is reasonably available. At present, if the employer cannot find light duties or other employment, the workman still is covered by the rate of incapacity. The new provision will make it more difficult for the workman to be fitted into employment, and it would be better to retain the present section.

Clause 25 deais with section 69, concerning table injuries, and the member for Bragg has had professional experience in this matter. The Minister, in his second reading explanation, said that new section 9a would clarify the question of the dates at which rates would apply. However, this new provision is confusing to me. It does not seem to be at all clear. In fact, it seems to fail to provide that the clause shall apply only to workmen whose injuries occur after the introduction of this Bill. This needs to be considered carefully, and I will try to correct the anomaly.

Clause 28 strikes out subsection (4) of section 82, and I cannot see the reasoning behind the Minister's move, as the effect will be to deny the parties the right to conclude a consent agreement or a common law agreement. These agreements are made frequently, and the removal of subsection (4) will only lead to further delay in settling claims. Therefore, I suggest that clause 28 should be amended. One other major principle is the matter of retrospectivity. Far too often there has been confusion in this area and unnecessary delays have occurred, with the workman suffering. In some areas, the Bill lacks definitive clarity regarding the dates of operation, and I will be suggesting amendments in a constructive way to improve the Bill.

In summing up my comments, I have, as previously, considered the whole question with several criteria in mind. They are whether the Bill is fair to all concerned, whether it is adequate and humane, whether it provides a proper recompense to injured workmen or their dependants, whether it places a fair and reasonable liability on employers, and whether it will provide for expeditious settlement of claims and procedures. I have made suggestions in a serious and genuine effort to make this legislation work as we all want it to work, and to remedy several defects that I consider require improvement.

In all matters concerning workmen's compensation, we all support the policy of accident prevention, as we should do. The extension of this type of work is necessary, and the present educational programmes conducted by the Labour and Industry Department and safety organizations in South Australia are to be commended. However, the human element creeps in and, despite the attractive posters on factory walls, warning workers of dangers and about how to avoid accidents, these notices too often are ignored and the attitude taken is "It can't happen to me". Unfortunately, I have seen this happen too many times. I said earlier that I would support the measure to the second reading stage, because I intend to introduce several amendments. In some aspects of this Bill I consider that the Government and the Opposition are not that far apart, but there are several other matters which are fundamental to the whole philosophy of this measure and which I will vigorously oppose.

First, I refer to the definition of injury. This strikes at the very fundamentals of workmen's compensation, and I strongly suggest that the definition in the 1971 Act is perfectly adequate, having been upheld by the court. Judgments of the court have been liberal in this regard and, to my knowledge, have never denied justice to a genuine case of hardship. However, I object to the reference to subcontractors, and to several other matters to which I have referred. In accepting the $25 000 and $18 000 upper limits provided in the Bill, the Opposition is taking a realistic and responsible attitude. However, we have suggested an alteration which I consider should

operate satisfactorily and which the Minister should consider seriously; that is, the matter of weekly payments. It is the proposition of full pay as opposed to average weekly earnings. Some would suggest something less than full pay, but it has to be one or the other, and I believe we have put forward a fair case for full pay.

I have also referred to the impact on the community, and this is an important aspect. I have described several parts of the Bill that should be remedied, and one important aspect is that of retrospectivity and delay. Retrospectivity must be clarified now, once and for all, because under the present Act some confusion is caused, and parts of the Bill will add to this confusion. A fundamental principle we should adopt in this sort of legislation is to remove all ambiguity and confusion, so that the genuine workman can have his claim heard and determined as promptly as possible and, at the same time, the rights of the employer are strictly observed. I will have no part of wilful delay, but any defence should be applied in the appropriate place. I have set out cogently and fully the views of the Opposition on what I regard as being one of the most important measures to be introduced this session and I will eventually strive to improve the Bill in the appropriate way.

Mr. McRAE (Playford): This is a historic piece of legislation. Twice this Government has had a mandate from the people of South Australia to introduce average weekly earnings into workmen's compensation. I believe that, when that has been achieved, this very advanced piece of social legislation will be regarded throughout Australia and the world as being the long-sought achievement of the work force. I believe the 1971 legislation was successful in clearing up an Act that was amended piecemeal for more than 30 years, and it introduced a system that proved to be, generally, fairly workable. Some aspects of the working of the Act reflected in this Bill have not been satisfactory, and still remain unsatisfactory, notwithstanding the introduction of this measure. However, because this is advanced social and historic legislation, everyone must be willing to tackle these things with moderation and, if necessary, part by part. One of the problems still not dealt with in the process of workmen's compensation litigation is the arrangement termed in the principal legislation as the summary procedure. I contemplate summary procedure as being the chance for a judge or magistrate to have the parlies before him in order to examine the base documents, that is, the medical reports, and to come to a swift conclusion. However, that does not generally happen, because insurance companies have seen the chance to delay and frustrate the workings of this legislation and to gain on the short-term money market at the expense of workmen. That is why one of the penalty clauses has been included in the Bill. Unfortunately, instead of the insurance company telling its solicitor or counsel to deal with summary procedures as they should be dealt with, in some cases (but not all), in which millions of dollars of insurable risk are at stake, the insurance companies have instructed the solicitor or counsel to frustrate proceedings under this Act. A company may have $3 000 000 at risk that it knows it must pay out, but, if it can hold up payment, for every day, week, or month that the payment is held up the company will have the money invested on the short-term money market and will receive up to 20 per cent and more on it. However, I will deal with that aspect later. J adopt the same principle that was adopted by the Deputy Leader in considering this Bill. I say, with respect, that the honourable member's speech was, in my opinion, a very responsible contribution to this debate. It acknowledged the force of the Government's argument in various respects and it highlighted some of the undeniable difficulties present. I say, as the honourable member said, it may be that the Government and Opposition are not that far apart on some matters, but that is for the Government to say. I deal with the peculiar situation created when premiums rose by 50 per cent as a result of the 1971 legislation, whereas payments increased by only 33.8 per cent. What happened to the other 16 per cent? It seems that some insurers are doing reasonably well.

Mr, Dean Brown: That's not true.

Mr. McRAE: I quoted the figures cited by the Deputy Leader, and perhaps the honourable member might analyse them in more depth. There is one simple answer: it is the duty of every employer, every union, and every unionist to ensure that accidents do not occur. Unions and unionists are often as much to blame as are employers in allowing this deplorable state of affairs to go on. The statistics that have been quoted by the member for Torrens are correct. It is a staggering thing to realize that in 1972 the number of working weeks lost amounted to such an enormous figure and that it completely eclipsed the number of working weeks lost as a result of industrial disputes.

The time has come for employers to take proper steps, and unions have to co-operate with employers so as to prevent work accidents. True, what the Government proposes will increase premiums significantly and employers should realize that one of the ways to reduce their liability is to cut down the rate of accidents. They should also negotiate to ensure as a group that premiums are related to the number of accidents. This is not always the case. I assure members opposite that many employers are being defrauded by their own insurers, because they are paying a blanket industry rate, when they should be paying a premium and getting back a bonus for safety. That is the inducement or the carrot that the insurance company should be hanging out on the one hand; and, on the other hand, that should be the minimum demand of any employer.

If I was representing a group of employers in discussions with insurers, I would demand that, in relation to specific companies, such a principle should apply, because it is the bad employer with the bad record who should bear the penalty of the heavy premium, not the good employer with the good record who has striven to do something about industrial safety. The Deputy Leader of the Opposition criticized the definition of "injury" and, it is true, this definition is wide; but it is needed, because we have had difficulty about heart attacks and about deaths caused through heart attacks. I think the Government, like the Opposition, has adopted more than a responsible attitude in admitting that in social legislation of this kind, if people, can put forward (as they did on the last occasion when the Bill was before the House) reasonable suggestions that do not go against the mandate given to the Government and do not go against the fundamental policy underlying the Bill, these suggestions will be looked on with complete sincerity. If members want an example of why the new definition of "injury" is needed, that is one.

Dr. Tonkin: That is occurring now. A person who has had a heart attack at work can surely put in a claim and be compensated.

Mr. McRAE: Yes; the difficulty occurs when an employee has a heart attack (caused by his work) at home. The temporal connection is completely lost and it is then thrown back on to a causal connection; he has to prove

that relationship instead of what applied under even the primitive pre-1971 legislation where the employer had to disprove it. It is clear why the provisions relating to subcontractors are being included in the Bill. There has been a scandalous situation in the building trade for years, and that situation has now gone against those who created it. They created a tiger and now that tiger is eating them and they do not like it very much. Members opposite will know that, to avoid the effects of provisions of awards, the building industry, through the Master Builders Association, set up a sort of system of fake contract arrangements to obviate award payments. This paper tiger has now become a real tiger because, under conditions of heavier demand, full employment and inflation, people like the so-called subcontractor bricklayer are now receiving sums well in excess of $200 a week (maybe in excess of $300) and the M.B.A. has learnt to regret what it created. But it created a situation and I say, "Let it pay for it", because it bastardized the building industry in the process and wrecked the apprenticeship system.

In the transport industry, for example, do members really regard as a subcontractor a person who supplies his labour only, with no materials? He is told what to do just the same as in the case of an employee. I have no sympathy for these people at all. To be honest, I have little sympathy for those subcontractors who went along with the whole fraudulent scheme in the first place, but that is my own personal view. Penalties of 1 per cent a week, or 52 per cent a year, are included in the Bill and are required because of the undeniable practice that has been going on in the case of certain large insurers: that is, to trade off their money losses. One need only speak to any accountant, solicitor, or anyone from the Fire and Accident Underwriters' Association of South Australia to see that this is true.

In the case of each accident that presents a possible loss, the solicitors for the company are asked to put a figure on that loss, say, $10 000. In a given year there could be $3 000 000 of estimated losses; that money has to be set aside, and it is proper to invest it; but it is not proper to delay settlement procedures in the meantime so that, by setting off the gains on the short-term money market, the losses can then be reduced by holding up the settlement to the employee. That is what it is aimed at. I agree with the member for Torrens that there must be some exceptions to this rule but they must be limited and they must be sensible, and I think the Government will look at a situation wherein ah employer can show that there is no wilful neglect on his part if, for instance, the court orders that the cheque be sent by post to the worker and there is a postal strike (I am sorry to say that with my colleague the member for Semaphore sitting beside me) or if the computer blows up. There is obviously a case for guarding against that, and I do not think the Government will be opposed to it. However, these brigands on the short-term money market have no support from either the tariff group or the non-tariff group (or the underwriters as a whole), and the Government has no real opposition to this, for some protection is required.

Clause 12 provides that a workman shall not pay costs unless he has been fraudulent or vexatious. That provision has been in the New South Wales Act for the last 40 years and has caused no problem or difficulty. It is needed, because an employee, unless he is fraudulent or vexatious, should not be in a position where he is risking large sums of money on litigation. This is a piece of social legislation: it does not involve the ordinary litigation between parties. I agree with the member for Torrens, first, that as a principle costs should follow the event; and, secondly, that as a subsidiary principle in any event, overriding that, the court should have a discretion. This is a piece of social legislation. This item of costs, although not large, will be taken in the overall context. In the case of an individual workman it can be damaging indeed, but this is one of the prices of a piece of advanced social legislation and that is the explanation of that clause.

The member for Torrens examined the increases in the lump-sum payments for partial and permanent incapacity and permanent and total incapacity included in clause 16. He said that the Opposition would not disagree with those sums. I think that is laudable and responsible, because I believe the sums are totally justified. The method by which they were computed was made clear by the Minister in his second reading explanation. In the 1971 legislation, the maximum sum of $65 a week was established. On July 1, 1973, average weekly earnings in South Australia were $100; as they have increased each month since then,, they would now be $110 to $112. The lump-sum figures were calculated on the basis that the relationship that $65 bears to $100 is the relationship that the old figure bears to the new figure. That is how $15 000 becomes $25 000, and so on. As that seems reasonable, we are applying it.

The member for Torrens also referred to clause 18 (*f*), and I agree that there may be some need for drafting attention. However, I do not think the honourable member understood the principle involved. This provision is not meant to apply to every case; it is meant to apply to only the few cases in which a workman is totally and permanently incapacitated in such a way that the full weekly payments up to $25 000, plus the redemption and the second lot of $25 000, still cannot compensate. In Victoria, there is a similar provision which members can check in the Victorian textbook or with the Victorian board and which applies to this sort of situation. As an example, I will take the case of an 18-year-old apprentice employed at, say, the Broken Hill Proprietary Company Limited shipyard. He slips off a scaffolding inside a ship, in circumstances where no negligence is alleged against the company, becoming a quadriplegic. I point out that, although paraplegics can be employed, quadriplegics are in a hopeless situation. I am afraid that such a person can become just a vegetable, remaining in his bed for the rest of his life. The member for Bragg will know that possibly that life will not only be sad but very extended as well. Clause 18 (*f*) is aimed at that type of case: it is not aimed merely at extending $25 000 in every case. Suitable drafting amendments can be moved in relation to this provision, if that is necessary.

I was pleased to hear the member for Torrens put forward an alternative formula, which has something to recommend it, in connection with the provision relating to average weekly earnings. He suggested full pay. In giving the history of the matter, he referred to the Industrial Conciliation and Arbitration Act. I want to put this matter to rest quickly. The honourable member referred to the principle that applies in relation to sick leave in the Industrial Conciliation and Arbitration Act. When the conference took place between the two Houses on that matter the House of Assembly, in the process of bargaining, had to give way at various points. With great reluctance and against the policy of the Industrial Commission ever since (as I shall explain shortly), the Government accepted the situation that a person on sick leave be compensated by a sum that would be the aggregate of his award rate, bonuses, shift penalties, attendance money, and so on, but excluding overtime. We did not agree to that with a smile; we agreed with

a scowl, because it was thumped on us. Since then, the Industrial Commission in this State has adopted a formula in its awards which has been upheld on appeal by the commission in appeals session and which sets out full pay in the following context: award rate, bonuses, over-award payments, shift penalties, regular overtime (I stress that), and certain other matters. In that way, there is a formula that clearly applies in another area.

Although I think there is great merit in what the member for Torrens has said, I do not think the Government or this Party would have a bar of anything that excluded regular overtime, because I know companies whose employees work 20 hours a week overtime. That represents three or four hours with payment at the rate of time and a half, with the rest of the 20 hours paid al double time. Therefore, one-half of the total workman's budget is made up of overtime. I do not think that incidental or irregular overtime payments matter, although others may disagree. I do not think that incidentals, such as heat money, dirt money, sludge money, boiler money, and so on, matter.

Mr. Mathwin: What about the 35-hour week?

Mr. McRAE: That is another issue that I will leave alone at present; the honourable member has heard the Government's policy on it. I believe that the member for Torrens has put forward a responsible suggestion to which I think the Government will pay regard. However, it must not be thought that the relevant provision in the Industrial Conciliation and Arbitration Act gave backing to something to which the Government agreed. That is not the position. I think the member for Torrens was at the conference and would know that the Government accepted the provision with great reluctance. If regular overtime were added, I think that would help solve many of the problems in this regard.

Clause 21 relates to payments for holidays. I cannot understand the attitude of the tariff companies in this case. There are two groups of companies in this field: the tariff companies and the non-tariff companies. It so happens that the biggest workmen's compensation insurer is in the non-tariff group, which does not give a damn about this matter, and neither should anyone else. However, the tariff group seems to have a bee in its bonnet about this and is hopping up and down like a banshee about it. The point is simply that if a man is home suffering from a very serious injury it is bloody outrageous for his employer to say, "You take your holidays now while you're sick." That goes against the whole principle that holidays should be for recreation. How would anyone like it if an employer told him to take his annual leave or long service leave while he was sick, thus losing his workmen's compensation payments? Any sensible-minded person knows that the provisions in the Bill should be supported. Incidentally, this provision has great community support. Only a few. companies have a bee in their bonnet about this; and they are kicking up an awful din over nothing. What they say is garbage and not worth worrying about.

With regard to clause 23, the Government committee which looked at the matter agrees with the point made by the member for Torrens that to impose the full burden on the employer of finding a job for a workman is not what should be adopted. I understand that the Minister will in due course tender a compromise formula to the House. I particularly draw the attention of the member for Bragg to the tragic situation that has arisen with regard to clause 27. He will know that one of the great advances in the 1971 legislation (and the Select Committee on industrial safety also considered this later) was in relation to hearing loss. It was eminently sensible for the Government to legislate once the Standards Association of Australia had a decibel reading that would be *prima facie* evidence of danger. That would be the level at which noise-induced hearing loss would become automatically proved. I am led to believe that, because of great difficulties being experienced, the Standards Association which, believe it or not, has been looking at the matter for seven years is unable to publish a report that, according to my information, it has had ready to publish for the last nine months. I inquired of certain responsible people in this State what was happening. I was told by a colleague of the member for Bragg who is a specialist in these matters that the universal medical opinion was that 85 decibels was the proper reading, but I understand 90 decibels was suggested in engineering circles. It is ridiculous that this matter is now being held up and that the Government cannot proceed with this clause because the Standards Association has not produced its paper. I hope that the member for Bragg, using his influence in medical circles, and the member for Torrens, using his influence in engineering circles, will help the Standards Association reach agreement and publish its document.

Mr. Coumbe: I do not agree with 90; it should be 85 decibels.

Mr. McRAE: That is what I believe. I make a plea to those members to try to have the Standards Association proceed with its publication. It is tragic that we cannot proceed with this clause simply because of the lack of a report which has not been presented as a result of a domestic squabble. Clause 28 is clearly a mistake, emanating originally from a recommendation made by Their Honours to the committee which looked at the Bill, but the judges later concluded that perhaps it was not suitable after all, and I do not think it is really suitable. I agree with the member for Torrens that it ought not to be there.

