HOUSE OF ASSEMBLY

Wednesday 19 February 1986

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

PETITION: MACCLESFIELD BUS SERVICE

A petition signed by 111 residents of the Macclesfield district praying that the House urge the Government to provide a bus service between Mt Barker and Macclesfield daily at 4.30 p.m. was presented by the Hon. D.C. Wotton.

Petition received.

MINISTERIAL STATEMENT: PARLIAMENTARY BUSINESS

The Hon. D.J. HOPGOOD (Deputy Premier): I seek leave to make a statement.

Leave granted.

The Hon. D.J. HOPGOOD: Prior to the recent election the Government gave a commitment to reform the procedures of Parliament to ensure that parliamentary business was conducted in an efficient manner.

Mr S.J. Baker interjecting:

The Hon. D.J. HOPGOOD: That may relate to what happened yesterday afternoon. Central to the Government's intentions in this commitment are as follows: the minimisation of late night sittings, the provision of adequate opportunity for private members to raise matters of public policy, the establishment of a mechanism for arranging, on a weekly basis, the conduct of business of the House.

I now table the proposed alterations to Standing Orders for the consideration of honourable members. Honourable members may recall that, in June 1983, the former Parliament appointed a Joint Select Committee on the Law, Practice and Procedure of the Parliament. The committee appointed a subcommittee to develop specific ideas for enhancing the efficiency of this House and of Parliament generally. The proposed amendments arise largely from the work of this subcommittee. The subcommittee was of the view that the frequency of late night sittings could be reduced by requiring a suspension of Standing Orders before debate could be extended beyond midnight.

Accordingly, the amendments provide for an automatic adjournment of debate at midnight. Honourable members should note that this provision will not replace the adjournment debates which would normally occur at 10 p.m. on Tuesdays and Wednesdays and 5 p.m. on Thursdays. The proposals also provide for a morning session for private member's business and the disallowance of regulations. The morning session will run from 11 a.m. to 1 p.m. on Thursdays. The amendments will ensure a fixed period for private members' time every week of parliamentary sittings, not just the first few weeks of each session. Except in the rarest of circumstances, these regular debates on Thursday mornings would be guaranteed to take place.

The reduction of speaking times is also proposed under the amendments. In particular, it is expected that the Address in Reply debate will be shortened by limiting speaking times for members to 30 minutes except in the case of the mover and the Leader of the Opposition or his Deputy and a member delivering his or her maiden speech. In these circumstances, the one-hour limit to speaking times will continue. Briefer speeches are also expected in respect of the passage of legislation.

Central to these amendments is the proposal that Party leaders negotiate programs to handle specific items of legislation. The proposed amendments to Standing Order 144 and other new proposed Standing Orders mean that the managers of the business of this House will be obliged to attempt to negotiate a program in advance in order to reduce delays and expedite the passage of measures or legislation, without depriving Opposition members of opportunities to express their view.

The amendments will empower and require the two House leaders to confer in order to evolve, by agreement, a program whereby a fixed and certain amount of time will be allocated in advance to a particular Bill or measure, especially having regard to its relative complexity or importance. Thus the time allocated to each Bill can be fixed in advance. The agreements, if necessary, may extend to specifying the number of speakers to participate in the debate. Any such agreement (as well as any amendments thereto) will be lodged with the Speaker. Failing any such agreement, the House will be empowered to invoke the provisions of existing Standing Order 144A. That is to say, if the Government and the Opposition are unable to conclude any contemplated agreement, the competence to determine the matters will revest in the Assembly itself.

It is envisaged that, in any case, existing Standing Order 144A will be used to give effect to the agreement as far as is practicable. A number of consequential technical amendments are required. For example, changes to Standing Order 90 which provides for the order of business is required as a consequence of Thursday morning sittings. In addition, the opportunity has been taken to give the mover of a suspension of Standing Orders the right of reply where such a motion is opposed. This will not extend the time available to debate the motion.

Also proposed is the removal of the 3.15 cut-off time for questions. Question Time will now run for a full hour without the need for the suspension of Standing Orders. It is intended that complementary amendments be adopted to Standing Orders in another place. This, together with consultation between the managers of each Chamber, will facilitate the coordination of the passage of legislation and contribute to improved efficiency.

In conclusion, then, effective Government and effective Opposition will be fostered by these amendments. The time-honoured roles of Parliament—to represent the public at large, to scrutinize the activities of the Executive and to deliberate upon legislation—will receive a much-needed boost in consequence of these amendments. The overall efficiency of the despatch of business of this Parliament will be improved. Moreover, the true parliamentary role of the private member, especially as it relates to his constituents, will be considerably enhanced.

Honourable members should note that this particular set of measures forms but one part of an overall package for the reform of the Parliament. One other part is the need to rationalize and reform the system of committees that operates in this Parliament. This is a matter that will also receive the attention of the Government, and this House, in the course of the Parliament.

PAPER TABLED

The following paper was laid on the table:

By the Minister of Fisheries (Hon. M.K. Mayes)—

Pursuant to Statute—

Fisheries, Department of—Report, 1984-85.

QUESTION TIME

OMBUDSMAN

Mr OLSEN: Will the Premier confirm that late last year officers of the Crown Solicitor's office entered the office of the Ombudsman to confiscate files on the instruction of the Director-General of the Department of the Premier and Cabinet? Last December, Mr Edwards, who had resigned as Acting Ombudsman within 10 hours of being appointed to the position on 24 October, was reported to have been facing charges under the Public Service Act. The information I have is that the former Speaker, the member for Playford (Hon. T.M. McRae), drew the attention of the Premier to certain allegations concerning Mr Edwards at a hastily convened meeting immediately after Mr Edwards's appointment.

During the subsequent investigations of these allegations, I understand that the Director-General of the Department of the Premier and Cabinet either requested or directed officers of the Crown Solicitor's Office to raid the Ombudsman's Office and take possession of files, and obtain information from those files which could provide evidence against Mr Edwards. The Acting Ombudsman at the time (Mr Biganovsky) could not resist entry to his office, because, as he was only acting in that position, he did not have the protection of the Ombudsman Act against Public Service encroachment of that type. Whatever files were taken, the matter causes concern, as people make complaints to the Ombudsman against Government officials and departments on a confidential basis, and their confidence in the independence of the Ombudsman would be shaken if there was any suggestion that files relating to complaints could be seized by the Public Service.

The Hon. J.C. BANNON: I agree with the last statement made by the Leader of the Opposition. Certainly, so long as I am Premier, we will not have a situation in which confidential files of that nature—that is, complaints from the public that are in the Ombudsman's Office—are removed or interfered with. I make that quite clear. The Leader is raking up matters which have been successfully resolved. Appropriate action has been taken in most instances in relation to accusations made against Mr Edwards (I forget his official title) who, as the Leader has reminded us, was for a brief period of some few hours Acting Ombudsman, as members will recall, and it was widely publicised when Mr Edwards stepped down from the position of Acting Ombudsman before he actually operated in it (although I might add that he had been Acting Ombudsman on a number of occasions previously), in view of the allegations that had been made.

Those familiar with Public Service proceedings would know that allegations of the nature that were made are first dealt with by the permanent head responsible for that officer and the administration in that area. In this case it happened to be the Director-General of the Department of the Premier and Cabinet. In taking any action the Director, who has the initial responsibility of investigation, obviously has recourse to advice from the Crown Solicitor and the Public Service Board. Naturally, in this instance, that occurred. I cannot say whether files were seized or dramatic raids were made or whatever; I cannot say that, but I can say that, if any documents were obtained from the Ombudsman's Office, they would have been documents relating to Mr Edwards's duties in that office, not connected with his receipt of complaints. The complaints that were made against—

Members interjecting:

The Hon. J.C. BANNON: Calm down. The allegations that were made against Mr Edwards were in fact allegations that did not concern the carrying out of the duties of the office of Ombudsman but, rather, whether or not in the time in which he was engaged in his duties in the Ombudsman's Office he was also conducting some other business for which proper approvals had been sought, or which would involve some sort of dereliction of duty for his primary Public Service position. That was the issue involved, and I would imagine that any documents would be documents relevant only to that particular instance.

That is as much as I can say about the matter. As I understand it, following strict procedures laid down in the Public Service Act, the matter was taken to a conclusion. Those procedures have been laid down and have operated in a number of instances under both Labor and Liberal Governments and they have not changed. I repeat again that the integrity of the Ombudsman's Office is beyond doubt, and the files relating to complaints by the public which are being dealt with by that office are sacrosanct.

SOUTHERN SUBURBS TRANSPORT

Mr TYLER: Will the Minister of Transport tell the House some of the short and medium term initiatives of the Bannon Government in the area of transport for the southern suburbs? It has been brought to my attention by many constituents that during the course of the last State election there was, in the opinion of many constituents, considerable false and misleading information put out by the Liberal Party in relation to transport in my electorate.

Mr GUNN: I rise on a point of order, Sir. The honourable member is going beyond the realms of explaining his question; he is commenting, and I understand that under Standing Orders that is not permitted.

The SPEAKER: Can the member for Eyre point out which parts of the honourable member's question were comment?

Mr GUNN: He was accusing the Liberal Party (quite maliciously, I may say) of making false and inaccurate statements.

Members interjecting:

Mr GUNN: You would not know.

The SPEAKER: Order! The honourable member will restrict his remarks to the point of order he is trying to raise with the Chair, and not shout across the Chamber.

Mr GUNN: With great respect, I have had continued interjections during the time that I have been endeavouring to explain my point of order. The objection I raised was in relation to the comments made by the honourable member which implied that the Liberal Party's campaign was false and misleading.

The SPEAKER: The member for Fisher will restrict himself to the facts brought to his attention by his constituents and avoid straying into comment.

Mr TYLER: Thank you, Mr Speaker. That is exactly what I was doing and it obviously struck a raw nerve on the other side. One pamphlet titled 'Sick of coming last in the Southern Suburbs Grand Prix?' contained information that contradicts the understanding of my constituents in relation to the Government's intention regarding this matter. The pamphlet was handed out at various traffic arteries in the early mornings during the last week of the election campaign. To help the Minister answer my question, the quote from the pamphlet states:

> Sick of coming last in the Southern Suburbs Grand Prix? The Grand Prix is just one day a year—365 days a year your traffic and transport problems in the south have been ignored by this Labor Government.
>
> Labor has:
>
> scrapped the north-south transport corridor;
>
> sold-off transport corridor land;
>
> delayed the upgrading of Flagstaff Hill Road for almost three years;

abandoned the Hallett Cove to Hackham transport corridor.
In Fisher, Grant Chapman and a Liberal Government will:
construct the north-south transport corridor, starting within three years;
urgently complete the upgrading and widening of Flagstaff Hill Road;
rebuild Reservoir Road, beyond Taylors Road, to Chandlers Hill Road;
ensure adequate night and weekend bus services to the south, adding private buses if necessary;
revive the old Hallett Cove to Hackham railway corridor;
install traffic lights and pedestrian crossings at the dangerous Black Road/Ridgeway Drive intersection, near Flagstaff Hill School.
Vote for a Liberal Government, Printed and authorised by B. Jeffries, Shop 16, The Hub, Aberfoyle Park.

As the Minister will appreciate, constituents have informed me that this pamphlet has caused them considerable anxiety and they have asked me to seek assurances that the Bannon Government has not ignored the traffic and transport problems of the south. I would therefore like the Minister to explain to the House and to the people of my electorate (and perhaps if the member for Bragg listens to this, he might learn something) just what is happening in this area.

The Hon. G.F. KENEALLY: I commend the member for Fisher on his excellent timing, because I just happened to be reading that advertisement. I have access to a pamphlet that the Highways Department put out a little before the Liberal Party prepared its policy—a policy that seemed to be designed to win the electorate of Davenport and lose the electorate of Hanson for the Liberal Party, on both of which counts it failed. All members know that from time to time political licence allows some exaggeration in a political advertisement—not that the Party to which I belong becomes involved in that sort of thing.

On this occasion it is true to say that the line between fact and fiction has well and truly been crossed. People living in the southern suburbs, who have been aware over recent years of the concern that this Government has had for their transport needs, thankfully rejected this sort of advertising. The proof of that is that the members for the electorates of Fisher, Mawson, Hayward, Bright, Baudin, and Walsh (you, Sir, will be delighted that you are here), were elected to represent the Labor Party. The member for Mitchell is also here, as is the member for Hanson, although only by the skin of his teeth; he is a survivor, and we acknowledge that.

The Liberal Party policy was made public very soon after a pamphlet was issued by the Highways Department in the southern suburbs—fortuitously, too, as it turns out. It indicates that the Liberal Party had copied, to a large extent, what the Government was doing. In fact, one can describe it in the following manner: the Liberal Party promised to do what we had started to do and to consider those commitments that we had already made.

One of the amusing results of the recent election was a statement made by the member for Hanson, who called on his Party once and for all to reject the freeway through the western suburbs of Adelaide. Because there has been some misunderstanding, and the current shadow Minister does not understand the matter, I will make clear what the third arterial road is. The Liberal Party has always believed that the north-south corridor meant what it wanted it to mean in the western or southern suburbs. In the western suburbs it meant the third arterial and down south it meant the freeway.

The Government gave a commitment on the third arterial road, and that commitment is being honoured. A report will be ready for the people of the south by June or July this year. The options will be available for those people to comment on. That does not fit in with the scrapping of the north-south transport corridor. What we have rejected is the concept of the freeway, and I believe that that decision has been supported by the electors in that part of Adelaide.

I now refer to the delaying of the upgrading of the Flagstaff Hill Road for almost three years. The problem at the bridgeworks at the Darlington intersection has been solved and it is ready for opening. I may invite the honourable member there if we have a function, although I am not one for plaques, so we may not have a function. I am interested to know that Mr Chapman promised to do it. He also promised to upgrade the Flagstaff Hill Road, which is a council responsibility. I am interested in his generosity.

We would need to determine in consultation with the council whether that responsibility would transfer to the State Government. At present, it would be illegal for the State Government to spend that sort of money on it. Mr Chapman was also going to rebuild the Reservoir Road between Taylors Road and Chandlers Hill Road. He is about two years late in starting that, because that is well on the way to being completed.

Reference was also made to adequate night and weekend bus services; here again, he is a bit late. I must say that, as always, there continues to be a need to provide public transport where that need presents itself. We will continue to monitor, as we have before, the needs of the south as we do the needs of the northern suburbs to ensure that adequate public transport is provided where it is required. It was stated that the Liberal Party would revive the old Hallett Cove to Hackham railway corridor. If Mr Chapman had read our pamphlet, he would have known that, within the five to 10 years time planning, we had given a commitment to review the need for a new rail line from Hallett Cove to Reynella or Hackham along the disused Willunga railway reservation. We would have found that very difficult if we had already sold off that land, but that was something about which Mr Chapman and the Liberal Party did not seem terribly concerned.

The fact of life is that this Government has shown, and will continue to show, its concern for the needs of the growing population in the southern areas of metropolitan Adelaide. We are well aware that the commuters who are increasingly finding it suitable to build their houses in those suburbs miles from the central business area need to be able to commute to and from their places of work and commerce, etc., and we will be ensuring that they always have that facility available to them.

I have already given the House some indication of the medium and long-term initiatives. Our road program is continuing; our public transport program is continuing; and planning for the future expansion of both those areas is continuing. I believe that it will meet the needs and expectations of the constituents in that area.

OMBUDSMAN

The Hon. E.R. GOLDSWORTHY: In view of the Premier's inability to give an assurance that files were not removed from the Ombudsman's office during the investigation of Mr Edwards' activities, will he obtain a report for Parliament on what was removed from the Ombudsman's office by Crown Law Department officers at the time at the direction of his departmental head?

The Hon. J.C. BANNON: I commend the Deputy Leader's skill in scribbling the words dictated to him by the Leader of the Opposition after a hasty telephone discussion with his source as to whether or not they were on the right track or whether the answer that I gave could in some way be faulty. In the period that the Leader of the Opposition and his Deputy were having their little confab, I have

obtained some further information on this matter which I think will satisfy the Deputy Leader's question.

The situation as I have been advised—I change nothing that I said in my previous answer about the circumstances—was that there was no raid of any kind. What occurred was that an officer or officers of the Crown Solicitor's office investigating this matter at the direction of the permanent head of the department, whose responsibility it was, sought an interview with Mr Edwards at which they requested that he provide to them certain diaries and other books in order to assess the charge that in fact Mr Edwards had been carrying out other work during the period in which he was on duty in the Ombudsman's office—the very substance of the complaints. In other words, it was nothing to do with his work as Ombudsman but to do with what he was actually doing during this period of time. I understand—

The Hon. E.R. Goldsworthy interjecting:

The Hon. J.C. BANNON: I have just found that out in consequence of the Leader of the Opposition's question. An interview took place, that request was made and directions were so given. Those booklets or diaries were handed over, as I understand. Subsequently, Mr Edwards claimed that this was an invasion of his privacy, and I think he went so far as to take an action for an injunction in the Supreme Court which was dismissed because it was presumably found that this did not constitute such an invasion. So, in summary, there was no raid. All that happened was that a proper request was made for the appropriate and relevant documents dealing with charges not connected with the duties in the Ombudsman's office to be made available. In fact, they were made available, and the matter was resolved subsequent to those inquiries.

EXPORT MARKETS

Mr RANN: Can the Minister of State Development say whether or not the Department of State Development's drive to increase exports of South Australian primary products and manufactured goods has achieved any results since the start of 1986, and whether United States and Dutch weapons systems contractors, Rockwell and Signall, have entered into agreements with electronic companies in the northern suburbs for work on the $2.6 billion submarine project?

The Hon. LYNN ARNOLD: Dealing with the second part of the question first, I can advise that South Australia's involvement with both combat systems houses is strong. Currently, Thorn-EMI and AWA (New South Wales) have engineers working with Signall in Holland and Computer Sciences of Australia. Fairey Australasia and British Aerospace are already involved with Rockwell, Thompson CSF and Singer Librascope, while Fairey Australasia, it appears from reports that I have from the Department of State Development, has strong connections with all those involved in periscope manufacture which lead to likely success in that field, whatever the outcome of the contract.

The matter of export developments is an important one that will see future growth in South Australia. Clearly, the kind of view that prevailed over the past 30 years, whereby much of the impetus for industrial development—in some cases, even some kinds of agricultural development—was designed to be import replacing rather than export facilitating or export developing, has not given us the sound base we need. It is the clear philosophy of the Government and me, as Minister of State Development, as well as of the Department of State Development, that we should be promoting the export perspective and encouraging South Australian industries in all sectors, not just manufacturing but in the primary sector and the tertiary sector regarding the export of services, to have an export perspective in terms of the generation of new wealth.

That is the message that they are going out to sell to South Australian companies, and it is the message that I have to say with a degree of disappointment that some South Australian companies have not taken up as willingly as we would like them to, either because they doubt their capacity to work in the export arena or because they believe that they are too comfortable in the present South Australian climate and are not willing to brave the fortunes of international trade when, in fact, their very future may depend on braving those fortunes of international trade.

To indicate that things do happen and that this is a State where export opportunities are opening up and growth is being achieved, I can identify some areas where export orders have been achieved or increased. The Department of State Development has a key role in terms of the climate that exists here in terms of developing and facilitating markets. Two South Australian exporters have recently been successful in winning Australian export awards for outstanding export achievements in 1985. One company, Solar Optical Australia, which is well known to every member, has picked up its fourth export award as a result of increasing its export sales from $10 million to $14 million in the period from 1983-84 to 1984-85. So, a $4 million increase in a 12-month period is a fantastic effort.

Faulding Products, a division of F.H. Faulding & Co., has received its first award, primarily for increasing exports from $300 000 in 1980-81 to $14.5 million in 1984-85. That is a mammoth increase in sales based on their further moves into biotechnology, and the like, where they are aggressively competing on international markets and winning orders. During that period their number of overseas markets has increased from two to 13.

Other examples include Hamilton Laboratories, which has just despatched its largest ever export order with its first shipment to New Zealand. I have no idea whether it is distantly connected with the member for Albert Park but I am sure that, like the rest of us, he is happy to see this massive success. Hamilton sees the entry into New Zealand as another step towards the international marketing of its products, and it expects that a further two countries will give registration for the products that Hamilton sells in the next 12 months, so that it can again expand its markets and sales.

The Department of State Development is doing what it can to assist in that respect. Another company that has just broken into the New Zealand market is Middlebrook Wines. It has just appointed Brown and Garvey as the distributors in the Dominion of New Zealand and is promoting its sales. The sorts of things happening indicate that exciting opportunities are being taken up. As Minister of State Development, I believe it is a pity that, although some companies brave those international fortunes, make the profits, make the sales and make the job opportunities in South Australia, we want many more South Australian companies to break out from what they may see as a comfortable climate here and go out and sell the goods, creating jobs here and creating wealth for South Australians.

WORKERS COMPENSATION

The Hon. B.C. EASTICK: I address my question to the Minister of Labour. Will the Government withdraw and redraft the workers compensation legislation if the Auditor-General raises any doubts about the costing of the Government's proposal?

The Hon. FRANK BLEVINS: I would have thought that by the end of the day we would have all the workers

compensation legislation that any of us wanted, and possibly more.

Mr FERGUSON: I rise on a point of order. This matter is now before the House, and I ask for your ruling whether this question is admissible, Sir.

The SPEAKER: The question is admissible, because it deals with the procedural approach to the Bill and not with the content of the Bill itself. The Minister of Labour.

The Hon. FRANK BLEVINS: It seems to me that any Opposition with any ability whatsoever would have been able to ask that question early in the Committee stage of the debate this afternoon. It is extraordinary that the Opposition is so bereft of questions that it seeks to waste its own Question Time with such a question. It does not bode very well for this Opposition over the next four years. However, as the distinguished member for Light has asked the question, I think it is worthy of a reply. When the Auditor-General reports to the Government, the Government will consider that report. Having considered that report, the Government will come to some decision and let the Opposition and everyone else know its decision at the appropriate time.

Mr Olsen: Will that be before or after the legislation is passed?

The Hon. FRANK BLEVINS: I have no control whatsoever over the Auditor-General, and I am not sure when the Auditor-General will report. The question of costings is an interesting one, and I would like to spend a moment discussing it with the Opposition, as it wanted the matter raised and discussed here in Question Time. It seems that the costings we have had so far have had a great deal of commonality, irrespective of whether they have come from the insurance industry, employers, the university or the Department of Labour.

The apparent discrepancy in the various responses can be isolated to one main area, namely, the question of profitability of insurance companies in this area. The insurance companies, with the material they supplied I understand to the actuaries for the Employers Federation, said that they were working on the basis—and all their figures were predicated on the basis—of a 20 per cent loss on workers compensation insurance, whereas the Mules-Fedorovich figures were based on a 9 per cent average profit for the insurance companies.

The Mules-Fedorovich figures were based on a 9 per cent average profit for the insurance companies. If we allow for those differences, my information, from the analysis that I have had done of the figures, is that they are very similar. I do not know, but I imagine that the Auditor-General will probably come up with something like that. Given this huge discrepancy in the basis being worked on, there are bound to be different answers. The figures are not terribly complicated; they are not beyond the wit of ordinary people to grasp and understand.

Mr Lewis: You've forgotten the question.

The Hon. FRANK BLEVINS: Since it was so forgettable, if I had forgotten it that would not be surprising. For the edification of the House, I will enlarge on this point this afternoon when we are debating, in Committee, the Workers Rehabilitation and Compensation Bill. I repeat that it is quite extraordinary that here we have Her Majesty's Government apparently on the line. This is the coal face, as it were. This is the Opposition challenging the Government daily, and the best it can come up with is an obscure question about a matter that will be dealt with for about eight hours later today. I can only conclude that this seems to indicate that Question Time will be even more boring than usual, if this is the best the Opposition can come up with.

COAL GASIFICATION

Mr ROBERTSON: Can the Minister of Mines and Energy provide the House with a progress report on the coal gasification trials and feasibility study being jointly undertaken in West Germany with the UHDE consortium?

The Hon. R.G. PAYNE: I thank the honourable member for this important question, which relates to possible future energy sources for South Australia's needs. I am advised that both the air and oxygen test programs have been completed satisfactorily in the Process Development Unit at Aachen Technical University in West Germany. Members will recall that this research project, when announced, involved expenditure of $3.6 million towards which the West German Government contributed more than $1 million. While the report on the oxygen blown trials is awaited, good progress is being made on the corrosion testing, using both air and oxygen.

Although a full assessment must await the arrival of the report on the oxygen blown trials and the completion of the corrosion testing, the broad indications are that Bowman's lignite appears to be a suitable feedstock for use in the Winkler gasification process. I think that all members understand the importance of that conclusion. The parties to the project will review the results in detail over the next few months while the corrosion tests are being completed. Current estimates are that a decision to proceed with phase two of the project, using either air or oxygen, will be taken in May.

The reference to the oxygen blowing relates to the production of a cleaner or more useful gas to be used by the Gas Company. I am sure that if further satisfactory progress can be made in that area considerable benefit will flow on to South Australia's energy needs.

WORKERS COMPENSATION

Mr S.J. BAKER: Dovetailing the previous question and the off-the-cuff comments made by the Minister of Labour, will he confirm that the Government's costing of its workers compensation proposals was based on figures drawn from only one private insurance company and that, since these costings were made public, that company has expressed concern about the interpretation placed on them by the Government?

Throughout the whole public debate about workers compensation costs the Government has pulled various figures out of the air in relation to claimed savings on its proposals. We had 44 per cent, 35 per cent, 30 per cent, and between 27 and 37 per cent as figures that have been quoted as estimates by the Government—they change daily. I have been reliably informed that one of the reasons for this is the very inadequate data base used by the Government for its costing. I ask the Minister to confirm these facts—

The SPEAKER: Order! The honourable member will resume his seat. In contrast to the previous question that touched on this legislation, which was of a procedural nature, I rule that the question as put and explained by the honourable member is inadmissible because it deals with the content of the debate. However, if he finds some way to rephrase the question and brings it up to the Chair, it might be able to be reintroduced later in Question Time.

STRAY AND FERAL CATS

Mr HAMILTON: I ask whether the Minister of Transport, representing the Minister of Local Government in another place, will seek assistance from his colleague to set

up a working party to examine what legislative or other powers, including the widening of local government powers, can be introduced to reduce the problem of stray and feral cats. I, like many of my colleagues, have received over the years ongoing complaints from constituents about problems caused by cats. Indeed, as one of my colleagues said, there is the problem with their miaowing, particularly at night time, when it wakes up the residents.

Late last year one of my constituents made representations to me, and subsequently an article appeared in the local *Messenger* Press of 8 January 1986, under the heading 'Grandmum battles Seaton cat plague' and it states:

A Seaton grandmother is fighting a losing battle to rid her yard of more than 25 stray cats.

The cats must have been rather fierce, because the article continues that the woman was at her wits end to stop the cats from tearing up rubbish bins, looking for food and defacating all over her lawns. The article further states:

Despite efforts to have them removed, including complaints to Woodville council, the Animal Welfare League and the RSPCA, she said nothing had been done.

The article further states:

. . . the problem had come to a head just before Christmas when the cats had torn apart a plastic rubbish bin to get some meat.

Someone suggested to me that perhaps they were looking for their Christmas presents. The article continues:

She said the meat had been wrapped in plastic but once the cats had got a whiff of the meat there was no stopping them. There had also been instances when she had found one of the strays eating meat on the kitchen sink where it had been thawing out.

The article further states:

. . . nobody seemed to know who the cats belonged to. 'We have lived here for four years and the problem is just getting worse with the interbreeding.'

The constituent states in the article:

. . . council had offered her squirrel traps to catch the cats so they could be drowned, but at the time of the offer the traps were being used by someone else.

I indicate that I was prepared to take up the matter with the Minister of Health, and indeed the Minister of Local Government. I previously raised this matter as far back as 1984 but, to the best of my knowledge, this problem has not been solved. The latest correspondence I have received—and this matter is quite serious—comes from a woman living in Lewis Crescent at Woodville West. She wrote to the Premier and the Premier's office forwarded her letter to my office as the local member. It said:

I am writing this letter to you on behalf of my cats and myself. Cats have become a big problem in our society; as you probably know, they breed like rabbits. Being a cat lover I was quite disgusted the other day when I rang up a veterinary surgeon to have four of my cats desexed. They wanted $40 a kitten and $50 for an adult cat. Rather than have my kittens put to sleep, as we cannot find suitable homes for them, I'd rather keep them and look after them. I have heard all sorts of horrible stories about how people have got rid of kittens because they can't afford a price like that.

Personally I think desexing should be free, then perhaps they would get a better start to life and it would solve the problem of homelessness and cruel killings of these beautiful creatures. So, I am hoping that you will consider this problem and try to make it a little less painful for both me and my cats. I'd even be willing to pay a donation, but $40 for one kitten is ridiculous. Hoping to hear from you soon.

Clearly, the problem of cats in our community is serious. I have even received complaints from people who talk about tom cats urinating inside their car and causing all sorts of problems during the dark hours. I hope that some committee, if it has not already been established, will be set up to address what I consider to be a serious problem, despite the levity during my question.

The Hon. G.F. KENEALLY: It occurs to me that the caterwauling and other habits of our feline friends are the very reasons why we have this continuing problem. Local government recognises that this is a serious problem. The previous shadow Minister would understand this. My understanding is that at least one working party, if not more, has examined the question of whether or not legislation could be prepared that would be effective in controlling this menace.

It is a difficult area and not one that the Government or local government has ignored. We have found this problem difficult to control. Once one notices the noise of cats or dogs and once they start to irritate one, they can be a considerable annoyance, to the extent that people can have breakdowns. I will relay the question to my colleague and bring back a reply.

RACING CODE PROFITS

Mr INGERSON: Will the Minister of Recreation and Sport confirm that the Government will introduce fixed percentages for the distribution of TAB profits for the three racing codes, which will mean that the two horse racing codes will receive less money from TAB with the galloping code share being cut by about $350 000 over the next three years?

The Hon. M.K. MAYES: I thank the honourable member for his interest in this matter. Discussions have been held with industry regarding the fixed distribution of profits. At this point I am not able to say what the Government's position is. As the honourable member is probably aware, the matter has been discussed with industry members. I have had ongoing meetings with individuals and a combined meeting with representatives from the three codes. A decision will be made in the near future but at this stage I am not able to give a firm response.

SELF EMPLOYMENT VENTURE SCHEME

Mr DUIGAN: Can the Minister of State Development advise the House what progress, if any, has been made in negotiating with the Federal Government for funding to contribute to the State Government's Self Employment Venture Scheme? A recent report issued by the Commonwealth Department of Industrial Relations on the Community Employment Program indicated that the period of unemployment, particularly for young people, had increased at the end of 1983 to nearly 10 months. The report indicated that CEP programs in the last two years had provided jobs for nearly 80 000 people, half of whom have since been able to move into full-time work. The other major initiatives that have been taken in recent years, particularly in South Australia, have been cooperative ventures by unemployed persons themselves, both for housing and for work. Young people have shown great interest in getting on with the task of improving their financial position and better utilising their skills and knowledge by wanting to set up a variety of ventures from gardening to the example that I have had in my constituency of a group of young people wanting to manufacture child proof swimming pool covers under the program of self-help. I ask the Minister whether the State Government's initiative will be able to be expanded with the assistance of the Federal Government.

The Hon. LYNN ARNOLD: The Self Employment Venture Scheme has been a very great success story in the provision of employment opportunities to people in South Australia. It is a scheme that goes back to 1979. In April of that year, the then Corcoran Government introduced it, and it has grown quite remarkably since that time with State funding. It started off with about $50 000 worth of funding

in that first year. In the last budget, this Government allocated nearly $500 000 towards that scheme, and that indicates the amount of faith that we put in it in terms of helping to provide another kind of employment opportunity to people within our community. It is part of the YES scheme: it is one of the many pronged approaches that tries to provide training or employment opportunities in a variety of ways. Agreement has been reached this week between the Federal and State Governments on expanding the utility of the Self Employment Venture Scheme by taking it into two new areas.

Basically, the scheme which has existed up until now and which is funded in the present budget is to provide working capital by means of low interest loans or grants to those who are successful applicants for funds. In other words, it overcomes one of the problems found by many small businesses that are about to commence. They just do not have the capital; they may have an idea but they do not have any money to translate that idea into wealth generation. So we, as a State Government, have funded that.

However, there are two other areas that have not been adequately addressed. One of them was the problem of small business management. Many of these young people who had these good ideas did not actually have the skills to manage the idea and convert it into a business venture. As we know, that is the cause of many business failures in our community: a lack of knowledge in that area. That was an element that was not adequately addressed.

The next thing that was not adequately addressed was that historically the worst period for a small business is its first year. That applies just the same to these self-employment ventures. The worst time in terms of cash flow, generating some money to live off, actually feeding, clothing and housing oneself, was not there in the first year. Because those two areas still needed more addressing, the Federal Government in agreement with the State Government has come in to pick up those two areas, first of all by providing four weeks full-time training in marketing, cash flow management, provisional and sales tax implications and other areas that are essential to the starting up of a new business.

The courses that are to be funded by the Federal Government will be conducted by TAFE. The other area to be picked up is that many of the applicants will be eligible for income support for 12 months. They will pick up an amount of money that will be somewhat less than the unemployment benefit but will be receiving income support so they know that at least some of the basic essentials of life will be looked after in that first 12 month period, which is the key period to determine whether or not a business will make a go of it.

We believe that that brings together a self-employment venture package which is one of the most exciting packages for employment generation that exists. It is an incredibly cost effective package: the cost of generating jobs under this scheme is low. Since 1979, 250 businesses have been established under the scheme and 400 job opportunities have been created, providing ongoing employment. That has resulted in a net cost to the Government, and in turn to the taxpayer, of about $1 400 after taking into account businesses that finally failed. So, the net cost to the community has been $1 400 for each job created, which is an incredibly cost effective operation that has allowed ideas from young people to be put into business ventures in a cost effective way.

However, there is a concern that there have not been enough applications for the scheme and, although $500 000 was allocated in the budget, I said in the House last week that we were not receiving the number of applications that we expected. We think that many more people should seriously consider whether they have an idea that can be translated into a successful application. Many young people with bright ideas fear that, if they go into the market place and set up a business, they will be jumping into the deep end of a financial pool in which they will drown. However, this scheme offers three types of support: first, access to funds (low interest grants); secondly, access to training; and, thirdly, access to income support. That will ensure that, when jumping into the financial pool, people are not jumping in without assistance that will help them to swim and succeed through creating jobs that will generate wealth for South Australia and themselves.

POKER MACHINES

Mr BECKER: Will the Premier clarify the Government's attitude to an investigation into the introduction of poker machines in South Australia? I have been reliably informed that the Labor Caucus is deeply divided over this matter and that this is the reason why the Government is attempting to delay consideration of a motion for a select committee of this House. The Premier has said publicly that a number of Government members believe poker machines should be introduced, but he has refused to give a commitment that the Government will facilitate debate on the establishment of a select committee which could use the planned five month break in sittings to make a thorough investigation. In view of the public interest in this issue, the Premier must clarify the Government's position on whether or not it will facilitate this debate before the end of the present sittings.

The Hon. J.C. BANNON: I admire the honourable member's more than usually frenetic efforts to ensure that he keep in the public eye in the light of his close shave when he ran at the recent election. Indeed, had there been another two or three weeks delay, he may well have not been here and the Opposition would have been denied his services—I was going to say 'on the front bench', but I see that there are more senior members such as the member for Mitcham who have to take their place there.

Regarding poker machines, the honourable member has been here long enough to know the forms of the House and the needs of the Government in terms of its legislative program. Until the Address in Reply debate is completed, we cannot deal with private members' business. I see that the member for Mitchem has come back into the House to stake his claim. I will come to him in a minute because he is relevant to my answer to the question. It is most unlikely that we would be able to resolve the matter, because the only way in which we could would be to specifically make Government time available in order to debate poker machines as some kind of matter of great urgency and importance. Frankly, it is not such an issue. The casino itself has only just been opened. I have said all along that we must review its operations.

The Hon. Jennifer Adamson interjecting:

The Hon. J.C. BANNON: There is the person who supported tourism in this State by voting against the casino and trying hard to stop it happening, whereas the casino is now one of our chief promotion vehicles earning much money for this State not only in direct revenue but in other ways.

Mr S.J. Baker interjecting:

The Hon. J.C. BANNON: The member for Mitcham should not get excited. He will get a mention. It will help his sense of self-importance and, after last night, he needs that.

The Hon. Jennifer Adamson interjecting:

The Hon. J.C. BANNON: I am not interested in what the member for Coles has to say about the casino. Let me

deal with the sensible question from the member for Hanson. I do not regard this issue as one that requires special treatment or attention by the Government in terms of allowing time for it to be debated. It will be debated in due course. I am sure that the honourable member and one or two other members have in mind placing a motion or motions on the Notice Paper as private members' business which will be dealt with later this year. As far as we are concerned, this is a matter for the individual conscience of members on this side and no doubt on the other side. If the House resolves that there should be such an inquiry, we shall have it, but there is no great or overriding urgency.

Reverting to our friend from Mitcham, our task of making time available, if we had been able to contemplate it, has been rendered impossible by the turgid, tortuous, round-and-round three hours of nonsense that this House was subjected to last night.

Mr S.J. Baker: You weren't here. Where were you?

Members interjecting:

The SPEAKER: Order! I call the member for Florey to order.

The Hon. J.C. BANNON: Thank goodness I was not here, and thank goodness that I have a knob on the speaker in my office that I can turn down so that I do not have to listen to such nonsense. However, on the rare occasion that I did tune into the debate, I was extremely sorry not only for my colleague the Minister of Labour, who was forced to sit here and listen to the nonsensical vapourings, but also for the people that the honourable member purports to represent in the business community. No wonder business talks to us, deals with us, and knows that this is a Government that it can trust.

No wonder the business community is battling to understand what the Opposition is on about. It is a pity that the Opposition cannot get on with the business of this House in the way in which the Notice Paper is set out, and if the honourable member, who could in half an hour have made all the comment that he needed to make, embarked on a great filibuster with all its repitition. The only things of sense that he said in his speech were quotations from others. The problem was that the quotes were so much out of context that they made nonsense even of their sensible words. So, we were subjected to that for over three hours last night. No doubt, the filibuster is due to start again today in Committee and we will see the honourable member bobbing up and displaying his ignorance for another three hours.

The Hon. Jennifer Adamson interjecting:

The Hon. J.C. BANNON: The member for Coles is chipping in again. I am not sure what her attitude is on poker machines but, if it is anything like her attitude on the casino, the last thing she will want is for the business to be expedited to bring this matter on, or is she suggesting that I take up the suggestion of the member for Hanson that this is a matter of such importance that Government time should be given to debating it?

Members interjecting:

The Hon. J.C. BANNON: I will refrain from responding to the interjections. There is undoubtedly high community interest in poker machines: first, whether they should be included in the casino. At this stage, the casino is battling to digest the enormous business that it already has with the games which the Act authorises it to conduct at present, so there is no urgency in the case of the casino. In the case of clubs and other groups that believe that they could improve their finances or make much money from poker machines, there is no urgency in dealing with the problem. It has been considered over the years and rejected by this place. Let us in due course, if the House so decides, conduct another investigation. However, especially in light of the filibustering that has been going on by members opposite, there is no possibility that we can allow special time during the weeks we are currently sitting.

PERSONAL EXPLANATION: TOURISM ARTICLE

Mr HAMILTON (Albert Park): I seek leave to make a personal explanation.

Leave granted.

Mr HAMILTON: In yesterday's *News* certain remarks were attributed to me which I believe are somewhat misleading. For example, the article headed 'Tourism attitude—Hicksville, MP', states in part:

> Lack of promotion was strangling South Australia's tourism potential.

Those are certainly not my words. I stated during the interview with the reporter concerned that Australian National should get its act together in relation to train tour promotion. I went on to say that there were many budding artists, particularly musicians, in this State, and given the chance to promote their skills they could provide entertainment for passengers on the Indian Pacific and Trans Australian trains travelling to Perth and from Perth to Adelaide.

Secondly, I pointed out that the active promotion of New Years Eve passenger train services to and from Western Australia could increase patronage and promote AN's services. Thirdly, I stated that approximately 40 000 Western Australian tourists journey to Bali each year and that, therefore, with proper promotion by AN of the aforementioned ideas, South Australia could pick up some of those Western Australian tourists journeying to Bali from that State. Finally, I do not back away from my criticism of the Adelaide Airport, and my belief that the ridiculous dress codes have been imposed by some people in the tourism and entertainment industry still stands.

The Hon. JENNIFER ADAMSON: I rise on a point of order. The honourable member is going way beyond a personal explanation. As I understand it, he is simply justifying and expanding on the views that were reported in yesterday's *News*. As far as I can see, the last two minutes at least of his explanation have simply been an expansion of his views and not comment on any misreporting of those views.

The SPEAKER: I uphold the point of order and ask the honourable member to stick to the personal explanation and to avoid expressing personal views.

Mr HAMILTON: Thank you, Sir. From my recollection of this interview, it would appear that either subediting and/or a certain amount of journalistic licence was used in this article.

STATE GOVERNMENT INSURANCE COMMISSION ACT AMENDMENT BILL

The Hon. J.C. BANNON (Premier and Treasurer) obtained leave and introduced a Bill for an Act to amend the State Government Insurance Commission Act 1970. Read a first time.

The Hon. J.C. BANNON: I move:

That this Bill be now read a second time.

I seek leave to have the detailed explanation of the Bill inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

This Bill addresses a number of issues. SGIC received legal opinion recently which indicated that its powers to invest in the shares of an existing company were not as clear as might be desirable. The commission was also advised that, in the event that it may wish to promote the formation of a company, specific power should be provided for that purpose.

SGIC's powers to invest in the shares of a company should be clear and unequivocal. SGIC has been exercising these powers for several years in making effective, balanced investment decisions and any lack of clarity in the provisions of the Act in that regard obviously needs to be rectified. The Bill is intended to achieve that result. To ensure that no future problems will arise in relation to past decisions, members will note that proposed section 16a (clause 6 of the Bill) provides that the commission shall be deemed always to have had these powers.

Control is exercised at present in relation to the power to invest in shares through guidelines issued with the approval of Cabinet. The guidelines restrict SGIC's investments in the shares of any one company to a maximum of 9.9 per cent of the issued capital and require that SGIC does not, in the ordinary course of events, seek to influence the operating policies of the companies in which it invests by means of board representation. Departure from these guidelines requires the Treasurer's prior approval.

These procedures provide an adequate framework of accountability in relation to SGIC's normal investment arrangements where SGIC's shareholding is within the guideline limits. However, when special approval is given to SGIC to exceed the 9.9 per cent guideline, the size of the shareholding opens up the possibility that SGIC could influence the operations of the company in a variety of ways. I believe that situation can be covered by requiring the same kinds of arrangements for accountability which should apply where SGIC is involved in the promotion of a company. There are two sets of circumstances in which SGIC could become involved in promoting a company:

Some aspects of SGIC's business may be more effectively conducted through a company. This situation could arise, for example, where SGIC joins with some other industry associates (e.g. other Government Insurance Offices) in providing operational services. The most likely vehicle would be a proprietary company.

SGIC may wish to enter into a joint investment venture with some other body. The vehicle in this case is more likely to be a public company although it is by no means certain that this would always be the case.

It is appropriate that SGIC should be empowered to promote the formation of a company in either of these two kinds of circumstances if the board sees that as the most effective method of carrying out the operation in question. Provision is made in proposed section 16a accordingly.

In any situation where the sponsoring agency (in this case, SGIC) has or seeks the practical or legal potential to influence the operations of a company, problems arise in relation to accountability. These accountability issues need to be addressed but any additional measures which limit SGIC's power to act are likely to be unduly restrictive with regard to the effective implementation of SGIC's investment policy. With that in mind, the approach the Government has decided to adopt is to ensure an appropriate level of disclosure to Parliament with regard to action which has been taken rather than to impose further controls in respect of that action before it is taken. The provisions of subsection (4) of proposed section 16a are designed to give effect to this approach.

The Bill also provides the commission with the power to delegate. This power is necessary in the event of the formation of a company through which the commission will carry out any of its activities.

Clause 1 is formal.

Clause 2 amends section 3 (3) of the Act to exclude the new section 16a from the operation of section 3 (3). Section 3 (3) provides for the commission to be subject to the control of the Government through a Minister, but section 16a itself provides for the control of the Treasurer.

Clause 3 amends section 12 of the Act to delete the provisions relating to delegations by the commission. This amendment is consequential to the insertion of the new section 12b.

Clause 4 inserts a new section 12b. Under this section the commission may delegate its powers not only to an officer but also to a body corporate to which it is related under the new section 16a.

Clause 5 amends section 16 of the Act to provide that the commission has power to invest its funds in bodies corporate in the ways provided for in the new section 16a.

Clause 6 inserts a new section 16a. Under this section the commission may purchase shares in a body corporate, participate in the promotion or formation of a body corporate or enter into arrangements such as partnerships or joint ventures with a body corporate. The commission must act in accordance with the Treasurer's guidelines. Subsection (3) provides that the commission will be deemed always to have the powers conferred by this section. Subsection (4) requires the commission to disclose in its annual reports the names of bodies corporate in which it has certain shareholdings or to which it stands in certain relationships, as provided in the regulations.

Mr OLSEN secured the adjournment of the debate.

NORTH HAVEN (MISCELLANEOUS PROVISIONS) BILL

The Hon. D.J. HOPGOOD (Minister for Environment and Planning) obtained leave and introduced a Bill for an Act to amend the North Haven Trust Act 1979; to make provision for the subsequent repeal of the Act; and to make provision for certain matters relating to the land affected by the Act. Read a first time.

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

That this Bill be now read a second time.

I seek leave to have the detailed explanation of the Bill inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

The aim of this Bill is to amend the North Haven Trust Act 1979 to make provision for certain matters which are a consequence of the agreement of sale of the land by the Government. The Bill also provides for the sale of the remaining assets of the trust and for the eventual repeal of the North Haven Trust Act 1979 when the trust's work is considered to be finished.

The North Haven Development Act 1972 ratified an Indenture Agreement between the South Australian Government and the Australian Mutual Provident society for the sale of land at North Haven to the Society for development. The indenture provided that the society was to undertake certain works at North Haven including the construction of a boat harbor. The society was given an option to lease land within the harbor area for marina and commercial development. After partial completion of the boat

harbor the society decided not to exercise its options over the harbor land. The Government then stepped in to complete the harbor and a trust was established by the North Haven Trust Act 1979 to undertake and promote development in the harbor area, which is referred to as the 'prescribed area'.

In 1983, approximately 70 per cent of land in the 'prescribed area' was sold to Gulf Point Marina Pty Ltd, a private consortium which is proceeding to develop and sell off portions of the land purchased. In 1984, approximately 5 per cent of land in the 'prescribed area' was sold to the Cruising Yacht Club of South Australia, being the area that club had previously leased from the trust.

The North Haven Trust, as part of the agreement of sale to Gulf Point Marina Pty Ltd, undertook to use its best endeavours to ensure that the area of water which is owned by Gulf Point Marina Pty Ltd is never assessed or rated in respect of land tax, sewer rates or water rates and that any land owned by Gulf Point Marina Pty Ltd would not be assessed or rated likewise until such land is connected to both sewer and water mains or until the expiration of the period of eight years from the date of settlement of the deed of sale on 31 August 1983, whichever shall first occur. The North Haven Trust is liable for the payment of any amounts so assessed or rated contrary to the provisions of the agreement of sale.

The Bill therefore provides for exemption by proclamation of certain parts of the land sold to Gulf Point Marina Pty Ltd in the 'prescribed area' from assessment or rating under any or all of the following Acts:

(a) the Land Tax Act 1936;
(b) the Sewerage Act 1929;
(c) the Waterworks Act 1932.

Any exemption would be capable of being varied or revoked by proclamation by the Governor.

The passage of this Bill will assist in meeting obligations flowing from the agreement of sale between the North Haven Trust and Gulf Point Marina. I commend the Bill to the House.

Clause 1 is formal.

Clause 2 provides that the measure is to come into operation on a day to be fixed by proclamation.

Clause 3 provides a definition of the term 'the prescribed area' used in subsequent provisions. 'The prescribed area'is defined by the clause as the area that became vested in the North Haven Trust by virtue of the operation of section 13 of the North Haven Trust Act 1979.

Part II (comprising clause 4) provides for the amendment of section 14 of the North Haven Trust Act 1979. Section 14 of that Act sets out the functions of the North Haven Trust, namely—

(a) to undertake or promote residential, recreational, commercial, marine and associated industrial develpment within the prescribed area; and
(b) to provide services and manage facilities within the prescribed area for the benefit of the public or any section of the public.

The clause amends the section so that the function referred to in paragraph *(b)* above is limited to the provision of services and management of facilities for the public where it is in the opinion of the trust appropriate to do so having regard to the nature and stage of development of the prescribed area. The clause also inserts a new provision into the section designed to make it clear that the trust has and always has had power to dispose of part of the land in the course of the development process and ultimately to dispose of all of the land at the completion of the development process.

Part III (comprising clause 5) provides for the repeal of the North Haven Trust Act on a day to be fixed by proclamation. The clause also provides for the winding up of the North Haven Trust by providing that the Governor may, by proclamation, transfer or distribute any property, rights, liabilities and obligations of the North Haven Trust to or between one or more of the following:

(a) the Crown;
(b) a Minister or Ministers of the Crown;
(c) the Corporation of the City of Port Adelaide.

Finally, the clause makes a necessary provision to continue the prescribed area as part of the area of the Corporation of the City of Port Adelaide.

Part IV (comprising clauses 6 and 7) makes certain provisions relating to the land affected by the North Haven Trust Act.

Clause 6 provides that the Governor may, by proclamation, exempt a specified part or parts of the prescribed area from assessment and rating under all or any of the following Acts:

(a) the Land Tax Act 1936;
(b) the Sewerage Act 1929;
(c) the Waterworks Act 1932.

Clause 7 empowers the Covernor by regulation to exempt the prescribed area from the application of part III of the Harbors Act or to declare that a provision of that part applies to the prescribed area as if it were a harbor and with such modifications as may be prescribed.

The Hon. JENNIFER ADAMSON secured the adjournment of the debate.

CLEAN AIR ACT AMENDMENT BILL

The Hon. D.J. HOPGOOD (Minister for Environment and Planning) obtained leave and introduced a Bill for an Act to amend the Clean Air Act 1984. Read a first time.

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

That this Bill be now read a second time.

I seek leave to have the detailed explanation of the Bill inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

It seeks to improve the administration of the Clean Air Act 1984. That Act came into effect on 6 August 1984. The Act does not provide for delegation by the Director-General to an officer of the Department of Environment and Planning of any of the powers, functions, duties and responsibilities delegated to the Director-General by the Minister.

Accordingly the simple amendment contained in this Bill is to ensure the smooth administration of the Act by providing the Director-General with power to so delegate.

Clause 1 is formal.

Clause 2 amends section 55(2) of the Act to enable the Director-General to delegate to any officer of the Department of Environment and Planning any power, function, duty or responsibility delegated to the Director-General by the Minister.

The Hon. JENNIFER ADAMSON secured the adjournment of the debate.

DOG FENCE ACT AMENDMENT BILL

The Hon. R.K. ABBOTT (Minister of Lands) obtained leave and introduced a Bill for an Act to amend the Dog Fence Act 1946. Read a first time.

The Hon. R.K. ABBOTT: I move:

That this Bill be now read a second time.

I seek leave to have the detailed explanation of the Bill inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

It amends the Dog Fence Act in two ways. First, it rationalises the membership of the Dog Fence Board to reflect contemporary needs. Secondly, it clarifies that both the board and the local dog fence boards can borrow funds with the approval of the Treasurer. The board is currently made up of four members:

The Chairman, who must be the Chairman or member of the Pastoral Board at the time of appointment; two members appointed on the nomination of the United Farmers and Stockowners of South Australia Inc.; one member appointed on the nomination of the Vermin Districts Association.

The need for mandatory liaison between the Dog Fence and Pastoral Boards is anachronistic. Rapid advances in relevant technologies dictate the need for specialisation and separation. In this connection the Bill provides for the Director of Lands or his nominee to be a member and Chairman of the Dog Fence Board.

Local Dog Fence Boards established in terms of the provision of the Dog Fence Act have taken over the rights, duties and obligations previously vested in the boards of the various vermin fenced districts. It follows that the Dog Fence Board should include a representative or nominee of the Local Dog Fence Boards rather than a nominee of the Vermin Districts Association.

The Vertebrate Pests Control Authority is responsible for the control of dingoes while the board is responsible for maintaining the fence in dog proof condition. The need for co-ordination between the two bodies is recognised and this Bill provides for the membership of the board to be increased to five, the fifth member being a nominee of the authority.

Turning now to the second question: section 32a of the Dog Fence Act deals with borrowings by the board. The wording of that section however is not clear and can be construed as precluding the board from obtaining finance from any source other than the Treasurer. In addition there is no power for local dog fence boards to borrow.

On several occasions over the years funds have been borrowed from private financial institutions to facilitate works authorised by the Dog Fence Act. The Bill provides for amendments to the Act which clarify the situation and facilitate continuation of current practice in this regard. It also formally extends this authority to local boards in whose names such loans have historically been taken.

Clauses 1 and 2 are formal.

Clause 3 substitutes section 6 of the Act and alters the constitution of the Dog Fence Board. The substituted section provides that the board shall consist of five members: the Chairman (an ex officio member) being the Director of Lands or the Director's nominee as approved by the Minister, and four other members appointed by the Governor as follows:

(a) two (being occupiers of ratable land and at least one of the two being an occupier of ratable land adjoining the dog fence) on the nomination of the Minister from a panel of four persons nominated by the United Farmers and Stockowners Ltd. Inc.;

(b) one (not being an officer of the Public Service) on the nomination of the Vertebrate Pests Control Authority; and

(c) one on the nomination of the Minister from a panel to which each local dog fence board has nominated two persons.

Where a nominating body fails to make a nomination, there is provision for the Minister to nominate for appointment such person as the Minister thinks fit. The section provides that the offices of all current members of the board are vacated on the commencement of the measure to enable new appointments to be made.

Clause 4 repeals section 9 of the Act which deals with the power of the Minister to nominate a member in default of nomination by any association. This matter is dealt with in the substituted section 6.

Clauses 5 to 8 are consequential amendments. Clause 5 amends section 10 of the Act to make it clear that each nominating body is entitled to replace, in accordance with the Act, its nominated member when a vacancy in the office of that member occurs.

Clause 6 amends section 11 (2) of the Act which gives power to any nominating association to request that the appointment of its nominated member be determined before the expiration of that member's term of office. The amendment provides that all nominating bodies except local boards have this power.

The amendments in clauses 6 to 8 also limit the application of the following sections to appointed members: section 11 (casual vacancies), section 12 (dismissal of members) and section 17 (member's remuneration, though both appointed members and the ex officio member receive out-of-pocket expenses pursuant to subsection (2)).

Clauses 9 substitutes section 32a of the Act. The section provides for the borrowing and investment powers of the board. It ensures that the board may, for the purposes of the Act, borrow both from the Treasurer or, with the Treasurer's approval, from any other person and it provides that loans on the latter basis are guaranteed by the Treasurer. The section also provides that the board may invest money in such manner as the Treasurer may approve.

Clause 10 inserts a new section 35a. The section gives the local boards borrowing and investment powers similar to that of the board. There is an additional requirement that local boards obtain the consent of the board to each loan.

Mr GUNN secured the adjournment of the debate.

TECHNOLOGY PARK ADELAIDE ACT AMENDMENT BILL

The Hon. LYNN ARNOLD (Minister for Technology) obtained leave and introduced a Bill for an Act to amend the Technology Park Adelaide Act 1982. Read a first time.

The Hon. LYNN ARNOLD: I move:

That this Bill be now read a second time.

I seek leave to have the detailed explanation of the Bill inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

It seeks to make two main amendments to the Technology Park Adelaide Act 1982. First, it seeks to increase the membership of the Technology Park Adelaide Corporation from six to eight members, through the appointment of two additional State Government nominees. Secondly, it seeks to enable the corporation to appoint officers without requiring the Governor's approval of such appointments.

The Technology Park Adelaide Corporation has demonstrated itself to be an effective organisation which has brought

together a unique blend of private, tertiary and Government sector expertise to deal with the task of promoting technology development throughout South Australia.

The rapid pace of development at Technology Park has aroused Australia-wide interest, as has the concept of Innovation House, Australia's first 'incubator' complex. The Adelaide Innovation centre is an outstanding success and considered the model centre in Australia and I am confident the recently announced Microelectronics Applications Centre will prove equally successful.

The success of corporation initiatives is in large part a consequence of the corporation structure—through the membership of the corporation a wealth of private sector expertise and experience has been tapped, important links forged with the tertiary institutions and the cooperation and support of the Commonwealth Government realised.

In view of the increasingly broad range of initiatives administered under the umbrella of the corporation, it is considered appropriate to increase the membership from six to eight through the appointment of two additional State Government nominees.

With respect to the appointment of staff the corporation is subject to the general direction and control of the Minister and must specifically seek the approval of the Governor. In relation to expenditure of moneys the corporation must seek the approval of both the Minister and Treasurer.

The necessity for the corporation to seek Cabinet and the Governor's approval to make staff appointments following approval of its budget by the responsible Minister and Treasurer is unnecessary and it is proposed to amend the Act to enable the corporation to appoint officers without reference to the Governor. I commend this Bill.

Clauses 1 and 2 are formal.

Clause 3 provides for two additional State Government nominees to be appointed by the Governor to membership of the corporation, thus increasing the total membership from six to eight members.

Clause 4 increases, from four to five members, the quorum required at a meeting of the corporation.

Clause 5 removes the requirement that the Governor's approval to appoint corporation staff and his approval of their conditions of appointment be obtained and enables the corporation to engage such employees as it thinks necessary to perform its statutory functions.

Mr S.J. BAKER secured the adjournment of the debate.

INDUSTRIAL RELATIONS ADVISORY COUNCIL ACT AMENDMENT BILL

The Hon. FRANK BLEVINS (Minister of Labour) obtained leave and introduced a Bill for an Act to amend the Industrial Relations Advisory Council Act 1983. Read a first time.

The Hon. FRANK BLEVINS: I move:

That this Bill be now read a second time.

I seek leave to have the detailed explanation of the Bill inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

This Bill has one simple purpose, namely, to extend the operation of the Industrial Relations Advisory Council Act from its present expiry date of 28 July 1986 to 30 June 1990. The Government has been pleased with the work of the Industrial Relations Advisory Council since it was established on a statutory basis in 1983 after the election of the Bannon Government in the previous year. The work of the council has ensured tripartite consultation on matters of industrial relevance and in particular on legislation of industrial importance. The success of the council warrants an extension of the principal Act for a further period. The extension has the support of the United Trades and Labor Council and several major employer associations. The Government commends the continuing role of the Industrial Relations Advisory Council in the industrial sphere of this State.

Clause 1 is formal.

Clause 2 amends section 13 of the principal Act to extend the operation of the Act to 30 June 1990.

Mr S.J. BAKER secured the adjournment of the debate.

INDUSTRIAL CONCILIATION AND ARBITRATION ACT AMENDMENT BILL

The Hon. FRANK BLEVINS (Minister of Labour) obtained leave and introduced a Bill for an Act to amend the Industrial Conciliation and Arbitration Act 1972. Read a first time.

The Hon. FRANK BLEVINS: I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

Section 80 of the Industrial Conciliation and Arbitration Act prescribes the general standard for sick leave provisions for employees in South Australia. The Act, however, along with most State awards, is silent in relation to what happens to the sick leave credits of employees on the transmission of the business from one employer to another. In practice it appears that most larger businesses do accept the transfer of sick leave credits upon transmission of the business. However, with many smaller businesses, this simply does not occur.

The Government believes that, as an important industrial principle, there is no reason why the sick leave credits of employees built up through previous service with a business should not be recognised by the new employer following transmission of the business. The appropriate apportionment of costs should be the subject of negotiation of the new and previous employers upon transmission of the business.

The proposed amendment has received the consideration and support of the Industrial Relations Advisory Council and does, I believe, redress an important anomoly in this area of industrial law.

Clause 1 of the Bill is formal.

Clause 2 provides for the amendment of section 80 of the principal Act, the section that prescribes the general standard for sick leave provisions for employees in South Australia. The proposed amendment provides that where a business is transmitted from one employer to another employer the continuity of service of an employee for the purposes of determining sick leave entitlements under section 80 shall be deemed not to have been broken and the period of service of the employee with the former employer shall be deemed to be service with the new employer. The provision will operate in relation to service both before and after the commencement of the amending Act.

Mr S.J. BAKER secured the adjournment of the debate.

CATTLE COMPENSATION ACT AMENDMENT BILL

The Hon. M.K. MAYES (Minister of Agriculture) obtained leave and introduced a Bill for an Act to amend the Cattle Compensation Act 1939. Read a first time.

The Hon. M.K. MAYES: I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

The current purpose of the Act is to provide compensation for cattle compulsorily slaughtered because of certain diseases, or when they are found diseased in the abattoir. Finance for the fund under the Act from which compensation is paid comes from an industry stamp duty on the sale of cattle. The purpose of this Bill is to widen the use to which funds collected into the fund may be applied for the benefit of the cattle industry and to provide for a committee to advise the Minister on the management of the fund and the use to which moneys are put.

Similar amendments have already been made to another Act, the Swine Compensation Act. Funds made available other than for compensation as a result of those amendments have proved to be of great benefit to the pig industry. Widening of the use of funds and the formation of an advisory committee has been widely canvassed with the cattle industry and has included consideration by an industry/Government working party especially formed to consider amendments to the Act. The changes proposed have strong industry support.

Clause 1 is formal.

Clause 2 amends the interpretation provision of the principal Act to insert a new definition—that of the Cattle Compensation Fund Advisory Committee.

Clause 3 provides for the insertion of new sections 11a, 11b and 11c into the principal Act.

New section 11a provides that where, in the Minister's opinion, the amount standing to the credit of the fund on 30 June in any year is sufficient to meet any claims likely to be made upon the fund in the ensuing 12 months, he may direct that the amount of the excess be allocated to such programs for the benefit of the cattle industry in the State as he thinks fit.

New section 11b establishes the Cattle Compensation Fund Advisory committee. The Committee is to be comprised of six persons: the chief inspector, three persons who represent the interests of the cattle industry, and two persons holding positions in the Department of Agriculture.

New section 11c sets out the functions of the committee. They are to advise the Minister on the management of the fund, to recommend to him the manner in which allocations are to be made under new section 11a and to report to him on matters referred for advice.

Mr GUNN secured the adjournment of the debate.

POULTRY MEAT HYGIENE BILL

The Hon. M.K. MAYES (Minister of Agriculture) obtained leave and introduced a Bill for an Act to license poultry processing works; to regulate the standards of hygiene and sanitation at poultry processing works; to regulate the quality of poultry meat and poultry meat products; to make consequential amendments to the Poultry Meat Industry Act 1969; and for other purposes. Read a first time.

The Hon. M.K. MAYES: I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

The Poultry Meat Hygiene Bill 1986 was introduced into Parliament during the last session but lapsed. The present Bill is the same as before except that clauses 28 and 29 of the previous Bill and references to the declared day have been deleted. Since the passing of the Meat Hygiene Act 1980, poultry processing is the only significant item of food not covered by specific legislation. Poultry naturally carry more organisms capable of producing food poisoning than other food animals, and the nature of poultry processing is such that there is a far higher risk of cross-contamination.

Meat carcasses can be kept separate during the slaughtering process until after post-mortem inspection, but during poultry processing mixing is unavoidable. This applies to large or small processing works, regardless of the speed of operation. Works that operate at high speed, up to 4 000 birds an hour, have a further problem in that it is difficult to sanitise effectively processing equipment between each bird. Consequently hygiene and construction standards are essential to reduce the spread of food-poisoning organisms.

There are about 39 poultry processing works, of which four process about 90 per cent of the poultry produced in South Australia. Standards of construction and hygiene at many of the smaller works are low and represent a health risk to the community and to the employees.

This Bill is similar to the Meat Hygiene Act 1980 but it will apply to poultry meat instead of red meat. It sets standards of construction and hygiene at poultry processing works, and will bring to the industry the same standards that apply to the red meat industry. These standards have been prepared in consultation with the Poultry Meat Industry committee which represents growers and the major producers. The committee recommended that hygiene standards should apply equally to all processing works, regardless of size, but that construction standards should be applied flexibly to the smaller works. This will be done.

As the Bill will also apply to ducks, geese, turkeys, etc., processors of these species have also been consulted. As part of a national agreement, dating back to 1976, South Australia has been committed to a phased schedule for the introduction of standards of construction, hygiene and poultry meat inspection. Some States have implemented this schedule to the point where they now insist on inspecting and approving individual processors in South Australia, at the processor's expense, prior to granting entry to their products. The proposed standards in this Bill will eliminate this discrimination.

The national agreement culminated in full-time poultry meat inspections and clause 28 of the original Bill made provision for this. However, since the Bill was drafted, the national agreement has been reviewed and it is now accepted that on-plant inspection is unlikely to be as practical and as effective as random spot checks.

Consequently clauses 28 and 29 of the previous Bill have been deleted.

The Bill will bring poultry processing under the control of the Meat Hygiene Authority as presently constituted under section 6 of the Meat Hygiene Act 1980. The authority consists of the Chairman, who is the Chief Inspector of Meat Hygiene and who must be a veterinary surgeon, a nominee of the South Australian Health Commission and a nominee from the Local Government Association Incorporated. In February 1981, when the meat hygiene legisla-

tion came into force, the standards of contruction and hygiene at many of the slaughtering works in South Australia were very low. The authority had the difficult task of ensuring that upgrading programs were implemented. Now 16 abattoirs and more than 70 slaughterhouses substantially comply with the legislation.

The authority will be given power to issue licences for poultry processing works but will not be concerned with marketing of poultry meat products. The Bill will not apply to the production or sale of eggs. A Poultry Meat Hygiene Consultative Committee will be set up, similar to the Meat Hygiene Consultative Committee, to advise the authority on any matter relative to its functions under the Act or the administration of the Act. The committee will comprise representatives of the various bodies concerned with poultry processing.

Clause 1 of the Bill is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 provides that the Poultry Meat Industry Act 1969 is amended as shown in the schedule.

Clause 4 sets out definitions of expressions used in the measure.

Part II, comprising clauses 5 to 11, provides for administrative matters.

Clause 5 provides that the Meat Hygiene Authority established under the Meat Hygiene Act 1980 shall be responsible, subject to the control and directions of the Minister, for the administration of the measure.

Clause 6 sets out the functions that the authority is to have for the purposes of this measure, in addition to its functions under the Meat Hygiene Act. These functions principally relate to the licensing of poultry processing works. The authority is also to keep under review and report to the Minister on the killing and processing of birds and the production of poultry meat and poultry meat products, the standards of hygiene and sanitation at poultry processing works and poultry meat inspection procedures.

Clause 7 provides that the authority shall incorporate in its annual report to Parliament (that is, its report under the Meat Hygiene Act) a report on its operations under this measure during the year to which the report relates.

Clause 8 provides that the Minister may appoint a 'Poultry Meat Hygiene Consultative Committee' to advise the authority on any matter relating to its functions under the measure or the administration of the measure.

Clause 9 provides for the appointment under the Public Service Act of staff for the purposes of the measure and enables the authority to make use of the services of officers of departments of the Public Service.

Clause 10 provides that the person for the time being holding or acting in the office of the Chief Inspector of Meat Hygiene under the Meat Hygiene Act shall be the Chief Inspector of Poultry Meat Hygiene for the purposes of the measure. Under the clause, the Governor is empowered to appoint inspectors.

Clause 11 protects members of the authority and inspectors from personal liability for any act done or omission made in good faith in the exercise, performance or discharge, or purported exercise, performance or discharge, of a power, function or duty under the measure.

Part III, comprising clauses 12 to 25, deals with the licensing of poultry processing works.

Clause 12 is one of the basic provisions of the measure, prohibiting the killing of birds for the production for sale of poultry meat or any poultry meat product except at a licensed poultry processing works.

Clause 13 regulates applications for licences.

Clause 14 regulates the grant of licences in respect of poultry processing works not in operation at commencement of this measure and sets out the criteria which the authority is to have regard to in determining whether or not a licence should be granted.

Clause 15 provides for the automatic licensing of poultry processing works in operation during the period of three months preceding the commencement of the provision, notwithstanding that a particular works may not conform to the prescribed standards of construction, plant and equipment for licensed poultry processing works. Subclauses (3) and (4) provide for exemptions from compliance with the prescribed standards for a maximum period of three years.

Clause 16 permits the authority to attach conditions to licences. Subclause (2) makes it clear that conditions may be attached to licences limiting the maximum throughput of the works or requiring the upgrading of works that are exempt from compliance with a prescribed standard pursuant to clause 15 (3).

Clause 17 provides for review by the Minister of any refusal by the authority to grant a licence or any licence condition imposed by the authority.

Clause 18 prohibits operation of a poultry processing works if it does not conform to a prescribed standard or in contravention of a condition attached to the licence in respect of the works.

Clause 19 provides for the renewal of licences.

Clause 20 provides for the surrender, suspension and cancellation of licences.

Clause 21 provides for a right of appeal to a District Court against the suspension or cancellation of a licence.

Clause 22 requires holders of licences to keep certain records which are to be available for inspection at any reasonable time by an inspector.

Clause 23 requires the authority to keep a register of licences.

Clause 24 prohibits the carrying out of structural alterations to a poultry processing works without the approval of the authority.

Clause 25 provides for the recognition of poultry processing works outside the State, if they are of a standard equivalent to the standard required under this measure for licensed poultry processing works.

Part IV, comprising clauses 26 to 29, relates to the inspection, branding and sale of poultry meat and poultry meat products.

Clause 26 provides the powers necessary for an effective system of inspection and the particular attention of honourable members is drawn to this clause. Included in this clause is the power of an inspector to dispose of any poultry meat or poultry meat product that in his opinion was derived from a diseased bird or is unfit for human consumption for any other reason.

Clause 27 empowers an inspector to direct that steps be taken to remedy defects in a poultry processing works that in the inspector's opinion render it insanitary or unhygienic and to order the works to close down, wholly or partially, in the meantime. Provision is made in this clause for an appeal to the Minister against such requirements of an inspector.

Clause 28 prohibits the sale of poultry meat or a poultry meat product unless it was produced at a licensed poultry processing works or at a poultry processing works located outside the State that is recognized under clause 25.

Clause 29 prohibits the sale of poultry meat or any poultry meat product that is unfit for human consumption.

Part V, comprising clauses 30 to 38, provides for miscellaneous matters.

Clause 30 empowers the Minister to exempt any person from compliance with all or any of the provisions of the measure or to exempt a poultry processing works from all or any of the provisions of the measure.

Clause 31 makes provision for the service of documents.

Clause 32 prohibits the furnishing of information, or the keeping of records containing information, that is false or misleading in a material particular.

Clause 33 is an evidentiary provision.

Clause 34 provides for general defences to offences created by the measure.

Clause 35 provides for a summary procedure in respect of offences against the measure.

Clause 36 is the usual provision subjecting officers of bodies corporate convicted of offences to personal liability in certain circumstances.

Clause 37 provides for the imposition of penalties for continuing offences.

Clause 38 empowers the making of regulations.

The schedule sets out the amendments to the Poultry Meat Industry Act 1969 that are consequential to this measure. The amendments remove all provisions dealing with weight gain and the quality and packaging of poultry meat—matters which will be dealt with by regulations under this measure. That Act will, as a result, be confined in its scope to the regulation of the relationship between the operators of processing plants and the operators of chicken farms.

Mr GUNN secured the adjournment of the debate.

POTATO MARKETING ACT AMENDMENT BILL

The Hon. M.K. MAYES (Minister of Agriculture) obtained leave and introduced a Bill for an Act to amend the Potato Marketing Act 1948. Read a first time.

The Hon. M.K. MAYES: I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

In May 1985 the Parliament amended the Potato Marketing Act with the effect that the South Australian Potato Board would be disbanded from 1 July 1987. This amendment was made because the Government was not convinced of the continuing need for intervention by a statutory authority in the marketing of potatoes.

In making that amendment to the Potato Marketing Act, the Government made it clear that if there was evidence that the highly regulated potato marketing system was not working, an earlier move would be made to disband the board. Events which have occurred in the market place over the past few months make it clear that the current system is not working. There has been dissatisfaction expressed by people at all stages of the potato marketing chain with the methods of operation of the board. The action of the board in issuing Potato Marketing Order No. 17 which tightened controls over the potato washers/packers was contrary to the requirements of the Government for the board to move, over the period to 1 July 1987, towards a less regulated marketing environment.

As a result, the Government has decided that the South Australian Potato Board will be disbanded on 14 March 1986. After that date, a free marketing situation will operate for potatoes in South Australia just as is the case for other vegetable crops in this State. The Potato Board is a party to long-term contracts for the supply of potatoes to processors. The board acts as a broker in these contracts in that it receives payment from the processor (or merchant) and pays the grower. It also has other potential roles as a mediator in disputes and in substituting pool potatoes for unsatisfactory potatoes offered by a contract grower.

The Government sees no need for the role played by the board in these contracts to continue after the board is disbanded and the potato industry operates under a free market system. Hence, upon disbandment of the board, the Government will cancel all obligations (other than obligations arising from borrowing by the board) that would otherwise have been imposed on it in relation to contracts. Two important issues associated with the disbandment of the board are the fate of board assets and the future for board employees.

All permanent employees of the South Australian Potato Board have been offered the option of either redeployment in the public sector, or a negotiated retrenchment package. Hence, board staff will not be disadvantaged by the disbandment of the board. The realised assets of the board will meet the costs of redeployment or retrenchment of board staff and any future liabilities arising out of any action or commitment of the board. The Government has decided that after meeting these commitments, the net realised assets of the board will be used to establish an industry fund for purposes such as research and promotion of matters affecting the potato industry in South Australia. The details of the fund and its operation will be announced after the Government has held further discussions with all sectors of the potato industry on this issue.

Clause 1 is formal.

Clause 2 amends the principal Act by repealing present section 26 (which provides for the expiry of the principal Act) and substitutes new section 26. The new section provides that, on 14 March 1986—

the principal Act expires (other than the new section);

any contract imposing continuing or recurrent obligations (not being pecuniary obligations arising from borrowings) is terminated from that date;

the assets of the board vest in the Crown.

The Minister must, as soon as is practicable, convert into money any of the assets of the board that do not already consist of money, and shall apply the assets as follows:

first, in making such provision as the Minister thinks fit towards the costs of redeployment or retrenchment of the officers and employees of the board;

secondly, in satisfying the board's liabilities;

thirdly, any remaining surplus to be paid into a fund established by the Minister for the development of the potato industry.

A liability is not to be recognised unless the Minister receives written notice of it on or before 19 March 1987. If the assets are insufficient to satisfy the liabilities there is to be a ratable distribution among the creditors. A liability of the board is not enforceable against the Crown apart from this section and if a liability is not fully satisfied no residual liability attaches to the Crown. When the distribution of assets is completed, this section expires.

Mr GUNN secured the adjournment of the debate.

BIOLOGICAL CONTROL BILL

The Hon. M.K. MAYES (Minister of Agriculture) obtained leave and introduced a Bill for an Act to make provision for the biological control of pests in the State; and for related purposes. Read a first time.

The Hon. M.K. MAYES: I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

This Bill complements, and is substantially the same as, the Commonwealth Biological Control Act 1984. The measure broadly is intended to provide a nexus with that Commonwealth legislation and legislation to be enacted in the other States and the Northern Territory to ensure that the administration and legal status of biological control has a uniform basis throughout Australia.

Accordingly, the specific objects of the Bill are—

(a) to provide an opportunity for equitably assessing proposed biological control activities and to ensure that they are, in relation to all parts of Australia, in the public interest by—

(i) requiring the unanimous approval of all Ministers comprising the Australian Agricultural Council to any biological control program to be conducted under the proposed Act;

(ii) publishing proposals with a view to obtaining public comment;

(iii) where appropriate, ordering public inquiries to investigate and report on the implications of proposals; and

(iv) providing for review of administrative decisions;

(b) to authorise the release of biological control agents and to ensure that, where biological control activities are approved in terms of the proposed Act, they are not subject to actions for damages or legal proceedings intended to prevent the activities from being undertaken;

(c) to authorise existing biological control programs (which may, in some cases, be subject to the assessment procedures applying to new proposals); and

(d) to provide for action to be taken in the event of emergencies developing which could be prevented by immediate implementation of biological control.

Clauses 1 and 2 are formal.

Clause 3 (1) is an interpretation provision and includes the following definitions:

'agent application' refers to an application to have a biological control agent, such as an insect or a fungus, approved in terms of the proposed Act:

'agent organisms' refers to agents, such as insects, fungi, etc., which are capable of exerting control over a target, such as a weed or an animal pest:

'agent recommendation' refers to the stage of decision making when the Australian Agricultural Council decides that there is sufficient merit in an agent application to proceed further in terms of the proposed Act:

'control' is interpreted to cover all characteristics of the biological control process. Thus, numbers of weeds or pests may be reduced directly or indirectly (for example, by reducing activity or fertility or by directly causing death) or by limiting their further growth:

'organism' excludes man, but includes dead organisms and matter discharged from organisms as to accommodate biological control programs such as the dung beetle program. Although biological control programs are characteristically successfully applied only to exotic target organisms, reference to indigenous organisms is included to cater for the possibility of control of domestic pests, such as the sheep blow-fly, becoming available:

'State' includes the Northern Territory:

'target application' has the same significance as 'agent application', except that target applications refer to targets such as weeds and animals pests:

'target organisms' refers to weeds, pests and the like:

'target recommendation' refers to a decision by the council concerning the merits of a target application.

Clause 3 (2) introduces the principle that organisms shall be taken to cause harm if the control of those organisms would be for the public benefit.

Clause 3 (3) provides that an organism need not cause harm throughout the whole of the State for its control to come within the ambit of the proposed Act.

Clauses 3 (4) to (6) are machinery provisions.

Clause 4 provides that biological control is confined to the control of organisms by living organisms of another kind, that is, natural competition within species and chemical control are not interpreted as biological control.

Clause 5 enables the declaration of Commonwealth or other State biological control laws (with the consent of the Ministers administering those laws) as 'relevant laws' for the purposes of reciprocal provisions in the proposed Act.

Clause 6 provides that the proposed Act will bind the Crown.

Clause 7 ensures that proposals for biological control programs other than those concerned with agriculture may be conducted under the proposed Act.

Clause 8 constitutes the Minister of Agriculture as the South Australian Biological Control Authority.

Clause 9 allows the authority to delegate certain of its functions to officers of the Department of Agriculture.

Clause 10 provides that, subject to following the procedures set out in part II, organisms may be declared to be target organisms either at the initiation of the council or on application made to the authority.

Clause 11 provides that a person who considers an organism (e.g., a weed or pest) to be harmful may make a written application to the authority requesting that the organism be declared a target organism. The application needs to provide sufficient information to enable the organism to be identified and to indicate why biological control is being suggested.

Clause 12 provides for the withdrawal of target applications at any time before they are referred to the council.

Clause 13 requires the authority to refer target applications to the council except where other action is already being taken to obtain a declaration.

Clause 14 requires the authority to notify an applicant of the council's rejection of a target application and the reasons therefor.

Clause 15 provides that, where the council unanimously recommends that an organism should be a target organism, notice of the proposal is to be published Australia-wide. The purpose of advertising is to provide members of the public with an opportunity to give their views on the proposal to the authority. The notices must provide certain information intended to make the issues clear and invite persons to make written submissions objecting to or supporting the proposal within six weeks, or longer if the authority allows.

Clause 16 requires the authority to consider submissions made in relation to a proposal to declare an organism as a target organism.

Clause 17 requires the authority, after complying with the foregoing provisions, to consult the council and consider other relevant material. If it is considered that persons or the environment may be adversely affected if the target organism were declared, a public inquiry may, subject to the unanimous approval of the council, be ordered. The inquiry may be held by a commission appointed under the

proposed Act. Where an inquiry is held no further action can be taken under the proposed Act until a report as a result of the inquiry is made.