So far, this debate has been constructive, and I hope it continues in this same vein. This Bill is historic and important to the work force and to the whole community of this State. It is one of the most important pieces of legislation introduced this session, and it should receive the same responsible attention from every member that it received from the Deputy Leader. I know that the Minister and the Government have incorporated the same principles as were given a mandate for by the people of this State on two occasions. Provided those principles are adhered to, every endeavour will be made to listen to any suggestion advanced in a responsible and fair manner by members opposite. On the last occasion, some members opposite were able to help improve the legislation.

Finally, the Parliamentary Counsel deserves praise for the work he has put into this Bill. It is odd that, regarding a Bill that looks so short, I, as a member of the Government, should be saying that this provision and that provision are wrong, but it was drafted five times before it was placed in the hands of the Parliamentary Counsel, who then redrafted it, I think three times. He conferred with Their Honours the Judges of the Industrial Court, as well as taking part in numerous conferences. As this is one of the most technical pieces of legislation that can be considered, it is important that we look at general principles now and that, in Committee, we look at specific details with more care and thoroughness.

It is a great thrill to be able to support and second the Minister in proposing this Bill. I find it also pleasing to hear the responsible reaction the Bill has received from the Opposition.

Mr. MATHWIN (Glenelg): I support the Bill, with some reservations. I believe, as do the member for Torrens and all other members, that a person should receive what he is entitled to, and that no-one should suffer financially because of ill health or injury caused at work. Further, legislation in respect of this matter should be fair to all, but I believe that some aspects of the Bill are not totally fair to some people. Indeed, I foresee problems in respect of the provisions dealing with subcontractors, and those problems must be solved. I refer also to the lump-sum payments and the definition of "injury". Clause 4 (*b*) inserts a new definition of "injury". I believe that there must be a connection between the worker, his employment and the injury. In his explanation the Minister stated:

The definition of "injury" has been recast to remove the reference to the fact that the employment of the workman was a contributing factor to the injury. The compensability or otherwise of an injury as defined will be tested against the question posed by section 9 of the principal Act, that is, did the injury arise out of or in the course of the employment of the workman.

The 1971 Act is workable. Like the member for Torrens, I have had no case referred to me where justice has been denied to any genuine workman. Under the Bill, a workman need not even have a casual relationship with his employment in which he sustains an injury and this matter is also relevant to the definition of "disease". This is an important aspect, as retrospectivity is provided in the case of both injury and disease, and it could include an injury sustained 10 or 20 years ago. Clause 4 (*i*) inserts a new subsection which consists of 21 lines. In short, it deems a subcontractor to be a workman. I think anyone who examined that large provision would agree that it would be unworkable, because there would be no control.

There would be no way of knowing who was working or what he was working at. In the building industry a principal employs a subcontractor, who in turn has his workmen. The principal would not know what a subcontractor who worked alone was doing and what hours he was working. He would not know whether the subcontractor performed the work himself, and most subcontractors actually work. I did much subcontracting in the building trade and over many years I worked on the site. Further, I did not always work on only one job in a day. Perhaps I would go to two or more different jobs and work for various employers.

The Hon. D. H. McKee: That's covered by workmen's compensation. Workmen move around now.

Mr. MATHWIN: That may be true but I should think all subcontractors would insure themselves. Under the Act, they must insure their workmen, but any person who had any sense would insure himself. By law car owners must have third party insurance, and I consider that subcontractors do insure themselves and so are covered in their own right. The subcontractor has to price his work, having regard to those overheads. I have done that and I am sure the member for Unley, who also has done much subcontracting and understands what is involved, has done the same thing. A person insures himself, the workers, and members of the public for whom he works.

In explaining this aspect, the Minister has not said what regulations he has in mind, so I do not think the clause does enough. It could be a dig at some subcontractors. I should like to know what rates will be levied on subcontractors and how the provision will be policed. Most subcontractors would earn much more than $100 a week. Many would earn more than $200 a week, as the member for Playford has said in relation to subcontracting bricklayers, and some would earn more than $300 a week. The member for Playford has blamed that on the master builders but, be that as it may, that is not the point. If these men are working hard to make $300 a week at laying bricks, they deserve that amount, because the work is not easy. However, who will assess their rates of compensation? I do not think it fair that this should be laid at the feet of the principal, the man who has engaged the subcontractors, whether they are operating in the building industry or any other industry. If the Government realizes that it has an important problem, it should also realize that Parliament, not the Minister, should state what categories should be in the Act.

The Bill refers to the Minister's having power to act from time to time by way of regulation. I consider that that is too wide and gives the Minister too much responsibility. The Government has the responsibility and it should prescribe the categories, telling Parliament what they are. Then we would know where we are going. This aspect of the Bill easily could be open to abuse. Clause 5, which inserts new section 9a, causes another problem. It refers to death or incapacity that has a "real practical connection" with an injury sustained. The words "real practical" are important, and the provision is wide and dangerous.

An example of this, as the member for Torrens has said, is what may happen after a back injury is suffered while lifting or working in a factory or on a building site. When the injury is cured and the man goes back to work, he may well be gardening at the weekend, rick his back, and blame that on the original injury. Many people who have been to chiropractors or had X-rays of their backs taken have been told that the injury was there for many years, in some cases being traced back to a fall in childhood, yet this provision in the Bill can relate the injury back to the original employer.

The Hon. G. R. Broomhill: What do you think should happen?

Mr. MATHWIN: We all know that one can injure one's back in many ways, but I refer here only to gardening and lifting weights.

Mr. Langley: What about falling off a ladder?

Mr. MATHWIN: A man could injure his back by falling off a ladder or when lifting a box in a bedroom. This provision is more than could be considered fair and reasonable. Its meaning is not clear, and it involves retrospectivity. Clause 10 (2) is too flexible and it is not clear. The Minister, in his explanation, states:

Clause 10 provides for a penalty to be paid by an employer who delays making lump-sum payments he has agreed to make in writing in a registered agreement. It provides that, if payment is not made to the injured workman within 14 days of the registration of the agreement, a penalty of 1 per cent of the sum agreed to be paid to the workman is to be added to that lump sum in respect of each week or part thereof that the money is outstanding.

I do not agree with an employer who is trying not to pay compensation to a workman, but, as this is so definite, what would happen should a postal strike occur or should some other delay be caused by, say, the Social Security Department not advising the amount payable? These situations occur regularly now. This matter must be considered seriously, because it would be unfair if it affected a person who was not at fault. Clause 16 refers to lump-sum payments, which have been increased to $25 000. I do not argue with this provision, because if people are injured or killed their dependants cannot receive enough compensation. However, this is the highest amount payable in Australia. In New South Wales it is $13 250; in

Victoria, $13 690; in Queensland, $12 680; in Western Australia, $12 208; and in Tasmania it is $14 683.

Clause 18 deals with average weekly earnings, a matter that has been canvassed by the member for Torrens. It is possible that a workman could receive more in compensation than if he were on sick pay, and would receive more than his friends who were working normal hours. He may have worked at a weekend or worked overtime at penalty rates, and this would mean that he would receive more than his mates who were working normally. This provision would tend to keep people away from work in some cases, because I am sure that many people would take advantage of it. If more money is obtained from compensation than from working, the incentive to go back to work is dampened.

The member for Playford said that the member for Torrens had suggested that, when a person was ill or something was wrong with him, his boss would tell him to take sick leave and that would be enough. The member for Torrens did not say this, but he did say that he would not. support such an unfair approach by the employer.

I am sure that neither the member for Torrens nor I would support any employer who suggested to his workman to take sick leave and did not provide compensation. The member for Torrens was trying to explain the situation of a workman being ill during a holiday period and receiving double pay. In that case he would receive more than his normal holiday pay and that would not be a fair situation. I am sure that no Opposition member would support any employer who suggested that his employee should receive holiday pay instead of sick pay.

Mr. Duncan: Plenty do.

The Hon. D. H. McKee: It does occur.

Mr. MATHWIN: If it does occur, I suppose there are good and bad everywhere. I agree with the explanation of the member for Torrens regarding full pay. The member for Playford said that regular overtime must be considered. that some people worked regular overtime of 20 hours a week, and that the extra money was deemed to be normal pay.

The Hon. D. H. McKee: They have commitments for that amount.

Mr. MATHWIN: What will happen when the 35-hour week is introduced?

The Hon. D. H. McKee: We will talk about that when we come to it.

Mr. MATHWIN: If the present trend continues, people will work not because of necessity but because either they want to work or the firm employing them wants them to work as it is short of labour. These people will still work more hours, even up to 40 hours a week. I cannot support the argument of the member for Playford about regular overtime being included. I believe that payments for penalty rates, bonuses, proficiency, tea-money, and dirt-money should be considered and I support that contention. In his second reading explanation, when referring to clause 27, the Minister said:

> Clause 27 inserts a new section 73a in the principal Act which establishes a presumption that, in the case of exposure to certain noise levels at a worker's place of employment, in the absence of evidence to the contrary, any noise-induced hearing loss suffered by the workman resulted from exposure to the noise levels at his place of employment.

The member for Playford referred to the problems of noise and the arguments between the medical profession and some engineers or employers. Noise is a very difficult problem with which to deal. What does one do with a teenager in the house with a loud radiogram? This noise has its effect on one's nerves, but certainly the effect is not the same as factory noise would be on a boilermaker, for instance.

I remember visiting Port Pirie with the Minister and going to the works of Broken Hill Associated Smelters, where 1 saw many articles of clothing made available to. workers for protection against various hazards. As the Minister is aware, much protective clothing is provided, but unfortunately many people do not use it. It is a pity that workers do not take advantage of what is provided for them. More pressure should be exerted by employers and by union officials to see that the men use the protection provided. The accident rate is regrettable, but we come back to the old concept of education: these people must be educated. However, although one can take a horse to water, one cannot make it drink, and in the same way it is most difficult to educate people to heed the signs and placards displayed in factories, particularly in the larger factories, in an attempt to help the workers educate themselves in accident prevention. Much time is lost in industries throughout Australia, but I was surprised to read recently that the time lost as a result of accidents in Western Germany far exceeds the time lost in Australia. Again, more emphasis must be placed on education.

The important question is how to get the responsible people (the employers, the workers, and the union representatives) to combine to point out the problems to the workman himself and to his family. I believe changes must be made in the Bill by way of amendment in Committee, and for that reason I support the Bill at this stage.

Dr. TONKIN (Bragg): I support the Bill. I think the Deputy Leader has covered well the various points of concern to members on this side of the House. The main consideration has been that justice should be. done. The one thing that leaps from the pages of the Bill is the definition of "injury" in clause 4. Section 8 of the principal Act is amended by striking out basically what amounts to "a disease contracted by the workman in the course of, his employment whether at or away from his place of employment, and to which the employment was a contributing factor". Further, as to the aggravation, acceleration, exacerbation, and so on, the words struck out are, "where the employment was a contributing factor to that aggravation, acceleration", and so on; also, "for the purposes of this definition the employment of a workman shall be taken to include any journey, attendance or temporary absence referred to in subsection (2) of section 9 of this, Act". The effect of this, taken in conjunction with the Minister's explanation of the Bill, is that the strict definition of "injury" is widened remarkably, but the Minister tells us that under section 9 of the principal Act this will be all right because from now on section 9 will be the governing provision. It is important enough to read section 9, which provides:

> (1) If in any employment personal injury arising out of or in the course of the employment is caused to a workman. his employer shall, except as provided in this Act, be liable to pay compensation in accordance with this Act.

I think that covers the ground adequately. It sets out the principle that shall be applied and, if that is so, it seems on the surface that the change proposed to the definition of "injury" will not make any great difference. But we must examine section 9 of the principal Act closely. I think "in the course of" is the key phrase. Section 9 may mean or tend to imply that the employment was a factor contributing to the injury, but that is not spelt out in the clause we are now asked to approve, which removes completely from the definition of "injury", if that is what is intended,

that compensation must be paid in respect of an injury arising out of or in the course of the employment and "to which the employment was a contributing factor". Why not make it quite clear and leave the phrase in the definition as it stands?

The problem is, of course, that "in the course of" refers only to a temporal factor: that an injury may arise while an employee is at work, but it may not necessarily arise as a result of his employment. Obviously, it is unlikely that any injury (using the word in the commonly accepted sense) sustained at work would not be due. to some facet of an injured person's employment but the proposed definition of "injury" under this Bill includes disease; and we find here that it will be an unqualified form of disease. In other words, it will be a disease without any of the qualifying factors, saying that the disease must have been contracted at or during the course of employment. We understand there are industrial diseases. We do not see them very much these days, thank goodness, but lead poisoning is beginning to show up again, and there have been noise-induced deafness and silicosis.

Many diseases have been directly attributable to the employment of the person in the past and they must be covered; but we cannot .possibly leave a bare definition of "injury", which includes the bare disease without some form of qualification. It will lead to much difficulty. Under section 9 of the principal Act, if "in the course of" refers only to a temporal relationship (and we have no reason to suppose otherwise) does any person falling sick at work become eligible for compensation? How complicated it all is! The present position is difficult enough, and the member for Playford has referred to it.

A patient has a heart attack at work, and it is said, "This man is thrown back entirely on a causal relationship." But time must come into it; a temporal relationship must come into it. It is part of the consideration in deciding the nature of the causal relationship. The member for Playford said the Government wants to be reasonable, and I believe there has been a fair spirit in trying to get a fair and reasonable proposition. In this case I can only say that, to be fair to everyone, we must leave the definition of "injury" as it is. It is the only possible course of action to take.

Inevitably, there will be some cases that will still have to come forward for assessment. It is impossible to legislate to cover every possibility and this is one case where the situation will have to be assessed by an outside body: in other words, by a court. As I say, the present position is difficult enough as it is. The member for Glenelg has referred to back injuries. We have dealt with coronary infarct but it is extremely difficult there to have a reasonable assessment. There is corneal ulceration, which may be caused by the same virus as causes cold sores on the lip. This has happened on many occasions. A patient may be referred from work because of what he feels is a foreign body in his eye. He is examined and a corneal ulcer found which is typical of the viral ulcer. He can have the loose foreign body in his eye removed, but which came first? Was the viral ulcer in any way stimulated in its appearance by the presence of a loose foreign body? Alternatively, what if the loose foreign body was a coincidence and it was the ulcer that gave rise to his symptoms?

There are many difficulties under the present Act that, as I see it, can only be vastly increased under the Bill. It will work out that anyone reporting sick at work with anything at all will be entitled to compensation. That is taking it to a ridiculous extreme, but that is what is intended by the wording of the Bill. Maybe an acute viral infection commonly accepted and called the flu or any other infectious disease will be compensable. Further, the situation becomes ridiculous where infectious diseases such as measles and mumps are concerned, because a person is unlikely to get measles a second time (although it is possible) but mumps he can get a second time; that is not uncommon. Mumps can go right through the staff of a factory and a patient or patients could present with mumps and the workers could then claim workmen's compensation in respect of mumps. It is a ridiculous situation and it becomes more serious when one considers that several unpleasant complications result from mumps.

There are unpleasant complications where a patient can develop orchitis. He can therefore come under the aegis of clause 26 and suffer permanent loss of the capacity to engage in sexual intercourse, for which he will be eligible for a maximum sum of $14 000 in compensation.

The Hon. G. R. Broomhill: So he should!

Dr. TONKIN: As a result of something that has happened at work, at employment, I say that certainly he is, but I cannot really accept that "injury" should be so widened as to include any disease that may have been brought about; the infection could have taken place at any time, dependent on the type of disease, perhaps two or three weeks beforehand. It may occur completely away from work, while the person is on holiday, yet, because he happens to go down with it while at work, apparently under this clause he is entitled to compensation. I am sorry: it is not a goer; it is not on; it is not fair, and we are all trying to come to a fair conclusion in this regard.

Obviously, the Industrial Court will be put in great confusion if it gets nothing but a series of claims of this nature. I do not know how on earth anyone is going to argue that a disease was contracted at work, at home, at church, or on holiday; it is impossible to tell. I cannot see how we can come to any reasonable determination of this matter unless we leave it to the courts still in respect of these diseases.

Mr. Duncan: We don't leave it to the courts at present.

Dr. TONKIN: I do not see how this will help their situation; it will simply complicate it beyond all measure. Clause 5 inserts a new provision covering the situation where a work-caused injury, which had apparently healed, recurs, provided there is a real practical connection between the recurrence and the original injury. This clause lays down a condition that there must be a real practical connection, whatever that is. I must admit that I have never before seen anything like this wording written into a Bill. Nevertheless, I think the intent is clear: there must be a real practical connection. Why is it good enough to provide for a real practical connection in this clause, and why, in the previous matter, where we are dealing with disease, is it to be a disease without any real practical connection? I shall be interested to hear the Minister's explanation, because the two do not add up; one is inconsistent with the other.

The member for Glenelg referred to back injuries, and I should like to go further. Let us suppose that someone has a susceptibility to a back condition. He could put a disc out by lifting anything, whether he was at work or at home; this is a matter of concern. Some people have this sort of back. Routine chest X-rays show a surprising amount of damage to the spinal cord. It is possible that a person could put a disc out at any time at home or at work; it would be a complete matter of chance as to when he did it. If he does it at home he gets no compensation but, if he does it at work, he gets compensation. Further,

if he does it first at work and the condition recurs at home after his recovery from the initial condition, under this Bill he gets compensation. What is the position if he does it first at home and the condition recurs at work? The man still gets compensation. He seems to get the benefit of the doubt at any time.

Mr. Keneally: Why not?