Clause 18 requires the authority, after complying with the provisions of part II and consulting the council, to decide whether the target organism should be declared as such (thereby providing a basis to have relevant agent organisms considered in terms of part III of the proposed Act). In making a decision concerning a declaration, the authority must be satisfied that the target organism is capable of being controlled biologically and that it is causing harm. Furthermore, the authority must be satisfied that biological control of the target organism will be for the public benefit inasmuch as it will not cause any significant harm to any person or the environment, or if it does cause harm, the harm would be significantly less than if the target were not controlled by biological means. A declaration cannot be made without the unanimous approval of the council. If a declaration is made, it must be published in the *Gazette*.

Clauses 19 to 23 are essentially the same, in relation to agent organisms, as clauses 10 to 14 in relation to target organisms. However, an agent application can be made concerning only a target organism that has been declared, or is being considered, in terms of the proposed Act.

Clause 24 relates to the giving of notices of proposals to declare agent organisms and is essentially the same as clause 15 which applies to target organisms. However, there is a discretion as to whether an agent organism proposal should be published in newspapers, etc. Once a target organism has been declared, it is deemed to be in the public interest to control that organism by means of an agent organism and further advertisement may cause unnecessary costs and delays. The discretion to proceed with advertisement and, if appropriate, public inquiry remains available for those cases where the agent organism may possess properties on which public opinion should be sought.

Clauses 25 and 26 are essentially the same as clauses 16 and 17 which apply to target organisms but provision is made for the holding of inquiries concerning target organisms and the relevant agent organisms simultaneously where this is administratively convenient.

Clause 27 relates to the declaration of agent organisms and is basically the same as clause 18 (declaration of target organisms). In addition to the requirements applicable to target organisms, the authority must be satisfied that biological control by the relevant agent organism would cause significantly less harm than if control were to be effected by other means, be they biological or otherwise. The authority may attach conditions to the release of an agent organism, including, for example, conditions for ensuring that the physical release of the agent is conducted with due care by appropriate persons in specified areas, or for monitoring environmental effects of the release.

Clause 28 allows the authority to make emergency declarations of target and agent organisms where the authority is satisfied that an emergency exists because of the serious effects of an organism on the health of humans, animals or plants, the significant harm being caused to the economy or the significant damage being caused to the environment. The authority must also be satisfied that the release of the agent organism would not have any significant adverse effects. The council must be consulted and give its unanimous approval before an emergency declaration is made.

Clause 29 allows the authority to declare organisms released before the commencement of the proposed Act, and the relevant target organisms, to be agent organisms and target organisms, respectively, for the purposes of the proposed Act. This action can be taken only if the authority is satisfied that it is probable that the declarations could have been made had the proposed Act been in force before the release and the council has unanimously approved of the declarations being made. The effect is to prevent litigation in the future in respect of such a release.

Clauses 30 and 31 make, in relation to proposed declarations of existing organisms under proposed clause 29, essentially the same provisions as to advertisement and the holding of inquiries as apply to the declaration of new target organisms and agent organisms. Subject to any recommendations of the council, the powers are discretionary.

Clause 32 provides for the declaration in South Australia of target and agent organisms which have been declared under the Commonwealth law or under other States' laws.

Clause 33 authorises the release of declared agent organisms.

Clause 34 bars the institution or continuation of legal proceedings to prevent the release of declared agent organisms or to recover damages in respect of the release of declared agent organisms within the State. Actions for damages will, however, be available where the effects could have been, but were not, predicted at the time of release.

Clause 35 contains similar provisions to those in clause 34 but relates to the barring of actions in South Australian courts in respect of the release of agent organisms in other States, or in Territories, under reciprocal legislation.

Clause 36 provides for the appointment of commissions to hold inquiries under the proposed Act and sets out the matters to be inquired into and provisions applicable to reports of inquiries. The authority must consult the council before appointing a commission. A commission is not subject to direction by the authority or the Government.

Clause 37 enables the remuneration and allowances of Commissioners to be prescribed by regulation.

Clause 38 requires notice of inquiries to be advertised.

Clause 39 sets out the procedures relating to the holding of inquiries. Inquiries will be public unless the commission otherwise directs.

Clause 40 gives a Commissioner power to summon witnesses.

Clause 41 provides a penalty where a witness fails to attend an inquiry.

Clause 42 empowers a Commissioner to administer an oath or take an affirmation.

Clause 43 provides a penalty for failure to take an oath or make an affirmation or for refusing or failing to answer questions, etc.

Clause 44 gives a Commissioner the same protections as apply to a judge of the Supreme Court and gives to witnesses the same protections, and imposes on them the same liabilities, as apply to witnesses in proceedings before the Supreme Court.

Clause 45 provides penalties for the giving of false or misleading evidence.

Clause 46 provides a penalty for obstructing, hindering or disrupting an inquiry.

Clause 47 gives a Commissioner power to inspect, copy etc., books or documents produced at an inquiry.

Clause 48 provides for the prescription of witnesses' travelling and other expenses.

Clause 49 provides penalties for any acts which may prejudice a witness before an inquiry (including the dismissal or threat of dismissal of an employee who has given, or proposes to give, evidence at an inquiry).

Clause 50 provides that the proposed Act does not render illegal biological control programs not carried out under the proposed Act. However, any biological control activity that is not considered and approved under the proposed Act remains open to common law actions.

Clause 51 provides that the authority may, where the council unanimously approves, revoke a declaration.

Clause 52 provides that agent organisms may continue to be released while a declaration remains in force.

Clause 53 provides for the service of documents on the authority.

Clause 54 provides for appeals to the Supreme Court against a number of specified decisions of the authority under the proposed Act.

Clause 55 empowers the making of regulations under the proposed Act.

Mr GUNN secured the adjournment of the debate.

WORKERS REHABILITATION AND COMPENSATION BILL

Adjourned debate on second reading.

(Continued from 18 February. Page 270.)

The Hon. H. ALLISON (Mount Gambier): During Question Time, the Premier implied that actions on the part of Opposition members in relation to the Bill before us were nothing more than a filibuster. The Minister, both by his responses during the debate and during Question Time, when asked questions relevant to this Bill, has indicated that he seems to believe that whatever is said and done in this House in relation to the matter of workers compensation is largely irrelevant. However, let me assure both the Premier and the Minister that members on this side have been lobbied very extensively by members of industry and commerce across the whole spectrum of activity in South Australia, and that the general consensus of opinion of people who approached us is that they are afraid of this legislation. Nothing is contained in the Minister's second reading explanation, which is more deceitful than honest, that could reassure them. Before I advise him of some of the questions that have been raised with me by industrialists, let me first ask the Minister whether he thinks that the establishment of a single insurer for workers compensation in South Australia is likely, in the longer term, to be a profitable venture. I would remind him of the present state of play in South Australia. The State Government is not paying its way; it has not done so for the past three years. Over the period 1982 to 1986 it has borrowed $1 billion.

An honourable member interjecting:

The Hon. H. ALLISON: I will tell the honourable member about that. It is $700 million more than was borrowed in the three years from 1979 to 1982, and from 1960 until 1982 the average increase in public debt was $100 million a year. In the three years from 1982 to 1985, the increase was $1 billion, adding an extra $260 million per annum in interest, repayable by the South Australian Government.

That is not the end but only the beginning of the matter. Already the State Government has massive debts accrued which are under the carpet. I refer to superannuation at all levels, but particularly through the Public Service. Superannuation in the tertiary field, which is currently paid by the Federal Government but which is really the responsibility of the State Government—there is a gentlemen's agreement there—is also involved. Massive costs have accrued which are at the State taxpayers' expense in the longer term.

The SGIC, which is a single insurer in the third party insurance field, had a loss of $30 million last year, as was reported by the Auditor-General and commented on quite seriously. Generally, this State Government is not paying its way, and we have here a Minister introducing a Bill which could, in the longer term, increase the State debt by further massive sums. I ask the Minister whether his costing is as accurate as he claims it to be.

First, he says that his Bill will reduce the cost to employers by 30 per cent. He is really working a remarkable financial feat if he is able to do that, because he is doubling the lump sum payment from $30 000 to $60 000. He is still allowing for limited common law claims to be heard in our courts. He is also assuming the responsibility currently assumed by the Federal Government in relation to social security payments by saying that the State will take over, through this workers compensation authority, the long-term liability for maintaining compensation, whether in the form of a pension or whatever.

When you look at the open-ended nature of it and what it is submitting the future State finances to, then really the Minister's costing is highly questionable. He has not presented his latest costs to the House. He has made specious claims that this Bill has been agreed to by a wide range of people and yet the Bill which we have before us is substantially different from the one which was the subject of the white paper in August last year and which was seen through by his predecessor (Hon. Jack Wright).

How can the Minister say that he will reduce expense to industry and commerce? That, and not the question of profitability for insurance companies, is the main question raised with members on this side of the House—the Minister was very cynical when he made that point. How can he assure people that their premiums will reduce when he is giving far more benefits and leaving a very open-ended scheme, which I think would really require more than could be provided by any actuary that we have in South Australia to cost accurately, because it is so open-ended.

Apart from that, the Minister is introducing a scheme where one of the claims that he makes is that rehabilitation will be one of the key purposes of the Bill, but he is introducing such open-ended and generous conditions that South Australia looks like being the place to have an accident for decades to come. We already know that interstate shearers have regarded South Australia as the place in which officially to have an accident when they may well have really sustained that accident in another State. Those claims have been made quite openly in shearing sheds throughout the State by people who have subsequently lodged claims in South Australia saying that the accidents were sustained here, because our conditions are already the most generous in the western world.

Here we have a Minister who is going to be Father Christmas once again. There is literally no incentive for people to quickly go on to rehabilitation schemes and for them to get back into the work force, regardless of what the Minister may say about having authorities to supervise that. The questions that I would like to ask the Minister, and which I hope he will answer before the legislation leaves this House, relate to matters involving his costing: where are the accurate costs; why did he not refer this matter to IRAC? He said that he did not have to, but surely a committee which was formed by this Government and which this Government ostensibly respects is now being treated in a very cavalier fashion by a Minister who says, 'I may refer the matter to them—I do not really have to—but the two months will delay this legislation. It has already been in the pipeline for eight years. Let us get it before the House and rush it through as quickly as we can in this short four week period.' We are not even having the pleasure of sitting for a further few weeks in the early part of 1986 to enable more thorough debate to take place in regard to this legislation.

The Minister is instead accusing the Opposition of filibustering, when really all that members on this side of the House want is the information which he has been extremely reluctant to give during Question Time. It is no good being smart alec when the Opposition and the public (who are the people who really matter, the people who will provide

employment for South Australians) are waiting for reassurance. He is not going to wait for the Auditor-General's report. That begs the question: why not? Why ask the Auditor-General to bring down a report? Surely the Auditor-General's office is understaffed. It would have been better to have given the task to someone with in-depth actuarial experience. The Auditor-General's office does not have sufficient people with actuarial experience, so I assume that the Auditor-General will go outside for assistance. I do not blame him for not wanting to rush this extremely important issue in order to bring down a hasty report just so that we may be informed during the rushed debate in early 1986.

This matter deserves the weighty and lengthy consideration that the Auditor-General obviously will give it. Why did the Minister give this task to the Auditor-General but leave him understaffed, without the sort of expertise and skill that would be required to give an adequate costing? It is not a matter upon which we would expect an Auditor-General to be extremely well informed. Actuarial skills are extremely specialist in nature and, because of the wide range of problems presented by this legislation, and which industry and commerce will present over the next few decades, I suggest that this will be a very difficult costing matter to resolve.

Why was the Bill that is currently before us not referred to the University of Adelaide for costing? The Minister boasted that the university had supported him but, as I understand it, it supported him on the basis of the previous Bill. This Bill is a capitulation, in certain key areas, to union pressures. I am not being critical of the unions for demanding the best for their members. You always do a good job of Aden trading. If you have any sense you go right out on a limb and ask for the moon and then, if you have to settle for something less, that is fine, because that is bargaining. But, in this case, I would suggest that there seems to have been a capitulation on the part of the Minister.

The costing of the Minister's current legislation has not been brought before the House, nor has the Bill been given to others to cost accurately. The Bill in its present form was not referred to employers, and those are the reasons why the Opposition is expressing great concern. We are uninformed on this, one of the most important pieces of legislation to have been presented to the House in many a long year. As I said, the current single insurer in South Australia (the SGIC) at the moment with its third party insurance premiums is not giving 30 per cent discounts; it is looking to increase the third party insurance premium, within the next week or two, by $26, or so we are told. That is the sort of thing that happens with single insurers. With the Minister's far more generous terms contained in the Bill, one can hardly envisage this being a highly profitable venture for Government or for anyone else who happens to enter into it. Of course, he is excluding private enterprise from this competition.

As I said, the employers are afraid and uncertain. They are predicting higher costs (as much as a 100, 200 or 300 per cent increase), and I do not think it requires a genius to realise that in some fields of employment workers compensation premiums are already exorbitantly high. The timber industry in the South-East of South Australia is one area where machines are replacing men, simply because of the high number of back injuries which occur in pine falling. People are being put out of work because of the massive increase in cost, and that is something that no union in any part of the country envisages with any great pleasure, that is, seeing another 400 pine fallers go out of business in the next year or so.

Because of the nature of the tender, Woods and Forests already, when calling for tenders, demand, that pine falling companies and logging contractors be automated. The shearing industry is an honourable profession. The Labor Party itself at Barealdine, as we all know, came out of that profession. That industry is probably under just as much pressure as the pine falling industry, because there again workers compensation premiums are so high that you can hardly find anyone in private enterprise or Government to take on the premiums. They tell people to go elsewhere, but there is nowhere else to go.

I hope that the Minister has really thought this legislation through and can come up with satisfactory solutions, not only for the people whom he seems to scorn, the industrialists, but also the people he should be representing, the others at the other end of the scale, namely, those who have been displaced because of high workers compensation premiums and are looking for work. I understand that even the little old ladies who will do some ironing and washing for members on both sides of the House and also the youngsters who mow the lawns—

An honourable member: No more jobs—

The Hon. H. ALLISON: If your wife is a little old lady, you might have to endure that. These people who come in for half an hour to an hour a week would also be covered by workers compensation. I do not know whether the third party or public risk policies which I currently have will be adequate in future. I would like the Minister to address that, because that takes the whole thing to a point of ridiculousness when such people as those have to be covered by this legislation.

The range of representation is comprehensive and extensive, and I do not propose to go through the many sheets of questions that others have raised with me. However, I will single out one, because my colleagues have already dealt with this matter exhaustively.

I have been approached by people in my electorate who have expressed their concern. Among them was the South Australian Automobile Chamber of Commerce which asked—and the Minister would have received this request too—for a response to the following matters. That organisation raised the costing of the Bill and said that the Government had made substantial conceptual changes to the original white paper proposals that would drastically alter the estimated cost of the scheme. It also indicated that the Bill had not been actuarily costed and that it was difficult to estimate the full impact other than on a company that was self insured.

The matter of self insurance is another area on which we will be questioning the Minister extensively during the Committee stage. Preliminary estimates from some major self insurers indicate that their premiums will increase by up to 100 per cent. The former Deputy Premier and Minister for Labour commenced the original inquiry with cost savings to employers as one of his major objectives.

The South Australian Automobile Chamber of Commerce questions the timing of the Bill and cites the new Victorian workers compensation scheme that was introduced some six or seven months ago. That legislation, which was also rushed through the Victorian House, contained changes that the organisation said were far less radical than the South Australian scheme. However, that scheme is still reeling from the effects of unnecessary teething problems. If that Bill had been taken through more cautiously and had been better thought out it would not have needed the significant legislative amendments that are currently being considered.

That organisation also objects to the inclusion of common law action for non-economic loss. That is an extensive argument, and the organisation believes that it will lead to creative legislation. The cost of non-economic losses arising from common law actions will more than double the present cost. These claims are made by persons interested in this legislation; they are not claims that have been adequately

addressed or responded to. The Minister will have to consider these matters during the Committee stage.

That organisation brings up the double counting element in the Bill, where the $30 000 pay-out has been increased to $60 000. It says that the Bill seeks to remove the concept of common law action for economic loss and average weekly earnings up until payment of a lump sum, replacing it with average weekly earnings until the period of medical stabilisation and, thereafter, an income related pension of 85 per cent until normal retirement pension. I suggest, in relation to this matter, that the Minister is assuming the responsibility currently vested in the Federal Government (the Department of Social Security) and that this will lead to massive costs to the State taxpayer that would normally have been left to all Australian taxpayers.

That organisation raises the change from the pension based on the assessed disability of the worker to one based on the employment test, and says that the Government's white paper proposal has outlined a pension based on 85 per cent of the employee's assessed disability. This means that the injured employee can return to work and earn an income supplemented by the disability based pension. However, the Bill changes the basis of the pension to one based on the availability of suitable employment for such workers. This change not only mitigates against the worker finding alternative employment and represents a disincentive for rehabilitation but also places the employee in a privileged position vis-a-vis his fellow workers who may be retrenched.

The chamber believes that the Government has to provide an opportunity to critically evaluate the basis on which premiums are calculated (for example, the New Zealand, Victoria and Queensland bases) before the Bill goes through the House. To date it has received nothing but promises from the Minister that it will save employers 25 per cent to 32 per cent of premium income in workers compensation. With cynicism that probably matches the Minister's own, the employers question the costing and are of the firm opinion that the Bill will substantially increase expenses with the obvious corollary that not only in the shearing and timber industries but generally throughout South Australia, employers will think several times before taking on employees and may look to retrench and replace people with machines. That is already one of the major problems of the western world since the 1970s, when we had this new wave of computerised automation. That is not new; we had the Luddite rebellions a couple of hundred years ago in the United Kingdom. However, the impact of the current industrial revolution is quite massive and depressing.

The Insurance Council of Australia Ltd bulletin of January 1986 puts forward a balanced, unemotional point of view. This reminds me that I listened suitably impressed to the member for Florey's address—it was one of his better addresses to the House—but that I shared the disappointment of the member for Light in that the member for Florey referred only to the more favourable aspects of the legislation. Like the Minister, he chose to ignore the points that have been repeatedly raised by members on this side of the House—the questions of costing, increased unemployment, long-term losses to the State, the Treasury, and the workers compensation authority (when it is created). These are the critical issues that may lead to considerably more displacement of staff. The group manager of the western zone of ICA, Mr Reg Trigg, puts a number of matters that he would like the State Government to address. In his opening remarks, Mr Trigg said:

> When a deputation representing private insurers met Premier Bannon on 2 December last to discuss the Work Cover issue, he made it quite clear that a single government authority for workers compensation was still his Government's industrial relations policy. He said that the whole subject would again be reviewed by his Industrial Relations Advisory Council leading to introduction of legislation in the Legislative Council next month (February 1986).

Of course, that legislation has come in in February, but in the House of Assembly, and the Minister responsible has said that he does not have to refer it to IRAC. Indeed he has not done so. Mr Trigg continues:

> The tripartite accord between the Government, trade unions and the South Australian Chamber of Commerce and Industry resulted in the release of a Government white paper last August including the Government's sole insurer. But, trade union representatives appeared to change their minds on some aspects of the white paper, causing the South Australian Chamber of Commerce and Industry to warn the Government that any real changes to agreed conditions would annul its consent to the terms.

The second reading explanation indicates that everything is sweetness and light between the Minister, industry, commerce and others who have been involved in the legislation. However, the Bill is not the Bill that was originally presented. The article continues:

> The position immediately prior to the election appeared to be that the Chamber of Commerce and Industry and the Metal Trades Industry Association considered withdrawing support for the Government package. At the same time, private insurers, the South Australian Employers Federation and the legal profession led others in strong opposition to the Bannon Government's intentions.

The Minister should not wonder at the fact that the Opposition speaks at some length on this Bill, because the issue is of his own making. If the Bill was the same one that emerged as part of that accord in the white paper, matters would be different. However, the Bill is not the same, and it is the more contentious issues on which we are trying to get some information.

The group manager of ICA's western zone, Mr Trigg, says as the Minister said (and this was, I think, the Minister's opening remark in the second reading explanation) that one area that has the agreement of all parties is the need for reform. The insurance council reiterates that. The main ingredients in any successful workers compensation system reform are, they say, improved safety in the work place; reduction in work caused disabilities; meaningful rehabilitation programs; and benefits governed by the ability of the community to afford them.

That last point is really the most pressing matter before this House. It is not a question whether private insurers can make a profit—it is a question whether, if the Government appoints a single Government controlled insurer, either in the short term or the long term the community can afford this legislation with the generous improvements in conditions that the Minister is offering. Just how realistic is this legislation? Is the Minister cynically hoping that when the legislation enters another place—this place being irrelevant—will the amendments be so severe as to change the whole face of the legislation quite substantially so that he can then say to his colleagues in the trade unions, 'Look, I did my best but they have cut it to pieces.'

Surely, this Bill is not perfect. The Minister has already acknowledged that with the number of amendments that he has introduced. We would appreciate a little honesty and certainly a greater response from the Minister than we have had so far. Mr Trigg says that workers compensation systems in Australia have passed through three phases in recent history. He quotes the 1950s to the 1970s with growing dissatisfaction among workers regarding the level of workers compensation benefits which comprised approximately 60 per cent of the total costs of workers compensation. He said that now we have a Utopian situation which prevails in a young nation striving to balance its economy and gain a larger share of world markets against workers in other countries receiving a weekly benefits range as low as 65 per cent of normal wages. That is the sort of competition that South Australian employers, industrialists, are facing when they

try to enter that export market which the Premier encourages them to enter. This is a disincentive.

The second phase was in the 1970s when employers and Governments were at loggerheads with insurers because of the increased premiums necessary to offset the benefits hike and to counter the massive awards at common law being handed out by our courts. The third phase was the competitive phase, with insurers competing fiercely for an increased market share of business. There was a shortfall in premiums to settle the larger 'long tail' claims in a rising economy. Since then, insurers have corrected the premium slide and adjusted premiums to more appropriate levels. Mr Trigg also predicates that a whole new ball game is opening up for Australia with a new dimension of occupational diseases, repetitive strain injuries, stress and long latency illnesses placing a tremendous additional strain on Australia's resources. I think one repetitive strain injury claim resulted in an award of over $130 000 only a few days ago. So this gentleman's speculation is being met by the reality already in our courts. The fact that we may have a rapidly burgeoning new area of claims is just one more indication as to the difficulty that the Minister, the Auditor-General or anyone else would have in coming up with accurate actuarial costings.

I believe that the Minister should think through extremely carefully the long-term problems which will be faced by South Australia if his legislation goes through unamended. Mr Trigg asks, 'What magic formula do the champions of Government workers compensation monopolies expect to use to rectify the present inevitable high costs to provide current benefits and keep the fund solvent?' He is referring only to current benefits and not to the improved, more generous benefits allowed for in this legislation.

Other colleagues of mine will no doubt have more to add to this debate over the next hour or so, but I would ask the Minister to cast aside his air of flippancy and at least try to respond accurately and sensibly to the questions which are being raised not simply by the Opposition as a State filibuster but by the Opposition on behalf of a vast number of people out there who are wanting to employ South Australians and who fear that this legislation may further restrict their ability to do so.

The Hon. JENNIFER ADAMSON (Coles): The Opposition opposes this Bill on three principal grounds. The first is that it is philosophically unsound in that it does not achieve what any Bill of this nature should achieve, namely, disability prevention and the satisfactory, efficient and cost effective dealing with disability when it occurs. It opposes the Bill also on the grounds that the consultation which should have taken place with people who will be affected by this legislation has not taken place, and there is considerable resentment and deep concern in all sectors of industry across this State. It is not only the industries that are said to have a vested interest such as the insurance industry: it is every industry. It is small businesses—the shearing industry, as my colleague, the member for Mount Gambier, has said. I will elaborate on what he said from a shearer's point of view, not a contractor's point of view. It involves the full range of business. Of course, Government itself, and through Government the taxpayer, will be very much affected by this legislation and in a very costly fashion.

The philosophical basis of the Bill is the one that I would like to deal with first. I find it highly significant and deeply disturbing that the only reference in this Bill to the question of disability prevention, which surely should be the prime and principal goal, is contained in clause 29, which dismisses in a mere two and one bit lines the whole important question of prevention of disability. Clause 29 simply states:

> The corporation may assist employers to establish programs that are designed to prevent or reduce the incidence of compensable disabilities.

I regard that puny contribution in the Bill to the whole question of prevention as an indictment of the Minister. My colleague, the member for Mitcham, when he opened this debate, said that there should have been a cognate debate on industrial safety, health and welfare as well as on workers compensation. In such a well conducted debate, the horse would have been put before the cart. As it is, the workers compensation cart has been put before the horse, and the poor horse, namely, the taxpayer, will barely be able to push let alone pull that costly cart as we proceed in years to come under this extremely onerous piece of legislation.

I have a special personal and, I suppose one could say, a professional interest in the prevention of disability and indeed in preventive health generally. This interest was fostered as a child because, as one of a family of six children where household safety was paramount, I was taught literally from the cradle not to let saucepan handles stick out where they could be tipped by people passing the stove. In the same way, employees in my father's business were taught—and in those days it was a question of teaching; I am speaking of 40-odd years ago—not to let brooms stick out from walls so that any employee who was passing casually could trip and fall, and not to let grease remain on the factory floor on which people could slip.

All those matters were part and parcel of my upbringing. They were strongly reinforced during my term as Minister of Health when the Liberal Government's policy was strongly oriented to preventive health measures which would ensure that, instead of paying the enormous cost of curative care, we acted to ensure that people remained healthy in the first place and did not fall prey to injury.

We have to understand that it is infinitely better to place a philosophical fence, as one might call it, at the top of the cliff to prevent people from falling over rather than to provide an elaborate and costly system of ambulances to pick them up at the foot of the cliff after have they fallen. However, this Bill proposes the most costly and bureaucratic ambulance that could ever have been provided, in order to cope with the mopping up of the injury after it has occurred.

The range of people with complaints about the Bill is large and varied. My colleagues have covered many aspects that have been drawn to their attention by their constituents, and I shall speak principally on behalf of the hospitality industry, as well as on matters relating to household coverage and areas of concern that have been raised with me by physiotherapists. Further, oddly enough for a metropolitan member, I shall refer to the deep concern of shearers who happen to be my constituents and who are concerned about the impact of the Bill.

There is no doubt that the hospitality industry agrees that a new system of workers compensation is needed. Members of that industry are concerned about the present system with its increase in premiums, long drawn out settlement procedure, administrative and legal costs, and the fact that those costs spiral annually. Any member of Parliament with whom appointments have been made by people who say that they wish to discuss workers compensation will know the sinking feeling that one gets when someone comes in seeking work after having received lump-sum compensation, the inevitability of having to tell such a person that he or she is unlikely to be employed again and the heart wrenching that that causes. So, on both sides of the House, we obviously want to find a system that will fairly compensate people for disability, rehabilitate people quickly and,

most importantly, do its utmost to prevent disability in the first place.

In the hospitality industry an example of the way in which costs have spiralled is to be found in the following figures. In 1981-82, 2.25 per cent would have been a fairly average rate payable for workers compensation cover; in 1982-83, it rose to 3.62 per cent of the wages bill: in 1983-84, 5.2 per cent; in 1984-85, 4 per cent; and in 1985-86, 5.8 per cent. Obviously, the wages to which these rates apply have increased over a similar period. For instance, the weekly rate payable to a barman as at 1 January 1982 was $168.50, and the weekly payment for workers compensation insurance was $3.80. In 1985-86, the weekly rate payable to a barman rose to $249.30 and the weekly payment for workers compensation insurance rose to $12.22. Yet the Government says that it wants to encourage the tourism industry!

The industry rate set out by the Insurance Council of Australia is about 5.7 per cent. Some hotels can get a rate as low as 3.5 per cent, whereas others must pay a rate as high as 10 per cent. This would apply in the restaurant industry and in other sections of the hospitality industry such as catering.

The whole point is that these rates, which have increased so dramatically under the existing system, will look positively paltry compared to the increases that will inevitably occur under the new system, which allows much more generous benefits. Although uncosted, the generosity of the new benefits is perfectly clear for all to see in the various clauses of the Bill.

Another industry which is related to the hospitality industry and which is deeply concerned about the Bill is the wine industry. I have had representations from the Barossa Winemakers Association—a key winemakers association in this the wine State—whose members say that they consider that any improvement to the existing legislation in the areas of speeding up claims, processing, and reducing accidents and costs must be supported. They also say that the original proposals moved to that end. However, they state:

> However, new aspects introduced apparently without full consultation and appropriate costings give rise to considerable concern on the part of our members. The proposals leave us very ill informed. There appear enormous prerogatives to penalise one party in industrial matters.

Indeed, that cannot be denied. Other groups have protested, and I do not doubt that previous speakers in this debate have referred to some of them. Service stations in my district have sent me objections to the Bill relating to the Bill's costing or lack thereof, the timing of the Bill, the inclusion of common law action for non-economic loss, a double counting element in the Bill by excessively increasing the lump-sum payout, the change from a person based on the assessed disability of the worker to one based on the employment test, and the lack of a firm basis on which premiums are set. There are also sundry other objections.

All these people cannot be wrong, and their opinions cannot be disregarded, but that is apparently what the Government intends to do. The insurance industry has made comprehensive submissions to members expressing concern, and all the submissions to Opposition members have commenced with the statement making it clear that any improvement to the existing legislation that will upgrade the delivery of efficient and compassionate compensation and reduce accidents, at the same time effecting a good premium saving, must be supported.

There is no argument about those basic principles, but this Bill goes nowhere near implementing any single one of them. The insurance industry is deeply concerned about the monopolistic aspect of the Bill and the fact that there will be a single insurer. There is no doubt that the existence of a monopoly in terms of workers compensation insurance will mean that there is no choice and no competition, and inevitably costs will rise. The deep frustration experienced by people who cannot shop around for competitive rates will build up to the point where the legislation that we are considering today will be the principal death knell of the Bannon Government in four years time. There is no doubt in the mind of anyone who has spoken to employers that this Bill will saddle them with costs that will bite so deeply that they will come out strongly against the Government that inflicted those costs on them.

The member for Mount Gambier referred to the question of household coverage, and in the Committee stage of the Bill I will question the Minister on this issue. Clause 59 requires the registration of employers and provides:

> An employer shall not employ a worker in employment to which this Act applies unless the employer is registered by the corporation.

I suspect that that applies to the ordinary household employing, for example, a cleaning woman or someone to mow the lawns. The Minister is waving his hand to indicate that that is not the case. We would appreciate an assurance that that is not the case. There is nothing in the Bill to say that it is not the case.

The Hon. Frank Blevins interjecting:

The Hon. JENNIFER ADAMSON: We have read the Bill. It is a complex Bill, and the Minister would acknowledge that. If he can give me the assurance that ordinary householders are not brought within the ambit of this Bill, I will not proceed further along that line.

The Hon. Frank Blevins interjecting:

The Hon. JENNIFER ADAMSON: Good, I am pleased to hear that. Physiotherapists are one group of health professionals, along with doctors, who are deeply concerned about the impact of this Bill. They have seen the impact of the Victorian legislation, and they claim that the problems there are horrific—and I use the word of the physiotherapists. They are particularly concerned at the lack of emphasis on preventive measures.

I acknowledge that the question of prevention would be, I hope, dealt with substantially in new industrial health and safety legislation. Nevertheless, I reiterate that the paltry mention of disability prevention programs indicates a lack of philosophical commitment on the part of the Government to prevention. The Government is concerned with costly mopping up operations: it does not appear to be concerned with humane and sensible preventive programs on which the whole structure of any legislation should be based.

Physiotherapists are also concerned that nothing is mentioned in the Bill about fee structure, the basis for the fee structure or the basis of a review of fee structures. In Victoria the monopoly company pays only 80 per cent of the fee. Because it is a monopoly it means that physiotherapists have no recourse to any other company, and they have no choice but to receive only 80 per cent of the fee when they treat a compensable patient. To me, and to all reasonable people, that seems to be injustice of a high order.

In the Committee stage, again, there should be clarification by the Minister of the basis upon which fees will be structured and the basis of review of those fee structures. These may seem to be matters of no great moment, but when one is self-employed, as are the majority of health professionals other than nurses, they are matters of great moment and ultimately affect the standard of heatlh care provided to the community and certainly to the compensable patient.

The other matter raised with me by a constituent is perhaps ironic, in the sense that it is being raised by a Liberal member of Parliament on behalf of not a shearing contractor but a shearer himself, and concerns the devas-

tating effect that workers compensation premiums are having on shearers in South Australia. The shearer who came to me works with a large South Australian contractor, who lost about 50 000 sheep in 1985 to Victorian and Queensland contractors because of the punitive costs that shearing contractors in this State have to pay under existing legislation. In making these points, we must bear in mind that the legislation we are now debating will impose much more punitive costs than the legislation that the shearers are at present complaining about.

The shearer came to me because he is simply losing work. In South Australia and Victoria, the main shearing season is from July to December. After December the shearers move to the pastoral areas in northern South Australia, from January until after Easter. It is in those pastoral areas that the pastoralists are engaging Victorian and Queensland contractors. In fact, the figures given to me by my constituent indicate that Victorian contractors can cut rates by up to 19 per cent because of the differences in workers compensation in Victoria. I reiterate that the scheme being proposed in this Bill is infinitely more generous than that applying in Victoria.

The Hon. Frank Blevins: Tell the unions that.

The Hon. JENNIFER ADAMSON: I am getting this information from a unionist. I find it ironic that, as the member for Mount Gambier said, the union which in effect founded the ALP—the Australian Workers Union, based on shearers—now has its members coming to Liberal members because they are losing their jobs under Labor legislation. To me that is the grandest irony of all and it should reinforce the point I made earlier that this legislation will be the death knell of the Bannon Government. When its own supporters are losing their jobs because of Labor legislation, then that is time to start worrying.

Basically, the Victorian costs are 2.6 per cent plus the first week's wages. So, if there is one claim every two weeks it would represent 4 per cent or a total of 6.6 per cent of the wages Bill. By contrast, in South Australia the rate is 25 per cent of the wage, ranging down to 20 per cent for a highly competitive premium plus the first week's wages. Using a similar equation, the total is around 19 per cent in South Australia. No wonder the contractors are being ousted by Victorian and Queensland contractors, who can undercut the South Australians.

The Hon. Frank Blevins interjecting:

The Hon. JENNIFER ADAMSON: We have to get below the level of Victoria, and there is no chance whatsoever of doing that under this legislation. One South Australian has put off an eight man team altogether for the January/Easter runs which means an aggregate loss of 70 weeks work. I am sorry that the member for Peake is not here, as he has a personal and professional interest in this matter.

Ms Lenehan: He is ill.

The Hon. JENNIFER ADAMSON: I am genuinely sorry he is not here, as I am sure he would be particularly interested in these figures. He is no doubt aware that 70 weeks of work have been lost for South Australian shearers because of our current workers compensation costs. Another eight stand has been cut back from a run of six to eight weeks. This legislation will impose greater costs than those that presently apply.

Ms Lenehan: Rubbish!

The Hon. JENNIFER ADAMSON: 'Rubbish!' says the member for Mawson. It will be interesting when we come back into this House subsequently and speak on behalf of the hospitality, shearing and insurance industries or small business. We will remember the quote 'Rubbish!' and will quote the ever-increasing annual premiums during this Government's term of office. When the Labor Government is defeated at the next election, this legislation will be one of the principal weapons that put it out of office.

So my constituent, although he is one of the lucky ones who still has some work, will still lose three weeks work at $600 per week. That is a pretty big hunk out of a household income in one year. Last year, he worked for six months and was expecting to work for eight or nine months this year. That will not be the case. His family income will be sharply reduced.

The issues have been canvassed by my colleagues from a great variety of perspectives, and more than ably canvassed in the first instance by the member for Mitcham, who leads for the Opposition on the Bill. I conclude by saying that the impact of the legislation has not been costed. There has been little consultation. The philosophical basis of the legislation is unsound, since it pays little or no attention to preventive measures, and it actively encourages people to go on to and remain on workers compensation because in doing so they will be financially better off than if they were working. I oppose the Bill.

Mr OSWALD (Morphett): During the member for Coles's speech the question of domestic employees arose. She asked the Minister whether employees who come in to do a few hours work within the house, mow the lawn, etc., would be covered. In reply, the Minister gave an assurance that certain exemptions would be given for domestic employees, and that the householder as an employer would not be liable to have to register these people. So that the Minister can perhaps prepare his staff for the Committee stage, I can tell him that I would like advice on the categories that will be available.

The Hon. Frank Blevins: Explain what you want.

Mr OSWALD: I will explain it to the Minister in the Committee stage.

The Hon. Frank Blevins: You've got half an hour now.

Mr OSWALD: I have plenty of time. If the Minister could prepare the categories that will be included in the regulations, that will give some indication of who will be considered an exempt employer. I will ask that question again in Committee.

First, I want to say that I believe it would be a tragedy for the State if this particular Bill was bulldozed through Parliament this week, before the Auditor-General has had an opportunity of presenting to us the costings of the report. Employer groups, the Law Society, and the insurance industry have all opposed the legislation, but the Government has chosen to go ahead and push it through. This was well ventilated in the press on 6 February when, under the headline 'Government to press ahead with workers compensation Bill', the following appeared:

> All employer groups and the South Australian Law Society had called for the Bill's deferral while the Auditor-General, Mr T.A. Sheridan, investigated financial aspects of the scheme. However, in a bid to defuse the issue the Government has asked Mr Sheridan to carry out a comparison of its costing of the scheme and a costing prepared for employers by a New South Wales firm of actuaries. The Government hopes to have Mr Sheridan's report by the time debate on the Bill begins in Parliament, probably next week.

Of course, there was no way in the world that Mr Sheridan was in a position to report. Another matter that worries me is the availability of staff. Mr Sheridan has an excellent top-level staff of accountants and advisers but I would seriously question whether, within the staff structure of the Auditor-General's Department, there are actuaries available who can provide the breakdown and projections we will need to make any assessment at all of the future costing.

In attempting to consider the costings of the scheme, we should also have all the details about the Government's controversial workers safety plan, as well as the rehabilita-

tion clinics being planned for the State under another Act of Parliament which has not yet been presented to the Chamber but which I understand is well on the way. We need costings in relation to those clinics, and information about how they will be staffed and how work there will be taken away from private medical practitioners. Until we know these things it will be extremely difficult to have any conception of how the costs will increase when this scheme becomes law.

The simple fact of the matter is that the cost of running a workers rehabilitation compensation corporation is not known. It is very difficult for any conscientious Opposition to say to the Government, 'You are doing the right thing' until we know those costs.

It is simply unacceptable for the South Australian public to be asked to support a scheme which contains so many unknown factors and which has so many unknown costs that we cannot grasp. Workers compensation premiums are without doubt one of the most crippling costs and imposts that can be placed on anyone in business. That is a fact about which I doubt any member will argue. It affects a business's ability to expand, employ more staff, to make a profit, pay its shareholders and stay viable. It is one of the main contributions to the high cost of labour that one incurs when one decides to run a business. It is one of the main reasons why in recent years, and particularly over the past 18 months, many businesses are reaching only the break-even point or are going under. The net result, as we all know, is that, if a business goes under, jobs are lost to the community, and families begin to suffer.

If this Government could come up with a scheme which meant a genuine reduction in premiums, it would then be applauded, and I would be the first to applaud it. Unless the Auditor-General comes forward with these costings produced by actuaries who are experts in this field, then we on this side of the House have no alternative but to fall back on the actuaries from New South Wales whose set of figures shows that there will be a 9 per cent increase in the cost to the employer. In other words, no saving to the employer will be brought about by the Goverment's scheme. I would have thought that the Minister, if he was fair dinkum, would jump at the opportunity of bringing these figures into the House to establish that his scheme will save money.

The Hon. H. Allison: It is a question of credibility.

Mr OSWALD: True. The credibility of the whole scheme is questionable, and whoever is the motivating force behind the scenes and has put up this scheme to the Government stands open to criticism.

The massive common law claims of some quarter to half a million dollars or beyond have been a major factor, I am advised, in the recent increases in compensation premiums. On the question of the growth of common law claims, I was interested to read the comments made in February last year by Owen Sykes, who is the Chairman of the Insurance Council of Australia. Mr Sykes is also the State Manager of the QBE. On the question of common law, he says:

> Common Law has long been perceived as the bogey in the high cost factor of workers compensation.
>
> 'Remove common law and the cost of premiums will be slashed' is a commonly-held view, particularly among those who feel the full brunt of the premiums—the employers.
>
> And on the face of it, who could blame them for thinking that when we regularly hear of judgments for hundreds of thousands of dollars in favour of people who have sued at common law because of the negligence of others? But such awards are not largess on the part of the courts—a substantial element in the growth of common law awards is the difficulty of adjusting sums awarded to cover future contingencies and conditions.
>
> As well, the courts have been influenced by projected inflation rates and changing theories about appropriate methods of calculating awards. As a result, awards have grown very large.

That was written in February 1985 and since then, over the past 12 months, in some cases the awards of the courts have been astronomical. Of course, the premiums are rising in a direct ratio. The bottom line is that the employer pays and businesses become untenable. Men and women of South Australia then start to lose their jobs.

I believe that there is a place for common law claims in our system, but only in restricted circumstances of extreme negligence and wilful misconduct. I would like that on record as a view which I am happy to support. Whenever we consider schemes which will improve costs for business houses, we must always consider their ability to pay—this is vital. I am not sure that members opposite, when coming up with their schemes relating either to compensation or federally involving superannuation, ever really sit down and worry about a business's ability to pay. If you happen to be the management, that is a vital factor. I implore the Labor Party at times to give greater consideration to a business's ability to pay.

In this case, it is becoming increasingly evident that the scheme is being rushed through before the Auditor-General can report to this House. I may be accused of being a little cynical, but I have the feeling that the Government wants to get this scheme up and running before the Auditor-General can come up with some actuarial figures that indicate that the scheme will not save money for the employers. As we all know, it has been changed from the original scheme put forward by the former Deputy Premier (Hon. Jack Wright) in his white paper. It was changed at the request of the trade union movement.

The Hon. Ted Chapman: They exercised their muscle.

Mr OSWALD: I am certain that they exercised their muscle. I was just going to make that point, which is an excellent one. At one stage I thought that Mr John Lesses, from the Trades and Labor Council, showed a degree of responsibility when, in one of his press releases, he warned the trade union movement of the dangers of demanding something which would add further to costs of business and which could lead to business failures. An article in the *Advertiser* of 30 January 1986 headed 'Unions willing to compromise on compensation' states:

> The union movement was 'very close' to full support for the South Australian Government's proposed changes to workers compensation, the United Trades and Labor Council secretary, Mr John Lesses, said yesterday. But he said unions should not expect to get everything they wanted when the proposed legislation went before Parliament in February. Mr Lesses said there was 'no way' the UTLC would seek legislation which acted against the interests of employers because ultimately that would harm employees.

I consider that to be a rather statesmanlike statement and, if that is what he really believes, he is to be applauded. The article continues:

> South Australia had to maintain its competitive edge with other States and that could be done only by cutting the cost of workers compensation.

The article further states:

> The draft Bill, expected to be introduced when Parliament resumes on 11 February, contains changes from the Government's original proposal issued in August. These include . . .

I will not read those changes, because the House is familiar with them. The article further states:

> Under the white paper proposal, supported by the major employer groups, no common-law actions in workers compensation claims would have been allowed. Some unions are pushing for the retention of full common-law rights in the scheme, but Mr Lesses said this would be 'very dangerous'. 'We would be acting like ostriches with our heads in the sand if we didn't shift,' he said. 'What we need to do is make a decision on the basis of what is best for the whole trade union community. The claims of certain of our affiliates may not be able to be sustained.'
>
> Mr Lesses said the unions believed there would be substantial cost savings for employers under the new scheme, especially if

unions agreed to forgo the right to pursue claims for financial losses under common law.

'We are not being overly greedy', he said. 'We recognise there are certain standards regarding compensation benefits in Australia and we want to maintain that level.'

I pose the question: who got to him? Some four days later, we find in the *Advertiser* the next headline 'Compo scheme gets the UTLC's official blessing'. In that article the UTLC does a complete about-face and suddenly forgets about all this responsibility to the employers and the fact that it should not stick its head in the sand and forget that the employers pay the wages in this country. It was probably politically expedient for the UTLC to forget that fact. The article states that the UTLC was committed to the schemes we have before us: weekly payments at a rate not less than the average weekly wages of the injured worker; the right to pursue damage claims for negligence under common law, etc.

When I first read that article I started to think that Mr John Lesses was one of those responsible secretaries in the trade union movement who put both sides of the case. Maybe that still applies, but somewhere some part of the organisation turned around and countered it and those statesmanlike remarks that he made to remind the trade union movement that employers pay the wages in this country were thrown out.

Mr Becker interjecting:

Mr OSWALD: There is every chance of that. One thing that has come out of this lengthy debate, which has been in progress now for two days, is that the power brokers within the Labor Party do not sit on the Government benches opposite but, rather, they are obviously the faceless men who sit in Trades Hall on South Terrace, the industrial wing of the Labor Party. We have opposite the parliamentary wing of the Labor Party. At Trades Hall we have the industrial wing of the Labor Party, and members opposite are nothing more than the spokesmen for the industrial wing of the Labor Party.

We have here a classic example where the former Deputy Premier came to an agreement with the employers and the insurance industry, who thought it was okay. In January Mr John Lesses was happy to be responsible for what was about to happen and suddenly, from somewhere within the organisation, all bets are off; we have a new scheme being proposed by the faceless men at South Terrace and it is now being pushed by the nominees of the industrial wing of the Labor Party, namely, members opposite.

I think that what South Australia has seen in this case is a classic example of how the Labor Party operates in this State. I am appalled, and I am sure that the people of South Australia will be appalled when they hear about this. Once again, we see union power dominate against the interests of the employers. It is sad that one member of the trade union movement was prepared to stand up and speak for the employers and remind his members that employers pay the wages, that they create the jobs, but he has obviously been trodden on and his opinion was thrown aside.

I, along with all members, I suppose, received several letters on this subject. In the closing minutes that I have available to me I would like to refer to one or two of those letters. I received one letter from a medium employer of labour in the motor vehicle industry, in the Automobile Chamber of Commerce. I will not quote the letter in full. I am sure other members received a copy of this, but I think that, in fairness to those in the automobile industry who are in my electorate, it is only right that I present a couple of points of view which I have been asked to emphasise.

First, it is struggling to minimise the cost of workers compensation premiums each year. Like all small businesses, it is only one segment—albeit a big and crippling segment—of the overall cost of running a business. The first matter that this company raised with me was the costing of the Bill. It said:

> The South Australian Government has made substantial conceptual changes to the original white paper proposals ... which will drastically alter the estimated cost of the scheme. This scheme has not been actuarially costed, and it is difficult to estimate its full impact other than on a company which is self insured.

Earlier I elaborated on the need for an actuarial costing which the Government has totally disregarded: I will not go through that again. Another point that the organisation made was the inclusion of common law action for non-economic loss. The letter states:

> I voice the strongest objection to the inclusion of a worker's right to take an action at common law for non-economic loss ... as an additional right to the provision for a lump sum payment for non-economic loss available under the workers compensation schedule 3.

I will not read the rest of the letter, as the Minister has received a copy of it. The writer made another point about the change from a pension based on the assessed disability of the worker to one based on the employment test. The letter says:

> The South Australian Government's white paper proposals outlined a pension based on 85 of the employee's assessed disability. This meant that the injured employee could return to work and earn an income supplemented by his disability based pension. However, the Bill changed the basis of the pension to one based on the availability of 'suitable employment' for such workers. This change not only mitigates against the worker finding alternative employment and represents a disincentive for rehabilitation but also places the employee in a privileged position vis-a-vis his fellow workers who are retrenched.

The writer asked that I bring this letter to the attention of the House. Other members have read this letter to the House and, as it is on public record, I will not pursue it further. I echo the writer's concerns and re-emphasise my opening remarks that the Bill should not proceed without the actuarial costings from the Auditor-General's staff.

The Bill might be excellent and, if it is and can reduce premiums, that is fine. However, until we obtain the costings we will not know that. I am cynical because I wonder why the Government is refraining from bringing these costings in and letting us look at them. I fear that in a year or so premiums will creep up. By that time it will be too late. One will have to bring this legislation back into the House. However, the scheme will have been operating and Work Cover will be up and running. All the Opposition can do then is stand back and say, 'We told you so.'

That is not the way to run Government: to go ahead not knowing what it will cost. We should look at the savings to employers so that businesses will be able to expand, make a profit and employ more people. That is what we are looking to do in this State. I fear that this legislation will not do it. For years now employers have complained about how workers compensation has helped to cripple their businesses. Governments of both pursuasions have tried to bite the bullet, do something about it and bring the cost down. All members know that industry needs the cost of insurance premiums to come down. Indeed, the State will develop if this happens. I do not think that the Government is doing the right thing. However, the ball is in the Government's court. If it can provide facts and figures based on actuarial evidence, I am sure that the Opposition would be happy to say, 'Good luck to you. Put it into operation and we will give you our hearty support.' All I ask is that evidence.

Ms LENEHAN (Mawson): I support the new legislation which seeks to amend the Workers Compensation Act. I will go back in history and look at some of the historical background in relation to the changes that have been made to this legislation. It is important to look at the first Workers

Compensation Act that was passed in South Australia in 1900, some years after such laws were first adopted in both Britain and Europe. Since that time the legislation has been amended, and on several occasions new Acts have been introduced. With some notable exceptions, the changes benefited the workers. Unfortunately, those notable exceptions took place under the previous Liberal Government and included a reduction in the amount of payment and in the weekly payments that were made for industrial deafness.

The current Act took effect on 1 July 1971 and was substantially amended in 1973. It has been amended on several occasions since then, the last time being in July 1983. Workers compensation is a legal arrangement whereby any worker under a contract of employment who suffers an injury arising out of or in the course of that employment is compensated for any loss of income that may follow as a result of that injury.

Basically, compensation is payable for four main reasons. First, weekly payments of compensation are made where a period of incapacity for work occurs. The amount of weekly compensation is presently calculated on average weekly earnings of the worker consisting of the award rate, overaward payments and shift allowance but excluding bonuses, overtime, certain site allowances and the tool allowance. The maximum payable in weekly payments is presently $36 000. After this limit has been reached the worker is not entitled to any more weekly compensation payments and must thus rely on social security benefits if the incapacity continues.

The second form of compensation that an injured worker may receive is the cost of medical treatment and attention, including provision of rehabilitation services. The third is for legal costs that a worker may incur in pursuing and establishing an entitlement for a payment for disability or where some dispute arises concerning such a claim. The fourth payment is a lump sum payment made for permanent disability that a worker may incur as a result of injury. There are two types of these lump sum payments. The first is the lump sum payment that can be paid under a table of prescribed amounts as contained in the Workers Compensation Act, the maximum being $40 000 for injury and $50 000 upon death or for permanent incapacity for work. The second type of lump sum payment involves employers where they are required by law to provide a safe place of work, a safe method of work and safe equipment with which to work.

I draw this to the attention of the member for Coles. She seems to be completely indifferent or is ignorant of the fact that under the present system we have preventive health and safety measures. I will discuss that later. If it can be shown that a worker is injured as a result of any unsafe circumstance or from the negligence of some other person, there would be grounds for a claim for damages at common law against the employer. The present Act provides that such an action can be taken outside the Act, but if it does not succeed this does not cancel the injured worker's right to take up his or her rights under the Act as before. Similarly, motor vehicle accidents that arise out of or in the course of employment are subject to the same rights as under common law.

Mr Tyler interjecting:

Ms LENEHAN: The member for Fisher reminds me that that was the situation in respect of his own injuries. However, it is not possible to be paid a lump sum under the Workers Compensation Act and for damages under common law rights. Payments for weekly payment claims by injured workers must begin within 14 days unless the employer has applied to the Industrial Court disputing the claim. This process frequently causes long delays and forces many workers to apply for social security payments. Many workers in my electorate have been forced, albeit for a short time, into poverty or dire circumstances.

It also forces the person to apply for social security payments. Those payments are much less, as we all know, than the weekly payments that are temporarily denied to the worker while the worker attempts to establish his or her right to compensation. I am sure that there are many members on this side of the House who know of only too many cases where this has occurred.

As members of this House will know, a new Workers Rehabilitation and Compensation Act has been under consideration by the Government for a long period of time for introduction in this parliamentary session. Let me say that probably it has been one of the most consulted Bills that has ever been introduced into this Parliament. The Opposition's statement that there has been no consultation—in fact, there is criticism that the Bill is being rushed into the Parliament—is absolute and utter nonsense, and members opposite know it.

Members interjecting:

Ms LENEHAN: I will get to its current form in a moment. The Minister of Labour—and in mentioning the Minister of Labour, I want to add my congratulations on the work, energy and effort that he has put into the consultation processes and also in bringing this Bill before Parliament—has stated:

> This Bill addresses the critical problems that South Australian industry now faces. It seeks to provide for significant reductions in current premium levels and to introduce greater stability in the setting of future premiums. The Bill also proposes a major revision of the benefits paid to injured workers. It seeks to overcome the current inequitable situation where adequate compensation depends on a worker having to prove negligence under common law. The prime emphasis under this Bill is to compensate injured workers according to their needs, not on the basis of having to prove fault. The need for improvements in this area of rehabilitation is one of the major concerns of this Bill.

That is absolutely pertinent to the debate that we are having in this Parliament today. How can such cost savings be effected? I propose to have a look at a range of about seven points which would reduce the cost involved. The first is by a major reduction of injuries to workers. The second is by removing the profit motivated private insurance companies and replacing them with a single workers compensation authority. A third way that can be looked at is by reducing the legal costs incurred in establishing claims and speedier finalising of claims and settlements. Another way would be to reduce the number of successful claims made by the workers (I am sure that the Opposition would agree with that). The fifth way would be by reducing benefits payable to workers, and that is what I have heard in this Parliament—the sort of things that the Opposition is proposing. The sixth way is by abolishing the present unfettered right of the worker to sue his or her employer for damages under common law. The seventh way is by expanding the number of self employed insurers. That is a range of ways in which costs can be reduced.

I now wish to seek the support of this Parliament not only for the industrial changes that are proposed here but also for the new preventive occupational health, safety and welfare legislation. I put it to this Parliament that these two pieces of legislation, working in concert, are of great social and economic significance. I think it is relevant to raise at this point the whole question of rehabilitation. If one listened to the member for Coles, for example, one would think that there was absolutely no provision in this Bill for rehabilitation. Let me refer members to the clauses which cover that. Part III contains clauses that provide probably the most far reaching provisions for rehabilitation that have ever been seen in this State. So, it is absolute nonsense for

the members for Coles and Mitcham to say what they have said.

Let me also say in respect of rehabilitation that the Premier's Adviser on Disabilities has come out very strongly in support of the measures contained in this Bill, as has Professor Smith of the Faculty of Rehabilitation Medicine at the Flinders Medical Centre. He is recognised in this State and indeed in this country as an authority in this area. He has also come out very strongly supporting the provisions in this Bill dealing with rehabilitation. I do not believe for a moment that those members who attacked the Bill and said, 'What is it doing about rehabilitation?' can have one shred of credibility in this Parliament.

Mr S.J. Baker interjecting:

Ms LENEHAN: Have a look at the clauses. If you do not believe me, have a look at them.

Mr S.J. Baker interjecting:

Ms LENEHAN: There you are. You obviously have not bothered to read them. We have heard from members opposite quoting verbatim and ad nauseam from documents that have been sent to them from a whole range of people who show concern, etc. I would like to quote from the United Trades and Labor Council. Unlike the member for Morphett, I do not have any problems in actually quoting—

Mr S.J. Baker interjecting:

Ms LENEHAN: He quoted from the United Trades and Labor Council, but did so in a most disparaging and, I believe, dishonest fashion. The United Trades and Labor Council has given very careful consideration to this whole matter of workers compensation and the issues that arise from it, as well as to the way in which these issues affect the interests of workers generally. Workers who are unfortunate enough to suffer from disabilities incurred, arising out of, or in the course of, their employment are affected in both the immediate and long-term future course of their lives and lifestyles, as well as in their well-being and financial security.

These matters are therefore of fundamental importance to workers and are deserving of the utmost care in the proposals that are concerned with the consideration of change of benefits applicable to them. If during the process of work an injury is suffered, the worker should be morally, socially and economically fully protected and compensated. I heartily concur with those sentiments and believe that that is the fundamental difference between members on this side of the House and members opposite, who have chosen to stand up and be a mouth piece of the employers and the employers only. They are not interested in the rights or protection of workers. I am sure that they would like to take us back to the coal mining days in Britain where workers were totally exploited but, because of the wisdom and common sense of the people of South Australia, they will not have that opportunity.

I would also like to quote from the United Trades and Labor Council, which talks about its support for the principles contained in the white paper. I want to have the following incorporated in *Hansard:*

The United Trades and Labor Council in principle indicates its support for changes to the current workers compensation system, and in particular in broad terms supports the following: firstly, the establishment of a single insuring workers compensation authority administered with employer and worker representation; secondly, the increased emphasis placed on rehabilitation—

to which I have already referred—

thirdly, a speedy administrative system of settling the claims and the minimisation of the legal adversary processes and procedures with the inherent delays and costs.

I am sure that no member of this House could possibly disagree with that. The UTCC document continues:

Fourthly, the introduction of a compensation for loss of earnings by way of income related pension; fifthly, the procedures of set premium levels and to adopt policies to ensure a reduction in the incidence and severity of injuries in the workplace; sixthly, the right to pursue damage claims at common law for negligence.

We have conceded that by giving limited rights to non-economic loss that was incurred. Finally, the document states:

That injured workers have the right to recover from their employer all reasonable legal costs incurred in establishing and processing of their claims.

It is vital that members on this side take up a couple of points made by Opposition members. To hear members opposite speak, one would think that this Bill in no way resembles the white paper, the discussion paper, that was widely circulated in the community, whereas the Bill reflects in a most substantial way all the points contained in that document. It differs on two points from the white paper. The first difference concerns the right of the injured worker to claim under common law for non-economic loss. The second difference concerns the fact that under this Bill the maximum amount that can be claimed has been increased from $30 000 to $60 000.

I remind members opposite that it is not just the trade union movement that believes that the maximun should be $60 000: the Law Society, hardly a radical group, believes that that should be the maximum. Indeed, I believe that every fair-minded member of the community supports the increase in the maximum to $60 000. Concerning both those points, we are not considering a great number of claims: we are considering only a small number of claims, a small percentage of the total. However, to hear members opposite talk, one would think that these provisions would apply to every claim made, and I find that amazing.

In conclusion, this Bill is the most comprehensive and fairest Bill that could be brought before the House in order to bring workers compensation into the 1980s and beyond. What we have seen in this Parliament yesterday and today has been evidence of the fundamental difference in the way in which members on both sides approach the whole subject of work. This could not have been better demonstrated than by the member for Morphett, who said, 'After all, the employers pay the wages.' However, I remind the honourable member and other members opposite that, if it were not for the labour of the workers, the employers would have no money and no profits with which to pay anyone. Let us never forget that. I am the first to concede that there is a tripartite agreement consisting of capital, management and labour, but for any member to stand up in this Parliament and suggest that the whole equation concerns only management, and that the employer is the only person who should be considered, is wrong. It is the labour of the worker that provides the profit for the employer, and it is the worker that we on this side are proud to represent and for whom we are proud to fight. Further, we are proud to be a party to this legislation, which I commend to the House.

The Hon. TED CHAPMAN (Alexandra): Some common ground has been traversed by members on both sides during this debate. Although I was not present during the early hours of this morning, I was about the place yesterday afternoon and listened with interest to the contributions from both sides, not the least that from the member for Mitcham. The common ground that has been traversed has recognised, in the main, the important role of employees in the South Australian work force, and I believe that members have fairly and consistently taken up the case for employees across the board. These employees have been described by the immediately preceding speaker as the workers.

Members on this side have also picked up the case on behalf of employers, who are the people who pay the piper as a result of this sort of legislation. We have also picked

up the importance of the employers operating successfully and in the ultimate interests of the whole State. I raise this point, because over the years that I have been in Parliament the matter of workers compensation has surfaced several times. In particular, the last time the legislation was amended, Liberal members desperately advocated the cause of employers, and the understandable reaction from Labor members was to put the case on behalf of employees. However, the scene has now changed. This time both sides have demonstrated in their respective speeches a fair recognition of the welfare of the employee both in the area of safety, health and welfare as well as in the area of fair compensation for the injured.

I do not intend to canvass all the details in the Bill, in the second reading explanation or in any other address that has been delivered, but it is with a little practical authority and experience that I address this subject. In 1950, I opened a trading account with the Kingscote branch of the Union Bank on Kangaroo Island. In 1951, on becoming an employer for the first time, I took out a policy with the agency of the Commercial Union Insurance Company, and over the past 35 years, as an employer, I have subscribed to the policy of covering my employees in respect of workers compensation. In that regard, I believe that I have been an employer for longer than anyone in this Parliament and, without knowing the details of individual members and their role in business, that I have employed more people than have all other members in this House put together, if not in the other House as well. Therefore, it is with some experience in the field of employing people and insuring the safety of those employees that I speak on this occasion.

I am concerned that this matter has been hanging around for some years and that, when the Bill was apparently almost ready for presentation to this Parliament, the newly appointed Minister of Labour whipped it in without even the costing that should accompany it. That matter has been canvassed widely in this debate, so I will not pursue it. However, the way in which the Bill has been handled is a matter of concern in that respect. Be that as it may, there is no question that, if the welfare of employees is further enhanced and there are more liberal payments to them, or even if the current rate of compensation of 100 per cent continues to be paid, the premiums will increase and be reflected in increased costs. Members on the other side who have supported the Bill have suggested ways in which premiums may be reduced, and I recognise the good intent with which the points have been made in that regard by the member for Mawson, although I do not agree that they will be effective in practice.

In South Australia we have a situation that I understand is unique in Australia or anywhere in the world, as the injured employee receives 100 per cent of his or her ordinary wage as compensation, I believe that under the Bill we will have an unsatisfactory and undesirable compensation scheme, because the payment of a gross 100 per cent compensation to an injured employee means in net terms that, out of work, that employee receives more by way of compensation than he or she would otherwise receive at work. That area of workers compensation cover should be addressed positively.

It is with feeling and experience that I cite the scene in the wool industry where some employees, especially at farm or station level, who are injured at work leave their place of employment, go on workers compensation and, in doing so, cease forthwith to incur travelling expenses to and from their work and expenses due to wear and tear associated with their tools of trade, and enjoy, as a result of the sort of compensation that we have, a greater net monetary return than their colleagues in the work place receive.

In many other fields of industry where people are physically employed, the compensation cover is a significant part of the employer's cost. While we keep on squeezing those employers, they will be forced to consider replacing their employees with technical and/or mechanical means to achieve their production. We have seen it in the country and are now seeing it in the metropolitan area of the State. It will continue to go in that direction and, accordingly, there will be continuing unemployment growth as a result of this sort of disincentive. With the present system, there is little or no incentive for employees to return to work even at a time when they may well be physically or mentally so far repaired as to be able to go back to their employment. Why should they, one might fairly ask, seek to return to work immediately they feel capable of so doing when in fact away from work they are enjoying a greater net income than on the job itself?

The provision of a single insurer under this Bill concerns me. I am more than surprised that correspondence received by our shadow Minister of Agriculture, Mr Graham Gunn, from the UF&S executive officer, Mr Grant Andrews, suggests that that rural organisation now supports the single insurer concept. Indeed comments by members of that organisation and other rural people throughout the community clearly suggests that most members of the rural community support the element of competition in insurance, as in a number of other like fields, wherein they can seek to negotiate their premiums and arrangements for cover at their own discretion and not be forced into a single insurer situation or Government oriented organisation as indeed applies with third party insurance on their motor vehicles.

We have seen what has happened in that situation, even though we were promised that as motorists we would be better off if we supported the concept of South Australian Government insurance cover for motor vehicles. In fact, we have seen third party insurance premiums skyrocket. They may well have spiralled under an open and private competitive system anyway, but, from the way the third party insurance premiums have gone up in relation to my own registered vehicles, I suggest that it has resulted from the monopoly that has been established.

Indeed, the massive number of public servants employed by the Government insurance organisation and the need to recover the costs of its operations, irrespective of whether or not there is a profit element in it, has meant that premiums have skyrocketed accordingly. It is the same in that organisation as in other Government departments and monopolies that we can cite around the country. I do not support the concept of a single insurer. I do not believe that when the issue is thought through and the community at large has had a chance to recognise the impact of this part of the Bill it would be supported across the board. It is an ingredient of the package (as has been cited so many times), which has been pushed into the Parliament undoubtedly by Trades Hall.

From that side of the political arena, it has been placed in the Parliament and is currently being urged through at ungodly hours of the night. I recognise that the subject has had a fair thrashing and, indeed, we are up for some hours of further debate during the Committee stage of the Bill as there are pages of amendments to be submitted and supported by their respective movers.

I take this opportunity to recognise the presence of the Minister of Labour in this House. For the past three years as shadow Minister of Agriculture I have been working with him and on occasions against him punching in the dark whilst a former member of that other place. He has at times been hard to find and hard to get at, but his presence in this Chamber from now on is welcome, as far as I am

concerned. The Committee stage of the Bill will prove a classic opportunity for the Minister to show a little reason, to have regard for the more practical and positive elements of the debates emanating from this side, and to try to incorporate those elements into the Bill before it goes to the other place for consideration.

The Hon. FRANK BLEVINS (Minister of Labour): I thank all members who have taken the trouble to contribute to the debate. The contributions, as would be expected, were varied in both length and content. I do not intend, in response to the second reading, to answer all questions that members have asked—that would be a pointless exercise. It is quite obvious that the Liberal Party has made a conscious decision to filibuster on this Bill and I am sure that during the Committee stage, which will be many, many hours long, all the questions asked in the second reading debate will be asked again and again. I do not think that any purpose would be served if I were to go through all the questions asked by the 18 speakers opposite.

I give special mention, however, to the members for Mawson and Florey, who had an understanding of the Bill and of the rationale and ideology behind it. Their understanding was appreciated by me and, I am sure by the workers of South Australia whom they represent. I make mention of the contribution by the member for Mitcham before dealing with the principal Opposition speaker, the Leader of the Opposition. I thought it was a great pity, from two viewpoints, that the member for Mitcham spoke for as long as he did. He certainly wasted at least two hours of the Parliament's time. Whilst the member for Alexandra was complaining about being here after 11.30 last night, he should have addressed his remarks to the member for Mitcham, because no doubt over two hours was completely wasted. It is a great pity, because I believe that there could otherwise have been a decent speech somewhere in the contribution of the member for Mitcham.

The honourable member made several points which, if they had not been buried in a load of waffle, certainly would have warranted a response in the second reading stage. However, they were so difficult to pick out that I do not propose to do that. The Leader of the Opposition in his contribution to the debate challenged the Government to explain why it welshed on the white paper agreement. Before I comment on that allegation, I believe it is useful to trace the short history of the white paper proposals. It was released in August 1985, resulting from extensive consultations and negotiations that commenced soon after the 'new directions' conference in June 1984. Those negotiations involved representatives of the major employer groups (such as the Chamber of Commerce and the Metal Industries Association of South Australia) and the UTLC. It was understood by all parties to those negotiations that the white paper proposals would have to go back to their representative organisations for endorsement.

The agreement reached was working party agreement and did not involve the formal agreement of the major organisations involved. In the event, organisations such as the Chamber of Commerce and MIASA endorsed the white paper proposals with some minor qualifications. The UTLC, however, had concerns about the level of benefits proposed, particularly the level of the lump sum for non-economic loss at $30 000, which was less than the existing maximum lump sum of $40 000 under section 69 of the current Act. It was apparent that an increase in the lump sum was necessary if injured workers were not to receive less under the new proposals. From discussions with employers it was clear that even they recognised that the lump sum proposed under the white paper was too low.

The other event that affected the attitude of the UTLC to the white paper proposals was the Victorian proposal to provide common law claims for non-economic loss. Clearly, the UTLC could not accept lower conditions than those applying in Victoria. The Government had regard to these points and agreed to changes in these areas. It did that in the knowledge that the extra cost of those concessions was a premium of about 3 per cent and that major savings could still be achieved by employers. In making these changes, the Government recognises that a balance must be struck between the interests of employers and those of workers. The Government now believes that a correct balance has been struck. It is important to recognise that this Bill largely incorporates the white paper proposals that were agreed by major employer groups. The changes made are not significant in terms of cost and are reasonable in terms of providing fair compensation to injured workers.

The Leader of the Opposition also challenged the Government to explain why it was proceeding with this measure before it had received the Auditor-General's report. I want to deal with that matter at some length. The costings undertaken by Dr T. Mules of the faculty of economics and Mr T. Fedorovich of the Department of Labour use 1983-84 data. This earlier year was chosen on the basis that it represented a normal year in terms of profitability. It followed the years of premium discounting in the late 1970s and the massive increase in premiums from 1980 to 1983 inclusive.

The Employers Federation study undertaken by New South Wales actuary Jim Gould used later data. No doubt the later data accounts in part for the differences between the two costings. The threat of reform would have the effect of depressing premiums and would be one reason why the level of profitibility has declined since the Government's earlier study was undertaken. It is also a reason why there are dangers in using the data of recent years—it is not likely to be representative of what would have been charged had the Government not made clear its proposals to reform the system. The use of a normal earlier year on which to base the costings is therefore a more reliable guide to the level of long-term cost savings.

It is clear from an examination of the two cost studies that the major differences arise in relation to, first, margins for profits and risk, which were 9 per cent under the Government study and minus 20 per cent under the Employers Federation study. It should be pointed out that in the first paper prepared by the Employers Federation actuary he estimated the margin for profit in 1984 to be 5 per cent. If that figure is used, on his costings the real savings would be a total of 19 per cent.

Secondly, disbursement of premiums on common law claims were 18 per cent under the Government study and 34 per cent under the Employers Federation study. In other respects, the two studies corroborate one another. The difference in the level of common law claims does not greatly affect the total estimated net cost of the new benefit package and is therefore not of significance. It may well be that the percentage of common law claims has increased, and that in itself is a good argument for the proposed reforms. It is particularly important to note that the cost savings do not materially differ on the estimated costs of the benefits proposal.

In total, the Government's costings estimate the extra cost of the new benefits to be 8 per cent whereas the Employers Federation study estimates the extra cost as 7 per cent. The cost of the new benefits package is therefore not in dispute, as the two costings studies support one another on this point. The extra cost of the benefits package is matched by the 8 per cent stamp duty that has been eliminated. Accordingly, all the other savings that will flow

from the system will accrue to the employers and these savings (using the more conservative Employers Federation costings) include savings on procuration fees to brokers (3 per cent); savings on administrative expenses (4 per cent); savings on investment earnings (6 per cent); savings on statutory reserve fund levy (1 per cent); and savings on legal costs (5 per cent), giving a total of 19 per cent.

Because the Employers Federation study is based on estimated losses by insurance companies of 20 per cent, these losses offset the savings referred to above and thus there are no cost savings, nor are there any extra cost increases. The question of whether or not insurance companies are currently incurring losses and are likely to continue to do so is the central point to be determined. It is this difference in particular that the Government has requested the Auditor-General to examine, as it represents the only real difference between the two studies. However, even if the Auditor-General confirms the Employers Federation figure of 20 per cent losses currently being incurred, the package of reforms would still not add to the overall cost of the system. Because the package seeks to provide fair and proper levels of compensation, which would need to be proceeded with whether or not the system was reformed, and because it seeks to achieve a number of important social goals as against economic goals, it is still necessary to proceed with the reforms.

The social goals include improved rehabilitation; the secondary disability concept to overcome the disincentives to employment of previously injured workers; a speedier, less legislatic, less adversarial dispute settling system; the investment of hundreds of millions of dollars of funds surplus to current requirements with preference to investments in this State; and the collection of accurate accident statistics to assist programs of prevention and so on.

In any case, it is clear that insurance companies cannot continue to incur losses at the rate of 20 per cent. They would eventually have to increase premiums. If the package of proposals was introduced, these future premium increases would be avoided. That is to say, if the Employers Federation costings are correct, there will be no immediate savings because the corporation will break even. It will not be incurring a loss on current premium levels, as it is alleged the private insurers are incurring, and accordingly further crippling increases in premiums will be avoided.

Of course, this is the worst possible scenario, and the truth is likely to lie between the two positions adopted. The Auditor-General no doubt will give some guidance on this. The essential point, however, is that savings will be made whether in the short term or the long term. The Auditor-General can resolve whether there will be immediate savings or whether the savings will be delayed, but it is clear that, even if the Employers Federation costings study is totally accepted, real savings will be made as a result of future premium increases being avoided.

If we take the conservative and unrealistic assumption that insurers only want to break even on their insurance business, with no profit or loss, then on the Employers Federation figures the savings on the Government's proposals would still be 14 per cent of premiums. A number of savings have not been taken into account because of difficulties in quantifying them, and they are as follows: the effects of improved rehabilitation, getting workers back to work sooner will cut cost; encouraging the provision of alternative work in the re-employment of previously injured workers again will cut costs and the actual savings in this area may well be substantial; employers becoming more cost conscious as a result of being levied a fair share of their cost (at the moment big companies can shop around and avoid that direct responsibility) and, also, as a result of paying the first week's claims (80 per cent of claims fall into that category); putting a stop to the under-declaration of payrolls to avoid paying a fair share of premiums. In Victoria it is estimated that under the old system payrolls were underdeclared by approximately 35 per cent. Employers who properly declare their payrolls will thus receive major cuts in premiums on these grounds alone.

In summary, the Auditor-General's report will assist an understanding of the current position, but it is not essential, because the levels of compensation are fair and should be proceeded with, whatever the system, that is to say whether or not there is reform. The Bill incorporates a number of social goals that are important in themselves and, even if the Employers Federation costings were accurate, the introduction of the reforms will avoid future premium increases which are inevitable, because insurance companies could not continue to sustain losses at the levels estimated. Finally, a number of savings are likely to flow from the changes which have not been quantified but may well be substantial and on which the Auditor-General is not in a position to comment.

The Leader also challenged the Government to explain what it had in mind about reforms to the industrial safety legislation and why it had failed to introduce legislation on this issue. The facts are that the matter is well in hand. The workers compensation legislation is further advanced because the Byrne report, on which it was originally based, was released in 1980 to the Liberal Government, which did nothing with it. Tonkin's Liberal Government did nothing in relation to industrial safety and did not make any effort to undertake any sort of inquiry that would lead to improvements in this important area.

By contrast, this Government has acted and established a tripartite committee of inquiry, under the chairmanship of Dr John Mathews, which reported in 1984. The report produced is an excellent document. Most of the recommendations were unanimously agreed to by the unions, employer and Government representatives on the inquiry. That report was distributed widely, but there have been some delays in major organisations putting their views before the Government about the proposals.

Once again, as with the workers compensation proposals, there has been extensive if not exhaustive consultation. The drafting of that Bill is now in an advanced stage and, if time permits, the Bill will be introduced in this parliamentary session. For the information of members opposite, it is not the intention of the Government that the Bill would be debated in this session. However, it is the intention that it should be taken up again in parliamentary session later this year.

In saying this, it needs to be recognised that, whilst the two areas of legislation are complementary, it is not necessary for them to be dealt with together. Penalties that apply in the occupational health and safety legislation arise as a result of breaches of the Act, whereas under the Workers Compensation Act negligent employers will pay higher premiums proportionate to their contributions to the cost of the system. These two concepts should not be confused. The Government has nothing to hide and will in due course make its position clear on the occupational health and safety legislation, if not in this session of Parliament, then very shortly afterwards.

The Leader of the Opposition alleges that the Government tried to hide what it was going to do on workers compensation prior to the election. The facts are that the Government announced the bulk of its proposals in the white paper which was released in August 1985. The changes to those proposals on the common law and other matters were notified to the members of IRAC prior to that election, and I think that occurred in October, if my memory serves me correctly. The Leader says that, unlike the Government,

his Party has been consistent on this issue. The Leader of the Opposition said that his Party released its policy in March 1984 and that, despite business pressure to make changes, it has held those views. However, we know that business is cynical about the Liberal's bandaid policy and that it is completely offside with business on the question of common law.

The Leader of the Opposition has in fact misled the House. Changes have been made to the Liberal policy. In the original policy it supported the inclusion of overtime in the calculation of average weekly earnings. It has now done a complete about-face and deleted any reference to this embarrassing slip, no doubt as a result of business pressure.

The Leader of the Opposition also stated that there was a need for more emphasis on rehabilitation. Clearly, the Leader has failed to come to grips with many measures in this Bill which are directed towards improving the prospects for the rehabilitation of injured workers. He need only to refer to the very detailed provisions contained in clause 26 and such matters as the inclusion of a rehabilitation expert on the board, the spread of the cost of secondary disabilities to remove the disincentives to employment of previously injured workers, the expanded role of rehabilitation advisers, the speeded up dispute settlement system and the reduced role of lump sums and the common law. By contrast, in the Liberal Party's 1985 election policy statement, rehabilitation gets just five sentences: so much for its concern for rehabilitation.

The Liberal policy is also terribly vague: for example, the statement that 'to be effective there must be some mandatory provision in relation to rehabilitation'. The Leader mentions that these proposals will cut costs by 40 per cent. Those proposals have never been costed. The Opposition's estimates of cost savings have crept up from 20 per cent in the early policy document to 40 per cent in the election policy statement without any apparent change in the basic policies. It is also clear that most of the savings will arise as a result of cuts in the levels of existing benefits. As such, it is a totally callous policy that is simply unrealistic. No wonder that business considers the Liberal workers compensation policy as in other policies in the industrial relations area to be a joke.

I just want to make a few more comments before we go into Committee. As several members stated, this is a Committee Bill. I suspect that every word that was stated in the second reading debate will be restated, rehashed, and beaten up to fill in whatever time is required during the rest of today and tomorrow.

Mr S.J. Baker: You haven't provided any answers in your response. When it is your turn, you can respond. If you don't want to respond, we can spend all night here.

The Hon. FRANK BLEVINS: I am not quite sure what has agitated the member for Mitcham, but all I am saying is that several members opposite said that this is a Committee Bill, and I concur with that. As I said at the start of my response to the second reading debate, I did not see any point in going through and responding to the questions that were asked by the 18 members opposite who spoke on the Bill. I am sure that all the questions that were raised in the second reading debate will again be raised during the Committee stage. I will deal with them then.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: I am about to repeat it. The member for Mitcham seems to get very excited very quickly. He will have a very hard night. If the honourable member's contribution this evening is the same as his contribution last night, then it will not be a very edifying spectacle for anybody who has the misfortune to be within hearing distance of the debate.

Some contributions—although I will not respond to them all—contained statements with which I could agree, but there were many things with which I could not agree. I think that the last speaker, the member for Alexandra, made that point better than the previous 17 Opposition speakers: that there are some fundamental matters in relation to workers compensation about which we can agree. However, when one gets down to detail I am afraid that there is very little agreement.

I estimate that I have received several dozen submissions about this Bill, and not two would be the same. I suspect that if someone asked 100 people to draw up proposals for workers compensation one would get 100 different systems. I do not pretend that this legislation comprises the perfect system of workers compensation, because I do not believe that there is such a perfect system. It is a question of balance, and that is fairly subjective. My view and that of the Government is that the appropriate balance has been struck in this legislation.

The Leader of the Opposition suggested that it was the Government's intention to steamroll this Bill through the House, introduce it in the other place, have it significantly amended by the Opposition and the Democrats in that Chamber—working on the basis that the Opposition will oppose everything (it certainly always has and I doubt whether it has learnt anything although one would have thought that after all the years that it has been in Opposition it would have, done so; however, that is apparently not the case)—and be left with a package that was considerably less than this and that we would go to our friends in the trade union movement, and say, 'We really tried but this dreadful Upper House has stymied it. Although we had the greatest electoral victory that this State has ever seen under a democratic electoral system it cut no ice. The various non-government Parties said that, although we had this victory, they were entitled to change this significant piece of legislation, and that that was what elections were all about.'

Of course, that will not happen. When the Leader of the Opposition suggested that we would go back to our friends in the trade union movement he was more scathing and did not say 'our friends'. However, I consider them to be my friends. The Leader of the Opposition suggested that we would tell the unions that although we tried very hard, this was all we could get. We could say, 'This was really our intention all along,' and we could go to the employers and big note ourselves there.

That scenario is wrong because, particularly in relation to the question of benefits to injured workers, there is a level below which I and this Government will not go. We will not accept any significant reduction in benefits for sick and injured workers in this State. Benefits were last amended about three years ago, and to keep them at the same level in real terms means that there has to be quite significant increases. That will occur either through legislation or by workers obtaining that difference on the job as they do in other States.