Dr. TONKIN: I am not quarrelling with that principle, but we are bending over backwards (to coin a phrase!) to give the injured worker the benefit of the doubt, and I believe that this is the attitude that the courts adopt, by and large. The situation is very complicated. I do not believe that we can leave the term "disease" in the definition of "injury" without defining "disease" in such a way that it has some connection with employment; it must be a disease that was clearly connected with employment. I do not oppose the increases in the maximum amounts payable. With every member, I believe that no sum of money can compensate for death or permanent injury. The member for Playford quoted the case of a quadriplegic, a tragic situation. When we see people like that, we tend to say to ourselves, "It is a pity that the poor fellow cannot die." That is not an attitude that I like, but I have heard that remark made many times. We do not put ourselves into that position, and we do not say, "How would I feel if I were in that position?" No amount of compensation can make up for the suffering that can occur, and certainly not for death, as far as the family is concerned. I look forward to the Committee stage of this Bill, and I will make some effort to support those amendments that I believe are being considered on both sides of the House. It is important that this Bill, as it comes out of Committee, should be fair to the worker, the employer and the community generally. It is the Government's responsibility to consider all amendments very carefully.

Mr. MILLHOUSE (Mitcham): What a dull debate this has been so far. The Liberal and Country League is certainly running true to form today. It has had a bad day, and now we have had an example of what it calls responsible opposition, which, in fact, is not opposition at all. If ever the crack that the L.C.L. is the junior partner of the Government has been true, it is true of this debate. We have had the member for Torrens get up and lead the debate for the L.C.L., and he agrees with practically everything in the Bill.

The Hon: D. H. McKee: Don't you?

Mr. MILLHOUSE: No; not actually. Then the member for Torrens gave the whole case away by saying that his Party would support the increases in benefits that are made under this Bill. I could see the Minister look extremely pleased and gratified when that was said. It means that this Bill will go right through both Houses of Parliament. If this is the attitude of the L.C.L., there is no point in debating the Bill, as members on both sides have supported it today. The crux of this Bill is what it will cost. I acknowledge that it is extremely difficult politically to oppose increases in benefits, and I do not personally seek to do that.

Members interjecting:

Mr. MILLHOUSE: A few L.C.L. back-benchers are giggling. What is not being said by the L.C.L. and what is so obvious, and what I do say, is that the increased benefits given under this Bill mean an increase in the cost of workmen's compensation and an increase, therefore, in the cost to industry. An increase in the cost to industry means increases in costs to the consumer and a reduction in whatever benefit and advantage cost-wise there is still to South Australian industry, in comparison with industry in other States.

Mr. Venning: That's been gone for a long time.

Mr. MILLHOUSE: I suppose that means that it no longer matters. Perhaps it matters so little to the honourable member and his colleagues that it has not even been mentioned. That is the only real point in the Bill on workmen's compensation—whether or not the community can afford the increased benefits. We would all like to see increased benefits.

Mr. Duncan: That's the only real point.

Mr. MILLHOUSE: It is to me. If commerce and industry are relying on the L.C.L. to help them, they must have been extremely disappointed at the showing of the L.C.L. this afternoon. I heard of one estimate by someone in the insurance industry of the increase in premiums that will result from this Bill. He said that the premiums would increase by 270 per cent to 280 per cent as a result of the increases provided in the Bill. That will be the cost to industry; it is the cost to employers both big and small for their premiums.

Mr. Duncan: If they're putting them up that much, there'll be an increase in their profits, too.

Mr. MILLHOUSE: I do not know; I do not necessarily adopt that figure. However, I heard today that that was an estimate made by a responsible member of the insurance calling.

Mr. McAnaney: He must have known how naive you are.

Mr. MILLHOUSE: Let the honourable member work it out himself and say I am wrong.

The Hon. G. R. Broomhill: He's a wake-up to you.

Mr. MILLHOUSE: He may be. That is the main point in the Bill, and it was not even touched on by the member for Torrens, who led for the L.C.L. in this debate. There is no point in debating the Bill, as it will pass this House in its present form or substantially in its present form and then it will pass the other Chamber. I wish to refer to a couple of points. First, I deal with one matter which, ironically, I wish were in the Bill but which the Minister has not put in it. I hope that the next time this legislation is before the House (and there will be a next time) he will do something about the matter. Under the present legislation, there is no way of getting an insurance company directly before the court, and there was no provision for this in the old legislation, either. I know of a matter now, because of my professional interest in it, in which an employer changed his insurer when the period of the policy expired. During the period of the first policy, a workman had an injury and was away from work. During the period of the next policy with another company the workman came back to work and hurt his back again.

There is now an argument whether that is a fresh injury or whether in fact the. first incident was the only injury that makes him incapable of working. Proceedings have been taken against the employer, but neither company will accept the claim, each saying that it is the responsibility of the other. So far as I can tell, there is no way of getting the two companies before the court so that they can fight out what should be an admitted claim. The next time that the Minister opens up the legislation he might look at this point to see whether there is some way the companies can be joined in proceedings directly so that they can fight such matters out.

I now wish to deal with a couple of matters which, so far as I know, have not been covered by the L.C.L. members who have spoken. They have said much about

the change in the definition of "injury", and I must say that I agree with part of what has been said. I am being distracted by the member for Alexandra, who is talking to the member for Heysen. Would he mind talking somewhere else?

Mr. Goldsworthy: We'd be grateful if you did.

Mr. MILLHOUSE: I know that the honourable member does not like to hear me talking in this place on any occasion, and that rather gratifies me. In paragraph *(a)* of the definition of "injury", by clause 4, the following words are to be struck out after the word "disease":

. . . contracted by the workman in the course of his employment whether at or away from his place of employment and to which the employment was a contributing factor.

Although I am not sure of this, there now appears to be no connection between the employment and the contracting of the disease, and this would be a great widening of the definition indeed. A similar provision has been left out of paragraph (*b*) of the definition of "injury". Again, after the word "disease" the following words are to be omitted:

. . . where the employment was a contributing factor to that aggravation, acceleration, exacerbation, deterioration or recurrence . . .

That is also a great widening of the provision and of the benefits that can be obtained under this legislation. It will also mean a great increase in costs incurred under the legislation. Mr. Speaker, can you do anything about the, members for Heysen and Alexandra, who are still talking?

The SPEAKER: Order! The honourable member for Mitcham is entitled to be heard in silence.

Mr. MILLHOUSE: Thank you, Sir. Likewise, the definition of "workman" has been greatly widened by clause 4 (*h*) and can now cover a commission agent or independent contractor. This means that the cover that must be taken out will have to be greater than it has been in the past. There is not much point in going further along these lines. I do not like clause 12 (*b*), by which a workman who is unsuccessful in a claim will never have costs awarded against him unless his conduct has been vexatious or fraudulent, and that will not be easy to prove. I do not know how it can be proved. From a professional point of view, this does not worry me much, for nowadays I act for employees far more frequently that I act for employers. Nevertheless, I do not think this is a desirable provision. New section 41 (lb) is definitely and undesirable provision, as it puts a personal responsibility on the legal practitioner for costs in some cases.

I draw attention to the fact that under clause 18 (*f*) the sum involved is to be not only $25 000 in certain cases but in other cases caught by the provision the sky is the limit, because the provision reads "$25 000 or such greater amount as is fixed by the court having regard to the circumstances of the case". Therefore, in fact there is no limit on the sum involved. Previously, the sum was $15 000, and that was the maximum; everyone knew where they stood. Now the sky is the limit. Any greater sum than $25 000 can be fixed by the court, simply having regard to the circumstances of the case. Previously, in workmen's compensation legislation definite upper limits have been set so that everyone would know the maximum liability. I believe that the new provision is a great departure. Although as a benefit it is to be applauded, I believe that as a principle it is dangerous indeed. There is nothing else I need say about the measure. Although I do not oppose the Bill, I believe that several dangers are associated with it, the principal one being the increase in cost to industry of workmen's compensation. If we take this too far, it will be self-defeating, because it will mean a reduction in employment if the competitive situation of any industry in South Australia is affected.

The Hon. D. H. McKee: What about the position in Ontario?

Mr. MILLHOUSE: We are not in Ontario. If we go to something completely different on an Australia-wide basis, I do not mind, as we are all in the same boat and costs will be increased throughput the Commonwealth. At least, we will all be in it together, and we will suffer only as against our international trading competitors. But, if we do it only in South Australia it will be prejudicial to South Australian industry compared to industry in other States. It is another very greatly increased cost. It is only because of that factor that I spoke to raise a word of warning against going too far.

Mr. DEAN BROWN (Davenport): I support the second reading. However, before discussing the specific aspects of the Bill, I clearly indicate that the two topics raised by the member for Mitcham, who said that they had been overlooked by the Liberal and Country League, have been covered. The member for Mitcham claimed that we had not referred to the increase in premiums. However, the member for Torrens, who made an excellent contribution to the debate, said that there would be substantial increases in workmen's compensation premiums. He said:

The 1971 Act increased premiums by about 50 per cent, and these new provisions will certainly greatly exceed that figure.

We, as a Party, have tried to assess what the increase will be. The indications to us have been that the increase will be between 50 per cent and 100 per cent, and possibly even greater. I have even heard the figure of 150 per cent referred to. We are all speculating, because obviously the insurance industry has not calculated what the increase in premiums will need to be, and it will not do this until the Bill has been passed.

The second claim made by the member for Mitcham was that we had failed to recognize the change in the definition of "disease". However, the member for Bragg clearly pointed out the provisions in clause 4 (*b*), compared it with section 8 of the principal Act, and explained how the body of the definition of "disease" had now been excluded. So, the points on which my Party was criticized have been clearly covered. Regarding the general philosophy of workmen's compensation, I believe it is important that, in making major alterations to the scheme, we appreciate the whole purpose of workmen's compensation. The member for Torrens outlined briefly the history of workmen's compensation throughout the world.

Legislation was first introduced in England in 1897 specifically to overcome certain deficiencies in the existing system of compensation. The failings of the common law system were aggravated in the industrial accident field, by a number of additional legal principles, which, in the 19th century, meant that few injured workmen were ever able to obtain damages. Because of this, a Workmen's Compensation Act was introduced. In that Act, which was followed by Australian legislation in, I believe, 1902, the important part was compensation, irrespective of the proof of fault. I agree with that. An article in the *Australian Quarterly* of June, 1971, which discusses some of the history of workmen's compensation, states:

The compensation payable is on a much less generous scale than that obtainable at common law, but in other aspects the system has many advantages over common law damages. First, the injured workman is assured of compensation; secondly, he will receive it more quickly;

thirdly, it may be paid in the form of periodical payments rather than a lump sum; and fourthly, the system is very much cheaper to operate.

They are the four important advantages of workmen's compensation to which we must cling in amending the principal Act. The article continues:

It is cheaper largely because it eliminates the two principal sources of dispute in a common law claim which are responsible for the heavy legal costs at common law. First, adjudication on fault disappears; and secondly, the amount of compensation is not calculated *ad hoc* in each case but is arrived at by application of particular rules set out in the legislation. In particular, the virtually impossible task of assessing compensation for pain and suffering is eliminated and replaced by a statutory tariff of benefits payable for specified disabilities . . .

In the history of workmen's compensation, we see that it is only part of an overall compensation scheme for injury caused through accident. Besides workmen's compensation, there is common law action for damages, medical benefits insurance, other forms of personal accident insurance, and social welfare payments. Therefore, in assessing the benefits that should be obtained under workmen's compensation, we must keep in mind these other benefits from which the worker can receive compensation. Therefore, workmen's compensation must be viewed from the community point of view, giving full recognition to the fact that any worker must be entitled under law to certain rights of a fair reimbursement for any accident or loss of pay through accident.

If we as a community are serious about our overall future, we must look at workmen's compensation also in the light of maximum productivity. The first thing we must ensure is high safety standards. It is far cheaper in terms of human suffering and of industry in general to prevent an accident than to compensate after the accident has happened. I am sure that we would all like to be in the ideal situation in which workmen's compensation was unnecessary because no industrial accidents occurred. We need also to appreciate fully that the cost of workmen's compensation will ultimately be paid by the community as a whole. Any secondary industry can readily pass this cost down along the line; so, eventually, it is the consumer (which means everyone) who pays. However, some unfortunate industries are less able than others to pass this cost down along the line, and I shall come to that point later.

We should also appreciate that most people in our society today are employees. The old concept of an employer with a small number of employees under him has very much disappeared. Most of us tend to be employees; therefore, I hope that members on both sides will not consider the Bill in the old light of the employer trying to do his employees out of their rightful claim or the. employee trying to take advantage of the employer. As we are largely a community of employees, the overall benefits derived from one side or the other will come back to society in general.

In working out any compensation and determining when compensation should be paid, employers must carry certain responsibilities. I am pleased to see this provision. Equally, employees should carry certain responsibilities, too, and I am sure that most of them will. Employers must ensure that they insure their workers and pay them reasonable compensation through their insurance policies. That guarantee of responsibility is there. The responsibility of the employee is not to abuse the workmen's compensation scheme, and in claiming for compensation employees should claim only in just cases. Most workers will respect that responsibility and will not claim for undue compensation, although some employees will claim for compensation they do not deserve. I refer to marginal injuries such as sprains and strains, for which 45 per cent of claims are made.

The Hon. D. H. McKee: A worker must get a doctor's certificate.

Mr. DEAN BROWN: Yes, but it is difficult for a doctor to determine the situation in respect of a sprain or a strain, because it is not a clear injury, and much depends on the evidence given by the patient, as there is no medical test of whether a muscle or tendon is sprained or strained. It is impossible to build safeguards into the legislation to ensure that workers treat this form of compensation with due respect. Another problem arising from the modern industrial scene is that many people have more than one job. I believe that, if they are in receipt of compensation through injuries sustained on one job, penalties should be imposed if they are doing any other job or receiving any other remuneration while receiving compensation payments.

Under this Bill a person is paid the full amount he would receive if he were fully fit, and it is morally wrong for a worker to be supported in this manner if he is earning another income. There should be a safeguard to ensure that, if such a person has another job, he is penalized for trying to beat the system. The new definition of "injury" repeals much of the original section 8, and the new definition of "injury" provides, in part:

(*a*) a disease;
and
(*b*) the aggravation, acceleration, exacerbation, deterioration or recurrence of any pre-existing injury or disease.

From my years of medical physiology at university I remember that a disease is defined as "any abnormal state of the human body".

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

Mr. DEAN BROWN: I see no difference between an injury and a disease, because an injury is a disease. The verbiage of clause 4 (*b*) is therefore loose. When one examines clause 4 (*a*), one sees a marked extension of the current definition, as the following words are being deleted:

contracted by the workman in the course of his employment whether at or away from his place of employment and to which the employment was a contributing factor.

As the member for Torrens has said, this means that the relationship between the injury or disease and the employment is now a temporal one and not a causal one. Therefore, if a man suffered a heart attack while fishing or digging his garden, workmen's compensation could obviously be claimed. There will be no necessity to establish a causal relationship. A man could pick up an infectious disease such as smallpox, and it would be impossible to prove that he had not contracted it through his place of employment. As a result, he would be eligible for workmen's compensation.

An attempt is being made by this Bill to expand workmen's compensation to a 24-hour-a-day basis. Any stress disease that the body now suffers can of course be related, on a temporal basis, back to the place of employment. In future, if this Bill passes in its present form, one will be able to claim workmen's compensation in relation to many diseases for which one cannot claim now, which is unfortunate. We are imposing on the employer, through the workmen's compensation scheme, a 24-hour-a-day insurance coverage.

Whether or not this cover should exist is a different matter, but it should not be dealt with under this Bill.

I have outlined the other forms of compensation now available, such as action at common law, medical benefits and social welfare benefits. The Woodhouse committee has obviously set out with the sole intention of establishing throughout Australia a 24-hour-a-day accident coverage for all persons. However, at least the cost of that scheme would have to be borne by the Government, whereas in this respect the cost involved will have to be met by employers. This tends to introduce unfavourable aspects, particularly if related back to what I said initially regarding workmen's compensation: the place for it and why it was introduced at the beginning of this century.

Another unfortunate aspect of the Bill is the increase from $15 000 to $25 000 in the maximum amount of compensation payable. It is claimed that this increase is proportionate to the increase in average weekly earnings, but the member for Torrens has clearly shown that this is not so. He referred specifically to figures, which I will not repeat, showing what the increase should be if it was a proportional one. However, we have gone beyond that increase and, indeed, beyond the figures obtaining in other States, so that South Australia's maximum payment is now 35 per cent to 40 per cent higher than those in other States. All these increased benefits have two effects: first, they increase the cost of workmen's compensation insurance, which will be passed on to the community; secondly, the more we increase workmen's compensation benefits the more we tend to destroy the purpose of and advantages to be gained from workmen's compensation.

I clearly outlined four important aspects: first, the injured worker is assured of compensation (which will be maintained); secondly, he will receive his compensation much more quickly; thirdly, it may be paid in the form of. periodical payments rather than in a lump sum; and finally, the system will be much cheaper to operate. However, it will not be cheaper to operate if we increase benefits, because the more we increase benefits the more we are bound to throw the whole of the workmen's compensation scheme back to the courts, and the more we do that the longer the proceedings will take. Therefore, we will be breaking down the very reasons for introducing workmen's compensation.

I said earlier that the secondary industries could generally pass on these costs. But let us not fool ourselves: the community will ultimately pay for these benefits. However, there are one or two specific industries which will be affected but which will not be able to pass on these costs. I refer, for instance, to the export industries, and specifically to the rural industry. It will be difficult for the latter, which comprises many producers and which exports so much of its produce, to determine the market price for its produce and to pass on the additional costs of this workmen's compensation. Of course, the more we increase the benefits to be obtained from workmen's compensation the more likely we are to increase the proportion of that small group of people to which I referred earlier and which is willing to throw aside the moral principles involved and abuse the workmen's compensation system.

If the Bill passes, there will be no need for one to work. Indeed, certain financial advantages will be gained by one's going on to workmen's compensation instead of working. This will have the unfortunate effect of encouraging an increase in the number of people who will abuse the system. I make it clear that I am not accusing everyone who applies for workmen's compensation of doing this. However, a certain number of people will do this.

We should therefore replace the system of average weekly earnings, including overtime, penalty rates, bonuses and so on, with a system of full pay. This would reduce the overall cost of insurance and reduce the likelihood of abuse by workers and of legal proceedings, and, therefore, help to support the advantages to be gained from workmen's compensation.

Although I support the second reading, I hope members will be willing in Committee to amend the Bill. I have explained some of these matters, specifically the definition of "disease" in the Bill. I hope we retain the present definition. I also hope that we increase the total amount of compensation that workmen may claim, but not to $25 000. I hope that, in determining at what rate workmen should be compensated, we come below the weekly earnings and provide for full pay. There must be an incentive to encourage the worker to go back to work, while at the same time he must be given fair and reasonable compensation for any injury. We must be careful, when amending the principal Act, that we do not start to destroy the whole cause of workmen's compensation and the many-advantages of it.

Mr. McANANEY (Heysen): As my colleagues and other members have dealt thoroughly with each item in the Bill, I will speak only in general terms. I do not know what limitations will be placed on the extent to which we widen the Act and include sickness in workmen's compensation, nor do I know how we will decide whether a person reaches a certain condition at work or somewhere else. I see many difficulties in this matter. If we are to extend workmen's compensation so much, possibly it would be wiser to have a compensation scheme for self-employed people and for other sections of the community, covering all types of injury and illness.

Then we would eliminate the difficulties, between one section of the community and another. In determining such matters as whether a person has become sick while working and whether he should take his sick leave, thus affecting the amount of sick leave he is entitled to have during the year, difficulty will arise. It was suggested that we hold a referendum on .the establishment of a casino, which really did not affect a large percentage of the population.

However, if we are to extend workmen's compensation in terms of the Bill, possibly increasing insurance payments by between 75 per cent and 100 per cent, the people, other than self-employed people and those on the pension, will pay more for their goods, so they will be the ones who pay for the increased benefits. Profits made by industry will not fall, and only the export industries, which comprise mainly the primary producers, will be affected. The people who will pay should have a say about contributing an exorbitant amount.

Whilst these provisions will increase contributions by some people, other people will take advantage of the provisions. When people are on workmen's compensation and staying at home, they have not as much expense as when they are working. Those who use motor cars to travel to work do not. incur as much expense, and others do not have to pay fares to and from work. A person may be better off receiving an average wage than working. I agree that only a few persons will be bludgers on these provisions. However, I remember that a former employee came to my house one day and I said, "You are not working today?" He said, "No, I have a bad back and 1 am on workmen's compensation." Just then a cow. raced through the gate and this man did a handspring over the fence of the kind that I could never do.

A section of the community will always bludge on fellow workers. Going to the extent to which this Bill has gone will cause injustices, and payment of the full wage would be adequate. I agree with the provision for the payment of $25 000 as compensation when a workman is killed at work. If the breadwinner is killed, his family should not be penalized, and the matter should not be left to the discretion of the courts. Without being uncomplimentary to the courts, I think they award excessive damages and impose fines that are too light.

People who commit serious offences get off with light penalties sometimes, penalties that are far below what Parliament intended. On the other hand, it seems to me as a layman that courts award too much in compensation. The Bill is a Committee measure, and the Government should accept reasonable and fair amendments. The workers themselves will, to a certain extent, pay for the additional benefits, and we must consider this in determining the outcome.

Mr. CHAPMAN (Alexandra): I agree with the principle of workmen's compensation. In fact, our Party mentions it specifically in its platform.

The Hon. D. H. McKee: Tell us about it, will you? Will you make it public?

Mr. CHAPMAN: I am pleased to make this item public. In the L.C.L. State platform regarding industry, it is listed as the second most important item in industrial relations. Provision is made for fair and adequate compensation to be paid to industrial employees.

Mr. Slater: You must have changed it fairly recently. Your Party didn't do much when it was in Government.

Mr. CHAPMAN: Regardless of whether it was changed recently, it is there, and it has been there for some time. I agree with the principles laid down by my Party in that regard. However, in no circumstances can I agree that fair and adequate workmen's compensation can be interpreted reasonably to mean full payment, or payment of compensation representing full wages earned.

Mr. Jennings: You say that if a man is injured or sick, he cannot get full pay?

Mr. CHAPMAN: The member for Ross Smith made certain noises about the sick.

Mr. Gunn: He's sick.

Mr. CHAPMAN: I am not sure whether he is sick, trying to represent the sick, or wrong. However, I shall proceed and explain my interpretation of "full wages". I agree that full wages should be paid to the sick or injured employees. It comes down to what full wages are. I refer to the component parts of the wage structure of an industry that I will debate in this House or in any other place. It is covered by the Pastoral Industry Award, which sets the payments to employees involved in the shearing industry.

I have prepared a break-up of that award and will tell the House of that component break-up. A shearer is entitled to an award payment of $31.36 for every 100 sheep shorn. Only $23.39 of that amount is his actual wages; the balance is made up of allowances for fares, travelling, net mess costs, camping, annual and sick leave payments, sick leave payments, tools of trade (in this case, combs and cutters) and allowances for handling daggy sheep. The Minister of Labour and Industry will be fully aware of the importance of each of those component parts, which should be built into the wage structure of a shearing employee. However, if that employee is off work as a result of injury, he is automatically divorced from being involved in those expenses. He may be at home recovering from injuries, or he may be in hospital, but for the full period that he is away from his place of employment he cannot incur the expenses outlined in those allowances. Therefore, to pay a shearer, in this example, compensation in line with this Bill will give him compensation far greater than his net earnings when on the job. In other words, his payment when injured is more attractive than his earnings when employed. To introduce a Bill of this nature is industrially and economically dangerous.

Mr. Payne: Do you agree that an injured employee should receive full wages?

Mr. CHAPMAN: I agree with the principle of providing adequate and fair workmen's compensation. I agree that the total wages earned should be paid as compensation, but my interpretation of "wages" is different from that which I understand applies to those responsible for preparing this Bill.

Mr. Keneally: Are you defining what "wages" should be?

Mr. CHAPMAN: I am defining what I think wages in respect of workmen's compensation should be. Having just arrived in this Chamber, the honourable member has probably missed most of the valid points I made leading up to what I am saying. To introduce a Bill of this nature that provides an income to the injured person more attractive than he would receive as an employee is no inducement to that employee to return to work. That inducement is completely destroyed.

Mr. Keneally: You mean that, if you were in that position, you would not go back to work?

Mr. CHAPMAN: For the benefit of the honourable member and other members who have just arrived in the Chamber, I will go back over the matter I raised earlier. When referring to the component parts of the example I gave, I said that I totally agreed that the conditional allowances applicable to that industry, and no doubt to other industries, were justified. I do not reflect on the employee who enjoys those allowances for the additional expenses he incurs when travelling to and from his place of employment, but in no circumstances can I agree that, when he is injured and not incurring those expenses, he should receive payment for them.

There has been considerable speculation about the increases in insurance premiums that will apply following the passing of this Bill. I cannot say to what extent those insurance premiums will increase but we can take it for granted there will be considerable increases. However, I do not attempt to specify them.

Mr. Harrison: Wouldn't it be advisable for you to say "some" rather than "considerable"?

Mr. CHAPMAN: The member for Albert Park would like me to delete the word "considerable" from my estimate, but I do not intend to do so, because I believe the increases will be considerable. I will give him an example of what leads me to believe that these increases will be considerable. Let me take the example of the shearing employee who, when shearing an average of 140 sheep a day (or 700 a week) earns, under the current award, $219.52. That shearer now receives workmen's compensation of $65 a week, that being the maximum allowable. I agree it is unreasonable and insufficient and should be raised; but under this Bill he will receive $219.52, equal to his total earnings. On that basis he will receive a 350 per cent increase in compensation payments. On that basis, I believe I am justified in claiming that the respective premiums will increase considerably.

Mr. Harrison: You are very knowledgeable about your industry. Can you tell me how many people will be affected by workmen's compensation in your industry?

Mr. CHAPMAN: I can tell the honourable member that every person employed in my industry will be affected by this Bill—some favourably, and the employers less favourably. I suggest that all of them will be affected at least indirectly. I cannot refer specifically to all the categories of industry, but I can refer to primary industry, because here again the introduction of this Bill will unreasonably and unfairly affect it. Primary industry, as we were reminded earlier by the member for Davenport and others, has no control whatever over its income. Its products have to be marketed as they are produced, and they are marketed under a system over which the primary producers have absolutely no control, whether they be pastoralists, fruitgrowers, wine grapegrowers or dairymen. When the products of primary industry are produced, in many cases they must be marketed immediately. As a result of the primary producer having little or no control over the price received for his products, he is directly hit by these increased premiums. Further, as a result of the considerably increased premiums that will automatically apply to secondary industry, the primary producer is hit again because the output of secondary industry, particularly machinery, is required by the primary producer, and the costs will snowball all along the line. So eventually the sector referred to by Government members as the unimportant minority—

Mr. Keneally: We have never referred to primary producers in that way. Are you suggesting that the primary producer should not pay any compensation to an injured worker?

Mr. CHAPMAN: I am not suggesting any such thing: I am suggesting that the primary producer ought to pay fair and adequate workmen's compensation.

Mr. Keneally: But you want to define "adequate".

Mr. CHAPMAN: The worker ought to be paid the full wage component of his income, but not those other components of his income that represent payments for specific costs incurred. Not only on this occasion but also on previous occasions I have referred to employer-employee relationships, and I do so again tonight on exactly the same basis as I have done previously—that is, if employees earn it, they get paid: if they are entitled to it, they must receive it. However, I do not believe that in any circumstances we ought to support a Bill that provides for an employee to receive payment to which he is not entitled.

Mr. Harrison: What percentage of your employees would have received compensation over the last two years?

Mr. CHAPMAN: I can only say that I have selected as an example one of the most important industries in this country—the rural industry. In every other respect I have tried to cover the subject of workmen's compensation generally, because it is a general subject applying over the whole State. I therefore decline to answer the parochial and narrow-minded question by the honourable member. I do not deny an employee fair and adequate compensation; nowhere in my speech is there any suggestion of denying him that.

Mr. Duncan: You said a minute ago that a man does not get paid unless he earns it.

Mr. CHAPMAN: I shall deal with specific clauses in the Committee stage. I hope that in the meantime the Minister will be able to tell the House exactly what his interpretation is of total earnings or full average pay. I realize that he has not had an opportunity to do so up to this stage, but I am looking forward to hearing his explanation. It will be interesting if the interpretation of those responsible for the Bill is to mean, for example, that a senior public servant on, say, $20 000 a year will receive weekly compensation payments on that basis if he is injured at work or while going to or from work or even while enjoying his sport at the weekend. It will be extremely interesting if the Government interprets this Bill to mean that he will be paid on that basis.

Mr. Jennings: The Government won't interpret it; the courts will.

Mr. CHAPMAN: No; the courts will not determine it. The legislation will decide it, and it will be enforced from the time the legislation is passed. The only time that the court is involved is at the time of a dispute. If the legislation is clear, there is no opportunity for a dispute. I am extremely interested in this subject because it is so important to the State generally, and we ought to concentrate on it carefully during the Committee stage.

Mr. DUNCAN (Elizabeth): This Bill is one of the most important Bills to be discussed in this House since I have been a member, and I am pleased at the tone of the debate so far. This Bill is important because it further strengthens the position of one of the most economically weak groups in the community. The Bill ensures that, when a person is injured or contracts a disease at work and is unable to earn a living because of that injury or disease, his economic position will not be weakened in comparison with the economic position that applied while he was in full and gainful employment; that underscores the importance of this Bill not only in respect of the Government's legislative programme but also in respect of the people of the State. The Bill corrects anomalies and inconsistencies that have been shown to exist in the 1971 legislation. If the Bill is passed (and this appears likely), it will certainly strengthen the position of those in the economically weak category by increasing the payments to such people, and taking into account the inflationary trends that have occurred in the last two years.

Clause 10 is one of the most important provisions in the Bill, because it ensures that insurance companies cannot delay the lump-sum payments of compensation once that compensation has been agreed. In the past, this has been one of the most abused areas of the legislation. We have all heard stories of insurance companies that make special arrangements with their State branches to ensure that compensation payable to employees is delayed, in some cases as far as possible. Many members will have had experience of insurance companies that delay payment of compensation by employing such tactics as having cheques signed in Sydney by London directors, those directors being in Australia to sign the cheques only two or three times a year. As this clause will prevent that type of behaviour, it is important. I have had several cases of that type of conduct on the part of insurance companies. In one case, an agreement was registered in February this year, compensation not being paid to the solicitors of the workman until August. In another case, an agreement was registered in May this year, the compensation still has not been paid. In these cases, great hardship is caused to the workman concerned because, once the agreement is registered, the weekly payments cut out, and the effect on the workman can be disastrous. If he has been living on $65 a week, he has not been able to save money and he can find himself absolutely destitute, having to turn to the Commonwealth Government for assistance in the period during which he has to wait for payment of the lump sum. It is shocking that in 1973 people should be put in such a position. Hopefully, the provisions of clause 10 will ensure that this situation does not apply in future.

With regard to clause 10, the member for Torrens referred to delays in the post. However, the difficulty he foresaw will not arise, as the clause is drawn to ensure that, if there is a delay in the post, the liability of the insurance company or the employer will not be affected, because, at law, once a letter is posted the obligation has been carried out. Therefore, what the member for Torrens put is not a valid criticism of the provision. Another matter raised related to the compulsory repayments that must be made in certain cases to the Social Security Department out of workmen's compensation lump-sum payments. In these cases, the obligation is not only on, the insurance company or the employer but also on the solicitor for the workman. In these cases there is a joint obligation. The insurance company will be entitled to pay out the full amount to the solicitor for the workman, who will then be liable to pay moneys outstanding to the Social Security Department. As I think I have shown that the criticisms made of clause 10 are not valid, I believe this clause should be passed as it stands.

Earlier, the member for Mitcham spoke about the cost to insurance companies of the provisions in the Bill, this matter also being referred to, amongst other things, by the member for Alexandra. The member for Mitcham said that the main point to be considered in relation to the Bill was the cost that would be involved, but I totally reject that approach. I believe that the costs are incidental to the basic aim of the Bill, which is to ensure that the best compensation provisions that can be included in legislation will be available for the unfortunate people who need compensation. This is most important. It is to the South Australian Government's credit that this State leads Australia in the field of compensation. This shows that we are looking after the people of South Australia. Such a consideration is much more important than the sort of considerations raised by the member for Mitcham. He spoke about the need to ensure that we maintain our relative cost advantage compared to the other States. I believe it is much more important that we look after the people of the State rather than concern ourselves with whether or not we are more competitive or less competitive than other States. Although that is not unimportant, I believe that when we deal with a matter such as compensation it is most important that we look after the people of the State who need these benefits.

In referring to the proposals of the Commonwealth Government, the member for Torrens partly raised the question of why the Bill was necessary at all. I believe that the Commonwealth Government's proposals, which are good, will lead to considerable advantages for the people of Australia. However, at present those proposals are only in the formative stage, with a commission examining them. If those proposals are adopted, that will be of benefit to us all. However, in the meantime we must have up-to-date and thorough compensation legislation, as we will have if the Bill is passed. Basically, this is stop-gap legislation to serve until the Commonwealth has introduced its scheme which will be most comprehensive and which will provide a new charter of rights for the people of this country who suffer injury at work. This Bill provides a most important up-dating of the legislation.

Some members opposite have criticized clause 4 (*i*), which ensures that subcontractors will be brought within the ambit of the legislation. As has been pointed out in relation to the building industry, the contract between subcontractors and contractors has been used to avoid social legislation such as the Industrial Code and the Workmen's Compensation Act. Therefore, it is important that this provision be included to ensure that this type of avoidance of the legal obligation in the legislation will no longer be practicable for employers. I think we will see the situation arise where, if this provision is included, the building industry will swing back to employing day labour instead of subcontractors, particularly in view of the present situation in the building trade.

Mr. Evans: What about the cost?

Mr. DUNCAN: The situation is that subcontractor bricklayers and many other tradesmen are paid far more than is necessary to employ a tradesman on day labour. This situation must be looked into carefully by the building industry. It is important that this provision remain in the Bill so that this problem which has arisen, particularly in the building trade, can be solved, thus ensuring that building trade workers can be properly protected by the legislation. I have referred particularly to the building trade, as this legislation is important in that industry because of the high dangers that exist in the various occupations within it.

As Opposition members have raised the matter of the cost of this new legislation, I should not overlook this aspect. However, as I said earlier when referring to comments made by the member for Mitcham, this is not the most important aspect by any means. The solution to the problem of cost is in the hands of the insurance companies. What is needed in this Bill is an approach similar to the one adopted in relation to the insurance of motor vehicles against property damage. As members are no doubt aware, in that field the premium is increased according to the degree of risk. If a certain vehicle, such as a sports car, is more likely to be involved in an accident, the insurance premium on it is increased. If the owner of a vehicle has been involved in several accidents, his insurance premium also is increased.