It is not part of the Government's plan to have this legislation drastically altered in the Upper House, or to accept those alterations and say that we could do nothing about it. I am not warning anyone. I am merely stating a fact: we will not allow injured workers in this State to have significantly lower benefits than their counterparts in other States.

This is a worthwhile reform. The Government believes that there should be increased benefits to injured workers—we make no bones about that. We also believe that there will be significant savings to employers and, if there is not, we will have to reconsider our position on this Bill. Whether or not it involves this State or Victoria, if schemes like this do not serve the workers and industry as they were intended,

obviously they will have to be severely modified because this State cannot afford to be out of step with our major competitors.

The contribution by the member for Coles was in part very thoughtful and well presented, although I did not agree with all of it. She explained the difficulties that some shearing contractors were having in South Australia compared to those in Victoria. She stated quite properly, in my opinion, that we must get our level of workers compensation premiums down to the Victorian level. I agree with that. That is what the Bill is designed to do, the level is pitched slightly below that in Victoria. The Government is quite open about this with the trade unions—that the benefits are pitched slightly below the Victorian scale of benefits. The difference between Victoria and this State is that shearing contractors in Victoria have the benefit of a package such as this and the savings that come out of it, which savings are now being enjoyed by employers in Victoria.

I draw to the attention of the member for Coles and other members an article in the *Age* of 21 January, which states that premiums have reduced overall by about 50 per cent under this scheme, and that $600 million a year has been saved for Victorian employers. The Director of the Metal Trades Industry Association in Victoria, Mr Bob Herbert, states:

> In our industry we don't think there is any doubt that the benefits of reduced premiums has been demonstrated.

The metal trades employers estimate that the engineering industry in Victoria will save $100 million in the first year of the State Government's Work Care scheme. If this State does not match that level of reductions, what will happen to our metal manufacturing industry? It will relocate in Victoria. This is not a quote from Trades Hall; it is not a quote from the Government; it is not a quote from—

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: To some extent that was very ably dealt with by the member for Davenport, who said that some industries cannot relocate. However, the metal industry can. It is receiving these benefits in Victoria, according to its association. Those benefits have to be made available in this State or there will be enormous problems with employment in those areas. As I said, this is a very worthwhile reform, and I urge the House to support the second reading.

The House divided on the second reading:

Ayes (27)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), Crafter, DeLaine, Duigan, M.J. Evans, and Ferguson, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Rann, Robertson, Slater, and Tyler.

Noes (17)—Mrs Adamson, Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Chapman, Eastick, S.G. Evans, Goldsworthy, Gunn, Lewis, Meier, Olsen, Oswald, and Wotton.

Pair—Aye—Mr Plunkett. No—Mr Ingerson.

Majority of 10 for the Ayes.

Second reading thus carried.

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

Mr S.J. BAKER: Because clause 2 deals with the date on which the Act will come into being, namely, 'a day to be fixed by proclamation', I would like to canvass the questions about cost, because they are very important. The Minister has already said publicly that, if these measures will cost more than the existing scheme, he will withdraw the Bill. He has given that undertaking.

The Hon. Frank Blevins interjecting:

The CHAIRMAN: Order! That is not a parliamentary term, and I would ask the Minister to withdraw that interjection.

Members interjecting:

The Hon. Frank Blevins: It is acceptable to lie but not to say 'lie'.

The CHAIRMAN: Order!

The Hon. Frank Blevins: I withdraw it.

Mr S.J. BAKER: Just for clarification, some two weeks ago in a press statement—and I am not sure whether it was accurately reported by the press—the Minister said that, if the costs of this scheme that is now before us were higher than the current scheme, he would withdraw the Bill.

The Hon. Frank Blevins: That is absolutely untrue.

Mr S.J. BAKER: It is irrelevant. I am just trying to establish—

Members interjecting:

The CHAIRMAN: I ask the honourable member to put his question, and I ask the Minister not to interject. If we could wait until the question has been posed, I will call on the Minister. If we could adopt that proposition, hopefully we can get through this Bill.

The Hon. TED CHAPMAN: I rise on a point of order. I do not wish to delay the Committee, but I ask you to call on the Minister to again withdraw his reference to the word 'lie', a term that has been traditionally taboo within this House, and it has been pretty well observed by members on both sides. Obviously, it is an acceptable term in another place, and it therefore flows out from the Minister. In this instance, it would be high time, I think, to clear up the matter.

The Hon. FRANK BLEVINS: Mr Chairman, can I speak to that point of order?

The CHAIRMAN: I would ask the Minister to resume his seat. The situation is that we have a point of order. My understanding is that the member has asked for the word 'lie' to be withdrawn. If the Minister used that word, it is unparliamentary, and I would ask him to withdraw it.

The Hon. Frank Blevins: Only in the context that I said I cannot say 'lie' in this House.

The CHAIRMAN: If that is what the Minister said, there is no need to withdraw it.

Mr S.J. BAKER: Will the Minister say under what terms of reference provided by him is the Auditor-General undertaking his detailed costings of the existing and proposed schemes and when is it intended that the Auditor-General shall report to the Parliament?

The Hon. FRANK BLEVINS: I will read to the honourable member the letter that was sent to the Auditor-General. I also know that the Auditor-General has contacted the—

[*Sitting suspended from 6.1 to 7.30 p.m.*]

The Hon. FRANK BLEVINS: The letter from the Minister of Labour to the Auditor-General concerning workers compensation costings states:

> As you may be aware, the Australian Democrats and a number of employer groups have called for an examination by yourself of the costing study undertaken for the Government by Dr T. Mules and Mr T. Fedorovich, particularly in the light of the findings of an independent costing study undertaken by a New South Wales Actuary, Mr Jim Gould, and commissioned by the South Australian Employers Federation. The Government would therefore appreciate if you could undertake an examination of the two sets of costings to determine to what degree the two sets of results differ and, if so, whether the differences are of such a material nature as to put in doubt the reliability of the Government's costing study. It may be that any differences between the two studies can be explained or reconciled, in which case your views on these differences would also be appreciated. Every assistance will be provided to enable you to undertake your assessment of this matter.

No time constraints have been placed on the Auditor-General, but he is aware of the importance of this matter. Indeed, I have seen a reference, possibly in a newspaper, that he will respond as soon as is practicable for him to do so.

Mr S.J. BAKER: We have spent time on costing the original study, and the costings on the new scheme are critical as to whether the provisions of the Bill can be afforded. In his reply to the second reading, the Minister referred to the costings, but he did not explain them sufficiently. He pointed out that there was a large difference in respect of the assessed profit in the system. He recognised that, under the Mules Fedorovich costing, there was an assumed 9 per cent profit, whereas under the Gould study there was a 20 per cent loss. In the second reading, I explained that the insurance industry could operate on a 20 per cent underwriting loss ratio and still make a profit because of the return from the large reserves which could offset any working losses suffered from year to year.

The insurance industry says that, except in 1982-83 when the overall underwriting loss was 146 per cent, profits, albeit small, had been made. The profit or loss depends on how well capital is organised and on how wisely money is invested. When the Minister was responding, he indicated that the costings were irrelevant and that, certainly, the loss of 20 per cent was irrelevant. He said that that figure indicated a short-term position in the market, whereas I should say that underwriting losses are part of the long-term structure of a competitive industry, although some small firms may occasionally have entered the insurance market and become highly competitive and the insurance industry generally may have had to operate in an extremely competitive climate. I contend that the difference between the 9 per cent profit and the 20 per cent loss is a gigantic difference of almost 30 per cent, which would be significant in determining whether a scheme would succeed or fail.

The Minister passed over that point and said that it did not matter whether the Auditor-General found on the side of the Gould study. He said that the industry should be making a 9 per cent profit, but that is wrong because, if the people doing the Mules-Fedorovich study had considered that aspect in depth, they would understand that underwriting losses in this area are a function of the industry. In the area of workers compensation, reserves must be set aside to discharge future liabilities, because a worker who is injured today will probably draw money in future years as well as in the current year.

On the other hand, household or business insurance is a day to day proposition and entails the equalising of costs each year, although there may be an extraordinary contingency, such as the South Australian bushfires, which has a continuing effect. In the area of household insurance, the industry may make an underwriting profit, although in some years this may be wiped away by an extraordinary event. The insurance industry works on an underwriting loss on workers compensation, so for Mules and Fedorovich to come up with a 9 per cent profit is totally wrong, and I am sure that the Auditor-General will identify that aspect.

We will not resolve that question this evening, because we have different sets of figures. However, I hope that, before Parliament rises, the Auditor-General can show us where the profits and losses lie so that we may consider the overall impact of this measure. The Mules-Fedorovich study indicated an administration cost of around 5 per cent, although how that was arrived at is somewhat a mystery. There was a query as to whether the Queensland scheme had been examined. Under the Queensland scheme, it so happened that, the year before the study was undertaken, of the order of 6 per cent was set aside for administration costs. However, in the previous two years the costs had been between 8 and 9 per cent. It must be remembered that in Queensland it is a fast throughput system: it involves a minimum of paperwork and obviously does not embrace the adversary system in any shape or form.

With the New Zealand or Canadian scheme (which I hope the Minister has taken account of) we find an average of 10 per cent administration costs. Thus the total savings that the Minister assumes will accrue to this corporation would disappear. Indeed, from the figures with which I have been supplied, the administration costs, taken together with those of employers who are now bearing the first week's costs, will be substantially more than under the present system. Therefore, one of the larger items of savings within the system is simply not there.

So, on the first point there must be some question about the study. Importantly (and I believe the Committee would realise this), the question of administration costs was never raised with the one single private insurer in the system, although the Minister may wish to check on that with the original author. The information I received was that the original author was provided with claims disbursement figures relating, for example, to medical expenses, lump sum settlements and weekly earnings. There really never was a comprehensive figure. I also point out to the Minister that the selected insurer is in fact atypical in the market. The insurer is the largest private insurer in South Australia and probably one with the best management of any insurance company in Australia. It is extremely strong on risk management and deals only with larger companies, conducting a thorough examination of such companies before taking on their policies. We have an insurance company in the system that is somewhat different from the other 36 companies that have traditionally worked in South Australia.

So, I question the sort of profile that the Minister has received in the Mules-Fedorovich report. The second matter I raised (and the Minister passed over it) is that of common law. In the Mules-Fedorovich report we had an estimated cost of 18 per cent in any one year.

The CHAIRMAN: The Chair cannot see how the member is linking his remarks to the clause now before us. I was prepared to go along with the member in the first instance as to the fixing of the proclamation in relation to costs, but at this stage I cannot see how the member can relate his remarks to the clause before us.

Mr S.J. BAKER: I was going through the cost structure of the original document and suggesting that the Minister might have to consider whether the scheme was affordable in the first instance.

I also referred to the question of common law. The assumption made in the Mules-Fedorovich report was that there was a common law payout of approximately 19 per cent of all costs. The latest information is that in the last three years the common law area has escalated considerably to around 34 per cent. Taken with the Mules-Fedorovich statement that pensions will cost 33 per cent more than currently paid out in common law, we can see that the ultimate impact is not a saving on common law but an increase of 10 per cent in the cost of the system.

Another area of saving involved the abolition of stamp duty but, under any scheme, the Government has the right to impose or remove stamp duty. Indeed, it may be the wish of the Minister that some stamp duty be provided under the scheme: we are unaware of what will happen in that area. There was an abolition of stamp duty amounting to 8 per cent, but, as it is a neutral situation, it should not be taken into account with the real savings of the scheme because the Government should be interested in reducing the cost of workers compensation irrespective of whether we have a public monopoly or a private system. The pro-

posed savings resulting from employers bearing the first week's cost are only a transfer item. The net cost of having two administrative systems will be higher than it is today, so there is a net loss in that area.

In three or four areas there are difficulties with the Government's original costings. Has the Minister considered the original basis on which these costings were made, and will he say when the stamp duty mentioned will be eliminated from workers compensation premiums?

The Hon. FRANK BLEVINS: It is difficult to know where to start in this 20 minute second reading explanation. I do not criticise the Chair, but I would have thought that the comments should be relevant to the clause. The problem with having 20 minutes is that it takes a deal of patience to try to identify every comment and question, but I do not propose to do that. I wish to comment on two points. As regards the savings in the system, we ought to remember that, first, the agreement that the negotiators came to was between employers and employees: the Government was very peripheral to the whole thing. The savings detailed in the white paper were identified by employers as well as employees. I am surprised to hear the honourable member implying that employers are incapable of costing these things and arriving at a figure.

Regarding the level of profitability in the insurance industry, I suppose that, depending on who one talks to, one will no doubt get different answers. But let us take a commonsense approach: from a commonsense point of view, it seems to me that the insurance industry (or any other industry) cannot continue to incur losses of 20 per cent—if it is incurring those losses now. I believe that the honourable member conceded that there was 6 per cent profitability somewhere from investment income or something similar, so that would bring the figure back to 14 per cent. Let us say, for the sake of argument, that there is a 20 per cent loss. A commonsense point of view tells me that that cannot continue—if indeed it is occurring. It just cannot go on. I suspect that somewhere along the line it would be illegal. It is probably against some Act in that policy holders have to be protected. It would be illegal somewhere along the line. They cannot do it.

From a commonsense point of view, regardless of what Dr Mules and Mr Fedorovich are saying, a 9 per cent profit margin for the insurance industry is probably a conservative figure. If in this day and age the insurance industry is making only 9 per cent profit, it should really consider its structure. That is a very conservative figure and to me it is commonsense that the industry will be making some profit, and the amount of profit will depend on who one talks to. If for some reason there is a 20 per cent loss, there is obviously an end to 20 per cent losses and it cannot continue. The decision on when the levy on workers compensation will be removed is for the Government to take when the Bill has passed through Parliament.

The Hon. JENNIFER ADAMSON: I rise on a point of order. I draw your attention, Mr Chairman, to the fact that there is a stranger on the floor of the House and the leave of the House has not been sought for this arrangement. It is the custom of the House for the officers of the Minister to be housed in the box and for the Minister to refer to them there whenever necessary. I seek your ruling, Sir, on whether the present arrangement is permitted in the House of Assembly.

The CHAIRMAN: I rule that, following representations to Mr Speaker by the Deputy Premier on behalf of the Ministry about seating for advisers, Mr Speaker has agreed to place a seat adjacent to the Premier's bench to facilitate explanation of detail of Bills when in Committee. It is my view that this is in keeping with Standing Order 82a and should enable the Minister in charge of a Bill to seek advice without the unseemly journey from his seat to the corner of the Chamber, often preventing him from listening to the honourable member who is seeking the information.

The Hon. JENNIFER ADAMSON: I take a further point of order. I submit that, if that arrangement (which disturbs a longstanding custom of this House) was to be entered into, at the very least it would have been courteous to advise the House of the change in arrangements before it was in place and perhaps even more courteous to seek the leave of the House to put in place the arrangement. If previous Ministers of the House of Assembly have been able to cope with extremely technical and complex Bills without having officers sitting right alongside them, virtually on the front bench, then surely the presence—

The CHAIRMAN: Order! I ask the honourable member to resume her seat. I do not take that as a point of order. The matter of courtesy is a matter between the Leaders of both sides, and my ruling stands.

Mr BECKER: I rise on a point of order. Why was the information that you, Mr Chairman, have just given the member for Coles not relayed to all members of the House?

The CHAIRMAN: That matter is not taken up by the Chair: it is not the responsbility of the Chair. The member for Coles took a point of order, and that point of order has been answered. The matter is now in the hands of the Committee.

Mr S.J. BAKER: I wish to—

The CHAIRMAN: Order! The member for Mitcham spoke once before the dinner adjournment and has spoken on two occasions since then. In accordance with Standing Orders—

Members interjecting:

The CHAIRMAN: Order! I call the Committee to order.

The Hon. B.C. EASTICK: I wish to take a point of order. In introducing the member for Mitcham to the Committee immediately after the adjournment you, Mr Chairman, indicated that he had been canvassing a certain issue, and you called upon him to continue. Therefore, I suggest that your counting the occasion before the dinner adjournment and that after dinner as two occasions is incorrect under the normal Standing Orders, and I ask you to reconsider your decision.

The CHAIRMAN: I accept the honourable member's explanation, and I call upon the member for Mitcham.

Mr S.J. BAKER: I find the new arrangement regarding advisers very acceptable, but I believe that we should have had the privilege of being informed and consulted.

Members interjecting:

The CHAIRMAN: Order! I call the honourable Leader to order, and I hope that the honourable member for Morphett is not reflecting on the Chair.

Mr Oswald: I am talking about the Government members—they are the arrogant ones.

The CHAIRMAN: Order! I call the honourable member to order.

Mr S.J. BAKER: I do not want to recanvass old ground, but I wish to make a fairly simple statement (and I am not being patronising) so that the Minister can understand it: under the Mules and Fedorovich proposition there is 15 per cent profit in the system from 6 per cent earnings on funds and 9 per cent profit immediately on premiums. As everyone would understand, the insurance industry is a low geared industry as far as employment is concerned. A few employees service billions of dollars across Australia. Therefore, a profit of 4 per cent on the amount of turnover received in the industry is a very acceptable profit margin.

To say that there is a 15 per cent profit margin in the system and to believe that somehow we can provide that in terms of extra benefits is false, because the industry does not need a 15 per cent margin. If the 15 per cent profit margin in the system is converted to a return on sharehold-

ers' funds, we are then talking about 80 per cent to 100 per cent return per annum on shareholders' funds. I am sure that everyone would be delighted to be a shareholder of an insurance company in that situation. The mistake that the Minister makes is really that he does not understand the basics of finance. I make that comment because I believe that, if we understand that fundamental premise, we will go a long way along the track of understanding why the Mules and Fedorovich report has some problems.

The last question I wish to ask the Minister relates to the base on which the figures have been presented. Has the Minister taken an opportunity to actually discuss this matter with an outside authority to check the validity of the basic figures shown? I ask that question because for some time the Minister and the Government have been very defensive about the original costings. I hope that the Minister has taken an opportunity to test, or put his toe in the water, and ask, 'Is there something fundamentally wrong with our first costings?' and if there is to see whether the ultimate benefits can be afforded. Can the Minister say whether he personally (not his officers), because it is critical to this whole Bill, has discussed this matter with people in outside industry to ascertain whether the Mules and Fedorovich report hangs together?

The Hon. FRANK BLEVINS: We might be getting repetitive here. Although I do not agree with the point made by the member for Mitcham, I understand it. My view, from the independent advice I received from the university as well as from the economists in the Department of Labour, is that that is the level of profitability across the industry in the long term.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: You may disagree with that, and we will have to agree to differ. Although I do not agree with the point you make, I understand it. As regards the costings, they were first made available to the 'new directions' conference in 1984. Since that time they have been subjected to the scrutiny of anybody who has chosen to look at them. To my knowledge, apart from this (I agree) very fundamental question of the profitability of the industry, nobody has been able to dispute those figures. They were publicly available, but before the last election I made a point of giving them to the Opposition. Also, the employers, in their discussions with the trade union movement, that produced the white paper, accepted those costings as the basis for the figures in the white paper.

If we are going to debate the cost of the additional benefits since the white paper, that is fine, and I am happy to do that. Those figures are quantifiable and there are no great mysteries but, with regard to the basic data that we are working on that has been around since the 'new directions' conference in 1984, it has been accepted by employers who have access to their own accountants, actuaries, and so forth, that that is where the figures in the white paper came from. Except for this fundamental difference as to the level of profitability of the industry, there is not a great deal of argument about the costings around the proposal.

The Hon. E.R. GOLDSWORTHY: I rise on a point of order, Sir. I draw your attention to Standing Orders 82 and 82a. Standing Order 82 states:

> No member shall presume to bring any stranger into any part of the Chamber, appropriated to the members of the House, while the House or Committee of the whole House is sitting.

From memory, I think that was qualified in 1974 by Standing Order 82a, which states:

> Notwithstanding Standing Order No. 82 Parliamentary Counsel and such other advisers to a Minister of the Crown (not exceeding two at any one time) on a matter presently under discussion in the House may be seated in the area on the floor of the Chamber set aside for such purpose.

The area set aside for such purpose was designated as that area of the Chamber which is bounded by that wooden partition (if you like, in the box). Under those circumstances, what is occurring at the moment is in contravention of that Standing Order, and I seek your ruling on the matter.

The CHAIRMAN: My opinion has not changed and Standing Order 82a can be interpreted in such a way as to allow—

The Hon. Jennifer Adamson interjecting:

The CHAIRMAN: Order!

Members interjecting:

The CHAIRMAN: Order! I call the Committee to order.

The Hon. D.C. Wotton interjecting:

The CHAIRMAN: Order! I call the honourable member for Heysen to order. I believe that Standing Order 82a can be interpreted in such a way as to allow a Minister's adviser to sit in the position that he is now sitting, and I so rule.

The Hon. E.R. GOLDSWORTHY: I move to disagree to your ruling.

The CHAIRMAN: Bring it forward in writing, please.

Members interjecting:

The CHAIRMAN: Order! I call the Committee to order.

The Hon. D.C. Wotton interjecting:

The CHAIRMAN: Order! I warn the honourable member for Heysen. The Deputy Leader has disagreed with my ruling in the following terms:

> Because the ruling is contrary to Standing Orders and the accepted practice of the House.

The Speaker having resumed the Chair:

The CHAIRMAN: Mr Speaker, the Deputy Leader of the Opposition has disagreed with my ruling, because the ruling is contrary to Standing Orders and the accepted practice of the House.

The SPEAKER: In view of the fact that the ruling given by the Chairman of Committees was based entirely on—

Mr LEWIS: I rise on a point of order, Sir. How is it that on this occasion you can resume—

The SPEAKER: Order! The honourable member will resume his seat. The honourable member should be aware that the Speaker was in the process of giving a ruling, and in those circumstances should not be interrupted. I will continue my ruling from a standing position if that will clarify matters for the honourable member. I clearly uphold the ruling that was given by the Chairman of Committees, since that interpretation was based completely on an interpretation of Standing Orders that I myself had made in giving permission for the particular alteration in procedures to take place. It is the firm view of the Chair that the slight alteration in the position of advisers to the Ministers is completely in concurrence with Standing Orders. What may or may not have taken place in relation to discussions between the Government and the Opposition is not the province of the Chair in this matter.

Mr S.G. EVANS: I rise on a point of order, Sir. Could I ask whether you researched the speeches made and the guarantees that were given at the time by the Government in relation to where the advisers would sit in the House when that Standing Order was amended?

The SPEAKER: I fail to understand the point raised by the honourable member. Could he reiterate that?

Members interjecting:

The SPEAKER: There is one person who has the floor at the moment and that is the member for Davenport. I wish to hear his point.

Mr S.G. EVANS: The concern I am expressing to you as a point of order is that, at the time the change was made to Standing Orders, a guarantee was given and the area where the advisers would be seated in the Chamber was clearly defined. I ask whether you researched that before

making the decision to allow the advisers to move from the area where it has been the practice for them to sit.

The SPEAKER: I sought advice from the Clerk on this matter and it was clear that the area defined by the wooden barrier was in existence prior to permission being granted some years ago for advisers to take a place on the floor of the Chamber.

The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition): Mr Speaker, I suggest that the explanation that you have just given makes it perfectly plain that your ruling is in clear contravention to the Standing Order that I have recited to the House. You made clear that 'the area' is referred to in the Standing Order, and the designated area you, Sir, have defined as that area enclosed by the wooden partition. I rise on a matter of principle. There has been a show of absolute arrogance by the Government today. We came in here and found that Standing Orders were to be dramatically changed. The Deputy Premier gave notice earlier today of his intention, next week, to change, quite dramatically, the Standing Orders, and someone had already talked to the media about it. In the afternoon press I read about the Government's attempts to valididate the use of the guillotine to shorten debates.

The SPEAKER: Order! Would the Deputy Leader clarify, for the benefit of the Chair and the House, whether his remarks are directed at persons present or otherwise in this Chamber, or disagreeing with the opinion of the Chair?

The Hon. E.R. GOLDSWORTHY: I am disagreeing with the ruling of the Chair, Mr Speaker. You, Sir, called it an opinion: you suggested that you had earlier allowed an officer—'a stranger', as defined in Standing Orders—to occupy a place on the floor of this House, which is in clear contravention of what was explained to the House when the then Attorney-General (Hon. Len King) brought in a new set of rules for the operation of Standing Orders. An area was then set aside in this Chamber where officers of the Parliament and Parliamentary Counsel could be accommodated so that the Minister, if he did not know the answers to questions, could consult them.

We come in here tonight and find the Minister with an officer cuddled up alongside him. The Government says that this occurred because it suited the Minister's convenience. Next we could have that officer perched in the middle, if that suited the Minister's convenience. The fact is that there was a clear agreement on and statement of these new circumstances. For the Government to change those arrangements without consultation is a show of absolute arrogance. We saw that arrogance exhibited—

The SPEAKER: Order! I seek further clarification. Is the Deputy Leader objecting to the Speaker's ruling in support of the ruling of the Chairman of Committees? If so, I draw his attention to Standing Order 164 and its requirements.

The Hon. E.R. GOLDSWORTHY: Mr Speaker, I am indicating that we completely disagree with the ruling of the Chair, which is in clear contravention of the established practice as outlined by Standing Order 82a, which states:

Notwithstanding Standing Order No. 82—

which says that no stranger shall be on the floor of this House—

Parliamentary Counsel—

whom I see accommodated in the designated area—

and such other advisers to a Minister—

Government officers and others—

of the Crown (not exceeding two at any one time) on a matter presently under discussion in the House may be seated in the area on the floor of the Chamber set aside for such purpose.

Mr Speaker, you said that you checked up on this change, which was brought into the House some years ago, and that 'the area' was defined as that area to which I referred to previously, namely, the area bounded by the wooden partition. You said that it was clear in your mind that 'the area' referred to is the area which has been used discreetly by Parliamentary Counsel and other officers for a good many years now. However, we come in here tonight and find that that has been changed without any consultation with the Opposition.

Mr Speaker, if one is to give credence to your earlier words, that you were clear in your mind what 'the area' was, you will have to uphold the point of order that has been raised by the Opposition. The Standing Order is clear, and refers to 'the area'. You, Mr Speaker, have defined the area. The Opposition does not disagree with what you have said and, if any change is to be made to that Standing Order, it requires the consent of the House. It is a branch of Standing Orders and plain arrogance not to seek the consent of the House.

Members may say that this matter is trivial. I do not care whether or not they say that—it is a breach of the Standing Order and it is not trivial. If the Government wants to change the Standing Order let it do so. However, let us not walk over the rights and privileges of members of this place—which you, Mr Speaker, promised to uphold. One of the rules is that no stranger is allowed on the floor of the Chamber. Strangers are not allowed past the bar by the front door and the back doors into the Chamber. If a member was to bring a stranger on to the floor of the House all hell could and should break loose. If Standing Orders are to be changed to let strangers come further into this House, let that be done. The Government may believe that is trivial, but the Opposition does not.

An honourable member interjecting:

The Hon. E.R. GOLDSWORTHY: The honourable member has such little regard for the traditions of this place that in time I am sure he will change his view. Mr Speaker, if Standing Orders are to be changed, then that should be done.

Members interjecting:

The Hon. E.R. GOLDSWORTHY: We will consider it. It should go to the Standing Orders Committee in the first instance, so that that committee can look at it. That is what it is there for. If it is more convenient for the running of this place that it be done in a different way, let the committee look at it and suggest a change. Let the matter come before the House and, if it is sensible, I dare say that the Opposition will support it.

However, to flout Standing Orders, as is occurring in this place, is plainly unacceptable. Mr Speaker, for you to define the area, which is our very point, and then suggest that it does not matter, is plainly contrary to the statements that you made to the House that you would do all in your power to uphold the rights and privileges of the members of this place. One of those rights and privileges is that we have strict adherence to Standing Orders. I have no option but to move disagreement to your ruling.

Members interjecting:

The Hon. E.R. GOLDSWORTHY: Government members interject and say, 'What does it matter?'. If we accept that, what is the good of any of the Standing Orders? Why do we sit in these positions? Why do we run this place according to Standing Orders? It is not good enough to bend the rules even if one believes that the matter involved is not that significant. That is not the point. The rules are there and they are clear.

Standing Orders were explained to us precisely. We were not too happy with some of the changes being made in 1974, although this matter did not excite a lot of debate. Nonetheless, the rules were laid down precisely and, if the Government wants to change them, let it explain why. Let us not walk into this House and see that something has

been changed because we have a new Government and a new Minister. This is a test case, for you, Sir, in particular, if you intend to uphold the Standing Orders as you have pledged to do.

Mr LEWIS: I rise on a point of order. I had attempted, Mr Speaker, to seek your direction on another matter relating not to the substantive question before you at present but rather the procedural mechanism by which you assumed the Chair and the Chairman of Committees vacated his position as Chairman. There was no motion from any member of this Chamber seeking an adjournment of the debate to enable you to do so. I ask, Mr Speaker, that you explain how it was that you assumed the present position you occupy and make the judgments that you are in the process of making.

The SPEAKER: Standing Order 165 provides as follows:

If any objection is taken to a ruling or decision of the Chairman of Committees, such objection must be taken at once; and having been stated in writing, the Chairman shall leave the Chair, and the House resume, and the matter be laid before the Speaker; and having been disposed of, the proceedings in Committee shall be resumed where they were interrupted.

The Hon. D.J. HOPGOOD (Deputy Premier): I am in my sixteenth year as a member of this place and I have not seen anything like the performance which we have just had. This is absolutely incredible.

Members interjecting:

The SPEAKER: Order!

The Hon. D.J. HOPGOOD: Tomorrow morning, if the journalists are on the job, the people of South Australia over their muesli will read that this place, the elected representatives of the people, wasted 20 minutes or possibly more, in the middle of a debate on one of the most important measures that is likely to come before this place, discussing how many centimetres the adviser should sit from the Minister. The word 'Gilbertian' is not sufficiently strong to describe that to which we have just been put. Sir, your interpretation is perfectly in line with the Standing Orders. It is no good the Deputy Leader of the Opposition trying to take us back to the Hon. Mr King—

Mr LEWIS: I rise on a point of order. Is it normal for the speaker addressing you, Sir, and the members assembled in this Chamber through you to face the gallery and play to the gallery in the fashion that the Deputy Premier does at the present time?

The SPEAKER: There is no point of order. The Deputy Premier did appear to be directing his response to interjections coming opposite. I did not notice him directing them towards the gallery.

The Hon. D.J. HOPGOOD: I apologise to you, Sir, for breaching Standing Orders in responding to interjections. I promise I that will not further do so. I note, however, that there will be a further possible paragraph in the morning press stating 'as a result of which there was some further time wasted in discussing the disposition of the Deputy Premier when he addressed this question'. So, idiocy is heaped upon idiocy.

It is no good the Deputy Leader of the Opposition referring us to the letter of what the Hon. Mr King said, because I remind the Deputy Leader that, if there is no opportunity for any interpretation at all, it would follow that the advisers to the Minister are not available to honourable members of the Opposition during debates such as this, because that was one of the points which Mr King made at that time. The House has seen it as useful to its debates and for the information of honourable members to be able to interpret that in such a way as to ensure that all members of the House have access to advice as it is required.

Everybody understands that in any technical debate a Minister cannot be expected to know every point that is likely to be raised, and the alternative to having immediate access to advice is either that you delay the passage of the Committee or else the Minister simply has to say, 'I will get the details for the honourable member,' and that also is unsatisfactory. Sir, the interpretation that you put on this Standing Order is to the benefit of all members of the House. I apologise to honourable members opposite in relation to the lack of consultation on this matter. If I had thought that it was in any way important to them, I would of course have engaged in that consultation. I did not think that they would regard the matter as anything but essentially trivial, which of course it is, and I urge the House to reject the motion.

The SPEAKER: Standing Order 82a, which I will read again for the benefit of members, states:

Notwithstanding Standing Order No. 82 Parliamentary Counsel and such other advisers to a Minister of the Crown (not exceeding two at any one time) on a matter presently under discussion in the House may be seated in the area on the floor of the Chamber set aside for such purpose.

When this matter was raised with me, I inquired of the Clerk what area was set aside for that purpose and whether it was the area behind the wooden partitions. It was the view that, as the wooden partitions had predated the introduction of advisers, that was not necessarily the designated area. For practical purposes, and in order to facilitate debate within the Chamber, particularly for members seeking information from the advisers through the Minister, I deemed that alongside the Minister could be considered the area set aside.

Mr Lewis: Why didn't you tell us before?

The SPEAKER: Order!

The Hon. P.B. Arnold: Why doesn't the Minister leave and the officer take over?

The SPEAKER: Order!

The House divided on the motion:

Ayes (15)—Mrs Adamson, Messrs P.B. Arnold, D.S. Baker, S.J. Baker, Becker, Blacker, Eastick, S.G. Evans, Goldsworthy (teller), Ingerson, Lewis, Meier, Olsen, Oswald, and Wotton.

Noes (22)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins, De Laine, and Ferguson, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood (teller), Keneally, and Klunder, Ms Lenehan, Messrs McRae, Payne, Rann, Robertson, Slater, and Tyler.

Pairs—Ayes—Messrs Allison, Chapman, and Gunn. Noes—Messrs Crafter, Mayes, and Plunkett.

Majority of 7 for the Noes.

Motion thus negatived.

In Committee (debate resumed).

Mr BECKER: Regarding the costings proposal, in his second reading explanation the Minister said that Victoria had recently introduced its Work Care scheme and that this had reduced the premiums payable in that State by $600 million a year. Later, he said that under the Victorian scheme the average cut in premiums exceeded 50 per cent, and I believe that the Minister put the figure at about 53 per cent. If those figures are correct, the total premium pool in Victoria prior to the introduction of the Work Care scheme would have totalled $1 132 million. It is understood that statitics show that the present work population in Victoria numbers 1 779 000 and that the present work population in South Australia numbers 576 400. Therefore, once again, if the Minister's figures are correct, it follows that on a population basis workers compensation premiums in South Australia at present must total $363 million.

However, Mr Noel Thompson of the Insurance Council of Australia states that, in fact, South Australian premiums total $173 million, plus between $20 million and $30 million for self-insurance. Consequently, either the South Australian

premiums are substantially lower than the Victorian premiums or the figure of $600 million is wrong. It is further understood that the total premium income on workers compensation in Victoria prior to the introduction of Work Care was only $750 million. Will the Minister say what was the total annual premium income of workers compensation insurers in Victoria prior to the introduction of Work Care? What is the source of the Minister's information?

The Hon. FRANK BLEVINS: I feel sad that members opposite choose to treat this Bill in such a way. I realise that they must feel hurt because they have just had the thrashing of a lifetime. It will be many years before they can be considered seriously by the people of this State as an alternative Government.

The member for Hanson could hardly ask his question for laughing, but I see nothing to laugh about in workers compensation either as regards the injured worker or South Australian industry. Is it any wonder that, as stated by the member for Davenport and other members, small business and big business have deserted their traditional representatives on the other side and have preferred to talk to members on this side?

The information required by the honourable member is obtainable from a variety of sources. In my response on second reading, I quoted the figures stated in an article in the Melbourne *Age* of 21 January 1986. I have a copy of that article and shall be happy to make it available to the honourable member, if he wishes me to do so, rather than reading out the information in Committee.

Mr BECKER: I should appreciate receiving those figures. I asked my question in order to get to the basis of the Minister's statement that the Work Care scheme had saved $600 million a year in Victoria. That is a colossal sum even when related to the South Australian situation.

Mr Chairman, I draw your attention to the behaviour of a certain member of the Committee. I get accused of laughing, but there are members opposite who are talking to each other, some of them standing with their backs to the Chair. They are not making it easy for me to seek the information I require.

The CHAIRMAN: The problem referred to by the member for Hanson is being caused by members on both sides. I ask that members observe the usual decorum so that members who are speaking can be heard in the way that the Committee would like them to be heard. The honourable member for Hanson.

Mr BECKER: This is an important matter that is of concern to the insurance industry, to employers and to some members on this side. The letter that I and other members have received from Coca-Cola states that in South Australia workers compensation premiums are 1 per cent per annum of the payroll, whereas under the Victorian scheme it would have to contribute 3.23 per cent. Working on the assumption that Coca-Cola has a payroll in South Australia of $1 million a year, I believe that that would result in premiums of $32 300.

The Hon. FRANK BLEVINS: My understanding of the Victorian system is that premiums are averaged. There is no intention that that be done in this State. Premiums here are based on the record of a firm or section of the industry and various other criteria. It may well be that in Victoria, Coca-Cola, which has a good record with few claims, is paying more because of the averaging method of fixing premiums. I could try to get the information from Victoria, but the matter is of academic interest only, as it relates to a system that will not be introduced in South Australia. Our system will be based on different criteria, including the risk in the specific section of an industry and the claims history of a firm. So, what happens in Victoria will not apply in South Australia.

Mr BECKER: I would be grateful if the Minister could obtain that information because the area that concerns me is small business, particularly a business with only one or two employees. We will take as an example the local delicatessen, with a workers compensation premium of $200 per annum: if one averages out the risk and accepts this proposal and if an employee of that delicatessen has an accident in the delicatessen or on the way to work, the employer must pay the first week's wages, which is a little more than $200, along with medical costs. I am wondering whether under this scheme small business might be disadvantaged and large business better off. Has the Minister been able to come up with anything on that through this averaging scheme?

The Hon. FRANK BLEVINS: It depends entirely on the claims record of the individual business. The point I am making is that we are not doing any averaging in South Australia.

Clause passed.

Clause 3—'Interpretation.'

Mr S.J. BAKER: Mr Chairman, I ask that we consider this clause definition by definition, as we have some alterations to those definitions. Most we will not be dealing with at all, but some we wish to question.

The CHAIRMAN: The honourable member may speak to his amendments or to the clause as a whole, but we will not take paragraph by paragaph.

Mr S.J. BAKER: I would appreciate dealing with it paragraph by paragraph.

The CHAIRMAN: The Chair will not depart from the traditions of the Committee.

Mr S.J. BAKER: We have indeed on a number of occasions in the past broken up very large clauses. This is a definition clause and runs over some five or six pages, and I have a right to ask questions.

The CHAIRMAN: I ask the honourable member to resume his seat. He has put a question to the Chair, and the Chair has answered that question. The Chair will not enter into a debate with the honourable member on this matter. The situation now lies in the hands of the honourable member. He may speak to each of his amendments separately.

Mr S.J. BAKER: I will then use my three questions by asking questions on which we do not have amendments, and then I will address the amendments.

The CHAIRMAN: We will take the amendments that the honourable member has before us. He will then have the opportunity, having disposed of these amendments one way or the other, to question the Minister on the whole clause.

Mr S.J. BAKER: I accept that interpretation. My first amendment relates to apprentices, and I move:

Page 1, lines 26 and 27—Leave out paragraph *(b)* of the definition of 'apprentice'.

The first in the long list of definitions in the Bill defines an apprentice as an apprentice under the Industrial and Commercial Training Act or anyone that the corporation deems fit to define as an apprentice. Some concern exists that we are not only setting a precedent but will define apprentices who are not within the Industrial and Commercial Training Act. There may be other problems in relation to who is included and who is not. The apprentice is specified here. We appreciate that there may be some circumstances of which we are not aware but which may have to be somehow catered for in the Bill. We are asking for paragraph *(b)* to be deleted, because we do not believe that the definition of an apprentice should change. As the definition of 'apprentice' is set in another Act, paragraph *(b)* is inconsistent with that Act. Further, if there are circumstances which the Minister believes should be included

under the Bill, he defines them as separate. Can the Minister explain why paragraph *(b)* is in the Bill?

Mr GREGORY: I have been a member for about as long as the member for Mitcham. When we were unfortunate enough to have the Liberal Party on this side of the Chamber, when discussing an industrial relations Bill we could not keep Glazbrook and a few others down. They were like jacks-in-a-box, and I will take the opportunity now to say a few things.

The CHAIRMAN: Order! I would ask the member to come to the amendment before us.

Mr GREGORY: The amendment negates one of the important functions of the Industrial and Commercial Training Commission. If members opposite can cast back their minds to when they were in Government, they will remember that the then Minister of Labour, the Hon. Dean Brown, was successful in having the Industrial and Commercial Training Bill passed in the other place. It provided for the functions of the Commission and for the training of people under approved schemes that referred to vocations. It recast the whole training aspect in South Australia. When paragraph *(b)* refers to a scheme approved by the commission for the purpose of this definition, it is referring to people being trained in a manner similar to that of an apprentice where there is no award provision.

One of the real disabilities in the training of people was that, where there was no provision for apprentices within the appropriate award, one could not then have an apprenticeship. Whilst the Apprenticeship Commission might approve of it, if the provisions were not in the award, there was no use in going on with it. That was one of the reasons for the amendment. If we are to delete this paragraph from the Bill we will be disfranchising a growing number of young people and, in some cases, mature people from the benefits of this Bill, as though they have a form of contract of employment different from that of a normal employee.

Mr S.J. Baker: Give me an example.

Mr GREGORY: A clerk.

Mr S.J. Baker: He is not an apprentice.

Mr GREGORY: That has nothing to do with it. If the honourable member listens, he may learn. It refers to a person undertaking training in a scheme approved by the commission for the purpose of this definition. If the honourable member understood how the legislation worked, he would know of the provision under which an apprenticeship as previously defined can be changed to a vocation. The Industrial and Commercial Training Commission was given power to establish various training schemes which arranged for all sorts of things. It was very broad: it allowed for all sorts of things that were outside the narrow scope of apprenticeships. These people were paid while they were working. If we delete this definition, we will disfranchise a number of workers.

Mr S.J. Baker interjecting:

Mr GREGORY: There is no provision at present for apprenticeships for clerks. There is no definition of 'apprenticeship' for a fork truck driver or truck driver—or any number of workers. What is happening is that in the training area all sorts of training schemes are being approved and people are being paid while they are trained. If we delete the definition from the legislation, and if people are injured, they will not be covered. We will be disfranchising workers and making things cheaper for the employers.

Mr S.J. BAKER: This is not really a serious point. It was brought to my attention that we are creating a new definition of 'apprentice'. If the Minister wanted to cater for these extraneous training schemes (and I can understand that there would be some circumstances where he would want to do that, and that is why we want to delete the definition), it should have been a separate item. We have sought to delete the definition because we want to find out what it embraces. I am still not satisfied: it can cover a variety of evils or good things. Who knows? We have not received a satisfactory explanation, and thus the definition should be deleted, but I will not call for a division.

The Hon. FRANK BLEVINS: I oppose this amendment. A whole range of training schemes which are operating now are not covered by the definition of 'apprenticeship'. It would be completely unjust to deny these people the benefits of this legislation that apply specifically to apprentices. In fact, we are moving more and more into different training schemes and I suspect that, with the changing nature of the work force and technology, and so on, that will be accelerated. I am a strong supporter of apprenticeships as they are at present, but my guess is that in time various forms of traineeships will be developed further—they are being developed now. There is no reason why those people, who are in the main young people, should not be given the benefits that are inherent in this legislation.

Amendment negatived.

Mr BAKER: I move:

Page 2, lines 30 to 34—Leave out paragraph *(b)* of the definition of 'contract of service'.

This amendment deals with contract of service. We propose that part of the definition be deleted. Paragraph *(b)* deals with a contract, arrangement or understanding under which one person (the worker) works for another (the employer) in prescribed work or work of a prescribed class (being work or a class of work prescribed by regulation made on the recommendation of the corporation). There have been a number of announcements by the Minister preceding the introduction of this Bill and indeed the former Minister canvassed the possibility of including all forms of work within the definition of 'contract of service'.

The Opposition is aware that there are some contracts of service that exist in a prescribed form, and I will ask the Minister to outline all those areas that are prescribed today under the Act. However, in principle the only way in which we can act to defeat the proposition that subcontractors be included under this Bill in respect of having their premiums paid by principal contractors is to delete paragraph *(b)* so that contracts of service come into the self employed category, which is where they belong. There is a great deal of consternation about this matter, and I know that a number of members on this side have expressed concerns about subcontractors and outworkers and other various forms of work falling within the ambit of the Bill.

We know that there are one or two anomalies at present: for example, on some building sites there might be double payment for workers compensation. However, that is nothing compared with what will happen if the Minister suddenly declares that various classes of work will come under this legislation. There will be enormous confusion. One of the great difficulties is where it starts and where it ends. Conceivably, under this bland definition and without any indication of what prescribed classes there will be, the ludicrous situation could arise where someone hires his next door neighbour to mow his lawn and using the lawnmower on the premises: if the neighbour has an accident, he could sue the householder. Not only are there problems but also in the end result there could be a $10 000 fine because the householder is not a registered employer. That ludicrous situation could arise because there is a tight definition of what will be included under this paragraph.

I know that a number of my colleagues will want to question the Minister on what he intends, and I want to know specifically what he intends. We on this side are opposed to subcontractors being included. We certainly cannot change what is already in the Bill in terms of prescribed classes, but in a number of very sensitive areas, that is,

areas where people act as primary contractors as well as subcontractors, we do not want any confusion. In essence, we want everyone included under the ambit of the Bill except householders who enter into small household arrangements from time to time. Therefore, no-one can go back into the common law arena because they fall outside the legislation. The definition is not tight enough to ensure that that will happen.

The Minister's second reading explanation does not provide a satisfactory explanation of what will happen under regulation in relation to paragraph *(b)*. The only way in which we can stop problems from occurring is to delete the definition. We recognise that the 1971 Act contains similar words. The words have changed little; basically the words in the Bill are very much the same as those in the Act. However, everyone knew what the Act meant, but no-one knows what will be brought in under the regulations. For the edification of the Committee, I ask the Minister to tell us what prescribed classes of work come under the ambit of the existing Act.

The Hon. FRANK BLEVINS: I am having a great deal of difficulty in understanding precisely what the member for Mitcham is on about. He seems to be wandering between some domestic cleaning arrangement type of contract that applies in the home—

Mr S.J. Baker: Does the clause embrace that concept?

The Hon. FRANK BLEVINS: No.

Mr S.J.Baker: It can't?

The Hon. FRANK BLEVINS: It is very clear, and the honourable member should look at page 4, lines 9 to 15. The definition of 'employment' includes:

> *(a)* work done under a contract of service except casual work that is not for the purposes of a trade or business carried on by an employer (but where a worker who is employed by an employer in a particular trade or business carries out for that employer work that is not for the purposes of the trade or business, the work constitutes part of the employment of that worker);

If you are employing somebody, and it is not for the purpose of trade or business (in other words, if you employ somebody to mow your lawn, clean your windows, vacuum your lounge, do your laundry or whatever it is that the honourable member is concerned about), then they are excluded. I do not know whether that clears up the point raised by the member for Mitcham. My understanding is that clause 3 on page 2 at lines 30 to 40 contains the definition of 'contract of service' and that provision is contained in the current Act: there is no variation. Does that answer the question?

Mr S.J. BAKER: As a point of clarification, I explained the end point. Perhaps I will bring that end point back to the paperboy, who perhaps falls into that definition, rather than the casual person on the lawnmower. I asked for specific information about what falls in the prescribed class as mentioned under paragraph *(b)*, which is very similar to the existing rules. Can the Minister please tell the Committee what is currently covered under the prescribed classes? We made it quite clear on this side that we do not want that paragraph extending into the subcontracting area or into the outworker area. We want to know what is covered today. The next question will obviously be: what are the intentions for tomorrow?

The Hon. FRANK BLEVINS: I will obtain that information for the honourable member and give it to him later.

Mr S.J. BAKER: I will rise on a point now. The former Minister of Labour made some public statements that subcontracting would come under this Bill. We want that situation clarified, because it is very important. He also made some other statements, and they have certainly been followed up by the present Minister. The other area that was mentioned in the white paper (of which I have heard no mention by the Minister, except at one stage a vague reference) was that of the position of outworker, so it is obvious to people on this side of the Chamber that the ambit of the workers compensation area will widen as far as those people are concerned.

We know that at the moment there are some anomalies in the system but, from our point of view, we believe that the anomalies will increase enormously under this sort of vague situation where we do not know who is in and who is out. Surely the Minister must have some concrete ideas, because we have already seen some press releases in relation to it. He has informed employers that we will do something about that area. The employers would be delighted to know whether in fact people who use trucks for removal or whatever will suddenly appear under this paragraph if they are not there today. A whole range of working arrangements which exist in the work force today are not covered by this 'contract of service' as defined under the existing Act. If the Minister wishes to enlighten the Committee, he can tell us what is now there and perhaps he can tell us exactly what will be there.

I think this is an important question for people on rural properties, for people who do not have regular employees but use contracts as a means of meeting commitments, and also for people who work on a seasonal basis. I am sure that the Committee would be delighted if the Minister could provide some information.

The Hon. FRANK BLEVINS: I have stated that the position does not differ from the present position. Is the honourable member asking me to read out what the present position is?

Mr S.J. Baker: Yes.

The Hon. FRANK BLEVINS: Perhaps if I give the reference in the present consolidation of regulations under the Workers Compensation Act 1971 to 1974. Look at the consolidation of those regulations on page 2.

Mr S.J. Baker: Yes, I have page 2 and I also know what the 1971 Act says.

The Hon. FRANK BLEVINS: Section 14 states:

> For the purpose of section 8 (1a) of the Act, the following classes or kinds of work are prescribed to be work of a prescribed class or kind—

Is that what you want? Do you want me to read all these various things out?

Mr S.J. Baker: Yes.

The Hon. FRANK BLEVINS: You are not prepared to look at them yourself? It is available, but you want me to read it? Are you bringing the Committee, in a debate on this important legislation, down to this level where you admit you have something in front of you; you admit that you have the consolidation of the regulations under the Workers Compensation Act?

Mr S.J. Baker: We do not have the consolidation of the regulations: we have the Act.

The Hon. FRANK BLEVINS: But you want all those referred to in the Act read out? I have some difficulty in establishing precisely what you want. If you want all the classifications that are covered by the regulations read, then I am quite happy to do that. I think that what you are doing—

The CHAIRMAN: I ask the Minister to resume his seat. I notice that the member for Murray Mallee is sitting in a seat that is not usually occupied by members. I direct him to remove himself from that seat. The House has taken a decision that that seat is to be used by the adviser to the Minister and the honourable member is not assisting the Committee. If the member defies the Chair, I will name him. I warn the member for Murray Mallee. I name the member for Murray Mallee.

The Speaker having resumed the Chair:

The CHAIRMAN: Mr Speaker, I have to report that I have named the member for Murray Mallee for defying an order from the Chair.

The SPEAKER: The member for Murray Mallee will now be heard in explanation. I call on the member for Murray Mallee.

Mr LEWIS (Murray Mallee): Since I became a member in this place I have always understood that, during the sittings of the House, the floor of the House is for members of the House only, unless visiting members from other Parliaments are invited by yourself or an honourable member deputising for you in your absence onto the floor of the House. I did not realise, nor was it explained to me at any time, that members of this House may not place themselves anywhere that they chose on the floor of the House during its sittings so long as they did so with decorum.

The Chairman did not accuse me of indecorous behaviour. No member complained of the fact that I was sitting where I was or that I was in any way engaged in behaviour that was unbefitting a member of this Chamber. In my defence, I add a further point. During the course of the explanation given to us by yourself, Mr Speaker, during the past hour or so, you did not rule out the possibility of members being able to sit where they chose out of their place on the floor of the Chamber, regardless of where that might be. For as long as I have been in this place I have noticed large numbers of members frequently sitting or standing out of their places, conducting themselves with decorum in keeping with Standing Orders (as I have understood them), without being named for doing so.

Therefore, I fail to see under what Standing Order, traditional, or Johnny-come-lately precedent, we find ourselves compelled to accept the whim and direction of the presiding officer in relation to whether or not we will be dismissed from this place because we are where they do not want us to be. It is a mark of some regret that I have had to force the issue in this instance when the Chairman challenged me without any member drawing attention to me or anything I was doing, thereby requiring me to remain in disobedience of that direction. Mr Speaker, I ask you to explain to me how I can be so named by the Chairman of Committees and of what misdemeanour I am guilty.

The Hon. D.J. HOPGOOD (Deputy Premier): I move:

That the member for Murray Mallee be suspended from the sittings of the House.

In doing so I point out to the House—

The SPEAKER: Order! Will the Deputy Premier resume his seat. We have a point of order.

The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition): I move:

That the member for Murray Mallee's explanation be accepted.

The Deputy Premier seems to make up the rule book as he goes along. We have seen an example of the iron-fisted so-called 'discipline' of Premier Bannon and his team this evening. The fact is—

The SPEAKER: Order! I make it clear that I looked around to see whether or not a motion of the nature of which the Deputy Leader is presently moving would be moved. No-one stood up on that side of the Chamber. The Deputy Premier then caught my eye and I gave him the call. Nevertheless, in view of the circumstances, I will allow the Deputy Leader to proceed with his motion.

The Hon. E.R. GOLDSWORTHY: It is already under way, so I do not know the purpose of that interruption. This evening we have seen meted out to the member for Murray Mallee a most iron-fisted display of arrogance by this Government which overrides the undoubted rights of members in this place. The whole House, including the floor of the Chamber, belongs to the members of the Parliament—Opposition and Government. That is part of the inviolate rules of the Westminster system of Parliament. Because the member for Murray Mallee normally sits in the seat that he now occupies does not mean that he cannot sit in a chair that is often reserved for and used by visiting dignitaries. It does not mean that the member for Murray Mallee, or any other member for that matter, cannot freely move around the Chamber.

Standing Orders preclude the free movement of strangers, as they have been traditionally known through the centuries, around the Chamber. If the Government is seeking to interfere with that longstanding right of members, then it should let the Parliament know about it. What have we seen tonight? We have seen a Standing Order changed at the whim of the Government without a whiff of consultation from the Deputy Premier, which is his usual form.

What Opposition members find out we do not find out from the Deputy Premier, but hear on the grapevine or learn by hard experience. Members opposite may laugh, but wait until some of their privileges as members in this place are transgressed! This House belongs to the members of Parliament. Strangers come in here on the decision of members—not on the decision of the presiding officer, the Premier or the Deputy Premier. All members, whether belonging to the minority or majority Party, and including the Independents, are as important as the Premier in a matter such as this.

If the Government wants to interfere with the rights of members it does so at its own peril. Members opposite may laugh it off, but an Opposition member, on a matter of principle, is going to be thrown out of this place because he exercised his right as a member to use this Chamber and to sit in a seat that he wanted to sit in. What is to happen? He is to be turfed out so that the Minister can put a stranger in that seat, without consultation. The iron fist involved in the making of this change is to be used to kick the member for Murray Mallee out of the Chamber.

Nothing like this has happened, I suggest, in the history of this Parliament. I would be surprised if it has ever happened in the history of a Westminster Parliament: a member of Parliament who has as much right in the Chamber as any other member is to be kicked out of a position in the House to accommodate a stranger. It is entirely unprecedented and will be to the everlasting shame of the Bannon Government. The Premier has shown a degree of fairness on many matters that I have not observed in some of his predecessors. You, Mr Speaker, during your first week in occupying the Chair, have attempted to show a degree of common sense which I thought augured well for your term in the Chair.

I have had experience of a number of Labor Speakers during my parliamentary career, and one of the fairest Speakers was Gilbert Langley. However, I remember on one occasion the Premier of the day instructed the Speaker to throw a member out, and that was a most unfortunate blemish on what was an otherwise excellent record. We now have you, Mr Speaker, because of your ruling and with the concurrence of the Government, about to exclude a member of this place from a chair in the Chamber to accommodate a stranger. That will be to the everlasting detriment and shame of this Bannon Administration, and of you, Mr Speaker. I believe that you, Mr Speaker, and the Government that is supporting you, should seriously reconsider this motion to expel the member for Murray Mallee.

The Hon. D.J. HOPGOOD (Deputy Premier): In urging the House to reject this motion, I will confine my remarks to those things that have so far been said that are relevant to the matter which is before us. I point out to honourable members that most of what has been canvassed by the

Deputy Leader of the Opposition may well have been pertinent to a matter which had been debated by this House and determined but, in fact, in the light of that determination, it is no longer pertinent or relevant. The House has already debated the matter of the appropriate position of the Minister's adviser on the floor of the House, and that matter is out of the way. I have no desire to do other than direct members' attention to that decision of the House that was taken only an hour ago.

Secondly, I listened very carefully to the explanation given by the member for Murray Mallee, and again there were these matters that might have reasonably been placed before the House had the honourable member sought the indulgence of the Committee following the warning which Mr Chairman gave to him. However, the member did not seek the indulgence of the House to put a point of view to it. He sat there and, in the light of a warning and an indication from the Chairman that further defiance of the Chair would lead to naming, he was mute. There is, therefore, only one matter which is before this Chair and this House as of now, namely, that the honourable member for Murray Mallee flagrantly disobeyed the direction of the Chairman in Committee.

The Hon. D.C. Wotton: Which Standing Order was breached?

The Hon. D.J. HOPGOOD: The breach of the Standing Orders was that the honourable member disobeyed the ruling of the Chair. Despite the warning that had been given to him, the honourable member continued to disobey the Chairman and therefore behaved in a disorderly fashion, and the Chairman quite reasonably named him in those circumstances following proper warning that that would take place. The House in these circumstances, in the light of a flagrant disobeyance of the Chairman's direction, has no option but to suspend the honourable member from its sittings.

The House divided on Hon. E.R. Goldsworthy's motion:

Ayes (15)—Mrs Adamson, Messrs P.B. Arnold, D.S. Baker, S.J. Baker, Becker, Blacker, Eastick, S.G. Evans, Goldsworthy (teller), Ingerson, Lewis, Meier, Olsen, Oswald, and Wotton.

Noes (23)—Mr Abbott, Mrs Appleby, Messrs, L.M.F. Arnold, Bannon, Blevins, De Laine, Duigan, and Ferguson, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood (teller), Keneally, and Klunder, Ms Lenehan, Messrs McRae, Payne, Rann, Robertson, Slater, and Tyler.

Pairs—Ayes—Messrs Allison, Chapman and Gunn. Noes—Messrs Crafter, Mayes, and Plunkett.

Majority of 8 for the Noes.

Motion thus negatived.

The SPEAKER: The question not being agreed to, I call on the member for Murray Mallee to leave the Chamber.

The honourable member for Murray Mallee having withdrawn from the Chamber:

Honourable members interjecting:

The SPEAKER: Order! The honourable Deputy Premier.

The Hon. D.J. HOPGOOD (Deputy Premier): I move:

That the honourable member for Murray Mallee be suspended from the sittings of the House.

The House divided on the motion:

Ayes (23)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins, De Laine, Duigan, and Ferguson, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood (teller), Keneally, and Klunder, Ms Lenehan, Messrs McRae, Payne, Rann, Robertson, Slater, and Tyler.

Noes (14)—Mrs Adamson, Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker, Becker, Blacker, Eastick, Goldsworthy (teller), Ingerson, Meier, Olsen, Oswald, and Wotton.

Pairs—Ayes—Messrs Crafter, Mayes, and Plunkett. Noes—Messrs S.G. Evans, Chapman and Gunn.

Motion thus carried.

The Hon. D.J. HOPGOOD (Deputy Premier): I move:

That the sittings of the House be extended beyond 10 p.m.

Motion carried.

In Committee (debate resumed).

The Hon. FRANK BLEVINS: What information does the member for Mitcham want? If I understand correctly, the honourable member was mixing up two things and I have explained the first of them to his satisfaction. The prescription of certain classes of work is covered by the consolidated regulations under the present legislation. There is a long list and I suggest that the honourable member peruse the appropriate regulations, to which I can refer him, rather than ask me to take up the time of the Committee by reading out the list.

Mr S.J. BAKER: This whole debacle arose because the Minister could not answer questions. I am merely asking him what the regulations cover at present and what the Government intends shall be covered by the Bill. He cannot even do that without asking for a piece of paper to be sent down. The Minister does not know the Act. He cannot find anything in it when he is asked to do so. One of the prices that we have paid this evening is that we must have an officer sitting next to the Minister on the floor of the Chamber. According to my colleagues, this is the first time that this has happened in the history of the Parliament. It is a disgrace that we have lost one member because of this, and it is a disgrace that parliamentary tradition has been thus broken.

I again ask the Minister whether it is intended to widen the ambit of the regulations. Grave concern has been expressed by many people about the position of subcontractors. The Minister has said that subcontractors will come under this clause. If that is so, where will such a provision start and end? It is an absolute disgrace that the Minister cannot give us the information we desire. What areas of subcontracting will be included? Will out workers be included in the prescribed classes of worker? Will the provision include the paper boy on a round who is earning money on a regular basis? How about many other classifications such as the person who cleans houses on contract? We must be told who will pay the premium. Will the Minister say what he meant and what the previous Minister, Mr Wright, meant when they said that the area of contract would be widened to include subcontractors and out workers?

The Hon. FRANK BLEVINS: The honourable member is mixing two things, and I understand his difficulty with my response, because I am having difficulty with his question. He seems to consider that the scope of the provisions is being extended to bring within the ambit of the legislation domestic cleaning, lawn mowing, window cleaning and that type of contract, but that is not so. That is dealt with under the definition of 'worker'.

As it is drafted, the provision brings no-one within the scope of the legislation who is not there already. In future, a Minister may want to bring someone else within the scope of the legislation, but that would have to be done by regulation, and that regulation would have to come before Parliament in the normal way. At present, however, that is not the intention of the Government. The Government intends that the present position shall prevail. Government policy may change in future and, if it does, Parliament will have the opportunity to debate that change. That is normal standard procedure.

I cannot understand the fuss being made by members opposite. If they cannot deal with such a simple concept, which is a standard, everyday legislative concept, I do not know how I can help them any further. To me the position is clear, and I hope that I have expressed it in simple language.

Mr INGERSON: I wish to clarify the situation of two groups of people. First, I refer to owner drivers. Being subcontractors, are they included within the ambit of the Bill? Are building subcontractors such as electricians and master plumbers included in the Bill?

The Hon. FRANK BLEVINS: A whole list of people are included currently under the Act.

Mr Ingerson: What about those two?

The Hon. FRANK BLEVINS: I will read the relevant section, and the honourable member can work it out for himself. It states:

> 14a. For the purposes of section 8 (1a) of the Act the following classes or kinds of work are prescribed to be work of a prescribed class or kind—
>
> *(a)* work in constructing, erecting, adding to, altering, repairing, equipping, finishing, painting, cleaning, signwriting or demolishing a building at or adjacent to the site thereof;
>
> *(b)* cleaning any premises;
>
> *(c)* driving a motor vehicle used for the purpose of transporting goods or materials whether or not the vehicle is registered in the driver's name where that driver is paid pursuant to the Corporations and District councils (State) award;

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: I am happy to make a copy of the regulations available to the honourable member and he can wade through them to see precisely who comes within the ambit of the present Bill.

Mr Ingerson: Yes or no?

The Hon. FRANK BLEVINS: It depends on how one defines 'subcontractor'.

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: If the honourable member wishes to give me an example of precisely to which owner drivers he is referring and to whom they are delivering and so on, I will try to answer his question.

Mr INGERSON: The specific example I would give is that of an owner driver who drives under contract to deliver parcels, sometimes small and capable of being lifted with two hands and at other times requiring lifting equipment for safety purposes. I refer to people driving trucks around the city who deliver parcels from one pickup point to another. They are classed within the transport area as owner drivers. Is that group covered under this Bill, since the Minister said that there is no change here from the existing Act? My understanding from the previous Minister is that they were not covered. Have they now been included in this Bill?

The Hon. FRANK BLEVINS: There appears to be a concensus that in the circumstances described by the honourable member the answer is 'No'.

The Hon. JENNIFER ADAMSON: During the second reading debate the Minister, by interjection, gave an assurance that ordinary householder services would not come within the ambit of this Bill. Under the Act at present I carry insurance to cover my liability for injury in the case of the cleaning woman and someone who mows the lawns. If there is to be a monopoly on workers compensation insurance, how in future will it be possible for people in my situation, and extending somewhat beyond that, to be covered? For example, if I were to engage someone to paint the roof, how is it possible for me or any person to carry that liablity if there is to be a single insurer with individuals not being covered under the ambit of this Act? What is the Government's proposal for such coverage?

The Hon. FRANK BLEVINS: If a person comes to paint the roof and is an employee, they will be covered by their employer. If they are self-employed in business, they will make their own arrangements. If it is casual work where friends or neighbours are involved, they are not your employee for the purpose of conducting your business, and the normal provisions will continue. The normal insurance industry is there and you will cover yourself for any liablity in the case of personal accident exactly as you do now. Nothing is intended to be changed in that regard; the definition of 'worker' is not changed. It seems to be an important issue with members and we appear to be getting bogged down. If members have some doubt about what I am saying, they can ask my advisers who have assisted in drafting the legislation.

Members interjecting:

The Hon. FRANK BLEVINS: I am attempting to short circuit what is becoming a tedious debate. When I give the relevant reference in the Bill and tell members that the definition of 'worker' applies, members for some reason choose not to believe it and want to continue asking questions. Unless it is purely for the purpose of wasting time (and that I understand), then I have given the information on several occasions. If members are not satisfied with that, they will have to seek answers elsewhere. I obviously cannot satisfy members on that point. If it is not their intention to waste time, it will take five seconds to obtain an informed second opinion. I ask members to do that rather than getting us bogged down on this issue.

Mr S.G. EVANS: I do not believe it is proper that this Parliament should expect a member to go to an adviser (although I have respect for them and their expertise) to get advice and not have it recorded in *Hansard*, because many more people other than parliamentarians are concerned with what is happening. I refer again to the painter. If a householder buys the paint and has a person come in and quote so much per hour to paint the building, is the person coming in on that basis covered by the Bill? In other words, does the householder have to ensure that that person is registered as a worker under this Bill?

The Hon. FRANK BLEVINS: As I have said on a couple of occasions, the answer is 'No'. The painter would be in exactly the same position as the hourly paid home help or the domestic (or whatever is the appropriate term). That position would have to be covered, if the honourable member was a prudent householder, by accident insurance, because the person would not come under the definition of 'worker'. We have gone through it. I really do not know how I can satify the Committee any further.

The Hon. JENNIFER ADAMSON: I would go further than the member for Fisher saying that the Minister's statement that we can consult his adviser is not good enough: it is absolutely preposterous for a Minister to say to the Committee, 'I cannot answer the question, but any honourable member can consult my adviser.' Tonight the Minister has demonstrated by a series of actions, aided and abetted by his colleagues and his Leader, that he is not competent to answer and to deal with the Committee stage of this Bill. That has been demonstrated more blatantly than I have seen any other demonstration of incompetence by a Minister. To actually say to members, 'I can't answer. You go and ask' is not good enough.

There is a large and significant proportion of industry in South Australia that will be reading the *Hansard* record of this debate and will be looking to it to have the questions that they have put to us answered because of undertakings given by members of the Opposition that the Committee stage of the Bill would be used for clarification of the meaning of the legislation, because it is not clear as it is written. Therefore, the Minister, as a Minister of the Crown

handling the legislation, is under an obligation to answer the questions put to him. If he acknowledges that he is incapable of answering questions, I suggest, respectfully, that he obtain the information here and now and convey it to the Committee so that it can go on the record.

It is quite clear to anyone who has ever engaged a person to work for them that any lawyer would understand the arrangement between a contractor and, say, someone who comes to mow the lawn and uses the householder's lawnmower as a contract of service. That is a very simple definition for anyone who knows anything about common law. Therefore, a person engaged to work under a contract of service comes within the ambit of this Bill and, as I as a lay person understand the position, my present arrangements to cover my liability for injury if anyone is working in my household or on my property are drawn within the ambit of this Bill. The Minister says that that is not the case, yet the Bill says that it is the case. Somewhere there must be clarification, which will go some way towards easing the real and well founded fears of a large proportion of the population in South Australia who employ anyone in any capacity whatsoever.

The Hon. FRANK BLEVINS: I regret the way in which the honourable member phrased her last contribution. She completely misrepresented what I said, and I would like the honourable member to check the *Hansard* tomorrow and perhaps have the grace to apologise. What I said was that I have explained the situation to the Committee several times and I am happy to go through it again, but it appears that the Committee, or at least some members, do not accept my explanation. They are perfectly entitled to do that—that is their business. All I am saying is that, if members do not accept my explanation (which I have given at least six times), they will have to seek advice elsewhere. They know, or they ought to know, that I am not allowed to refer to Parliamentary Counsel in debate: it is just not done. However, I suggest that perhaps that is one avenue, if honourable members do not accept my interpretation of the clause, where they may look for advice elsewhere. It seems to me that it will be particularly unproductive if after—

The Hon. Jennifer Adamson interjecting:

The Hon. FRANK BLEVINS: Yes. If after six times members still do not accept—

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: The honourable member has said that I said something quite different from what I actually said, but I know that she will be gracious enough to apologise when she reads the *Hansard* record of the debate. Even after I have given an explanation at least six times members still choose not to accept it. That is their right, but there must be an end to the debate. We cannot go on all night with me standing here giving the same explanation and members opposite asking the same—

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: That is not the question. If the honourable member wishes to ask that question, that is fine.

Members interjecting:

The CHAIRMAN: Order! I call the member for Mitcham to order. The honourable member will have ample opportunity to ask more questions if he so desires.

The Hon. FRANK BLEVINS: I am not quite sure how I can satisfy the member for Coles. If I cannot do that, after giving the explanation six times, in the interests of some finality to the matter I can only suggest that, if the honourable member does not believe me or does not accept my explanation, she seek advice on this clause elsewhere. That is what I said previously and I repeat it. What the member for Coles said when she spoke before me was completely and absolutely misrepresenting what I had said. What I said was very precise and very carefully worded.

Mr INGERSON: Previously I asked the Minister to clarify the position of owner drivers as it currently exists. What is the situation as far as the future is concerned in relation to regulations, and so on? I ask that question because the Minister several times, both in this House and publicly, has said that a different group of subconstractors will be brought under the ambit of this legislation. I believe that that is a fairly specific question. Can the Minister advise the Committee what specific group of subcontractors that is not currently covered by this Bill will now be included under the regulations or anything else that hangs on to this Bill?

The Hon. FRANK BLEVINS: As I stated, there is no intention to widen the scope of this.

Mr S.J. Baker: But you said that—

The Hon. FRANK BLEVINS: The honourable member should wait a moment. We may be at cross purposes. I will come to that later. I cannot bind every future Government for all time. And I have no intention of doing that.

Mr S.J. Baker interjecting:

The CHAIRMAN: Order!

The Hon. FRANK BLEVINS: However, if the Government's policy was to change, it would be done by way of regulation and the House would have the opportunity to debate and accept or reject those regulations. That is normal Parliamentary procedure. It may well be that in reference to owner drivers there is some confusion in the minds of members opposite in regard to another Act where I made the position quite clear, and certainly the previous Minister of Labour not only made it quite clear but attempted on numerous occasions to bring certain owner drivers within the scope of the Industrial Conciliation and Arbitration Act. However, this is workers compensation legislation. It may well be that that is what the honourable member was thinking of. If the honourable member can quote from documents in that regard, I would appreciate his informing the Committee. It should not take too long. We will try to refine and pin down precisely what we are on about.

Mr S.G. EVANS: Did the Minister receive a submission from the AMA and, if he did, does he have any explanation to allay the fears highlighted in the AMA submissions. That submission stated:

> We are concerned with the definition of 'medical practitioner'.

I take it that the association was talking about the instance where we refer to a legally qualified medical practitioner. It went on to say that it differs from that in the Medical Practitioners Act and the corporation may determine that someone who is not qualified under the Act may administer medical treatment. The association, in its letter, states:

> We consider that the Medical Board of South Australia is the body which is empowered to determine who is a medical practioner who may administer medical treatment.

I take it that the Minister would have received this letter.

The Hon. Frank Blevins: Very recently.

Mr S.G. EVANS: If the Minister does have the letter, then I am sure he will have checked it with his advisers. He might inform the Committee of the response from his advisers in relation to the AMA's concern in that area.

The Hon. FRANK BLEVINS: I think that the letter from the AMA arrived yesterday, a little late to be taken into consideration prior to the Bill coming into the House, but it is being taken into consideration now and I am seeking some advice on that and other points made by the AMA.

We have received many submissions on this and other Bills. On some occasions we simply disagree with the comments made in the submission, but the submission is being assessed very carefully. I will have advice and options drawn up in relation to that and, if there is anything with which

we agree in their letter, we will certainly amend the Bill accordingly in the other place.

The Hon. Jennifer Adamson interjecting:

The CHAIRMAN: Before the honourable member proceeds, I am having some difficulty in linking the question to the proposition that is in front of us, which is the contract of service. It seems to me that the member should be leaving his questions until we come to the clause as a whole. At the moment we are dealing with the amendment moved by the member for Mitcham, but if the member for Davenport can link his remarks, by all means he should proceed.

The Hon. FRANK BLEVINS: In conclusion on that point, the member for Coles interjected to the extent that there was a lack of thought before the Bill was introduced; that there was a lack of consultation.

The Hon. Jennifer Adamson: With the AMA.

The Hon. FRANK BLEVINS: Yes, as the honourable member said. That is certainly not the case. The Bill has been available for a number of weeks to anybody who has an interest in this field. It has been available from my office.

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: To anybody. We have had some difficulty in contacting the AMA, but nevertheless I do not want to go into that. Because the AMA has a point of view, we will treat that point of view with respect. It may well be that we disagree on occasions. The member for Coles puts forward a point of view which we treat with respect as a responsible point of view, but one with which we disagree. We do not see any magic in the title 'AMA'. It does not give that association any particular powers that everything it says is 100 per cent correct. There are other workers in the health field who disagree quite strongly with the AMA in relation to some of these definitions, so again, do not let us imagine that it is all black and white and what the AMA says is absolutely correct: there are other legitimate and competing points of view.

Mr S.G. EVANS: I apologise, because I thought that we were discussing the whole clause, so the criticism is quite correct. Parliament may be looking at a new Act that says courts have to look at what is said in Parliament, so therefore it is important that from now on we get everything recorded, because what is said in Parliament will have an effect later on. The Minister has not specifically answered my question and it only needs a 'Yes' or 'No' answer. Is it the intention of the present Minister to extend the range of people to be covered in relation to contractors or subcontractors while he is the Minister?

The Hon. FRANK BLEVINS: Not at this stage.

Amendment negatived.

Mr S.J. BAKER: I move:

Page 2, lines 43 and 44—Leave out the definition of 'the Corporation'.

This amendment deals with 'the corporation'. In the second reading debate I spent some time discussing the question of monopolies. I do not wish to take up the time of the Committee tonight by discussing some of the idealogical differences that exist between both sides of the House on that topic. I do not intend to read the rest of the very fine speech delivered by Michael Porter on the subject. We have a growing number of *quasi* autonomous semi-government authorities operating in this State and the number grows day by day. I cannot point to one which I can hold up in the air and say, 'This body is efficient.'

The Hon. Frank Blevins interjecting:

The CHAIRMAN: Order!

Mr S.J. BAKER: I should give the Minister a copy of the speech. Perhaps he would understand the full relevance of my comments. The prospect of having a puppet corporation is offensive to this side of the Chamber. We understand that on various occasions, including the setting up of ETSA some 40 years ago, we have departed from that principle. The principle has been departed from generally in the belief that, if we have the right will and the right legislative powers, that corporation can act within its terms of reference and the people associated with that body will ensure that it operates efficiently. Unfortunately, over time the rules change. The people who are put there in the first place with the best will in the world die or leave the establishment and then we have a new set of rules decided by politicians.

I believe that the setting up of many public corporations is to the detriment of this State. I know that my colleague the member for Hanson actually asked for a listing of all semi-government authorities. I am sure that, during this term of Parliament, he will ask a few more questions on those authorities; I know that during the last term it involved the Government in a considerable amount of work. I am sure that the member for Hanson would like to talk about the number of authorities that have been set up and continue to be set up by this Government.

In principle, we oppose the proposition of having a public monopoly, but more than that, we oppose it in this area: we do not believe that the system can operate efficiently. We do not believe that, without the competitive edge in the market, the interests of the public will be served.

Over a period of time there has developed in various areas of the public sector a syndrome that the Government can continue to pay the bills. We have seen that in a number of areas under the jurisdiction of the Minister of Health, where he has let his budgets run away because he is not willing to make the right decisions. In the competitive world, of course, you survive if you make a profit and you go down if you make a loss. While there may be many faults with that system, it is still a system to which both sides of the House adhere. We know that, without the private sector in Australia, the economy cannot grow and we finish up in the same situation as some of those countries behind the Iron Curtain, with negative rates of growth.

The Opposition does not believe that a public corporation is appropriate in these circumstances, although we understand that it is the will of the Government that this should be the case. We believe that the impediments in the market place over the past few years (and they have been many; complaints have been received about the way in which the market is operated) can be fixed up. Our proposition was that they be fixed up. We do not believe that it is in the best interests of consumers in South Australia to have a non competitive system that can continue to grow without any real scrutiny, and that is the situation in relation to semi-government authorities.

The Opposition is fundamentally opposed to this proposition. We may have transgressed in the past in areas where it really did not matter a great deal one way or the other, but I believe that in principle it matters in most cases. We oppose the forming of this corporation, believing that the market can operate effectively if it has the right directions. We know that the Insurance Council of Australia and various other bodies—and I am no friend of the Insurance Council—have put forward some propositions for reform, and that reform is occurring in that industry.

We believe that that is the right way to go. We do not believe that South Australians should be saddled with a public corporation. Members will note that we are using this amendment as a test case. We have not asked that every clause in which 'the corporation' is mentioned be deleted, because that would make a farce of the whole situation. We are testing the proposition and will divide on it. If the Minister should suddenly agree that a public corporation is not the right mechanism for achieving a better distribution of services in South Australia, we will undertake

to give him a set of amendments that will make the Act workable under the new arrangements. The Opposition opposes the public corporation.

Mr S.G. EVANS: I support the amendment, but I will not go through all the matters to which the honourable member has referred. I believe that competition in the market place is good and that Governments have a lot of control nowadays.

The Hon. FRANK BLEVINS: I obviously oppose the amendment moved by the member for Mitcham. The question of the corporation, apart from the level of benefits payable under the Bill, is probably the most contentious part of this matter. There is no benefit to the Committee in my going through the argument again and I appreciate that the member for Mitcham did not do that. Suffice to say that we believe that our first and preferred option in workers compensation is virtually to start again. What may have been appropriate in the early 1970s we believe is no longer working for industry or injured workers in the 1980s.

During the member for Mitcham's second reading debate contribution he said that, if insurance companies (and he also mentioned the Law Society, but I do not want to deal with that at the moment) had years ago attempted, with Government, to address some of the problems that were inherent in workers compensation, perhaps it might not have been necessary to go the way that we are going. I say 'perhaps', because it may well have been asking too much of the industry, when profits were available, to say that it should not take them and that, when the market would bear a certain level of charge, it should not charge that. That may have been a bit naive. It is very easy to throw stones at the insurance industry, and I do not want to do that. It has a quite legitimate role to play in many areas. It is also legitimate that the industry is doing what it is now doing to defend its profits. I have no argument with that.

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: Yes. The position is that I no longer believe that employers in this State can afford—

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: Yes. I no longer believe that employers in this State can afford the insurance industry in this area. The employers want kept to themselves the profits and economies of scale that are available from the insurance industry. That is perfectly reasonable on their part. That is why the employers agreed with the concept of the sole insurer and, obviously, the corporation. Employers were very strong on that. I have not been on the receiving end of insurance companies practices. I am not an employer. Certainly, the employers came aboard the corporation and the sole insurer concept very quickly and firmly. What the employers disagree with is the level of benefits. I do not agree with them, but I understand that.

In relation to the sole insurer and corporation, the employers were at one with the trade unions. This has to be the way to go if we are to do anything significant with workers compensation. The Government is merely acting to facilitate what the employers and employees agreed was the appropriate way of structuring workers compensation. They are the two parties with rights here—the employers and employees. The rest of us do not have rights in the area. We may have an interest with varying degrees of legitimacy. The Law Society has an interest; the medical profession has an interest; insurance companies have an interest—

Mr S.G. Evans: And the community.

The Hon. FRANK BLEVINS: The community has a very strong interest. The Government has an interest in the overall welfare of the State. However, the only two parties who have rights in the area and whose interests are paramount are the employer and employee.

Mr S.G. Evans interjecting:

The Hon. FRANK BLEVINS: Sure, but they are the two paramount parties.

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: That is exactly right.

Mr Ingerson: Is that what you are going to do?

The Hon. FRANK BLEVINS: Not me; the employer and employee within the corporation are going to do that.

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: Of course they will invest it, because they will have future liabilities. I am not sure what the member for Bragg is asking me. There is a fundamental difference. We believe that this is the way to go with workers compensation. I do not want to be unkind to the member for Mitcham, although he has been a bit unkind to me tonight. Nevertheless, I have got a long time to get over it, and I will be getting over it in much more amenable circumstances than will the member for Mitcham for many years to come.

I cannot resist pointing out to the Committee that on 10 May 1983 in this place the member for Mitcham spoke in this place not without merit on the question of workers compensation. I commend the speech to all members. The honourable member said quite a few interesting things and made quite a few valid points. On a number of occasions he referred to the system in Queensland. I want to quote very briefly from that speech, and I will give the reference so that nobody will accuse me of quoting out of context. At page 1382 of the House of Assembly *Hansard* on 10 May 1983, the member for Mitcham, Mr Baker, said this (amongst other things):

> If members read the various articles in the press, they will see that right across Australia there is tremendous concern for the workers compensation industry, which I refer to as an industry because it has become flaunted—

I am not quite sure that that was the right word. I doubt whether he said that, actually. He probably said another word, but it has gone down as 'flaunted'—

> and no longer does the job it was originally designed to do: to give the injured workers, disabled in their employment, justice under the law. The law needs substantial changes and, more importantly, we need to change the attitudes of the various Ministers of Labour to the potential safety measures which would overcome some of the dangers in industry. The article in the *Australian* makes another interesting point, which may not be appreciated by members opposite, that Queensland's workers compensation is regarded as the most efficient system in Australia.
>
> The premiums in Queensland are lower than are those in this State and also lower than in any other of the Eastern States. I suggest that the Minister read the article to which I have referred in order to see what are the reasons for that state of affairs, because it states that one is better off in Queensland than in New South Wales or Victoria, where the liabilities and premiums have got out of hand. The assessment in that article is that Queensland workers are far better off than are those in either New South Wales or Victoria. There are lessons to be learned, and I hope that his Government will look at something different rather than just introduce workers compensation legislation in the belief that what is being done here is the best for everyone concerned.

The honourable member went on in quite a well researched and thought out speech and concluded on this note:

> I also commend the Minister's attention to the Queensland situation. From my reading, it is the best system working in Australia and it seems to serve the workers far better than any other State.

The principal feature of the workers compensation system in Queensland is that it has, and I believe always has had, a sole insurer. It never went down the track of having multiple insurers. It has always had a corporation and a sole insurer. It was, I believe, until the change in the Victorian system last year, unique in this respect in Australia and was highly regarded, as the honourable member said, for that. So, the honourable member, who has obviously

done quite extensive research on the Queensland system, praised it in the way he did and suggested that South Australia should look at something radically different than what we had. What we have done is virtually that, and I regret—

Mr Ingerson: Except for the level of penitence.

The Hon. FRANK BLEVINS: I agree. I regret that the changes in the system that we brought about or are trying to bring about are largely in line with what the honourable member suggested we ought to do, but now unfortunately the honourable member appears to have changed his mind. That is a great pity, because by and large the employers have not changed their minds. They still agree with what the honourable member stated in that speech and with what the Government is attempting to do here. The difference of opinion is only in relation to the level of benefits.

I appreciate that the honourable member wishes to divide on this clause, which is central to the whole concept of what the Government is attempting to do. I will be happy to take this as a test case on all the other amendments that tie in to this amendment.

Mr S.J. BAKER: They say that you should never make a speech in the past that may be quoted in the future. However, I am happy that I made that speech, because I think that it was appropriate for its time. The Minister quoted me very accurately and I am delighted that he quoted me in full. At the time that I researched that speech, the Queensland system was in operation and was the system most highly regarded by employers and employees alike. About that there is no question at all.

Quite simply, the benefits were known and delivered speedily; there were no cost blow-out implications; and everybody knew what was in the system and outside it. The interesting part of the developments is that, when I suggested that the Minister look at that scheme, I said that there were various elements therein which had a lot to commend themselves. The other thing is that it just happened to be in that unique piece of real estate called Queensland. There is a fair chance, whether or not you like the person, the Queensland Premier will ensure that the thing runs fairly efficiently in the first place.

There were a number of aspects of that scheme that had a lot to offer because of the enormous and increasing costs faced by employers. We are going into a different concept, as the Minister would understand. If the Labor Party came to power in Queensland and exerted its will on the sole insurer up there, they would have the same problems that we have here in South Australia. If it becomes the plaything of the political masters, the willingness to innovate and be efficient is diminished.

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: It was a fair while ago, long before we started to get involved in workers compensation in this shape.

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: I know that, but I am saying that the marked move to increased benefits and the escalating scheme were caused mainly by common law. Let us be quite honest: the common law system has blown out of all proportion. We have had to face the problems that that has brought about. The system has really blown itself apart over the past 15 years. That is a simple proposition.

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: There is a limitation on the amount of money that they can pay in Queensland. If the Minister checks, he will see that there is a lump sum pay-out and a very limited common law.

The Hon. Frank Blevins: I don't think so.

Mr S.J. BAKER: Perhaps my memory of that scheme is a little different from the Minister's. I will re-read the literature that I read three years ago now because, as far as I am concerned, the employer liability was far more limited than what we see in this Bill. I made the point about the circumstances in Queensland. I will also make some observations about the Government in Queensland. The scheme is somewhat different, mainly in the area of benefits that will operate here. There are different circumstances. Queensland just happened to be the best scheme available at the time.

I refer the Minister to other places, such as Canada, New Zealand and Victoria, where there is a single insurer. There is enough evidence from such areas to suggest that, unless we are careful in South Australia, we will suffer similar problems with the single insurer because we are going into the area of the corporation. For reasons that I gave earlier, the Queensland system would be preferable.

The Committee divided on the amendment:

Ayes (16)—Mrs Adamson, Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier, Olsen, Oswald, and Wotton.

Noes (24)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), De Laine, Duigan, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Payne, Peterson, Rann, Robertson, Slater, Trainer, and Tyler.

Pair—Aye—Mr Chapman. No—Mr Crafter.

Majority of 8 for the Noes.

Amendment thus negatived.

Mr S.J. BAKER: I move:

Page 4, lines 27 to 37—Leave out all words in the definition of 'journey' after 'those places' in line 27.

If this amendment is carried, I shall move further amendments to clause 30 concerning a worker's journey, so this will be a test amendment. This amendment will come as no surprise to the Minister because it is Liberal policy to oppose the requirement that the employer meet the cost of an accident incurred by his employee on the way to work. Admittedly, the Bill makes an improvement because later it is provided that a single employer should not have to bear what could be the huge burden of cost in the case of an employee being totally incapacitated on the way to work, but rather that the burden should be spread across the whole scheme. However, the Opposition opposes this provision because the employer has no say as to the mode by which his employee travels to work or the way in which that employee behaves on the way to work.

Other parts of the Bill provide for the employer's direction on how an employee shall conduct himself or herself at work, but no constraint is placed on an employee travelling to or from work. If a person is picked up for drunken driving, the present Act provides that there shall be no compensation but, as that provision has been left out of the Bill, we can only assume that the provision will rely on the employee not placing himself or herself at undue risk, as is provided by the Bill. The Opposition is opposed to employers, either individually or collectively, having to bear the responsibility for something over which they have no control.

Further, we know that the most common form of accident involves a motor car. Third party insurance is available to the driver, and in fact it is compulsory that each vehicle carry such. Members opposite may cite a number of examples of someone being knocked down by an unregistered car. That case should be answered by the laws relating to third party, and it should not be incumbent on employers to bear the burden: it is outside the spirit of the Workers Compensation Act because, until such time as that person gets to work, he or she is not a worker.

Various employer representatives have said that the scope of the Bill is widened by these changing provisions. I have been assured that that is not the case and that the new provisions reflect those already in the Act. Of course, we do not have a reference to drivers with alcohol in their bloodstream. I do not wish to debate a difference in the wording, as I had difficulty with the clause when I first read it, but independent legal advice suggested that the scope had not been widened.

Members will note that later, in clause 30, we have attempted to cater for the situation where the employer has some say in the journey to work situation. We are not being dishonest in our approach. Where it is under the employer's instruction that persons deviate from their normal way to work or appear at a site that is not their normal place of work, that is obviously part of their journey to work, and we have made arrangements for that in a later clause. We believe that, bearing in mind awards being made in the courts for third party damages, it is inappropriate that a person receive compensation under both jurisdictions.

Later, we find that a person who has an accident on the way to work can profit (I use that word advisedly) because in handing down a workers compensation judgment there is no requirement that any third party decision be taken into account. We are opposed in principle to the journey to work provision, although I commend the Minister for making the burden a bit lighter. One very damaging accident experienced with one employer, particularly a small employer, can cause enormous escalations in premiums. We believe another part of the insurance system should cater for this area and should not be included here.

The Hon. FRANK BLEVINS: I oppose the amendment. Again, we have a difference of opinion. The honourable member's view has some legitimacy, and I am not suggesting that it does not—we simply disagree. We believe that it is entirely appropriate that the Workers Compensation Act be the Act covering workers in this instance of journeying to and from work. To some extent it is arbitrary and I am sure that, if one tried hard enough and had sufficient justification for it, one could make a case that this matter be dealt with elsewhere in the insurance industry.

Our viewpoint is clearly that, if the worker is journeying to and from work, the Workers Compensation Act is an appropriate measure dealing with accidents. For employers, this is not an onerous provision. There are not many accidents in that category, and in most cases they involve somebody else. There is a high degree of recoverability by insurance companies in this instance. I can see that in some of these things it is six of one and half a dozen of the other, depending on how one views them. The person will be covered somewhere, there will be a cost somewhere, and we believe that this is the appropriate place for such a provision.

Mr S.G. EVANS: I am disappointed that the Minister does not accept the amendment. He was nice about it, I admit, but an opportunity exists for double-dipping. If we are not prepared to take on such issues, double-dipping will occur. We can say that deviations or interruptions do not materially increase the risk of injury to workers. Legal eagles and departmental advisers will argue that we should leave it up to the court, but those who want to be totally dishonest about it can get away with all sorts of things, whilst those who play the game often do not. We give the opportunity in this area for double-dipping if the Minister does not agree to the amendment.

The Hon. FRANK BLEVINS: The point was well made by the member for Mitcham that an individual employer can have a claims record knocked sideways by one monumental accident that occurred on the employee's way to or from work. Something quite catastrophic and out of all proportion to the amount of business the employer conducts can suddenly lead to a huge claim. An attempt has been made to address this issue, and it has been well received by employers. It is an attempt to aggregate the compensation paid for journey accidents across all of the insured employers. Subclauses (2) and (3) of clause 67, page 44, provide:

> (2) A uniform basic component must be fixed in relation to all levies (not being supplementary levies) to be imposed for the same assessment period.
>
> (3) The basic component of the levies should cover—
>
> *(a)* administrative expenditure;
>
> and
>
> *(b)* expenditure related to unrepresentative disabilities and secondary disabilities.

My advice is that that will spread the burden of these provisions over all insured employers rather than one poor unfortunate small business person being pinged for a monumental injury, which will knock his claims record quite out of kilter.

The Hon. E.R. GOLDSWORTHY: The Opposition disagrees with the thesis that the Minister has put to the Committee. There is a fundamental difference in regard to what we believe is a fair thing for employers to carry in relation to this matter, whether it is carried by the poor unfortunate individual employer or whether it is spread across the whole range of employers who are caught up in the workers compensation legislation. It is not a basic question of looking after the unfortunate person who has a road accident: it is a matter of where the cost for that accident is picked up.

I am not denying that someone has to pick up the cost—either the worker or the road code legislation. Somewhere, someone, or some section of the community, must pick up the cost. That is the first point. For a long time we have thought about this. I recall that the original proposition that journey accidents be included in workers compensation was mooted back in Sir Thomas Playford's time. Sir Thomas argued quite strongly that it was unreasonable to expect an employer to be liable for injury that occurred when the worker was completely out of his control.

The employer, rightly, is liable for a working situation and in that sense he is obliged to provide as safe a working environment as he can. In that situation the employer can be plainly negligent. However, to suggest that the employer has any degree of control whatsoever over the situation of an employee travelling to work is quite wrong. According to the desire of the Government of the day to ensure that the worker was covered, it was said, 'Let us lumber the employer with it.' I believe that that was a wrong judgment. If the worker cannot pick up the cost himself or if he is not insured by some other means so that the cost has to be picked up, let it be picked up in the road code and spread across the community in another way. We believe that to expect the employer to pick up the cost is fundamentally wrong.

Of course, the proviso is that, if any driving or travel is required in connection with work, that is a different kettle of fish. The employer is morally and, I believe, legally responsible (and rightly so) for the employee if his work situation involves him in driving for the employer. In considering this matter I had discussions with a number of employers, and one very large employer told me, 'I will not employ a young man who rides a motorbike.' He told me that bluntly. I do not know whether he was infringing rights, but that is what he told me.

The Hon. Frank Blevins: He was infringing the anti-discrimination legislation.

The Hon. E.R. GOLDSWORTHY: That could be, so I will not say who he was. He was a large employer. He had made that practical decision because I think he had been caught. I do not know whether he was right. He put to me

that, if a young fellow goes for a 'burn' on a motorbike in the lunch hour and has an accident where the employer has no control whatsoever over that employee, the employer will be liable to pick up the cost—and he will certainly be liable under this legislation, as I read it. Therefore, the employer has no say at all as to the means of locomotion, whether the employee walks to work, drives a sports car or any other kind of car, whether he is in the habit of driving fast or slowly or whether he takes a deviation.

Mr S.G. Evans: Or whether he rides a horse.

The Hon. E.R. GOLDSWORTHY: Yes, or uses a pair of skates, and so on. It is a situation where the employer has no control whatsoever. The legislation does not even seek to come to grips with that. Surely if we are arguing in terms of responsibilities and if it is not the employee's responsibility but if someone will be lumbered, this issue must be addressed in the road code somehow or other. Perhaps we should implement some sort of community insurance scheme under the road code. In New Zealand the cost is picked up. Under the much vaunted initial scheme which was toted around South Australia there is 24-hour cover. The cost is picked up in another way.

I believe that the legislation is out of date in that it talks about the proper place in which to address the risks that citizens and workers are subjected to in this day and age. To suggest that an employer, or in this case a group of employers (the whole bang lot), will pick up the cost of road accidents averaged across the group is plainly muddled thinking. That is what we are arguing. We are not in any sense saying that there should not be some scheme to look after people who are hurt on the roads, but we are suggesting that the risk to which people are subjected when travelling to work in a motor vehicle—

Mr S.G. Evans: It could be double-dipping anyway.

The Hon. E.R. GOLDSWORTHY: Yes. It is no different from deciding that a housewife who, in the course of her daily chores, decides to drive her car to the supermarket and has an accident is not covered while a woman who is travelling to work and has an accident is covered. In logic, there is no sense in lumbering the employer with the cost of an accident involving the woman who chooses to go to work but not lumbering an employer or someone else for other accidents. It is as subjective as saying, 'Bad luck for the woman who happens to be at home and drives her car to the supermarket to pick up her groceries.' The employer has no control whatsoever over the situation, and he should not be lumbered. The Liberal Party has developed a policy in relation to the road code, and what we are saying is that the cost should be picked up under provisions dealing with people travelling on the roads.

In this day and age when we are supposed to be attributing responsibility to people in the community in an even-handed and fair way, it is quite obvious that the employer (or, as the Minister explained, the group of employers bound up in this legislation) should not have to foot the bill. If we are arguing that as a matter of principle, I would think it is as plain as a pikestaff. The employer should not have to carry the cost of an accident in a situation where he has no control whatsoever. He cannot tell a person how to drive a car. The employer cannot be sued for negligence in that situation, so why should he pick up the tab? It is certainly not and could never be deemed to be the employer's fault.

Quite frankly, I believe that such thinking is archaic, particularly when workers compensation involves such a draconian cost. It is also draconian to suggest that the employer should bear the responsibility for a situation over which he has no control. As I said previously, one employer's answer was, 'I will not employ people whose mode of travel is more risky than a safer means of locomotion.'

Mr S.J. Baker: Motorbikes in particular.

The Hon. E.R. GOLDSWORTHY: While the honourable member was out, I mentioned that this large employer would not employ a young man who rode a motorbike and that was so that they could minimise the risk. Under those circumstances I think that the Government should address itself to the question of the road code. We have to devise some means which the community can afford to finance it. Do not lumber that on to a section of the community (in this case the employers) who are trying to provide jobs and who, as I have said, do not have the slightest responsibility for or ability to control the actions of an employee travelling to or from work, or if he decides to go for a drive in the lunch break.

The Hon. FRANK BLEVINS: When responding earlier, I conceded that there was a degree of arbitrariness. I conceded that you could make an argument that it should not be here but, rather, elsewhere. The fact is that it is in this Bill. I think the Deputy Leader gave an example of the housewife going to the supermarket and the worker going to work, and stated that in logic there is no difference if they had an accident in what ought to happen to them and how they should be treated. I would argue that is clearly not the case and that there is a large difference. The person who goes to work and leaves work is under the control, one can argue, of the employer. A person leaves home at 6.45 a.m. to take a particular route to a particular place, and that place is the worker's place of employment. I could certainly argue that I would not be travelling from my home to GMH at 6.45 a.m. if I did not work there.

I do not think that it is quite as black and white as the honourable member states, but I agree that you can put arguments either way. I think that perhaps the thing that would most persuade me to leave it here would be the actions of the honourable member and the Government of which he was a member between 1979 and 1982. There was no attempt during that period to take this provision out of the Act. I debated it in another place for about three days and three nights. Unlike the member for Mitcham, I think that we have all been through this before. I think that the Government of which the honourable member was a member altered the definition of where the journey started and finished, from the front door to land adjacent to the premises—I think it was the front gate. I think that that situation still prevails, but the point I make is that if this clause had been such an outrage to Liberal Party philosophy, I would have thought that, when the Liberal Party was in government, it would have tried to do something other than just move it from the front door to the front gate: it would have tried to move it right out of the Act.

I know that from time to time employers grizzle about this provision; they feel that it is unfair that journey accidents are their responsibility, but I think that they are also aware that the costs to them are very small indeed. Because of the potential for third party claims, there is a fair degree of recoupment. Whilst it is something that niggles employers, it is not of major financial moment. In particular, the provision that I have outlined to the Committee of averaging the cost amongst all insured employers has made the provision even more innocuous than it was.

The Committee divided on the amendment:

Ayes (13)—Messrs Allison, P.B. Arnold, S.J. Baker (teller), Becker, Blacker, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Olsen, Oswald, and Wotton.

Noes (24)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), De Laine, Duigan, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Payne, Peterson, Rann, Robertson, Slater, Trainer, and Tyler.

Pairs—Ayes—Messrs D.S. Baker, Chapman, and Meier.
Noes—Messrs Crafter, Mayes, and Plunkett.
Majority of 11 for the Noes.
Amendment thus negatived.

Mr S.J. BAKER: I move:

Page 5, line 6—Leave out paragraph *(a)* of the definition of 'medical question' and insert—

(a) the existence, nature, extent or probable duration of a disability;.

The definition of 'medical question' in the draft Bill included the words 'the existence, nature, extent or probable duration of a disability'. The Opposition thinks that the first fundamental question should be whether something does or does not exist. The inclusion of the words, 'the nature, extent or probable duration' assumes that something existed in the first place. We believe that 'the existence' should be the first words in this definition. These words were included in the draft Bill, and we believe that they add to the tenor of the Act. No-one will consider an injury without its existence in the first place, and we believe that 'the existence' should be included. It was a sensible provision in the draft Bill. If the Minister does not accept the amendment, perhaps he can explain why it was taken out.

The Hon. FRANK BLEVINS: Our advice was that the draft Bill was deficient and that this form of words was the best form in which to clarify, precisely what we meant. It can be, and has been, argued that we have used too many words—that it is tautologist and that one does not need them all. That may be the case, but on the other hand we received an opinion that said the opposite. When you pay your dime you take your pick. The phrase that is often used by people who give us advice on legal matters is 'an abundance of caution'. In an abundance of caution these were the words that they came up with.

I am not a lawyer, but my commonsense view is that our intent was probably covered in the earlier draft Bill. Unfortunately, we took further advice, and the more advice you take the more opinions you get. It may well be that the commonsense view is the one to stick with all the time. However, I do not think that any member opposite is suggesting that it will cause any problem. The number of words is, I suppose, a clarification to the nth degree—some would argue to a ridiculous degree. I certainly do not do that. I take advice, if necessary, from those who say that they are qualified to give it. It does no harm.

Mr S.J. BAKER: My limited knowledge of the law says that there is a presumption in law of guilt or innocence. Something has to exist before one can determine that all these other things hold. The word 'nature, extent or probable duration of a disability', assume that there is an existence. We do not believe that the nature, extent or probable duration of a disability should necessarily be the first question.

Obviously, if a person is missing a leg one can see that he has a disability. However, in many of the cases with which we deal particularly in the tenosynovitis area, we have seen an enormous amount of litigation. We will come later to heart disease and a number of other areas, such as back strain, where it is not apparent that a disability exists, except according to the worker. These matters have to be tested. Today we still do not have any means of testing whether or not these things exist.

To say that we should not have 'existence' in the Act departs from my fundamental understanding of what should be the first step in the chain. The Minister must admit that some of the areas of litigation, certainly some of the areas that the corporation will have to address, lie in the unknown. In recent years there has been an upsurge in articles dealing with tenosynovitis, some disparaging remarks having been made about the existence thereof. We also know that workers suffer from various psychoses which nobody can quantify.

The first question for many of these areas that are not readily apparent is existence, not nature (not because a person said that he had a strain in their back), not extent (which may vary from day to day according to the mental and physical well-being of a person) and not probable duration. Who knows how long some of these injuries will go on, because medical science has not advanced that far. Indeed, medical science has not even been able to get to the stage where it can say that an injury exists.

Irrespective of what the Minister says, existence should be the first fundamental medical question, because it is in the area of the unknown that the greatest problems today arise. They are areas in which we do not know how long these disabilities will last, so we certainly cannot talk about duration. They are areas where the worker might say that he has it and can feel it but the doctor says that he cannot find it. We then have to go through different tests and perhaps even get outside the realms of current medical practice to find some of these injuries. I believe that 'existence' should be in the Act.

The Hon. FRANK BLEVINS: As laymen we could go on debating this matter all night and not come up to any conclusion. I also suspect that that could be so with lawyers. One could argue that in starting to describe the nature of something ipso facto it has to exist in order to have a nature to describe. The intent of the words as printed was to define very narrowly what 'medical question' meant. If one starts to get into the area not of medical questions but of questions of fact, then that is better dealt with elsewhere than in a medical tribunal. As it states, when referring to the nature, extent or probable duration of a disability, there are other procedures within the scheme where questions of fact are better able to be determined.

Mr S.J. Baker interjecting:

The ACTING CHAIRMAN (Mrs Appleby): Order! The member for Mitcham can ask his questions when the Minister has finished.

The Hon. FRANK BLEVINS: I appreciate what the honourable member has said and understand his point. All I am saying is that we have received further legal advice that this form of words is better than the previous form of words. I am scared to ask a third lawyer or I will have to bring in an amendment. I oppose the amendment on the basis that the advice to the Government and me is that this is a better form of words than was in the earlier draft.

Amendment negatived.

Mr S.J. BAKER: I move:

Page 6, lines 7 to 9—Leave out paragraph (c) of the definition of "prescribed allowance" and insert paragraph as follows:

(c) by way of overtime;.

We are getting into another fairly contentious area, namely, that of overtime. Paragraph *(c)* on page 6 of the 'prescribed allowance' definition states:

by way of overtime, other than amounts paid in respect of overtime worked in accordance with a regular and established pattern;

As the Minister mentioned earlier in the House, one of our earlier policy statements said that we should have overtime included in earnings when it was a structure and a regular part of the earnings. Whilst we generally adhere to the thrust of that, the problem was that, when we started to talk to the various employers and asked what were their overtime conditions, we found that there were some considerable problems about what set of words we could use which would reflect that intention. At the end of the day, we found that it was not possible to get a definition to our satisfaction which would reflect our intent.

As the Minister is well aware, overtime is often of a very seasonal less, cyclical nature; it depends on the vagaries of the industry in which the employee is working. The definition and subsequent form of words certainly do not satisfy employers, so we are moving to strike out 'prescribed allowance' which will mean that it was excluded from the consideration of earnings. Overtime would then be included, thereby being excluded from the calculations of average weekly earnings. I hope that that is clear to the House. I do not think that I really need to spend much time on this. We really had some difficulty with the definition.

We found again anecdotal information that quite often during periods of high overtime, and getting towards the end of overtime, one employer reported that there had been a spate of workers compensation cases. I am not sure whether that was because of overwork or because they were getting off overtime I do not think he could determine that himself. The upshot, of course, was that under these circumstances the Bill indicated that these workers would be available for compensation on average weekly earnings which would include this overtime component. The Opposition does not believe that that is fitting. Certainly, as the Minister would acknowledge, some overtime is quite considerable at certain times of the year when the need is particularly high. In these circumstances, we could not find a set of words that would satisfy us or the intention that we had, so we determined, after discussions with a number of people, that the simplest way out is to restore the status quo and delete overtime.

The Hon. FRANK BLEVINS: Again, this is a difference of opinion that we have. I think it is just another example of *deja vu* when dealing with workers compensation: the question whether overtime payments should be included comes around on a three year cycle. We just debate the same thing, the same words. I have not heard a new argument since I have been here. It has been in, out, in, out, depending on who has the numbers at the time. We attempted to ensure that, by and large, what the worker received on workers compensation was the same as when the worker was at work. If, for example, a maintenance worker worked 18 hours a day for seven days, 14 days or 30 days on a huge breakdown, that was not included. What we are trying to establish here is that overtime is worked on a regular basis.

If somebody works at Moomba, for instance one of the obligations to go there is that you work a certain amount of overtime. If you are not prepared to do that, you will not be employed because of the nature of the industry. We are trying to ensure that that person is covered so that there will be no loss of income when the person is on workers compensation. We believe that that is a very reasonable and sensible proposition. We know that the Liberal Party disagrees with it from time to time, although on some occasions it appears to agree with it. The member for Mitcham would be disappointed if I did not quote from the Liberal Party's policy in this area. It states:

> The Liberals will pay weekly benefits of 90 per cent of average weekly earnings including overtime . . . but not etc.

So, it is something on which people wax and wane. There are different permutations of it from time to time. It is something that appears to have been in a state of flux since 1979, since which I certainly have been dealing with it. I can only state that we believe very strongly that a person should not be disadvantaged on workers compensation. The person is already experiencing pain and suffering to some extent, probably even from permanent damage, and there is absolutely no reason why on top of that suffering there should be any financial suffering. We are certainly not attempting to provide any windfall profits, as it were, to workers, but wish merely to see that their standard of income is maintained whilst they are on workers compensation. For those reasons, I will oppose the amendment.

Mr S.G. EVANS: I am not a keen supporter of people receiving the benefits of overtime when they are on compo, but my greater concern is that, in an economy like Australia's, which has been up and down in recent years, some industries employees have prior notice of when work is likely to drop off and there may be no overtime for a while. I come back to the few who may be dishonest and who want to claim the bad back or whatever. You could find that the persons who are still going to work are receiving less per week because they have lost the benefit of overtime due to a slow down in the work place. However, a person who is on compensation benefits will be getting a higher pay because they are receiving compensation in relation to their overtime. That is the way I read it. If the Minister says that that is wrong, I will be happy to hear from him. If not, I ask the Minister whether he believes that that is a fair proposition. Is it fair that a person at work should be receiving less than a person on compensation because of a slow down and, therefore, no overtime in that industry?

The Hon. FRANK BLEVINS: The intention is to bring the two together as close as possible. I was somewhat alarmed at the example that the honourable member gave of somebody going on to workers compensation, when overtime in the industry is slack, to get the benefit of high earnings in the previous months. To me that implies a conspiracy with the medical profession that they will, when there is no injury, write a certificate to the effect that a person has sustained an injury and is entitled to workers compensation.

Back injury was quoted by the member for Davenport. I am not sure why that injury always takes the brunt of these allegations. This apparently is amusing the member for Mitcham. I have had extensive surgery on two occasions, including bone grafts and steel pins inserted in my back through an injury that makes my movement very limited. I did not have one day off work with it, so in no way could I be classed as rorting the Workers Compensation Act. I bitterly resent anyone who laughs, as the member for Mitcham did, about a person who has suffered massive disability through injury at work. People have such injury and suffer pain and loss of movement for perhaps 50 years, and I do not think it is something to be laughed at.

The more substantial question is how one avoids, by some quirk of mathematics, getting more on workers compensation than they would get at work. I believe that we cannot cover that very isolated case. I have not seen such an example in at least 10 years, although theoretically it could occur. When the Act was originally implemented, it was intended that average weekly earnings be taken from the previous three months to try to get the payment as close as possible to what the worker was earning.

When that legislation was going through the House, the economy was booming and lots of overtime was being worked. A successful attempt was made to alter the provision for average weekly earnings to be calculated over the previous 12 months. We then had a downturn in the economy and people were no longer working overtime. However, if we compute average weekly earnings based on the previous 12 months, theoretically somebody somewhere will be getting more on workers compensation than had they been at work.

I can see that it is a theoretical possibility but I have never come across an example. It is not a major issue—it is a stick with which to beat the Workers Compensation Act. In the Bill we have gone back to the 12 months provision. I would be pleased to hear of a solution to the problem.

Mr S.G. Evans interjecting:

The Hon. FRANK BLEVINS: The member for Davenport suggested that we look at it on a week to week basis to see what is happening on the shop floor where the person would have been working. That would work, but I imagine that the administration involved would be a nightmare, with employers having to report and establish on a weekly basis what overtime is being earned. We are asking whether overtime was a regular allowance. One week there may have been a breakdown that necessitated working 20 hours overtime. The person on workers compensation would not get that and ought not to get it. It is not a windfall profit, and I would disagree with the honourable member, as it would be overly generous. If no overtime is worked in that shop as a rule, none should be in the calculations. If the roof blows off and everyone is working overtime for a week, that is too bad. Maybe the honourable member is more generous than is the provision in the Bill. It is a difficult question. I have debated this issue endlessly on numerous occasions in this Parliament, and I do not know that we are any nearer the perfect solution.

Mr MEIER: I cannot see why there is not an easier solution. The member for Davenport put the classic example of a person working part of the year on overtime and part not on overtime. Let us take a theoretical period of six months with overtime and six months without. The honourable member asked whether the Minister acknowledges that a person who is to receive workers compensation because of an accident and injury sustained during the overtime period will be receiving a greater salary for the first three years than the person who continues to work in that establishment. The answer to me is a clear 'Yes'.

Why cannot the Minister consider a system whereby perhaps 50 per cent of overtime is taken into account? That would be fairer than deciding that everyone will be treated as equals whether overtime is worked for one week, six months or even one year and receives full overtime pay. That is the obvious answer to begin with, and the issues can be reconsidered in the future.

The Minister has cast aspersions on members on this side by saying that we are not concerned with people who suffer massive injuries. Not one member has said that we are not concerned about people who suffer massive injuries, but we are also concerned about people who suffer relatively minor injuries and who are on a much better wicket under workers compensation than those who continue working.

The Hon. FRANK BLEVINS: The member for Davenport cited the example of what happened to a person who acquired a bad back when his overtime ran out, and the member for Goyder said that I took exception to his comments. The member for Mitcham thought that it was hilarious that people suffered from bad backs. It was only in that context that I commented: I was not casting aspersions on the member for Goyder. We have attempted to define overtime very narrowly. Overtime must be regular and it must be worked in an established pattern—that is what the calculation is based on. The overtime must be an integral part of the worker's earnings. However, to suggest that overtime must constitute 50 per cent or some other percentage of earnings is grossly unfair. Why should a worker who is already suffering pain, disfigurement, disablity, and so on, because of an accident or injury that occurred at work bear a financial penalty? What has the worker done that he must suffer, on top of all the other penalties, a financial penalty? I would argue that that is quite wrong.

Mr S.J. BAKER: I must respond, because the Minister has a touch of something on the liver, I think. He commented on the humour that I demonstrated when my colleague talked about the bad back syndrome. It is quite common that people talk about that syndrome: it is the butt of many anecdotes, as members opposite will be aware. If the Minister suffered from this problem, I am sure that he would think that bad backs are not nice at all. But to suggest that I am not sympathetic to workers with a bad back is stretching the imagination. I think that the Minister is trying to encourage me to stretch out this debate for far longer than I had intended. If he is deliberately being provocative in order to waste the Committee's time, let him say so. He has spent an enormous amount of time on his feet, filibustering and waffling away but unable to answer questions. We have been accused of not taking the debate seriously and of trying to slow down the proceedings. Except in relation to one sticky point, that is, contracts of service, I would say that we have taken this Committee debate—in fact, the whole debate—very seriously, whereas the Minister does not even know what the Bill or the Act under which he is working contain. If the Minister continues to provoke me, I can only assume that he is trying to do that so that he can run off to the press and make a statement. Only today—

The CHAIRMAN: Order! I ask the honourable member to direct his remarks to the clause before the Committee.

Mr S.J. BAKER: I am directing my remarks to the overtime clause and to the remarks of the Minister in that regard. I will not sit here and take the rubbish that the Minister is serving. If he continues in that vein, he will provoke me and I will tackle every amendment aggressively, accusing the Government of things that people blame on Labor Governments. This Committee will develop into a ruckus, as occurred earlier tonight because the Minister was incapable of handling his own affairs. If the Minister continues in that vein and if he is spoiling for a fight, I ask him to go to the press people and say, 'We will ensure that this Committee sits until 7 in the morning' and that can be reported in the newspaper.

The CHAIRMAN: Order! The honourable member is now out of order.

The Hon. FRANK BLEVINS: What an extraordinary outburst. If the honourable member does not think that bad backs are funny, he ought not to have laughed. That is the only comment I made. Personally, I did not see anything funny in that example, and I regret that the honourable member thought that it was funny. If the honourable member believes that my comments are wildly provocative, enough to prolong the debate until 7 a.m., he is being very sensitive and perhaps also very childish. At this time there is not a great deal more that I feel it is necessary to say about overtime. If members want to read rather than engage in a full scale debate on this clause, I suggest that they go through the workers compensation legislation debates in this place and in the other place: they will find that all the arguments are on record. As far as I am concerned, there is no need to go through all those arguments again. I oppose the amendment. I thought that the Committee stage was progressing very well, and I certainly intend that that should continue. If members opposite prefer otherwise, that is their prerogative—there is certainly not a lot that I can do about it.

Amendment negatived.

[Midnight]

Mr S.J. BAKER: I move:

Page 7, line 27—Leave out '3' and insert '5'.

I will use this amendment as a test case. It refers to the spouse situation. The draft Bill referred to a five-year and a six-year permanent living arrangement, with five years of that time being spent together. There was a provision under the original Bill relating to a *de facto* relationship. The draft Bill originally contained provisions relating to five and six years, and that is consistent with the Family Relationships Act. It is the accepted definition of a putative spouse. As the Minister would be aware, the Act defines a spouse and

then refers to a wife being a *de facto* wife living in a permanent domestic situation. I have not availed myself of legal advice to ascertain exactly what that means or whether permanency means 10, 15, or 20 years or one year, but I guess that the insurance companies and others involved have sorted that out over a period.

The definition in the draft Bill was acceptable, because it actually laid down what a *de facto* wife was, whereas the previous Act did not do that. That situation is recognised in other areas of the law and, if we put the common law wife in the same definition as 'spouse', then it is appropriate that we should be consistent with other definitions and not set precedents as far as this Act is concerned. The Opposition asks the Minister to return the clause to the wording in the original draft Bill.

The Hon. FRANK BLEVINS: I oppose the amendment. The original draft, in my opinion and the Government's opinion, was unduly restrictive. We believe that we have taken the more sensible figure, notwithstanding that the figures contained in the original draft had some legitimacy, having been obtained from parts of definitions elsewhere. We do not feel particularly constrained to go along with those definitions and we feel that, when we look at the number of years involved in the Bill, it is a very, very significant period. Three and four years are very signficant periods to cohabit, as is the aggregate period contained in subparagraph (ii) of not less than three years during the preceding four years.

We have to accept that on occasion some relationships are somewhat irregular. I agree that it is a matter of opinion; it is rather arbitrary. Some have picked shorter periods and have attempted to persuade the Government to that effect, but some people have argued in this House for a longer period. We believe that we have struck a balance that is fair and just to all.

Mr S.J. BAKER: It is unacceptable, and we will be dividing on the clause. The Minister knows that, for the division of resources and in various other jurisdictions, for a whole variety of reasons the law suggests that the five year rule should apply. We do not believe that in these circumstances it should be any different. The Minister has said that it is arbitrary. Why not stick to the norm and the accepted definition? It was done in the original case but the Government is now changing its mind in this case. I cannot understand why the Minister introduced something which is acceptable, because there are precedents elsewhere, but now wishes to change the rule.

Everybody should remember that the benefits flow to the surviving spouse. That is how the Workers Compensation Act is intended to operate. We believe that there should be something in the scheme of things a little more permanent than the three year rule in line with what is accepted as a putative spouse. We oppose it and it is not arbitrary, as the Minister would suggest.

The Hon. FRANK BLEVINS: Without getting into a long debate, with the varied living patterns that appear to be establishing themselves in the community, this is an area that will cause more and more concern as years go by. I point out that to have a *de facto* relationship for three years is a very substantial period and in our opinion is worthy of any benefits that flow on from this Act. I point out that you have to be married for only one day (the relationship has to be established for only one day) to receive the benefits. I know that some people in this day and age would argue that cohabiting for three years is worth a lot more and shows a deeper commitment than in the case of somebody who is newly married for a day but may be divorced long before the three years is up. Of course, that person would be eligible for the benefits, but the person who had been cohabiting for three years would not. I think that over the years we will have a lot more of these mildly interesting debates on this topic.

The Committee divided on the amendment:

Ayes (14)—Messrs. Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier, Olsen, and Oswald.

Noes (24)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), De Laine, Duigan, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Keneally and Klunder, Ms Lenehan, Messrs McRae, Payne, Peterson, Rann, Robertson, Slater, Trainer, and Tyler.

Pairs—Ayes—Mrs Adamson, Messrs Chapman and Wotton. Noes—Messrs Crafter, Mayes, and Plunkett.

Majority of 10 for the Noes.

Amendment thus negatived.

Mr S.J. BAKER: Because other amendments to this clause that I have on file are consequential on amendments that have been defeated, I will not proceed with them.

Mr BLACKER: I previously spoke to the Minister about the definition of 'dependant'. I mentioned in the second reading debate that I was concerned about the definition and will again relate an example that was brought to my attention and, hopefully, to the attention of the Government, that is, where the term 'dependant' was related to the application of the Country Fires Act, which in turn related back to the Workers Compensation Act. In that case the spouse of a person killed while firefighting was deemed not to be eligible for assistance for workers compensation by virtue of the fact that the spouse was a member of the family farming partnership. As members know and understand, probably 98 per cent of farming operations are family farming partnerships, and the majority of those cases are husband and wife arrangements.

In that instance and using that particular definition, it would appear that, because of this technicality, the spouse of a deceased firefighter would not be eligible for compensation. I do not believe that that was the intent of this House or of any member of Parliament. It seems to me that an anomaly has occurred when the wording of one Bill relates to another, and that does not necessarily work out in practice. Will the Minister comment on this and see whether or not some action can be taken so that those persons who believed—and this House believed—that they were fully covered by workers compensation, particularly as it relates to the Country Fires Act, are so covered?

The Hon. FRANK BLEVINS: The honourable member discussed this with me earlier, and I undertook to have my officers look at it and discuss it with the SGIC and Parliamentary Counsel. The purpose of that was to determine whether or not an amendment to the Bill may be appropriate. Those discussions are continuing. One of the problems we are encountering in attempting to address the situation outlined by the member for Flinders is getting a form of words where one draws the line. If the person is a partner, as in the family farm for accounting purposes only (and that is all it is), then one could make out a very good case that that person really is a dependant and that any benefits that flow to dependants via the Workers Compensation Act should flow to that person.

However, SGIC, the department and Parliamentary Counsel are having difficulty in doing that without suddenly bringing in a whole range of people who, as the honourable member would agree, should not be included in partnerships. We are looking at the problem, and there are some real difficulties in it. Further discussion will be held tomorrow, and the honourable member will be kept fully informed of where we are and what we are attempting to do. Certainly, before this legislation passes the other place a final answer will be given to the honourable member, with some expla-

nation for the answer if it cannot be done. We are looking at it in a positive way. If there is something we can do without creating a whole range of problems in other areas then we will do it. I can only promise the honourable member that he will be kept informed of what the various officers and players in the game are doing.

Mr BLACKER: I thank the Minister for his undertaking. Like him, I cannot see an easy way of wording it, but I recognise that there is a *bona fide* case, particularly in the genuine family partnership as such. I also recognise that if one was to do that, perhaps with incorporated companies, we are opening up a completely new ball game that I do not believe is the intent of Parliament in this case.

Returning to the original query I raised about family partnerships, I again raise the position of farmers or owners of property who are paying workers compensation to cover a sharefarmer, and that sharefarmer is operating a family partnership with his wife. My understanding of the present Act is that, if the sharefarmer is killed, the wife is not covered because she is a member of a family partnership between the sharefarmer and herself. It is my understanding at the moment, and it is the understanding that has been given to me by another legal practitioner, that that could well be the case. I do not know whether or not there is an example of such an instance being tested. If my interpretation is right, there would be many people in the country, where landholders are insuring their employees (that is, the sharefarmer and his wife as a partnership) with the genuine belief that they are covering both parties in the event of workers compensation claims. It is a grey area, and I would be grateful if that matter could be fully investigated and addressed before this measure passes both Houses of Parliament.

The Hon. FRANK BLEVINS: That is basically the same problem: whether a sharefarmer is a worker. I am sure that sharefarmers work very hard, quite often for very little reward, according to some of the sharefarmers I know. Nevertheless, we must determine whether they are classed as workers or as self-employed business persons operating in a business partnership.

Again, that is precisely the problem. If the honourable member is saying that workers compensation is being paid with the obvious expectation that they are covered by the policy and it turns out now after it has been tested in another area that they are not, then certainly they are wasting their money. We can have some discussions again on that point certainly with SGIC. Other insurers may have different policies (I do not know) as regards the share farmers. I suppose the easiest thing for us to do is talk to SGIC and see whether, if it covers share farmers, it pays out. I will try to get whatever information I can for the honourable member.

Mr INGERSON: I would like to ask the Minister about the two definitions of 'medical expert' and 'recognised medical expert', which seem to be related. It seems to me that there is a very fine line in definition between the two. Why is there a medical expert and a recognised medical expert? Also the definition of 'medical expert' refers to a 'legally qualified medical practitioner', although all the other recognised professions are listed as registered professionals, for example, the dentist, phychologist, optician, physiotherapist, chiropractor, podiatrist, occupational therapist and speech pathologist. It opens up the question why the legally qualified medical practitioner should be defined differently from all the other professionals which are listed and which involve a registration requirement.

As the Minister would probably know, there is a significant difference between being a qualified professional and a registered professional. Perhaps they are separated because we are able to bring in overseas medical practitioners who may not be registered in this country for some reason, or perhaps it is because the corporation philosophically may think that it is better to have qualified medical practitioners who are not registered. That opens up another Pandora's box that perhaps the Minister would like to explain.

Paragraph *(j)* of the definition of medical expert refers to 'a person with prescribed qualifications'; that seems to be an odd person thrown in on the end. What sort of qualifications are we talking about? It is also interesting to note that the pharmacist, who is considered to be an expert in drugs and drug usage, is not included. From my point of view, a pharmacist is a medical expert, but I notice that the registered pharmacist has been omitted. Perhaps he comes under the category of paragraph *(j)*, namely, 'a person with prescribed qualifications'.

Would the Minister explain to the Committee the reason for the difference between the legally qualified medical practitioner and all the other registered professionals. As the Minister would be well aware, you could be qualified but not registered for many reasons. You may not be registered because of bad practices or whatever. It seems a bit odd that that has not been clearly defined. Could the Minister also explain what he means by 'a person with prescribed qualifications'? Also, is there any specific reason why the pharmacist is not part of the medical expert team?

The Hon. FRANK BLEVINS: Under the Medical Practitioners Act, there is no registration—one has to be legally qualified. There is a registration board of some description for all the other health professionals mentioned, and that states that they are qualified under the Acts that define or regulate them. Regarding the pharmacist, I am trying very hard not to offend the honourable member. I am skating on very thin ice, but it appears that pharmacists are not people who can actually treat people themselves. They respond to somebody higher up the chain of command to tell them what to do. I do not think that they can initiate any treatment. It may well be from a common sense understanding of what pharmacists do that that is the reason why they are not there. Mind you, if pharmacists did not exist, I wonder how many other health professionals or medical experts would be able to do anything at all. I suspect that, without the prescription part, a lot of the medical profession would not be anywhere near as effective as it is at the moment. So, I have a very soft spot for a lot of pharmacists.

Mr INGERSON: I have asked that first question following the receipt by me of a letter from the AMA. That letter, which was also sent to the Minister, I believe, states:

> We are concerned that the definition of a medical practitioner differs from that in the Medical Practitioners Act and that the corporation may determine that someone who is not qualified under that Act may administer medical treatment. We consider that the Medical Board of South Australia is the body which is empowered to determine who is a medical practitioner and who may administer medical treatment.

I mention that again, because the Minister said it is within the Act, although the AMA appears to differ. Perhaps we could have some explanation for that. Also, what does paragraph *(j)*, referring to a person with prescribed qualifications, mean?

The Hon. FRANK BLEVINS: It is only to give further flexibility. We may not have listed all the players in that case—other health professionals or medical experts may be required in that treatment or assessment. It is merely a case of anybody whom we have forgotten and who ought to be in there. As regards medical experts, we could use, I suppose, health professionals. We take advice when drawing up Bills, and our advice is that 'medical expert' is the more appropriate term to use. I do not think there is anything sinister or special about it. It is merely the preference of the person who gives advice when we are drafting the Bill.

Mr S.G. EVANS: The Minister also received a letter from the Master Painters, Decorators and Signwriters Association in which they raised many points. I will not raise them all. They state:

> We are concerned that the definition of 'apprentice' is unnecessarily broad and provides the corporation with the discretion to declare as apprentices persons not contemplated as such by the conventional definition. Accordingly, we would submit that the definition of 'apprentice' should be tied to that contained in section 5 of the Industrial and Commercial and Training Act.

They also raise the point of the assessment period, as follows:

> The definition of 'assessment period' would mean that all policies issued by the corporation would mature at the same time, thus concentrating administrative effort and perhaps creating cash flow difficulties. In our view the assessment period should be defined in a more flexible manner so as to allow the corporation to stagger the maturing date of its relevant policies. In addition, the current definition refers to 12 months from the day on which the Act comes into operation and, given that it is the Government's intention to proclaim different sections of the Act at different times, this definition requires more clarification as to which part of the Act the assessment period will be tied to.

The Hon. FRANK BLEVINS: I will deal with the second question first. It was deliberately made flexible that the period to be fixed by the corporation was just that—the corporation can fix whatever period it wishes. Obviously, it would have to have a staggering effect so that what the member for Davenport said could happen would not happen. Obviously it would be undesirable if, on the first Monday once every three years, we have this huge deluge of paper and have to take on 5 000 casual workers to deal with it.

Mr S.G. Evans interjecting:

The Hon. FRANK BLEVINS: That group wrote to me relatively recently and will get a considered response, as will all people who wrote. Many already have their considered responses where the letter was couched in terms of requiring a response. Some just asked that certain things be taken into consideration. A substantial amount of mail came in on this topic of how the Bill should be structured, and no two letters (except the roneoed ones) were the same.

The first point that the master painters made was dealt with earlier. We are not declaring people to be apprentices. The Bill does not give authority to do that. We are saying that there are now forms of training other than apprenticeships and that those people must be dealt with in some way. The most appropriate way to deal with them is the same way in which we deal with apprentices. Certainly, the master painters will be advised of this in due course.

Mr INGERSON: In clause 3(3) I note the specific exclusion for the definition of 'worker' in relation to the crew of a fishing boat related to sharing of profits. Why does it not also cover other people in similar circumstances? I use the example of the pharmacy profession, which has a number of managers. In many other small businesses the managers are employed on a similar basis: they get a salary and a share of the profits as part and parcel of the package. Why do we have the specific instance of the crew of a ship or fishing boat? Why are they different to the many other examples of a similar nature?

The Hon. FRANK BLEVINS: In a word 'tradition'—they have, for as long as anyone can remember. I believe that it is undesirable. I think that they are employees and should be covered. However, they have not been, and there does not seem to have been a great problem. The fishing industry made representations to me and wanted to retain their exemption for this class of worker. As there have been no problems with it, I was happy to accede to the request.

Mr Ingerson: From the Seamen's Union?

The Hon. FRANK BLEVINS: Absolutely not—it had nothing to do with the Seamen's Union. I could give a good speech on why they ought to be, and they may get a bigger share of the profits in a different way. It is tradition, and I would not want to extend it to other people. However, everyone seems to be happy with it in the fishing industry.

Mr S.G. EVANS: There is no definition of a 'rehabilitation adviser' and what qualifications they should have. The AMA made the point that there should be some definition of what qualifications a rehabilitation officer should have if it involves a certain type of classification. Why are they not in the definition?

The Hon. FRANK BLEVINS: It would be very difficult to get a definition that covered all possible criteria. The advisers are not necessarily health professionals or social workers. I hope that we have as rehabilitation advisers some ordinary commonsense people who have been involved in the industry without necessarily having any tertiary qualifications. It is not a position that requires them to professionally treat injured workers, so it is hard to define. I can think of many people who would be superb in this area. But, to write their many fine qualities into an Act would be extraordinarily difficult. It is up to the corporation to ensure that the people whom it employs in that role can do the job and do it well. It is impossible to define, unless we say that that person must be a social worker or someone with, say, medical qualifications. I would disagree with all that very strongly. I am not quite sure how we define someone's suitability for the job: the corporation will do that, anyway.

Mr M.J. EVANS: I draw the Minister's attention to the fact that under subclause (2) Ministers of the Crown and members of Parliament, among others, are brought within the purview of the Bill. Under a later provision, any member of Parliament or a Minister who becomes permanently disabled is entitled to a pension of 85 per cent salary, and no deduction may be made for that pension in relation to any benefit for the superannuation or pension scheme. The Parliamentary pension would operate automatically in favour of a member who became permanently disabled and unable to attend to his duties in this Parliament. Therefore, it is conceivable that under both these measures an ex-member of Parliament would be entitled to a pension of 40 per cent to 60 per cent under the parliamentary superannuation legislation and also an 85 per cent pension under the Workers Rehabilitation and Compensation Act, ending up with a pension of 120 per cent or 130 per cent of salary. Does the Minister intend to maintain that apparently generous benefit, or is it contemplated that the parliamentary superannuation scheme will be amended?

The Hon. FRANK BLEVINS: I expected that this topic would be dealt with at a later stage, but it is just as well to deal with it now. I am not sure whether the parliamentary superannuation legislation contains a provision whereby the pension of anyone in receipt of workers compensation is discounted by that amount. I know that many superannuation schemes incorporate such a provision. Many people take up such superannuation schemes because they are cheaper than others—it is as simple as that. I have no idea whether an amendment to the parliamentary superannuation scheme is contemplated. I certainly have not thought about that topic. All I can do is draw the honourable member's comments to the attention of the Treasurer who, I believe, has the responsibility for the parliamentary superannuation legislation. I suppose that in due course the Treasurer can consider that matter. Members opposite might raise this issue later, as there are other matters to which I wish to refer.

Mr S.J. BAKER: A serious question has been raised about the assessment period. The Minister is well aware that there will be certain obligations on employers in reporting payroll and employee details. There has been some

question about the initial assessment period, once the Act gets under way. It has been said more than once that it may be difficult to comply with some of the requirements of the Bill and, we presume, some of the regulations because of the changeover to a whole new system. I am referring only to the assessment period but other areas of the Act are affected. The employers would like a comment from the Minister on how lenient the corporation will be in the initial stages. The assessment period is a period fixed by the corporation as the first assessment period for that employer or for the class of employer of which he is a member. We assume that the assessment period will probably be from 1 July to the following year: can the Minister comment on this?

The Hon. FRANK BLEVINS: There are four employer members of the board.

Mr Ingerson: It can be outvoted!

The Hon. FRANK BLEVINS: I do not know about that, but they will ensure that the rights and needs of employers are given due consideration. Under this legislation we have provided absolute flexibility. The corporation can do as it wishes to make life easier for everyone, particularly in the initial stages. I know that the employer representatives on the board and all other members of the board will want the Act to operate smoothly and in everyone's best interests.

People do not go around making life miserable for others unnecessarily—or I would hope not, anyway. This legislation gives the corporation flexibility, which I am sure it will exercise responsibly. If not, as Minister I certainly will exert on the corporation whatever influence I may have at the time to ensure that it acts in a manner that does not antagonise or unnecessarily inconvenience people.It is a significant piece of legislation, and we want it to work—and work well. I am sure that every member of the board would have the same desire.

Mr S.J. BAKER: There was a second part to the question: when is it intended that the first assessment period should begin? The Minister must have some date in mind on which, first, the Act will be proclaimed, but, essentially, when the new arrangements will come into force. Also, can the Minister clarify whether outworkers are covered under the definition of 'worker' in paragraph (b) on page 8?

The Hon. FRANK BLEVINS: Outworkers are certainly covered: they are employees, although there may be some argument as to who is on contract and who is an employee. However, I certainly do not intend to get involved in that argument, as that matter can be tested elsewhere. Certainly, it is not the intention of the Government to cover outworkers who are employees.

Regarding the first question—as to whether it will be 1 July—I cannot answer that. There will be very significant administrative arrangements to be made before the corporation can get going in a complete manner, exercising all its functions. I cannot put any timetable on that whatsoever. All I can say is that an attempt will be made for it to operate as soon as possible. I am not going to steam into it and say, 'We'll have it there by 1 July,' if that is not a responsible estimate. It takes a little more time to get the administration in order.

Mr S.J. BAKER: I noted the introduction of psychologists in the medical expert field. I am not sure of the reasoning behind that, although one could draw the long bow and suggest that people on workers compensation have some difficulties which could be assisted by a trained psychologist. If for some unknown reason we include psychologists, can the Minister inform the Committee why psychiatrists were not included? Secondly, can the Minister inform the Committee when it is intended that the new corporation should get under way? Given that there will be some difficulties, he must have some idea of the time frame that he would like.

The Hon. FRANK BLEVINS: In regard to including psychologists and not psychiatrists, we have left that flexible so that we can include other medical experts as required.

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: I thank the member for Bragg for his prompt assistance. Of course, it comes under 'legally qualified medical practitioner'. In relation to the second question, I cannot really add to my previous answer. We will get the corporation up and running as quickly as we can. We have not done it before, so we cannot give a time frame. It may take three, six or nine months.

Members interjecting:

The Hon. FRANK BLEVINS: The member for Bragg asked what happens in the meantime. The member for Mitcham said that insurance companies will go crazy and he may well be right. He probably has had a lot more to do with insurance companies than I have. I hope that everybody will act in a responsible manner. The thing that frightens me to some extent (and before I introduced this Bill gave me some food for thought) was that I considered what would happen if the Bill failed and we said to some insurance companies, 'It is now all yours.' I know that if I ran an insurance company and was given *carte blanche* by the Parliament to get stuck into industry and, quite legitimately from a business point of view, take what I could get, then there would be grave fears for industry in this State.

The Committee divided on the clause:

Ayes (23) — Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), De Laine, Duigan, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Keneally, and Klunder, Ms Lenehan, Messrs Payne, Peterson, Rann, Robertson, Slater, Trainer, and Tyler.

Noes (14) — Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier, Olsen, and Oswald.

Pairs — Ayes — Messrs Crafter, Mayes, and Plunkett. Noes — Mrs Adamson, Messrs, Chapman and Wotton.

Majority of 9 for the Ayes.

Clause thus passed.

Clause 4 — 'Average weekly earnings.'

Mr S.J BAKER: I move:

Page 9 —

Lines 38 and 39 — Leave out 'or for any other reason'.

Lines 44 and following — Leave out subclause (5).

As the first amendment I have on file is consequential on earlier amendments which were defeated, I will not pursue it. It deals with subcontracts and relates to subclause (3) I could not find why the Minister has included the nefarious phrase 'or for any other reason' in subclause (4), which provides:

> Where because of the gradual onset of a compensable disability or for any other reason it appears that the level of earnings of a disabled worker prior to the relevant date were affected by the disability, the average weekly earnings of the worker shall be set at an amount that fairly represents the weekly amount that the worker would have been earning if the level of earnings had not been so affected.

That distresses some people, as one would imagine, because the onset of various conditions could cause a disability. It may be the particular circumstances associated with a person's lifestyle, or that, for a variety of reasons, that person is winding down their employment because they do not feel like working long hours any more. If a worker's income is decreasing because of the disability, the Opposition does not have any difficulty with this clause. There may well be other circumstances, but the provision 'or for any other reason' is all encompassing. If, for whatever reason, a per-

son's earnings are decreasing and that is related to the disability, they can be compensated for that. The Opposition has asked that these words be left out, and if we do not receive a satisfactory reply we will divide on the matter.

The Hon. FRANK BLEVINS: I am advised that the reason for the inclusion of these words is to make it perfectly clear that where a compensable disability has occurred at work, for whatever reason, then the worker should be compensated for it and should not be disadvantaged. These words 'for any other reason or' were included in preference to going through every possible circumstance that could occur. Someone may not have a gradual onset of an injury, it may just occur. For example, a worker may not know that he is labouring under a disability. He goes on his way and his earning capacity is adversely affected by the disability. My advice is that it is not possible to spell out in this clause every single combination of circumstances in which this may occur. The principal behind it is that whatever compensable disability has occurred for any reason, then the worker has to be compensated.

Mr S.G. EVANS: I again raise a matter that was raised by the Master Painters, Decorators and Signwriters Association. In case the Minister has forgotten the point that the Association raised, its concern about clause 4 is as follows:

> In line with our opposition to the coverage of independent contractors in the same way as if they were employees—

and the Minister can explain the position on that (although perhaps he has already done so)—

> we are opposed to subclause (3) in that it attempts to treat an independent contractor for the purposes of determining remuneration in the same way as if they were workers and this is in our view. Not only is such coverage inappropriate, but this method of fixing average weekly earnings is inappropriate given the subcontract nature being addressed in this subclause.
>
> Subclause 4 (4) is in our view unusually broad in that it refers to the gradual onset of a disability, or for any other reason. The latter discretion is in our view unwarranted and should be deleted from the Bill. In addition, we believe that the calculation of compensation payments should take into account the natural deterioration of the body with age and the corporation should be given the discretion accordingly.
>
> We are opposed to subclause 5, which is an attempt to deem part-time employees to be full time employees in certain circumstances. Whilst we concede that the circumstances are relatively limited, we believe that the concept used elsewhere in the Bill, that is, payment as if the worker had remained at work, should be consistently applied and the circumstances covered in this subclause do not warrant a departure from that principle. The proposed deeming provision is also, in our view, inconsistent with out objective of encouraging rehabilitation and accordingly should be removed from the Bill.
>
> In terms of paragraph 7 (*b*) we are unsure as to what amount is intended in respect to the 'prescribed amount' and would ask for clarificaton from the Government as to its intentions regarding such amount.

Again, this is a clear indication from subcontractors that the language used in the Bill is not clear, yet, the people in the community who are supposed to abide by these provisions are having difficulties with them. It is all right to smile and say 'That is bad luck for the poor sods,' or whatever, but they are facing that problem and as Parliament we must be conscious of that. What is the Minister's response to matters raised by the Master Painters, Decorators and Signwriters Association in relation to this clause? I believe that a copy of this letter would have arrived at the Minister's office on about 8 February.

The Hon. FRANK BLEVINS: I am not quite sure of the significance of that date.

Mr S.G. Evans: The point is that you have had time to consider it.

The Hon. FRANK BLEVINS: Yes. All submissions have been considered—and they all must have referred the Bill to different lawyers. Every submission received was different and required a different response. I can assure honourable members that there were plenty of them. The submission for the Master Painters, Decorators and Signwriters Association was in line—

Mr S.G. Evans: Is that a reflection on the drafting of the Bill?

The Hon. FRANK BLEVINS: It is not a reflection on anything at all. I am merely saying that my office does not have the capacity to respond to these very complex legal matters—all different—as quickly as you or I can respond to a fairly common query from a constituent, for example. However, as I said earlier, I can assure the painters and decorators that they will get the same Rolls Royce treatment as anyone else whose submission calls for a response to matters raised. That will be done in due course. In relation to subcontractors the provision in clause 4 (3) is exactly the same as that which applies in the present Act. In relation to subclause (4), again, I am not quite sure how I can explain the matter any more clearly, but take for example a person who has unknowningly suffered an injury which has gradually affected that person and become quite annoying, with the person having to do less and less work on a lower rate of pay, with the injury having affected his earning capacity, and he is not aware of it. Incidentally, we have had quite a good example of that very close to home quite recently where the diagnosis has, regrettably, been late.

Mr S.G. Evans: What about 'for any other reason'?

The Hon. FRANK BLEVINS: That is what I am saying. Our advice is that it is not possible to write into the Bill all the circumstances that may arise, but the other reasons must obviously relate to a disability that is compensable. Again, a person should not be prejudiced because that disability will in time be diagnosed and related, if it is related, to the work place of the injured worker.

Mr S.G. EVANS: There is opposition to subclause (5) which is an attempt to deem part-time employees as full-time employees. Also the calculation of compensation payments should take into account the natural determination of the body with age and the corporation should be given the discretion accordingly. The proposed deeming provision is also, in their view, inconsistent with their objective of encouraging rehabilitation and accordingly should be removed from the Bill.

The Hon. FRANK BLEVINS: This is intended to deal with those full-time workers who were not full-time workers immediately prior to the relevant date: for example, somebody who has been a full-time worker, has had some kind of disability, and has had to go on part-time. You have to get some kind of formula to strike a rate for that person. It is grossly unfair to say that because of this injury he had to work part-time and, if he went on workers compensation, he would be dealt with only at the part-time rate. Some kind of formula must be established for those circumstances.

Again, the Bill is an attempt, as all Bills are attempts, to cover every conceivable circumstance that may arise. People can give you examples of these things where it has happened and where people have been disadvantaged, so it is an attempt to cover that disadvantage.

I think that I have explained the deeming provisions as well as I can. Whilst the master painters are opposed to it, you will see if you read it, that it is perfectly clear what we are trying to do. They may be opposed to it in that instance, and that is fair enough. It is perfectly clear. It says, 'It shall be determined as if the worker has been a full-time worker.'

It relates to whether that worker has been predominantly a full-time worker during the preceding 18 months. If they are suddenly a part-time worker for whatever reason, perhaps because of injury or sickness, but by and large they are full-time workers, they have to be classed as full-time

workers. That is fair and equitable. If for the week immediately preceding the disability a person happened to be a part-time worker, everyone would agree that it would be grossly unfair.

I respect the right of the master painters to disagree with this, but I cannot see how I can explain it any more clearly than it is in the Bill. It is readable. I take the point made earlier by the honourable member about the ease of reading or understanding Bills. The only problem we have is that we must give instructions and take advice on how a view is expressed.

It is all right for you and me to say that the language sounds tortuous, and the like, and that it is barely comprehensible. At times we feel that; perhaps in Bills we feel that more than we feel comfortable with the words that we read. Nevertheless, at some stage these provisions will be tested in court.

I respect the advice we receive from people who assist us in drawing up legislation when they say, 'If you want your intention to stand up in court, you have to draft it this way.' Perhaps as a layman I would like to tell them to go away and I would put it in my own words. But, if it is thrown out of court, the people whom we are attempting to protect—whether it be employers or employees—will not be protected. To some extent we are in the hands of the experts. True, it makes us feel helpless at times and we do not necessarily like it. However, if we want to establish rights for people—be they employers or employees—what is the alternative to having provisions that can stand up in court?

Mr INGERSON: I refer to clause 4 (3) and comment on the drafting. We have the same wording in respect of where a worker is a contractor rather than an employee. There is a clear inference that we have the subcontracting exercise being brought back into it again and, consequently, the confusion that is going on out in the public arena in any case, if it is not going on in here. This is an area regarding which the Minister, in any of his public utterances in future, ought to explain what he means, so that we do not have the situation that has now occurred.

In that provision I am surprised that, whereas in the rest of the Bill benefits are increased clearly in almost every instance, we have the potential here in the case of a contractor who may be earning a sum greater than average weekly earnings being brought back to average weekly earnings. That provision seems to be contrary to the rest of the Bill. Will the Minister explain why a contractor might get less than his average weekly earnings?

The CHAIRMAN: Before the Minister answers the question, I point out that the Committee is dealing with the amendment moved by the member for Mitcham. The Committee is disposing of amendments before we discuss the remainder of the clause. Notwithstanding that, I am willing to allow the question.

The Hon. FRANK BLEVINS: The reason it is 'average weekly earnings' is that a contractor would expect a return on his capital in what he picks up from whoever is doing the work. We are not pretending to cover that situation. Where do we go for an appropriate rate? We believe that going to the appropriate award or industrial agreement is really the only place that we can go. If honourable members opposite want to move an amendment to increase that somewhat, we will consider it.

Mr S.J. BAKER: Some little while ago we were dealing with amendments to lines 38 and 39, the words 'and for any other reason'. I have great difficulty with the drafting in this area as it seems to suggest that, for whatever reason, when there appears to be some relationship between the diminution in earnings and the disability, that it is okay and the earnings will be topped up to what the person would have been receiving had the disability not occurred. It is a dangerous precedent to put 'and for any other reason' in the Bill. The Minister has not explained to the Committee in what circumstances those words would come to bear. If the Minister could briefly explain what 'and for any other reason' means, I will accept that it is a reasonable addition to the Bill. It is almost like an overriding provision which says that because the person has a disability and it is vaguely related to the fact that he has not been earning at the full rate at which he was earning a year ago he should be compensated accordingly. If the Minister could give an example, my reservations may disappear and I will not oppose the clause, but, at this stage, I will stick to my amendment.

The Hon. FRANK BLEVINS: I do not know that I can. It may not be a gradual onset of a compensable injury or disability that has affected the earnings—it may be something very sudden. It may be one of 100 other things and, if we sat down long enough, we may be able to write out the 100 other things. It is to reinforce the principle that, where a compensable disability has occurred, the worker ought not to be disadvantaged. Whatever the reason for that compensable disability occurring and affecting the rate of earnings of the worker, the worker ought not to be disadvantaged. It is a very simple principle.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: Whilst I have responsibility for writing the Bill, I am not a lawyer. I take overwhelming advice on how the clause is to be written. I am not in a position to argue with those highly qualified advisers.

Amendments negatived.

Mr S.J. BAKER: I move:

Page 9, lines 44 and following—Leave out subclause (5).

To my understanding this introduces a new concept into the Bill. The proposition now being put forward in this clause is that a part-time worker will become a full-time worker as far as compensation is concerned if the worker has actually been looking for work prior to the relevant date and if he had been predominantly a full-time worker during the preceding 18 months. That is a marked departure from anything that we have seen in this type of legislation to date. It raises some questions about a person's intentions which can never be tested in a court of law.

I refer to people who do surveys on the attitudes of members of the public. Once the survey has been completed and they are later asked the same question, perhaps because of circumstances, their answers usually vary from the first lot of answers that were given. I once worked in qualitative type surveys and I know what the problem is. Paragraph (b) provides:

Immediately prior to the relevant date had been seeking full-time employment.

So, there is a question about proof. Someone looking through the newspaper and looking for full-time employment is one question. I know that the Australian Bureau of Statistics has a long list of questions to determine whether or not someone is really interested in being employed, for example. This provision is rather nonsensical because it does not show how it will be proved. More importantly, the employer is again wearing the burden. This will affect his or her premiums. I am sure the Minister will point out that it will not affect many people, and I can only agree with him.

This provision will set a precedent in that for all intents and purposes when this is brought in the person will be a part-time worker. What does 'predominantly' mean? Does it mean more than half, or does it mean 12 out of the past 18 months? There is no definition. It is very subjective. I understand why the Minister has put it in. Again, it breaks new ground just as a number of other parts of the Bill break

new ground. Members on this side can only oppose this provision.

The Hon. FRANK BLEVINS: I take the honourable member's point. How does one legislate to cover every possible eventuality? Is no-one allowed to walk around without being captured by this Bill or another? At times one is tempted to say that we are going out looking for people to assist. However, I do not believe that this is in that category. We live in very difficult days as regards unemployment. One of the growing areas of unemployment is the area of part-time work. It may well be that someone has been in and out of part-time work and full-time work through no fault of their own in the preceding 18 months. That is now a feature of many people's lives, and that is unfortunate. However, we must recognise that times are changing and we must adapt to those changing times. First, I would like members to note that subclause (5) *(a), (b)* and *(c)* must be read together and the person must prove all of them.

That person must prove to the corporation that he has been looking for work; it is not a question of his saying, 'I have been reading the paper every morning for the past 18 months trying to find a full-time job, so give me the money.' People will be dealing with a corporation that consists of some fairly hard nosed people. It is not a hall of plenty and it will not be throwing out money unnecessarily. People will have to prove to the satisfaction of the corporation that they are entitled to this provision, and that will not be very easy. Members are quite right in saying that not too many people will benefit. There will be four trade union members and four representatives of the employers on the board, and I cannot see that board being any kind of bleeding heart organisation—I would be staggered if it was.

To some extent we are not breaking new ground, as a similar scheme has been implemented in Victoria. South Australia is not blazing the trail, although there is nothing wrong with trail blazing and breaking new ground. I cannot understand why that concept has become a no-no. If South Australia can afford to trail blaze and break new ground, we should be proud of that. From my reading of the history of South Australia, we have been breaking new ground for almost 150 years, and we should be very proud of that. I hope that we go on breaking new ground and setting new standards for the next 150 years.

Mr S.J. BAKER: I cannot let those comments pass. This Bill does set new precedents, and it is very subjective. The Minister has not explained what is intended by 'looking for work'. That intention can never be tested adequately. He has not explained what 'predominantly' means—I do not know what it means. The only thing that the Minister has specified is the provision concerning whether a person has worked in the past 18 months and under which the board can refer back to the employers concerned.

It is not tight enough. I do not believe in that concept, because it is an attitudinal thing. The Minister can say that some people are in and out of full-time and part-time work but, if he looks at the statistics he will see that some people by choice are in and out of full-time and part-time work according to their lifestyle. If the Minister reads the literature he will find growing evidence of these different arrangements. A person may work full-time for six months and then take a holiday or work part-time. Under this legislation the Minister is saying that a person who might make a conscious decision to go back into full-time work (but no-one can test that proposition) is due for full compensation.

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: This provision is so loose that it would allow for that contingency. We cannot allow this to pass. It is sloppy and it is not in keeping with the principles upon which we believe the Workers Rehabilitation and Compensation Bill should operate. We are fundamentally opposed to this clause.

The Hon. FRANK BLEVINS: The more I look at the clause, the more I think there will be very few workers who will ever get any benefit from it; it is that tight. The onus is on the worker, as I understand it, to prove all these things. Quite frankly, I am not sure how you can prove that you have been looking for full-time work.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: As I say, the more I look at it, the more I think there is not a great deal of value in it to the worker. How do you prove that you have been doing that? I think the worker is going to be flat out proving it to a corporation, so the more I look at it the more I think it is a very desirable social change that probably will not cost a dollar.

The Committee divided on the amendment:

Ayes (14)—Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier, Olsen, and Oswald.

Noes (24)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), De Laine, Duigan, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Keneally, and Klunder, Ms Lenehan, Messrs. McRae, Payne, Peterson, Rann, Robertson, Slater, Trainer, and Tyler.

Majority of 10 for the Noes.

Amendment thus negatived.

Mr S.J. BAKER: Subclauses (6) and (7) give rise to some heartache for certain people. I understand that the existing Act covers the case of the apprentice or under-age worker receiving the appropriate award rate as he or she passes through the age increments. From memory, I think there is some variation to subclause (7) (*b*) relating to the top-up provision. I am sure that the Minister has already noted the large number of submissions involving paragraph (*c*), and some of them have actually directed attention to the relevant paragraphs.

As members are aware, as average weekly earnings stand today, the limit placed on the benefits that can be earned is approximately $950. Under the Victorian scheme, which the Minister is willing to often quote, the top benefit is some $400. Can the Minister explain why he did not follow the Victorian scheme, given that he felt it contained some useful innovations: indeed, he in fact held that scheme up to members on a number of occasions?

The Hon. FRANK BLEVINS: Apparently, in Victoria there is a tradition of topping up through awards.

Mr S.J. Baker: That only lasts for six months.

The Hon. FRANK BLEVINS: That may be so, but 80 per cent of workers compensation is finished in the first week, anyway. That is not a practice that I would like to see introduced in this State. To explain 'topping up', I point out that a level of workers compensation is set and, through an award provision or agreement with the employer, there is a topping up provision approximating the average weekly earnings or some other figure for the employee and provided directly by the employer. To some extent, it is similar to a front-end loading on insurance. It is not outrageous: it is quite common.

Providing a $100 excess on a policy is similar: a person buys insurance to a certain limit and pays the difference through an award provision. That happens in a number of States, and there is nothing novel or new about it. It does not occur to any extent, if at all, in South Australia, but it is an area which from time to time creates considerable industrial disputation interstate.

I would very much prefer the average weekly earnings to exclude the pop star, but certainly to include most people, for example, who would be employed in the public sector

and overwhelmingly most of the private sector. I would prefer those people to be covered through the Workers Compensation Act and not to have to go outside to get their average weekly earnings on workers compensation, which is the Australian standard (whether or not it ought to be is irrelevant).

I want them to receive consideration under the Act rather than through an award provision with some of the undesirable effects that may occur if employers resist it. But, in this State employers are not used to makeup: it has never been necessary. It is necessary in the other States and the workers receive it, but by its very nature it is often a quite unpleasant and expensive exercise for all concerned. That is the difference between here and Victoria.

Mr S.J. BAKER: According to my mathematics—and I know that we are talking about workers further up the scale in either outlying areas or highly skilled classes that fall into this area where $400 is exceeded—the cost of this provision is far higher than the one in Victoria. Did the Minister ask someone to sit down and work out the additional cost to the State of deviating from the Victorian situation, remembering that those top-up provisions sometimes last for, I think, only three months in some cases or six months in others? I do not believe that any of the top-up provisions last for a year. We should remember that the provisions in Victoria then become far less, whereas ours continue at 100 per cent for some three years. There is an enormous cost impost and difference in cost between the two.

The Hon. FRANK BLEVINS: There is not an enormous cost impost. Average weekly earnings at the moment are below $400. By definition, the overwhelming majority of workers are on less than average weekly earnings. That is how one gets averages. Also, not many workers get more than $400 a week. By and large, when one talks about workers getting more than that, they are usually in occupations where workers compenstion is not a big deal. Higher paid workers are in the safer occupations—in white collar areas. That is a generalisation, but as generalisations go it is not a bad one. There would be some higher paid workers involved.

Mr S.J. BAKER: The difference in cost is very significant for the standard worker as between our scheme and one of theirs.

The Hon. FRANK BLEVINS: It is not very significant. There is some additional cost in this case compared to Victoria. Other clauses here are more favourable from the employer's point of view than in Victoria. Overall, the Bill is pitched to the trade union movement, but at a level below Victoria and allowing for South Australian conditions, one of those conditions being that one does not seek compensation outside the Workers Compensation Act employees do not seek the top-up.

I am certain that if employers in this State were given the option of this clause or a clause in which it was certain that tomorrow employees in this State would go for the top-up, whether for six months or any other period, they would take this clause. The additional cost will not be major, but to start importing into South Australia some of the undesirable effects of workers attempting to get an Australian standard on workers compensation benefits would far outweigh any undesirable (from the employer's point of view) additional costs under this clause So, I support the provision very strongly. There is also a lot of evidence that there should not be any limit on it at all. That matter was put to us quite strongly. We were asked: why should you pay an iron worker his average weekly earnings yet you do not pay the nuclear scientist his average weekly earnings?

They are both human beings. If one's principle is to compensate and there is no loss of earnings while incapacitated, then the principle should apply equally at the top and bottom of the scale. Quite strong representations, both written and verbal, have been put to me on that. However, I found it very easy to resist them when I saw the figure that represented something close to $1 000 a week. I thought that most people were getting a reasonable go and that we had satisfied, to my satisfaction, the principle that we espouse in workers compensation.

Mr S.J. BAKER: The Minister said that the South Australian scheme is pitched below the Victorian scheme. I think that on almost all counts our benefits are higher than those under the Victorian scheme. Obviously, the Minister has carried out costings and has details of each situation. Could those costings be made available in table form? Perhaps the table could appropriately address, not the percentage distribution (because everything has to add up to 100 per cent in dealing with one entity), but look at the average worker, and detail of the costs of both schemes. I am particularly interested in the benefits that are available. My reading of the two Acts clearly shows that on almost every count the Victorian benefits are far less than the South Australian benefits.

The Hon. FRANK BLEVINS: I am happy to give some examples, and that is the best I can do at the moment. At a later date I will give a comparison that has been typed up in a manner that will be more useful to the honourable member. An obvious area is the lump sum compensation. In Victoria it is $61 750—

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: If it was the other way around you would say that there was a difference. I am saying that this scheme is pitched slightly below the Victorian scheme. If it was significantly below the Victorian scheme one would have the question of make-up which applies in other States. I do not want that in South Australia.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: Another significant area of cost is the unlimited 'partial deemed total' provision in Victoria compared to South Australia's proposal, for three years cover. This is somewhat complex and one of my advisers can go through it with the honourable member later, if he wishes. It is a very significant cost difference. For the benefit of honourable members, 'partial deemed total' arises where a worker is partially incapacitated but, because no work is available at a point in time, the worker is deemed total; that is to say, the worker is paid as if he was totally incapacitated.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: The Victorian scheme is open-ended. There is no limit on it. Our scheme has a limit of three years.

Mr S.J. Baker: You are saying that they can get 100 per cent benefits—

The Hon. FRANK BLEVINS: They can get a 100 per cent disability. If they cannot find work at the level of disability of, say, 20 per cent, if there is no work available at that level that they are cable of doing, then they are paid.

Mr S.J. Baker: How much?

The Hon. FRANK BLEVINS: Whatever the provisions are: the 'partial deemed total', for ever.

Mr S.J. Baker: We have got three years.

The Hon. FRANK BLEVINS: Yes. They have it for ever. That represents very big dollars. That is where the big dollars are in relation to the difference. I have mentioned one other significant difference, which I think is actually a plus, and that is in relation to the case of having a maximum of 2¼ times average weekly earnings in our Bill rather than the $400 provision which applies in Victoria. On balance, I think it is far cheaper for our employers to have that provision rather than to have unions knocking on the door for make-up amounts, as they do in other States.

I refer to another benefit here which is quite different from the situation that applies in Victoria. Once again this is rather complex, but I am happy to go through it with the member for Mitcham or any other honourable member, if so desired. Very briefly, the Victorian benefits are based on 80 per cent of the income loss: thus, if a worker was on $100 a week and after suffering an injury could earn only $80 a week the Victorian benefit would be 80 per cent of $20 (that is, the income loss), or $16 a week. The worker thus would take home 96 per cent of his previous earnings. The South Australian proposals, based on the white paper (so they have been around for a while), are based on making up the earnings after the injury to 85 per cent of previous earnings. In the example that I have given, the weekly benefit provided would be $5 a week. That is a very significant difference—instead of $96 it would be $85.

Clause passed.

Clause 5—'Act to bind Crown.'

Mr BECKER: I take it that this clause, which binds the Crown, takes over the responsibility in the liability of the Crown. The clause provides:

> This Act binds the Crown in right of the State and also as far as the legislative power of the State extends in all its other capacities.

Does that mean that the new authority will take over the liability or the outstandings of the current workers compensation under the Government Insurance Fund? I remind the Minister that at page 141 of his report for the year ended 30 June 1985 the Auditor-General reminded us that:

> Claims paid and outstanding for workers compensation almost-doubled to $29.3 million. In the past five years, workers compensation claims have totalled $73.4 million.