Mr. Coumbe: That applies in this field to some extent now.

Mr. DUNCAN: The only extent to which it applies in connection with workmen's compensation is that industries are broadly categorized according to risk, but an individual employer is not penalized by most insurance companies, whether he has a high-risk factor or a low-risk factor. I have seen some figures in the appliance-manufacturing industry which indicate clearly that the employer's attitude is a most important component in whether or not accidents occur in industry. Simpson Pope Limited had a particularly good record, whereas another firm had a particularly bad record. The number of accidents in a man hour worked in Simpson Pope was less than half the number of accidents in a man hour in the other firm. This important factor should be borne in mind when considering the cost of this measure. As I have already said, to some extent the solution to the problem rests with the insurance companies themselves, if they took heed of my comments substantial savings could be made, or at least insurance premiums could be made more commensurate with the risk involved than is the case now.

Finally, having practised as a lawyer in this field, I believe that this Bill will ensure that some of the loopholes which have become apparent as a result of the passing of the 1971 Act will be tightened up and that the 1971 Act will be updated in line with the practice which has occurred over the past two years. I strongly support the Bill.

Mr. GUNN (Eyre): In rising to support the Bill, I want at the outset to make some comments on the remarks made by the member for Mitcham. During the

first minute of his contribution to the debate, he seemed more interested, rather than making a sensible contribution to this important debate, in again taking the opportunity to abuse the Liberal and Country League for its responsible attitude to this matter. If one examines the reasons why he did that, it is obvious that he realizes that the Liberal Movement has no chance of getting into Government.

Members interjecting:

The DEPUTY SPEAKER: Order! I think it is about time the member for Eyre discussed the Bill, which has nothing to do with the L.C.L. or the L.M. The honourable member for Eyre.

Mr. GUNN: I was linking up my remarks, Mr. Deputy Speaker. This is a most important matter.

The DEPUTY SPEAKER: It does not seem much of a linking up to me. The honourable member for Eyre.

Mr. GUNN: I thought it was up to the member himself to decide how to discuss a matter before the Chair. I was making the point that members of the L.C.L., who will be the Government after the next election, have taken a responsible attitude to this matter (as we do to any matter), because we realize that it is vital that workers and their families be properly protected. The member for Mitcham is in the peculiar position where he can be completely irresponsible, because he knows that there is no chance of his ever having to put his suggestions into practice.

Mr. Keneally: You have the same freedom.

Mr. GUNN: We do not, because we are a responsible Opposition that will soon be elected to Government. I well recall when this matter was dicussed on a previous occasion that the member for Florey, who was in full flight, was so excited that, as there was insufficient room behind the desk, he had to get out into the aisle. I also recall the attitude of the Trades and Labor Council on that occasion, when it followed the line adopted by the colleagues of the member for Semaphore in other States who tried to intimidate members of this House and in another place. They published a document entitled *Compo Bill in Danger,* which was a completely false statement and which, in my judgment, was in contempt of Parliament. They tried to intimidate members into voting in a certain way under threat in a fashion similar to that adopted by the postal workers when a Bill was being debated in the Senate some time ago. I think it is pertinent to quote the following remarks made by the Hon. Phillip Lynch when delivering the 1973 Alfred Deakin lecture:

The very core of liberalism is the belief that the ultimate purpose of public policy is to secure conditions in which the individual in this endeavour can find dignity and fulfilment. The guiding principle of liberalism is freedom to make the great decisions of one's life according to one's conscience which is a necessary and vital condition for achieving this purpose.

Mr. Jennings: Who said that?

Mr. GUNN: These remarks were made by the Hon. Phillip Lynch, who will be the next Deputy Prime Minister or Treasurer.

The SPEAKER: Order! The honourable member must link up his remarks with the Bill. The honourable member for Eyre.

Mr. GUNN: Workmen's compensation affords protection to people in the community many of whom, if it were not for this legislation, would not have the means or capacity to look after their families. I was supporting my remarks, Mr. Speaker, and I was going on to illustrate why I support the Bill by quoting from this excellent document, which 1 recommend to every member.

The SPEAKER: Order! The honourable member must link up his remarks with the Bill.

Mr. GUNN: I will not continue with that point if you do not wish, Mr. Speaker. In respect of clause 4, the member for Elizabeth and the member for Playford went into much detail to explain how this Bill would get rid of subcontractors, especially in the building industry. However, I believe that this clause will remove subcontractors not only from the building industry: it will remove subcontractors from all industries. I have special knowledge of the rural industry, in which much use is made of subcontractors and small contractors, in many instances comprising father and son. It is completely wrong for every person who employs a subcontractor to be responsible for that subcontractor's compensation requirements. If a person wishes to branch out into business on his own, he should accept the responsibility for providing his own compensation. If a person wants the privilege of working for himself, why should he not accept the privilege of taking care of his own welfare?

Mr. Slater: That's not what some would say.

Mr. GUNN: If the member for Gilles read clause. 4 he would agree that it is all-encompassing and includes all subcontractors. That is the interpretation of people involved in the industry with whom I have discussed this matter. I hope the Minister will further consider this matter, because he knows that the rural industry has a good record in respect of industrial accidents. Of the total number of industrial accidents reported in the last year, only 7.7 occurred in the rural industry.

The Hon. D. H. McKee: Were they fatal accidents?

Mr. GUNN: The Minister surely can be serious in respect of such an important matter.

The Hon. D. H. McKee: There are fatal accidents in the rural industry.

Mr. GUNN: I am aware of that.

Mr. Jennings: They usually only occur once!

Mr. GUNN: Even the member for Ross Smith understands that; I never cease to be amazed at his understanding of important matters. The Minister should be aware that, as the member for Alexandra and the member for Davenport rightly pointed out, the rural industry is in no position to pass on its costs. The Bill provides for a steep increase in worker's compensation insurance premiums, which must be paid by employers. It has been suggested that this increase could be about 150 per cent. When this matter was last before the House, insurance companies subsequently increased their premiums. I have recently been informed that the increases on that occasion were not sufficient to meet the costs.

Mr. Keneally: That is their story, but have you checked it out?

Mr. GUNN: The member for Stuart will have his opportunity later. I have been informed by two separate insurance companies that the increase could be about 150 per cent.

Mr. Keneally: And they will make a profit!

Mr. GUNN: If the insurance companies did not make a profit, they would not be able to pay workmen's compensation, which provides such an important benefit for people employed in industry. Surely, even the member for Stuart realizes that any group of people in business have to make a profit. We know that the Labor Party considers "profit" to be a dirty word, but surely it recognizes that if insurance companies do not make a profit they cannot insure people or pass on benefits to which workers are entitled. We are aware of the attitude of members opposite, who want to kill the goose that laid the golden

egg. Unfortunately, the people of Australia are becoming aware of this attitude and of the high prices they arc paying and the inflation occurring as a result of Socialism in this State.

The SPEAKER: Order! This is not a Bill dealing with inflation: it deals with workmen's compensation.

Mr. GUNN: But, Sir, it is creating inflation. I wish now to give examples that were given to me—

The Hon. G. R. Broomhill: By whom? How do I know you didn't make them up?

Mr. GUNN: I have been informed that, with the passing of this Bill, it is probable that the premiums will increase—

The Hon. G. R. Broomhill: Who gave you these figures—Myers?

Mr. GUNN: For the benefit of the ex-junior Minister, now the Minister of Recreation and Sport, I point out that before the passing of the Act about 18 months ago it cost about $4.60 for each $100 of insurance. After the enactment of that legislation premiums were increased to $5.76 for each $100 of insurance bought. Through the full effect of that legislation, insurance companies have recently increased their charges to $9.51 for each $100 of insurance purchased—

The Hon. G. R. Broomhill: What is your authority?

Mr. GUNN: —for the protection of employees. With the passing of this legislation, the information I have is that it will cost $40 for each $100 of insurance purchased.

The Hon. G. R. Broomhill: What fool gave you that information?

Mr. GUNN: That is in the building industry. In the rural industry, before the legislation was passed 18 months ago, the cost for each $100 of insurance purchased was $2.59. Anticipating an increase, the insurance companies increased the premiums to $3.12 for each $100 of insurance bought. However, after the effects became fully known, the premium was increased to $4.67. With the passage of this legislation it is expected that it will increase to about $10 or $12 for each $100 of insurance purchased.

The Hon. G. R. Broomhill: Who expects that to happen?

Mr. GUNN: People who are competent in the field of insurance expect it to happen.

The Hon. G. R. Broomhill: Who are these people? Are you ashamed to tell us?

Mr. GUNN: Although I am not ashamed to tell the Minister, I do not intend to give the names of companies. If the Minister cares to go to the trouble of ringing up certain insurance companies, let him do so. He has a press secretary, a research officer, and a secretary in his district who could do this. Let him get off his backside and do something himself!

Mr. Slater: What about workmen's compensation?

Mr. GUNN: I could quote certain examples for the member for Gilles, and I shall do so. I support entirely what the member for Torrens has said regarding the concept of a total wage, as people must have an incentive to return to work. All members can see what happens when a situation is created in which, because they can live comfortably on unemployment benefits, people will not accept their responsibility to society by working. These people bludge on other members of the community who are willing to accept the responsibility not only for themselves but for everyone in the community and for the country as a whole. If we are not careful, we may create the same situation in relation to this legislation as that obtaining in relation to the unemployment relief scheme. Although I am not saying that those who are genuinely unemployed should not be given relief, I oppose giving benefits to people who deliberately flout the law and who, not accepting their responsibilities, want to bludge on the rest of the community. I know of people who have perpetrated any trick they could or entered into shady deals, such as falsifying documents, and so on, merely to make out that they have been sick. These people will do anything so as not to return to work.

The Hon. G. R. Broomhill: Why don't you name a few?

Mr. GUNN: Although I have records of them in my file, I do not intend to name these people under privilege. If the Minister wants to get up and name certain people, let him do so. That is the policy of the Labor Party: to character assassinate people. However, the Opposition does not intend to follow that line.

Mr. Keneally: You're making it up.

Mr. GUNN: I could quote, for the honourable member's benefit, an instance of one of his constituents who did this. I said, when this matter was being discussed previously, that we should be careful to ensure that we do not assist malingerers who, by their action, deliberately force up the premiums the employers must pay. We must again consider that aspect. Other provisions of the Bill need clarification, and I hope that in Committee the Minister will answer the numerous questions that Opposition members ask. Government members have often labelled the Opposition as being opposed to the working people in the community, but that is completely untrue. We have always believed that a person is entitled to a fair day's pay for a fair day's work.

The SPEAKER: Order! I point out to the honourable member for Eyre that there is nothing in the Bill about a fair day's pay for a fair day's work.

Mr. GUNN: For the benefit of Government members and others, I refer now to a part of the platform of the enlightened, progressive and responsible Liberal Party, which is gaining such tremendous impetus in the community, as follows:

It will ensure for every employee and employer a just reward for his labours, an adequate and fair compensation.

That is the principle in which Opposition members have always believed and which they support, and that is why I support the Bill.

Mr. GOLDSWORTHY (Kavel): I do not know why Government members are getting so excited about this matter, as the Opposition members who have spoken have supported the second reading: it must be just that period after dinner when members start to wake up a bit. J, too, support the Bill, and do not intend to go over the ground already covered by other members. The member for Torrens is to be congratulated on the work he did on the Bill. The member for Bragg said that it was difficult to pinpoint the cause of disease in the terms referred to in the Bill. I take up two points raised by the member for Elizabeth, who was generous enough to say that the debate had been conducted on a high plane. Although 1 thought he made a good speech, the honourable member said two things that should not pass without comment, one being that the cost of this legislation would, in his view, be incidental.

Mr. Keneally: Incidental to the intention of the Bill.

Mr. GOLDSWORTHY: Well, that in no way detracts from what I intend to say. In other words, the member for Elizabeth thinks that cost is not a consideration.

Mr. Keneally: When considering industrial safety.

Mr. GOLDSWORTHY: I am coming to that point.

Mr. Keneally: Well, why don't you say that?

Mr. GOLDSWORTHY: The whole concept of the Bill is tied up with what is a just and fair rate of pay when a man is injured. That seems to be the whole basis on which this Bill rests. The Opposition has a slightly different approach from that of the Government regarding what is a fair and just payment when a man is injured. There is no question of our wanting to deprive an injured workman of a living. However, if anyone in a responsible position was to lake the stand that this cost was incidental to a consideration of what was a fair and just remuneration, men could well be priced out of their jobs. The member for Elizabeth also said that he gave no credence to arguments regarding South Australia's competitive position compared to that of other States.

Mr. Duncan: In relation to workmen's compensation.

Mr. GOLDSWORTHY: We had to make out a special case in this instance. Let us break down the cost to industry and fit it into the slot. The honourable member did not make that point clearly. Anything that adds to the cost of production will be levied on the public. When we are dealing, as we are in South Australia, with consumer durable industries, and we rely on markets in other States to keep our employment situation buoyant, our competitive position must have first priority. Those were the only two points made by the member for Elizabeth which disturbed me. I am not arguing against his basic humanitarian concept of looking after injured workmen. We are all interested in that matter, but this must be balanced against the cost, and to say that there is no cost or that cost should not be considered is a completely false premise.

Reference has also been made during the debate to the record of successive L.C.L. Governments over the years. I submit that, if it had not been for the sort of leadership that kept a close eye on costs not only in this area but also in other areas of expenditure, South Australia would not have progressed as it did over a period of about 20 years. The two matters that I have mentioned are of utmost importance. This Bill is one of the other pressures that will increase costs and prices: it is ludicrous to say that we can contain costs and prices when movements of this kind occur.

Bearing that in mind, it is a matter of deciding what is fair and just compensation for the workman that is injured. The Opposition and the Government have different approaches. It is a matter of either the total wage or the average wage, including overtime and other benefits. In these few remarks, I am able to give only examples. Probably some Government members will be able to give the details of this, but I understand that when an employee of the Australian Post Office is working away from home he gets a camping allowance of $17 a day. This is a sort of fringe payment over the award rate, and it would be used to calculate average earnings.

It seems to me wrong to consider this sort of payment when a man is confined to his house on account of illness. Another matter relates to whether a man who is not working is entitled to be paid for overtime that he would receive if he were working. It is argued that people take on commitments and become used to living on a certain amount of money and that they are entitled to continue to receive that amount. That argument has been used loosely by the member for Playford. However, I consider that the proposals by the member for Torrens are fair and reasonable. I do not accept that overtime is applicable if a man is not working.

When the Bill to establish the State Government Instance Commission was before Parliament, we were told that the commission would make a modest profit. However, the Auditor-General's Report shows that the commission has lost about $1 000 000 on its operations. It may be that that does not hinge directly on this measure (perhaps the commission would like to get into this field) but it shows that, unless one goes into business enterprise with an eye to containing costs, before long the business will be in queer street and will not be providing employment. I support the Bill and I consider the amendments to be moved by the member for Torrens to be eminently fair.

The SPEAKER: Order! There are no amendments before the House.

Mr. GOLDSWORTHY: I understand that the member for Torrens has said that he has proposals to submit, and I consider that they are eminently fair.

Mr. EVANS (Fisher): I support the Bill, in the main. What prompted me more than anything else to speak was the suggestion by the member for Elizabeth that this Bill could mean the end of the subcontractor in the building industry. If this is one of the consequences of the Bill, the cost of housing in this State will increase in future by more than it has increased in the immediate past. One of the main factors that has kept the building industry in this State at a fairly low cost level compared to that in other Slates has been the subcontracting field.

I agree with the honourable member that there is an opportunity, where there is negligence, for more injuries to occur in that industry than elsewhere. That is because of the scaffolding used and other obstacles and accidents, both serious and minor, occur unless a person concentrates all the time on what he is doing. Even if a person is concentrating and doing his job properly, there are stresses and strains on the body that do not occur in many other occupations, so that industry is prone to accident. By passing previous legislation we have brought about an escalation in costs in the building industry and members have ridiculed me across the Chamber when I have said that would occur.

The SPEAKER: Order! The honourable member can continue his remarks on the basis on which he is now speaking provided that he links them up with workmen's compensation. This is not a debate on inflation.

Mr. EVANS: I am tying my remarks to this Bill. This legislation will have the same effect as the other legislation and the member for Elizabeth, from the Government team, has substantiated that by saying that the Bill will eliminate the subcontractor from the building industry, and so encourage day-work employees in that industry. That will only inflate the price of the house that the. average young person buys so a Government member has admitted that there will be an inflationary trend in that field.

The member for Alexandra made a good contribution about an area in which he and many other country members have an interest. The inflationary trend will affect that industry without there being an opportunity to pass on the costs involved not only regarding persons employed in the industry but also regarding the goods that people must purchase to stay in the industry. These people cannot say that they want an extra 5 per cent for their product, and it is the only industry that must accept the price offered by the purchaser for goods placed on the market.

The members for Playford and Elizabeth have said that they consider that the employers should bargain with the insurers to obtain a better deal in insurance premiums for those employers who have the better safety record in industry. The member for Elizabeth used an example

regarding insurance on motor vehicles and said that premiums were higher on some types of motor car. That also applies to workmen's compensation. Different classes of workmen's compensation attract different premium rates, and the member for Torrens has made that point in drawing a comparison between premiums charged in manufacturing industries as against those charged in respect of office workers.

If the members for Playford and Elizabeth want to take this matter a step further, I should like their opinion about an employee with a responsible position in a factory who becomes accident prone, has other pressures on him, suddenly takes to alcohol, and often, on the day after he has been paid, has not the same ability to concentrate in his employment as he had previously. Figures show that they are the days when men and women (men in particular) are accident-prone: there is a relationship between that and the quantity of alcohol consumed on the previous day.

What do we do with that person? Do we say to him, "You are loo big an insurance risk in that job so, as a responsible employer, I must demote you"? What will be the response from the trade union movement and Government members if that occurs? I accept the argument that we should say to the employer, "You must be responsible and make your factory or place of employment as safe as possible, working in conjunction with the Department of Labour and Industry, which will advise you, inspect the premises, and hold the jurisdiction in that field."

If the employer does everything asked of him and supplies the goggles for the man working on the emery wheel, who then, because he neglects to wear them, receives an eye injury, do we say to him, "Bad luck, Jack. You do not get any workmen's compensation", and his wife and children suffer; or do we say to him, "You didn't obey the rules. I shall have to demote you and you will get a lower salary and a job of less status in the community"? If we put that burden on the community, we must put the responsibility on employer and employee with equal emphasis: we cannot have it in only one direction. It is important that we do that.

There is no doubt there will be an increased cost to the community. This is a form of community insurance to protect those people who are unfortunate enough (in some cases merely through carelessness but in most cases through misfortune) to be injured. It is a community insurance. Every person purchasing an article manufactured in this State contributes, in the long term, to the scheme. That is the result of this type of legislation and this is the type of legislation that we must be cautious about, because, if it is not handled responsibly, it may become more difficult for us to sell our articles in places outside the State when the competition is really on. We shall not always have the short supply of articles that we have in many fields today, and there will be times of real competition when we shall have difficulty in keeping our costs competitive.

Therefore, I support the Bill generally. I hope the forecast made by the member for Elizabeth is never justified because, if it is a move to do away with the subcontractor, I say to everyone here, "You will kill the initiative of a group of people who go out to work for a little extra, with dedication and with the opportunity to be their own bosses and to make a most important article for the average family man at a reasonable price." We shall force that man out of that business and force up the cost of that article to such an extent that many more people than those who cannot afford to buy a house today will not be able to afford to buy one. Shame on anyone here who believes that that action is justified!

The Hon. D. H. McKEE (Minister of Labour and Industry): I am encouraged by the tone of the debate. At least it appears that we are all agreed in principle that workmen's compensation should be improved. I agree with the member for Torrens and other members opposite who have spoken that this is an important piece of legislation for the work force of South Australia. Let us think about the work force for a moment. If suddenly overnight all the bosses and management executives were injured or dropped dead, I think we would still be able to carry on, with other people taking their places. Now let us think about the other angle: if all the work force suddenly overnight became injured or dropped dead, that would be the end.

Mr. McAnaney: Not on my farm.

The Hon. H. D. McKEE: I do not know how the honourable member would work his farm.

Mr. McAnaney: I would do all the work myself: as much as the three men whom I once had working for me.

The Hon. D. H. McKEE: That is an important matter to think about, that we should place great importance and reliance on the work force of this nation. I do not agree with the member for Torrens when he says there are many anomalies in the Bill. I believe that fair play is bonny play and that I would be supported in that by most people throughout the Stale. True, as the member for Torrens mentioned, the Australian Government is considering the Woodhouse report. There is much merit in that scheme. As most members know, similar schemes are working satisfactorily in Canada and New Zealand, so in future this could become a national scheme of workmen's compensation, whereby compensation moneys will be paid into a board controlled by the national Parliament and everyone who desires to can make a contribution.

Mr. Chapman: Is that national scheme working satisfactorily?

The Hon. D. H. McKEE: It is a compensation scheme that is working satisfactorily. An industry with a high rate of accidents under that scheme is penalized by the board, and the contributions payable rise according to the accident rate. This encourages industry also to provide for safety lectures and courses in safety within industry. As a Minister, I have spent much time encouraging that aspect. I have been through all the major industrial areas in the city and in the country. I have invited industrial safety experts from various parts of the world to give lectures to businessmen and the trade union movement, and the results have been good.

Mr. Mathwin: What about the national scheme?

The Hon. D. H. McKEE: I am talking about the national scheme that the Commonwealth is considering, but it will take some time to set up.

Mr. Chapman: The Commonwealth Government is really considering a national compensation scheme?

The Hon. D. H. McKEE: Yes. The member for Torrens is aware of it and I am convinced that legislation of this nature will be introduced. Also, I believe it will take some time, for it is a scheme we cannot embark upon lightly. It must be well presented so that it will be a workable piece of legislation.

In the meantime, we must do something for our work force. We on this side believe that no person should suffer financial loss while he or she is off work as a result of injury or the effects of an industrial disease. Members know that, if a person is sick, his financial commitments

just do not disappear: the hire-purchase companies and the other people that the working-class man deals with still want their dividends. The member for Torrens made a good contribution to this debate. He registered concern about regulations in respect of table injuries. The honourable member knows very well that regulations are subject to the scrutiny of this Parliament, so his fears are unwarranted. Some speakers have referred to the rates applicable if a subcontractor or piece worker is absent from work as a result of injury. About 20 years ago I was a contract miner on the uranium field for the Playford L.C.L. Government, and I was covered by workmen's compensation. When we talk about average weekly earnings, that is exactly what we mean; when we talk about average weekly earnings for a piece worker or subcontractor in the building industry or the shearing industry we mean that he would get the average weekly earnings applicable to the award of the industry in which he is employed.

Mr. Chapman: That is what you mean when you—

The Hon. D. H. McKEE: That is what we mean by average weekly earnings. Would the honourable member say that a shearer works for 12 months of the year? Most shearers do not work as shearers for more than seven months of the year. I would not consider taking into account the combs, cutters and other items used, because a shearer does not use them while he is off work injured. Let us add up the total earnings over the months during which a shearer would shear.

Mr. Chapman: The opportunity is there for a shearer to engage in another occupation during the months when he is not shearing.

The Hon. D. H. McKEE: Yes. It would be interesting to know exactly what a shearer would earn if he went to work elsewhere during the months when he was not shearing; most shearers do that. If we divided a shearer's annual earnings by 52, we would get a different picture.

Mr. Chapman: Is that what it means?

The Hon. D. H. McKEE: The Bill means that we would pay average weekly earnings, which can be defined easily in South Australia.

Mr. Goldsworthy: Would each shearer get the same pay?

The Hon. D. H. McKEE: The rate would be that which was applicable to the award.

Mr. Goldsworthy: All shearers would get the same, even if one sheared for eight months of the year and another sheared for only five months of the year. Is that what you are saying?

The Hon. D. H. McKEE: The shearer would get whatever is paid to an employee in the industry.

Mr. Chapman: For that employee or for that industry?

The Hon. D. H. McKEE: For that industry. That is what we mean when we talk about average weekly earnings. I am talking about an award applicable to the industry in which a man works for most of the year. Regarding the penalty of 1 per cent referred to by the member for Torrens, I am sure that the honourable member is aware that in my time as Minister I have received numerous complaints from people who have had to wait months even after a decision has been made in regard to a lump sum settlement. All sorts of dodge can be used to delay lump sum payments, and that practice must cease.

Mr. Coumbe: I agree with that.

The Hon. D. H. McKEE: We intend to apply this penalty when it is warranted, but not when it is proved that the delay is legitimate. All members would agree that a stiff penalty should be imposed in appropriate circumstances, because a man is in greatest need of money when he is ill. This legislation has been amended several times since I have been a member of this House, but it was not until a Labor Government came to power that we have had reasonable workmen's compensation legislation. I do not think any member opposite would deny that the 1971 legislation replaced a shocking Act.

Mr. Coumbe: Was the 1971 legislation perfect?

The Hon. D. H. McKEE: In 1971 we did not get through another place the legislation that we promised the people.

Mr. Chapman: You don't really hope to get this measure through, do you?

The Hon. D. H. McKEE: These proposals were put to the people by the Premier in his policy speech prior to the last election; so we are committed to this legislation because we have a mandate from the people. The people have voted for it, and it is our job to see that they get it. I have listened carefully to the debate, but I do not intend to discuss the points raised at any length now. As has been pointed out, this is a Committee Bill, and no doubt we will deal in Committee with all the points raised. Having listened to the debate, I am confident that we will gel the legislation that we promised the people we would give them.

Bill read a second lime.

In Committee.

Clause I passed.

Progress reported; Committee to sit again.

ROYAL STYLE AND TITLES BILL

Received from the Legislative Council and read a first time.

EGG INDUSTRY STABILIZATION BILL

Adjourned debate on second reading.

(Continued from November 6. Page 1595.)

Mr. WARDLE (Murray): I support the second reading of the Bill, which some people say provides for demand-supply management, because I believe that the industry by and large, throughout the country, supports it. Probably not any other primary industry has gone through more difficulties in the last eight or nine years than has this industry. Anyone who has lived near an egg producer realizes the increases there have been in costs of production, and the return producers have received for eggs during that period has been small, so that producers have only just been able to pay their way. Some time ago, the Commonwealth Government agreed to assist the egg industry to gel over the difficulty of its enormous surpluses of egg pulp, provided the industry would consider limiting the number of hens, and consequently limiting production. I understand that at the Agricultural Council meeting State Ministers agreed to take back to the producers in their State legislation limiting production by imposing State quotas and quotas for poultry farmers in each Stale. On about March 2, 1972, egg producers were informed that it was likely that legislation would be introduced to control quotas and that the quotas would probably be based on the number of hens kept at that time. I will explain later how provision has been made for people who have expanded their production since March 2, 1972 and for those who have bought into the industry since then. A group system for quotas has been implemented, with poultry farmers deciding in which group they will be.

I realize that in the poultry industry there are people who hold a wide variety of opinions. Some people believe that quotas should not be implemented; others are moderately attracted to the legislation but are unhappy about some aspects; and others are adamant that the Bill

provides the solution to their problem, seeing little in it that needs to be altered. Therefore, the opinions vary from those who do not want the legislation to those who fully agree with it. I do not think a larger group of individualists could be found than exist in the primary-producing field. In the past, although they have had to accept boards and controls in some cases, primary producers have disliked restrictions and controls. Primary industries have suffered at times from a lack of co-operation and co-ordination, with some groups supporting one aspect without receiving much co-operation from other groups. In some cases, one could almost believe that various groups have set up in opposition to each other.

This Bill is a result of much work by the industry in trying to find a solution to its problems. There would have to be a good reason to throw out this Bill. I think that in order to do that we would have to prove to the industry that the Bill was completely inappropriate, and we would have to give clear guidelines why it was not in the best interests of producers. In this country, the production of eggs is in the hands of fewer and fewer growers. Although I have looked at figures for only the last five years, I have found that the number of growers over the last five years in South Australia has decreased by 288 a year. On July 1, 1968, there were 3 352 growers (a grower being a person who pays fees to the Commonwealth Egg Marketing Authority under the relevant legislation and who keeps 20 or more birds). By the end of June, 1969, the number of growers had decreased by 376 to 2 976. During 1970, 224 growers dropped out of the industry, leaving 2 752. By June 30, 1971, 196 additional producers had left the industry, leaving 2 556. By June, 1972, an additional 275 had left the industry, leaving 2 281. At June 30, 1973, an additional 372 had left the industry, leaving 1 909. So, an average of 288 producers, who had kept 20 or more birds, a year left the industry.

A study of the flocks in South Australia shows that a large number of birds is kept by producers who have fewer than 5 000 birds. Only six South Australian producers keep 20 000 or more birds; 14 keep between 10 000 and 20 000 birds; 24 keep between 5 000 and 10 000 birds; 59 keep between 2 000 and 5 000 birds; 69 keep between 1 000 and 2 000 birds; 144 keep between 500 and 1 000 birds; 522 keep between 150 and 500 birds; 373 keep between 75 and 150 birds; and 569 keep fewer than 75 birds. So, there is a large number of small producers in the State.

Although I do not believe that this legislation is designed to have regard to the large number of small producers or the small number of large producers, I believe it is destined to assist those whom I choose to believe are in the middle bracket of the one-farmer viable unit, such as a family unit. I believe that the production of eggs, the same as the production of broiler meat, is based in the hands of the viable family unit, where the best husbandry is given and where the most economic production of eggs and meat birds takes place. If this Bill saves the egg industry from the difficulties the broiler industry got into during the past five years because of the domination of the large companies that have amalgamated one with another, thus reducing the whole control to about five or six groups, it is worth our serious consideration.

There are two reasons why the numbers of birds kept in Australia between 1965 and 1972 have increased so dramatically: during that time, there has been a 36 per cent increase in the number of hens in Australia. Naturally, this increase has resulted in an over-production which has embarrassed the industry, which has caused a large number of eggs to be pulped, and which has created the embarrassment caused by having to have the pulp placed in cold storage and subsequently sold on the export market at the rate of 9c or 10c a dozen. The purpose of the Commonwealth Egg Marketing Authority, constituted in 1965, was to try to offset to some degree the payment of C.E.M.A. levies of up to $1 a bird a year to offset some of the losses on the tremendous amount of export from Australia. I believe that the returns to South Australia are probably the highest of any State in Australia.

Because at the time the C.E.M.A. levies were introduced it appeared that it would be more profitable to the industry, there was a 36 per cent increase in the number of hens kept in Australia. About 18 months or two years ago there was talk in all States of a quota system being applied, and this again resulted in an increase in the number of birds. As growers wanted to ensure that their properties were viable, they kept as many birds as they could keep on a one-man viable farm unit. The two aspects I have mentioned caused the 36 per cent increase in the number of hens in Australia. I mentioned earlier that the Commonwealth Government, in order to assist the States, was willing to help the States quit much of their egg pulp and, therefore, much of their surplus production, provided that the Stales were willing to enter into some restrictive quota system that would cause production to fall to something like the Australian requirements.

The Bill has six or seven interesting features to which I will refer. First, it creates a licensing committee, the members of which shall be three members of the Egg Board. The Egg Board consists of six members—three appointed by the Governor and one elected from each of the three zones created throughout the State. The licensing committee will consist of the three nominees on the board. There is every good reason why these people should be selected, because they will meet following meetings of the board. These three people will be conversant with conditions in the industry. I find no fault in the personnel of the committee.

Another interesting feature of the Bill is the appointment of inspectors, who will have the rights and authority of most inspectors appointed under other legislation and who will inspect all licensed farms. The licensing of poultry farmers is an important aspect of the Bill. A farmer may choose to take a licence, which will automatically give him a hen quota, on one of two conditions. First, he may elect to have a licence under group 1 or group 2, the former being based on the highest number of hens that a farmer, who has paid levies under the Commonwealth Egg Marketing Act, had on his property prior to March 2. 1972. Group 2 provides for the average number of hens kept by a farmer during the year ended March 2, 1973. A farmer may have purchased an additional farm since that date, in which event he would be able to obtain a licence for a greater quota if he chose to take the average number of hens kept to that date. Basically, it would be for the producer to decide whether he gets a group 1 or a group 2 licence.

Although this will determine a farmer's quota, it will be necessary first for the State to obtain a quota, just as it will be necessary for other States to do so. I presume that South Australia's quota will be determined by the meeting of Ministers of Agriculture. This is referred to as the base State quota, from which each poultry farmer will get his licence and quota. It is expected that a percentage across the board reduction will apply on the present number of hens kept by the farmers. If South Australia's quota was 1 000 000 hens and we had, say, 1 000 growers, farmers

would each have a quota of 1 000 hens. In this way the State's quota would be fulfilled. It is not expected that farmers will get a full quota initially. If a farmer is at present keeping 1 100 hens, his stock will probably be reduced by 5 per cent or 10 per cent in order to reduce his flock to this State's base quota.

Mr. Dean Brown: Will this be across the board?

Mr. WARDLE: It is expected that, to reduce South Australia's numbers to the State quota, there will be an across the board percentage decrease. With the increase in population and egg consumption, it is expected that over several years the quota will gradually build up again to the present figures. I believe it is reasonable that the Egg Board should hold the increased quota each year and average the quota out to growers. The industry realizes that, although it will have initially to take a small percentage cut, in the short term its quota will return to today's figures.

The Bill provides that there shall be a percentage increase across the board. However, I should like to canvas an alternative scheme that is, broadly speaking, acceptable to the industry. When increases have been made across the board on the original base quota, and farmers find themselves back in their present position, how will the additional quotas be allocated? Some believe that this increase should not be on the basis of across the board percentage increase. Naturally, some farmers will soon build up to their 50 000 limit, which this Bill applies, although not many are close to that limit at present.

Mr. Hall: How will they reach the 50 000 limit?

Mr. WARDLE: This depends on circumstances, and whether a profitable export market, which has not been found in the past, can be found in future. If quotas are farmed out on a percentage basis across the board and if the increase is 10 per cent, it could be a handsome gift for a farmer who considers that his unit is viable and manageable and he does not need it. I am assured that not all farmers want their additional quotas but that they will take them. If a fee is imposed, it has been suggested that the fee could be the reigning price received for hens over the previous 12 months. That fee, it has been suggested, could be paid to the Egg Board, to be used for the furtherance of research and for the benefit of the poultry industry generally. It has also been suggested that the quota could be allotted on an average basis throughout the industry.

The poultry industry is slightly different from other industries because, if a farmer is allocated an additional wheat quota of 200bush. (5.4 t) or 300bush. (8.2 t), it is only a matter of his planting a few more acres and he has again reached his quota. In the poultry industry, however, it is a matter of investment. It is not something a person can do by adding 5ft. (1.52 m), 10ft. (3.04 m) or 20ft. (609 m) to the end of an existing shed: often it involves the construction of a completely new shed to house the birds, and additional equipment must be purchased. Because some growers would want additional quotas and because other growers would not want them, I believe there should be a system whereby the quota is held by the board and purchases are made by those growers wanting to expand, so that only those growers genuinely interested in further production would increase their quotas. Otherwise, growers who did not want to increase production could accept additional quotas and then place those additional quotas on the market for sale as a lucrative proposition. I believe there can be a workable alternative in respect of base quota increases for producers.