For the year ended 30 June 1985, premiums for workers compensation from various Government departments and agencies were $17.3 million. The amount paid was $22.9 million. Administration costs were $249 000, and the deficit balance was $12.3 million. The Auditor-General went on to say:

> The total value of claims paid and outstanding for workers compensation increased by $14.5 million. The claims paid increased by $6.2 million principally on account of higher weekly benefits payable, and increased common law settlements. Outstanding claims increased by $8.3 million.

I take it that the fund has a defict of $12.3 million, and I know that the Auditor-General was quite concerned about this because on page 142 of his report he made some further comments.

The Hon. Frank Blevins interjecting:

Mr BECKER: What happens? I take it that, if it binds the Crown, the whole idea of the corporation is to protect all workers in this State unless there are exempt employers. Therefore, what happens to the Government fund?

The Hon. FRANK BLEVINS: The Crown is an exempt employer the same as BHP and numerous others, so that continues. There is no charge.

Clause passed.

Clause 6—'Territorial application of this Act.'

Mr S.J. BAKER: I just say to the Minister that in the previous clause the sums do not quite add up, but we will go to that later. My question to the Minister relates to the crossing of State borders. It seems that we are a little bit the same but a little bit different in this regard. What discussions has the Minister had with the Victorian Government about the situation so that a worker does not miss out and does not pay double premiums? Has he had any discussions with the Victorian Government at this stage?

The Hon. FRANK BLEVINS: The provision is quite specific. It does apply where it says. I do not think that there is any difficulty in understanding that. The member is quite right, we do get into difficulties from time to time with people crossing State borders and with each State having a different system. That is regrettable. From my point of view, it would be a great advance if we had one Australia wide system of 24 hour cover, but that is another story. I am sure that, where necessary, at least the officers of the Department of Labour can have discussions with officers in other States, and Ministers can certainly have discussions, if it is deemed necessary, in Labour Advisory Councils, etc. I am not sure that there is a great deal that we can do, really.

Mr S.G. EVANS: I again raise a query that was raised with the Minister by the painters and decorators in regard to clause 6 when they said:

> Whilst we appreciate that the Bill attempts to define the extent of its application to traumas occurring inside of the State, we believe that clarification is required regarding the payment of levies by employers predominantly in other States whose workers visit South Australia, and South Australian employers whose workers visit States such as Queensland. That is, whilst this clause and corresponding clauses in other legislation define that liability for payment only arises in respect of one Act, the provisions of the Act which impose levies on employers do not take into account this fact. Therefore, we believe that the Governments of the various States, particularly those States that are running a centralised workers' compensation system, should coordinate their premium collection provisions so that employers are not charged twice in respect of the same payroll when liability can only arise under one Act.

It is quite clear what they are concerned about. There may be a case of a business having to pick up a double charge because of the conflict between Acts and because of workers working in and out of the different States. As the Minister has had some time to consider it, what is his response likely to be to the request from the painters and decorators?

The Hon. FRANK BLEVINS: The member for Davenport seems to be hung up on the time: he says I have had considerable time to consider it. I will need much longer to consider it.

Mr S.G. Evans: You are telling us that we had plenty of time to consider the Bill so, in comparison, you have had plenty of time to consider such a proposition.

The Hon. FRANK BLEVINS: Even if I consider it for the next few weeks I doubt that I will come up with a satisfactory solution. It is very difficult. Certainly, having a central insurer will make it easier to get some apportionment of the various workers and companies that do move around. It is reasonable that that be attempted. Whether when dealing with corporations in other States one can get that degree of cooperation I do not know: it is desirable that we try and I will certainly have my officers look at it and see whether there are any practical things they can do to tidy up the area.

I do not want South Australian painting contractors to be paying twice any more than I want Queensland contractors to be paying twice. The question is whether we can get such cooperation among all the States and all the insurers. Certainly, dealing with the central insurers would be easier than dealing with dozens and dozens of insurance companies. We will certainly do our best. The fact is that this letter came in on 8 February raising a question of that magnitude. Even if it had come in three months earlier I doubt whether I would have been able to solve all the problems about States' rights, insurance bodies and all the players in this game. Certainly, I will do my best and I will ask my department to do its best.

Mr S.G. EVANS: I am disappointed at the Minister's response. I did not enter the debate earlier, but I noted that the Opposition was told that it had plenty of time to consider the Bill. If there can be double charging, it can have a serious effect on our own business houses. I am concerned about what might happen to business houses in other States, but I am more concerned about what will happen to business houses in South Australia. For any Government or

Minister to come into this Chamber and say that he knows there is a problem and that he knows there should be a solution but that we should pass the law and put it into operation and have the fault in the law and then perhaps try to find a solution is surely unacceptable in any process of making the law.

That letter has been floating around for a fortnight with its proposition. Someone has to come up with the answer and say whether it is soluble or insoluble or that the submission's contention is wrong. I do not want to cause delay at this hour, but we are in the process of passing the law affecting the people of this State. All along the line we seem to be doing everything to help employees: I do not mind helping as much as the State can afford to do it. However, when it comes to the employer and there is a problem we tend to say that we are not sure whether we can solve it. Surely that position is unacceptable. Perhaps the submission is wrong, but I do not know whether or not it is. The Minister has advisers in his department and can obtain further advice from Crown Law, through the Attorney-General. That advice is available to the Government. I cannot say that a solution will be found and the Minister says that he will look for a solution over the next few months.

However, by that time the law is operative in that it has been passed by Parliament. It may not be operative as far as the painters and decorators are concerned, as they may not be picked up early on. Surely there has to be a better answer than telling a group of parliamentarians in opposition that we have had plenty of time to consider it and should know all the answers and, when somebody makes a submission to the Opposition and the Minister, all the experts that are available cannot tell us whether there is an answer. I am disappointed. Has the Minister any other explanation?

The Hon. FRANK BLEVINS: The honourable member's contribution was a little ungracious. I am quite happy to stand in this place and say that I do not have all the answers; I am quite open about that. Does the honourable member have all the answers? I have been dealing with workers compensation in this place for 10 years. I doubt that this problem has occurred since 8 February or since the Bill was drafted. Over the years that I have been dealing with workers compensation, I have not noticed the member for Davenport giving this issue his attention. So, I do not appreciate his pontificating that I do not have the answers, and saying that it is outrageous that I have not, or words to that effect, and that he expects better.

My advice is that, if every State in Australia passed this provision in its workers compensation legislation, the problem would be solved. The control that I have over other Parliaments is even less than that which I have over this Parliament. It is not at all necessary for the member for Davenport to start, at this time of the night, snarling at me and saying that I should know how to fix up these problems. Problems exist with people moving from one State to another and who covers whom for as long as Australia has had workers compensation, which was after all the States were established.

The honourable member wants me to give a solution and, because I do not, he says that it is not good enough. What has the honourable member done to address the solution over the years that he has been here? I have no memory of his doing anything. I will do my best, and the advice that I have is that this solves the problem as far as South Australia is concerned. However, it has to be passed in all other States. I will commend it to them, but I do not have control over what they do.

Mr S.G. EVANS: On the one hand we have been told in a niggly sort of way that we should be ready to debate the Bill and know all the answers, but when I want an answer that I cannot find myself, I do not get it. The Minister has had time and should have the answers. I admit that I have not done much in this field in the past, as it has not been brought to my attention. Now that it has been drawn to my attention, as a member of Parliament, by a responsible organisation, I am attempting to ascertain whether we are passing a law that we understand or do not understand. I do not understand, and the Minister has admitted that he does not understand, the final solution. That is where it lies and where it finishes.

The Hon. FRANK BLEVINS: I am not sure who is supposed to know all the answers. I have not suggested that the honourable member is supposed to know all the answers.

Clause passed.

Clause 7—'The Corporation.'

Mr S.J. BAKER: I do not intend to take up the time of the Committee. We have dealt with the principle of whether we should have a corporation or whether we should allow the free market forces to operate. We believe in the free market forces. However, that has already been tested and we have failed. I will not therefore move my amendment to this clause.

Mr INGERSON: While we are on this clause and since the Minister has had ample figures of the actual setting up and running costs of the corporation I wonder whether he could table before Parliament the setting up costs, the expected running costs and any other documents that he sent to the Auditor-General in relation to the corporation.

The Hon. FRANK BLEVINS: I sent this information to the Opposition before the election. However, I will obtain another copy and send it to the member.

Mr INGERSON: The Minister has not tabled that information before Parliament.

The Hon. FRANK BLEVINS: I do not have a copy with me. I have already sent the Opposition a copy, but I can send the member another copy.

Mr Ingerson: Table it.

The Hon. FRANK BLEVINS: The member can table it; he is as free as I am to table it. A copy of the costings was sent to the Opposition prior to the election. If members opposite want another copy, I will send it to them.

Mr BECKER: Under this clause the corporation shall do various things. However, it does not say whether it can deal with money, investments, trusts, and so on. Should there be something in this clause about buying shares and acquiring property?

The Hon. FRANK BLEVINS: Apparently we have not yet reached that provision. That comes under clause 14 'Functions and powers of the corporation', which relates to where it can invest money and how it establishes and operates bank accounts.

Mr Becker interjecting:

The Hon. FRANK BLEVINS: I have no idea, but I will find out. It is perfectly logical; it follows on from its functions, which are defined quite separately. It lists all the functions (a) to (i). This is included in one of the functions and it is perfectly and appropriately located in clause 14. In fact, I commend those who assisted in the drafting of the Bill.

Mr BECKER: That is fair enough. However, I cannot understand why subclause (2), which deals with real estate, is in clause 7. I suppose it could be argued that that is also a function. I am trying to cut down a bit of the drafting of the legislation and simplify it.

The Hon. FRANK BLEVINS: I should have thought the honourable member would know this. Every body corporate gets these functions and rights, etc., automatically; it is more or less a standard provision. Whenever a body corporate

was established it would be given those responsibilities and powers. That power is a standard provision.

Clause passed.

Clause 8—'Constitution of the management board.'

Mr S.J. BAKER: I move:

Page 12, after line 17—Insert subclause as follows:

(2) The members appointed under subsection (1) *(e)* and *(f)* are non-voting members of the board.

Under the original draft Bill there were to be nine members on the board but, as Labor ministries are wont to do, the Government has increased the number to 11, and we know why—because there has been a bit of a balancing act in the procedures as the employee managed Workers Compensation Association Incorporated was left out. We are opposed to boards of a large size, and I do not wish to comment further in that regard. I do not know what the appropriate size for a board is, but it would seem that there are too many people on this board.

However, we wish to restore some balance in the system. As the Minister would be aware, the employers are not exactly happy with this Bill. Indeed, they perceive that the corporation will be the vehicle for the various social reforms that the Labor Government might wish to implement. The only impediment to that sort of process is an even balance on the board. The Minister has already stated in the second reading explanation and has reiterated in this place on a number of occasions that there are only two players in the system—the employers and the employees—and that is one sentiment that I agree with. Anyone else is peripheral in providing a service to those two groups.

However, we are widening the board beyond the nominees. I am sure that because it is in their best interests to do so both the UTLC and the employer groups will nominate people who have some experience or knowledge and who know at least a little bit about workers compensation, safety, rehabilitation and all these things.

Therefore, I do not perceive that either the UTLC or the employers will be foolish enough to nominate tame representatives who know nothing about that field. But the question remains that, if there is a Labor Government in power, there is a widespread suggestion among the buinesss community that the board would involve two people who are experienced in the field of rehabilitation and the General Manager of the corporation as well as the presiding officer of the board—

Mr Ingerson: The three stooges.

Mr S.J. BAKER: I hope that it will not turn out that way, but inevitably that happens, and we have seen what has happened with ETSA and SAMCOR. On every board around the place—

The Hon. Frank Blevins: Why SAMCOR?

Mr S.J. BAKER: I am sorry—I was wrong to include SAMCOR. I will think of 10 other examples when I am a little less tired. For the edification of the Minister, I can tell him that I get the *Government Gazette* every week.

Mr Ingerson: What about the State Bank?

Mr S.J. BAKER: Yes, the State Bank is another haven for friends of the Labor Party. I actually go through the *Government Gazette* and pick out the appointments that have been made by the Government and, surprise, surprise (and the Minister would be very surprised), I find that appointments are extremely biased. The point I am trying to make to the Minister is that if we appoint people in whom the employers (when a Labor Government is in power) or employees (when a Liberal Government is in power) have little trust, we will be starting off on dangerous ground.

What we have suggested is that these people should get paid if they are going to add to the board the sort of expertise that the Minister believes is necessary, but that their voting rights be taken away so we do have a presiding officer who would use his power in certain situations, but we have an even balance between employer and employee organisations. It is a simple proposition. The business interests were not particularly enthusiastic about the composition of this board, because they know what the track record of the Labor Party has been in this area, so it is a suggestion to improve it, and perhaps put a bit of trust back in that has been lost because of the way in which this Bill has been handled.

The Hon. FRANK BLEVINS: I oppose the amendment. I did not think that the comment about putting friends of the Labor Party on the board was necessary. It was gratuitous comment. I would point out that on ETSA and many other boards on which former members of Parliament sit it is usually on a bipartisan basis. The honourable member perhaps has not been here long enough to be aware of some of the traditions in this area. I point out that one previous member of the other place has done better than any other former member of Parliament as regards boards, and that is the Hon. John Carnie. I personally made him Chairman of the Citrus Board. He was also on the ETSA board. He did very well indeed from the Labor Party: he was, of course, treated abominably by the Liberal Party, which took away his preselection. The point is arguable: I will concede that. I do not think it is arguable in the case of the person who is experienced in the field of rehabilitation. For the honourable member for Mitcham to suggest that somebody should be a non-voting member of the board—

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: I will come to that in a moment, because that is not clear cut, either. We have had some discussions on this. Certainly, in the rehabilitation field—and we are primarily concerned about rehabilitation the person who is on the board who is experienced in the field of rehabilitation should be a voting member of that board. If we are serious about rehabilitation, it is quite nonsensical not to permit the person concerned to have a vote on the board. I will not concede paragraph *(e)*. At this stage, I will not concede paragraph *(f)*, either. I agree that the position is at least arguable. While some sections of the business community do not want the general manager to be a voting member of the board, other sections of the business community do.

Mr Ingerson: How can you direct a general manager if he has a vote?

The Hon. FRANK BLEVINS: There are too many problems in doing that in private industry, so I cannot see why this case would be any different. I would not stake my case on the fact that industry does not want the general manager to be a voting member of the board. One section of industry does not; other sections of industry very strongly do, so again you pays your dime and takes your pick. Certainly, I am not prepared to support the amendment at this stage.

Amendment negatived.

Mr BECKER: Why is the composition of the board so large? Eleven people seems to be a very large number for a board. Why was it not five or seven but, rather, 11?

The Hon. FRANK BLEVINS: The main reason is that it is difficult to get one person or even two people to represent all the employer groups. With the Trades and Labor Council, it is easy because you can then have one person representing the employees in this State, but you cannot do that with employers. From time to time we hear of demarcation disputes amongst employee organisations. I have never seen the kind of disputation occur between employee organisations that occurs between employer organisations, particularly at the moment when employer organisations will not give each other the time of day, let alone suggest that one can represent the other. It is a real and genuine problem which we tried to address by attempting to accommodate as many of the various interest groups as possible.

The self-insurers wanted to be represented separately and there is good reason for that. We have to make some arrangements for small business as well as big business. Employers are not a cohesive group and that is a fact. It would be desirable if that was the case, but they are not, so we have to make provision to accommodate all the various factions amongst the employers.

Mr BECKER: I accept that, but can you give the Committee a guarantee that at least one and possibly two members of the board will be women? Time after time we see statutory authorities established. To be honestly fair and, if we are genuine about equal opportunity, then I consider that we should ensure that at least one member, and possibly two, should be women. Some women would argue that if there are 11 members on the board, six should be women and that is fair enough, but I think, with a corporation as important as this one, women should be represented on it. There is a larger number of women in the work force than ever before and, particularly in certain professions and industries, with the types of injuries that they are experiencing, the corporation would do well to have the benefit of at least one woman as a member. At one stage I was rather keen to move that it be mandatory, but what guarantee can the Minister give the Committee, or what consideration will he give to my suggestion?

The Hon. FRANK BLEVINS: I appreciate the remarks made by the honourable member. When you write into Bills that it should be mandatory, that is a serious point. It is a very hot topic. I cannot guarantee that two women will be on the board. All I can do is guarantee that I will advise the organisations when I consult with them regarding their nominations that approximately 50 per cent of the population are women and they ought to be represented. However, the Bill does not give me the power to demand it and in this case I do not believe that it ought to do that.

Mr S.G. EVANS: As to the point raised by the member for Hanson, I do not support the concept of writing it into the Act either. I hope that the Minister and the Government select people who are best able to do the jobs, no matter whether there be 100 per cent men, 100 per cent women or something in between. We should aim for that goal and not tokenism. We should get the best people for those roles. I point out to the Minister that the AMA believes that a person experienced in the rehabilitation field would be most suitable. The AMA argues that the appropriate person should be a qualified medical practitioner.

Has the Minister taken on board that suggestion of the AMA, because I see that it is unlikely that a medically qualified person would be nominated by the United Trades and Labor Council. It is also unlikely that the presiding officer of the board would come from that field or that a doctor would be one of the three people representing interests of employers, especially when one takes into consideration that there is to be a representative of small business. That does not leave many choices in the other area. A medical practitioner is unlikely to be the general manager. The only area that appears to be likely and appropriate is the area of rehabilitation; a medical practitioner could have an interest and expertise in that field.

What is the Minister's response to that request? When the Minister consults the different representative bodies and asks for their nominees or suggestions will he ask for a list of people suggested by those organisations and will he then choose one from that list, or will there just be that consultation after which the Minister will say, 'I think this is the one'?

The Hon. FRANK BLEVINS: With regard to the doctor, there is certainly no reason why the board member who is experienced in the field of rehabilitation could not be a medical practitioner. However, I certainly would oppose its being made mandatory. A suggestion has also been made that somebody who has been injured and who has gone through the workers compensation mill should be on the board. Workers compensation is not academic: they have actually been in that mincer. No, I have not thought that it ought not to be a doctor. It is certainly a possibility.

With regard to consultation, I shall write to the various bodies, the United Trades and Labor Council and employer groups. I do not think I could write to all the employer groups although I suppose it is a possibility. I would certainly write to the main ones—obviously to the Chamber of Commerce and Industry, the Employers Federation, the Metal Industries Association of South Australia, the Master Builders Association, the South Australian Automobile Chamber of Commerce, and I could go on and on. I will choose from their nominees or suggestions, plus anyone else who comes to mind. I will not be bound by their suggestions, but if I am thinking of choosing someone that they had not suggested I would discuss it with them and give my reasons as to why I thought that person was appropriate.

Mr INGERSON: It has been put to me that, as the small business sector makes up the majority of employers, that group that should receive some consideration. Will the Minister take that matter on board?

The Hon. FRANK BLEVINS: I do not have to take it in on board; it is provided in paragraph *(c)*.

Clause passed.

Clause 9—'Terms and conditions of office.'

Mr BECKER: Some legislation that has passed in this place provides an age limit for members serving on boards. I wonder why an age limit is not included in this clause so that the people concerned, once they reach the age of 70 years, cannot continue to serve on the board. I know that arguments can be put forward that some people mature at that age. (The way that this place is going none of us will live that long.) I feel that an age limit should be included in the legislation. I am sure that in the companies legislation a person over 70 years of age has to be re-elected every year.

The Hon. FRANK BLEVINS: Consideration has been given to this matter, but it was thought not to be appropriate, as this is a part-time position. It is also a question of Government policy. The Government has the right to appoint, reappoint and not to appoint. This Government is very reluctant to reappoint to a board anyone who is over 70 years of age, but there are occasions when we have appointed such people and it has been perfectly proper to do so. I cannot give examples at the moment, but Cabinet has debated this matter and as the individual concerned was making such a magnificent contribution to that board in question, despite Government policy not to reappoint people over 70 years of age, we chose to do so.

This provision gives the Government—whichever Government is in power—flexibility that can occasionally be desirable. If the people concerned are making a great contribution—after all, it is only a part-time position—and they are over 70 years of age, the Government may well desire that flexibility, and the community would benefit, although generally speaking this Government's policy is not to appoint people over 70 years of age. The ALP is harsher than that.

Clause passed.

Clause 10—'Allowances and expenses.'

Mr INGERSON: Can the Minister provide details of fees and expenses of board members?

The Hon. FRANK BLEVINS: In the overall costing of establishing the corporation some passing reference may have been made to directors' fees, board members' fees and expenses. However, we are talking trivia compared to the amount of funds that will be flowing in relation to this proposal. The matter of the few thousand dollars that we

will be paying to board members is, except to the board members themselves, really of no consequence in the costing of the scheme.

Mr BECKER: I would have thought that the Minister would have been quite willing to give us this information. I would put this corporation in the same category as SGIC, ETSA and the State Bank, in which case I assume that the Chairman of the corporation would get around $13 000 a year and the board members about $9 000 a year. I do not know what allowances and expenses are anticipated. Does the Minister have in mind a classification level for members of this Board similar to that which applies to the boards that I have already mentioned?

The Hon. FRANK BLEVINS: Some kind of scale has been drawn up in the Public Service Board for the various Government boards, as well as semi-government boards and things of that nature. I am sure that this operation will have regard to the prevailing rate regarding allowances and expenses. In relation to the range of remuneration mentioned by the member for Hanson, that seemed to me to be fairly low, and, given that fact, I would not think that the allowances, fees, expenses or whatever would be very high either. All in all, I think the whole thing is negligible in the costing of the corporation.

Mr BECKER: I think that as a matter of principle the Minister should be able to provide at this stage details of the classification of members of the board.

The Hon. FRANK BLEVINS: It is a fundamental calculation

Mr BECKER: This is correct. It is a fundamental calculation, and I would have thought that the Minister would have been able to say what the classifications would be.

The Hon. FRANK BLEVINS: I did not treat it as a fundamental question at all; in fact, I had not thought about the matter until it was raised by the member for Hanson. I must confess that I have been wrestling with this scheme for a while, and the last thing I thought I would be asked today was what the level of remuneration for members of the board would be. I think that the comments made by the member for Hanson when comparing the corporation with the SGIC and the State Bank were very sound and very sensible. I assume that the corporation will be of that order. However, I have given the matter no thought whatever, and in as much as I am being compelled to give it thought, I indicate that if it turns out that the details are not in the region anticipated, I hope that the House will not treat me too harshly.

Clause passed.

Clause 11—'Proceedings, etc., of the board.'

Mr BAKER: The two amendments that I have on file in relation to this clause are consequential on amendments proposed to clause 8. Given that the amendments to clause 8 were tested and lost, I do not wish to proceed with the amendments to this clause.

Clause passed.

Clause 12 passed.

Clause 13—'Disclosure of interest.'

Mr S.G. EVANS: I appreciate the provisions of this clause. Any person who has an interest in a company or organisation that is likely to contract with the corporation should declare their interest and take no further part in the proceedings of the board in discussions concerning that proposed contract. I pose the question to the Minister: has it been considered that it would perhaps also be desirable that a minute, where a person has declared an interest, should not just stay on the books of the organisation but in fact should be tabled in Parliament so that Parliament is aware of any board member that may have an interest with an organisation with which the corporation is dealing? We all know that it is not just that the individual might not partake in the discussions; just having close mates on a committee sometimes can give the same opportunity to gain a benefit. I thought there would be some wisdom if it was available to Parliament to keep an eye on that area, accepting that the Minister should be able to check out the queries he or she had at any time. Has consideration been given to making it possible for such a declaration to be made available to Parliament as it is likely to occur from time to time?

The Hon. FRANK BLEVINS: No, no consideration of that has been given at all.

Clause passed.

Clause 14—'Functions and powers of the corporation.'

Mr S.J. BAKER: I move:

Page 14, line 27—After 'other function' insert, 'consistent with those referred to above'.

This amendment really tidies the legislation up. As it stands, it is quite open-ended. We believe that any laws made outside the Act should be consistent with the general provisions contained within this Act. We do not believe that through other enactments or regulations there should be departure from the principles contained within the Act.

The Hon. FRANK BLEVINS: I oppose the amendment. My understanding is that it is a technical amendment which seeks to ensure that the term 'any other function' is not applied so widely so as to give the corporation functions that are totally removed from its basic role in workers rehabilitation and compensation.

I oppose the amendment because the provision in the Bill is deemed by the Government to be essential, because it enables complementary legislation to be effected in regard to possible ties with other workers compensation legislation. I reject the amendment. It may be that by maintaining this provision we can help the member for Davenport and his master painters and decorators. I am not saying that that is the case, but it may be. It may be desirable to have ties with other workers compensation legislation and, if the amendment were carried, it would prevent that.

Mr S.J. BAKER: That is rubbish. The amendment says 'consistent with the above'. If the Minister does not believe that rehabilitation is in the legislation he should tell the Committee now. I have noticed three clauses in the Bill dealing with rehabilitation. We are trying to ensure that there are no extraneous influences placed on or associated with the corporation. They can happen in the financial arena; they may happen in regard to other areas of the law; but we are ensuring that it is clearly understood that it is not an open-ended statement.

Therefore, if it is consistent, I cannot see what the Minister's hassle is. If the Minister believes that there should be some other influences that can be placed on the corporation from elsewhere, he should advise the Committee. As to the spurious example that he wants to ensure that other compensation enactments can be cojoined with this legislation, that is in keeping with the functions of the corporation.

The Hon. FRANK BLEVINS: There is also the question of the occupational health and safety legislation. There may be some common functions that have to be considered. I reject the amendment.

Amendment negatived.

Mr S.J. BAKER: I dislike the use of the word 'collaborate' in subclause (2) *(h)*. I intended to move an amendment, but I omitted to ask the draftsman to prepare it. That word has some unfortunate connotations, as the Minister will appreciate. Perhaps he asked for it to be included in the provision, but I do not believe it is an appropriate parliamentary term, and perhaps someone in another place will pick up this amendment.

Mr INGERSON: As to the functions of the corporation, the Minister has direct control over this statutory authority which is a bit unusual. How will the funds be managed? Will the Minister advise the Committee as to the extent of funds expected in any one year? As the funds are under the direct control of the Minister I suspect that the investment of such funds is likely to be in Government projects. Although I have no objection to that, I believe we should at least have spelt out the investment policy applying to this statutory authority, which is under the Minister's direct control. Subclause (2) *(f)* provides for the establishment and maintainence of a central office and regional offices. I have some idea of the general cost of building, having been involved in setting up regional offices in the last couple of years, and I have a fair idea of the capital costs involved.

Can the Minister advise us what is the expectation in relation to the central office and the regional offices so that we can get some sort of idea what capital costs are likely to be for the new corporation? As the corporation will not start with any finance at all, one can only assume that this sort of money will come from the Government or it will be in the rental premises. Will the Minister explain to the House what funding and costs will be involved in the exercise? What is the total funds likely to come in in the first year? What is the Minister's investment policy, as he has direct control over this corporation? How does he see the investment portfolio being controlled? And, what are the sorts of establishment costs expected for setting up the central and regional offices?

The Hon. FRANK BLEVINS: A rough figure would be around $120 million a year, to answer the first question. My investment policy is very cautious and conservative, and I do not have a fixed view at this stage on precisely where I will be investing this money.

Mr S.J. Baker: Who will be investing the money?

The Hon. FRANK BLEVINS: Me, according to the member for Bragg. It is under the direction and control of the Minister and I was asked what is my investment policy. My investment policy is not firm at this stage. I will certainly be listening and taking advice from a wide area as to where I should direct investment.

Members interjecting:

The Hon. FRANK BLEVINS: The member for Bragg asked the question. If the honourable member has any queries about it he should take it up with the member for Bragg. Buildings, regional offices and all those things will be built and appropriately located—and all credit to the State.

Mr BECKER: The functions and power of the corporation are wide and varied. Does the Minister envisage that the corporation will actually operate and administer the whole of the operation of the authority or will it appoint an agent? For example, will it appoint SGIC as the agent to carry out its bookkeeping and use its already established facilities and branch network with a corporation to oversee that, or what will it do?

The Hon. FRANK BLEVINS: They are able to do what the honourable member has suggested and may in fact do so, certainly initially. It may be that appointing an insurance company—not necessarily the SGIC—as the agent in the first 12 months is the best way to go. It is within the corporation's power to do so. I am sure that the board will be considering that matter when it gets going and decides the most appropriate way to operate.

Mr BECKER: What will be the likely cost of the operational work for the corporation? Has the Minister had a chance to ask SGIC that question?

The Hon. FRANK BLEVINS: Before we could ask SGIC anything the board would have to firm up the proposal. It would have to go to SGIC or any other insurance company, or perhaps even to tender. I am sure that the member would prefer it to go to tender, because in the first 12 months, the first 10 years, two weeks or whatever it would need certain things and it could buy assistance or expertise. Obviously if you need 400 employees, you would not have them all on the first day, so some arrangements would certainly have to be made. We do have the Victorian model, and I think that they actually went out to tender for some of the functions until they got their own employees. I believe that it was a very successful operation and that the insurance industry welcomed it.

Clause passed.

Clause 15—'Corporation to have proper regard to differences in ethnic background, etc.'

Mr S.G. EVANS: The last part of the clause refers to 'ethnic or linguistic origins or background.' It appears from the clause that we are looking at making sure that anyone with an ethnic background is not disadvantaged in relation to rehabilitation or compensation. I am worried—and the reference to linguistic may cover it, but I have my doubts by the way it is worded—about this area in relation to the deaf. There are disadvantaged people in the community who have just as much difficulty communicating as do ethnic people. That is particularly so for the deaf because they can never learn to speak because they cannot hear. They cannot develop an accent and they are at a great disadvantage. If their exclusion is an oversight, I ask the Minister whether he can pick up the area of the deaf and the disadvantaged before the Bill goes to the other place.

The Hon. FRANK BLEVINS: The honourable member has pointed out one of the problems with a clause of this type—once you start, where do you stop? I would hope that all organisations have due regard for all the things that are listed in the Bill and many other things as well. Not just the corporation but all of us in our daily lives should follow that, and I am sure that we all attempt to, but not always terribly successfully. The point made by the honourable member is valid. If we are to have a clause such as this, it should be complete and people who may be discriminated against because of physical impairment or some other disability are also entitled to a mention. I will look at the member's suggestion and see whether the clause should be amended in another place. The member's point is absolutely valid.

Clause passed.

Clause 16—'Delegation.'

Mr S.J. BAKER: I move:

Page 15, after line 12—Insert new paragraph as follows:

(aa) may be made—

(i) to a member of the board;

(ii) to a committee established by the Corporation;

(iii) to a particular officer of the Corporation, or to any officer of the Corporation occupying (or acting in) a particular office or position;

(iv) to a prescribed person, authority or instrumentality.

This clause is quite open-ended. I presume that an amendment is forthcoming somewhere because there will be some difficulties if that is not the case. I hope that my amendment is acceptable to the Minister.

Clause 16 (1) is a simple provision. Questions have been raised by a number of people about how tight it is. At the end of the spectrum people can suggest what powers or functions can be delegated to any person within or outside the corporation. We believe that powers can be delegated in the normal form within the corporation. If powers are to be delegated outside the corporation, it should be done by regulation so that everyone is aware of exactly who is being included and why they are being included.

Various suggestions have been made as to how far the delegatory powers of the corporation can extend. It makes good drafting sense to include the provisions in our amend-

ment and, because many members are asleep, I might call for a division to wake them up. We believe that this provision could be subject to abuse, because there is nothing to stop the board as it stands at present going far beyond what the Bill envisages. I commend the amendment to the Minister.

The Hon. FRANK BLEVINS: I oppose the amendment. These are responsible people and it is a responsible organisation. Besides that, if the amendment was carried the corporation would not be able to do what the member for Hanson believes would be appropriate for it to do—it would not be able to delegate its powers to the SGIC, Australia Post or any other organisation, and therefore that would limit the flexibility of the corporation.

Mr S.J. BAKER: I insist on this amendment. It includes the normal form of prescription found in other Acts and rules that govern committees, and the operative word is 'prescribe'. If the Minister says, 'I want an agency and that agency will be the SGIC or the State Bank because it has offices in the country,' that can be done by regulation. However, if an officer of the corporation says, 'I would like some of my authority delegated to my friend down the street,' or if the corporation decides that it will delegate its power in another way, because it will not be subject to scrutiny there is no way of preventing that.

We will not get hung up about this, but it is a matter of tight drafting. It will ensure that, if the corporation wants to go into an agency or letter boxing situation, it can do so, but the regulation must come before the Parliament to ensure that whatever is done is in the best interests of the South Australian public. I insist on this amendment.

The Hon. FRANK BLEVINS: We want this corporation to operate as much as possible as a free and independent body. If this corporation is to be successful—and I believe that it will be, given some goodwill from the Parliament—we must give it the maximum amount of flexibility. It is going to be a very good, very efficient and totally responsible organisation. These powers are nothing extraordinary. They exist in the private sector, and nobody ever queries them; nor should they do so in this corporation.

Mr S.J. BAKER: The Minister has said these powers exist in the private sector. Indeed, it is the private sector that has queried the open-endedness of this clause. So the Minister can make up his mind: either he thinks that the private sector is right or he thinks that it is wrong. However, he should not use this as an example. I insist on the amendment.

The Committee divided on the amendment:

Ayes (14)—Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier, Olsen, and Oswald.

Noes (23)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), De Laine, Duigan, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Keneally, and Klunder, Ms Lenehan, Messrs Payne, Peterson, Rann, Robertson, Slater, Trainer, and Tyler.

Pairs—Ayes—Mrs Adamson, Messrs Chapman and Wotton. Noes—Messrs Crafter, Mayes, and Plunkett.

Majority of 9 for the Noes.

Amendment thus negatived; clause passed.

Clause 17—'Accounts.'

Mr BECKER: Why did the Minister include in the clause the words 'develop and maintain an adequate internal audit system'? I believe that is a very important function of all Government departments and agencies and I have been advocating for many, many years that they have an internal audit system. Such a system which is efficient and which has the resources and ability to advise the corporation on the day-to-day management and the systems of the organisation is most important. In future, can we insist that such a provision be incorporated in all legislation?

The Hon. FRANK BLEVINS: I am advised that the fund could be as high as $300 million. Because of the size of the operation, when the Bill was being drafted it was thought that quite substantial provisions ought to be included. The provisions are virtually a straight lift from the Victorian Act, which obviously has an even larger fund, but it was thought desirable to have some rather stringent provisions.

I believe (and the member for Hanson would probably know better than I) that there is usually a standard provision to say that adequate books will be maintained. Paragraph *(e)*, the one to which the member for Hanson referred, because of the size of the operation, is a very beefed up version of that.

Clause passed.

Clause 18—'Audit.'

Mr BECKER: Why did the Minister not leave this clause more open by having it put out to tender rather than stipulating that the Auditor-General must carry out the audit? Over the years my observation is that the Government has been quite mean in reducing the Auditor-General's staff. I do not want in any way to reflect on the office of the Auditor-General or the current Auditor-General, because I think that he and his staff do an excellent job. I know that he will do a very good job in relation to the costings and the report to Parliament. We will have complete faith in those results. Perhaps the authority could have been given the power to put the audit out to tender and to compare the Auditor-General's fees with those of private enterprise. Inclusion of reference to the Auditor-General in that clause makes it a little restrictive.

The Hon. FRANK BLEVINS: It is merely adoption in this Bill of standard procedure for statutory authorities.

Clause passed.

Clause 19 passed.

Clause 20—'The General Manager and Deputy General Manager.'

Mr INGERSON: Given the speed with which this Bill is to go through and the obvious need for a leader in this organisation, perhaps the Minister can tell us who will be the General Manager.

Clause passed.

Clause 21—'Other staff of the corporation.'

Mr BECKER: Will it be mandatory for staff of the corporation to sign a declaration that they will join the appropriate union?

The Hon. FRANK BLEVINS: At this stage we do not know which is the appropriate union, let alone whether anybody should be a member of it.

Mr BECKER: Surely it would be the insurance employees union.

The Hon. FRANK BLEVINS: That will not be determined by the Minister.

Mr INGERSON: What is a possible estimate of the number of staff expected to be involved in setting up this organisation? What is the estimated cost of staffing the organisation in the first year?

The Hon. FRANK BLEVINS: I can give only a rough figure. Approx 100 has been suggested, and I have also heard that it might be 150. Members can take their pick around that figure.

Mr INGERSON: Is the Minister serious when he says that it could be between 100 and 150? Does he then expect us as representatives of the community to take note that this Bill has been properly costed and that the information that has gone to the Auditor-General will truly reflect the cost of running this organisation? It is incredible that the Minister cannot give us an accurate idea of the number of staff required in an organisation such as this.

He must have put that information to the Auditor-General if he is fair dinkum about assessing properly the cost of the overall structure. The slap dash economic costs in this presentation are unbelievable. In drafting this Bill it looks as though someone sat down one night and said, 'What can we have that we can belt through in a sort of social engineering exercise in the first part of this Parliament?' It is the most amazing costing exercise of which I have ever heard.

The Hon. FRANK BLEVINS: I personally gave a copy of the Mules-Fedorovich costings, which have been available since 1984, to the Opposition some time last year. The estimated cost to the corporation for administration is approximately 3 per cent of premiums. If members opposite want to work that out into full-time equivalents on appropriate rates then they are free to do that.

Mr S.J. BAKER: What information did the Minister seek from the 37 insurance companies in South Australia regarding their staff engaged in workers compensation before he brought this Bill into the House? Members may be aware that before the Victorian Government embarked on its scheme it negotiated with the insurance companies. Certain guarantees were made by that Government to take on staff that was displaced because of the loss of business. We have been told that some 25 people did not quite make the grade and that they are either on the dole, are looking for work or have found positions elsewhere in the meantime. Mr Cain did not honour his promise in that regard.

I presume that the Minister that he has gone through the same feasibility exercise. Given this pretty rubbery figure—100 per cent to 150 per cent is a 50 per cent difference—and given that the Minister has obviously researched it fairly extensively and has looked at the Victorian, New South Wales and perhaps the New Zealand schemes to see the staffing requirements, and has gone back to the insurance companies, can he tell us the conclusions he has drawn from these studies? What arrangements has he made for staff of existing insurance companies?

The Hon. FRANK BLEVINS: I have had some discussions with the Bank Employees Union. It supplied the figure of the number of its members involved in workers compensation. Presently the Public Service Board is doing an exercise on the Government's options and the appropriate way of handling people who would be displaced in the private insurance industry by this proposal. I imagine that the majority of them would want to work for the new corporation.

Clause passed.

Clause 22—'Certain periods of service to be regarded as continuous.'

Mr S.J. BAKER: What arrangements is the Government making for the payment to the corporation from Government coffers for the accrued liabilities that the corporation will embrace when it takes on employees from the Government sector? When people from the Government sector move to the corporation they will take with them heavy accrued liabilities, which are explained at the end of the clause. If we are talking about 100 or 150 people we are probably talking of something like $5 000 to $10 000 per employee, which will be transferred as a liability to the corporation. Will the Government pay this amount to the corporation to offset the liability incurred in meeting this provision?

The Hon. FRANK BLEVINS: The provision at the bottom of page 16 of the Bill stipulates that if the corporation takes over any Government employees the conditions under which it takes over those employees can be determined by the corporation. Obviously, quite extensive negotiations between the corporation and the Government would be undertaken as to appropriate arrangements for a transfer.

Mr BECKER: Further to your explanation of this clause, why is the clause written in the way that it is? I refer particularly to the reference to the period of three months following cessation of service as an officer of the Public Service, the State Bank, SGIC, etc. What is the purpose of the three month period?

The Hon. FRANK BLEVINS: I suppose it is to allow people to take leave, perhaps long service leave if appropriate, while maintaining a degree of continuity in the transfer. It means that a person does not have to walk out of one job today and be on duty in another on the next day. It is to give a degree of flexibility in a transfer, in cases where officers have to take leave, and so on.

Mr BECKER: Is this a standard procedure in setting up something such as this? Why is it not six months or 12 months, for example? It is the first time I have come across this, and while I accept that a person working for the SGIC might have 10 years service up and decide to take long service leave and then accept an offer to go to the corporation, why could that not be negotiated at the time of the employment offer? Why is this stipulation in the legislation, because within a few months of setting up the organisation there will be no need for this clause?

The Hon. FRANK BLEVINS: I doubt whether this is the most important clause in the Bill. However, I suppose it gives some right for moneys to transfer from the Government to another body. Regarding the three month stipulation, again that is a matter of opinion; it is fairly arbitrary, but periods of leave are usually no longer than three months. It is a substantial period of leave, and long service leave is usually of that order. It would not be suitable to have the provision open-ended: we would not want someone leaving the Government service and 12 months later rocking up to the corporation saying, 'Here I am. Can you transfer over my benefits, etc.' I think this simply assists with the transition so that everyone knows where they are. I think it is desirable to that extent—without the whole world surviving or falling on this clause.

Clause passed.

Clauses 23 and 24 passed.

Clause 25—'Corporation may make use of public facilities.'

Mr INGERSON: Will the Minister tell the Committee to what sort of services, facilities and staff of departments, authorities or instrumentalities this clause is referring, what is the budgetary cost of this sort of exercise, and whether it has been built into the costing that has been put to the Auditor-General?

The Hon. FRANK BLEVINS: I am not sure what the honourable member means regarding costing. It is perfectly proper for the corporation to have the right to enter into some arrangement with SGIC, for example, Australia Post, the State Bank or some other public sector organisation. It merely states here that it can do that, and I see no reason why it should not be able to.

Mr Ingerson: What sort of services?

The Hon. FRANK BLEVINS: We went through that a moment ago with the member for Hanson. You may want to use the SGIC to do your claims for you for a period, or maybe forever. That is very much up to the corporation.

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: If the corporation wants people merely to pick up the mail, the costs would not be very high. If it wanted them to process every claim, record it on microfiche and store it in the vaults of the State Library, they would be much higher. It could enter into an arrangement with Australia Post, because they have offices all over the place, or it could use them as agents in country towns.

Mr M.J. EVANS: I was a little disappointed with that answer from the Minister, perhaps for reasons different from those of the honourable member opposite. I was very concerned to see that this corporation would make substantial use of organisations like SGIC, because they obviously have significant expertise in insurance services. They obviously have existing substantial computer services, offices throughout the State as the Minister has indicated, and an ability to manage very large amounts of money in this field. It seemed to me that that would be one potential mechanism for keeping the costs of this exercise significantly down as part of a public facility operation.

The answer the Minister gave in response to that clause, and his estimate of between 100 and 150 corporation staff, did not indicate to me that there would be a large usage of SGIC facilities: in fact, the Minister was almost envisaging that the corporation would maintain a substantial clerical, administrative, computing and accounting service of its own. Will the Minister clarify his intentions in relation to that matter? I would not think it was a matter that he would like to leave entirely to the discretion of the corporation without some plans on his behalf.

The Hon. FRANK BLEVINS: I would like to leave it to the discretion of the corporation. I am sure, if there are savings to be made by the corporation using SGIC or somebody else, it will want to do adopt that course. The whole object of this exercise, besides the obvious rehabilitation and compensation exercise, is to get premiums down. If the corporation, by an arrangement with SGIC or anyone else, can achieve that, obviously it will do so: that is its rationale. With four employer representatives on the board, it will ensure that the objective is met to the fullest extent. When I hear mention of SGIC I am always mindful that it is a profit-making organisation.

Mr Ingerson: Why not?

The Hon. FRANK BLEVINS: There is a different objective. The financial objective, apart from paying out on its commitments, is to minimise premiums. If an organisation wants to make a profit as well, it is not minimising premiums. SGIC is a profit-making organisation and, if one wants it to do something, it will charge accordingly.

Mr Ingerson: That is the principal question: for how much have you budgeted?

The Hon. FRANK BLEVINS: It depends on what has to be done.

Mr Ingerson: You must have some idea.

The Hon. FRANK BLEVINS: I have a vision of the corporation deciding what is the best way for it to organise its affairs. Perhaps an arrangement with SGIC is desirable and will be the most economic means of providing the service, but it may not be. I am not here to constrain the corporation from conducting business on its own account with any organisation if it is the most economic way of operating.

Clause passed.

Clause 26—'Rehabilitation programs.'

Mr S.J. BAKER: I move:

Page 17, line 20—Leave out 'possible' and insert 'practicable'.

We are not particularly amused by the Minister's limited attention to rehabilitation. I am concerned with evening out the numbers so that we do not have a confrontation between the employer and employee elements. It is impossible for the Liberal Opposition to put up a constructive model of good rehabilitation even if we had the time. My first amendment is not a test case, as we are merely trying to improve paragraphs *(a)* and *(b)*. I will not take up the time of the Committee dealing with rehabilitation, as I spent much time on that matter in the second reading debate. One of the aims is to achieve the 'best possible levels of physical and mental recovery'. While that is a most worthwhile objective, it is not feasible. I will not go through it nov but, when I discussed the matter with others, it was clear we could be spending $2 million on only one person. To achieve the best possible levels, one must aim for the highest possible point.

That could be a heart transplant situation. The wording does not do much for the legislation or for the Minister, as it is totally impractical. We hassled around with the possible rewording, and instead of 'possible' we came up with 'the best practicable levels of physical and mental recovery', which keeps the thought that the Minister has planted without stretching the Minister beyond the resources available to the corporation.

The Hon. FRANK BLEVINS: I reject the amendment. We believe that the word 'possible' is the best word and that we should aim for the 'best possible level of physical and mental recovery'. I do not propose to get into any great debate about it. There is no reason, in dealing with injured workers, why we should not aim for the best possible solution.

Mr S.J. BAKER: If, indeed, a person does have an element of heart disease, would the Minister envisage that that person should be given treatment under this Act, for example, a heart transplant or very expensive surgery overseas, if that is the best possible treatment that can be received? Will the Minister give his interpretation?

The Hon. FRANK BLEVINS: The corporation will assess those things in the best interests of the patient, in a sensible and commonsense way.

Mr S.J. Baker: I am asking for your interpretation.

The Hon. FRANK BLEVINS: I am telling the honourable member what is my interpretation. He may not like what I am saying, but that is my interpretation.

Mr INGERSON: Is the Minister saying that, as far as he is concerned, any coronary situation restored to any level at any cost is in fact covered under this clause in any rehabilitation scheme? It is critical that we, the public and everybody who is part of the workers compensation scheme knows what the Minister and, more importantly, the Government of the day believes is the situation, as the Government is writing the rules and conditions under which workers compensation cover is being paid.

Surely the public has the right to know what are the guidelines. Airy fairy, 'I don't know, I think I can, I might' is crazy. Surely the Minister, who is going to set up the corporation, must set down very logical, simple, easy to understand guidelines in an area in which maximum possible opportunity for abuse exists.

The Hon. FRANK BLEVINS: We are forgetting that we are dealing with not somebody who, in their private life or capacity, has had some degenerative disease or has contracted a disease—we are talking about people who have been damaged at work. Surely, the principle we have to go by is the fact that the person should, as far as possible, be restored to their condition —

Mr S.J. Baker: That is not the best possible.

The Hon. FRANK BLEVINS:—and to the best possible extent be restored to the state of health, mobility, and so on, that they enjoyed before the damage was done to them. I think that principle is central. I do not think there should be any argument, and I am surprised that members opposite are arguing.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: I do not give legal interpretations. Even if I was capable of doing so, Standing Orders would prevent me from giving a legal interpretation of those words. If the member wants a legal interpretation, there are plenty of lawyers within the vicinity of the Chamber—

Mr Ingerson: We don't want one.

The Hon. FRANK BLEVINS: The honourable member does want a lawyer, because he is asking for a legal interpretation of some words. I am prepared to give the member a lay person's interpretation, but he appears not to be happy with that. If the honourable member wants a legal interpretation, there are plenty of lawyers about half a dozen strides away from him from whom he can obtain a legal interpretation. I am not capable of giving a legal interpretation and, even if I was, Standing Orders would prevent me (and the honourable member would know that I would not want to do anything contrary to Standing Orders).

Mr S.J. BAKER: I will put it right on the line. If a worker is disabled, he will go to the corporation and say that he wants to participate in the rehabilitation program. If he looks at the Act, he will see that he is entitled to the best. Whatever the cost, wherever it may be delivered he will be entitled to the best because that is exactly what the Act will say, even if it means flying to the moon. I am not going to get hung up about this, and I will not divide, but I think the Minister is absolutely foolish in putting a stupid crass definition or statement like this in the Bill.

The lawyers will have a field day. Members can imagine a disabled worker going to his lawyer and saying that he had been to the gym and it is not doing his injury or disability any good. The lawyer would then say, 'Hang on, we have just looked at the Bill and we can get you the best possible treatment in Switzerland for three weeks rest and recouperation'. That is a feasible interpretation, because it is the best that is available and the best possible. I know the Minister is not in the mood to accept any amendments even if they did head in the right direction. Someone will wear the cost. I do not expect the Minister to respond, because he is not capable of responding.

The Hon. FRANK BLEVINS: I do not know why the honourable member is getting so upset. Members opposite are very concerned about the cost, and so am I. When we talk about someone who has been injured or damaged in the course of his employment, perhaps by some wilful act of an employer, I think that person is entitled to the best possible treatment. I do not resile from that. As I said earlier, if the honourable member wants a legal interpretation of those words, he can get it.

Amendment negatived.

Mr S.J. BAKER: I move:

Page 11—
After line 20—Insert 'and'.
Line 21—After 'workforce' insert 'and the community'.

If the amendment is carried, the paragraph will read 'are, where possible, restored to the work force and the community'. This is a very simple amendment, but once again under paragraph (c) we come to the 'as far as possible' situation. There are marked language differences between paragraphs (a), (b) and (c), and I refer those differences to the Minister. I do not know who drafted this clause - it is quite amazing. The amendment is simple and straightforward. If it is accepted, it will improve the Bill. The Minister rejected the previous amendment and I will not be too upset if he rejects this amendment, but it would ensure that the Minister and no-one else gets caught in the process.

The Hon. FRANK BLEVINS: I reject the amendment. I do not believe that it adds anything whatsoever to the clause.

Amendment negatived.

Mr S.J. BAKER: The next two amendments are consequential on the amendment that has just been negatived, so I will not proceed with them. I move:

Page 17, line 27—Leave out paragraph (b).

This amendment deals with workers of a particular class. I ask myself why the Minister would want to include this provision. I understood that rehabilitation was an attempt to overcome an injury or a condition. It is not unusual for people to specialise in medical terms in relation to the type of injury. There are eye specialists, and so on. In the same way I understand why specialist rehabilitation services can be provided, but I fail to understand why this paragraph is included, unless the question of trade union control of clinics raises its ugly head, and I wonder whether this provision is the vehicle to achieve that. I am not too sure: the Minister may be able to say what would happen in that regard. Because we are singling out workers of a particular class I can only assume that, say, craft unions will set up their own establishments and programs.

We on this side are opposed to that happening, because we think that, if rehabilitation is going to be segmented at all, there should be something of a specialised nature. For instance, if people have broken legs they should go to a rehabilitation centre that specialises in limbs. The appearance of paragraph *(b)* does not add anything to rehabilitation programs. The Minister could have had one bland statement in subclause (2) which would not have required that to be specified as such. Perhaps the Minister can indicate what he intends paragraph *(b)* to do in relation to rehabilitation programs.

The Hon. FRANK BLEVINS: There is nothing sinister about it at all; nothing to do with trade unions. It may well be that a corporation wants to provide rehabilitation for junior workers in BHP, or a particular operation for a particular reason—for elderly workers or boilermakers in this particular operation—and it just gives it some flexibility.

Amendment negatived.

Mr S.J. BAKER: I move:

Page 18, lines 1 and 2—leave out paragraph *(h)* and insert paragraph as follows:

(h) take steps to encourage and assist persons, who are in a position to do so, to help workers overcome or cope with their disabilities;.

The Minister is not in any mood to accept amendments so I just make the point that paragraph *(h)* says:

. . . provide assistance to persons who may be in a position to help workers to overcome or cope with their disabilities.

I would think that if one is to provide assistance the people chosen should be able to assist or, at least, have the relevant skills to provide assistance, so what we have done is suggest an alteration to what we thought was the Minister's intention.

Since the Minister does not seem to be interested in anything, I thought that that would actually cement his intention a little more firmly in the Act rather than some of the statements which are in there and which will be open to a great deal of interpretation, I will not spend the time of this Committee defending the paragraph we put here. I simply make the point that proposed paragraph *(h)* states:

. . . take steps to encourage and assist persons—

which is a fine ideal—

who are in a position to do so to help workers to overcome or cope with their disabilities.

What it says is that one has to get the right people with the right skills and assist them to help other workers overcome their disabilities.

The Hon. FRANK BLEVINS: The honourable member is quite correct: I am not about to accept this amendment. It seems to me, just by looking at this amendment, that perhaps the honourable member has had some coaching from members in another place. This looks to me like a typical Upper House amendment: it does absolutely nothing. It rearranges the words. Perhaps it may make the member feel important but, apart from that, it does absolutely nothing to assist the Bill.

It certainly does not take anything away, either, and if he wants to sit around at 4 o'clock in the morning rearranging the words in a meaningless fashion, I am afraid he is on his own.

Amendment negatived.

Mr S.J. BAKER: I move:

Page 18, line 8—Leave out paragraph (1).

Paragraph (1) is one of those open-ended clauses which we do not think is appropriate.

The Hon. FRANK BLEVINS: I oppose the amendment. The Opposition has criticised the rehabilitation provisions contained in this Bill, and is attempting to delete a very simple paragraph in this Bill which states:

do anything else that may assist in the rehabilitation of workers.

It seems to me that it is rather incongruous that the Opposition would want to delete a provision such as that.

Mr S.J. BAKER: The Minister does want to waste the time of the House. Again, I refer to the wording. We are not opposed to the concept of doing those things that are necessary to rehabilitate workers, but the paragraph states: do anything else that may assist in the rehabilitation of workers. Again, you have said that the corporation that will do anything at all to assist. That is crazy. You should say instead that the corporation will assist, as far as is practicable and possible, with the rehabilitation of workers. If you want to do anything at all, this provision allows you to do it.

The garbage that is contained in this clause is open to gross misinterpretation. We have tried to assist the Minister, and both sides of the Chamber are in agreement on this matter. So, there is no real argument. But, if you put a Bill together, you should at least signify your intentions. The intentions that have been displayed in clause 26 are unclear, to the extent that it is not practical to implement the provisions shown here as they are currently worded. If you want to obtain some good advice, perhaps the Minister could ask a lawyer, who is removed from his own domain and who is outside the parliamentary sphere. Perhaps he could walk down to the Law Society or wherever and obtain an independent interpretation.

Amendment negatived.

Mr S.J. BAKER: Clause 26 (3) refers to a number of functions relating to rehabilitation programs. I know that we are talking about dollars and cents, but it mentions assisting with training and retraining and about assisting workers to find appropriate accommodation. The Minister would appreciate that at the moment very little is done in a lot of these areas. What are his first year costings of the rehabilitation program?

The Hon. FRANK BLEVINS: It is not possible to put a precise figure on that, but I think that, from reading all the literature that is available, one finds that, if you spend money on rehabilitation, it will effect a saving, because in the end you receive more back.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: I am not an expert on rehabilitation, but all the experts in that field and any literature that the honourable member wishes to read will tell him that that is the position. I believe that that is the case. I have had quite extensive discussions with employers on this matter, and one excellent employer was not terribly impressed by or even interested in the costings, in the single insurer or in the common law. He said, 'You could argue about it all day. I am not interested. The big savings for me are in rehabilitation and changing the system from one that positively (these were his words, not mine) encourages people to stay on workers compensation to one where we can positively encourage them to get back to work. That is where the big savings are in your proposals—not necessarily in the areas that you have stated. I do not know why the member for Mitcham scoffs when I say that any dollars spent on rehabilitation return more than one spends. All the practitioners in the field—and I am sure some of the honourable member's colleagues—will confirm that that is a fact.

Mr S.G. EVANS: Some aspects worry me. Why do we use so many words? We seem to have written in everything possible to give the corporation all sorts of powers to do all sorts of things. We need only say that it can do whatever it wishes to help workers to re-establish themselves in the work force or the community. We have used all these words to cover everything, but we end up by adding 'anything that may be necessary'.

When writing legislation and trying to make it simple, why do we not say in the beginning that the corporation can do what it likes to rehabilitate people and leave it at that. For example, subclause (1) provides:

The Corporation shall establish or approve rehabilitation programs with the object of ensuring that workers suffering from compensable disabilities . . . are restored, as far as possible, to the social life of the community.

They may never have been involved in the social life of the community. There are people like that. We will try to direct them to somewhere they have never been before in their lives and to something that they do not want to do. The wording is strange. Paragraph *(h)* provides:

(4) provide assistance to persons who may be in a position to help workers to overcome or cope with their disabilities;

We do not even say that they should use their capacities to help people suffering from disabilities. I will not vote against the clause, because I support most of what is in it, but I do not understand why there are so many words to say what could have been said in about 10 words.

Mr INGERSON: I support very strongly the comments that the Minister made about rehabilitation, because there is no question that this is the secret of the whole workers compensation cost controlling system. If we can get the worker back into his original job or a suitable job as quickly as possible we will obviously minimise the cost to the employers, Work Cover or whoever is insuring the system and minimise the cost to the employee. Anything we can do to make the rehabilitation of people better should be encouraged. Like the member for Davenport, I find it amazing that we have to say all these words, which have the simple meaning of, with a minimum cost, getting people back to work as soon as possible after the best treatment.

I support the rehabilitation program. Like the member for Mitcham, I know that there are many loopholes in the system, and it seems to me that we should be trying to remove them so that we still end up with a very good rehabilitation program. Clause 26(4) states:

The corporation may admit a disabled worker to a rehabilitation program notwithstanding that it has not been finally established that the worker's disability is compensable.

What does that really mean? It seems to be open ended, providing that if a person is outside the ambit of this Act he will still be included in the system.

The Hon. FRANK BLEVINS: It may be a couple of weeks before it is established that a particular worker has a compensable injury. That happens quite frequently. We want this rehabilitation to start right away. I am not sure what would happen if it was subsequently determined that the injury was not compensable. However, the fact that someone is in the system and that something is being done about the problem is probably worthwhile, anyway.

Mr S.J. BAKER: At this stage I would like to make a statement. The Minister has one idea right when he says that we should start to fix up the problem of rehabilitation as soon as possible, and there is universal agreement for

that. Victoria has developed a model for rehabilitation. I do not know how well it will work, but it had some idea of what it wanted to do and how it wanted to get there. One of the things that the literature points out—if the Minister ever takes the time to read any literature and show that he has any knowledge on this subject—is that in many schemes considerable dollars are spent to no advantage.

Has the Minister gone to St Margarets, Alfreda or any of the other rehabilitation establishments and talked to the people there? Has he asked them what they are doing and how successful they are in getting the people back to work. The Minister's adviser can whisper in his ear and tell him what he should say, but I would like a truthful answer. The Minister is treating this debate in a farcical fashion.

The Minister does not understand what rehabilitation is all about. He does not undertand that there can be some real rewards if rehabilitation is done properly, but substantial costs can accrue if it is not. One thing that concerns me about this whole Bill is that even if a worker wants to get back to work it may be that he could be monetarily disadvantaged in returning to work, because the rewards under this legislation would be greater than the wages that he would receive at work. It is inappropriate for the Minister to make statements in this place that the Government believes in rehabilitation, when the provisions in the Bill are so ludicrous. Further, the Minister has no real idea of what steps should be implemented to obtain the desired result.

The Minister says that he will leave it up to the corporation. However, that is not good enough. Had the Minister really believed in rehabilitation he would have done a little study on the matter. The Minister has said that this is a key part of the legislation. I point out, though, that it is an area in which one can spend many millions of dollars and get very little return. Unless workers get back to work physically and mentally well, the system has failed. If a person would respond to rehabilitation, the facilities and advantages of rehabilitation programs should be provided.

I mentioned in my second reading speech that the most successful schemes are the employer organised ones. I know that the Minister has not done so, but I had hoped that the Minister would talk to representatives of some of the employer organised schemes. They are recognised worldwide as being the most well organised schemes. Generally, they involve on the job work, and workers do not get mixed up with other cases, where everyone is worried about illnesses or injuries, sharing their illnesses rather than their achievements. In many cases the employer schemes work very well, but in this regard the Minister has given the Committee no idea of what he would like to see occur.

The Minister has shown no vision at all of what he believes would be a good rehabilitation process. Throughout the debate we have heard that it will be up to the corporation to make up its mind. I do not believe that it is good enough for the Minister to simply say that. In saying that the Government will place emphasis on rehabilitation, the Minister should also be able to say that he has looked at the Victorian and New South Wales schemes and that he has information on other schemes. He should be able to outline the good points and bad points in relation to these schemes. He should be able to point to a successful scheme where perhaps 50 per cent of injured workers involved have been able to go back to work.

However, we have not been given one skerrick of information on rehabilitation. It is simply not good enough, particularly at this hour of the morning, for the Minister to expect us to adequately consider this clause without his providing any information about what he would like to see. The adviser keeps feeding the Minister some information in answer to questions raised, but no other information has been forthcoming. Most of us agree that the principal consideration is to have a fit and well work force with as many injured workers as possible being able to return to the work force after the necessary treatment. As a Victorian MP said, workers who are unable to return to the job often develop a long term disability which never gets better. In that regard it was stated that injuries which occurred to people in their late 30's and early 40's have escalated and that now there are people who have become permanently and totally disabled when they could have returned to the work force only partially disabled with 75 to 90 per cent of their former capacity

The Hon. FRANK BLEVINS: I find it a little difficult to deal with these kinds of outbursts by the member for Mitcham. Every now and again it seems that something snaps and he goes on with this abuse. I have watched his behaviour for a few hours, trying to see if I could establish any pattern. I think I have, and I would be interested if other members in the Chamber would also watch the member for Mitcham to see if I am correct. What happens is that we have a series of very sensible, and some of them very supportive, questions from other members in the Chamber. Three of those members in particular have made very good contributions here tonight.

That apparently sends the member for Mitcham into some spasm of jealousy and he feels it is necessary to stand up and show his chest and abuse the House. I really cannot help it if his colleagues have a better appreciation of the Bill and some of the sensitivities of the issues than he has. I see no reason why, because of his —I am not sure— inferiority complex or whatever, he has to take it out on the Committee at this time of the night. I am not sure that there was anything at all in the statement by way of a question seeking information that went on for about 10 minutes to which I have to respond.

Clause passed.

Clause 27—'Clinics and other facilities.'

Mr INGERSON: Referring to paragraph *(b)*, how does the Minister see the establishment of clinics being organised, with what groupings, and does he see that being done through the private sector? Further to that and getting back to the costing issue, because it seems to me that rehabilitation more than anything else that we have talked about so far is a separate costing exercise from all other parts of the program, what sorts of agencies within the Government does he see being used in this whole necessary part of rehabilitation and the development of better facilities and clinics?

The Hon. FRANK BLEVINS: The intention is that the corporation in this area can do pretty well what it thinks is desirable. We have private insurance companies now which use private clinics and my information is that some of them are absolutely superb. If the corporation deems them of sufficient standard with sufficient qualified people then I am sure that the corporation will be only too pleased to use them. The same applies to Government facilties and some of the major hospitals.

In some country areas, there may well be some small rehab. units, etc., so wherever there is a facility that is up to standard, the corporation ought to be involved. Regarding the establishing of clinics, again I would point out that there is certainly nothing sinister in this. The board of the corporation will be a very balanced board. If any particular interest group felt that the board was suddenly going to take over and, at the taxpayers expense run a whole string of rehabilitation clinics, that would be quite wrong. That is certainly not what is going to happen. That is not to say that there may not be some employer-run rehabilitation clinics—there may well be now—or trade union run clin-

ics—there may well be now. The essential thing is that the facilities are effective.

Mr S.J. Baker: I have an amendment to clause 27.

The CHAIRMAN: The member has always the opportunity to move his amendment. So far as the Chair is concerned, I do not know whether the member wishes to move his amendment or whether he has changed his mind. The opportunity is always available to members to move their amendments.

Mr S.J. BAKER: I move:

Page 18, before line 12—Insert subclause as follows:

(1) In the exercise of its powers under this division, the corporation shall give all practicable forms of encouragement and assistance to the establishment and provision of rehabilitation facilities and services in the private sector.

There are good reasons for this amendment. I refer to statements about trade union controlled clinics that were made by the Government and the previous Minister. They were the subject of a discussion paper which the Minister may have read and which was issued about a year ago. The prospects of having trade union controlled clinics are opposed under our philosophy. There are important reasons why that should not occur. I have already referred to employer clinics and the Minister referred to insurance clinics that are operating. That should be the way the Government should go. Obviously, there will be other clinics, as the Minister stated. The amendment makes that emphasis and ensures that the corporation encourages the establishment of services provided by the private sector. There is nothing to say it will not do that, but there is nothing to say that it will. Therefore, in view of the previous statements made and the concerns expressed by various groups in the community, the insertion of this amendment will allay fears and place the emphasis where it should be placed.

The Hon. FRANK BLEVINS: I oppose the amendment for reasons that I gave when responding to the member for Bragg a moment ago.

Amendment negatived.

Mr S.J. BAKER: I move:

Page 18, after line 19—Insert subclause as follows:

(3) No arrangement shall be entered into under subsection (2) *(a)* with a registered association.

I have already explained the reasons for this amendment.

Amendment negatived; clause passed.

Clause 28—'Rehabilitation advisers.'

Mr INGERSON: Will the Minister explain why in subclause (3) a rehabilitation adviser should not disclose any information before any proceedings under this legislation? Why is the provision set out in that way? Surely an adviser could give advice to the corporation that would be helpful for or against the worker—either way.

The Hon. FRANK BLEVINS: We see rehabilitation advisers as being important people playing a special role. The member for Bragg would have had some contact with people who had been injured and who were in receipt of workers compensation. In some circumstances, the role of such an adviser would be extremely difficult and, if an injured worker thought the rehabilitation adviser was some kind of a policeman who was there to find out what the injured person thought or was doing and was to report to some bureaucracy to the detriment of the worker, there would be no relationship.

Whatever possibility there was of rehabilitation will go very quickly. It is for no reason other than an attempt to give the highest possible status to rehabilitation advisers and to make them as effective as possible in what will be in many instances an extraordinary job attracting a large degree of distrust, particularly by those people who have been in the workers compensation mill for some time. For those caught up in it in a bad way it is a traumatic experience indeed. The trauma of being caught up under the present workers compensation system is compensable. The system give people neurosis and then compensates them for it. The provision is included so that the worker does have control over the information given to the rehabilitation adviser.

Mr S.G. EVANS: Why do we not also provide that information a medical practitioner may have about an injured worker can be made available—that a doctor cannot refuse to do that? The information is just as private and just as personal. Surely the worker should have a say, as should the medico, who should not disclose anything unless the worker agrees. That does not seem to be covered in the Bill.

The Hon. FRANK BLEVINS: A misconception exists here. I am a strong supporter of the privilege between a medical practitioner and a patient. In rare circumstances, such as in the case of communicable diseases, there is authority to compel treatment. By and large, I have an absolutist position on that and have had problems in respect of the gaols for holding that view and supporting the medical profession treating prisoners. In this case it is completely different: if people are trying to establish a claim for workers compensation based on some medical condition, they have to provide that information to those from whom they are claiming. A person cannot say, 'I'm sick but my doctor will not give details.' Likewise, the corporation or any insurer (and the present legislation provides for this) says that if you are making a claim you have to establish the grounds.

There must be an exchange of information, including medical information, between the various parties. The system will not operate otherwise. The nearest analogy I can give is applying for credit. If one applies for credit one cannot complain if the suppliers of that credit require details that would normally be confidential. If people object, they do not apply for credit. The same thing applies here, so I do not think that the privilege of the doctor/patient relationship applies in this instance as it would normally.

Mr S.G. EVANS: To give the Minister a comparison: a rehabilitation worker is working with the patient and the patient refuses to carry out some of the things necessary to be carried out in order to be rehabilitated, and subsequently, under the legislation, action is taken to decide what compensation the injured worker should receive.

If the injured worker refuses, you cannot tell the court (if it happens to be a court) that he has refused to participate as he was expected to. The rehabilitation officer is the only one who knows whether or not the person participated as requested. That is just as important as a doctor's evidence in trying to establish the level of compensation, because the worker deliberately tried to avoid being rehabilitated. As I read the Bill, the rehabilitation officer has no power, regardless of what was said earlier about participating in programs, unless the employee agrees that details can be disclosed in court. The doctor must disclose whatever information is required, and it may be personal information which is not relevant to the disability or injury.

The Hon. FRANK BLEVINS: The only information that can be demanded of a medical practitioner in this area must be relevant to the injury. You cannot demand of a medical practitioner something that has absolutely no relevance to the injury whatsoever: it must be relevant. In relation to the rehabilitation adviser, clause 28 (3) states, 'No statement made by or to a rehabilitation adviser . . . '. The example that the member gave does not hold up even if the person in question was not going to whatever rehabilitation program he should have been attending. There is no problem with the rehabilitation adviser stating that that was not done. It is the things said in conversation and in discussion

that are confidential. Therefore, the honourable member's example really would not apply.

Mr S.G. EVANS: In trying to establish whether it is relevant, all sorts of questions can be asked. In my case, for example, the doctor has all my personal medical history since I was aged about 14 years. Someone could seek all that detail to try to establish whether any of the treatment I have had back to age 14 years relates to a particular injury.

I acknowledge the Minister's comment that the medical history can be important in establishing the relevance of an injury to the workplace or to something that had happened before. However, I think it also should be up to the worker to decide on disclosure. The court would take it into consideration if it thought that a person was deliberately trying to prevent information being given to the court (if the court was trying to decide on compensation). In my view, if the person concerned told the court that the doctor could not tell the court anything, the court would automatically be suspicious.

The Hon. FRANK BLEVINS: People could ask the doctor for information that is not relevant, but he does not have to give it. The obligation on the doctor goes only as far as the information is relevant. Someone could go on a fishing expedition and from prurient interest want to know what an individual suffered from when he was, say, 22 years old, but doctors are very responsible people and they take very seriously the confidentiality of the doctor/patient relationship. The doctor would say, 'No, that is nonsense. My patient has an injured toe, and the fact that he had scarlet fever when he was a child is not relevant.' I really do not think that that is a problem.

Clause passed.

Clause 29 passed.

Clause 30—'Compensability of disabilities.'

Mr S.J. BAKER: I debated the journey to work principle under the definitions clause, and I will not proceed with an amendment in that regard. I move:

Page 20, line 37—Leave out ', or in contravention of,'.

There is no qualification as to how far the worker could contravene instructions. This provision is different from the clause in the 1971 legislation. Obviously the Liberal Opposition and the business community would have severe reservations about this clause standing in the Bill uncontested. The wording is somewhat different to that which prevailed previously. It is just not tenable that under a Bill of this nature a person is given *carte blanche* to deliberately and wilfully go against the wishes of the employer.Those instructions may relate to safety provisions or to things that should be done in the course of employment.

There are some areas of difficulty, which the Minister will no doubt identify, and that may well include a situation where the employee acts in contravention of instructions for very good reasons. When I was in Port Pirie I visited a factory where the workers were required to wear ear muffs. The fact that it was 40 degrees in the shed and the ear muffs were uncomfortable meant that they contravened the employer's instructions. The Minister would be better served rewording rather than taking on any possible interpretation or contravention. For the reasons I have already explained, we vigorously oppose subclause (7) *(b)*.

The Hon. FRANK BLEVINS: I oppose the amendment. The Government believes that the provision as it stands is reasonable. I would draw the honourable member's attention to clause 56 (1) (b), which reads:

in any other case—is not a bar to a claim for compensation under this Act unless the misconduct amounts to serious and wilful misconduct.

So there is some restraint on individuals claiming workers compensation where there has been serious and wilful misconduct.

Mr S.J. BAKER: That does not cover a number of cases where the employer, for very good reasons, may be acting in the best interests of the worker—they may not be serious or wilful. That again is a legal interpretation; the mere breaching of an instruction may lead to the demise of the worker concerned.

In such cases, I do not believe (and I do not think that the business community believes) that compensation should be forthcoming. Because the legislation is now wider than it was previously in this area and because it allows for a larger number of sins than was previously the case, we oppose the clause.

The Committee divided on the amendment:

Ayes (14)—Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier, Olsen, and Oswald.

Noes (22)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), De Laine, Duigan, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Keneally, and Klunder, Ms Lenehan, Messrs Payne, Peterson, Rann, Robertson, Trainer, and Tyler.

Pairs—Ayes—Mrs Adamson, Messrs Chapman and Wotton. Noes—Messrs Crafter, Mayes, and Plunkett.

Majority of 8 for the Noes.

Amendment thus negatived; clause passed.

Clause 31 passed.

Clause 32—'Compensation for medical expenses, etc.'

Mr S.J. BAKER: I move:

Page 21, line 7—Leave out 'for costs' and insert 'for necessary and reasonable costs.' Leave out 'reasonably'.

Again, the amendment tries to tighten up the provisions. We believe that the costs incurred should be reasonable and necessary. I do not believe that it requires any more debate than that.

The Hon. FRANK BLEVINS: I oppose the amendment. The words add nothing to or take nothing from the Bill. They are totally unnecessary.

Amendment negatived; clause passed.

Clause 33—'Worker entitled to be conveyed for initial treatment.'

Mr S.J. BAKER: I move:

Page 21, line 41—Leave out 'at the employer's own expense,'.

The clause provides that transport of an injured worker to the hospital shall be at the employer's expense. That is outside the guidelines that were laid down. The Minister may remember that he said that the total liability for employers would indeed be the first week's wages. In this circumstance that has been contravened.

In most cases the expense will not be great, particularly in the metropolitan area and in large country centres. In other circumstances, in rural areas, the cost of the ambulance and so forth could be quite prohibitive. The fact that the Minister has seen fit to have included this in the clause is at variance with the statements that were made in the white paper and indeed in the Minister's speech. Therefore, the clause should be amended accordingly.

The Hon. FRANK BLEVINS: I do not quite understand the member for Mitcham. We are attempting to establish the principle that treatment should start immediately. The only way to guarantee that is for an employer to pay for an employee's trip to hospital or to a medical expert for treatment. I cannot see why there is any query about this matter. It may be that the injured worker does not have any money or is incapable of arranging transport.

I am sure that 99 out of 100 employers would do this anyway. But, there is no reason why they should not all do it, or why they should not be made to do it. Another concern is that some employees do not report injuries when costs are involved. While it is drawing a fairly long bow, I would not like any worker who is injured not to report it because of having to pay the cost of transport to hospital or of a medical expert. I oppose the amendment.

Mr S.J. BAKER: My subsequent amendment deals with the case of an accident. The employer pays: we are not suggesting he will not, but costs are recoverable from the corporation. In 99 per cent of cases the employer will not recover any cost from the corporation. There was some initial agreement, and I suppose that every other agreement has been broken, that employers' total liability should be restricted to the first week's earnings and that there should be no other expenses. This Bill departs from that. We are bringing it back to what the Minister promised. We say that it is important that a person gets to hospital immediately. If the person can get the money back from the corporation chances of their getting to hospital and getting the most appropriate treatment more quickly are much higher.

In areas some distance from a hospital the roughest form of transport is a driver's own vehicle, which could exacerbate an injury. Obviously, we are catering for cases which are a fair way from a hospital. It may be appropriate and desirable for an ambulance to attend, but under these circumstances the ambulance will not attend because the employer will say that it is cheaper and faster if he transports the worker to hospital. It will not be an area of great claim on the corporation, but it provides a safeguard for those people who have to travel more than average distances. It probably guarantees future health and well being of the worker in some ways, too. It is also in keeping with the original agreement.

The Hon. FRANK BLEVINS: Again, I oppose the amendment. I do not see any reason why an employer should not take immediate action and also pay for that transportation. I do not see why it should be loaded on to the corporation. Some big corporations with which I deal have an ambulance on site. The member for Eyre would know of these places. In some mining towns in the more remote areas of the State there are ambulances belonging to corporations that run the mines.

At Moomba, for example, where speed may be of the essence, there may be company aircraft on the site, and it seems to me to be tidier and to involve a lot of messing around if the obligation is on the employer to take immediate action and pay for it. The cost to the employer will then be trivial and will not, in my opinion, warrant the employer trying to assess the cost, charging the corporation and the corporation seeing whether or not it agrees and sending it back. That seems to me to be unnecessarily bureaucratic for what is really a minor detail.

Amendment negatived.

Mr S.J. BAKER: I do not wish to pursue the next amendment on file.

Clause passed.

Clause 34—'Compensation for property damage.'

Mr S.J. BAKER: In the situation of journey-to-work accidents where a worker's vehicle is involved and that person has certain personal effects in the car, is it intended that damages caused to those personal effects be treated in the same way?

The Hon. FRANK BLEVINS: If those personal effects were not covered by some third party, I believe that they would be covered.

Clause passed.

Clause 35—'Weekly payments.'

Mr S.J. BAKER: I move:

Page 22—

Lines 18 and 19—Leave out 'equal to the national weekly earnings of the worker' and insert 'equal to 95 per cent of the national weekly earnings of the worker'.

Line 24—Leave out 'the national weekly earnings' and insert '95 per cent of the national weekly earnings'.

This starts the clauses that deal with the benefits that are available under the scheme. I would appreciate it if the Minister would treat these as a package, in the same manner as the Opposition added up the package from the Minister. We did not necessarily say that any one of those things was wrong. For example, if the Minister had settled on the Victorian 85 per cent from the beginning, and settled on $60 000, the Opposition would have said that that had some merit.

This is obviously part of the test clause system. It is no secret to the Minister that the Opposition has not made any massive amendments to the scheme because we realise that under the existing circumstances workers have reasonable recourse to compensation. We have tried to keep within the spirit of that and not take away things that workers already have, although we realise that some of the costs are getting prohibitive. However, I hope that the Minister will introduce a number of measures in this regard over a period of time.

My first amendment deals with 95 per cent of notional weekly earnings of the worker. The other amendment that I will canvass later is the change back to two years. The reason for the 95 per cent figure is probably abundantly clear to the Minister. If I was being honest to myself and to everyone concerned, I would probably have reduced that figure to 85 per cent, as it appears that the level of benefits paid in developed countries is somewhere between 75 per cent and 80 per cent. Unfortunately, I am not aware of what other benefits are available in the system. I cannot naturally presume that there is no other mechanism for increasing overall benefits.

On the basis of information provided by the member for Briggs and on my reading of the very limited literature on the subject that I have been able to get hold of, it seems that about 80 or 85 per cent of the notional weekly earnings is the amount that a worker can receive in terms of compensation payments. The Bill prescribes a payment of 100 per cent. Irrespective of whether one believes that people are being disadvantaged, questions must be asked about just how well the system will operate. The law makers, the governments, of other countries have decided on the amount of compensation that shall be paid. For a variety of, I presume, very good reasons governments in other places have set those payments somewhat lower than the earnings that a worker would normally receive.

I have referred to figures varying from 75 per cent to 85 per cent just to indicate to the Parliament what is happening in other countries. I have read some literature dealing with the Canadian scheme. It suggests that in Canada, even with the payment of lower benefits, they are getting compensation cases rather than work cases. So, people obtaining even 75 per cent of their earnings are finding it more beneficial to remain on benefits rather than to be actually working.

Another piece of literature that I read suggested that some people had found that it was better to be the master of their own destiny, on compensation, than to be working for their full wage. I do not know the details of the Canadian taxation system or whether any other reason is pushing the people in this direction, but it seems to be a growing trend. It was also suggested that this might be contributing to the growing deficit in the reserve funds.

This is a serious question. The Minister has been wont to say that the Liberals do not care, that we have tried to cut benefits, and various other things. However, the Min-

ister must feel that we have tried to be responsible in the way that we have handled this issue. The Opposition has been responsible in relation to matters raised during the debate.The 95 per cent level of benefits proposed is far higher than that prevailing anywhere else in the world. We know, as do members opposite, that it costs less for a person on compensation to live than it does for a person who is at work. The household expenditure studies produced by the Australian Bureau of Statistics reveal that so many dollars and cents are spent on certain essential items by people who work. Travel expenses can be extremely high; items of work clothing are subject to wear and tear; and there is a variety of other expenses for bought lunches, and so on.

I presume that the costings that have been made available from overseas studies suggest that the rate should be decreased by 15 per cent. The Opposition has not opted for a 15 per cent decrease and have decided that a level of 95 per cent represents some reduction in the amount of earnings that can be made available. I understand that under such a scheme there would probably still be greater rewards available for staying at home rather than being at work, although in some cases the difference would be quite marginal.

We think it is not responsible for this Parliament to prescribe 100 per cent of notional weekly earnings for a period of three years, and the Minister will have noted that not only have we changed the 100 per cent but we have also changed three years back to two years, and I will be discussing that shortly. I will reiterate for the Minister's benefit and for John Lesses, who criticised our reduction to the $30 000 level, that we were trying to strike a balance which did not take all the incentive away for returning to work, that provided adequate coverage and that provided a lump sum in the case of trauma.

The Hon. FRANK BLEVINS: I appreciate the comments made by the honourable member, and I certainly do take the consequences of the amendments if they were passed into law as a package. I agree with the honourable member that it would not be fair to pick out one particular amendment and its effect on the benefit and say that the Opposition is quite wrong in that case. It does have an effect elsewhere and there are balances in the scheme that the Opposition has put together by way of amending the Bill. The problem I have with the amendments, either taken individually or as a package, is that I simply do not agree with them. Again, I state that this is arbitrary and subjective. It is certainly a matter of opinion as to where you draw the line on benefits, and the Government has drawn the line and believes that the package that we put together is the appropriate package for South Australia in 1986.

As I have stated, the intent of South Australia's package is to pitch the level of benefits slightly below—and I stress slightly below—the provisions in the eastern States. We believe that that is sustainable on the ground that, to have any kind of an advantage over the eastern States, if it is possible, is desirable, provided it is not so excessive as to be deleterious to the workers here in South Australia. Basically that is the reason why. There is also an Australian standard, and let us not run away from it. Whether the standard is achieved through workers compensation legislation in the various States or through a combination of workers compensation legislation and award provision or industrial agreement does not seem to matter very much. At the end of the day, there appears to be a standard throughout Australia much below which I certainly would not go and would hope that Parliament would not go. It is my opinion and that of the Government that the package that has been put together by the Opposition falls below that standard.

For those reasons, I oppose the amendment and will oppose all the amendments that make up the part of the package of amendments that the member for Mitcham is moving to the benefits package of this legislation.

Mr INGERSON: I refer to comments that were given to me by an expert in the field. This division provides workers who are incapacitated with what amounts to average weekly earnings where they are totally incapacitated for work. Where there is a partial incapacity, unless there is work for which the worker is able to earn amounts comparable to weekly earnings, he is entitled to what amounts to make-up pay.

In the event that a worker is only partially incapacitated but is unable to find suitable employment—it is interesting that suitable employment is a decision of the worker—that partial incapacity is deemed to be total incapacity and he is entitled to receive therefore full weekly payments. In fact, there have been very significant increases, the Minister is readily accepting, in benefits and that will obviously increase the cost of the scheme.

This situation only changes where the worker has been receiving payments for three years or more, in which case the best the worker can do is to receive up to 85 per cent of his average weekly earnings. Importantly, these payments can continue for the rest of the worker's normal life. There is no maximum whatsoever, and that is set out in clauses 35 (3) *(b)* and 35 (6). Those who can recall the hasty repeal of section 51 (4) of the current Act, following the Harrington decision, will know that it is true to say that this Bill has the potential to turn all significant claims of this type into Harrington type claims.

For those members who remember the Harrington type claims, we are talking about $750 000 to $1 million per claim. It has been currently estimated that a worker at the age of 25 years who is significantly injured could be claiming about $5 million to $6 million. I am sure that that is not the sort of thing the Minister has envisaged, but I am advised that some legal practices have 200 or 300 people a year who are in this situation.

Under the provisions of the Bill, the worker is totally and permanently incapacitated, but we must remember that this notion is artificial in practice because even relative minor disability can result in a worker being deemed totally incapacitated, if the nature of the disability is such as to make the provision of alternative work difficult.

He or she will receive full average weekly earnings for the first three years and thereafter 85 per cent of average weekly earnings all the time until he or she otherwise would have retired. On top of that, the worker can claim a lump sum to the amount of $60 000, depending on the nature and extent of his disability and still keep receiving the weekly payments.

On top of that he can also claim—provided negligence has been established—a further award for common law damages for what is described as non-economic loss, presumably pain and suffering. Whilst of course a court awarding those damages must take into account the lump sum that the worker has received under the Workers Compensation Act, there is no ceiling on the awards for pain and suffering that can be made. In other words, whereas in the past the worker had to be able to prove negligence on the part of his employer before he could in fact be totally compensated by way of award for the pain and suffering—an award for future economic loss which was designed to compensate for the loss of his earning capacity for the balance of his working life—the current legislation allows for the same payment for pain and suffering, and in addition provides for payments until a worker's otherwise date of retirement, without any necessity to prove negligence at all.

In fact, it is far more likely under the provisions of the new Bill that, given the past interpretation of the notion of

partial incapacity and deemed total incapacity, a worker would over the whole passage of the period of his incapacity recover far more than he would otherwise have been awarded had he successfully pursued a claim at common law under existing law. At common law, when an award is made for the loss of earning capacity, the court frequently applied a discount to provide for the contingency that the worker will return to work. The so-called loss of common law rights to a worker envisaged by this Bill is no real loss at all as the entitlements that will now be introduced more than adequately make up for this loss.

Those comments were pointing out that we are reinventing the wheel. Both Houses of this Parliament agree that the Harrington case was an absolute disaster in regard to payment of benefits in this area, yet here we have the Government totally reinventing the wheel. I recognise, like others on this side, that it is important to upgrade benefits so that the CPI and changes are recognised in any of the benefits, but this has virtually created unlimited claim or what one would almost call total madness. Will the Minister comment on the possibility of reopening these Harrington-type cases and what effect they are likely to have on the cost of the scheme?

The Hon. FRANK BLEVINS: If I understand the reference to the Harrington-type cases correctly, what we have attempted to do in clause 35 (3) *(b)* is as tight as we can make it.

Mr Ingerson: It is open ended.

The Hon. FRANK BLEVINS: It is not totally open ended at all. It is quite clear that there is a limit of three years.

Mr Ingerson: What happens after three years?

The Hon. FRANK BLEVINS: If after three years no work is available—

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: No, only for three years it is 85 per cent and after three years it is a partial benefit.

Mr Ingerson interjecting:

The CHAIRMAN: Order! Can we stop this conversation across the Chamber? Members will have an opportunity to ask questions.

The Hon. FRANK BLEVINS: We will have a difference of opinion because that simply is not the case. In Victoria it is the case but it is not the case here. We have taken advice on it over and above our own advice to ensure that the provision is as tight as it can be, because it would be a very serious financial drain on the corporation if the partial deemed total was open ended on 85 per cent. That is the Victorian system and not our system.

Mr INGERSON: I have been advised that it is open-ended. We can find nothing in this clause which says that it is not. The Minister says that I am incorrect, but can he show us where it states that it will finish at the end of three years, that there is no benefit at all, or that there will be a graded benefit? QC advice given to me is that it is open-ended. Can the Minister show us where in the clause there is a discontinuance of the benefit at the end of three years, either partially or using a formula which says it will break down to nothing? The advice that we have been given is that it is the Harrington case reinvented; it is the wheel reinvented all over again. As I said earlier, both Houses of Parliament went through the Harrington case procedure in 1984 and both Houses agreed that it was a disaster. I have been advised that this is exactly what is happening again. If I am incorrect, can the Minister show us which clause provides that the benefits will cease at the end of three years and what will happen after that? Is it a graded system down to zilch, or is it a formula? What is the situation at the end of three years? Is my statement about Harrington incorrect and, if so, can the Minister correct me?

The Hon. FRANK BLEVINS: I certainly hope so. Before we get to this stage a worker has been assessed on partial disability. Subclause (3)(a) provides:

> A partial incapacity for work in respect of a period falling after that period of three years or those periods aggragating three years shall not be treated as a total incapacity for work.

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: The worker is assessed with a disability of 25 per cent, 17 per cent, 19 per cent or whatever. Subclause (4) provides:

> For the purposes of subsection (3)(b), the following factors shall be considered in an assessment of the prospects of workers, to obtain employment . . . .

If a worker has a 10 per cent disability of, say, the knee, the nature and extent of the worker's disability is taken into account. How much disability is there? That has already been assessed along with the worker's age level, education and skills. There might be someone who is 64 years and it is quite obvious that even with only 10 per cent disability in the knee that worker will be deemed to have total disability. There is no question of that. However, a worker of only 25 with a 10 per cent disability in the knee has no hope in hell of getting partial disability deemed total after three years—none whatsoever. While he will have some problems in obtaining employment he has a 10 per cent disability pension to help him along. There is no question that someone of 25 with 10 per cent disability in the knee will not have a bad knee forever. He has been damaged.

Members interjecting:

The CHAIRMAN: Order!

Mr Ingerson: That's what we were trying to establish.

The Hon. FRANK BLEVINS: I am sorry, I thought you were saying that after three years anyone who is not in work would be 'partial deemed total' for the rest of their lives. That is not the case.

Mr INGERSON: Whatever the level of disability at which the worker is assessed at the end of three years, that disability payment continues for the rest of his life. If he is assessed to have 100 per cent disability, he will get a pension of 85 per cent of salary for the rest of his life and, if the disability is 10 per cent, he will get a 10 per cent pension for the rest of his life. Our advice is that that is what occurred in the Harrington case. The actuarial costs would be quite astronomical. The Minister said that he hoped that that was not correct.

The Hon. Frank Blevins interjecting:

Mr INGERSON: If I am wrong, I stand corrected. On my advice and from my reading of the Bill, I believe that there is no benefit other than the level of incapacity benefit, and that continues for the person's life. The cost would be astronomical. According to our actuarial advice, the cost for a person 25 years old with a 100 per cent disability would be $5 million or $6 million a year over his lifetime. There would be an astronomical cost considering the number of cases that would be involved.

The Hon. FRANK BLEVINS: I apologise: I think we are now on the same wavelength, and I refer back to a previous exchange. A person who suffers a 10 per cent disability receives a pension for life provided that his earnings do not rise above the notional weekly earnings of the worker. I draw the Committee's attention to clause 38(4), under which there is a review procedure whereby, if a person was earning $200 a week and if he suffered a 10 per cent disability and then, by whatever means, suddenly found himself elected to Parliament and was receiving $38 000 a year, the review would immediately take away the total pension, because that person would have been assessed on his notional weekly earnings. So, there is a review procedure. If someone goes back to work and he is earning more—

Mr S.J. Baker: Why would anyone go back to work?

The Hon. FRANK BLEVINS: If a worker who had a sore knee and suffered a 10 per cent disability chose not to go back to work after three years, he would have a lot of problems living on a 10 per cent disability pension. That is just fantasy.

Mr S.J. Baker: What happens if he has an 80 per cent pension?

The Hon. FRANK BLEVINS: Then he would be a very damaged worker indeed.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: I am talking about a drastically injured worker. If a person suffers an 80 per cent disability, the quality of life that he would enjoy would be pretty minimal. I know that the costs ofend members opposite, but let us not forget that we are talking about a person who is injured to a massive degree at his place of employment. That is what insurance and workers compensation are all about. Let us not get hung up with the costs relating to a worker with an 80 per cent disability. Those cases are tragedies and there is not a great deal we can do to compensate people who are injured to that degree. In that respect, one of the things people should not do is complain about the cost.

Mr S.J. BAKER: The Minister has clearly demonstrated that he really does not understand this legislation: he does not understand the monster he has created. He has had to go and ask for a number of opinions in this area. Of course, the story comes back that after three years—whatever the incapacity is assessed at—if the person goes back to work he is lined up with the 85 per cent total notional earning and, of course, the capacity is assessed and the difference paid between that and the earnings he receives.

There are some very serious questions here. As I said, in the data that is coming out (leaving aside road traffic accidents, which are a very large part of the compensability involving younger people: we have already addressed that) we find that the most accident prone workers are in the 40-plus age group.

It is no secret that productivity winds down as we enter our forties, and perhaps the ability to get out of the way of moving objects is somewhat less than it was when we were 30 years of age. The sort of information that is now coming out of the Victorian situation, from what I can gather because employers seem to be a great deal more interested, in statistical terms, than they have been in the past, is that they are finding that in the forties we are getting some of these more serious accidents for a variety of reasons (and as a result of job availability diminishing).

The Minister would probably be well aware that unemployment among older workers is higher than among younger workers. The difference is that the people in question finish up going on sickness benefits rather than unemployment benefits, or they may take a superannuation payout, so the underlying unemployment factor is greater, and more care is needed. The employment criteria becomes less and less possible to fulfil as people move up the age scale past, say, the mid-forties.

It is with those workers that the problems arise, because in order to sustain their lifestyle they have to rely on the workers compensation provisions. If we assume that, under the Act, a person is totally incapacitated, he will go through from the average age of, say, 45 to 65 years on 85 per cent benefits after three years under this provision. For those who are less permanently incapacitated because of their age, it is likely their assessment of disability will be higher and the weight the corporation will place on age will also be higher.

We are then talking about a substantial number of people within the system. It will be a growing number of people, and under this legislation there will be a positive incentive for those people to be in the system. I know I was maligned by someone for suggesting that people will not avail themselves of the system. Somebody even suggested that people were honest all the time. We know that is not the case, because when people are looking at their future employment, and if the economy is in a downturn, it is quite often the older workers who are asked to take early retirement.

Under this system they are guaranteed an income, albeit on the long-term basis of 85 per cent, if they can be deemed totally incapacitated. Indeed, the probability of their being deemed totally incapacitated under this scheme is far higher. I ask the Minister (and I put that as a preamble) to go through his costings on the basis that he said that there are real savings under the Victorian scheme. I have independent costings—and I will see if I can find them—which show that the South Australian scheme will be substantially higher than the Victorian scheme. That is for a number of reasons: the $400 limitation (and as the Minister pointed out, it is only a small point); the discounting rate applied in the Victorian scheme almost immediately, except for top-up provisions; and there was one other provision which at the moment I have forgotten.

The total package means that it is not pitched below the Victorian scheme; it is pitched well above that scheme. The Minister has said in this Parliament tonight on more than one occasion that the South Australian scheme is pitched a little below the Victorian scheme. I have substantive information to indicate that that is not the case. Perhaps the Minister could reveal to the Committee the exact costings that he has (and he says he can provide them), which show quite clearly that the South Australian scheme is pitched below the Victorian scheme. If it is pitched below that in Victoria then I do not think we need waste time much longer. But any scheme that offers 100 per cent benefits from the very beginning, with CPI top-ups (award rates are normally flowing behind the consumer price index), which means that the worker will get more with less expense than the person at work, would involve substantial expense. The Minister cannot deny that; it is a simple matter of arithmetic.

Can the Minister take the time (and I am sure that time has now become almost irrelevant at 5.40 a.m.) to advise in detail how he has come up with the proposition (because I will take down all the figures and I will refer back to my notes), to show that the South Australian scheme will be cheaper than the Victorian scheme? In my view, it is just not feasible, so perhaps the Minister could take a little time and actually go through his costings. If he has a printed sheet, I would appreciate it.

The Hon. FRANK BLEVINS: I hope what I said earlier about the honourable member's abusive manner was noted by members in this Chamber, but I do not think that a number of them did. When he stood up to speak on the last occasion, of course he had to be a little abusive. One would have noticed that there has been a substantial exchange of genuine inquiry between myself and the member for Bragg. Apparently, such a thing seems to inflame the member for Mitcham.

His question involved an extraordinarily long preamble and I was not sure about the status of preambles in Committee. However, apparently that one was admissible. I gather from the honourable member's question that he wants to see where the scheme is pitched below the Victorian scheme. Earlier today or last night—I cannot remember—I read this into *Hansard,* but for the benefit of the honourable member I am quite happy to go through it again. But, I hope that at some stage a Standing Order will be found that says there shall be no tedious repetition in this place. I have not had time to research the Standing Orders, but if such a Standing Order exists we must be getting close to invoking it.

However, I will read what I read earlier in response to precisely the same question from the member for Mitcham.

These are the areas where the South Australian proposal is less than the Victorian one. The first—and I am sure everyone will remember it now—is the question of lump sums. The maximum lump sum in Victoria for economic loss is $61 750 compared to $60 000 in South Australia.

Mr S.J. Baker: I remember those figures. I was going to ask further questions on what you provided. You provided three categories on which I was going to ask questions.

The Hon. FRANK BLEVINS: The honourable member has forgotten: he wants his memory refreshed. That is fine. I am quite happy to do that, but certainly not on the basis of, 'Where are your costings? Bring them out. You are no good—all that garbage.' This is about the only thing we have talked about in the last 10 minutes that actually relates to the clause. The second area in which South Australia is lower is in relation to this clause.

In Victoria the unlimited partially deemed total' provision prevails. It is unlimited: it does not have a three year cut-off compared to the South Australian proposal before us for three years cover. So that honourable members will recognise every word I will explain. 'Partially deemed total' arises where a worker is partially incapacitated but because no work is available at a particular point of time, that worker is deemed total—that is, paid as if the worker was totally incapacitated.

The provision in Victoria is extraordinarily generous and something we believe at this stage we cannot afford—maybe at some stage in the future we can. I also mentioned the question of the Victorian maximum being $400 a week compared to the South Australian maximum of 2½ times average weekly earnings. With the make-up provisions one could argue that those provisions are exactly the same. I would argue that that is a cheaper provision for South Australia inasmuch as we do not have the problems they have from time to time in industry in Victoria in establishing a make-up pay. On occasions they have considerable difficulties in establishing exactly what the amount is. That can be expensive for both employer and employee.

Finally, I mentioned that the Victorian benefits are based on 80 per cent of income loss. I gave an example of a worker who was on $100 a week. If, after the injury, he could earn only $80 per week the Victorian benefit would be 80 per cent of $20—the income loss—or $16 per week. In the Victorian case the worker must take home 96 per cent of previous earnings. The South Australian proposal, which was based on the white paper, is based on making up earnings after the injury to 85 per cent of previous earnings. In the example given, the benefit would be $5 a week, which is a very significant difference.

The difference is $5 or $6 for every $100 a week work loss. In those areas there are some worthwhile reductions on the Victorian system. I am not pretending that they are massive. That was not the idea. They were meant to be pitched slightly below the Victorian level as an overall average. I believe that we have achieved that, and I have outlined to the Committee the way in which we have done it.

Mr S.J. BAKER: My questions now relate to the Victorian scheme. Will the Minister quantify in millions of dollars, percentages of the fund, or whatever is the appropriate parallel, what additional costs will be borne by the South Australian scheme as a result of the fact that the top up provisions in Victoria normally only last for three or six months before the worker reverts to, I think, 80 per cent of the average earnings on the basis of three years at that level? I think that there are substantial additional costs in the South Australian scheme. Will the Minister quantify those additional costs?

As the Minister is aware, for the first three or six months the systems are neutral: either the employer pays or he pays through his premium. Therefore, a person who is totally incapacitated, or partially deemed total for the South Australian scheme, will be on full benefits for 2½ years more than in Victoria. On my reading a Victorian worker will be on 80 per cent of earnings. On top of that there is also an income limit of $400 that will affect between one quarter and one third of workers, if one talks about the distribution of workers around the average weekly earning distribution who will fall within that upper category? What additional costs will be coming from that element? On the other side of the coin, what will be the savings to the South Australian scheme in saving $1 750 at the top of the scale on the lump sum benefits?

The Minister spent some time on partially deemed total, and the Opposition agreed that it would be in the interests of a 25 year old with a 10 per cent incapacity to get back into the work force, and that would be catered for under the Victorian scheme, I would assume, unless that scheme says that that person is to be permanently incapacitated for his next 40 years before he reaches 65 years of age. What advice has the Minister received on the impact of the more accident prone workers in the 40-plus age group as to the extent of disability that would be assessed under this scheme, and how that compares with the Victorian situation?

The Hon. FRANK BLEVINS: On numerous occasions over the past couple of days I have stated how our scheme was costed. I have also stated what would be the additional costs caused by the additional benefits that we would supply. That is how our scheme is costed. That material is available to the honourable member, and it has been available for a long time. If the honourable member chooses to look at it, that will be fine. In regard to the comparison made with the Victorian situation, we are not precisely comparing like with like: the two situations can be compared only generally. I have gone through the matter twice now as to how we have done the comparisons. If the honourable member is not satisfied after my having gone through the matter twice, I certainly have no intention whatsoever of going through the matter a third time. It may well be that we will have to agree to disagree.

The honourable member suggests that the South Australian scheme will be more expensive than the Victorian scheme. He is entitled to his point of view. I have stated already that it will not be more expensive: it was not designed to be, and it will not be. I have explained twice how I arrived at that conclusion.

The Hon. S.J. Baker: I have asked further questions on that.

The Hon. FRANK BLEVINS: Yes, the honourable member asked further questions and I have answered them on at least two occasions. It seems to me that, rather than trying to elicit information, the honourable member is only trying to waste time. That is fine: it is a parliamentary tactic which has been around a lot longer than the honourable member has and which I am quite sure will be around when both of us have gone. I can only suggest that I am certainly not going to go through this part of the debate again, having already gone through it twice for the honourable member. The honourable member will just have to read through *Hansard* at his leisure, try to absorb it and, if he can, I suggest that he talk to the member for Bragg, who will probably be able to help him.

Amendment negatived.

Mr S.J. BAKER: I do not intend to proceed with my amendment to line 24, as it is consequential on the previous amendment, which was not successful. I move:

Page 22, line 32—Leave out '3' and insert '2'.

We were talking about total packages. The Minister does need reminding that in the white paper the original proposition was for two years. The lump sum benefit was $30 000.

We are in the process of trying to change that, because we knew that, despite my reservations and a number of other reservations, there was some general agreement on the basis of what those benefits were. Of course, now the Minister has extended it to three years for total incapacity and partially deemed total in-capacity; that is an additional year on full benefits. It is not acceptable to this side of the House. It was probably not acceptable at the time, but as I mentioned employer groups found some favour with the total package that the Minister had on offer at the time. I have 'therefore' formally moved that the three years revert to two years. That is probably being very generous in some scheme of things and perhaps less generous in others.

I would remind members what is happening on the international scene here. It helps little for the Minister to say, 'You are trying to take benefits away from workers,' when I know that indeed in other jurisdictions far more advanced than our own, they are much lower. This is in countries which have generally higher levels of benefits across the board, so they must have seen some sense in them. I get a little tired when the Minister keeps accusing this side of the Chamber of not showing due care for injured workers. We are not debating the morality of one side or the other; we are talking about the way in which this Bill should operate. We are interested to ensure that whatever scheme is in operation operates efficiently. If the Minister wants to take me on again on that point—

An honourable member interjecting:

Mr S.J. BAKER: Yes, and very much the bottom line for employers is affordable. If it is not affordable, then jobs will be lost. I hope that the Minister can come to grips with that. If the scheme that is devised can deliver reasonable benefits and keep costs down, we are probably reaching the compromise situation for which we would all wish, because we will be winners. We will not be losing employment, we will retain our competitive advantage with our interstate counterparts, and we will be no worse off than we were before the scheme started.

The Minister has his costings and I have mine. We vary quite markedly on the basis of the original proposition. We differ quite markedly also on what we believe is coming out of the Victorian scheme, *vis-a-vis* this proposed scheme.

I do not wish to go over that old ground. I want simply to say that in the wisdom of Minister Wright previously the period on which full benefits could be given was limited to two years. We have had no evidence presented to this House that suggest that there should be any escalation. A number of people would suggest that two years is far too long. I believe that we have been responsible and have said that we will stick with the white paper proposal. I therefore ask the Minister to agree to this amendment.

The Hon. FRANK BLEVINS: I oppose the amendment. Regarding the previous Minister of Labour, certainly the genesis of this scheme and the carriage of it for many years was with the Hon. Jack Wright. Regarding the white paper, I think that we ought to make it clear that that was an agreement between two sets of negotiators: the Trades and Labor Council and certain employer groups. It was not a proposal that had the imprimatur of Jack Wright. I am sure that he would have been perfectly happy to give it his imprimatur if subsequently the representative bodies of those delegates had endorsed the scheme, as I would have done. If the employer and the employee were happy, I would have been happy, too.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: I was the Minister. There are two things about that. First, Jack Wright was not the Minister—I was. Certainly, it was not dependent on my getting agreement between those two bodies, any more than it was Jack Wright's doing, so it involved getting agreement between six negotiators. They had to agree amongst themselves, which they did, but it was always on the basis that they would have to go back to the bodies that sent them to the negotiating table. When they went back some of the parties did not agree with their negotiators. Had they done so, honourable members would have opposed it, but I would have been very happy.

The benefits package proposed by members opposite is simply not good enough. It does not satisfy the Government—it is too low. I do not intend to go through it all again. Our package is the one that we believe is appropriate for South Australia in 1986.

Mr S.J. BAKER: Can the Minister tell the Committee what was the computed additional cost for the additional year that was placed on both the total and partially deemed total?

The Hon. FRANK BLEVINS: The costing for the additional package as a whole and for the additional benefits in the package over and above the white paper was 3 per cent of premiums.

Amendment negatived.

Mr S.J. BAKER: I will not now proceed with the subsequent amendments on file seeking to change the relevant period from three years to two years. The Minister referred to 3 per cent, but in a publicity release reference was made to a level of 3 per cent to 5 per cent in regard to increased costs, and I want that noted. I move:

Page 22, lines 41 to 44—Leave out 'that the worker is earning in suitable employment that the worker has obtained or could earn in suitable employment that the worker has reasonable prospects of obtaining' and insert 'that the worker is earning, or could earn, in suitable employment'.

The amendment makes for cleaner drafting. It is in conjunction with our belief that more emphasis should be placed on medical criteria rather than employment criteria. So, it is the capacity to earn and not whether or not one is earning.

The Hon. FRANK BLEVINS: I oppose the amendment. The honourable member suggested that his set of words were tidier drafting. I do not accept that. The provision as drafted is adequate and does what the Government intends.

Amendment negatived.

Mr S.J. BAKER: I will not proceed with the next amendment, as it is consequential on my previous amendment. Therefore, I move:

Page 23, lines 21 to 26 — Leave out all words in subclause (7) after 'falling' in line 21 and insert 'after the date on which the worker attains the normal retiring age for workers engaged in the kind of employment from which the worker's disability arose or 70 years of age (whichever is the lesser)'.

The Minister would be well aware that we do not believe it is appropriate that disability compensation be paid to the age of 65 years for a male or 60 years for a female. I will not debate the difference between the two. In industry it is rare these days for a male to retire at 65 years. In some industries the average retirement age is as low as 52 and in other as high as 58 or 59. The Minister is saying in the Bill that the employer has to pay benefits far beyond what would normally be received if that person stayed in employment, and this applies to full or partial incapacity. The Opposition is attempting to take out the social security criteria, as it is not relevant in this day and age. It is certainly not in keeping with employer responsibilities. I do not know whether the Minister can justify the fact that if a person would normally retire at the age of 55 he should be paid for the next 10 years benefits that would not ordinarily have accrued to him. If incapacitated it would have been normal to go on a sickness benefit or to use superannuation benefits to sustain them over a period. This is not acceptable. We have

moved the amendment to take out the social service criteria and leave in only a reworded version of paragraph *(b)*, which reflects the situation as it should be.

The Hon. FRANK BLEVINS: I oppose the amendment. Whilst on occasions people retire at 55 or so, I do not know how one can predict that at the time of illness or accident. One has to take the position of what is most likely to happen and what is the most reasonable position to adopt, namely, the qualifying requirements a person would need to meet to obtain the age pension under the social security legislation. It is a totally reasonable proposition. I do not understand what the honourable member is attempting to achieve, but as much as I understand what he is saying, I disagree. The provision in the Bill is appropriate.

Mr S.J. BAKER: I will be aggressive because a point needs to be made strongly. Is the Minister saying that employers should pay into pensioner schemes that would not normally have been in their province? Has the Minister received any information on the average retiring age of the Australian work force? If so, he will find that the average retiring age is below 60. That is an understatement because quite often those people who have left the work force through unemployment or who are on sickness benefits are not taken into account.

It is very unusual today for a person to retire at 65. Under this Bill an employer is required to pay benefits up to the age of 65. In normal circumstances that person would not have been an employee until 65. Why can the Minister not understand that we are actively asking people to give themselves a permanent income base up to the age of 65 which would not normally have been available to them. Can the Minister not understand that the employer will have to foot the bill for something that he was never responsible?

Indeed, under the existing provisions, as the Minister well knows, the Commonwealth has picked up the tab. Has the Minister negotiated with the Commonwealth and asked it to pay back money to the State for the tab that the State is picking up? As the Minister is well aware, under the existing provisions, if a person is permanently incapacitated or even seriously incapacitated, there would be a lump sum payment and then some time after, depending on how the lawyers organised the relative payments within the lump sum, that person would go on to social security benefits.

What will this change mean in relation to the scheme? Can the Minister tell the Committee a little bit about the average retirement age in South Australia? What probably upsets me more than anything is that the Minister cannot understand a simple proposition. If an employer is normally responsible to meet a person's wages, up until the age of 55, 56, 57 or even 58, that person is entitled to those wages if he is injured at work and permanently incapacitated. There has been no disagreement on that premise. However, the Minister is now saying that the employer shall be responsible until the worker reaches the age of 65.

On the other side of the coin, to show some of the other anomalies, nine months ago I received a call from a lady who worked at one of the nursing homes in my district. She said that she wanted to stay employed at the home past the age of 60 because she needed the work. The organisation has a rule which meant that she could not continue there. There are all these anomalies in the system. We could say that it is anomalous that we have a retiring age of 60 for females and 65 for males. However, I will not get into that because it involves a whole change in other areas. Importantly, the average retiring age for males in Australia is now below 60. The Minister is requiring an employer to pick up the cost in relation to a retiring age of 65, and that is fundamentally wrong. If the Minister has some information that I have not seen to justify his stance, I will be delighted to receive it.

The Hon. FRANK BLEVINS: The answer has not changed. We simply believe that the normal retiring age is the appropriate age. There may be some variations on this from time to time. I think that perhaps one of the problems between us is that the honourable member moves in circles where people retire early; I move in circles where people retire on the last day and usually have to go begging the boss for a six month extension. What the honourable member is saying to me is really not an issue. If we are going to have a standard retiring age in the Bill, I really cannot think of a better one than the one we have in the Bill.

Mr S.J. BAKER: The Minister has said that all his friends retire at 65 years, plus six months if they can manage it. Therefore, he would find my definition totally acceptable, because it cuts out the social security criteria. It really embraces the provisions of paragraph (b). What about the industries where people retire at 58 or 59 years, one being the Public Service, where that practice is common? Is it right, proper or just that the employer should foot the bill? If the Minister believes that everyone retires at 65 years of age, my amendment will not alter that fact.

Amendment negatived.

Mr INGERSON: I return to my proposition that there is an open-ended system. Quite clearly, under subclause (1)(a) the 100 per cent payment will be paid for up to three years and, under subclause (1)(b), a partial payment will be made, which can be commuted to 100 per cent for the first three years. It is very important to note the word 'after' in clause 35(3)(a). There is a reduction from 100 per cent to an agreed figure, but payment still continues to retirement age: partial benefits continue until retirement age, and the same provision applies under paragraph (b), the only difference being that any earnings are deducted from the 85 per cent of the notional weekly earnings. That is also carried through to retirement age, whether that is social security age, 70 years or any other retirement age. So we have the Harrington situation, and that is not the situation of the average worker, because he is not incapacitated for three years. I have been advised that up to 200 of such cases a year are handled by large legal practices involving legitimate claims where workers have been incapacitated and deserve payments.

If one of these cases projects through to $1 million, we could be talking of a massive sum of money, and that is the area about which I was concerned and which I wanted to point out to the Minister. In 1984 the Parliament recognised clearly that the Harrington-type case had to be reversed, and it was agreed to by both parties that it was a massive problem as far as workers compensation was concerned.

Basically, what we are potentially doing here is reinventing the wheel: we are saying that in the case of badly injured workers we could have massive payments compared to the payments that legitimately paid out under the old scheme—and the difference is massive. It is not just $100 000: we are talking of up to $800 000 difference, and there are a lot of these legitimate cases.

That is the point that I was trying to make to the Minister, and that is the area on which I would like him to either say I am wrong or, at least, recognise that something needs to be done in that case. The cost factor here is significantly higher under this system once you go past the three year period. Up until the three year period, I think we would all accept that, whilst we do not agree with the amendments being put forward, they are probably less then what is being put forward in Victoria but still significantly more in cost than what we currently have under our scheme.

The real problem area is for the legitimately severly injured people who go past that three year period, particularly if

they are young, and if they happen to be of the order of 25 or 30 you are talking about massive problems, and the advice that I have been given is that there are a lot of people in that category.

The Hon. FRANK BLEVINS: I thank the member for Bragg for his contribution. We are at one in many respects, and the first respect is that this can be a very expensive provision indeed. That is why we have taken great care to ensure that ours is different from Victoria's provision. We have recognised the Victorian system: we wish them luck with it, but we believe that we cannot afford such a generous provision. We do accept that there is an increase in costs.

It is an increased benefit: we accept that. We have costed that along with our costings and we have said of the savings that so much will go because of increased benefits, and this is one increased benefit. We are now saying to a massively injured worker at age 25 that under this new scheme the benefit will be better—for economic loss alone—than if he went for a Commonwealth claim.

That is the whole basis of the new scheme. We concede that it is an increase in benefits in this area, and overall it is an increase in benefits. What we are also saying at the same time is this: if you leave the present scheme as it is, talk about premiums going through the roof—you ain't seen nothing yet!

Even doing that, we would have to amend the present scale of benefits to upgrade them to what has been devalued over the last three years, and index them. We cannot continue to have them falling three years behind and have them around Parliament and increase them again as we inevitably do, so there is going to be an increase in benefits anyway. The other part of the scheme was some way of relieving the pressure on employers whilst these inevitable increases were occurring. We concede that it is an increased benefit. Where we differ is how much of an increased benefit it is. It is certainly designed to be less of a benefit than the Victorian scheme, because of this three year limit on the partial deemed total.

Again, I want to refer the honourable member to clause 38(4), which is the provision for the review. The review will take place. I can assure you that the corporation, whilst it is not going to be heartless, is also not going to be a bleeding heart; it cannot afford to be. It will be fair and just, but certainly will not be a charity.

A person aged, say, 25 with a sore knee, which may involve a 10 per cent disability, will receive so much. As 25-year-olds with a bad leg usually return to work, when their earnings come up to a certain level, the weekly payments will cease. That is provided for in the Bill.

I am pleased that the member for Bragg has seen the more important areas of the Bill and has not got bogged down in trivia. To some extent we have gone through this once, and this is the second occasion, but I would like to discuss the problem again privately with the honourable member for Bragg, and I hope I can convince him that in this area we are trying to contain costs. Otherwise there is the potential for a massive blow-out in the costs of this fund. As I say, we wish Victoria well with its scheme. It has gone the whole hog and maybe Victorian people can afford it, but we have attempted to be extraordinarily careful in this area to ensure that our scheme does not have the potential for that expense.

Mr INGERSON: I thank the Minister for at last admitting that we do have a potential problem here. Subclause (4) clearly states that the following factors are to be considered in the assessment: (a) the nature and extent of the worker's disability; (b) the worker's age, level of education and skills; (c) the worker's experience; and (d) any other relevant factor.

Basically, the Minister has been talking about the lower end of the scale. I do not mind if he argues from the lower end of the scale, because I will argue from the other end. The Minister is clearly putting forward an argument which can justify minimum costs. I think the exercise one must do is ask what is the worst, not the best, possible situation a person can experience. Where potentially a significant number of workers can legitimately claim the maximum, that is the situation we must examine.

Again I thank the Minister for admitting that it is a danger area because, from the legal advice I have received, I do not believe that the provision is anywhere near as tight as it ought to be. Whilst the Minister says that there is provision for a review, it is important to note that no mechanism in the Bill recognises that there should be a reduction and how it should be achieved.

The Hon. FRANK BLEVINS: It is not a question of the Minister at last admitting that there is a potential for financial disaster in this area. The Minister has warned the Parliament that this is a very significant area where the costs, if the provision were not carefully constructed, could be astronomical. We are not admitting anything: we are stating it as a fact. We say that we are doing something about it, and that we have constructed this provision accordingly. Whilst the honourable member says that we have to allow for the worst possible scenario, I do not accept that proposition for a moment, particularly in insurance matters, and that is why we have actuaries.

Mr Ingerson: That is what they are concerned about.

The Hon. FRANK BLEVINS: Yes. We work out what is most likely to happen, and that is the basis we work on. Certainly, the Employers Federation costings of benefits agreed with ours. They have done their sums in the same way as we have and said that our costings are the same as theirs. On the benefits, there is really not any argument about the costings, but to say that we do not have a mechanism for dealing with the worker's situation after three years makes me wonder how the member for Bragg arrives at that conclusion. Clause 38 (3) and (4) would, I understand, provide the necessary mechanism and is part of the construction of the scheme.

Mr INGERSON: Reading subclauses (3) and (4) I understand that the criteria simply involve a judgment as to whether or not the person is able to get employment but that it has nothing to do with the fact that his benefits will be reduced, because the level of employment he obtains may or may not reduce the 85 per cent of notional salary. There should be a mechanism which provides that if this happens x-per cent comes off and if that happens y-per cent comes off, and so forth. It may be covered in the regulation to come through later on. That was my major concern.

The Hon. FRANK BLEVINS: I assure the honourable member that that part of the process is covered in clause 38 (3) and (4). I hope that the instructions given on that are very clear. I am sure that those who advised me on the drafting understood those instructions and have assisted me to draft the measure accordingly. If by some remote chance—and I would be very cross if it occurred—the intent of the Bill was not carried through into legisaltion, I assure members that some amendments would quickly be brought into Parliament, because the intention has been spelt out very clearly.

Mr S.J. BAKER: We disagree with the fundamental package. The Minister realises that rather than divide on three separate issues we will divide on one. When does a person not continue as an employee of a company? Those are the ramifications with benefits such as annual leave, long service leave and other entitlements.

The Hon. FRANK BLEVINS: There is no change to the present provisions, and normal common law applies.

Roughly, where a worker can no longer keep up his side of the contract of employment by being on workers compensation, then whatever provision applies now will apply after this scheme comes into being. There has been no change.

Mr M.J. EVANS: The member for Mitcham earlier touched on a topic of considerable concern to me, that is, the impact of this scheme on savings to Commonwealth revenues in relation to social security and taxation measures. I imagine that there will be significant savings in the area of social security and invalid pensions, and significant savings to the Commonwealth through taxation. These pensions paid under the Workers Rehabilitation Act will be fully taxable, as I understand the position. Of course, invalid pensions are not taxable when paid to a pensioner less than 65 years of age. I am sure that the Minister is aware of that impact. Will the Minister indicate the estimates to the Commonwealth of the dollar value of those savings so that the House can have some idea of their magnitude and the degree of pressure that the Minister proposes to place on the Commonwealth to ensure that there is some ultimate *quid pro quo* if those estimates put the figure at a very high value?

The Hon. FRANK BLEVINS: The bulk of the work has been carried out by Victoria. As the honourable member says, there is considerable saving to the Commonwealth. It may be that the States on a joint basis can ask the Commonwealth to show some compassion for the State in this area, although I admit that I am not overconfident. I think that that is a pity. However, I feel that the benefits to the State—both to the workers and the employers—are so great under this scheme that it outweighs this matter. It is not something that we are losing, when one thinks about it—

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: That is what the debate is about. We are arguing that it is not costing the insurer more. Social security payments are not really something that as a State we are losing. It would be nice if the Commonwealth would say that it will split the difference, and we will certainly try for this. However, given the climate in Canberra at the moment I am not overly optimistic that the Commonwealth will do the decent thing.

Mr M.J. EVANS: I am sure that, if anyone can stare down the Hon. Mr Keating, the Minister will have a good go at it. My other question relates to a point I raised at the beginning of the Committee stage, that is, the interrelation of the parliamentary superannuation scheme. In the meantime I have had an opportunity to check out the pension scheme for the Judiciary in this State, which is similar to that provided in the parliamentary superannuation scheme, except that it is more generous, as one must expect for our colleagues in the Judiciary, who obtain a 60 per cent invalidity pension from the day they commence as a judicial officer, should they take ill.

Of course, I understand that that would also apply not only to members of Parliament and the Judiciary, who are relatively small in number, but also to the South Australian Public Service superannuation scheme, which covers a substantially larger number of people. Although there would be concern in respect of Parliament and the Judiciary, there would be much greater concern in relation to the Public Service superannuation. I am not making a judgment in that area as to whether or not it is appropriate. Has the Minister made a judgment in that area? Is it appropriate in the long term that there be payments to injured workers that amount to substantially more than their normal salaries? Whereas in the private sector superannuation schemes already take into account the probability of a payment of workers compensation, the superannuation schemes, I understood the Minister to say earlier, are discounted and, therefore, cheaper because of it.

Obviously that will put the public sector at a substantial advantage, and members of Parliament and members of the Judiciary particularly so in relation to the private sector. Has the Minister examined this aspect of the matter? From day one, unless we take urgent steps to amend the parliamentary, the judicial and the State Government superannuation schemes, those workers will receive what will amount to invalidity pensions 130 per cent or 150 per cent of their normal salaries.

The Hon. FRANK BLEVINS: I thank the honourable member for his question. Yes, I have considered the position, and it does not give me the degree of concern that it gives the honourable member. People pay for a certain level of benefit in a superannuation scheme; it is something that has been bought. In the case of the Judiciary that is arguable because the scheme is non-contributory, but I think the principle is still the same. The Public Service scheme is the largest scheme and, for example, if a person joining that scheme has paid contributions at the appropriate level and the employer has funded an appropriate part of it—however they do it—I think that the person is entitled to a level of benefit from the superannuation scheme as a right. If that is what they have bought, they ought to have it. If a person does not want that additional benefit, certainly the scheme can be amended, but so would everyone's contribution because if a benefit is being removed obviously the contributions would be lower.

People will have to look at their superannuation schemes to see whether, when this proposal is in operation, they any longer need to buy that level of benefit. Maybe a person would rather have the money and not pay it out over all those years. That is a decision that subscribers to the schemes will have to make. If I was working in private industry and bought a package of superannuation with the AMP, for example, and I went off on workers compensation, and my superannuation scheme with the ALP gave me a certain level of benefit, why would anyone take it from me? I am not hung up on this to the extent that some other people are. I think it is perfectly logical. Also, we must be careful that injured workers are not being asked to pay for their own compensation. If something that they have in some other area is reduced, and they finish up back at square one, it could be argued that they are paying their own compensation, particularly if they have paid into a superannuation scheme providing a benefit but do not get that benefit, in which case over the years they would have paid for their own workers compensation. I am very strongly opposed to that or anything like it. If people are concerned about this question in relation to superannuation schemes, the matter will have to be assessed and, if necessary, altered if the members of the scheme choose to do so.

Mr M.J. EVANS: I take the Minister's point that once a person has paid for benefits, as have members of Parliament and public servants, a person is entitled to those benefits offered under the scheme. But, of course, they have not paid for benefits as employees under the workers compensation scheme, and quite clearly under the pension based arrangement which the Minister suggests if an employee's incapacity is reduced and he returns to work his benefit under the workers compensation provisions is reduced.

I do not quite see the difference between receiving employment income in that context and receiving superannuation income. He is working for his wages if he returns to work, and he has paid for his superannuation contributions which he receives as a weekly benefit. I do not suggest in any way that the superannuation benefit as existing should be modified; the Minister is quite right. I believe that we have to look at it from the other point of view as to the actual impact on the workers compensation scheme itself, and the fact that people will be receiving a benefit which

amounts to, if you like, working in terms of the 85 per cent provision.

They are actually returning to work by receiving that other income. Whether they are receiving it from a superannuation fund or receiving it by working at an hourly job seems to me to not be so significant a point. I do not agree that a person who returns to work and is rehabilitated should be put at a disadvantage as against the person who is not and who remains off work on superannuation at a level of income which is equal to 140 per cent of what they had before. That would seem to me to put the person who is rehabilitated and does make the effort to return to work at a considerable disadvantage, *vis-a-vis* a person who is superannuated such as a judge or a member of Parliament, who can then stay off work, avoid rehabilitation, if it comes to that, and enjoy 140 per cent of his previous income. That seems to me to be an anomolous position that has to be looked at.

I agree completely with the Minister that one should not pay for one's own workers compensation through superannuation, but at the same time we cannot really allow the other anomalies to develop and continue, which I believe are potential anomalies under this scheme. So, I believe, as the Minister said, it needs a great deal more work put into it but I do not think that it can be dismissed in quite the way that the Minister has done in relation to paying for your own superannuation, because I think there are a lot of other factors that need to be looked at.

In relation to the three schemes that I have mentioned, it is not so much a case of members making that decision as the Government, because in all cases it is a matter of legislation altering the schemes. The Government controls all three schemes to which I have referred so the initiative cannot rest as strongly with the members of that fund as it does with the Government in consulation with those members.

The Hon. FRANK BLEVINS: I hope so. I think that the argument is getting circular, so I am not sure whether there is any point in pursuing it. If members (and we assume that there is some democracy in this) control their own super schemes, they will have to decide at some time in the future what is the level of benefit and what amount they pay in. The Government controls the schemes. I think that it would be a bit harsh if the Government as the employer made an arbitrary decision to cut out benefits in this scheme. I think that would be very bad indeed, where people have taken employment on the basis of a certain level of benefits in a superannuation scheme, to arbitrarily put the knife through them. I do not think that the argument is of any importance in relation to members of Parliament because they can fix the matter with a simple amendment. How we abuse ourselves is our business, but certainly for public servants it is of vital interest that we do not make an arbitrary decision to remove a benefit that they have been paying for for many years. The same applies to the Judiciary, only the question of payment there is not quite as strong.

The Committee divided on the clause:

Ayes (22)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), De Laine, Duigan, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Keneally, and Klunder, Ms Lenehan, Messrs Payne, Peterson, Rann, Robertson, Trainer, and Tyler.

Noes (14)—Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier, Olsen, and Oswald.

Pairs—Ayes—Messrs Crafter, Mayes, and Plunkett. Noes—Mrs Adamson, Messrs Chapman and Wotton.

Majority of 8 for the Ayes.

Clause thus passed.

[Sitting suspended from 7 to 10.30 a.m.]

Clause 36 passed.

Clause 37—'Suspension of weekly payments.'

Mr S.J. BAKER: I move:

Page 24, line 33—After 'the worker has' insert 'reasonably'.

The amendment attempts to place in the record that in some situations certain remedial measures must be taken. The Minister said that, under subclause (1), if one refuses to take rehabilitation the corporation may suspend or reduce the payments. There may be very good reasons why in minor surgery situations certain things should happen and the medical practitioner should take remedial measures. It is a matter of tidying up the wording.

The Hon. FRANK BLEVINS: I oppose the amendment. An important principle is at stake, namely, that no person, let alone a worker, should be compelled to have surgery or take a drug if they do not want to. I would like to hear the member for Bragg on this fundamental point. If the amendment was accepted it would open up an area of dispute. All disputes take time and money to settle. We are trying in this legislation to get away, to the maximum extent possible, from any notion of disputes between the parties. There would be considerable argument as to the definition of what was or was not reasonable, and that would be time consuming and expensive. Apart from that a principle is involved, namely, that we should not penalise a worker for what I believe is a fundamental human right, namely, not to have surgery or take a drug if one does not want to.

Mr S.J. BAKER: I suggested the amendment advisedly because as we are all aware, certain people, for religious beliefs or because of well founded fears, should not go ahead with certain forms of treatment including drug administration or surgery. The addition of the word 'reasonable' did not detract from that clause because in those circumstances that would be covered. In situations where it may be possible to fix a broken limb or whatever and someone unreasonably refuses attention, for whatever reason, there may be a good reason why the corporation should review the situation. I do not intend to press on with this. It is interesting to recall what happened about two years ago in this House. If my memory serves me correctly—and I have not had time to look up *Hansard*—the Government gave the Liberal Party a bucketing for the compulsion clause associated with rehabilitation.

The Hon. E.R. Goldsworthy: Your memory serves you perfectly correctly.

Mr S.J. BAKER: Yes, I think that is correct. I remind the Minister that he has suddenly had a change of heart, and I do not know what has brought it on. I know that at that time, as always, we were interested in rehabilitation, prevention and occupational safety—all the things that are really missing from this Bill. Some two years ago we thought it was important that workers submit themselves to programs if there was to be any improvement in their situation. At that time a number of speakers entered the debate, but obviously the Minister was not then in the House so he is not to blame. The classic statement often made by the Premier is 'You were not here three years ago, so you are not to blame.' Therefore, I can say that the Minister of Labour was not to blame. At that time the Government spent a lot of Parliament's time telling us how terrible it was that people had to be compelled to take rehabilitation measures. Surprise, surprise: we now see this clause before us today. Obviously, we will not oppose it, because originally it was our proposition, anyway. It is interesting how the wheel turns.

The Hon. FRANK BLEVINS: As the member has said, I was not in this place at that time and I am not aware of the arguments or the context in which those debates were

held. From what the member says I think he should see the difference between a debate over whether or not someone undertakes a rehabilitation program. That is a legitimate area for debate. However, to go on from there and apply pressure to a person to have surgery against that person's wishes or to force a person to take a drug against their wishes is, I think, a very different matter altogether. As I have said, I would like to hear the member for Bragg on this matter if the Opposition has still not been persuaded by my argument.

The Hon. E.R. GOLDSWORTHY: In three years the Government has indeed made an about-face. The history behind the rehabilitation matter is that, during the life of the Liberal Government, a rehabilitation unit attached to the Department of Labour and Industry was established. It was a requirement that an injured worker should submit himself for rehabilitation if the unit said that he should. The Liberal Government was also successful in getting through both Houses a number of other amendments to the Workers Compensation Act. However, one of the first acts of the Labor Party on coming to Government was to attempt to reverse all those changes, including the provisions in relation to rehabilitation. I well recall, as does the member for Mitcham, the hoo-ha that the Labor Party went through about this so-called scandalous business of forcing workers to have rehabilitation. We were accused of putting workers under serious duress, and I recall that the language was quite florid: the poor downtrodden workers were being forced by the heartless Liberal Party to have rehabilitation.

In fact, the establishment of the rehabilitation unit was one of the major initiatives undertaken by the Liberal Party in the right direction in relation to workers compensation and rehabilitation for injured workers. Members will understand why we show a wry smile or two when we read that the Government has done a complete back flip and will compel workers to undertake rehabilitation, otherwise their payments will be suspended. That shows the absolute hypocrisy surrounding a lot of the behaviour of the Labor Party in this matter. I agree with the sentiments expressed in this Bill. They were first initiated by the Liberal Party in 1981, removed by the Labor Party when it came to government because of union demands (that was the only reason) and now they are back again. What the member for Mitcham said is perfectly true.

Amendment negatived; clause passed.

Clause 38—'Review of weekly payments to disabled worker.'

Mr S.J. BAKER: I intended to move a consequential amendment, but I did not place it on file. The amendment would have reduced the three year period to two years. Because we have already had a test case, and, because I do not want to waste the time of the Committee, I will not proceed in that regard.

Clause passed.

Clause 39—'Economic adjustments to weekly payments.'

Mr S.J. BAKER: I move:

Page 26–
Line 20—After "shall" "insert", subject to subsection (2a)".
After line 22—Insert subclause as follows:
(2a) If changes in the consumer price index over the period referred to in subsection (2) (b) are not fully reflected in the rates of remuneration payable under awards, there shall be a corresponding reduction in the extent of the adjustment under subsection (2) (b)

The amendment provides that a person who is on compensation for the three-year period, and who is receiving 100 per cent of earnings later down the track, as a matter of equity and good sense, should not receive more than those who are at work. A worker will receive 100 per cent of earnings in the first three years if he is 'partial deemed total' or totally incapacitated, and he should not receive more than the person who is working. We have pointed out previously that in net disposable terms the person on compensation will receive more than the person who is working, with all the incumbent expenses necessarily included. That principle is wrong. It is a direct disincentive for a person to return to work during the period in which he is assessed. I am sure that the Minister will not agree to the amendment, but the principle in the Bill is wrong.

The Hon. FRANK BLEVINS: I oppose the amendment. Again, it is a matter of opinion whether or not you feel the CPI is an appropriate measure of increases payable to injured workers. I believe that the formula in the Bill is an appropriate formula. I also concede that there could be arguments for some other formula. Probably, if one asked a dozen people what would be appropriate, we would get a dozen answers. The Government believes that its formula in this area is appropriate, and for that reason we oppose the amendment.

Amendment negatived; clause passed.

Clause 40 passed.

Clause 41—'Absence of worker from Australia.'

Mr S.J. BAKER: I move:

Page 27—
Line 19—Leave out 'Australia' and insert 'the State'.
Line 21—Leave out 'Australia' and insert 'the State'.
Line 27—Leave out 'Australia' and insert 'the State'.
Line 37—Leave out 'Australia' and insert 'the State'.

This clause contains an important principle. The Minister said that a person who is out of Australia is not available for proper rehabilitation. We certainly agree with that observation. The Minister has seen fit to ask that workers who are on disability pensions or receiving compensation payments shall submit themselves and be subject to the scrutiny of the corporation should they wish to go overseas. There have been many examples of people on compensation who have collected their compensation and disappeared overseas never to be seen again.

We have already dealt with the rehabilitation clause and we have had some reference there to the fact that they 'shall submit.' Obviously, they cannot submit to rehabilitation if they are overseas, unless they are doing it on a very voluntary basis. What we are doing is changing 'Australia' to 'South Australia' because the ability of the corporation to monitor any worker outside the State is very limited. If, for example, someone should wish to go for a holiday and live, say, in sunny Queensland, there is no possible way—particularly if they are under assessment at the time—that the corporation can keep within its charter.

The charter of the corporation is to assess regularly the progress of that person, to provide rehabilitation services, and to ensure that those rehabilitation services are actually taken up. Obviously, if he or she is outside the State for any length of period, it is simply not feasible that the corporation can live up to that charter. Also we do not believe that the Bill should make it fairly simple for someone to live in another part of South Australia, outside the jurisdiction of the corporation, because the Minister says it is important that we get this person back to work. If they are interstate for any lengthy periods, he cannot do that. Also, the corporation cannot go through its proper assessments. I believe it to be an important principle. If the amendment is not acceptable to the Government, it is the intention of the Opposition to divide on the issue.

The Hon. FRANK BLEVINS: The Bill was drafted to give precisely the result we want. I think that it would be unduly restrictive to apply the provisions to persons moving interstate rather than overseas. For that reason I oppose the amendment.

The Committee divided on the amendments:

Ayes (15)—Mrs Adamson, Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Chapman, Eastick, S.G.Evans, Goldsworthy, Ingerson, Meier, Oswald, and Wotton.

Noes (26)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Blevins (teller), Crafter, De Laine, Duigan, and M.J.Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Rann, Robertson, Slater, Trainer, and Tyler.

Pair—Aye—Mr Olsen. No—Mr Plunkett.

Majority of 11 for the Noes.

Amendments thus negatived; clause passed.

Clause 42—'Commutation of liability to make weekly payments.'

Mr S.J. BAKER: There has been some discussion and disagreement on how this commutation might work. We understand that the total amount to be commuted is some $60 000. There has been a suggestion that that will not necessarily be available only at the end of the prescribed period. In this case, it would be at 65 years of age for a male termed totally incapacitated. Can a worker commute a sum within the first three or four years of receiving an injury?

The Hon. FRANK BLEVINS: When the injured worker's position is stabilised commutation can take place.

Mr S.J. BAKER: Can we clarify this? It has an impact in that the $60 000 lump sum benefit changes somewhat. They can actually commute their weekly earnings. Is the Minister saying that immediately the situation is stabilised they can get a further $60 000, or part thereof, taken off some future benefit which may be their pension from age 61 to 65 years? Can the Minister clarify that?

The Hon. FRANK BLEVINS: They can commute part of it.

Mr S.J. BAKER: Let it be known that the $60 000 is not the end of the story as far as a lump sum payment is concerned. The sum can be considerably higher than $60 000. That does not seem to be made clear in any of the literature or anything we have had available.

The Hon. FRANK BLEVINS: That is not correct. The answer is 'No; one cannot exceed $60 000.' That is shown in subclause (2)*(c)*. I will not read it *in toto*, but the final words in paragraph *(c)* are:

'...if commutation of the total liability to make weekly payments would result in an aggregate of those amounts in excess of the prescribed sum, the extent of the commutation must be reduced accordingly.

Mr INGERSON: I will read some information given to me which appears to be contrary to the Minister's statement. The information states:

The compensation for non-economic loss that clause 42 envisages is compensation that the worker is entitled to by way of an assessment, to use the old term under the Maims schedule (section 69), or (where there is any entitlement) an entitlement to damages at common law for non-economic loss.

The somewhat novel situation that can eventuate, therefore, is that the worker will theoretically obtain what is now referred to as an 'assessment', plus redemption, plus common law damages for pain and suffering, provided the sum total of all those items does not exceed $60 000.

Generally speaking, this would seem to make commutation an unattractive concept for the worker, in that clearly a worker who is definitely totally and permanently incapacitated would be far better off simply continuing to receive his average weekly earnings until the date of his otherwise retirement, rather than to commute his entitlement which will only at best entitle him to $60 000.

The restrictive notion of commutation is an important feature of this Bill, as under the current Act redemption of an employer's liability to make payments has been utilised by both worker and employer to finalise claims. This will no longer occur ... under the commutation concept introduced by this Bill. Payments in cases of ongoing incapacity will simply continue indefinitely.

In other words, it will go beyond $60 000. Continuing:

In any event, under the Bill the worker can claim continuing weekly payments as well as an assessment, and in addition he can pursue his claim at common law for non-economic loss. The common law payment may not however, be too great, as the court awarding these damages is bound to take into account any payment made by way of what is currently an assessment payment. The cumulative effect of these provisions would appear to be to increase the potential of 'small' claims, possibly inhibit some 'mid-range' claims, and encourage the pursuit of very large claims by any worker with significant ongoing incapacity.

That suggests that one can, after three years on total incapacity, continue on the pension as discussed earlier this morning and, with this commutation, receive much more than $60 000. Will the Minister confirm or deny this?

The Hon. FRANK BLEVINS: My advice is as I indicated in response to previous questions on this matter, and I reaffirm those answers.

Clause passed.

Clause 43—'Lump sum compensation.'

Mr S.J. BAKER: I move:

Page 23, line 28—Leave out '$60 000' and insert '$30 000'.

We have discussed the fact that this measure is a package. I note that the Secretary of the UTLC said he was upset by the Liberal Party's proposal and did not consider the package, but I am sure he would have—

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: The Minister says that the Secretary was upset with the Labor Party: if the Secretary of the UTLC had got any more out of the Labor Party the downfall of South Australia would be occurring even sooner. The UTLC did extremely well from this proposition. The white paper was deviated from at the express request and as a result of union pressure. The Minister does not deny that: everyone is well aware of it. The package of benefits was tentatively negotiated with employer and employee organisations and specified a benefit of $30 000 as a lump sum payment.

Suddenly the Minister decided. 'It's all a mistake, we put in the wrong sum in the first place.' As it happens to be in a glossy printed volume for all the world to see, I do not think the Minister did make a mistake. If he is honest, he will say that the UTLC did not like the package. Again, taken in the total concept, we have had an upgrading of the full weekly earnings period from two years to three years, at some enormous cost, I might add. We have had an increase from $30 000 to $60 000—a 100 per cent increase—in the benefits, and we have also had reintroduced the common law situation. I do not know what more the Minister could have given away. Perhaps he can tell us what incredible schemes the union had for negotiating greater benefits.

This reminds me of union ambit claims. They say, 'Right, we will aim for what we know is unacceptable and hope that what we finally get will be acceptable.' The Minister is no negotiator; he could not negotiate his way out of a paper bag, and he has sold the State and South Australian industry down the drain. He went along, and the UTLC said, 'We've discussed the matter a little further and our members are somewhat concerned; we want the ante increased.' The Minister did not say that there was no money in the coffers, that we simply could not afford it, or that on the world scene we are doing extremely well.

The Minister had that information available, and he could have told the UTLC that there were schemes around the world that offer lower benefits than those offered by the Government today. All he had to say was that the Government could not afford it and that South Australia could not be placed at a cost disadvantage with other States. However, the Minister did not do that. The comment has been made about consequences arising if the UTLC did not get all that it wanted. Perhaps the Minister could tell us what else the

union movement wanted included in the union package. The amount of $30 000 that the Opposition seeks to bring the benefit back to was a point negotiated last year. If the Minister had said, 'We will go so far as to say that it will be 85 per cent of earnings straight away, but the ante will be increased from $30 000 to $60 000,' we would have accepted that as a reasonable compromise, too. We are dealing with packages. The package has now been upgraded in all areas. We find that totally unacceptable and the Opposition seeks to amend this provision by reducing the sum of $60 000 to $30 000. We believe that this is such an important issue, that we will divide on the amendment if necessary.

The Hon. FRANK BLEVINS: I oppose the amendment. I agree that the $30 000 is a part of the benefits package that has been produced by the Liberal Opposition. It would not be fair to see this amendment in isolation: to be fair, one must look at the whole package. I have done that, and I believe that the package is deficient in many areas. I therefore oppose the amendment.

The Hon. JENNIFER ADAMSON: I want to support the amendment, on the grounds that the State simply cannot afford to have a 100 per cent increase in the benefits offered to workers along with the other benefits which have been outlined by the member for Mitcham. I will provide some evidence to support that. A constituent of mine who operates an automotive parts business which has developed quite a flourishing export trade to South East Asia came to me and said that if this Bill is passed in the form in which it is presented, he will take his operation off shore. He said that he could no longer afford to remain in a State which imposes such enormous costs on manufacturers. The Government claims that it is trying to encourage manufacturing industry. It proposes to establish a Chair of Manufacturing in South Australia, and yet it is taking manufacturers by the throat and strangling them by imposing costs such as this.

If my constituent's warning comes to fruition, the State will lose scores of jobs. It will lose a considerable amount of export income—hundreds of thousands of dollars a year—and that situation reflected many times over as it will be, because my constituent is just one of a multitude of employers who will have simply had more than they can take if these benefits are brought in, will be extremely damaging in the long term. There is nothing whatsoever that the Minister can say to justify a series of benefits which multiply many times the benefits received in other States and other nations. Even Sweden, I understand, which can generally be regarded as the absolute zenith of benefits for workers in any given area or for social security for residents in any given area, does not have a scheme that any where near approaches this in terms of its generosity.

I put on the record the fact that at least one South Australian employer who is currently providing jobs and export income from this State will leave this State if this legislation is passed. That, combined with the other warnings that I referred to yesterday in the Committee stage of the Labor Party's own supporters, the shearers, the very basis of its support expressing concern about lost jobs, should surely demonstrate to the Minister and to the Committee that this amendment should be supported.

The Hon. FRANK BLEVINS: Just to refresh the honourable lady's memory, at some stage in yesterday's debate on this Bill, she outlined the problems a South Australian shearing contractor was having in competing with Victorians with the cost of workers compensation in this State, *vis-a-vis* workers compensation in Victoria. What has happened in Victoria, of course, is that they have a package similar to this. In fact, overall, it is more generous than this. What frightens me, as I said earlier, is that if this does not go through and the benefits that shearing contractors in Victoria now enjoy, the manufacturing industry in Victoria—

The Hon. Jennifer Adamson interjecting:

The CHAIRMAN Order!

The Hon. FRANK BLEVINS: We do not get those benefits. The examples given by the honourable member should surely outline to everybody in South Australia the dangers that we are in if we do not bring our workers compensation costs down to the level of those in Victoria. I thank the honourable member for the example that she has given us and, as we are in Committee, if I have misquoted that example of the shearing contractor, I would appreciate it if she would put me right.

The Hon. JENNIFER ADAMSON: The benefits in the Victorian legislation are not as generous as are the benefits in this legislation, and the Minister knows it. It was outlined in some detail by the member for Mitcham near the commencement of his second reading speech. The Minister has conveniently picked up the case of the shearers because he believes it suits his argument. He has paid very little attention to the warning of a manufacturer who says that he will go offshore because he simply cannot sustain the costs that will be imposed upon his operation if this legislation is passed.

If the Minister chooses to ignore such warnings—so be it. I am sure that it will not take four years for the damage that this Bill will cause to show up: it will be evident within the next 18months. I simply put on record a clear statement by my constituent that he will not be able to sustain the costs that will be imposed on his business as a result of this legislation, and so South Australia will lose jobs, export income, and a high degree of technological expertise that is valued by South-East Asian countries. It is the kind of expertise that we should be encouraging and trying to build up by making South Australia more cost effective than presently it is.

Clearly, this amendment is designed to bring back to a semblance of reality the kind of benefits that employees might reasonably expect to have in a fair system. To increase those benefits by 100 per cent—which is what the Bill proposes—is nothing more or less than an extremely damaging attack on the State's economy. Regardless of what the Minister says, that is how employers see it. Of all people, the Minister of Labour should be bound to take the employers' view into account.

The Hon. FRANK BLEVINS: This is an important point. The honourable member raised the example of the shearer who was one of her constituents, and I agreed then that it highlighted the dilemma South Australia is in. The essential question is, if this Bill fails—and that is a possibility—whether the system that we now have is cheaper or more expensive, especially for manufacturing industry, compared with our interstate rival, which is Victoria. The honourable member raised the question of whether the present system is more expensive—

The Hon. Jennifer Adamson interjecting:

The Hon. FRANK BLEVINS: I wish the honourable lady would let me finish. I am genuinely trying to highlight the dilemma that South Australia is in—not just as a State Government. If the present system is more expensive than our interstate competitors, if this legislation will not do it (either because it does not go through or is completely wrong—and whichever it is is not the point at the moment), where do employers go from there? How would the honourable member reduce the costs of the present system? That is what everyone concerned with this matter in South Australia must ask themselves. That is the dilemma confronting us. What do we do?

One cannot reduce benefits, for the reasons I have outlined. I believe that most members of the Opposition would

not want to reduce benefits—most would not; some would. Indeed, I am not suggesting that they are all a bunch of red necks out to kick workers' heads. For South Australian industry, the Opposition and the Government it is not a political issue. We must all ask ourselves where do we go from here if this Bill will not do it.

Mr INGERSON: That has to be one of the most incredible statements that I have heard from the Minister. He says the system, which has more than trebled the benefits in some instances—and doubled them in this clause—presents a dilemma. As was stated last night, the significant increases in claims that are likely to occur in the Harrington-type cases will be significant. The benefit is doubled, so how can the Minister say that these cost increases that have to be paid for by employers are likely to lead to significant reductions in employer costs? The Minister has provided no figures to justify any of his statements. Whenever he has been questioned on cost, the Minister simply says he is not sure. Last night he said the corporation might employ 100 or 150 people—that included a 50 per cent difference in the number of staff. The Minister has no comprehension of the cost of the corporation, yet he can tell employers that we have to enjoy the benefits that are occurring interstate.

That has to be the greatest lot of nonsense and gobbledegook ever put forward in this House. I am a reasonably patient person, but that is the most nonsensical comment that I have ever heard from any Minister during the short time that I have been in this House. This clause doubled the benefit currently existing in the Act. As well as recognising that, the Minister is aware that workers are still entitled, having doubled the benefit, to the assessment clause which gives them 80 per cent of average weekly earnings until the time they retire. That the Minister can stand in this House and say that with those significant increases and open-endedness in the costs of the corporation we (the South Australian employers) must enjoy the benefits coming from this corporation and this whole concept, I find absolutely amazing.

Mr S.J. BAKER: Over the past 13 hours of this Committee debate we have been subjected to untruths, non-information and misinformation. Perhaps the Minister can tell the House how we can compete with insurers in Victoria. He said, on the one hand, that when people pay into the scheme they will be assessed according to their industry and that it will be industry specific. Obviously there will not be as much cross-subsidisation in the system as there is in Victoria. Everyone will be paying something towards administration, secondary industry and so on. A block of premiums will be set aside for the shearing industry and a claims record will then determine what the premium level will be. As far as I can understand, the current level for shearers is something like 30 per cent. The Minister has not provided any information to show that the scheme will be cheaper and, in fact, it has been shown that it will be more expensive. The Minister is well aware that in Victoria shearers are on a loaded premium of about 6.6 per cent. The Minister has told us how the scheme will operate here. Can he clarify how, suddenly, it will be cheaper? Unless we reduce the base wage by 25 per cent the figures do not compute. Will the Minister enlighten the House about this matter?

The Hon. FRANK BLEVINS: We have gone through all this before and costings have been made available to the Opposition, which disagrees with them and that is fine. I see no point in endlessly debating our disagreement.

Mr INGERSON: I dispute the last statement made by the Minister, because in the past 13 hours we have seen no documented information. Surely, if we are to have a system that sets out the cost (and we are expected as a House to understand it), somebody must have looked at compensation for non-economic loss as it is a specific part of the whole package: this ought to be able to be done. Surely it is not unreasonable that, as part of this total package on which we have no information, the Minister might be able to englighten us on what effect these claims will have on specific and/or various industries. It seems quite incredible that again we have no information whatsoever and we must stand here and believe the Minister. It is quite incredible.

The Hon. FRANK BLEVINS: During the past 13 hours (and I take the word of members opposite that that is how long the debate has taken so far) I have attempted to give the Committee the maximum amount of information that is available. I have put the Government's point of view and its reasons for that view, and I have conceded where appropriate any merit in the Opposition's point of view. Certainly, some of the Opposition speakers have made a very good and significant contribution to the debate. Some of the questions have been excellent and have been designed to elicit information and to put the Opposition's point of view on workers compensation. I have treated all questions seriously, although some of them have warranted less serious treatment than others, to say the least.

We have fundamental differences on ideology, and I concede that; and we have fundamental differences as to our acceptance or otherwise of the various costings that have been done on workers compensation. All the information is available and has been available to the Opposition and to the community since 1984. I have stated that on numerous occasions. Because of that I think that it is now somewhat unrewarding to go through those arguments on every clause. I think that, after giving the Committee the benefit of the doubt for the past 13 hours and accepting that all their questions warranted detailed responses, I am no longer prepared to do that. In the main I will be referring honourable members to the debate that has already taken place in reply to questions that have already been asked and answers that I have already given.

The Committee divided on the amendment:

Ayes (16)—Mrs Adamson, Messrs Allison, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Chapman, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier, Olsen, Oswald, and Wotton.

Noes (26)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), De Laine, Duigan, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Rann, Robertson, Slater, Trainer, and Tyler.

Pair—Aye—Mr P.B.Arnold. No—Mr Plunkett.

Majority of 10 for the Noes.

Amendment thus negatived; clause passed.

Clause 44—'Compensation payable on death.'

The Hon. FRANK BLEVINS: I move:

Page 31, lines 2 and 3—Leave out all words in subclause (3) after 'unless' in line 2 and insert—

(a) the spouse was cohabiting with the worker on the date of the worker's death;
or

(b) the spouse was cohabiting with the worker within 6 months before the date of the worker's death and it is, in the opinion of the corporation, fair that the spouse should receive a lump sum under that provision.

This amendment is designed to give the corporation discretion to extend the payments of a lump sum on the death of a worker to a spouse who was cohabiting with the worker within six months of the worker's death but not at the time of death. It would still allow the payment of a lump sum to a surviving spouse who had not severed all ties with the worker but who was involved in a short trial separation and therefore could still be considered to have undergone an emotional loss and loss of consortium on the death of

the worker. The longer the Bill is around, the more people seek us out and give examples where they would be quite wrongly disadvantaged by certain provisions, and this is one such case.

It is not, apparently, unusual for short breaks of a temporary nature in a marriage to occur from time to time, and the relationship is still very much alive but going through some temporary difficulty. For the corporation to have a discretion—I state that it is a discretion—in those circumstances to pay a lump sum on the death of a spouse is thought to be a sensible and humane provision.

Mr S.J. BAKER: Again, I cannot believe that the ambit gets wider and wider from the original position when the agreement or negotiating point was reached, until now we have a set of amendments—and fairly substantial amendments in principle—coming before this House.

The Minister is suggesting that, if a person has been absent for six months, they have some right, which will be assessed by the corporation, under some unknown method, in relation to whether that person would have in fact come back to the worker and resumed that relationship. If the person had not done that they would have no entitlements, as the Minister would be aware, nor should they, because they are permanently separated. Perhaps the Minister can inform us, based on some statistical method (we have not had much information over the past few hours) or from the information that the various authorities collect—given that he would have researched this area very carefully before he introduced this amendment—what is the probability of a person who has been separated for six months returning to the common law or to the marriage. If the Minister can tell us that, we will have some base on which we can address this question. It is almost like the story that you often hear when someone has passed away and relatives come to look at the will. I really cannot understand why the Minister is opening up this area again. Perhaps he can tell us on what information this is based.

I should have thought that once persons were separated for three or so months the probability would be fairly low that they would get together again. In those circumstances, there is no right whatsoever for any form of compensation, because they have separated and have either formed new relationships, or are living singly or in various other living situations. No right should be established under the law.

The Minister says that this will be the discretion of the corporation. In principle, how will the corporation determine whether there was a meaningful relationship and that cohabitation was about to resume before the worker died? I think we get into some extremely nebulous concepts. The Opposition is not going to take up time any longer with this clause. We are opposed to the proposition, because it has very little merit. I think the only saving grace is that it will probably affect very few people.

Mr BLACKER: I agree with what the member for Mitcham said regarding the probabilities of this occurring. On the one hand, we are broadening the scope to allow more people in, yet we still have not got the clarification of that dependent spouse in the situation of family partnerships. I am not asking the Minister to give me an accurate answer now: I know he has given me an undertaking that we will have the matter seriously looked at. I accept, on what he has said, that the Minister believes in good faith that a family partnership, as established basically for the purposes of accounting, is *bona fide* inasmuch as the husband and wife are operating in a family fund. In those circumstances, the Minister would aim to have them incorporated under the provisions of this Act. I would be grateful if the Minister could comment on that relationship. On one hand, we are broadening the scope to bring in people who may, if anything, have a reason not to be included, yet, on the other hand, we have people who perhaps should be included but who at this stage have still not been drawn into the scope of the spouse being compensated upon the husband's death, or vice versa.

The Hon. FRANK BLEVINS: I can only repeat what I said to the honourable member earlier today. I think that we are mixing two separate issues and I do not want to do that. This is quite a separate principle to the one raised by the member for Flinders yesterday. I am still having the position of the partnership of convenience, if you like, looked at. As I stated yesterday, it will be extraordinarily difficult to establish that a particular financial arrangement is a paper one only, or for taxation purposes, and that the surviving spouse was, in effect, a dependant and not an independent business person. It is proving to be extremely difficult to do that. In principle, if the spouse of the family is a dependant, of course they ought to be included, but to do that and not bring in a huge range of people who are in these financial arrangements of convenience would be extraordinarly difficult, but I can assure the honourable member that we are still trying to see whether there is a practical way that it can be done.

Amendment carried; clause as amended passed.

Clause 45—'Review of weekly payments.'

Mr S.J. BAKER: We note again the reference to the consumer price index. We oppose the valuations within the clause. We have already dealt with that matter.

Mr M.J. EVANS: It seems to me that the provisions contained in this clause, which state that a corporation may review the amount payable to a spouse in relation to the income which that person earns, are a little broader than those which apply in the case of the worker. I would like to see whether or not the Minister agrees with my interpretation. For example, if the spouse is also in receipt of a superannuation pension following the death of a husband or wife (the deceased spouse), will that be taken into account in the definition of income and earning capacity in order to reduce the pension payable under this Bill? I notice that it is not in the case of the original worker, but is it to be done in the case of the spouse? It seems to me that the drafting is much wider.

The Hon. FRANK BLEVINS: The answer is 'Yes'. The honourable member has just raised this, so I have not thought it through. There is perhaps a difference. It is not unreasonable to deviate from the principle I stated in relation to the worker himself: that is, that the worker should not pay for his own compensation. When it is one removed from the worker the principle may be diluted somewhat. Although I have not completely thought it through because it has only just been raised, I think the short answer is, 'Yes', any income of the surviving spouse will be considered. That could include superannuation.

Clause passed.

Clause 46—'Incidence of liability.'

Mr INGERSON: It is interesting that one of the cost saving devices is to transfer payment of the first week on to the employer. Whilst that is an obvious saving to the corporation the reality is that the employer still pays. It is important in any explanation that the Minister puts out to the community in future that he talks about his 30 per cent reduction and also makes clear that there is a significant payment that employers will still have to take up.

As most claims under workers compensation are small the reality is that whilst the premium for the employer may go down his overall costs are more than likely to go up because he has to pay in this first week and, secondly, because of the very significant increases in benefits that will go to the worker. As I said, some of those benefits are needed, because there is a need to maintain the income of

workers after they are legitimately injured. Some of those benefits have been taken out of proportion.

At the other end of the scale many of these employees were covered by the invalid pension, but we now have a transfer cost from the Federal Government back into the corporation, which is a transference back to the employer. One has a double ended cost now placed on the employer. He will pick up some of the invalid pension costs, and he now will pick up the upfront costs. There is no way that the Minister or the Government can guarantee that there will be a 30 per cent reduction to business—particularly to small business which is at the forefront of the economy of this State. It is the business sector that will feel massive increases and in benefits and costs.

Clause passed.

Clause 47 passed.

Clause 48—'Payments by Corporation on behalf of defaulting employer.'

The Hon. FRANK BLEVINS: I move:

Page 34, line 19—Leave out "may" and insert "shall".

It is merely a drafting error, for which I apologise.

Mr S.J. BAKER: On our reading of the Bill it appeared that the original legislative provision was very good. It allowed for those circumstances when there had been an inadvertent non payment for whatever reason and did not then bring the corporation in as the body. When the payment was not being made for lack of business income it provided that the corporation would then bring itself back into the fray and ensure that the worker was not disadvantaged in any way. The Opposition feels that the original wording was infinitely more suitable and is wondering why the Minister should wish to change it.

The Hon. FRANK BLEVINS: The principle embodied in this Bill is that workers compensation should be on a no fault basis and immediate. By having 'may' in the provision there is some question as to whether that would be the case. It was never intended to be 'may'; that was an error in drafting I did not pick up, and I apologise to the House for that. The 'shall' will make it an absolute certainty that the employer is liable to make the particular payment referred to. It has to be 'shall' and not 'may' if the employer is liable to do it.

Amendment carried; clause as amended passed.

Clause 49—'Corporation may undertake employer's liability to make weekly payments.'

The Hon. FRANK BLEVINS: I move:

Page 34, after line 30—Insert new subclauses as follows:

(2) Where an exempt employer has, in respect of a particular disability, made weekly payments for a period of 3 years or more or for periods aggregating 3 years or more, the Corporation may on its own initiative, by notice in writing to the exempt employer, undertake the liability of the exempt employer to make further weekly payments in respect of that disability.

(3) Where the Corporation pursuant to subsection (2) undertakes a liability of an exempt employer, the exempt employer shall pay to the Corporation an amount fixed by agreement between the Corporation and the exempt employer or, in default of agreement, by the Tribunal.

This agreement will enable the corporation to assume, unless it otherwise determines, the liability of an exempt employer on the payment by that exempt employer of a lump sum commuting that liability, if a payment to a worker is unlikely to extend beyond three years. This will overcome possible problems that might otherwise arise because benefits in individual cases may be payable over a few decades. There is no guarantee that an exempt employer will be around in 20 or 30 years, and it is better for the corporation to assume those long-term liabilities.

My guess is that exempt employers will be happy to have these cases off their books and will welcome the opportunity to pay a sum to the corporation for it to take the problem off the exempt employer's hands. Obviously, the corporation can use its discretion, and an exempt employer or self-insurer such as the BHP obviously has the ongoing capacity to assume liabilities over several decades; that is really not a problem. The problem arises with other exempt employers whose businesses do not have the stature of those major employers. They may not be able to make payments in 20 or 30 years time. We now have a system of pensions as opposed to lump sums and pay outs for the protection of workers and exempt insurers, as well as for the benefit of the exempt insurer who wishes to get rid of this particular burden for a fee. I commend the amendment to the Committee.