The Bill allows for the surrender of licences as well as the re-issuing of licences, and it allows for the cancellation of licences in certain conditions and for the sale to new growers of licences re-issued. It is important that the licensing authority ensure that production is maintained in areas according to the existing schedule. For example, there is a necessity for certain production to be carried out in your district, Mr. Deputy Speaker, and there are areas in the State where production now occurs and in respect of which it is important for the licensing authority to maintain existing production in those areas. The Bill provides exemptions for certain sections of the industry. Those known as "multipliers" within the broiler industry are exempted by the Bill, as are any research institutions, high schools, or any educational authorities keeping hens as part of their agricultural programme.

The Bill provides for the establishment of a licensing review tribunal to which any licensee who believes he has been unjustly treated can take his appeal, the tribunal to be constituted by a legal practitioner. One of the most important features in the Bill is the provision regarding a poll. This poll is to be taken if requested by 100 persons—not 100 persons paying levies under the Commonwealth Marketing Authority but 100 persons described in the Egg Board legislation as persons who have 500 birds or more. Only 361 people are eligible to vote. The Bill provides that 100 signatures must be obtained from among those 361 before a poll can be conducted in respect of whether the Bill becomes operative or not. Reference has been made to only 270 growers being eligible, but only 270 of the 361 eligible growers applied for a vote at the last poll for the election of Egg Board representatives. Obviously, some growers were not enthusiastic about being involved in the poll to elect grower representatives to the Egg Board.

Mr. Nankivell: They were in zone 3, weren't they?

Mr. WARDLE: I am not qualified to answer that. The Bill provides for a continuation poll to be conducted after three years if 100 licensees petition for a poll to be taken among members of the industry. Although this Bill may not be the solution to every grower's problems, it is the responsibility of persons in the industry to suggest legislation that will be suitable and adequate to reduce over-production of eggs throughout Australia as well as providing some security to the industry. I support the second reading.

Mr. HALL (Goyder): I do not intend to speak for long, but I should like to say something about this Bill, which I do not particularly like. We have seen regulation in respect of other primary products by the application of quotas, notably in the wheat industry in the recent years when sales were hard to come by, and sales were regulated strictly by the application of quotas. One of the things that the member for Murray has not done (I listened carefully to his speech, and was absent from the Chamber for only a few minutes) has been to indicate the progressively lower number of hatchings in the State.

I am not an egg producer but I have taken some passing interest in the industry, as anyone should in relation to an important industry in the State. My attention has been drawn to the figures, and they seem fairly portentous to me. The decline in hatchings seems to indicate that this Bill is being promoted in South Australia at a peculiar time. The number of hatchings in South Australia in the past three years has been:

Year	*Number*
1970-71	2 125 000
1971-72	1 876 000
1972-73	1 409 000

The figures for 1973 are up to June, so we can add to that about 300 000 for July and August. When the figures are

broken down to quarters, they provide perhaps the best comparison, because we have not the figures for the last quarter of this year. The figures for July, August and September in the past three years are as follows:

Year	*Number*
1970-71	750 000
1971-72	712 000
1972-73	556 000

The figures for October, November and December in those years are as follows:

Year	*Number*
1970-71	581 000
1971-72	521 000
1972-73	352 000

The figures for the January. February and March quarters are as follows:

Year	*Number*
1970-71	394 000
1971-72	353 000
1972-73	261 000

The figures for the April, May and June quarter in those years are as follows:

Year	*Number*
1970-71	400 000
1971-72	290 000
1972-73	240 000

Unless some factor has not been pointed out to me, surely those figures show that there must be a considerable decline in the number of hens being kept in South Australia. 1 must assume that the trend is downwards. A member of the Egg Board, whose name I suppose honourable members would know, has told me that there is a real fear that there will be a big scarcity of eggs in South Australia during next winter because of the decline in the number of hens being kept.

This may or may not be so, but I have been told that the shortage of eggs during the period of low production next year will be bigger than we have known in past years. If that is so, is this not a peculiar time to talk of limiting production? When we look back through the legislation passed in this House, we find that the egg industry legislation has been the subject of much alteration. In 1963 the first producer-elected members of the board were appointed. In 1965 we had a major alteration when the elector qualifications to vote for elected members were changed from an egg delivery basis to the keeping of 250 hens. In 1966, because of the Commonwealth Egg Marketing Authority and its imposition of the hen levy, the figure was increased.

In 1972, a person had to have 500 hens, or one-tenth of what was considered to be a viable enterprise, before being able to vote at an election for producer members of the Egg Board. As the member for Murray has pointed out, few members of the egg-producing community keep more than 500 hens. When the new electoral districts were established last year, only 414 producers were entitled to vote in three electoral districts for producer members of the board. I understand that number has been reduced further, and I accept the statement by the member for Murray that only 361 egg producers may vote for members of the board. Therefore, only that number of persons could vote at any poll that would decide whether this legislation should proceed.

One of the big problems about this legislation is that it will establish monopoly production. Whilst the persons who are to be licensed may initially have the number of hens that they are allowed to keep reduced, the member for Murray has spoken of the great quandary that would face the Government-appointed representatives, who would comprise the tribunal that would allocate licences, when an increase in production was needed. Will they then hand to existing producers the bonanza of increased production on a licence basis, without competition from other producers?

This is the enormous quandary not resolved by this legislation. I suppose that, in the growth of a nation like Australia, there is certain to be at some time a need for increased egg production, and nothing in this legislation contemplates how that increased production will be handed out to the growers licensed under the measure. I am also concerned about whether this scheme for a hen quota for the whole of Australia will be implemented. I have not the facts on this, and I do not want to make statements and get into the sort of problem that the member for Hanson has got into recently.

Mr. McAnaney: How did you get on with Redcliffs?

Mr. HALL: The member for Heysen knows how firmly we stood on Redcliffs and how the Chair would object if I went on to answer him further. All I can say is that we did not stand with the Labor Party on Redcliffs, as the member for Heysen did.

Mr. McAnaney: I am standing for South Australia.

Mr. HALL: The honourable member is spreading rumours about how people have voted, and they are deliberately incorrect. However, I will not develop that, because it is too tawdry. I will leave the honourable member at his own low level.

The DEPUTY SPEAKER: Order! I ask the honourable member to come back to the Egg Board.

Mr. HALL: There is no guarantee that the Victorian Government, for instance, will proceed with this legislation.

The Hon. J. D. Corcoran: That's right.

Mr. HALL: The Minister knows that, I take it the safeguard is that, if one State does not go into the scheme, the whole system of an Australian quota for eggs will fall and, therefore, no State will be disadvantaged, but it cannot be contemplated that South Australia would impose licensing for egg production and that Victoria would not do so, because if that happened one could imagine the trade that would occur across the border at the expense of limited South Australian production. I do not contemplate that South Australia would impose restrictions in that situation.

The Hon. J. D. Corcoran: I think you're dead right. It could happen, but I don't think it will.

Mr. HALL: Theoretically, it could happen, and we are considering a Bill that has many ramifications. The Premier would not want South Australia to be subject to immense imports from Victoria, or from the Australian Capital Territory, where I understand a large production unit has been established in the past year or so. The Bill spells out clearly how the C.E.M.A. plan has failed to fulfil almost any of the initial predictions of the people who promoted it. I remember in the last days of the Playford Administration how that Government promised the egg producers of South Australia a poll on whether C.E.M.A. would be brought into operation in South Australia and how, when the Labor Government came into office in 1965, it scrapped the poll. I remember how the former member for Murray was defeated as a result of that action, because he had a considerable number of poultry producers in his district.

The Hon. J. D. Corcoran: It was unjustified though.

Mr. HALL: It was entirely justified, because C.E.M.A. had failed. If it had not failed, we would not have this legislation before us to limit production. The artificial type of control that placed a levy on each hen across Australia gave a false confidence to the industry and added to the impetus to increase production that has taken place mainly

in the other States of Australia. The end result has been many more eggs thrown on to a completely give-away oversea market to the detriment of the financing of the industry itself. So C.E.M.A. has failed, and the last resort is to limit the production of the present producers in the industry.

It is a matter of great principle that the laws of supply and demand that have traditionally governed this industry for a long time are to be thrown aside by this legislation. At least I must give praise where praise is due: the Government is to be given credit for inserting in this Bill the provisions for a poll. I must say that the Minister of Education now is exhibiting far superior qualities to those that his predecessor exhibited in a previous Labor Government when he refused to give a poll on the C.E.M.A. plan. I give the Minister credit for this.

The Hon. J. D. Corcoran: There were reasons for the refusal, and you know what they were.

Mr. HALL: There were not sufficient reasons.

The Hon. J. D. Corcoran: He. was under pressure because of the market. In this State we were being flooded by the other States, as you well know.

Mr. HALL: We have often seen how Labor Ministers give in under pressure. I approve of the provision for a poll in this legislation. I have one criticism, and that is that the number of growers who must sign a petition asking for a poll is too large: the very fact that 100 signatures must be obtained out of a possible 361 almost means a poll by petition. I believe that a requirement of about 26 per cent to 28 per cent of all growers eligible to vote at the poll having to sign a petition asking for it is far too great. I challenge the Minister to point to any legislation that provides for a poll where more than 25 per cent of the growers have to petition before they can get it. I know he cannot do so. In Committee I will move to reduce that figure to a more sensible one, as I will move that people who have more than 500 hens in their productive units will be eligible to vote. That is an essential part of the legislation.

Do not put in the poll as window-dressing: truly put it in and truly make it available. Anyone who realizes that the 361 eligible growers are scattered over three electoral districts across this State and thinks of the size of this State and the location of the egg producers in it can appreciate how difficult it would be to have a consolidated demand for a poll expressed in a petition of 100 people.

That would mean that some individuals would deliberately have to conduct a campaign and travel the length and breadth of the Stale to get what would amount to a poll by petition and to get enough growers to demand their rights under this legislation. Such is the demand on people's time that it would be difficult for the growers who wanted a poll to obtain it, because of this restriction.

So I urge the Minister at the appropriate time to show that he is a democrat and to alter the provisions of this legislation so that it will leave this House able to offer the egg producers of South Australia effectively the poll that they may require. I do not think that about 13 per cent or 14 per cent of the growers who must sign a petition is too little by way of safeguard. It would prevent a capricious demand, and that is all we can ask of the number we require on a petition to ask for a poll.

I shall not oppose this Bill, but I do not like it. It is a departure from principle. I admit there are other industries with quota restrictions, but this industry is particularly seasonal. I have already mentioned the possibility of artificial shortages of eggs in times of short supply because of restrictions, and the people will not thank this Parliament if they are inconvenienced by artificially high prices because of a shortage brought about by this Bill. I ask the Minister to facilitate the holding of a poll so that the producers can have an effective say of their own.

Mr. DEAN BROWN (Davenport): We have before us an unusual Bill that will have long-term effects on the egg industry of Australia. I hope that, before we pass it, someone will sit back and carefully examine what those long-term effects will be. I have a strong suspicion that the Government has introduced this Bill because of short-term pressure from the egg producers. The first argument put forward on why this Bill should be introduced is that it will protect small producers and stop the industry being taken over by the three large feed companies. We see a classic example of how the small producers can be taken over when we look at the broiler industry, which is basically controlled by a few companies that are linked to the feed companies. However, it is not necessary to introduce a quota system to stop such a take-over by the large feed companies. That can equally well be achieved by simply putting a maximum upper limit to the number of birds that any one producer can have. That will achieve the desired effect. So, the first object of the Bill can be achieved by other less drastic means.

The second object is to equate egg production in this State with the size of the domestic egg market. There is the problem in the egg industry in this State that there is a relatively fixed domestic market where high prices can be achieved, the current price being about 70c a dozen. All surplus eggs have to be sold on the oversea markets either as eggs in shell or as egg pulp. The price obtained for both classifications on the oversea market is very low. Therefore, there is virtually a fixed demand, and beyond that demand there is a very low return.

Of course, this Bill attempts to adjust the supply to the domestic demand. However, the economic basis of the industry has not been adequately considered; I am referring to the supply and demand situation. As supply increases, prices decrease, and so demand is likely to increase. In the reverse situation, if demand increases, the price will increase, and production or supply will also increase. However, this does not work in the situation that has applied up to the present: at present our domestic price is fixed at an artificially high level to protect the egg producers of this State, particularly against the low oversea market prices.

When looking at this Bill I wonder what the comments of a modest member of Parliament would be; we all know that gentleman as he appears in the *Australian Financial Review.* I can well imagine the modest member's outcry against such a quota system. I can also imagine the outcry of Mavis, his wife, who would be very upset by the artificially high prices likely to result from this Bill. Of course, Fred the farmer will be very happy in the short term, because he is being protected against any monopolistic control of the industry. However, I believe that in the long term Fred will be very upset, because he will start to see the disadvantages of any quota system.

The Hon. J. D. Corcoran: What about Mavis?

Mr. DEAN BROWN: I have covered Mavis. I can see Eccles, his economic adviser, being far from happy with the introduction of a quota system. Only yesterday I spoke to a man who I consider is Australia's top agricultural economist; I talked to him about quota systems, particularly in relation to egg production. He clearly said that quotas may help to protect farmers and to stabilize the industry in the short term, but in the

long term they lead to inefficiencies and artificially high prices. We have seen this situation in other industries in Australia.

A quota system gives any producer the right to produce eggs, irrespective of the efficiency of production; this is the main downfall of any quota system. Such a system encourages and maintains inefficiencies. Of course, in the long term this means that the whole industry can afford to become inefficient; the supply and demand situation will break down, there will be artificially high prices, and efficiency will no longer be important in determining the market price. So, the consumers will be the ultimate sufferers from such a quota system. However, not only the consumers but also the efficient producers, the people who should be producing our eggs, will suffer. I hope the Minister of Agriculture will note that the efficiency of any quota system depends solely on the ability of those handling the system to predict the future demand. I cannot think of one agricultural industry where the authorities have been able accurately to predict what the future demand will be for the products of the industry.

Let us consider the wheat industry. We have had wheat quotas in Australia in the past, and there is a world-wide shortage of wheat. Wheat prices are soaring, and Australia will not be able to meet the demand for wheat in the coming 12 months; exactly the same situation is likely to occur in the egg industry, but to a greater degree. The member for Murray has explained that in the wheat industry very little capital cost is involved in increasing the supply quickly. He also said that capital cost is involved in relation to the egg industry. This means that there will be less flexibility in altering egg quotas than there is in altering wheat quotas. If it has not worked in connection with wheat, il certainly will not work in connection with eggs

The Hon. J. D. Corcoran: Who said that it has not worked in the case of wheat?

Mr. DEAN BROWN: The Minister should look at the current situation in Australia and in the rest of the world to see that predictions in regard to wheat quotas have been very inaccurate.

The Hon. J. D. Corcoran: Are you advocating a change?

Mr. DEAN BROWN: I hope the Minister is not using the wheat industry as the basis for this legislation.

The Hon. J. D. Corcoran: I am not using it as an example: you are doing that. You said that the system did not work, but I point out that it is only since a Commonwealth Labor Government has been in power that farmers have been able to sell their wheat.

Mr. DEAN BROWN: The wheat quota system has not worked, because it has not been possible to predict the demand.

The Hon. J. D. Corcoran: What do you mean?

Mr. DEAN BROWN: One needs to predict the demand in the next 12 months, so that quotas can be set.

The Hon. J. D. Corcoran: You don't always meet the quotas set.

Mr. DEAN BROWN: I know, but one needs to know what the demand is likely to be. The Minister is showing a remarkable lack of knowledge of the quota system. The trouble with trying to predict quotas is that other factors also influence demand. A classic case in connection with eggs is that the recent increase in meat prices has increased the demand for eggs by 10 per cent in this State. I guarantee that, in trying to predict next year's quota, the people concerned would have ignored factors such as likely increases in meat prices. It has also been claimed that the supply and demand for eggs is fairly inflexible; this means that, as the price varies, there is very little fluctuation in demand. However, I believe that this inflexible demand for eggs is a most superficial case put forward by the egg industry because it is talking about minor fluctuations in egg prices. In addition, it is referring to an artificially high egg price, and it is not working under true marketing conditions of supply and demand.

Therefore, it cannot make the sort of accusations it makes against the flexibility of the system. I fully support what the member for Goyder said about the failure of C.E.M.A. Obviously it has not worked, and that is why the Bill has been introduced. I suggest that the best way for the egg industry to get out of its present difficulty of having to export some of its production would be to remove the effects of C.E.M.A. and to stop setting artificially high prices. It should get back to the market condition of supply and demand; then the industry would quickly settle down on an economic level. Furthermore, if producers are concerned about the monopolistic control of their industry, we should set certain upper limits on the number of hens any producer can have.

As it stands, the Bill will not stop monopolistic control of the industry. I appreciate fully that it provides an upper limit of 50 000 hens for any one producer or company responsible for producing eggs. However, there is no provision to stop a company from leasing part of a quota or a full quota. Therefore, if the feed companies have their wits about them, they will quickly move into the industry, lease quotas from producers, and rapidly tie up the whole industry. Small farmers may not allow a feed company to lease birds, and the feed company will stop supplying those farmers with feed. That will be the effect of the Bill.

The Hon. J. D. Corcoran: Do you really believe that?

Mr. DEAN BROWN: Yes.

The Hon. J. D. Corcoran: Do they do that now?

Mr. DEAN BROWN: According to statements made, that is one of the reasons why the Bill has been introduced.