Mr S.J. BAKER: The explanation given by the Minister is at variance with the words in the new subclause, which states:

(2) Where an exempt employer has, in respect of a particular disability, made weekly payments for a period of 3 years or more or for periods aggregating 3 years or more, the Corporation may on its own initiative, by notice in writing to the exempt employer, undertake the liability of the exempt employer to make further weekly payments in respect of that disability.

That is a little different from what the Minister said. I presume that he is now going to want to redraft his amendment because he did not consider it properly. The Minister said that there will be exempt employers clamouring for the corporation to take over this liability because it involves expensive paper work. It may be that some employers will say that they do not believe that it is to their benefit or the employees' benefit, if that employee is totally disabled, to have the existing arrangements continue.

That seems to be a fine agreement, and the corporation can work out a discounted lump sum which will meet future probable liabilities in relation to a worker. However, the catch is that it is not on the initiative of the employer. It must be remembered here of course that, should the exempt employer suddenly fail in business or go elsewhere, as the Minister suggests, there is recourse under the law, as a secured creditor, for recovery of the liability which is outstanding in terms of workers compensation. So, there is no real difficulty in that area.

So, we get back to the proposition of what possible reason could the Minister have included 'may on the corporation's initiative'—not the employer's initiative. I can see the advantages of an employer taking it on on his initiative, but I cannot see the advantage of the corporation's doing so. In relation to the proposition, two possibilities arise. I am sure that the member for Playford, being a trained lawyer will canvass the possibilities. The first is that the corporation will agree on a sum that is advantageous to it, and the corporation will compel the exempt employer to pass on these long-term liabilities so that the earnings from that can actually filter into the fund. The second proposition (and this is important to remember) is that when a person is on average weekly earnings it may be that in cases of extreme risk or extreme injury a person's life expectancy is reduced. Thus, the corporation could determine liability at the age of 65 as being, say, 20 years at $400 a week, at a discounted rate of perhaps 3 per cent. It is a simple calculation, but the corporation may know that, due to the laws of probability, if they do every case on that basis the exempt employer will be paying moneys far beyond those which would normally be paid if the employer was following normal practices. I have taken up these propositions with the Committee, because the wording in the amendment is a little different from that given in the explanation by the Minister. The Opposition opposes the amendment.

The Hon. FRANK BLEVINS: There may be some misunderstanding by the member for Mitcham. The amendment proposes to add a new subclause (2). Obviously the

provision presently in the clause remains, namely, the stipulation that '...where an employer is liable to make weekly payments of compensation, the corporation may at the request of the employer...'. Therefore, that provision is there for the employer, if the employer wishes, to approach the corporation and say, 'Can we get rid of this claim to you?' I think that perhaps the member for Mitcham has interpreted the amendment as being a substitution for clause 49. The amendment is an additional provision.

The Committee divided on the amendment:

Ayes (25)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), De Laine, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Rann, Robertson, Slater, Trainer, and Tyler.

Noes (15)—Mrs Adamson, Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Chapman, Eastick, S.G. Evans, Goldsworthy, Meier, Olsen, Oswald, and Wotton.

Pair—Aye—Mr Plunkett. No—Mr Gunn.

Majority of 10 for the Ayes.

Amendment thus carried; clause as amended passed.

Clause 50 passed.

Clause 51—'Duty to give notice of disability.'

Mr S.J. BAKER: I move:

Page 35, line 5—Leave out paragraph (a) and insert paragraph as follows:

(a) if practicable within 24 hours after the occurrence of the disability but, if that is not practicable, as soon as practicable after the occurrence of the disability.

This amendment alters the subclause to put a time constraint on it or to indicate that the corporation requires notification of disability to be given as soon as is humanly possible. We believe it is in the interests of both the corporation and the worker. The Minister indicated the importance of injuries being treated as soon as possible. If a person has a disability it should become known to those who should be informed so that appropriate action can be taken. The Minister's statement was accurate and showed his understanding of the matter. We are saying that action should be taken sooner than later, and we stipulate 24 hours as the time within which people should get to their employer so that the process starts quickly. This is merely a machinery amendment. We are saying that people should act as soon as possible.

The Hon. FRANK BLEVINS: The Government opposes the amendment, which adds nothing to the Bill. The existing wording is appropriate.

Amendment negatived; clause passed.

Clause 52—'Claim for compensation.'

Mr S.J. BAKER: I move:

Page 37, lines 15 to 18—Leave out all words in the definition of 'prescribed period' after 'arises' in line 15.

The prescribed period in which one can make a claim is six months. A rider provision then follows indicating that, if the claimant is not immediately aware that an entitlement to make a claim exists, the period of six months commences on the day on which the worker becomes so aware. There is a difficulty because it extends the possibility to 12 months. Surely a disability would be apparent or would be aggravated and should be reported. What about when a person leaves a place of employment? Even within six months, under the definition, there could be a problem because a person could claim that they sustained an injury at work. It is not appropriate for a disability to be claimed over 12 months because signs would appear before that time. Such a rider clause is not appropriate.

The Hon. FRANK BLEVINS: I oppose the amendment. The provision in the Bill is basically the one which appears in the existing Workers Compensation Act: it does not extend the provision at all. It has been there for good reason for many years and removes the question of sudden death in regard to benefits arising under workers compensation through ignorance, mistake, absence from the State or the like. It is not an expansion of the present position and I am not persuaded by the argument advanced that the amendment should be supported.

Amendment negatived; clause passed.

Clause 53 passed.

Clause 54—'Limitation of employer's liability.'

Mr S.J. BAKER: I move:

Page 38, lines 6 to 11—Leave out subclause (1) and insert subclause as follows:

(1) Subject to subsection (2), no liability (except a liability under this Act) attaches to an employer in respect of a compensable disability arising from employment by that employer unless the employer intended to cause the disability or was recklessly indifferent to the health or safety of the worker.

There are amendments from both sides of the House to this clause. It is again part of the package. There was not a common law provision under the white paper with the earlier negotiated point. We on this side are probably on a similar track to that of the Minister, although we have worded it differently. As the Minister would be aware, a number of cases have gone through the courts in recent times where the amount of employer negligence has really been tested. It has always been assumed that, if anybody suffers a serious disability, an element of employer negligence is involved so that the common law definition has somehow become a little debased by legal interpretation in the system. That is my simple observation as a layman.

We do not want that debased definition remaining within the court system in any shape or form. If we are going to have these other systems of benefits there should be an ultimate right for those employees who have been treated badly by either gross negligence of the employer or the serious or wilful misconduct of the employer to have additional rights. Under the Minister's definition, common law would be interpreted by the courts much as it is today. It is realised that the courts and, indeed, the corporation would have an adjustment mechanism so that, if the court ruled that the compensation should be $50 000 and the maims table quoted $40 000 for the injury sustained, the $10 000 would come from the general fund. That is a suitable principle only when it can be proved that the employer seriously and wilfully neglected his responsibilities to the worker.

I gave this undertaking when the matter was discussed because all employer groups are totally opposed to the concept of common law. They have seen the escalation in the cost of common law claims over a period and they are not amused because this is the vehicle that has driven up claims. My undertaking is that, if it is an interpretable concept, we should incorporate it in the Act and if it is not interpretable and becomes the play thing of the legal profession we would prefer to delete all reference to common law. The clause was poorly drafted as the Minister has an amendment on file, and it was the first question I asked.

I was not too sure whether they were telling the same story that was in the draft Bill so I had some difficulties with the clause and, indeed, the Minister has amended the provision in relation to liability at common law. I will not debate whether at first glance I believe it is an employer or corporation responsibility. I am not too sure on that point of law. Certainly, for exempt employers it would be an employer responsibility. The upshot is that we have come up with an absolute liability which is not appreciated by

the employers because they do not really want common law in any shape or form. It provides some safeguards.

The undertaking is that, if the Minister accepts that definition and if, on review, the safeguards are not met and the matter becomes similar to what is happening in the courts today, we would ask for the definition to be taken out and that there be no rights at common law. Under the Minister's provision the common law right remains. It could well be that under this provision there could be a maintenance of claims within the courts, but I do not know. It really depends on whether the maims table will be seen to be adequate by a number of people. I ask the Committee to support the amendment.

The Hon. FRANK BLEVINS: I oppose the amendment. Without going through the entire debate again this provision is part of the Opposition's amendment package in relation to common law. I think that the fact that the Government and the Opposition are closer on this than the Opposition and the employers think demonstrates the incredible difficulty we have with workers compensation. The permutations of who supports whom on what and who opposes whom on what appear to be endless. I have not yet found two submissions or two proposals from two organisations that agree—every single one is different. This demonstrates the extreme difficulty the community has in sorting out attitudes towards workers compensation.

I thank the Opposition for its support in principle of this clause and of the provision for retaining some common law. I appreciate that while we may have differences as to quite how far to go and in what direction, both parties certainly agree that there is a role for common law in workers compensation as opposed to the employers who say that there is not. However, not all employers are opposed to common law, and that is where we have another problem. I received a submission from a major employer in this State, copies of which quite properly went to members of the Opposition. The submission states that the retention of common law is not an issue with that employer. So, even among employers, there are differences. Simply because I prefer the Government scheme to that outlined by the Opposition I will oppose the amendment.

Mr S.J. BAKER: I am placed in a situation where the Minister will obviously oppose my amendment. Because his provision does not tighten up the area enough I must oppose it. We do not want this area to run away as it has in the past; we want it to be tightened up. The only area we want canvassed in the courts is the extremely genuine cases where an employer has placed an employee at risk far beyond normal work day habits. Under those circumstances the Minister will oppose my amendment and I will oppose the clause.

The Committee divided on the amendment:

Ayes (16)—Mrs Adamson, Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Chapman, Eastick, S.G. Evans, Goldsworthy, Gunn, Meier, Olsen, Oswald, and Wotton.

Noes (25)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), De Laine, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Rann, Robertson, Slater, Trainer, and Tyler.

Pair—Aye—Mr Ingerson. No—Mr Plunkett.

Majority of 9 for the Noes.

Amendment thus negatived.

Progress reported; Committee to sit again.

CHILDREN'S PROTECTION AND YOUNG OFFENDERS ACT AMENDMENT BILL

Received from the Legislative Council and read a first time.

The Hon. D.J. HOPGOOD (Deputy Premier): I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

This Bill includes a number of miscellaneous amendments to the Children's Protection and Young Offenders Act which have been proposed by the Children's Court Advisory Committee, the Judges of the Children's Court and the Supreme Court and the Department of Community Welfare.

As the amendments are of a disparate nature I will deal with them *seriatim* and briefly explain each one.

The definition of homicide has been altered to reflect the change in the law effected by 1981 and 1983 amendments to the Criminal Law Consolidation Act. These amendments replaced section 18 of the Criminal Law Consolidation Act and enacted new provisions relating to attempts to commit crimes.

The Children's Court Advisory Committee recommended that section 12 (1) of the Children's Protection and Young Offenders Act be amended to include 'unfit guardianship' as a ground upon which the Minister may apply for an order for a child to be declared in need of care. The old Juvenile Courts Act 1971, included a provision of this nature and Mr Justice Mohr referred to this provision as an appropriate reason for a 'neglected child' application in the Report of the Royal Commission into the Juvenile Courts Act.

Section 51 has been amended in a number of respects. First, the Children's Court is empowered, where it considers an offence to be trifling, to order that no future reference be made to the charge or proceedings against the child in proceedings other than in the Children's Court. This places a child, referred to the Children's Court on a minor matter, in the same position as a child dealt with by a Children's Aid panel for a minor offence.

Second, the maximum monetary amount binding a child over the age of 15 years to a recognizance has been increased to $500. The bond recognizance remains at $200 for a child under this age.

Third, provision is made for children to participate in a work project or program. These new provisions will clarify the power of the court to order community work as a condition of a suspended detention order. The provisions will only apply to short detention orders of 2-4 months duration (2 months being the minimum period of detention which the court can order) and the court can only order community service if an assessment panel has recommended such a condition would be appropriate in the circumstances. Special provisions relating to work projects have also been formulated including requirements as to insurance, hours of work, and those who may benefit from such work.

The sentencing power of magistrates has been increased to allow a magistrate to impose a fine of up to $500. The previous figure of $300 was set in 1979 and has never been increased.

New provisions relating to the return of a child to detention where the child has failed to observe conditions of release are also included in the Bill. These provisions will allow the court to issue a warrant for apprehension dispen-

sing with the need to serve a notice on the child where the court is satisfied the child will abscond if notified of the return to detention.

Section 93 of the Act is extended by the provisions of the Bill to prohibit the publication of certain reports of charges laid against children if the report identifies or contains information leading to identify the child.

Section 100 of the Act deals with the transfer of children to another training centre or to prison. The current provisions provide that a child may not be transferred to prison unless the child cannot be properly controlled, has assaulted any person or has persistently incited disturbance. This section has resulted in older detainees deliberately causing disturbance in a Training Centre in order to secure transfer to prison. Additional provision has been made by this amendment to enable a person above the age of 18 years and detained in a Training Centre to make application for transfer to prison. The Children's Court will be able to order transfer to prison if satisfied prison would be an appropriate place for the person to be detained.

The provisions of the Bill are as follows: Clauses 1 and 2 are formal.

Clause 3 amends section 4 of the principal Act which deals with the interpretation of provisions of the principal Act. The effect of the amendment is to bring the principal Act into line with recent changes to the Criminal Law Consolidation Act, 1935, in relation to the law of homicide.

Clause 4 amends section 12 of the principal Act by providing a new ground on which the Minister can form the opinion that a child is in need of care. The new ground is that a guardian of the child who has immediate custody and control of the child is not a fit person for that purpose.

Clause 5 amends section 44 of the principal Act to enable the court to revoke or vary an order made under that section whether or not the court, so revoking or varying is composed of the same judicial officer or officers.

Clause 6 makes a number of amendments to section 51 of the principal Act. The first amendment gives the court power, on finding a charge against a child proved but without convicting, to order that in any subsequent proceedings against the child before a court not exercising jurisdiction under the principal Act, no reference be made to the charge or proceedings against the child. The Court may make such an order if it considers the circumstances constituting the offence charged were of a trifling nature. The second amendment increases the sum for which a child who has been found guilty of a simple offence or a minor indictable offence may be bound under a recognizance to $200 for a child under 15 years of age and $500 in the case of any other child. The third amendment enables the Court, where it convicts a child and sentences him to a period of detention to suspend the sentence on the child entering into a recognizance on condition that he will be of good behaviour and enter into a work project or program. The Court is not permitted to include participation in a work project as a condition of a recognizance unless the period of the suspended sentence is not more than 4 months and the Court has received an assessment panel report recommending that such a condition (a work project condition) is appropriate. Where the Court imposes a work project condition—

(a) the period (in hours) of participation in the project is determined by multiplying the number of days of detention under the suspended sentence by two;

(b) the child is not required to work for more than 8 hours on one day;

(c) the recognizance expires on completion by the child of participation in the project.

Clause 7 makes an amendment to section 54 of the principal Act. The amount of fine that may be imposed by a magistrate is increased from $300 to $500.

Clause 8 amends section 62 of the principal Act which provides for the establishment of the Training Centre Review Board. The purpose of the amendment is to enable the appointment of deputies of the appointed members of the Board.

Clause 9 amends section 64 of the principal Act which relates to the release, subject to conditions, of a child from a training centre. Provision is made in section 64 for the Minister, if of the opinion that a child has failed to observe a condition of release, to apply to the Board for an order returning the child to detention. A copy of the application must be served on the child. The amendment enables the Minister, if of the belief that if served with such an application the child would be likely to abscond, to apply to a judge to issue a warrant for the apprehension of the child and dispense with the need for service of the application. The Judge is not to issue a warrant unless satisfied that the child would be likely to abscond. Such a warrant authorizes the apprehension of the child by a member of the Police Force or an officer of the Department authorized for the purpose.

Clause 10 amends section 76 of the principal Act. This is a procedural amendment that removes the need for rules of court to be made under the principal Act relating to appeals to the Supreme Court.

Clause 11 amends section 81 of the principal Act. Provision is made for the appointment of deputies of members of the Children's Court Advisory Committee.

Clause 12 amends section 93 of the principal Act. That provision concerns the restriction of reports of proceedings in respect of children. The effect of the amendment is to extend the restriction to prohibit publication of certain reports of charges laid against children if the report identifies, or contains information tending to identify, the child.

Clause 13 inserts new section 99b into the principal Act. The new section is consequential upon the earlier amendment to section 51 of the principal Act, concerning recognizances conditional upon participation in work projects. The following provisions apply to such conditions:

(a) the Minister must arrange insurance for participants in respect of death or bodily injury arising out of or occurring in the course of participation in the work project;

(b) the child is not required to participate in a project at a time that would interfere with his gainful employment or a course of training;

(c) the child is not entitled to remuneration;

(d) the project must benefit the disadvantaged;

(e) the work must not be such as would ordinarily be performed for fee or reward by a person if funds were available.

Clause 14 amends section 100 of the principal Act which relates to the transfer of children in detention from one training centre to another training centre or prison. Provision is made enabling the court, on application by a person over the age of 18 years who is in detention or the Director-General on behalf of such a person to order that the person be removed from a training centre to a prison for the remainder of his detention. The Court is not permitted to make such an order unless satisfied that in the circumstances, prison would be an appropriate place for the person to serve the rest of the period of detention.

The Hon. JENNIFER ADAMSON secured the adjournment of the debate.

TRAVEL AGENTS BILL

Received from the Legislative Council.

The SPEAKER: The Legislative Council draws the attention of the House of Assembly to clauses 23 and 24 printed in erased type, which clauses, being money clauses, cannot originate in the Council, and which are deemed necessary for the Bill.

Bill read a first time.

The Hon. D.J. HOPGOOD (Deputy Premier): I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

The purpose of this Bill is to provide for a system of licensing and regulation of travel agents. The need for such a system is apparent. The collapes of a travel agency may mean the loss of life savings for some consumers. For others, it may mean the loss of a 'once-in-a-life-time' holiday.

The Government has been working towards a policy of regulating travel agents for a considerable period. During 1983, South Australia became a member of a working party on travel agent legislation which included other States and the Commonwealth. The proposal which was most attractive to the States was Commonwealth legislation for travel agent licensing backed by Commonwealth legislation for a National Compensation Fund with complementary State legislation to ensure complete constitutional coverage. Unfortunately, the Commonwealth indicated that it was not prepared to legislate in this manner.

The second proposal incorporated a Commonwealth Act for the compensation of those who suffered loss as a result of dealing with travel agents, combined with 'uniform' State licensing legislation. The first draft of the proposed Commonwealth Act was received early in 1985. Before discussions could be held on the proposals, the Commonwealth announced that it no longer wished to be involved. This withdrawal has seriously delayed the introduction of a regulatory scheme. As a result of the withdrawal of Commonwealth participation, consumer affairs representatives from New South Wales, Victoria, Western Australia, and South Australia continued work on a uniform scheme of regulation. This Bill is the result of that work. Similar legislation has already been passed, but not proclaimed, in Western Australia. New South Wales expects to introduce similar legislation during the Autumn session of their Parliament, and Victoria expects to introduce similar legislation later this year.

The collapse of a travel agent can have repercussions around Australia. The nature of the travel industry is such that its regulation should be as uniform as possible throughout the States. The provisions of the Bill closely follow the provisions of other recent occupational licensing Acts, such as the Second-Hand Motor Vehicles Act 1983 and the Second-Hand Goods Act 1985. The administrative structure vests the Commissioner for Consumer Affairs with the general administration of the Act (as is the case with the Consumer Credit Act, the Second-Hand Motor Vehicles Act and other similar legislation).

The Bill will control the provision of general travel services, while not restricting the operation of owners of vehicles or accommodation who sell rights to travel on those vehicles, or use that accommodation. Persons will not be able to carry on business as travel agents or hold themselves out as travel agents unless they are licensed. The penalties which can be imposed for unlicensed trading are severe, but they are in keeping with the penalties imposed under the Western Australian Act and expected to be imposed under the New South Wales and Victorian Acts.

The Commercial Tribunal is given jurisdiction to grant licences to applicants. In order to be licenced, an applicant must be of or over the age of 18 years, must be a fit and proper person, must have made suitable arrangements to fulfill the obligations arising under the Bill and have sufficient financial resources to carry on business in a proper manner. In the case of a body corporate, every person who is in a position to control or influence substantially the affairs of the body corporate must be a fit and proper person to exercise such control or influence. It will now be possible to ensure that travel agents maintain sufficient financial resources to enable them to carry on business in a proper manner. Licensing will be continuous. A licensee will continue to be licensed as long as an annual return is lodged and the prescribed fee is paid each year.

As well as the penalties which may be imposed for unlicensed trading, an unlicensed travel agent will not be entitled to recover any fee for work performed while carrying on the business and a court may order the person to pay any fees which have been received. Disciplinary powers are vested in the Commercial Tribunal and mirror provisions in similar occupational licensing acts. Disciplinary action can arise when a person breaches the Act or any other Act or law; has acted negligently, fraudulently or unfairly; has obtained the licence improperly; has insufficient financial resources to carry on business, or has not maintained satisfactory arrangements for the fulfilment of obligations under the Act; or ceases to be a fit and proper person. If proper cause is found to exist for disciplinary action the tribunal may reprimand the respondent; impose a fine; suspend or cancel the licence; or disqualify the respondent.

Disqualification is the most severe penalty which the Commercial Tribunal can impose. Where a person is disqualified, the Bill provides that a licensee cannot engage the disqualified, person for the purposes of the licensee's business. The conduct of a travel agents business is further controlled by specific provisions relating to the display of notices, advertising and the supervision of the day-to-day conduct of the business by a person with prescribed qualifications, if the licensee is not present to personally supervise the business.

Proper accounts must be kept which can be inspected where necessary. One of the conditions of holding the licence is membership in a compensation fund. The compensation fund is set out in the Bill, but the actual mechanism for payment into and out of the fund will be established by a trust deed. It is anticipated that the settlors of the trust deed will be the respective Ministers of the participating States. The Minister will appoint trustees, who shall include industry and consumer representatives. The trustees will be able to delegate the day-to-day management of the fund to appropriate people. When an application for compensation is received, the trustees may require further information to substantiate the claim. The trustees will have the discretion to extend the time for making the claim but it is anticipated that a claim will not be accepted if made later than 12 months from the event giving rise to the claim.

Although the compensation fund is to be used primarily to compensate those who have dealt with licensed travel agents, the trustees will have a discretion to compensate, in appropriate cases, those who have dealt with unlicensed persons. On payment of the claim the trustees will be subrogated to the rights of the person to whom payment is made. The trust deed is now being developed. Drafts have been received and are being reviewed by the Department of Public and Consumer Affairs. It is essential to remember, however, that whatever type of trust deed is developed, and

whatever type of compensation fund is established, the licensing regime proposed in this Bill can stand alone.

Clauses 1 and 2 are formal.

Clause 3 provides for the interpretation of terms used in the measure. Of significance is the definition of 'vehicle', which includes a boat, aircraft or other means of transport.

Clause 4 establishes what is meant by carrying on business as a travel agent. A person so carries on business, if, in the course of a business, the person sells, or arranges sales, of rights to travel or rights to travel and accommodation. A person does not so carry on business—

(a) by reason of anything done as an employee of another;

(b) by reason of selling or arranging sales of rights to travel in his own vehicle;

(c) by reason of selling or arranging sales of rights to stay at a place owned by him.

A person owns a vehicle or place of accommodation if he has lawful possession of it. 'Sale' in relation to rights includes the conferral or assignment of the rights.

Clause 5 provides that the Crown is bound.

Clause 6 provides that the Commissioner for Consumer Affairs has the responsibility for the administration of the measure subject to the control and direction of the Minister.

Clause 7 provides that it shall be an offence for a person to carry on business as, hold himself out as, or advertise himself as a travel agent unless he holds a licence under the measure. The penalty for the offence is fixed at a maximum of $50 000 or 12 months.

Clause 8 provides for applications for licences. The clause makes provision for any person (including the Commissioner for Consumer Affairs or the Commissioner of Police) to lodge an objection to an application for a licence. Under the clause, the Commercial Tribunal determines applications for such licences having regard to criteria set out in the clause at subclause (9).

Clause 9 provides that a licence continues in force until the licensee dies or, in the case of a body corporate, is dissolved unless the licensee fails to pay the annual licence fee or lodge the annual return or the licence is for any other reason suspended or cancelled.

Clause 10 provides that a licence is subject to a condition that each place of business of the licensee meets the prescribed requirements, any prescribed conditions, and any conditions imposed by the tribunal on granting the licence (which conditions may later be varied, or additional conditions imposed by the tribunal).

Clause 11 provides that an unlicensed person who carries on business as a travel agent is not entitled to recover or retain any fee, commission or other consideration for services performed in the course of that business.

Clause 12 provides for the business of a travel agent to be continued where the licensee dies.

Clause 13 provides that the Tribunal may hold an inquiry for the purposes of determining whether proper cause exists for disciplinary action to be taken against a person who has carried on, or been employed or otherwise engaged in, the business of a dealer. An inquiry may not be commenced except upon the complaint of a person (including the Commissioner for Consumer Affairs or the Commissioner of Police). Where, upon an inquiry, the tribunal is satisfied that a person has been guilty of misconduct or a failure of a kind set out in the clause at subclause (10), the tribunal may reprimand the person, impose a fine not exceeding $5 000, suspend or cancel a dealer's licence held by the person, or disqualify the person permanently or for a period, or until further order, from holding a dealer's licence.

Clause 14 provides that where a person who is disqualified from holding a dealer's licence is employed or otherwise engaged in the business of a dealer, the person and the dealer are each to be guilty of an offence and liable to a penalty not exceeding $5 000.

Clause 15 requires the Registrar of the Commercial Tribunal to make an entry on the register established under the Commercial Tribunal Act 1982, recording any disciplinary action taken against a person by the tribunal and to notify the Commissioner for Consumer Affairs and the Commissioner of Police of the name of the person and the disciplinary action taken.

Clause 16 provides that a person carrying on business as a travel agent under a licence shall display in each place of business a notice showing his name and prescribed details. (Penalty: $1 000).

Clause 17 provides that a person shall not carry on business as a travel agent except in his authorized name.

Clause 18 provides that if a licensee is not present to oversee the day to day running of the business, he must employ a person with prescribed qualifications to do so. (Penalty: $1 000).

Clause 19 requires a person who carries on business as a travel agent to keep such accounting records as are necessary correctly to record and explain the financial transactions of the business. (Penalty: $1 000 or 6 months). These records must contain sufficient information for preparation and audit of profit and loss accounts and balance sheets be kept at the person's principal place of business, and be written in English.

Clause 20 provides for keeping of trust accounts.

Clause 21 provides for approval by the Minister of a trust deed for the purposes of the compensation scheme under the measure.

Clause 22 provides that every licensee shall be a participant in the compensation scheme under the trust deed.

Clause 23 provides for the establishment of a compensation fund to be administered by trustees appointed under the trust deed. Provision is made for payment of moneys into and out of the fund.

Clause 24 provides for payment by licensees of contributions to the fund. Failure to pay a contribution within the time allowed leads to suspension until payment.

Clause 25 provides that persons who suffer loss in consequence of dishonesty or negligence of a person carrying on business as a travel agent, the death, disappearance or insolvency of such a person or the failure by such a person to honour contractual obligations, are entitled to compensation.

Clause 26 provides for the determination by the trustees of claims for compensation. Provision is made for an appeal to the tribunal. Provision is also made for appointment of the fund between competing claims in the event that the fund is insufficient to meet the claims fully.

Clause 27 sets out the powers of inspection of authorized officers. Authorized officers may inspect travel agent premises, require the production of records required by the measure to be kept and require a person reasonably suspected of knowing about a breach of the measure to answer questions. It is an offence (penalty: $1 000) to hinder an authorized officer, or to fail to comply with a requirement made by him or to answer truthfully questions put by him. A person is not required to produce records or answer questions if the records or answer would tend to incriminate him.

Clause 28 creates an offence in the case where persons involved in the administration of the measure divulge information obtained in that capacity. (Penalty: $2 000).

Clause 29 allows the Registrar to request the Commissioner or the Commissioner of Police to investigate any matter relevant to the determination of any matter before the Tribunal or any matter which might constitute cause for disciplinary action under the measure.

Clause 30 gives the Commissioner of Police a right of appearance before the tribunal.

Clause 31 relates to the annual report by the Commissioner on the administration of the measure.

Clause 32 relates to the service of documents required by this measure or the Comercial Tribunal Act 1982 to be served. In the case of a licensee such a document is deemed to have been served if it is left at the licensee's address for service. Under subclause (2) a licensee must give notice of his latest address for service in accordance with the regulations.

Clause 33 prohibits the making by any person of a false or misleading statement when furnishing information required under this measure.

Clause 34 requires a licensee whose licence is suspended or cancelled, upon direction, to return the licence to the Registrar.

Clause 35 provides that where a body corporate is guilty of an offence under the measure then every member of its governing body is also guilty unless he proves that he could not, through the exercise of reasonable diligence, have prevented the offence.

Clause 36 provides that proceedings for an offence are to be disposed of summarily.

Clause 37 deals with the commencement of prosecutions. Proceedings for offences are not to be commenced by a person other than the Commissioner or an authorized officer except with the Minister's consent.

Clause 38 is the regulation-making power. Among other things, regulations may regulate advertising by travel agents and prescribe a code of practice for licensees.

The Hon. JENNIFER ADAMSON secured the adjournment of the debate.

CRIMES (CONFISCATION OF PROFITS) BILL

Received from the Legislative Council.

The SPEAKER: The Legislative Council draws the attention of the House of Assembly to clause 10 printed in erased type, which clause, being a money clause, cannot originate in the Legislative Council, and which is deemed necessary for the Bill.

Bill read a first time.

The Hon. D.J. HOPGOOD (Deputy Premier): I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

This Bill provides for the confiscation of the profits of crime and is similar to a Bill introduced into the Parliament before the last election. Few people would disagree that in principle no person should profit from crime. It has often been recognised that in sentencing the court should punish to a degree that denies the criminal any profit from his crime. It is rarely delivered. There are several reasons for this. In the first place, the evidence before the court may not demonstrate the extent of the profits realised by the offender. A second problem is that the sentencing options open to the court are generally restricted to the imposition of a fine or imprisonment. Where the offender has netted large amounts from his crime the maximum fine which a court may impose can fall far short of the profits from the crime.

There is a clear need for legislation to deprive criminals (whether organized or unorganized) of their ill-gotten gains, and in so doing to supplement and reinforce the penalties applicable to criminal conduct. Besides ensuring that crime does not pay, such legislation will act as a deterrent to criminal conduct and undermine the economic base upon which organized crime operates. Provisions exist in part IV division II of the Controlled Substances Act 1984 allowing a court to order forfeiture of certain property when a person has been convicted of a drug offence. The property liable to forfeiture is: any money or real or personal property received by the offender in connection with the commission of an offence; any real or personal property acquired by the offender wholly or partially as a direct or indirect result of the commission of the offence; and any real or personal property of the convicted person used in connection with the commission of the offence.

While the profits from illegal drug dealings are an obvious target for forfeiture, the argument that criminals should lose their profits has equal force no matter what the crime, irrespective of whether the criminal acted alone or in company, or employed substantial planning or organization. However as a practical matter forfeiture provisions should be limited to 'serious offences'. There is no entirely satisfactory way to define 'serious offences'. The category of indictable offences (including indictable offences that are dealt with summarily) forms an obvious class, and this is what the Bill is related to. While the trigger for the operation of the legislation is generally a conviction, provision is also made in clause 5 to enable the property of those who have died or who have absconded before conviction to be forfeited.

The property liable to forfeiture is described in clause 4. The provision is wider than the corresponding provision in the Controlled Substances Act 1984, in that it includes property acquired for the purposes of committing the offence and clause 4 (2) caters for the situation where the offender's assets have increased but no particular property can be identified as being liable to forfeiture. It should be noted that the civil standard of proof applies to questions of fact in forfeiture proceedings. So that an offender is prevented from dissipating his assets prior to a conviction, clauses 6 and 7 provide for pre-trial restrains in the form of sequestration orders and seizure of assets. The pre-trial restraint provisions apply prior to the institution of criminal proceedings. However, they only apply where investigations have been undertaken and a charge for an offence is soon to be laid.

The efficacy of this legislation will largely be defeated if criminals can secrete their assets in other States or countries. The Commonwealth, all States and the Northern Territory are considering introduction of similar legislation. Accordingly, provision is made for the forfeiture of assets in South Australia which would be liable to forfeiture under the corresponding law of another State or Territory. The Federal Government has announced its intention of negotiating bilateral Treaties for Mutual Assistance in Criminal Matters. These treaties will require the parties to grant to each other mutual assistance in criminal matters, including the identification and recovery of profits of crime. This Bill is an important measure in combating crime, both organized and unorganized, and is further evidence of the Government's intention to fight crime.

One further clause of the Bill to which I wish to draw members' attention is clause 10. This provides that proceeds from the confiscation of profit of crime will generally be paid into the Criminal Injuries Compensation Fund created under the Criminal Injuries Compensation Act. The proceeds of this are to be used to compensate victims of crime under the Criminal Injuries Compensation Act. An exception is made in relation to profits derived from the manufacture or sale of drugs, where the proceeds are to be applied

to assist in the treatment and rehabilitation of people addicted to drugs. These provisions will ensure that the profits of crime are used to assist victims of crime.

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 contains the various definitions required for the purposes of the measure. By reason of the definition of 'appropriate court', applications will be able to be made under the Act to the Supreme Court, a District Court where the relevant property does not exceed $100 000 in value and a court of summary jurisdiction constituted of a magistrate where the relevant property does not exceed $10 000 in value. The Act will apply in relation to 'indictable offences'. Under clause 2 (3), a person shall for the purposes of the Act be deemed to have been convicted of an offence if the person is found guilty of an offence but discharged without conviction or if the offence is taken into account in determining the penalty for some other offence.

Clause 4 specifies the property that is liable to forfeiture under the Act. Property that will be liable to forfeiture includes property acquired for the purpose of committing an offence or used in connection with the commission of an indictable offence, property that is the proceeds of an indictable offence and property that is acquired with the proceeds of an indictable offence. Where there is an accretion to a person's property but identification of specific property is not possible, the whole of the person's property will be liable to forfeiture (but only to the extent of the value of the accretion).

Clause 5 provides for the making of forfeiture orders. Applications will be made by the Attorney-General. Orders will not be able to be made against the property of a person who is innocent of any complicity in the commission of the offence. Interested parties will be entitled to receive notice of applications and to be heard.

Clause 6 provides for the making of sequestration orders. A sequestration order may provide for the management or control of property that is liable to forfeiture under the Act.

Clause 7 relates to the issuing of search warrants. Applications for warrants may be made by telephone in cases of urgency.

Clause 8 specifies the powers of a member of the Police Force who is executing a search warrant. The police officer may seize and remove property reasonably suspected to be liable to forfeiture under the Act. Property cannot be held for more than 14 days unless an order is made under the Act or the owner consents to the property being retained for a longer period.

Clause 9 creates an offence of hindering a member of the Police Force, or a person assisting a member of the Police Force, in the execution of a search warrant.

Clause 10 provides that the proceeds of forfeitures be paid into the Criminal Injuries Compensation Fund or used to assist in the treatment or rehabilitation of persons who are dependent on drugs.

Clause 11 provides that offences against the Act are summary offences.

Clause 12 is a regulation making provision.

Clause 13 provides for consequential amendments to the Controlled Substances Act 1984, as contained in the schedule.

Mr S.J. BAKER secured the adjournment of the debate.

[Sitting suspended from 12.32 to 2 p.m.]

MINISTERIAL STATEMENT: TRAINEESHIPS

The Hon. LYNN ARNOLD (Minister of State Development): I seek leave to make a statement.

Leave granted.

The Hon. LYNN ARNOLD: The Federal and South Australian Governments have agreed on arrangements to implement the Australian Traineeship System in South Australia. The aim is to have 1 000 traineeships provided throughout the State during 1986. Industrial relations issues will be resolved by employers and unions through existing industrial relations mechanisms. Both the State Government and the Commonwealth Government believe that this is the appropriate means of addressing industrial relations issues associated with the traineeship system. When the traineeship system is fully operational by early 1989, it is anticipated that up to 7 500 traineeships will be available in South Australia.

This agreement follows the recent announcement by the State Government of Victoria to implement the Federal Government's new traineeship system. The first State agreement was announced last year by the Government of Western Australia, where the first trainees are now employed by the State Public Service. Traineeships are an important part of the Federal Government's Priority One commitment aimed at improving employment, educational and training opportunities for young people. As Mr Ralph Willis (Federal Minister for Employment and Industrial Relations) said:

> The concerns of young people have been ignored for too long by previous Governments. Our aim is to help all young people find a productive place in the community. The traineeship system will provide young people with a major improvement in vocational training opportunities and especially in their transition from school to work. It will also improve their long-term employment prospects and ensure that Australia has a better educated and more adaptable workforce.

The Commonwealth will provide funds to assist with the development of traineeships and also fund off-the-job training by TAFE and other recognised training providers. As State Minister of Employment and Further Education, I have said that the South Australian Government would exempt participating employers from the payment of payroll tax for trainees, as part of the State/Federal agreement.

Under the agreement, the State Government would also increase resources to the Department of Labour for the employment of additional field staff for on-the-job supervision and provide additional support to the Department of TAFE for providing quality off-the-job training for the trainees.

I view this agreement as a very positive step in assisting the development of the Australian Traineeship System in South Australia. Through this agreement, employers, trade union representatives and the Government will work together to develop quality traineeship models in a wide range of non-trade areas. All young people in these approved traineeships will be guaranteed at least 12 months work experience and quality on and off-the-job training that will greatly enhance their future employment prospects. The implementation of traineeships in South Australia is seen as an important part of the State Government's commitment to improved employment and training opportunities for young people through the Youth Employment and Training Schemes (YES).

Mr Willis and I have agreed that there will be a close working relationship between the two Governments and that the State Industrial and Commercial Training Commission will be responsible for administering and supervising the implementation of the traineeship system in South Australia. The Commonwealth will be responsible for determining which traineeships will attract Commonwealth financial support.

SUSPENSION OF STANDING ORDERS

The Hon. D.J. HOPGOOD (Deputy Premier): I move:

That Standing Orders be so far suspended as to enable the introduction of two Bills forthwith.

Motion carried.

BEVERAGE CONTAINER ACT AMENDMENT BILL

The Hon. D.J. HOPGOOD (Deputy Premier) obtained leave and introduced a Bill for an Act to amend the Beverage Container Act 1975. Read a first time.

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

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

It changes certain aspects of the beverage container legislation as they apply to beer cans and bottles. The Government sees no reason at this stage to change the Act in respect of soft drinks and the Bill is framed accordingly. A position has arisen whereby the much valued traditional South Australian use of reusable containers for the marketing of beer is under threat. In August 1985, following discussions with the Government, South Australia's breweries increased the refund amount for refillable bottles from 30c to 50c a dozen. The interstate brewer has refused to follow suit. Since a return to the 30c deposit level by the local manufacturers would be an environmentally retrograde step the only reasonable course open to us is to legislate to place all suppliers on an equal footing. The amount is to be fixed at 48c per dozen, 4c a container, something which will be easily understood by the public. These deposits will continue to be redeemed at marine store dealers.

The effect of this change, if taken on its own, would be to seriously erode the differential between multi and one trip containers and hence reduce the strong disincentive against a move into one trip packages. Acordingly, the Government believes the time has come to restore the relativity between the deposits on multi and one trip containers as it existed at the time of the introduction of the principal Act. The new deposit for one trip bottles and cans containing beer will therefore be 15c. Provision is made in the Bill for further adjustments to this figure to be made by regulation.

Again, I stress that this does not relate to soft drink cans and the colour coding system will be used to ensure that beer and soft drink cans can be easily sorted and differentiated at the marine store dealers. The higher deposits will have the effect of increasing scavenging, thereby reducing the loss of resource to either the litter stream or buried in rubbish tips. In this way the twin objectives of the legislation—litter control and resource re-use—will be improved. The Bill proposes to overcome some administration shortfalls, offences against the Act are clearly spelled out for the first time and as a further deterrent, penalties for breaches of the provisions of the Act have been increased substantially. The Government is serious about its attack on litter in this State. There have been accusations in the past that the Act has not been rigidly enforced. The amendments to the powers of inspectors and the increases in penalties should be clearly seen as a signal that the Government intends to enforce this legislation stringently.

Clauses 1 and 2 are formal. Clause 3 repeals section 3 of the Act. Clause 4 amends the definitions in section 4 of the Act. The present definition of container provides that a container is a receptacle which is closed at the time it holds the beverage. The new definition does not contain the current exceptions which instead are dealt with in the proposed sections 5 and 5a. The new definition defines 'container' as a container made to contain a beverage, which when filled with the beverage is sealed for the purposes of storage, transport and handling prior to its sale or delivery. The new definition does not contain the current exceptions which instead are dealt with in the proposed sections 5 and 5a. The new definition of 'glass container' differs from the current definition by removing the power to declare certain glass containers not to be glass containers. Instead, provision to exclude such containers is provided for in the proposed sections 5a and 5b. 'Refund amount' is defined as the prescribed amount in relation to a container of a particular description. This enables the amount to be prescribed by regulation and removes the current ceiling of 5c.

A new definition of 'mark', meaning a mark placed on a container or label by any method (including embossment) is inserted and the definitions of 'appointed day', 'description' and 'exempt container' are struck out. Clause 5 repeals section 5 of the Act which enables the Governor to exclude containers from the definition of glass container by proclamation and inserts 3 new sections. Section 5 provides that the Act does not apply to glass containers made for the purpose of containing wine or spirituous liquor. Section 5a provides that the Governor may by regulation exempt specified containers (not being containers to which section 5b applies) from specified sections of the Act either conditionally or unconditionally. Section 5b provides that the Minister may, by notice published in the *Gazette* exempt from section 7 of the Act glass containers made after the commencement of this section for the purpose of containing beer, or prescribed glass containers, if the Minister is satisfied—

(a) that the containers are made to be refilled not less than 4 times;

(b) that the containers are marked with a statement indicating that they are refillable in a manner and form approved by the Minister; and

(c) that proper arrangements have been made for the re-use of the container.

Clause 6 substitutes a new section 6 which provides that a retailer shall not sell or cause or permit to be sold a beverage in a container unless it is marked in a manner and form approved by the Minister with a statement indicating the refund amount applicable to the container and if required by the Minister some other mark or feature indicating that a refund amount is applicable to that container. The penalty for breach of this section is $2 000. Section 6, at present, does not provide that the Minister may require some other mark or feature to be placed on a container indicating that a refund amount is applicable to the container.

Clause 7 repeals the heading to part III of the Act and substitutes the heading 'RETURN OF CONTAINERS'. Clause 8 increases the penalty provision in relation to a retailer who refuses or fails to accept an empty glass container and pay the refund amount in accordance with section 7 of the Act from $200 to $2 000. Clause 9 repeals the heading to part IV of the Act. Clause 10 repeals section 8 of the Act which provides that part IV of the Act does not apply to glass containers. Clause 11 amends section 10 of the Act by increasing the penalty from $200 to $2 000. Section 10 provides that a retailer shall not sell containers of a particular description from a retail outlet unless it is situated within a collection area in relation to which there is a collection depot which will accept containers of that description. A new subsection (la) is inserted which provides that section 10 of the Act does not apply to containers to which

section 7 of the Act applies, namely glass containers marked in the manner referred to in section 6 of the Act and not exempted by the Minister under proposed new section 5b.

Clause 12 amends section 11 of the Act by increasing the penalty from $200 to $1 000. Section 11 provides that a retailer shall keep a sign exhibited specifying the location of a collection depot in relation to the retailer's premises. Clause 13 amends section 12 of the Act by increasing the penalty from $500 to $2 000. Section 12 provides that a retailer shall accept delivery of empty containers marked in the manner referred to in section 6 of the Act and pay the refund amount for the container.

Clause 14 amends section 13 of the Act by increasing the penalty from $500 to $2 000. Section 13 of the Act provides that a retailer shall not sell a beverage in a 'ring pull container' on or after 30 June 1977. Clause 15 amends section 13a of the Act by increasing the penalty from $500 to $2 000. Section 13a provides that a retailer shall not sell carbonated soft drink or waters in glass containers of a prescribed kind.

Clause 16 inserts a new part VA in the Act providing for the appointment of inspectors and setting out their powers. Section 13b provides that inspectors may be appointed by the Minister subject to such conditions as the Minister thinks fit. An appointment may be revoked or varied. Section 13c provides that an inspector may at any reasonable time enter and inspect premises, require a person who is suspected of having committed or about to commit an offence to state their name and address, require a person to answer questions, and produce relevant records and documents, inspect and take copies of any records or documents and seize and remove any records, documents or objects that may afford evidence of an offence. Section 13d provides that an inspector shall not be hindered in the exercise of the inspector's duties. Clause 17 amends section 17 of the Act by increasing the amount which may be prescribed as a penalty by regulation from $200 to $1 000.

The Hon. JENNIFER ADAMSON secured the adjournment of the debate.

ROAD TRAFFIC ACT AMENDMENT BILL

The Hon. G.F. KENEALLY (Minister of Transport) obtained leave and introduced a Bill for an Act to amend the Road Traffic Act 1961. Read a first time.

The Hon. G.F. KENEALLY: I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

It is designed to improve road safety by improving administrative arrangements in that area. The Government has established a Division of Road Safety within the Department of Transport with the objective of better coordinating the existing diverse road safety effort by providing a focus for and increased emphasis on road safety. In parallel with the development of the Division of Road Safety, the existing and past roles of other organizations involved in road safety have been reviewed. It is considered that further significant advantages will be gained by decentralizing the Road Traffic Board's authority to local councils, the Highways Department and the Division of Road Safety.

Firstly, this Bill will abolish the Road Traffic Board and transfer the powers currently held by the Road Traffic Board to the Minister. It will also enable the Minister to delegate, to a particular person or committee, any of the powers or functions conferred on or assigned to the Minister by or under the Road Traffic Act.

Secondly, the Bill will enable the Minister to give general approvals to Authorities, as defined in section 16 of the Road Traffic Act, under which the Authorities may install, maintain, alter, operate or remove prescribed traffic control devices without the need to seek individual approvals from a central controlling body in each case. Such general approvals will increase the responsibility and accountability of local councils and senior officers in the Highways Department in relation to traffic management matters. It has important implications for road safety in that it will, in many cases, eliminate unnecessary time lags between the identification of road safety hazards and the action required to alleviate them.

However, any such general approval will be conditional on the Authority in question demonstrating, to the satisfaction of the Minister, that it has either an engineer on staff who is accredited in traffic engineering or has the use of accredited traffic engineering consultants for traffic engineering initiatives. To avoid situations arising in which motorists could be confused by the non-uniform design and use of traffic control measures, authorities will be required to follow stipulated guidelines in relation to the installation, design, specification and proper use of prescribed traffic control devices. Additionally, Authorities will be required to periodically provide to the Division of Road Safety, for road safety monitoring purposes, information on traffic control devices it has installed, altered or removed. An Authority will also be required to consult with other authorities prior to proceeding with a traffic management scheme which could have implications for traffic flow on roads of the other authorities.

The Road Trafic Board in conjunction with the Traffic Engineering Branch of the Division of Road Safety will prepare the guidelines for the installation, design, specification and proper use of traffic control devices. Although desirable, it is unrealistic to believe that the responsibilities for all traffic control devices could be transferred immediately to the various authorities. Control of the more complex or innovative and as yet unproven devices, such as speed humps and slow points, will be retained by the Minister.

In addition to its role in preparing the guidelines, the Traffic Engineering Branch will be responsible for—

(a) answering queries and providing interpretations relating to the Road Traffic Act;

(b) monitoring the installation of traffic control devices to ensure uniformity in their design and proper use;

(c) reviewing and updating the guidelines as necessary;

(d) ensuring that there is adequate liaison between authorities in relation to traffic control devices and traffic management schemes;

(e) administering the traffic control device matters which have not been delegated to the various authorities and providing advice to authorities on traffic management matters; and

(f) the analysis of accident and traffic data at hazardous 'black-spot' locations and the recommendation for treatment of these sites.

Thirdly, the Bill will through the proposed amendment of section 163aa enable the granting of permits, to exempt vehicles from the mass and dimensional limits imposed by Part IV of the Road Traffic Act, to be delegated to the Commissioner of Highways. Although the matter of permits for the operation of overmass and overdimensional vehicles is a complex and sensitive area with road safety connotations, the primary concern relates to the potential for damage to roads and bridges. The ability of vehicles to safely

carry their loads will be assessed by the Vehicle Engineering Branch of the Division of Road Safety following which the Highways Department will be responsible for the issue of the permits, subject to conditions relating to such matters as routes, times, escort vehicles and warning signs as may be warranted.

Finally, the Bill provides the Minister with the ability to delegate to the Division of Road Safety the powers necessary for it to be able to assume the responsibility for all other road safety related functions contained in the Road Traffic Act, including those concerning vehicle design and equipment standards. I commend the Bill to members.

Clause 1 is formal. Clause 2 provides that the measure is to come into operation on a day to be fixed by proclamation. Clause 3 amends section 5, the interpretation section, by removing the definition of the Road Traffic Board and making an amendment consequential upon the abolition of the Board.

Clause 4 provides for the repeal of clauses 11, 12, 13, 14 and 15 which provide for the constitution, procedures and functions of the Road Traffic Board. The clause inserts a new section 11 and new section 12. Proposed new section 11 provides for delegation by the Minister of any power or function conferred on or assigned to the Minister by or under the Act. Under the proposed new section, delegation may be to a person or a committee or to the occupant for the time being of a particular position. A delegation may be unconditional or subject to conditions specified by the Minister. Proposed new section 12 provides that any approval of the Minister required under the Act may, if the Minister thinks fit, be of a general nature extending to matters specified by the Minister and may be unconditional or subject to conditions specified by the Minister.

The remaining clauses (clauses 5 to 21) all make amendments consequential upon the abolition of the Road Traffic Board. Under the amendments, powers presently vested in the Board are to be vested in the Minister. Provision is also made for amendments consequential upon proposed new section 11 (delegation by the Minister) and proposed new section 12 (general approvals and conditional approvals by the Minister).

Mr OSWALD secured the adjournment of the debate.

WORKERS REHABILITATION AND COMPENSATION BILL

In Committee (debate resumed).

(Continued from page 406.)

Clause 54—'Limitation of employer's liability.'

The Hon. FRANK BLEVINS: I move:

Page 38, line 11—After 'liability' insert 'at common law'.

Amendment carried.

Mr M.J. EVANS: My comments, which will not draw much support from either side of the Committee, relate to the abolition of the common law provision. Certain significant interests representing employers, employees, members of the legal profession, and others in his State believe that he common law provision should be retained, even if in a limited form. Earlier, the Minister said that employers were divided on this provision and that he had received comments from substantial employer interests opposing it. However, I believe that some employer interests wish to retain it.

Be that as it may, it is my view that to retain common law, even in a very limited form—and I acknowledge that the Minister has severely limited it—will have an adverse effect on the overall reform of the workers compensation system that this Bill proposes. I believe that the advantages of the common law are not such as to outweight the disadvantages. The overall reform, in my opinion, would be considerably enhanced if we were to introduce the flexibility of common law in a statutory form so that we could provide for employees in this State to obtain much more rapid justice and compensation than they ever can from the common law system.

Although I realise that they are entitled to up to the prescribed amount by way of scheduled payments, that does not satisfy every need, and that is why some form of common law has been retained. It is my view—and I hope that this will prevail in due course either eventually in this Parliament or alternatively in amendments at a future time—that some way should be found to retain the flexibility while providing a more solid statutory basis for the enhanced claims.

I do not believe that retaining common law will be in the interests of the work force of employees, no matter what their representatives or some of them may say about that. If Parliament were to direct its attention seriously to replacing that with a more flexible system, vesting additional powers to increase the benefits in limited cases to the corporation or industrial court or some other authority, that would be a far more productive exercise. Given the comments that have been made in earlier debates by the member for Mitcham and the Minister, I realise that that view does not have universal support. However, I feel that it should be placed on the record because it is an opinion I strongly hold.

Clause as amended passed.

Clauses 55 to 58 passed.

Clause 59—'Registration of employers.'

Mr S.J. BAKER: I move:

Page 40, line 26—Leave out '$10 000' and insert '$3 000'.

The Government does not seem to know what it wants to do in relation to this clause. The draft Bill prescribed a $3 000 penalty and now the ante has gone up to $10 000.

Members interjecting:

Mr S.J. BAKER: As my colleague says, that was before and after the election. The amount of $10 000 for each worker employed is an horrendous sum. I know that the Minister will say that anyone who suffers a disability and is not covered by insurance will also suffer a severe loss. We have to be reasonable in these circumstances. When I first read the original draft I thought that $3 000 was $1 000 too high; now I find it is $8 000 to high, after comparing other penalties in other legislation. This legislation could create a whole new set of anomalies. We spent an enormous amount of time talking about subcontractors and there were many difficulties with the service to contract clause. If this clause means that some people assume that they do not have to pay when they do have to pay, it will not be the employer's fault but the Government's for not transmitting that information.

I believe that is difficult, particularly where much of this information will be in regulations and where no procedures are set down to notify people of their responsibilities, to substantiate the $10 000 per employee fine. There may be circumstances where someone has deliberately and knowingly failed to provide insurance for a variety of reasons, and I then believe that a fine of $2 000 per employee is appropriate. Given the difficulty that people will have with this legislation, I feel that a maximum penalty of $10 000 is far too high. I seek to amend the clause and change the penalty back to what was in the draft Bill.

The Hon. FRANK BLEVINS: I oppose the amendment. When one is discussing workers compensation it is hard to

think of a more heinous crime than someone employing a worker and not insuring that worker for workers compensation. That is an outrageous violation of common decency, and it should be properly subjected to the severest penalty. Whether this penalty is $10 000 or $100 000 does not matter; it is totally avoidable. All an employer has to do is obey the law. To some extent this matter is academic and an employer who does not want to pay the penalty does not have to; he just has to obey the law.

There is also a benefit in this proposal for honest employers. Apparently in Victoria, when the Work Care scheme came in, it was discovered that there was quite a massive underinsuring of employees. Employers who had done the right thing and had insured all their employees were paying an additional loading for those who were not contributing. There is nothing in this clause to bother an honest employer. The Government takes a very serious view of any employer who does not insure employees. I think that the penalty of $10 000 is appropriate and, although a very good case could be made out for increasing it, at the moment I think that $10 000 will suffice.

Mr S.J. BAKER: The Minister has expressed this in very emotive terms and the situation has suddenly become 3⅓ times more heinous than it was when the draft Bill was first issued. I cannot imagine that suddenly it would change in that time. The Minister should refer to some of the penalties for some very serious crimes in the criminal jurisdiction courts today. He will find that there is no comparison in relation to crimes of knowingly, willingly and intentionally damaging other people's property—

The Hon. B.C. Eastick interjecting:

Mr S.J. BAKER: As my colleague said, a person who assaulted a policeman with a gun gets a suspended sentence. I believe that there should be honesty in this situation. The Minister says, 'Let us bang the employers, whether or not they have intentionally done anything wrong, or because the Government has not been able to provide them with the information'. However, this Government is party to a system that allows some crimes on the streets of Adelaide to go unchecked. As this penalty has been increased 3⅓ times in the space of a month, I ask the Minister whether this problem has increased 3⅓ times during that period.

Mr MEIER: First, I assume that the debate during the early hours of this morning might have clarified this point, but subcontractors are not covered under this clause; in other words, if I were building an extension to my home and I appointed three or four subcontractors, it would not be my responsibility to insure them, or to see that they have workers compensation. Secondly, if I am employing a lawnmowing service, that would not be included. Thirdly, I refer also to a situation that involved me a couple of years ago when I wanted to replace a fence between my neighbour's property and mine. I asked a young lad who was out of work if he would like to earn some money and we came to an arrangement that on a Saturday morning he would help me knock down the fence. Under these provisions, would I have to take out workers compensation to cover that circumstance?

The Hon. FRANK BLEVINS: Those questions were covered extensively earlier during the debate and I do not intend to go over them again.

Amendment negatived.

The Hon. E.R. Goldsworthy interjecting:

The CHAIRMAN: I remind the honourable Deputy Leader that the matter is in his hands if he disagrees with the ruling. It is my job, as Chairman, to give a ruling; if he is dissatisfied with that ruling, the matter is in his own hands.

Clause passed.

Clause 60—'Exempt employers.'

Mr S.J. BAKER: I move:

Page 41, lines 20 and 21—Leave out paragraph *(f)*.

As the Minister may well imagine, there was a sharp retort from the employer organisations concerning this clause. There really was no trust left in the system after what the Minister had done to them after the last negotiations, but it seems that, having taken away all the trust, he is making sure that there is some deep-seated anger against him for what he is doing with this Bill. The employers to a person determined that it was not the right of the union (or the registered association, as it is called in the Bill) to be able to pronounce judgment as to whether they should or should not be in the system.

The Minister may be able to cite cases where he thinks it is appropriate, but I question the wisdom, given recent actions (and we could name some unions), as to just how well they could comment or pass judgment on whether or not an employer should become exempt from these provisions. I do not have to remind the Minister of the BLF—it is a very touchy subject, and we will be hearing more of it throughout 1986 until the building industry is really brought to its knees. There is the Storemen and Packers Union, which on various occasions has had its altercations with employers. There is the TWIU, which again has its moments on the industrial front. There are a number of other associations, and I am pleased to say that most of them are very responsible in South Australia. It is not that matters should not be considered—and here I am expressing the views of the employers. The fact is that they know that in certain areas of the Bill they have no say at all except through the board, and their reference there is very limited given the numbers. So, they believe that the *quid pro quo* is that we should not make it a matter to which the corporation should address itself.

Quite simply, the corporation should not come across, say, to the ANZ Bank and go down the list of things it has to do and say; 'I have to contact the bank employees union.' I think I have probably stated the argument as adequately as I can. We are talking really about a system that involves two sets of people—the employers and employees—with Government intervening somewhere along the line. There must be a balance. This Bill brings an imbalance, because it prescribes more rights in one area than it does in the other. This is one such case. The employers simply are opposed to subclause *(f)*. I happen to agree with them, and I am pleased to move the amendment.

The Hon. FRANK BLEVINS: I oppose the amendment. I think it is totally appropriate that the corporation is able to call on the widest possible range of advice when determining whether it is appropriate to register an employer or a group under this section. Unions are responsible bodies; they are an integral part of our industrial system, our industrial scene, and our society—a very honoured one indeed. I stress that subclause (4) *(f)* states:

The views of any registered association that has, in the opinion of the corporation, a proper interest in the application.

So, first of all, the registered association would have to demonstrate that it had a proper interest, that it was not just being capricious or interfering for the sake of interfering. I do not think that any union would bother doing that, but that safeguard is there. I think that the criteria listed here is a very good set of criteria and should be supported in total.

Amendment negatived.

The CHAIRMAN: I intend to put the clause. The question is that clause 60 stand as printed.

Mr S.J. BAKER: Sir, we seem to strike this problem when you tend to put the clause. It is a difficulty that I am quite often on my feet.

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: I can make a more particular reference if you like.

The CHAIRMAN: The honourable member realises that he may not speak until the question is before the Committee?

Mr S.J. BAKER: Yes, indeed. There are a number of questions about exempt employers, as the Minister would realise. There are bodies out in the South Australian industrial scene which would like to know more about the conditions that will operate as far as exempt employers are concerned. They know that there will be certain imposts on them, and I will develop that somewhat later.

To give some indication to those larger employers who traditionally have been self insurers, will the Minister detail to the Parliament the exact criteria that he intends to use to determine whether an employer should be considered for exemption? I do not wish to go through the Victorian provisions, as obviously they would have to line up with subclause (4). However, there must be some primary criteria that will be used by the Minister to determine whether in fact an employer can go before the corporation to request exemption. Will the Minister enlighten the House? I understand that in Victoria the ceiling or the lowest point at which a person can apply to be an exempt employer is very high. This means that a number of people who have traditionally covered their own insurance conditions have been unable to apply to the commission.

The Hon. FRANK BLEVINS: The policy here is that there is in effect a grandfather clause that those who are self insures now will be self insures under the new Act. There will be a review procedure. If we are dealing with whether in the future they will be able to do so, the policy of this Government, as with previous Governments, is that, if a firm is demonstrably capable of attending to its own affairs regarding compensation, if its claims record and its practices on the shop floor are good, there is no argument; that is fine. We are not about to go in and take over people who are doing the right thing. The grandfather clause takes care of that. I made the Association of Self Insurers aware of the Government's policy in this area. It is not a new policy.

Mr S.J. BAKER: I thank the Minister for that information. The next question relates to the cost situation. Has the Minister any representations from poeple who are currently exempt employers such as banks, BHP, and so on, on what the ultimate impact will be as a result of these changes? If so, will the Minister outline the concerns in the cost area that have been expressed by such organisations?

The Hon. FRANK BLEVINS: My officers and I have had discussions with self insurers, individual firms and the association itself. Unless those firms had sent copies of their submissions to members opposite, I do not intend to canvass in detail their submissions as it would be wrong for me to do so. If such people had wanted the Opposition to know what they were saying to the Government they would have sent it copies, as many have done from what I see on the bottom of submissions. In other cases this has not occurred, and that is the business of the group or corporation, concerned.

The honourable member will have to contact the group involved, for example, the Association of Self Insurers, I am not here to speak for such groups and it would be wrong for me to put their viewpoint on anything, as they are capable of putting their own view. A simple phone call from the honourable member will establish their views on the legislation if they have not already made such views known to the honoruable member.

Mr S.J. BAKER: For those who have not received submissions, I will state that widespread concern has been expressed by people of whom I am aware. The Minister would understand that exempt employers will now be bearing their share of the costs of the administration of the system, of secondary disabilities and of some other minor items that have been spread across the whole system. The figure that has been bandied about is that there will be about a 10 per cent plus increase in costs for administrative arrangements compared with what they are facing today. A number of cost burdens have been imposed because of high benefits in the Act. While we are talking of exempt employers, will the Minister detail to the house what was the proposal in clause 60 (2) *(a)*, which I presume involves all persons who may want to be become exempt employers and are not self insured today. What number does the Minister envisage using as the benchmark for determining whether an employer can become an exempt employer?

The Hon. FRANK BLEVINS: My information is that it will be approximately 500 people.

Clause passed.

Clauses 61 and 62 passed.

Clause 63—'Delegation to exempt employers.'

The Hon. FRANK BLEVINS: I move:

Page 42, line 28—Leave out "are" and insert "may be", and after "employer" insert " by the Corporation".

The amendments that the Government is moving to this clause are important and concern the delegation of certain functions to exempt employers to make or discontinue weekly payments, and so on.

It is to be amended to make clear that the delegation of powers is made by the corporation and that those powers can be varied or revoked by the corporation if an individual exempt employer abuses those powers of delegtion. Subclauses (2) and (3) of this clause are to be deleted as they would be in conflict with the corporation's role in monitoring the use of any delegated powers and, as drafted, it would prohibit the corporation from interfering with the decision of an exempt employer. In other words, we want to take out of the Act the exemptions and point out that such exemptions are given only by leave of the corporation and can be revoked by the corporation if serious breaches of the criteria occur.

We could argue about what is the best way of doing it. I am persuaded that the best way is for the corporation to exempt individuals and to revoke the exemption for serious wrongdoing. The provisions of the Bill and of the amendment have the same effect, but the method is different. I am persuaded that the amendment provides a better method than the Bill and, as I am a reasonable person, I accept the evidence that has been put to me.

Mr S.J. BAKER: The Opposition opposes this amendment. The provision has been tightened up considerably. The initial Bill provided an 'as of right' situation, but this Bill provides a 'maybe at the discretion of the corporation' situation. The thrust of the amendments appears to be to create *de facto* categories of partially exempt employers. Those people would not be fully exempt in the terms that we understand. That creates anomolies. The powers delegated in regard to partially exempt employers may be limited to such an extent as to render their very exemption ineffective. An exempt employer should be able to avail himself of the rights available to the corporation under clause 53 (2), and that is currently a common practice among self-insured employers. There is no difficulty in that area.

In any event I question the need for any of these amendments, because the powers of delegation and revocation generally under clause 16 (the general powers clause) would seem to be sufficient to protect the interests of the corporation and the injured workers. By this amendment, the Minister will throw into doubt the fact that those exempt

employers will have those rights and be able to carry out their roles as prescribed under the Bill. By providing a 'maybe' situation, the Minister has created a doubt that there will be some impediment in relation to all of them and that exemptions will be made according to the wish and whim of the corporation.

The clause should be left as it is. Given the legal interpretation of clause 16, it is quite sufficient to cover those cases where the exempt employers does not live up to the expectation of the corporation. By creating a 'maybe' situation, whereas the exemption was automatic until such time as the person did something wrong, the Minister has thrown further doubt on the role of exempt employers in the system, and we oppose the amendments.

The Committee divided on the amendment:

Ayes (26)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), Crafter, De Laine, Duigan, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs Mayes, Payne, Peterson, Rann, Robertson, Slater, Trainer, and Tyler.

Noes (16)—Mrs Adamson, Messrs Allison, P.B. Arnold, S.J. Baker (teller), Becker, Blacker, Chapman, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier, Olsen, Oswald, and Wotton.

Pair—Aye—Mr Plunkett. No—Mr D.S. Baker.

Majority of 10 for the Ayes.

Amendment thus carried.

The Hon. FRANK BLEVINS: I move:

Page 42, line 40—After '53' insert ', other than the power to nominate a recognised medical expert under section 53 (2)'.

Basically, the same arguments apply to this amendment.

Amendment carried.

The Hon. FRANK BLEVINS: I move:

Line 40—After '53' insert ', other than the power to nominate a recognised medical expert under section 53 (2)'.

Amendment carried.

The Hon. FRANK BLEVINS: I move:

Page 42, lines 43 and 44—
Page 43, lines 1 and 2—
Leave out subclauses (2) and (3) and insert new subclauses as follows:

(2) Subject to subsection (3), where the Corporation has delegated a power or discretion under subsection (1), the Corporation shall not exercise that power or discretion in relation to the workers of the exempt employer.

(3) The Corporation may, if it thinks fit, revoke a delegation under subsection (1).

Again, this is all part of the same argument.

Amendments carried.

The Hon. FRANK BLEVINS: I move:

Page 43, lines 3 and 4—Leave out 'the powers and discretions referred to in' and insert 'a power or discretion delegated under'.

This package is part of the new procedures to which I referred when speaking to the first amendment.

Amendment carried; clause as amended passed.

Clause 64—'The Compensation Fund.'

Mr S.J. BAKER: I move:

Page 43, lines 29 to 31—Leave out subclause (5) and insert subclauses as follows:

(5) Subject to subsection (5a), in deciding how to invest funds that are available for investment, the Corporation shall endeavour to achieve the highest possible rates of return.

(5a) The Corporation is not required to comply with subsection (5) if the board unanimously decides, in relation to certain funds, to invest those funds so as to promote the economy of the State and without regard to the highest possible rates of return.

This involves an important area which we treat seriously. The Minister will have noted our amendment. The two principal ingredients of the amendment are: first, it is the employers' money being put in trust and, if the highest rates of return are not achieved, the employers will have to pay higher premiums. I spent a lot of time developing the argument that there could be an underwriting loss of up to almost 20 per cent, yet the scheme could be profitable. The principal reason is that the return on investment, in some cases hundreds of millions of dollars of reserve funds, offsets the underwriting losses for one particular year because the investment returns are particularly good.

It is important to remember that the Minister placed a great deal of store on the State economy. He said that one of the great advantages of this corporation was that it would be able to use its funds for the benefit of South Australia. Unfortunately, in market terms, they are competing aims, although on many occasions they might well come together. The highest rates of return could occur in South Australia. Many people would know that, during the recent real estate boom, people who had invested in real estate three years previously would have obtained higher rates of return than that of almost any other asset in Australia. The market and the response can vary.

However, in principle, unless the corporation seeks its highest returns, it will mean that the employer will have to pay higher premiums. We know (and the evidence is quite compelling) that to survive the insurance companies have to get the highest returns out of the market, whether it involve the short-term money market, in some cases in shares, and in some cases in profitable ventures. By their very competitive element, companies are compelled to find the highest rates on the market so that they can use the reserve investment returns to offset any underwriting losses, and those have been considerable.

The first principle for the protection of the employers is that the highest rates of return should be sought. The second principle is that if, for example, the corporation puts up a proposition that we should invest in a new running track at Kensington, in a new city building, or in another new enterprise of some sort, it should be by the unanimous decision of the board, because it will be the employers who will be disadvantaged in this regard. The existing wording of subclause (5) is gobbledegook. We want the clause to show specifically what I think is the Government's intention and still leave flexibility to meet sometimes competing interests but with the same targets for investment.

I commend the amendment to the Minister. If he does not wish to accept it (and to date he certainly has not accepted any) perhaps he can explain under what circumstances he envisages that the reserve funds of the corporation will be invested for the purpose of promoting the State's economy.

The Hon. FRANK BLEVINS: I oppose the amendment. I believe that a description of the functions of the Compensation Fund is quite well presented in division III (clause 64), and I see no reason to enlarge upon it. One of the things that the fund will do is that, if an oppurtunity arises in South Australia, it will provide another significant source of funds for that opportunity to be tested. It is really as simple as that. Rather than these funds being held (as a substantial proportion are) interstate, or wherever the insurance industry places them, there will be at least another source of funds within the State, so that if a State project may be overlooked by an insurance company with its head office in, say, Melbourne, we will then have that source here. I am not saying that people involved in the insurance industry are bad, but they are not particularly oriented towards South Australia, nor could you expect them to be. Of course, this fund will give local people a source of finance and that will certainly promote the economy of the State. There are numerous other areas that the corporation can manage through the Compensation Fund, and I think the situation is quite adequately described in the existing clause.

Mr S.J. BAKER: That is not quite true, and we have made some statements about this aspect. We can really only have a provision such as the one contained in my amendment. However, if the Minister were to say, 'Quite honestly, we will use the funds for our purpose; we will lend them to the South Australian Government Financing Authority,' I think that everybody, especially employers, would be delighted to know about this before the scheme starts.

This is an important question because the margins become critical in the light of the $300 million that will be built up over the next five years. Certain State projects give a return of between 8 and 10 per cent, whereas on the open market one can get a secure investment income of 22 per cent. Sometimes capital gains also accrue, so the market varies considerably.

Taking a reasonable margin between 15 and 20 per cent interest on the reserve fund, there would be a difference of $15 million a year on the $300 million in the fund. The Minister suggests that the fund would be running at about $150 million now, so a 10 per cent premium offset would be involved because of good financial policies. I hope that the Minister and the members of the corporation understand that, because employers must suffer higher premiums if the highest market return is not secured.

As an economic principle, the Bill should protect employers by ensuring that the highest rate of return is pursued, although other investments may be taken up in the interests of the State. However, members of the board should ensure that the latter investments produce a return close to that on the open market investments. I believe that my amendment would be more satisfactory to the corporation than would the original clause.

The Committee divided on the amendment:

Ayes (15)—Mrs Adamson, Messrs Allison, P.B. Arnold, S.J. Baker (teller), Becker, Blacker, Chapman, Eastick, S.G. Evans, Goldsworthy, Ingerson, Meier, Olsen, Oswald, and Wotton.

Noes (25)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), Crafter, De Laine, Duigan, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs Mayes, Payne, Peterson, Rann, Robertson, Trainer, and Tyler.

Pairs—Ayes—Messrs D.S. Baker and Gunn. Noes—Messrs Plunkett and Slater.

Majority of 10 for the Noes.

Amendment thus negatived; clause passed.

Clause 65—'Corporation may impose levies.'

Mr S.J. BAKER: What sort of levy system does the Minister intend that the corporation should implement? How will it compare with that operating in Victoria and with the existing arrangements in the insurance industry?

The Hon. FRANK BLEVINS: It is very little different from the existing arrangements.

Mr S.J. BAKER: On a point of clarification, are we going to have a base that everyone will pay for and then a system based on merit, so that people who have the lowest number of accidents will not be cross-subsidising those with the highest number of accidents?

The Hon. FRANK BLEVINS: The honourable member is basically correct, and there are the further factors I mentioned earlier in the debate (I do not want to go over them again), that is, the journey accident to and from work, where there will be an averaging provision. In relation to the second injury fund, there will be an aggregation, I suppose, rather than an averaging. I am sure that honourable members understand what I mean. They are the two significant changes from the present Act.

Mr BECKER: The Minister must have some idea of the Victorian levies. If he has that information, will he inform the Committee?

The Hon. FRANK BLEVINS: I will provide that information in a moment.

Mr INGERSON: This division seems to be unprecedented in the power that the corporation has in imposing these levies retrospectively, and so forth. Also, the system does not appear to be fully funded at all times. During the early stages how many levies will be required? Is it likely only to be one levy a year?

The Hon. FRANK BLEVINS: There is a provision for instalments. I am sure that everyone will act very reasonably.

Mr BECKER: I know of employers with extremely good records—not through good luck, but by good management and care and concern for their employees' safety—who are receiving discounts of up to 60 per cent. It seems unfair that if they are currently obtaining these benefits, this scheme will be seen as penalising them because of their efficiency.

The Hon. FRANK BLEVINS: I do not want to go into the philosophical differences between this State and Victoria on averaging. There can be a case made out for the Victorian system, but I do not want to do it today. I do not agree with it at the moment anyway, so I am not its advocate. It is not just a whim on the part of the Minister over there that there is averaging. In this State the employers have clearly stated that they would prefer to stay with a merit based system. If that is their wish then that is fine with me. I do not want to debate with them the ideology of the Victorian averaging system. There are winners and losers in Victoria, make no mistake about it. Depending on the industries that are the winners and losers, it may not be a bad thing from the State's point of view.

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: That may well be the case; I do not know sufficient about it to say. My impression, and some limited information I have, is that small business in this State will be one of the winners. Big business can beat out of the insurance companies a decent discount, and small business does not have that clout. That is one of the problems that we are trying to overcome. I know that small business sent around a roneod statement for members of their organisation to send to me. I received very few, no more than six or eight. Small business will benefit greatly from this. It will have a member on the board of the corporation to start with, and thus ensure that its interests are taken care of.

Mr INGERSON: Is there any mechanism for people who seem to be paying more in their first levy to question the system? Many people believe that their premiums will go up by 30 per cent or whatever, and that there is no hope of this not happening.

The Hon. FRANK BLEVINS: There is a right of appeal.

Clause passed.

Clause 66—'Sufficiency of Fund to be maintained.'

Mr S.J. BAKER: I move:

Page 44, line 17—Leave out 'covering the' and insert 'to cover the full'.

During the second reading debate and in earlier questioning we spent a great deal of time on the principle of full funding. The Minister is aware of the Liberal Party's concerns there and I am sure that he is also concerned about developments in New Zealand, Canada and elsewhere, where the schemes are not fully funded. This clause does not sufficiently cover this contingency. Although I am not a lawyer, I am told that it leaves the way open, and that 'covering' does not mean fully covering.

To overcome this problem, rather than have to provide reserves covering the cost of future liabilities, the Liberal

Party wishes to insert, 'to provide reserves to cover the full cost of future liabilities', that is, a fully funded scheme, in common terminology. Obviously, we do not want premiums fully covering the cost of future liabilities, because that would mean from the start that the corporation would have to place levies which would cover the 100 per cent. We have debated the underwriting situation. We believe that between 80 per cent and 85 per cent premiums with the earning capacity of those reserves would be quite sufficient to cover the long-term costs. It is not a simple calculation but a qualified actuarist can do it.

The proposition is that one discounts one's future costs into current day values and sets premiums accordingly. It is something that is done every day of the week by insurance companies and those in the workers compensation area, because that is the area where future liabilities become a very important ingredient of the insurance cover. The other areas of insurance provide little in reserves because there is no need to provide for future years; there is no increasing liability in the fund. Earlier the Opposition mentioned that the Canadian system was some $5 billion in debt, and that some political questions had to be answered in that regard.

One question was: do the employers bear the ultimate cost, or do the taxpayers? We believe that the employers should bear the burden from day one and we are putting this amendment forward because it shows very concisely and very clearly exactly what the Minister intends. I note that the Minister said that his scheme that operates in South Australia will be fully funded. He knows that, four years down the track, if the liabilities are building up and there is insufficient funding, he will have a political dilemma on his hands. The Auditor-General will indeed say that we do not have enough funds, and that the corporation has to increase premiums or there must be a top-up from the Government coffers. We do not wish to be bargaining for Government top-ups at that stage, because it would be a waste of precious Government funds which should be used for the purpose for which they are designed. We should not be subsidising this industry; we should not be subsidising this area. I commend the amendment to the Minister.

The Hon. FRANK BLEVINS: I oppose the amendment. It does not seem to do anything at all.

Mr S.J. BAKER: I take exception to that, Sir, because the clause as it stands quite simply does not ensure that the corporation will be fully funded. If the Minister believes in his own statements, he should embrace the amendment that we have put forward.

The Hon. P.B. Arnold: He is not worried about tomorrow.

Mr S.J. BAKER: He is not worried about tomorrow. It leaves the door open. I know that in four years time when we return to government, we do not wish to have the problems of built-up liabilities in the fund and having to find the insufficiency from public reserves.

The Committee divided on the amendment:

Ayes (16)—Mrs Adamson, Messrs Allison, P.B. Arnold, S.J. Baker (teller), Becker, Blacker, Chapman, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier, Olsen, Oswald, and Wotton.

Noes (25)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), Crafter, De Laine, Duigan, and M.J. Evans, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs Mayes, Payne, Peterson, Rann, Robertson, Slater, and Tyler.

Pair—Aye—Mr D.S. Baker. No—Mr Plunkett.

Majority of 9 for the Noes.

Amendment thus negatived; clause passed.

Clauses 67 and 68 passed.

Clause 69—'Special levy for exempt employers.'

Mr BECKER: As I have pointed out previously, the Government Insurance Fund is quite a substantial fund in its own right of some $17 million income last financial year and about $29 million in claims paid. I assume that, as the State Government and the various Government authorities will be exempt, they will be required under this clause to pay a special levy. If so, will that levy be similar to that paid in Victoria? Does the Minister have any idea what that amount will be?

The Hon. FRANK BLEVINS: We know only that it will be a fair contribution. In precise terms, the answer is 'No'. That has not yet been established.

Mr BECKER: All this really does is to bring in the exempt employers?

The Hon. Frank Blevins: Probably.

Mr BECKER: This could well be one way of encouraging exempt employers to come in under this whole scheme.

The Hon. FRANK BLEVINS: It may well be that the scheme is so good that exempt employers choose to do so, but that would be a commercial decision that they would make. We would neither encourage nor discourage it. The corporation would be there if people chose to avail themselves of it. I have some information, although it is not of a high quality, that it will probably happen with people who are now exempt insurers because of the policies of the present insurance companies. With the new corporation, they would quite happily unload the whole thing on to the corporation and not have to bother doing it themselves. That would be welcomed by the corporation, but that is a commercial decision.

Mr S.J. BAKER: Would I be right in assuming that the basis on which the levy will be spent between exempt employers and those in the scheme will be on the basis of full-time equivalents or some similar scheme? Does the Minister have a specific idea in mind in regard to the spreading of fair contributions? There is some concern in the community that the exempt employers could be loaded more heavily than those in the scheme for their fair contribution. Has the Minister any idea on what principles this fair contribution will be based?

The Hon. FRANK BLEVINS: It comes back to claims. I refer the honourable member to clause 69 (2). The history of claims is reflected in the premiums.

Mr S.J. BAKER: I do not wish to dwell on this point. In the land tax system, at the lower end of the scale is a small impost and it graduates upwards. There are two ways of handling a situation like this. One could have a scheme that spreads it according to either payroll or employee numbers, which would be a fair base across the whole system, or we could have a graduated scheme which disadvantages the larger employers and advantages the small employers. Of those two proposals, has the Minister thought through which will be the more likely to be adopted in this case?

The Hon. FRANK BLEVINS: It would be based on claims. If one has a bad claim record, high administration costs are incurred, and therefore higher premiums result. It is a case of the user pays. The exempt employers have a specific place on the board of the corporation. This Government does not wish to do away with exempt employers; otherwise, we would not have put them on the board. They are pleased about that, as their interests will be protected. If they do not trust other employers to protect their interest, we have given them a seat on the board and they can protect their own interests. Nothing could be fairer than that.