The Hon. J. D. Corcoran: Could they do that?

Mr. DEAN BROWN: Apparently there is a fear amongst producers that it will happen.

The Hon. J. D. Corcoran: Has it happened?

Mr. DEAN BROWN: That is why they are asking for the Bill.

The Hon. J. D. Corcoran: You're saying it doesn't make any difference. Can you suggest an amendment?

Mr. DEAN BROWN: I suggest that the Minister read what I have said instead of trying to put words into my mouth.

The Hon. J. D. Corcoran: If you think it's desirable to do so, you should amend the Bill.

Mr. DEAN BROWN: I should think that by now the Minister would understand that I do not like the whole system of quotas.

The Hon. J. D. Corcoran: You'd like a monopoly.

Mr. DEAN BROWN: I looked at the Bill and the only way I could see that we could slop monopolistic control without introducing a quota system was to throw out the Bill and introduce a new one.

The Hon. J. D. Corcoran: Amend this one.

Mr. DEAN BROWN: I would have to amend 99 per cent of it.

Mr. Payne: Leave one clause and amend the rest.

Mr. DEAN BROWN: I am also concerned about the provision requiring 100 producers to sign a petition before there is a valid poll of egg producers. I believe this number

is unrealistically high. I would support a provision for 50 producers, or even fewer. Is there a fear of putting this legislation to egg producers? I suspect that that may be the case. Once again, I state my opposition to the quota system, which I believe will destroy further the free economic market conditions that should exist in any industry. This will set an artificially high price; it will encourage the prediction of quotas, past experience having shown that these predictions are invariably wrong. As quotas in other rural industries have certainly not worked, I see no reason why they should work in this industry or why there should be more success here than there has been in other industries. Therefore, I predict the worst with regard to this legislation, which will certainly not achieve what the Government and other supporters of the quota system are hoping it will achieve.

Mr. McANANEY (Heysen): We have heard a long speech by the member for Davenport, who I am afraid has not had much experience in the practicality of marketing primary produce. He has made some extraordinary remarks this evening. He said that the Bill had been brought in as a result of short-term pressure by egg producers. I have been asking for this legislation for three years. It is only because of the dilatoriness of the Socialist Government that action was not taken 18 months ago. When I complained to the Minister of Agriculture, he wrote back telling me that I had never heard of the egg industry, whereas I was negotiating for the sale of eggs on a large scale 25 years ago. The problem is not that big egg producers control production. However, the biggest firm and others control the marketing outlet. If a marketing board were established, the big companies would not have control, forcing small producers of poultry into bankruptcy, as is the position at present.

There has been criticism of the quota system. Surely every industry in Australia, whether primary or secondary, works on a quota system relating to what that industry can sell at a price. This applies in the case of secondary industries that are protected by tariffs and to workers who are spoon fed by the Arbitration Court. Secondary industries are subsidized to compete at world market levels. In all fields people must work to a quota system based on what they can sell. A number of people in an area can fix a total amount of production at a level at which they can sell at a reasonable price. Therefore, there must be some form of quota system. It has been said that the quota system caused the shortage of wheat in the world. What caused the shortage of wheat—

The SPEAKER: Order! The honourable member must come back to the Bill. The honourable member for Heysen.

Mr. McANANEY: Other honourable members have referred to wheat quotas and other quotas, and I will continue to refer to wheat quotas.

The SPEAKER: Order! I remind the honourable member that he must not make threats to the Chair. I have ruled that he must link his remarks with the Bill under discussion. The honourable member for Heysen.

Mr. McANANEY: We have wheal quotas, and I am comparing them with egg quotas.

The SPEAKER: Order!

Mr. McANANEY: What caused the shortage of wheat when we did not have wheat quotas about 15 years ago?

The SPEAKER: Order! I have ruled that the honourable member must refer to the Bill under discussion. The honourable member for Heysen.

Mr. McANANEY: I will insist on my democratic rights.

The SPEAKER: Order! If the honourable member wishes to disregard the authority of the Chair, I will have to warn him.

Mr. McANANEY: You can warn me as much as you like, but I will have justice in the House. Other speakers have referred to wheat quotas and the Minister has been interjecting about wheal quotas; yet you, Mr. Speaker, say that I cannot refer to them.

The SPEAKER: Order!

Mr. McANANEY: A quota system does not necessarily create shortages. If there had been no quotas during the past year, the drought would have caused a wheat shortage, anyway. The member for Davenport referred to supply and demand. I am a great believer in the law of supply and demand, but it does not necessarily work with primary produce. When the price of any commodity falls and tends to be unprofitable, what do people do? They produce more so that they can get a greater return. But that has never worked hitherto because people have produced more, thereby worsening the position. The C.E.M.A. plan, which is a most objectionable plan (and I have said that before both in the House and publicly), tended to increase production at a time of over-production. It was a scheme to equalize the higher price on the home market so that production could virtually be given away overseas.

I have said previously that it would have been better to sell wheat overseas at a fair price. We should not make poor, unfortunate fowls work overtime to produce eggs to be given away. Eggs have been sold overseas at 9c a dozen, whereas 40c net has been received on the farm for eggs sold on the home market, local consumers paying 70c a dozen. I have said many times in the House that this practice should not continue. Now there is an effort to bring in a co-operative (not a socialistic) marketing plan run by primary producers. Unfortunately, the Egg Board is badly constituted, because it does not comprise a majority of primary producers. The board is Government-controlled by a Chairman appointed by the Government. I have never agreed to that principle. Boards comprising mostly primary producers generally work effectively. We must get egg production down to a point at which it can be sold at a reasonable price, but not to the level of actual demand, because we should always have a reserve supply of eggs. I hope that the egg quota will not be reduced to the extent that eggs cannot be sold at a profit. If the quota allowed for a surplus of production, the scheme might work.

It has been said that there will be a shortage of eggs in the slack period between April and early June, during which time it costs more to produce eggs. Rather than what has been the practice in the past, whereby the price of eggs has remained static during the year, we should encourage producers to produce eggs at a greater cost during the slack period from April to early June. People should expect to pay more for eggs during that time and producers should be encouraged to produce more eggs. It will be the efficient producers with the know-how who will be able to do this. The worst problem in the industry is the over-production between September and November, resulting in a surplus that must be given away. I believe that this problem could be solved with an adjustment in prices. If quotas are reduced too much in the off period there will be a shortage of eggs, and the price must be adjusted to encourage a greater production during this time. It has been claimed that egg production has decreased, and the member for Goyder said that the number of chicken hatchings was down.

I understand that chickens have been imported from other Stales and that the total production of eggs has not decreased much since 1972. There was a 10 per cent increase in egg production between July 2 and September 21. The Minister said (and I give him due credit that he did something right about eggs) that production in the early part of last year would be the best on which to fix quotas. Any intelligent producer who knew that a quota system would be introduced reduced production for that reason. As the price of grain has increased during this period, it has been more costly to produce eggs, and no doubt some egg producers will go out of business. The quota system is not a rigid one when there is an indication of this, and producers will know what the chicken hatchings will be and how many fowls will be producing over a certain period. The organization that fixes quotas will, of course, know that a quota will be, say, 10 per cent higher, and eggs will therefore be produced to meet the needs of the consumers. It has been claimed that this is a scientific approach. One member claimed yesterday that he was a scientist, but I think we need more accountants to assess the number of eggs required.

Any primary-producing industry must get down to creating a balance of supply and demand. If this situation obtained in every industry in Australia, it would be better for all concerned. With correct financial management and balancing capital with the capacity to produce, one would achieve the best results. In this way, we would achieve more efficient production, and the people would have a higher standard of living. However, we are living in an artificial economic community, in which incentives are given to industries that are not being run efficiently to enable them to expand their production. No one industry can maintain a balance of supply and demand and survive under this economic set-up. The egg industry is therefore doing the correct thing. It is, however, a pity that it has been held up by the Commonwealth Government's slow administration.

Mr. Venning: What does Mrs. Smith think?

Mr. McANANEY: She is an intelligent woman, who is very much in favour of it. However, some producers will not agree with this. Some primary producers, of whom I was one 20 years ago, do not believe in subsidies, controls, or anything else. We live in a protective world: workers are protected by the Arbitration Court and the Law Society is also protective. I refer also to the medical profession and to the number of people allowed to become doctors.

The SPEAKER: Order! The honourable member for Heysen is getting away from the Bill.

Mr. McANANEY: I agree with you this time, Sir. I have, I believe, ably set out the circumstances obtaining in the egg industry.

Mr. Gunn: What about the provision dealing with the conduct of a poll?

Mr. McANANEY: I think the figure of 100 growers who must sign a petition is far too high, especially out of only 280 or 300 egg producers. If we are scientific in our approach to this matter, this figure should be a percentage of the number of producers entitled to vote. However, I am not in favour of it being a low percentage, as there are not many people in the industry, and this would be fairly easy to achieve. The price of eggs affects every citizen in Australia, and Parliament, if it believes in the common good of everyone, including egg producers, must take the initiative in these matters. However, we should not remove from producers their right to representation. Producers can be represented on the board, so that they can take decisions regarding their marketing procedure. Primary producers have not, however, always been wise in the decisions they have taken regarding marketing.

Mr. Venning: What's the Commonwealth Government doing?

Mr. McANANEY: It is appointing people to control various industries, and it is telling the primary producers what they should do with their produce. That is not the correct thing to do. If that Government wants to give to Egypt wheat grown under quota, thereby placing the wheatgrower at a financial disadvantage, it is up to that Government to guarantee growers against loss. A sad state of affairs obtains at present, as people who have no knowledge of the industry are taking decisions that are seriously affecting primary producers. I hope this does not apply to the board and to the fixing of quotas. Indeed, I hope this aspect will be kept under the control of the board and that the Government will not interfere.

It would have been in the best interests of growers in the past if Governments had taken decisions for them. I am afraid that this will happen in the wool industry. We are about to accept an intelligent marketing scheme, but the price of wool has now increased so much that it will affect wool's future prospects. The demand for this commodity has already started to fall because it is costing too much. It would be better if wool was sold at a stable price, which manufacturers would know they could receive, without these marked fluctuations, which have resulted in wool's not being able to compete with artificial fibres, the prices of which have been fixed.

In the interest of Australia, which depends so much on this industry, decisions along these lines should be taken. The wine industry has a guaranteed price, and, if such a scheme is adopted, a quota system must ultimately be introduced. It is better for us to say initially what the quota system will be, so that people know where they stand. It has been stated that, because C.E.M.A. was a failure, we should not introduce another plan because it, too, will fail. It would be better to abolish the C.E.M.A. plan and proceed scientifically to market eggs to get the greater supply that I have advocated and have a reserve to obviate shortages.

I support the second reading and regret that people who do not know the practicalities of marketing in agriculture have criticized some aspects. No marketing scheme is perfect, but the egg-marketing legislation has solved many problems similar to those faced by other boards and it enables a scientific approach to be made. Although I am in favour of the 50 000 bird limit. I think the figure could be lower, but we want to maintain the family unit, and a 50 000 unit is not beyond that. The member for Murray could tell me what would be an economic size for a two-person family unit: perhaps 20 000 birds would suffice.

Although it has been said that a quota system protects inefficient producers, under such a system the efficient producers will be prosperous and the inefficient ones will find it too expensive to produce, resulting in their not making a profit and in their leaving the industry. Farm reconstruction schemes are stupid and represent an unscientific approach. We want the efficient producer to benefit from his skill and hard work, and the quota system does not deny him that right. Efficient producers can plan ahead, whilst those who cannot make a reasonable profit under the quota system will leave the industry.

Further, under the quota system, eggs are cheaper. Grain prices have increased and grain producers may be able to

cover their cost of production and make a reasonable profit, but taking everything into consideration egg consumers will be able to buy eggs more cheaply. The Bill should have been introduced 18 months ago, and that would have been the case if we had an energetic Minister of Agriculture.

Mr. NANKIVELL (Mallee): I congratulate the member for Murray on his comprehensive and clear exposition of the Bill. If anyone had doubts about its implications, his speech would have dispelled them. However, that honourable member has told me that he forgot to make one point. That was that 90 per cent of the producers are members of either Red Comb Co-operative Society Limited or United Farmers and Graziers of South Australia Incorporated and that, through those organizations, the growers have been consulted about the legislation. This afternoon the Chairman of a joint meeting of representatives from the two organizations told us that it was the unanimous wish of those bodies that this legislation should proceed.

I disagree with the member for Davenport: in fact, I am beginning to wonder whether we agree on any matters relating to agriculture. I disagree with the statement by the member for Goyder that C.E.M.A. has been a failure. Possibly, it has been too successful. One of its problems has been that it has stabilized the price of eggs, notwithstanding the low prices for which egg pulp has had to be sold for several seasons. It has stabilized egg prices at a level that is attractive to many producers, not only big producers. The figures for South Australia show that we have been an exceptional State, and I can understand why we have had difficulties over carrying polls. Figures in the *South Australian Egg Bulletin* of October, 1973, show that in South Australia 30.93 per cent of the growers are producers with up to 1 000-bird units. The figures for the other States are as follows:

State	*Percentage*
New South Wales	3.83
Victoria	9.87
Queensland	4.3
Western Australia	7.24
Tasmania	13.61

The position in South Australia is somewhat unique, me figures for over-production here also run at the fairly high level of about 30 per cent. Consequently, there is a benefit from the redistribution of money collected under the Poultry Industry Levy Act, which is the stabilizing authority. I do not think South Australia needs to be concerned about the fact that hatchings have dropped: I think we still must view the total situation as one in which there is possibly plenty of capacity for egg production.

Also, as the member for Heysen has pointed out and as is confirmed by the figures that I have quoted, many small farmers are sideline producers, and the cost factor in feed possibly has made it less attractive for people to feed wheat to poultry now than has been the case previously, particularly as Australia is now virtually unable to meet its wheat commitments and it is unlikely that South Australia will meet commitments this year under the quota arrangement. Therefore, when there are no problems about marketing feed grain, there is less incentive to produce eggs. As a consequence, it is the smaller growers who are reducing in number, as was stated by the member for Murray.

The member for Goyder suggested that, if egg prices in this State are too high, eggs from producers in other States will be attracted here. However, I have been informed by the Egg Board that this year, although there were problems in respect of supply and demand during the critical months of April. May and June, South Australian production had been able to meet the demand. The General Manager of the board states that South Australia now requires much higher quality eggs, especially in respect of the colour factor of the yolk. As it is not easy for imported eggs to meet these standards, it is less likely that eggs from this source can make up any local short-fall.

The South Australian Egg Board is preparing to spend $340 000 this year to encourage out-of-season production by producers in April, May and June when the cost of production is higher, basically because of the colder months and the reduced number of daylight hours, but this will require expert knowledge to accomplish and it will also require more expert management.

The Egg Board is not necessarily dominated by members other than growers, and reference to the legislation proves this. Three members of the board are producers and three are appointed members, and it is the appointed members who make up the quota committee. I see no reason for not supporting this legislation, which I believe is good legislation. The maximum size allowed for an egg farm is, I think my colleagues agree, far in excess of what is considered to be sufficient for a single or family-unit farm, which seems to have settled down to about 20 000 hens in a highly mechanized system of hen management. As provision has been made for farms of 50 000 hens, this seems to give scope, if the need arises, to take up the slack if fewer producers are involved in egg production and more eggs are required.

As has been pointed out, it is important that the marketing of eggs has been kept out of the hands of monopoly producers because, as we have seen in the broiler industry, some people producing fertilized eggs have now been told that their eggs are no longer required, yet many of these producers now do not even qualify for entry to category 2 of the scheme. Indeed, the only way they can continue to use their capital investment, comprising sheds and other equipment, will be by purchasing or negotiating a lease of quotas. So, the broiler industry has not the same stability as the whole egg industry as a consequence of the system we have evolved. Nevertheless, whether that system be good or bad, it has proven to be an effective system by consolidating the industry, stabilizing production, and ensuring that those who stay in the industry are reasonably efficient.

I say "reasonably efficient" because I understand that the net return on a dozen eggs to the grower last year in South Australia was about 34c a dozen. Further, I want to dispel one of the erroneous beliefs held by the member for Davenport that the price of eggs is fixed by the board.

The Hon. J. D. Corcoran: That is only one of his erroneous beliefs.

Mr. NANKIVELL: The price of eggs is fixed only in respect of the wholesale price of the different gradings. Beyond that, it is up to the retailer to fix his mark-up and he makes up to 9c a dozen for handling eggs; indeed, the retailer receives almost as much as a person running an egg floor, grading and handling eggs for the board. The return to the producer is based on the wholesale price: he does not get any of the mark-up. The member for Davenport referred to supply, implying that, if the price of eggs was reduced, more eggs would be sold. However, trials carried out by the Egg Board have established that this is not true. In fact, when egg prices are higher, the demand for eggs is higher and it is apparent that the comparative price of alternative foods affects the demand for and the price of eggs.

As legislation similar to this has been or will be passed by other Stales to maintain uniformity in the industry, even though Victoria has put it into cold storage—

The Hon. J. D. Corcoran: It has not.

Mr. NANKIVELL: At any rale, it is ready for proclamation, as the Minister has confirmed. Because of the need at this stage to further stabilize the industry and because of the provisions of the Bill allowing annual periodic adjustments to be made so that supply and demand are fairly well equated. I believe the House should unanimously support the Bill. Members should also support the present poll numbers, because reducing the number of people who can demand a poll to less than 30 per cent of those eligible to do so is only creating a nuisance to the industry.

Bill read a second time.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

ADJOURNMENT

At 11.19 p.m. the House adjourned until Wednesday, November 14, at 2 p.m.