Clause passed.

Clause 70—'Returns.'

Mr BLACKER: I seek information from the Minister on the striking of levies and refer to subclause (5). This clause gives a lot of power in relation to what may or may not be done, but there are few specifics on what may or may not

occur. I refer to a farmer who has only one employee. Is that farmer required to furnish a monthly return? Can the Minister give some indication of the nature of the levy that would occur in that instance? Different professions have different levels of risk and therefore pay different rates for workers compensation. I heard mentioned yesterday that the workers compensation account for a delicatessen was about $200 per annum. Most farmers are talking of $2 000 per annum for one employee and a few casual workers at shearing time. The rate varies from 1 per cent to 2 per cent and, in the mining industry, the premiums amount to as much as 54 or 55 per cent of income for workers compensation premiums. Will the Minister give some indication of how the farming industry will be affected? I am talking of the family farmer who has one share farmer or employee working on the farm.

The Hon. FRANK BLEVINS: If I understand correctly the question by the member for Flinders, his concern relates to how often a farmer with one employee will have to report. It is at the discretion of the corporation. If I were running this corporation, I do not think that I would want 24 000 farmers (and I knew them all by name when I was Minister of Agriculture) sending in a form once a month. It may be that some big firm is having problems and would want such attention. I cannot say, as I will not be running this corporation. These things are run in a reasonable and commonsense manner.

If the corporation is not run in that way in regard to the farming community, I have every confidence that the member for Flinders will ensure that it is brought to the attention of the Minister, the House and, if necessary, the State. The member for Flinders does that very well. Whilst others are making claims about representing the farming community, the member for Flinders does it rather than just claims to do it. I cannot give him those kinds of details ahead of the corporation being established and looking at what kind of data it needs on a daily, monthly or yearly basis. As Minister, I will ensure that the corporation works in a reasonable manner. I am sure that it would want to, anyway.

Mr Blacker: What about the estimated percentage of cost that would occur in primary industry as a levy?

The Hon. FRANK BLEVINS: That is a reasonable cost. I cannot stick that because I do not know the claims history of the farming community or the amount of administration that it would create. Even if I did, those figures would probably not mean much to me. I am not trying to be evasive, but I have no way of knowing at this stage. However, it is a reasonable proportion of the costs that would accrue to the corporation. If the farming community seldom puts in a claim it would be very low, but if the number of claims is high it will incur lots of administration and the rate will be correspondingly higher. I cannot at this stage give any prediction.

Mr BLACKER: I assume from the Minister's reply that the variation in the levy will be more applicable to the

I originally sought information about whether the industry would be subjected to a specific levy depending on the risk performance over previous years, or the history of risk claims, and so on. I gather from what the Minister said that this will occur on an individual basis, not an industry basis.

The Hon. FRANK BLEVINS: The intention is both. There will be a broad brush approach in primary industry and within that individuals who manage their properties in a very slack way and are always claiming on workers compensation because no one seems to care very much will pay.

Mr Blacker interjecting:

The Hon. FRANK BLEVINS: I do not know whether they do it that way. Obviously, the mining industry will start a little bit behind the retail industry. Some firms engaged in mining in this State have a tremendous safety record, and I can think of one in my district that is a self insurer and whose claims would be very low. I imagine that someone operating a mining operation at Coober Pedy would have problems getting insurance at all, let alone insurance at a decent rate. The mining industry may pay a basic levy and within that there would have to be flexibility for individual firms.

Clause passed.

Clauses 71 and 72 passed.

Clause 73— Penalty for late payment.'

Mr BECKER: Interest rates are fluctuating considerably at present. Will the penalty interest be at a rate similar to that for semi-government borrowings or the market rate used by banks? What yardstick will be used for penalty interest rates?

The Hon. FRANK BLEVINS: As penalty interest would be involved, I suspect that the rate would be somewhat higher than prevailing rates.

Mr BECKER: The Bankcard interest rate is 22 per cent, so would the penalty interest rate be 23 per cent or 24 per cent?

The Hon. FRANK BLEVINS: It may be. It is penalty interest, and the idea is to encourage people to pay. If they do not pay, the person or the organisation that is owed the money should not lose. So, I imagine that the rate would be set at a slightly higher level than one could get by withholding a payment and investing the money. That is common practice.

Clause passed.

Clauses 74 to 77 passed.

Clause 78—'Review officers.'

Mr S.J. BAKER: I am concerned about this clause, and I have discussed the matter at length with Parliamentary Counsel, because I could not think of a solution. I understand the Minister's concept that a person within the corporation will determine areas of dispute. I understand that the principle is that, when a difficulty arises regarding whether a person can or should receive a benefit, the first port of call is the review officer. Other questions may have to be determined, such as whether the weekly earnings being paid are sufficient or in keeping with the Act, or there may be other provisions in which a review officer may be involved.

The question that I always ask in these situations is, 'Can the person who is supposed to be an ombudsman type person in the system do the job prescribed?' I ask that because it is in the best interests of the person who is receiving weekly payments that he should not be receiving to ensure that he pursues the matter to the review officer stage. Hopefully, that will occur in only a few cases, but in those cases the review officer will have his work cut out.

In many cases it will be a medical question, one that the review officer, given his own expertise, cannot sort out, so he will have to take medical advice. I know that the Minister is trying to provide an element in the system to prevent litigation—if one could class as litigation people appearing before panels or tribunals. It is a little more closed than the legal system, but the same review principle is involved. Those processes are time consuming and costly because of the people involved, and they create their own anomalies.

I could not come up with an alternative reasonable method, but I believe that this system will not work because the expertise of the review officers will not necessarily be in keeping with the diversity of the complaints, particularly in regard to whether or not a person is injured or in relation to the level of injury. The issue will have to be referred to the system or to a medical specialist, and that will create delays. Under this system, if the corporation says 'No', a person can approach a review officer and ask to have the decision reviewed. During that review period that person

continues to receive benefits, so it is in his best interests, if he is willfully trying to distort the system, to continue to seek a review.

I further point out that the power of the corporation to recoup moneys is very limited. A worker who may or may not have a compensable condition will on many occasions, if the corporation has refused, seek the next step in the chain, that is, the review officer. Given the tasks of that officer and the skills that he is likely to have, and given that he is not a medical specialist or anything like that, there will be a blockage in the system. Meanwhile, the employer foots the bill.

I could not think of an alternative model or scheme. The Minister probably had the same difficulty. Later in the Bill I have proposed a new clause (I think it is 125) specifically requiring an examination of review officers to see how many in fact stop at the review stage and how many continue through the system, and to establish any incidence of time delays and cost penalties. Once the corporation has experienced the system for 12 months, it will be in a position to review it but, unless it is required to do so, it could well wander on for a number of years. I think this is a difficult area. I commend the Minister for attempting to set up a mechanism which will create some balance and stop this movement up the system into the area of expensive review panels and tribunals. Fundamentally, I feel that it will fail, but I hope that it does not.

Clause passed.

Clause 79 passed.

Clause 80—'Membership of the tribunal.'

Mr S.J. BAKER: I move:

Page 50, after line 28—Insert new subclause as follows:

(3a) The power of appointing ordinary members of the Tribunal shall be so exercised so as to ensure that the number of members appointed after consultation with the United Trades and Labor Council is equal to, or differs by no more than one from, the number of members appointed after consultation with associations that represent the interests of employers.

I presume that the Minister received the large number of submissions that mentioned the fact that the word 'or' in subclause (1) *(c)* may create some enormous problems. The word 'or' tends to suggest (and that was my original understanding) that the Minister can go along to the UTLC and consult only that organisation. It has been explained to me that in clause 81 there is a balance in the ultimate composition of the tribunal and that that remedies the difficulty.

For the sake of peace, and to show my goodwill towards the Minister, new subclause (3a) requires a balance between the number of people drawn from the UTLC and those who have come from the employer groups. The amendment really seeks to tidy up the clause and make it perfectly plain that the Minister will not go down to the UTLC every time he wants a new panel member.

The Hon. FRANK BLEVINS: I think that there has been some misunderstanding of this provision by the member for Mitcham. As was mentioned by the honourable member, my understanding is that clause 81 makes it perfectly clear that the problem that the honourable member foresaw will not arise. As I say, I think his amendment is based on this slight misunderstanding, and I oppose it.

Mr S.J. BAKER: I merely thought it would be useful to insert the new subclause. I understand the Minister when he says that we do not need it, but it was done in an attempt to assist.

Amendment negatived.

Mr BECKER: Subclause (5) provides that a person shall cease to be a member of the tribunal if that person attains the age of 65 years. Why is that so when no such condition attaches to members of the board?

The Hon. FRANK BLEVINS: I think that the honourable member has caught me out. Theoretically, board members can be any age, but a member of a tribunal has to be under 65. Any arguments that I can think of to use as a response would seem a little ridiculous, so I am somewhat at a loss to explain why that provision is contained in the Bill. When I was drafting this clause some people suggested that, because members of the Judiciary retire at 70, and as this was a tribunal, perhaps a retiring age of 65 was appropriate. I think that there is a difference between a tribunal and a board in that a tribunal has specific responsibilities. I pointed out that it may be the policy of the Government and it may well be that there is an outstanding person who, for some reason, ought to be given another 12 months on the board whilst in the middle of a project. Although that is a rather poor argument, it is the best I can offer at the moment, although I am not convinced by it.

Mr BECKER: Let us hope that, if the legislation proceeds in another place, the Minister will have a look at this matter. He has the opportunity to move amendments in the other place, so perhaps he might give it further consideration. We ought to be consistent about the stipulation concerning the age of members of the tribunal and the board. I think that both of them play a very important role. Naturally, I would also like to seek from the Minister an assurance that he recognises the equal opportunity and status of women and, if there is a woman suitable, that she will be given the opportunity to be a member of that tribunal.

The Hon. FRANK BLEVINS: The longer I think about the inclusion of the age restriction, the more I believe it is a perfectly sound provision. There are lots of differences between the tribunal and the board but, in principle, the board is a part time body doing specific things. The tribunal is a *quasi* judicial body which is operating on a full time basis. The tribunal consists of full-time statutory officers, so perhaps the normal retiring age would not be inappropriate. I know that the retiring age for the Judiciary is 70 but, when establishing this tribunal, the Government thought that a retiring age in line with the normal retiring age was perhaps appropriate. I am warming to the provision.

Mr BECKER: The retiring age today in industry and commerce is 55. However, the information I sought was whether you would recognise the equal opportunities of women and, if a woman was suitable, ensure that she would be appointed to the tribunal.

The Hon. FRANK BLEVINS: Obviously, I cannot give any guarantees but, in relation to all boards, tribunals and wherever it is possible for us to do so, the Government tries to ensure that women are represented or that a woman is on the board. Whether or not an individual woman feels Certainly, females are appointed wherever possible to boards and tribunals, where the Government has a say.

Clause passed.

Clauses 81 to 84 passed.

Clause 85—'Constitution of medical review panels.'

Mr S.J. BAKER: From submissions I have received, I understand that the medical profession has certain problems concerning workers compensation. About half a dozen doctors in Adelaide are known to issue certificates for what some people have suggested are other than justifiable reasons. On the other hand, it has been suggested that some medicos are tough on people who may be injured, merely because those medicos cannot see any apparent injury. There is a dilemma in this matter. Employers do not trust certain doctors and, on the other hand, unions have similar problems with other medicos.

If the Minister were to go to each organisation separately in the hope of getting a body of people that would work for the good of the total system, he could get a set of biased individuals in the system. As there is real concern about this matter, has the Minister developed a method for solving what could become a problem?

The Hon. FRANK BLEVINS: About all we can do is suck it and see, although I appreciate what the honourable member is saying. As a realist, I know that there may be truth in what he says, but I hope not. Medical review panels are extremely important and, if they do not work properly, severe problems will result. However, the system will be continually monitored by both employers and employees, because they will be represented on the board and will have a shared vested interest in seeing that the corporation and the new system of workers compensation function properly. If board members see that things are not working correctly, they may approach the Minister to see what can be done. I do not think that the Bill can be amended to ensure that what the honourable member fears will happen does not happen.

Clause passed.

Clauses 86 to 90 passed.

Clause 91—'Powers of review authority.'

Mr S.J. BAKER: I move:

Page 53, line 17—After 'any' insert 'relevant'.

Parliament should not provide powers that are not in keeping with the powers and functions of the corporation, so the Opposition is moving to restrict the operation of this provision by including the word 'relevant'.

The Hon. FRANK BLEVINS: I take the honourable member's point. However, I will oppose his amendment but undertake to have the Attorney-General consider it in another place. What the honourable member is proposing is reasonable, but I would prefer to have a second opinion from the Attorney-General.

Amendment negatived.

The Hon. FRANK BLEVINS: I move:

Page 53, line 28—After 'Panel' insert 'and approved by the Corporation'.

Section 91 (2) *(b)* for the purpose of this amendment is to ensure that, where a medical review panel refers a worker to a medical expert for further examination, that medical expert is approved by the corporation. The purpose of the amendment is to ensure that the system is kept non-adversarial by avoiding the use of medical experts with known biases. Having heard the member for Mitcham talk on a previous clause, I think he will appreciate the necessity for stipulating that the expert is approved by the corporation.

Amendment carried; clause as amended passed.

Clauses 92 and 93 passed.

Clause 94—'Statements of appeal rights, etc.'

The Hon. FRANK BLEVINS: I move:

Page 54, line 40—leave out '10' and insert '15'.

The time period within which a party may ask a review authority to put its reason in writing is to be extended from 10 business days to 15 business days, that is, the equivalent of three weeks, to enable workers (particularly country workers) more time to obtain advice as to whether or not to appeal. It was suggested to me that 10 business days was unduly restrictive, particularly for people living in the country, and could seriously prejudice their rights. That was the argument that won me.

Mr S.J. BAKER: I gently oppose this amendment. I would prefer that the Minister put in an additional rider of five days. We do not want the system to blow out to 15 days. The three week norm will now be there rather than the 10 day norm. I know that everyone wants these things sorted out as quickly as possible, otherwise it will become overloaded, with the employees not knowing where they are and the employers paying the bills. I prefer that it stays at 10 days and be extended to 15 days under particular circumstances.

Amendment carried; clause as amended passed.

Clause 95 passed.

Clause 96—'Application for review.'

Mr S.J. BAKER: I move:

Page 55, after line 14—Insert paragraph as follows:

(ca) a decision refusing registration or cancelling registration of an employer or groups of employers as an exempt employer or a group of exempt employers:.

This amendment gives a right of appeal. I could find nothing in the Act that said that employers could come back to the corporation and say that they believed a poor decision had been made. We ask that this paragraph be inserted to provide a normal right for anyone who has been refused something for which they had applied. The Bill then provides for almost any circumstance.

The Hon. FRANK BLEVINS: I oppose the amendment. To give a right of appeal would imply that exemption is a right. Exemption is not a right: it is purely a discretion of the corporation, as has been clearly stated in previous clauses and reinforced by the amendments I have moved. I have stated in this House the policy of the Government on exempt employers, and that is the way in which they will be dealt with generally, I strongly believe that the control the corporation has under the Bill so far should remain and, that is, the discretion is with the corporation after an examination of the particular employer claiming status as an exempt employer.

Amendment negatived; clause passed.

Clauses 97 and 98 passed.

Clause 99—'Decisions of Medical Review Panel.'

Mr S.J. BAKER: I move:

Page 56—

Line 35—Leave out 'Subject to this section,'.

Lines 37 to 39—Leave out subclause (2).

By reading the amendment the Minister will understand that there is distinct opposition from various groups on two grounds. There are too many steps in the system: first, the corporation, then the review officer, then the review panel and then the tribunal. We are creating a terrible bureaucracy in the process. There is a general consensus amongst employers—and they win or lose on the system, just like the employees—that the question should stop at the medical review panel. If it is a medical question, then the medical review panel should be the final place to determine that question. We do not believe that it should go any further. It is not competent for the tribunal with its composition to be able to pass judgment on medical questions.

The Minister will understand that because the composition of the tribunal is somewhat different from the composition of the medical review panel, which will be specifically set up to look at the complaint and type injury So, you can have medical specialists who will address a particular injury in that situation. The amendment is very simple. It does not advantage one or the other. Rather than having a four tiered system, we believe that there should be a three tiered system on these questions. Therefore, we formally move that amendment (and of course there is a consequential amendment).

The Hon. FRANK BLEVINS: I oppose the amendment. It is a question of judgment, I suppose, as to how far to go—

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: I agree with the interjection from the member for Mitcham. We want to cut down in costs, delays and bureaucracy, but not at the expense of the rights of workers. It is a matter of opinion as to how far you go. We believe that this clause is necessary in case some gross inequity is to be righted, and this gives another avenue of redress for a worker who feels that he has suffered some grave injustice. In reality, the number of cases appealed I believe will be very minor. The argument that has been put to me is that, if that is the case, we should not worry about putting it in. I found that fairly hard to argue against.

As a civil libertarian, I am pretty strong on appeals as a rule and, if some individuals' rights are being traduced, I think we should give them every opportunity to exercise their rights.

Amendment negatived; clause passed.

Clauses 100 to 107 passed.

Clause 108—'Payment of interim benefits.'

Mr S.J. BAKER: I move:

Page 58, lines 35 to 43—Leave out subclauses (2) and (3) and insert subclause as follows:

(2) Where on the final determination of a claim it appears that an amount to which the claimant was not entitled has been paid under this section, the corporation may recover that amount as a debt.

This is a fairly simple proposition. It does not say to the corporation, 'You shall in every case collect this money', but it does give it the right to, whereas subclause (3) as drafted is very restrictive. The Minister should remember that it is very difficult to determine misrepresentation or fraud in medical questions. The proof of whether or not it exists is quite often hard to find, as we have mentioned, but if, on the balance of probabilities, the corporation believes that this claim has been pursued without just cause, then it should have the right. That does not mean to say that there has been misrepresentation, because misrepresentation means that the person must be proved to have actively gone out to secure false benefits.

This revised clause gives the right to the corporation to recoup moneys. It provides a check and balance in the system, as the Minister would recognise because, as I mentioned earlier, it is in the best interests of a person who has not an injury to pursue that claim through the review stage and continue to receive benefits when they are not entitled to such benefits. If the amount is recoverable and misrepresentation does not have to be proved, then there is some check on the system. The corporation still has the discretion as to whether that amount should be recovered.

The Hon. FRANK BLEVINS: I oppose this amendment. I think that very few cases will occur anyway, because I cannot see the corporation giving out too much money on something that appears likely not to be a valid claim. If anybody thinks this corporation will be a fairy godmother, then they are in for a huge shock. The problem that I have with it is it would seriously disadvantage workers. We are not talking about fraud or misrepresentation—that is covered. If a worker quite genuinely was paid certain weekly payments and it was found that he was not entitled to those payments, it has been made quite clear to us by the Department of Social Security that social security benefits would not operate retrospectively. So, for that period the worker would have no sustenance whatsoever. Perhaps if the Department of Social Security said 'Yes, in those circumstances we will backdate social security benefits so that there is something for the worker and possibly the worker's family to live on,' I would have more sympathy for the amendment. However, on that advice from the Department of Social Security, I cannot support it.

Mr S.J. BAKER: I simply reiterate that it is in the best interests of everyone to pursue their workers compensation claim virtually to the point of the medical review panel. They will continue to receive benefits, irrespective of the merit or otherwise of the situation. For the corporation to prove misrepresentation or fraud is very difficult in certain circumstances. It is possible on the balance of probabilities to establish that somebody is trying to take the corporation for a ride, but it is not necessarily as easy to prove.

The Minister has inserted the 15 days clause for settlement of claims. They get three weeks full benefits plus whatever the employer may or may not have paid out. There must be some checks and balances in the system. You cannot keep paying out. If there are no checks and balances the system will be ripped off. Of course it is not we who will pay for it but the employers out there. I continue to make the point that the balance has been lost from this Bill in many ways because it confers a lot of benefits and rights in certain areas but does not balance them off with the checks that I believe are necessary for the system.

Amendment negatived; clause passed.

Clause 109 passed.

Clause 110—'Medical examinations at request of employer.'

Mr S.J. BAKER: I move:

Page 59, lines 13 and 14—Leave out subclause (3).

There should be rights for employers. It says 'may'. We have had the problem of 'may' and 'shall' before but the balance seems to be the other way when the Minister thinks fit.

The Hon. FRANK BLEVINS: I oppose the amendment. The proposition is perfectly reasonable and ought to remain in the Bill.

Amendment negatived; clause passed.

Clauses 111 to 114 passed.

Clause 115—'Disabilities that develop gradually.'

The Hon. FRANK BLEVINS: I move:

Page 60, line 39—Leave out 'the loss' and insert 'the whole of the loss of function'.

The amendment seeks to address noise induced hearing loss and will be inserted to conform to section 74 of the current Act. The existing section has worked well and it is believed that it will overcome problems that arise where workers are slow to detect that they have a hearing problem deeming their disability to have occurred at the date of the claim. In other words, the present provision in the Act is thought by the Government to be still the appropriate way of dealing with the problem. We appreciate and acknowledge that it is a second thought way of doing it, but that is what happens with the Workers Compensation Act: every time someone looks at it they have a different idea on how it ought to be written.

Mr S.J. BAKER: We found the existing clause quite satisfactory. Hearing loss has been a subject of some contention over the years as to whether one suffered hearing loss from having SAFM turned up at over 100 decibels or as a result of noise at work being at extreme levels. That debate will go on until the end of time because no-one is in a position to quantify the extent to which each of those environmental effects affects the hearing of a person. We have grave reservations about hearing loss and the way in which it has been treated.

From memory, about two years ago amendments were made in the hearing loss area. We opposed that direction and it seems that that area will move with various governments, because we do not believe that an employer should have to pay the bills for something that is incurred outside the employment environment. We do not like the existing legislation and do not happen to like the Bill in this regard. We have less faith in the amendment than in the original clause and therefore oppose it.

Amendment carried; clause as amended passed.

Clause 116—'Certain payments not to affect benefits under this Act.'

Mr S.J. BAKER: I move:

Page 61, line 33—Leave out paragraph (b).

This is the simplest way of treating the situation. We obviously have an interest in the double dipping situation where a person has a motor vehicle accident and can avail themselves of third party insurance. We have been through

the debate on this subject. I do not need to say much more. Of course, home accident insurance payments are also covered under this clause, and I am not sure what relevance they may have to the problem. If one has an accident at home one would not be due for workers compensation. The simplest method was to take out this clause.

I asked the Parliamentary Librarian to dig around to see what figures were available on retirement profiles. Because we are talking of *ex gratia* payments within the same clause, I hope that the Minister will bear with me. I said earlier in the debate, when talking about using the social security criteria as the maximum age at which one could receive average weekly earnings from the pension scheme or some proportion thereof, that the retirement age had reduced substantially from 64 to 59 years.

I have some information for the Minister which I trust he will take into account when he moves the Bill into the Upper House. This Bill is a severe impost on employers which they should not have to meet. My information is not as full as I would like, but certainly it can be substantiated to the degree necessary. It states:

ABS has conducted only two surveys on what age people retired—in May 1980 and September 1983. No average age of retirement is described. Nevertheless, a comparison of the figures at the two dates indicates that the median age at retirement has fallen from 60-64 to 55-59 in that three year period.

That is absolutely enormous! It continues:

The figures must be treated with caution, however: retirement decisions of females are often different from males. Further, service pensions are available at age 60—

and that is not addressed here—

and the payment of pensions to the generation of men who served in World War II could impact on the figures over the period surveyed.

If we take those things into account and understand the vagaries of the recording system that ABS uses, we can still say that there has been a minimum of about four years decrease in the average retiring age back to the mid to late 50s over the last three years.

The Minister told the Committee earlier today that everyone he knows retired at 65 years of age so the Bill should prescribe 65 years. That would involve an enormous cost, taking the figures at face value and given a very conservative average retirement age of 58 years. For seven years the employers will be footing the bill for those who are totally or partially incapacitated. That is an enormous impost. Most of the injuries will have occurred when the workers were in their early to mid 40s. We are talking about a loading of about one-third on the system because of the Minister's determination.

Will the Minister consider the matter or ask one of his officers to undertake further research before the Bill goes to the Upper House, because even he could not sustain the argument that employers should be responsible for something for which they would not normally be responsible in the normal employment situation. The Minister cannot say that the employers should pay for something for which they would not normally have to pay in the normal conduct of business. On average, workers retire from the system from age 55 to 60 years: they do not all retire when they are 65 years old. I hope that the Minister will give that undertaking.

The Hon. FRANK BLEVINS: I oppose the amendment. We have been through this debate once, and I certainly do not I intend to traverse the entire debate again. Injured workers should not contribute to their own workers compensation. It is absolutely outrageous that a worker who has taken out an accident insurance policy and has paid the premiums has his workers compensation reduced. I do not know what guarantees the member for Mitchell wants in regard to the figures he cited. I am certainly not in the business of giving guarantees to the honourable member, but I will look at the figures. When we have to strike some kind of figure in legislation and when we are talking about a retirement age, I believe that the Department of Social Security retirement age is as fair as we can get to everyone in a broad brush approach.

Amendment negatived; clause passed.

Clause 117 to 121 passed.

Clause 122—'Fraud.'

Mr S.J. BAKER: Before the Bill is debated in the other place, I hope that the Minister will consider inserting the words 'attempting', 'aiding' or 'abetting' a fraud. I understand that under the Justices Act there is an interpretation that includes those references, and that there is a similar provision under the principal Act. On occasion we must remind people that there is an offence. It is not an offence merely to have benefited from the scheme. One of the problems with our legislation is that it takes a lawyer to interpret it. If we could signal that aiding and abetting or even attempting to do that was an offence, it would be better than referring to only primary offences in the Bill.

Clause passed.

Clauses 123 to 125 passed.

New clause 125a—'Independent review of review officers.'

Mr S.J. BAKER: I move:

Page 64, after line 4—Insert new clause as follows:

125a (1) The Minister shall, at the expiration of one year from the commencement of Part VI, cause a review to be carried out on the effectiveness of review officers under this Act.

(2) The person appointed to carry out a review under this section—

(a) must be an independent person appointed after consultation with the United Trades and Labor Council and associations that represent the interests of employers: and

(b) must deliver to the Minister a report on the outcome of the review within four months of being appointed.

(3) The Minister shall, as soon as practicable after the receipt of the report delivered under subsection (2), cause a copy of the report to be laid before each House of Parliament.

(4) In this section—

'independent person' means any person other than—

(a) a member of the board;

(b) an officer of the corporation; or

(c) an officer or employee of the Crown or an instrumentality or agency of the Crown.

I referred previously to the dilemma that would be faced by review officers. No doubt the corporation will investigate a number of its operations, particularly how it finances its operations. Because the system can become clogged so quickly with short-term measures being implemented to overcome that situation, without really coming to grips with the initial problem, I suggest that this should be part of a special review. I am sure that the Minister, in keeping with everything else he has done in this debate, will not accept that. If in his wisdom he believes that that should be done, perhaps after the Bill has passed, such an area could be inserted in the terms of reference.

Because of the setting up of the corporation, the complexities of transferring to a completely different system and the changeover of staff, computer systems and everything associated with a new system and regulations, some of the ingredients of the system could roll along and create huge impediments without anyone thinking of a way to do things better. I would like to think that the review officer system will work. At the end of the first year it is incumbent on the corporation to call for a review of its review officers to ascertain whether the system is working effectively and, if it is not, to change the system before it becomes embedded and we start to make Mickey Mouse changes at the fringe.

The Hon. FRANK BLEVINS: I oppose the new clause. One of the functions of the corporation, under clause 14 (1) *(e)*, is to keep under review the effect on disabled workers

of State laws, including this legislation, and to make, where appropriate, recommendations to the Minister regarding the reform of those laws. There is no point in our singling out one group of employees or certain functions of the corporation. In fact, there is an obligation on the corporation to review this legislation. If it finds that the Act is not working as it should, then there is an obligation that it inform the Minister and the Minister can deal with it as the Government wishes. I believe that is the proper way to handle this question.

New clause negatived.

Remaining clauses (126 and 127) and first schedule passed.

Second schedule.

The Hon. FRANK BLEVINS: I move:

Page 66—before the item—

Ankylostomiasis . . . . . Mining

insert the item—

Aggravation, acceleration, exacerbation, deterioration or recurrent of any pre-existing coronary heart disease . . .Any work involving physical or mental stress.

Pursuant to section 31, the onus of proof is reversed and it rests on the employer to show that work did not contribute to the aggravation, acceleration, exacerbation, deterioration or recurrence of any pre-existing heart condition. Section 9 (4a) of the current Act contains a similar provision and this insertion corrects a drafting oversight.

Mr INGERSON: How does the Minister see a reference point from which to begin to establish any deterioration in coronary problems or, for that matter, any problems related to heart disease, because it seems to me that plenty of evidence is available which shows that there is very little direct correlation between stress and coronary heart disease. The medical profession would argue very strongly that there is no evidence to link the two. How will the Minister set basic guidelines, because one needs to start somewhere? Someone has either a damaged heart, or some level of deterioration at that first point: what are the guidelines for that?

The Hon. FRANK BLEVINS: I cannot give the honourable member the guidelines off the top of my head. This provision is contained in the present Act so, if it is any consolation, whatever is the accepted procedure, the criteria in the present Act will not change.

Mr INGERSON: It is my understanding that there was some questioning of this addition to the schedule by the medical profession. It seems quite staggering that it is included in what seems to be a very difficult situation to monitor. I find it almost impossible to understand how one can get any guidelines whatsoever.

The Hon. FRANK BLEVINS: All I can say is that, whatever guidelines are laid down now, I am sure they will continue to use, because it is a lift from the present Act. I am sure that the medical profession, and everybody else who has anything to do with assessing this, has some well-oiled machinery that grinds into operation. I must admit that I am not quite sure how it works. I have not made any kind of study in relation to what doctors do but, whatever it is, they will continue to do it in the future when this Bill becomes an Act, because it has not changed.

Amendment carried; second schedule as amended passed.

Third schedule and title passed.

The Hon. FRANK BLEVINS (Minister of Labour): I move:

That this Bill be now read a third time.

Mr S.G. EVANS (Davenport): I state categorically that I oppose the Bill as it has come out of Committee. The Government has been quite dogmatic in not accepting any amendments. Many people in the community, especially those in business and in the medical profession, are concerned that the State will not be able to carry a debt which is likely to be built up. We were not able to obtain a costing. This House was not allowed to wait until the Auditor-General brought down a report to tell us what the likely effect will be in the cost area if the corporation is set up. It has set up one body to take control of the whole area, with the rest of the insurance industry pushed aside, which eliminates competition. I do not support the Bill in its present form and I oppose the third reading.

Mr S.J. BAKER (Mitcham): I must express my disgust at the way this Bill has come out of Committee. It has not been changed in any way from the proposition that was brought before this House. I must also express my disgust at the way in which the proceedings were handled, in which the Minister failed to acquaint himself with the provisions contained in the Bill, and in which he failed to accept that he had a responsibility to this Parliament. His responsibility was to provide sufficient information to the Parliament to allay fears in the community and to give the Parliament sufficient basis upon which debate could take place in another place.

We know that the Bill is complex. We have spent a great deal of time on this Bill, but do not believe that we have spent more time on it than was necessary. Indeed, if the Minister was completely honest, he would have found that the contributions during the second reading and Committee stage of the Bill contained items which were not repetitive but which covered ground that had to be canvassed. Indeed, the only time that we covered the same ground was when the Minister failed to respond to questions asked of him.

The questions about costings were not answered. The Minister showed an abysmal lack of knowledge about the scheme on which he is about to embark. Opposition members referred to rehabilitation, as did the Minister, but, on the three of the 127 clauses of the Bill that deal with rehabilitation, the Minister again failed to show any perspective of what he intended to happen in that area.

The Opposition has moved many amendments, all of which were designed to improve the operation of the legislation, but not even one of those amendments has been accepted. By the time this Bill is passed, we will have had 20 divisions at the various stages. Since becoming a member over three years ago and having had the opportunity to be involved in debates in this place, I have always been given the courtesy of having my amendments considered and, if any were thought to have had merit, they have been accepted by the Minister in charge of the Bill.

The Hon. Frank Blevins: They had no merit on this occasion.

Mr S.J. BAKER: Many people out there believe that they had merit. Indeed, my amendments reflected many of the concerns expressed to the Minister by employers. As I have not received a submission from the United Trades and Labor Council, I do not know whether my amendments reflected the concerns of that body. Many members, including me, have received submissions, but none of those submissions has been responded to by the Minister. He has said that he could not deal with them in the time available but, by saying that, he has obviously not considered any because, when any of them were referred to, he showed a lack of knowledge. The Minister has shown complete incompetence in his handling of the Bill. For the first time in history, Standing Orders were broken and a member had to be removed.

The SPEAKER: Order! The honourable member will resume his seat. His remark about Standing Orders being

broken would appear to me to be a reflection on the Chair and I ask that it be withdrawn.

Mr S.J. BAKER: I withdraw. One of our members was removed from this place during the passage of the Bill. Let us be clear: the Opposition has moved its amendments and debated the Bill in an attempt to achieve a workable scheme. Despite the reservations of members on this side about the setting up of the corporation, we debated the Bill on its merits. We did not seek to exclude every clause that dealt with the corporation. We tried to improve the rehabilitation clauses so as to make them more workable, and we did the same regarding many other clauses the drafting of which we believed was not sufficiently adequate to express the intentions of the Minister. Throughout the past three days and sleepless nights—

Mr Rann interjecting:

The SPEAKER: Order! Interjections are out of order.

Mr S.J. BAKER: I am not allowed to refer to the interjection from the member for Briggs. However, I point out that he collected data on workers compensation schemes operating throughout the rest of the world. Surely, he could have sat down with the Minister, explained that data to him, and pointed out that the scheme coming before us was too costly and could not be afforded by the South Australian community or employers. Either he did not do that or, if he did, perhaps our union friends must have the final say.

The SPEAKER: Order! Strictly speaking, third reading speeches should deal only with the content of the Bill as it emerges from Committee and should not stray into ancillary areas. In view of the trying circumstances, I have been fairly tolerant with the honourable member, but he should try to stay within Standing Orders.

Mr S.J. BAKER: Thank you, Sir. I was commenting on a member who had much expertise in this area, expertise that did not seem to have been transferred into the Bill before us. I do not wish to berate the Minister any more. However, he stands condemmed, because over the past 24 hours he has spent much of the time of this House on long, nebulous and completely non-persuasive arguments. Even with the assistance of an adviser, he did not answer the basic arguments on how the legislation was meant to operate. That is a disgrace. I believe that the Liberal Opposition has tried in all honesty to achieve something that would operate in South Australia.

Adequate provision should have been made for rehabilitation, but there is not. Further, the Bill contains no adequate appeal provisions that would put employers and employees on an equal footing. Before the Bill was introduced no proper costings were given to members so that we would have information which, at the end of the day, would be fundamental. After all, costs will either make or break the proposed scheme and, at the end of the day, dollars and cents will determine whether jobs are lost in South Australia and whether we become non-competitive with our counterparts in other States and elsewhere.

Over the past three years, I have spent much time talking about economic impact, and I believe that the economic impact of this Bill is horrific. The proposed scheme will be far more expensive than any other such scheme in Australia, and the failure of the Minister to provide details of costings can only be condemmed. I trust that, when the Bill comes before the Upper House, it will be properly addressed and that the Attorney-General or whoever is handling it there will receive a proper briefing so that the questions on costings that could not be answered in this House will be answered there. More important, I trust that the Minister will instruct that the passage of the Bill be delayed until the Auditor-General has produced his report, because the questions on costings are fundamental and must be answered and the Auditor-General is the only person who can answer them.

At the beginning of this speech, I said that I was disgusted with the way in which the Bill had proceeded through this House. I hope that next time an important piece of legislation is introduced there will be proper consultation, that that consultation will not be removed at a critical point, that due heed will be paid to the processes of Parliament and that a Minister will be able to give the House necessary information so that members may judge the legislation on its merits and not be put through the farce through which we have been put over the past few days.

Mr OLSEN (Leader of the Opposition): As the Bill comes out of Committee, the Opposition believes that it is unacceptable. This situation is not the result of the efforts of the member for Mitcham, who is to be commended for the way in which he has been able to grasp the complexities of the Bill and present to this House detailed questioning on its provisions, as well as calling the Government to account on this important legislation. This Bill is important because of its impact not only on the work force of South Australia but also on the economy of this State, not only as regards the maintenance of jobs in small businesses but also as regards the creation of jobs for future South Australians.

I believe that the member for Mitcham's grasp of this complex legislation and the way in which he presented the arguments in a very succinct, responsible and reasoned way reflect credit on his performance on this the first occasion that he has made such a major contribution to the passage of a Bill through the Parliament. Members need to recognise that this Bill will undergo Parliamentary scrutiny in another place. The questions that have been asked here and the response of the Minister will enable the Parliament to read the *Hansard* pulls between now and when the Bill is considered in another place and to determine the Government's response to the comments on the respective clauses of the legislation.

In his second reading explanation the Minister said that the costs were all important with this legislation: the object of the Government, unions, employers, Opposition and all parties was to reduce costs. That being the case it seems totally inconsistent and reprehensible that the Government is prepared to proceed with this legislation without having its costings put up to scrutiny by Parliament's independent accounting umpire, the Auditor-General. That indicates that the Government has a singular lack of faith and confidence in the costings contained in the legislation, and that will have a serious economic impact on small and big business alike in South Australia as well as a serious impact on job opportunities.

If there is any objective that each and every member of this Parliament should be striving for, it is job opportunities for South Australians now and in the future. I would like to think that all members of this Parliament, no matter where they sit, would at least attempt to have that as an objective regarding any legislation they consider.

Many questions have been unanswered by the Minister. It was appropriate that the responsible Minister in this House—and let us not forget that the Minister of Labour in this House is the Minister responsible for the passage of the legislation—should be questioned on aspects of the Bill during the Committee stage. I trust that the Minister will make arrangements to obtain answers to the questions we posed on specific clauses as we went through the Bill, and I hope that those answers will come between now and the passage of this legislation in another place.

One should recognise the political reality of the numbers. We have seen the Government exercise and flex its muscles here during the past 24 hours. The arrogance of the numbers

game has certainly been played in this House during the past 24 to 36 hours. However, that does not apply in another place. If the Government wants this legislation passed in another place, it is in its interests to placate the genuine and sincere fears about certain clauses in the legislation, not only for the Opposition's benefit but also that of the Australian Democrats. I trust that the Government will meet that challenge prior to the passage of the legislation in another place.

In summary, the Minister acknowledged earlier today—and I was pleased that he did—that many contributions from the Opposition side had been excellent, that they had been succinct and had raised a number of matters that hit the nail on the head, so to speak, relating to workers compensation problems generally in the South Australian community. I think that that supports the comments I have just made that the member for Mitcham's work and contribution to this debate are to be commended.

The Hon. FRANK BLEVINS (Minister of Labour): I certainly will not take up the time of the House waffling as the Leader and the member for Mitcham did. At least whilst the member for Davenport did not say anything, he managed to say it very briefly, for which we can be thankful. The contribution to the third reading debate by the member for Mitcham was typical of his contribution to the second reading: it was long winded, abusive, and in my opinion very defensive.

As the Leader of the Opposition said, I have congratulated some members opposite during the debates on this Bill, in both the second reading and Committee stages, and I am quite happy to name the members concerned. I think the member for Bragg made several excellent contributions, as did also the member for Hanson and the member for Davenport. I did not agree with all of their remarks necessarily, but they did make useful and well researched contributions. Those members were quite prepared to debate what they had to say in a sensible manner, and I appreciate what they did.

However, I cannot say the same for the contribution of the member for Mitcham—nor, indeed, for that of the Leader of the Opposition. Indeed, I could not say that the Leader's contribution added anything at all to the debate: it added no lustre whatsoever. I will not be unkind and point out why, but I think the media has been correct in its comments on this Bill. The Opposition is like a wounded animal, and it has just gone through a pretty torrid time. It was decimated at the polls, when the electorate gave it the biggest hiding that we have seen—certainly in modern times.

The SPEAKER: I remind the Minister, as I have reminded other participants in this debate, that he should refer to the Bill only as it has emerged from Committee and not dwell on extraneous matters.

The Hon. FRANK BLEVINS: I thank you, Mr Speaker, for your ruling. I was merely responding to comments that the Leader of the Opposition was permitted to make. I can understand how Opposition members feel, but that does not excuse them for the way they behaved regarding this Bill.

I think the Opposition managed to round up 18 speakers at the second reading stage, and most of them said absolutely nothing. I think the member for Mitcham had a very good half hour speech in the second reading debate but, due to inexperience, was conned into beefing it out to three hours. That was a great mistake, and I do not know whether he will learn from it—that is up to him. However, as we debate the third reading, I express my belief that this is an excellent Bill. It has been amended in Committee by the Government to improve it even further, and it will provide for workers in industry in this State a system of workers compensation that has been sorely needed.

I have said on several occasions that the community has been unable to resolve the issue of workers compensation. My guess is, after being involved in the public debate for several months, that the community will never be able to resolve the issue of workers compensation: it will have to be Parliament that resolves it. The Government's intention is quite clear—it went to an election with a policy on this workers compensation scheme.

The changes we have made were flagged to the employers, who were given a copy of the legislation before the election. I would have thought and I hope that, when this goes to the other place, somebody will have the decency to say, 'We have just gone through an election. The Government has been given a mandate like no Government has been given in this State before.'

Members interjecting:

The Hon. FRANK BLEVINS: It would be very easy and very responsible for the Parliament to say that the Government won the election by a massive majority, that people in this State made a very clear decision that they wanted the Labor Party to govern and they wanted it in a very big way, and Parliament should concede that mandate to the Government.

If this Bill is not passed in this or a similar form in the other States it will be a tragedy for industry in South Australia, because at the moment workers compensation in this State is not delivering to workers. I understand that it is more expensive than in any other State in Australia. It has to be altered in the interests of industry. If it is not altered, the people whom members opposite purport to represent will pay higher and higher premiums. The insurance companies that paid this Opposition to fight this campaign will screw industry in this State like it has never been screwed before. That was going to occur, so in the interests of the State I commend the third reading of this Bill to the House.

Mr S.G. EVANS: I rise on a point of order. It is improper for the Minister to accuse the Opposition of having been paid by the insurance industry. I am a part of it, and I have received no funds from the insurance industry at any time. I received a sum from one of the trade unions, but it is improper in this sort of debate, when the Minister is replying at the third reading stage, to use that sort of attack.

The SPEAKER: The Chair did not hear the remarks referred to, but it is clear from the remarks of the member for Davenport that there is no point of order, because he implied that remarks were directed at members of the Opposition in general, and the member for Davenport was not referred to specifically.

Mr S.G. EVANS: My point of order related to the fact that I believe that in the third reading debate it is not proper for the Minister to talk in that vein. He has to talk in relation to the Bill as it came out of Committee. That I believe is the usual practice.

The SPEAKER: Originally I understood that the member for Davenport rose on a point of order in the sense that he was aggrieved at remarks which had been made and which he believed were directed at him, as part of the Opposition. I understand now that that point of order refers to something else, which is the Standing Orders requirement that members addressing themselves to the third reading of the Bill should strictly address themselves to the condition of the Bill as it emerges from Committee, and not introduce extraneous material. I have been lenient in that regard in view of the circumstances and the lengthy sitting of the House, but I must uphold the point of order in that the Minister, as have other members, did introduce some extraneous material into his remarks.

The House divided on the third reading:

Ayes (26)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), Crafter, De Laine, Dui-

gan, M.J. Evans, and Ferguson, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Rann, Robertson, and Tyler.

Noes (15)—Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Meier, Olsen, Oswald, and Wotton.

Pairs—Ayes—Messrs Plunkett and Slater. Noes—Mrs Adamson and Mr Chapman.

Majority of 11 for the Ayes.

Third reading thus carried.

SUPPLY BILL (No. 1)

Adjourned debate on second reading.

(Continued from 13 February. Page 159.)

Mr OLSEN (Leader of the Opposition): When the Supply Bill (No. 1) was before the House in 1985, I asked why it was being brought on so early, why it was necessary in March to consider Supply for the early months of the following financial year and why the Bill could not wait until the April or May sittings of Parliament. This year, all these questions are even more valid, because this Bill is being brought in even earlier. Not since 1979 has this form of Supply Bill been introduced so early.

The Government does this simply to suit its purpose of sitting this Parliament for only four weeks in the first seven months of this year. This Government has demonstrated quickly that it will indulge in the arrogance of numbers. It will ride roughshod over the rights and responsibilities of this Parliament.

Indeed, the Government voted to suspend a member of this House who was seeking to exercise his democratic rights so that a stranger, no less a public servant, could take a place instead on the floor of this House. Then, the Deputy Premier, the so-called Leader of this House, went home at half past nine to leave the Minister of Labour to continue rambling on over a vital piece of legislation.

The Hon. D.J. Hopgood: It was 9.50 p.m.

Mr OLSEN: I am sorry, the Deputy Premier went home at 9.50 p.m. It is testimony to the hypocrisy as well as the arrogance of this Government that at the beginning of a sitting which went on to last all night the Deputy Premier made a statement about the need for action to prevent all-night sittings. The Deputy Premier announced yesterday a notice of motion to restrict all-night sittings. A few hours later he went home and the Parliament had to sit all night.

The SPEAKER: Order! The Leader will resume his seat. The content of his speech should deal with the Supply Bill. The matters with which he is dealing would be more appropriately dealt with in the grievance debate associated with this Supply Bill.

Mr OLSEN: I was merely stating that the Government's action with the passage of the workers compensation legislation through this Parliament, and now the Supply Bill—which the Government has indicated it wants passed through this House tonight—shows that the events of the last 24 hours may have involved an attempt to manipulate this week's sittings to prove a case for the sort of reforms that it wants. If that was the objective, it failed, because the record will speak for itself. It will show that the Opposition did not filibuster or delay.

The protracted nature of the workers compensation debate was due solely to the Minister's inability to understand the Bill and the Government's determination to force through a vital Bill which has many weaknesses. I have observed already that the timinng of this Supply Bill does not allow the Parliament to adequately scrutinise the progress of this year's budget and its implications for 1986-87. And the need for Parliament to be able to hold the Government to account for its financial policies has been demonstrated yet again by the latest figures on the impact of revenue raising on the consumer price index.

First, I seek leave to have inserted in *Hansard* a table which is of a purely statistical nature and which gives a comparison between Adelaide and the national average of movements in selected State and local government charges and in the all groups index. The period covered in the two years, calendar 1983 to calendar 1985.

Leave granted.

Movements in Selected State and Local Governemnt Charges and in the All Groups Index Excluding Selected State and Local Government Charges (1980-81 = 100)

	Adelaide All groups excluding State and Local Government Charges		Selected State and Local Government Charges	
	Quarters	Annual Average	Quarters	Annual Average
1983				
March	123.2		155.8	
June	126.7		156.3	
September	128.2		162.0	
December	130.5	127.2	171.4	161.4
1985				
March	136.6		184.0	
June	140.2		185.4	
September	143.5		185.4	
December	146.6	141.7	188.1	185.7
Percentage Change 1983-85		+11.4%		+15.1%

	Nationally (Weighted Average of 8 Capital Cities) All Groups Excluding State and Local Government Charges		Selected State and Local Government Charges	
	Quarters	Annual Average	Quarters	Annual Average
1983				
March	122.7		153.6	
June	125.4		155.9	
September	127.3		159.9	
December	130.1	126.4	167.5	159.2
1985				
March	135.6		169.2	
June	139.0		171.2	
September	142.1		174.5	
December	145.0	140.4	177.7	173.2
Percentage Change 1983-85		+11.1%		+8.8%

Source: ABS Cat. 6401.0 Consumer Price Index

Mr OLSEN: The table shows that, measured on an annual average basis, the Adelaide all groups index, excluding State and local government charges, increased by 11.4 per cent over the two years—just slightly above the national average for all capitals of 11.1 per cent. However, and this is the interesting component, over the same period the Adelaide index for State and local government charges increased 15 per cent—almost twice the national average of 8.8 per cent.

That is a direct response of Government action relating to taxes and charges. That is the record of this Government's revenue raising measures. It is a record which means that for five consecutive quarters Adelaide's CPI has been above the national average. Adelaide's reputation as a low cost city in which to live has been well and truly eroded by this Government. Now that the election is out of the way, no

doubt there is more on the way, such as increased third party motor vehicle insurance premiums.

We are experiencing the conditioning process of that now. There will also be higher bus and train fares, housing trust rents, and water rates. There is little doubt that they are all now in the pipeline, because this Government lives by only one creed: more spending to fund bigger government.

The Premier let what might be described as the cat out of the bag when just three days before the election he was asked about his ability to hold down taxes in the life of this Government. He replied, 'I'm not making an unequivocal commitment. I'm not falling into that trap again.' This says a great deal about the Premier's credibility. It's an admission that he deceived the public in 1982. It is also a sure sign that this Government will again increase taxes.

It has no choice, because Labour made a series of costly promises during the election campaign without giving any commitment at all to expenditure reduction. The promises made by the Premier and his Ministers between August and the election added up to well over $250 million in new additional spending over the term of this Government.

If all these promises are to be honoured, they mean that this Government will have no alternative but to increase taxes by the equivalent of $10.50 a week for the average family. And today, the newspaper headlines around the nation signal even more pressure on State Government finances. The Prime Minister has put the States on notice that they will have to pick up the burden for the failure of Canberra's economic and financial management.

The elections are out of the way in the States so Canberra can now get down to the real task of squeezing the States. It would not indicate that to the States in monetary terms prior to the election campaigns. However, a couple of weeks later we now see coming to the fore the attitude from Canberra. Also, the Prime Minister's warning that funding for the States is under review, and that has serious implications for South Australia.

The Hon. E.R. Goldsworthy: One way or another he will break his word. There's nothing surer than that.

Mr OLSEN: The trilogy is certainly to go. This Government's program is based on the Commonwealth meeting its commitment in full to the States. There is no room for manoeuvre.

If the Prime Minister follows through his threat to cut funding to the States, South Australian taxpayers will have no alternative but to pick up the shortfall. That is because both the Federal and State Labor Governments are committed to higher and higher levels of Government spending. This is keeping pressure on interest rates. It means that the full benefit of falling world oil prices may not be passed on to motorists. And now there is the distinct possibility of higher levels of State taxation to cover shortfalls in promised Commonwealth funding.

Clearly, the time has been reached for a review of big spending Government policies and for a review of Canberra's economic policies and direction. There would not be a member in this House who would not be well aware of the economic impact of Canberra's policies on the average family in terms of mortgage repayments alone.

This is something that the State Bank has commented on in the past 24 hours. I hope that the Premier will carefully read the bank's latest economic survey. It calls upon the Federal Government to take some tough economic decisions. It observes that a slow-down in economic activity is becoming evident because of record high interest rates in both nominal and real terms. It has put forward a range of initiatives to reduce interest rates and inflation.

If we are to protect jobs in small business—whether the manufacturing or the farming community, in the city or the rural sector—and look at the average family attempting to buy a home, clearly we must understand and support any intiatives to reduce interests rates and inflation, because not only do they affect the hip pocket of those individuals but also the protection of job opportunities in the business community and the creation of extra jobs to reduce the unacceptably high level of unemployment in this State, particularly amongst young people.

The Hon. B.C. Eastick: In the business community right across the State.

Mr OLSEN: Yes, whether it is metroplitan or country based. It is interesting to note that on 6 September last year the Premier was also calling for the Federal Government to review its economic policies because interest rates were getting to the stage where they were threatening economic recovery. That was six months ago, and since then the Premier has approved two increases in building society interest rates totalling 2.25 per cent while many other borrowers of housing and consumer finance also have been faced with much higher loan repayments.

The Federal Government has ignored the Premier's call to take action to ease pressure on interest rates. The Premier should renew that call now in support of some of the things the State Bank is saying before South Australian home buyers and taxpayers are left to pick up even more of the tab for Canberra's economic and financial failures.

Labor's 'trust me' campaigns waged in various recent Federal and State elections were mischievious and misleading. The myths are beginning to explode as the economy falters. It will not be long before the new Government members particularly in the marginal seats in this House start to become nervous as promises are broken.

The public already is becoming aware that the Government elected in December was very different from the Government now treating this Parliament with so much contempt (particularly in relation to the proceedings and Standing Orders) in such cases as builders fighting the BLF without this Government's support; businesses struggling with workers compensation premiums, sold out by this Government; and motorists soon to be hit by massive hikes in third party insurance premiums because of this Government's lack of management. These are just the start, the first examples of expectations raised before the election not being fulfilled. With failures like this within weeks of re-election, it is little wonder this Government is running away from its duty to account to this Parliament.

The Government is prepared to allow this Parliament to sit for only four weeks in the first seven calendar months of the year while at the same time requiring members of Parliament to sit all night. Why on earth did not the Government add an extra one or two weeks to the sittings? Why are we not coming back in April or May rather than having to sit through very heavy sessions considering very important legislation? It is because the Government does not want the Parliament to sit, and for that reason it has scheduled a sitting of four weeks in seven months. That is an indictment on the Government and an indication of the arrogance and contempt of the Government for the proceedings of the Parliament.

Bill read a second time.

The Hon. D.J. HOPGOOD (Deputy Premier): I move:

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole for consideration of the Bill.

Mr S.G. EVANS (Davenport): I take this opportunity to grieve. I point out that I am not the lead speaker. I am grateful that, because of a commitment that I have at about 8 p.m., the Opposition Whip and the next speaker have given me this opportunity to make my speech before I leave. The first matter that I wish to deal with is a grievance, and the second is a plea. The first short matter that I deal with

follows from a recent comment of Mr Olsen in relation to the sittings of the House. The election was held on 7 December. After this short sitting, it is not intended that Parliament will come back until August. The number of hours that we would sit in four weeks, if we sat normal times until 10.30, would be about 28 hours. However, in the period of time that is available to us we could sit for 2 000 hours without sitting before 2 p.m. or sitting after 10.30 two nights of the week or after 6 p.m. on Thursday nights. It is a farce and a joke to say that we elected members of Parliament who are paid reasonable salaries cannot be brought together to decide matters that relate to the State and to debate issues and front up to issues that may arise in the community and that we cannot sit more than four weeks in eight months.

It does not bring us any credibility as a group of parliamentarians, and, in particular, it brings the Government no credibility. If we want the public impression of our image to improve, we need to look at it. Let us ignore ourselves because except for the Ministers and the Opposition spokesmen the rest of us can sneak off to a corner or sleep on a lounge. But what about the staff? How can a Government that says it considers the workers and the working class set about in the first sittings in the first month of a new Parliament and make people work these sitting hours? I do not deny that I once belonged to a government for a short time that did similar things—but not in the first weeks of a sitting; it always happened at the end. It is now common practice, if there is an issue that is a bit embarrassing or a bit difficult, to belt it through and make people work all hours of the night and into the morning. The community laugh at us, and we deserve it.

There is no logical reason why we as members of Parliament cannot sit more than the few hours that we are going to sit in this four-week period. We could sit normal times. During late sittings we can gain some hours while some people carry the load during the night while the rest of us drift in and out and find a place to rest. I admit that I did that last night, and I have done it in the past. Those who carry the load do not have that opportunity to rest. If we are concerned about workers compensation, working conditions and safety, where are the principles? Have we (and I say that collectively) thrown them aside saying that it does not matter about the staff who work around us and serve us? This is the first few sitting weeks of a Parliament in which the Government won with a large majority in this House, but not in the other place. It was not a total vote by the people giving absolute power and absolute control for those in the system to abuse the system. Why do we not sit for more weeks? Perhaps some of us intend to travel overseas to look at other parts of the world.

Pairs have been arranged in the past. Even though there have been threats to do so, if pairs are agreed to, I have never known them to have been broken. On the occasions I can recall that were most significant, two of them were from this side and one was from the other side. I think that is an accurate record of my 18 years in this place. I make a plea to the Government that we sit for additional weeks. Why do we sit until midnight tonight when we do not have to? People in this Parliament, more particularly the staff, quite often do not know until that day that the sitting will go to midnight, or even 4, 5, 6, or 7 a.m. Staff have family, just as members do, and they have to ring at 4 or 5 o'clock and say, 'Sorry, it will be an all night sitting.'

The answer from the Government would be: let the Opposition shut up. Let me make this point: members of the Labor Party have knowledge of a Bill that recently passed through this House and most probably they would have more knowledge in that area than I have. Even they, after some of the things that were said from this side, would have had itchy feet and would have wanted to contribute. They were denied that opportunity because the hours of the operation of the House were restricted because the Government wanted to pass the legislation by exhaustion, a practice which I admit has occurred in the past at the end of a sitting, but not at the beginning of a sitting.

Mr Peterson: By both Parties.

Mr S.G. EVANS: I admit that it has been a practice followed by both Parties. The Minister of Community Welfare, Dr Cornwall, recently made an announcement which was published in the media, particularly the *Advertiser* of 7 February 1986 which stated:

> A review panel to recomend reforms to South Australia's adoption laws has been appointed by the State Cabinet.

In that article Dr Cornwall stated that the review panel would be chaired by Dr Geoff Scott. In that article the Minister of Community Welfare referred to the adoptive parents or the natural mother, but at no time did he refer to the adopted child and their rights. The member for Bright at about the same time also made a statement on the same topic and said that adoption records for contacts needed to be set up. I give him credit that he made the point that both the adoptive parents and the adopted child should give their consent before any contact is made or any information is given from the records.

Will the Government look at appointing to that panel a person who is an adopted person? In reading a letter addressed to Dr Cornwall, members will know the point that I am making. This is not the only person who has contacted me, but the letter states:

> I am becoming increasingly worried about you and your board's attitude on relinquishing parents rights. Not once have I heard mention the rights and feelings of adopted children who may not want information about them divulged.
>
> I am twenty three years of age and was adopted into a more than wonderful home at the age of three weeks. My parents look upon me as their son as I look upon them as my parents and God help anyone who would dare to upset that harmony.
>
> Dr Cornwall, what gives you the right to decide whether my maternal mother has the privilege to find out about my past? I consider my past a very personal and private thing between my adopted parents and myself.
>
> Secondly, are any of your board an adopted child; if not, how can you hope to make the correct decision? As an adopted child I am making myself available to sit on your board so my view and the views of many other adopted children can be noted.
>
> I give you my word I will fight this issue tooth and nail until I feel the correct decision has been made. Until further discussion has been entered into I wish my name to be kept anonymous as my maternal mother deserves no clues as to my identity.
>
> In closing please note that if I wished to be contacted I would approach JIGSAW. May it be left my right to do so?

I give credit to the previous Minister. Back in 1985 the Hon. Mr Crafter made several mentions about changing adoption laws, and on every occasion he also referred to the adopted child's rights. I make the plea to the Government to think about the adopted child in the issue.

[Sitting suspended from 5.55 to 7.30 p.m.]

The Hon. B.C. EASTICK (Light): The traditional role of members of the House, hopefully from both sides, when debating Supply is to bring to the attention of the Ministry difficulties that are occurring within the framework of ministries and the bureaucracy, and those issues that are causing concern to constituents. I recognise that I am no orphan in some of the issues that I will raise this evening and that other members have the same sort of problems coming through their doors. However, I believe that it is necessary to place on record several problems which exist and which are causing increasing concern to a number of people in our community: regrettably, there seems to be no simple answer to these problems.

I give the example of a young couple, married for almost two years, living in a home in the inner northern suburbs

of Adelaide and enjoying life. The husband, fortunately, is in work and the wife is enjoying the opportunity to do some babysitting and caring for those who need assistance. They are minding their own business, paying their rent and having no difficulties, but suddenly find themselves having to move out of their house because of harassment.

The harassment came about in the following way: at 4 o'clock one morning in the not so distant past there was a loud banging on the door and a demand from two people outside that they be allowed to enter. They wanted to see Jimmy: the name of the person involved was not Jimmy. They demanded entry, caused much harassment and finally broke the door down. They demanded from the young couple, who were not physically large, that they be supplied with drugs. The young couple denied any knowledge of drugs, and in fact I am led to believe (and I have no reason to doubt their statements) that they had never been involved in the drug scene.

The two persons who were causing the harassment—and fortunately there was nothing personally physical about it at this juncture—were quite large. One was aged about 28 years and the other was 35 years of age. They indicated they had been advised that this was a call point where they could obtain drugs and that they would stay until they received drugs. They were invited, in a moment of desperation on the part of this young couple (who were fearful for their own safety), to look through the house. They then left the premises indicating that they would be back, that they were quite sure that this was in fact a call point for drugs, but because they had been unable to find any in their movements through the house, or in their intrusion into the wardrobe, the dresser and all of the nooks and crannies in the house, that they would be back.

The young couple reported the matter to the police, who attended. They gave a description of the persons and were able to indicate to the police the number of the motor vehicle in which these two people had arrived. Unfortunately, the police had to tell the young couple that, as they did not catch those persons at it, even though they had the number of the vehicle, they would make inquiries but doubted whether they could do anythig about it.

Over 3½ days those young people were harassed on no fewer than four occasions by the same people. Between being harassed at different times of the day, both when the husband was home and when the wife was there by herself, these people were parked in a vehicle in close proximity to the house. Again, when the police were called, they passed on the information that because these people were only sitting in a motor vehicle and were not causing any harassment in the sense of being inside the house, nothing could be done.

The young people, fearful for their lives because of the degree of harassment, thought that there was only one proposition available to them, and that was to leave the property. They could see no other way out. They had been to the police and were thankful for the assistance that they obtained. However, they did nothing to help them. They gave notice of vacating the property. The only possible place for them to go was to their respective parents. This happily married couple, because of the physical nature of the housing of their parents, went to live with their respective mothers. They are now living some 16 miles apart because it is only possible to put one extra person in each house.

This young couple applied to the Housing Trust believing that they might be able to gain early access to Trust accommodation. Obviously, that set of circumstances, and the fact that they withdrew from accommodation for which they were paying $65 a week—not a great amount but within their capacity—meant that this young couple found themselves as a divided couple; not divided in the sense of having lost favour one for the other, but divided in where they must physically live.

This is not an isolated case of the sorts of problems that are occurring for a number of young and old people. Similar statements have been made by older people who have suffered harassment at various times of the day and night—but mainly at night—with rattling and banging of doors and the forcible entry of their homes. In most cases that I recall, the people left almost immediately on finding a situation different from the one that they believed they were going to find. There are people in the community who, unfortunately, nominate other persons and addresses as being suppliers of drugs when they are not.

Unfortunately, the police can do nothing in the situation that I have described, even if there is identification of the person, because these persons have not been caught harassing others. The Government and Parliament has to look seriously at this problem in the community to ascertain whether or not there is a need to extend the powers available to the police—not to create a police State but to give practical assistance to people who are harassed in this way.

Mr Rann interjecting:

The Hon. B.C. EASTICK: Yes, and I give it my full support, as I give my full support to another program which is abroad in the community and which is increasing around the State—that is, the sheltered homes scheme currently conducted in the north-eastern suburbs and involving block parents. Young children are educated to accept that homes which exhibit a particular motif offer a degree of assistance for them.

There has previously been harassment, but the form of intrusion currently taking place is something for great community concern. The seriousness of the situation was brought home to me—and I do not want to dwell on the other aspects of this—very forcibly during the period leading up to the election when I was door knocking in a number of suburban districts—

Mr Ferguson: Down in Hanson?

The Hon. B.C. EASTICK: In Hanson and in other districts, yes, including the district of my friend the member for Florey.

Mr Gregory: Is that why we won?

The Hon. B.C. EASTICK: We will not go into that matter. I point out that in many homes security doors have been fitted, and many people, particularly older people, came to the door and were not prepared to open it until they had identified who was on the other side. There were aged people securely locked up in their homes in the middle of the day because they felt at risk. There is regrettably, in a country about which we pride ourselves, a great number of people fearful for their own safety and fearful for their property.

Mr Hamilton: Why?

The Hon. B.C. EASTICK: I do not know all the answers, other than to say that I believe that over a period of years, under Governments of different political persuasions, efforts have been made to hinder the police in some of their inquiries and activities. There is also the other problem of a very large increase in the number of crimes, and it is physically impossible for the number of police available to provide the form of protection that the community would want. It is an unfortunate state, a conundrum. Nobody wants to see an increase in the size of the Police Force which would indicate a fear of consequence, but in actual fact many people in our community are prisoners in their own homes or are at least concerned for their safety and the safety of their property in environments in which they ought to feel completely at ease.

Mr Rann interjecting:

The Hon. B.C. EASTICK: Yes, and the community policing under way at present will hopefully overcome a number of those difficulties. It is a system or scheme which has not been arrived at without some difficulty within the force itself. One only has to look at the morale situation in some areas of the Police Force, particularly following a reduction in the number of police using motor cycles. The officers concerned believe that that is where they were recruited and that is where they should stay.

If the community is to be protected in a practical way, resources must be reorganised. That was so forcibly brought home in a major briefing session that I attended earlier this week at police headquarters. It takes 12 months and $30 000 to put a policeman or woman on the beat, and there is a limitation on the total number that can be taken in during any one year. In the last 12 months from 5 000 applications and 1 000 interviews, the opportunity of training was given to 300. The costs associated with that 300 are quite high.

The lead time in being able to provide assistance for new initatives is 12 months. Thereby hangs another tale, but I do not want to go into that aspect now, other than to say that, as much as we pride ourselves on being a community better than many other communities throughout the world, I genuinely believe that certain elements are becoming increasingly known to members of Parliament and others, and I refer to individuals looking for assistance who are seeking to intrude on and cause problems for people who ought to be able to enjoy their own lifestyles.

Another area frequently mentioned in this House relates to matters directly associated with the Road Traffic Board and various aspects of road traffic management. My colleague the member for Eyre may even speak about this later this evening. Certainly, the member for Flinders knows much about the harassment of people with stock crates. People using a regulation vehicle have been effectively stopped from carting livestock, involving only a couple of inches, and the latest foolishness to come to my knowledge relates to wide loads of baled hay. For a long time we have had difficulty in getting the powers that be to recognise the round bale as a feature of the agricultural scene today. It is a solid piece of material which sits firmly on the back of a truck and which is most unlikely to fall off. Yet, the foolishness of some measurement schemes prevents two bales, one next to the other, being placed on the truck in such a way that they could bind one another and help make up a reasonable load, in terms of the capacity of the vehicle. Yet, people are told that they must have only one large round bale along the length of the truck.

Another matter that came to my attention recently involved wide loads of sheaved hay. I do not know whether members are aware that for years the normally accepted satisfactory load of sheaved hay—a requirement for the horse industry which is still booming in Adelaide, in stables and other undertakings—may no longer be delivered into Adelaide. Now there is no wide load permit available for a load of sheaved hay except when it is loaded in such a way that it comes inside the limits of the tray.

I ask members who know anything about hay loading and the binding together effect achieved from sheaved hay whether they agree that the intertwining of sheaves over a wide base give stability to the load, in terms of the centre of gravity, and that therefore the likelihood of the loads collapsing or the whole vehicle tipping over is not great. However, people are being told that they must load within the limits of the tray, and most unstable loads are being carted on the roads. Also they are not allowed to cart this product on a Saturday or Sunday. Although that restriction has applied for a long time, it has not always been policed. Not only is sheaf hay involved: wide agricultural machinery cannot be transported during a week in which a holiday occurs, because it is likely that there will be additional road traffic on the road with people observing the holiday.

It may be that there is an increased amount of traffic on the road, but the discrimination practised against people going about their normal work increases the carting cost and disrupts those persons in their normal trading or agricultural activities. There are a number of other aspects to that, details of which can be provided in another forum. However, for example, a person may be told that he must have two permits for the one truck if he intends to load baled hay one day and sheaved hay the next day, while his next door neighbour might apply to the very same office and get one permit for both types of load.

It is a matter of who one speaks to at the counter when one goes to the office. On making inquiries one gets an appreciation from those in the hierarchy that things have not gone quite as they should have done, but there is no-one readily willing to say that the situation will be corrected; the attitude seems to be that the damage has been done, the person has his permit and must act within the limits of it. I hope that the measures referred to in the House as recently as this afternoon in relation to the demise of the Road Traffic Board will mean that some sanity will now prevail in this whole area of activity.

The Hon. P.B. Arnold: That sort of action is what brings the bureaucracy into disrepute.

The Hon. B.C. EASTICK: It brings the bureaucracy into disrepute, and also the Government, because the Government must bear the ultimate responsibility. We must recognise that these sorts of things in this day and age are still going on, even though sometimes certain people are hauled over the coals. The Minister of Transport has been most helpful in having these matters corrected when they have been drawn to his attention. I make the point to other Ministers, and indeed all honourable members, that it should not be necessary for a member of Parliament to have to go to bat for a constituent in order to get just consideration within the system. The Minister would know what I am talking about, because I have no doubt that he has assisted members on both sides of the House in this regard in order to get reality back into the interpretation of some of these activities. I know that this certainly applies to members on this side of the House.

I now refer briefly to problems experienced by proprietors of country and city swimming pools, in relation to which there has been a massive increase in the cost of insurance related to swimming pool activities. We find that the SGIC, for example, has refused to take insurance in relation to swimming pools. Whether a pool is run by a council, a committee on behalf of a council or by a community group, one would be foolish to open the premises to the public without having adequate insurance cover. I am referring now to public swimming pools.

These people are now finding themselves with insurance accounts such as the one that I have here, which increased from $632 to $2 838.60 between one season and the next. In this case the proprietor had to go to seven different insurance companies before being accommodated with insurance. In the interests of providing adequate water safety programs, learn to swim campaigns and access to recreational facilities for people in the community, I suggest that there is an urgent need here for a considered approach.

I want to make a brief comment about problems experienced by people pursuing recreational activities on the Murray River. There is inadequate provision of inspectors to control the people who are breaking the rules in relation to speedboating on the Murray River, and I am referring to speedboats by themselves as well as speedboats pulling a tug for skiers. In the last six weeks, right in the town of Morgan, a certain individual with a motor boat has been

responsible for no less than three accidents, all potentially fatal. The fact that a fatality did not occur is gratifying, but does not lessen the seriousness of the offence. In one case, two women sitting in the bow of a boat suddenly found that the speedboat had rammed between the two of them. The speedboat came from the wrong side and at a speed three times the allowable limit on that part of the Murray River.

They made inquiries at the police station, where they were told that details would be taken. They were told, 'You do not need to tell us from where the motor boat has come. We know because we have had references relative to that individual.' By comparison of details it was obvious that it was the same motor boat and same person. The police were not able to take action on the River Murray, as it had to be done by an inspector of the Department of Marine and Harbors. Upon asking how to get in touch with the inspector of the department they were told that he had been there the previous week and was not expected back on patrol for the next two weeks.

The Hon. P.B. Arnold: There are only two for the whole of the river area.

The Hon. B.C. EASTICK: Yes, and one has been on sick leave. We need to come back to what resources can be put into the policing of a number of these activities. If we are to produce a safe environment for people to enjoy themselves we need urgent action, either by cross referencing between the police and the department, with special constables, or with officers of the local district council to take action against such people who thumb their nose at the rest of society and say, 'To hell with the safety of others within close proximity'.

My final comments relate to a situation of which I was not aware in regard to ETSA charges. It has always been recognised that true community bodies and churches receive some concession in relation to the provision of Government services. It has been accepted by the community and there has been no outcry that it should be otherwise. Recently I became aware that, for churches and other community bodies, electricity tariffs are at a higher rate than applies to the home user. The requirement now by ETSA that there be a minimum quarterly fee is another problem that has caught up with these organisations which might use electricity only on infrequent occasions. A minimum of $20 per quarter applies, and in the area of the member for Flinders, unless the Government has got its act together and taken away the electricity surcharge, it is $22.50 because of the 10 per cent surcharge.

Very quickly churches and charitable bodies are given a general purpose rate for the first 450 kilowatts of 20.7 cents; for the next 3 000 kilowatts, 16.9 cents; for the next 4 500, 11.88 cents; and for a further 150 000 kilowatts, 9.81 cents. The private tariff for the first 300 kilowatts is 11.52 cents, or almost 50 per cent under the price charged to charitable organisations. The next 2 700 kilowatts is charged at 8.23 cents; and all additional kilowatts are charged at 9.46 cents. While I recognise that that is a benefit to the community at large in the sense of the private user, I have asked when the Trust implemented this new arrangement, which has the service organisation, ETSA charging community bodies that are providing a focus and a community centre for activity in many areas, country and city alike, upwards of double the cost per unit for electricity.

Those matters are diverse in their interest and in the impact they have on various people in the community. They are matters requiring urgent consideration if the environment we provide for the community at large is going to be what the community is entitled to expect.

The Hon. P.B. ARNOLD (Chaffey): About 10 years ago the Boating Act was enacted in South Australia, and the member for Light referred to that legislation. It was introduced principally to control recreational boating activities and particularly the activities of high powered recreational vessels that were of danger not only to the operators but also certainly to the public at large. However, as a result of that legislation significant restrictions were placed on the activities of the tourism and boating industry as a whole and on a number of individual persons in this State.

The legislation was all encompassing and included not only high powered recreational vessels and large recreational vessels of all types, but also small five-metre dinghies with 5 hp outboard motors. In Victoria, New South Wales and Queensland no restriction applies to such small vessels. A person from South Australia can go to the eastern States and visit a tourism and recreation centre and hire for an afternoon a small aluminium dinghy with a small outboard motor without having to have a boat operators licence.

Because the legislation in South Australia has been all encompassing, that facility has not been available over the past 10 years to people holidaying in South Australia. That situation was recognised early in the piece and steps had to be taken to provide a satisfactory exemption for the houseboat industry, because about 70 per cent of houseboats in South Australia are hired to interstate visitors—people who do not have a South Australian boat operators licence.

That industry has continued to operate in this State for the past 10 years with a remarkable safety record and with many of the people who have hired houseboats—they are large vessels indeed—not having a South Australian boat operators licence. However, when we come down to a small vessel such as a five metre aluminium dinghy and a five horsepower outboard motor, it is ridiculous that a person needs to have a boat operators licence to use a small vessel of that kind for an afternoon.

The Government could quickly rectify this problem by taking the necessary action under section 23 of the principal Act. In 1978, the Act was amended, and clause 7 of the Bill amended section 23 of the principal Act, as follows:

> . . . by striking out subsection (3) and inserting in lieu thereof the following subsections:
>
> (3) No offence is committed under this section by a person who operates, or permits another to operate, a motor boat without a licence or permit under this Part—
>
> *(a)* if—
>
> (i) the boat is not operated at a speed in excess of 18 kilometres per hour;
>
> (ii) the operator is above the age of twelve years; and
>
> (iii) a licensed person is in charge of the boat; or
>
> *(b)* if the motor boat is exempted from the provisions of this Part by proclamation.

That is the provision through which the Government could quickly bring into force a proclamation that could exempt the small dinghies to which I am referring and enable people visiting tourist or recreational areas on a Saturday afternoon to hire a small dinghy and small outboard motor for the afternoon.

It struck me as being somewhat ironic that we allow people to fly around the countryside of South Australia in ultra light aircraft without a licence but that we require a person to have a licence to operate a small aluminium dinghy with a 5 hp outboard motor. There is absolutely no comparison in the skills required to operate the two machines. This tends to open the legislation to ridicule. I would venture to state that, if a 5ft aluminium dinghy was being rowed by an inexperienced person without a licence, there could be significantly more risk to the occupant than if that same person was driving the dinghy with a 5 hp outboard motor. I believe that the Government, by proclamation under the section to which I referred, should provide:

No offence is committed under this section by a person who operates a motor boat without a licence if—

(1) the boat is not operated at a speed in excess of 18 km/h.

(2) The operator is over the age of 16 years.

(3) The boat is not more than five metres in length.

(4) The boat is powered by an outboard motor of not more than six horsepower.

That would enable visitors to South Australia as well as South Australians to utilise these small, safe vessels, and it would be a significant boost to the boating and tourism industries. It would certainly provide a very pleasant recreational pastime for a number of people who do not own boats and who in the main would not have a boat operator's licence.

I totally support what the member for Light said. There is a very strong need for legislation to control larger, more powerful vessels that are a danger to the public, but no-one could demonstrate that a 5 m aluminium dinghy with a 5 hp outboard motor was of any real threat to either the operator or the public at large. We are placing a tremendous restriction on the recreational public and on the tourism and boating industries. I urge the Government to take the necessary action under section 23 of the Boating Act and provide by proclamation the exemption relating to the vessels that I have described.

Mr BLACKER (Flinders): I refer first to one or two of the comments made by the member for Light regarding the Road Traffic Board. I give due recognition to the Minister for his prompt action regarding the anomoly relating to double-decker cattle trucks. The law provided that double-decker cattle crates were outlawed in the southern part of the State—from Port Augusta south—where the height of those crates was more the 4.3 m. However, they were permitted to a height of 4.6 m north of Port Augusta in a road train configuration. This is where an anomoly developed. It was ludicrous that a road train rig in a configuration 75 ft or 20 m long with a height of 6 m was allowed to operate but, as soon as the back trailer was dropped off, the height had to be reduced to 4.3 m.

Obviously that system was unworkable and was something that appears to have been quite out of the norm. Perhaps my anger would not have endured except that I telephoned the Road Traffic Board to find out more about this matter. The answer that I received prompted me to write immediately to the Minister to try to get it straightened out. I told the Minister that all of the stock crates are made in South Australia or interstate and asked how it was expected that the stock crates should travel to Adelaide and Port Augusta and into the permitted area when they must travel by road. When I spoke to the Road Traffic Board the officer said, 'I do not know how they will get there but they are not allowed to go on the road.' I thought that was an utterly ludicrous answer from someone I hope is a responsible public servant.

I then wrote to the Minister pointing out what I thought was a real anomaly in the system. I am pleased that the Minister took action and allowed the double-decker cattle crates to operate in prescribed areas and, more particularly, with a set of criteria which I felt was very reasonable and practical. When I spoke to the transport operators they fully supported the Minister's suggestions, one of which was that the operators should not carry cattle in the top crate without the bottom deck being loaded. That is a commonsense approach but, regrettably, on occasion, someone was foolish enough to do that. An operator could fill the top deck first and then drive a mile down the road to fill the lower deck because the chap down the road did not have a high loading ramp. I believe that a reasonable approach has resulted from agreement to the Minister's criteria.

It was impractical to suggest that double-decker cattle crates should be reduced from 4.6 metres to 4.3 metres. I say that purely from the point of view of animal welfare and the requirement that cattle should be carried on the lower deck. If the height had to be dropped, so did the level of the deck causing the cattle to rub their backs on the under part of the upper deck. I would have thought that that situation was elementary. I would have thought that it was a practical approach that every person should take. Regrettably, one or other members of the Road Traffic Board did not see it quite that way.

My principle reason for speaking in this grievance debate is that I received a telephone call some weeks ago from a gentleman in the central part of my district who has some scrub development to do. He told me that he made a telephone inquiry as to what was happening with his application and was told that normal applications are 12 months or more down the line. He then expressed concern to me about the cost he was incurring in hanging around and waiting for public servants to make a decision. I then requested that he put his views in writing to me. I will read those views into *Hansard* because I believe that they are indicative of the views of many of the people in South Australia—not just those on Eyre Peninsula—who have a vegetation clearance application presently being considered. The letter states:

Dear Peter.

Further to my telephone call yesterday regarding land clearance. I was taken aback when I phoned the Department of Environment and Planning and spoke with [name deleted] who informed me that normal applications were now likely to take in excess of 12 months for an inspection to take place and obviously many weeks more for a decision to be made. When you consider that the land may be intended to be sold to pay off a 20 per cent interest mortgage, for example, on $100 000 a delay of over 12 months could cost the applicant $20 000 in interest.

I suppose it was not until I saw those figures that I stopped and realised the enormous cost that this delay is imposing on the whole community of South Australia.

Obviously, every person who has land to develop has a considerable mortgage on that land. He cannot buy it with no money; he has to buy it with the intention of developing it into a productive area, so he has a mortgage. On this example of $100 000, which I suggest is a very small loan when we consider the increase in land prices in the past 12 months, with that 12 months delay, that $100 000 loan would become $120 000 debt just sitting around waiting for somebody to make a decision. I think that matter needs to be taken up by the Minister and the Government urgently to see that that situation is rectified as soon as possible. The letter further states:

This is completely unacceptable and something must be done to rectify this absurd situation. Mr—

and that was the departmental officer—

said that the huge number of applications was not anticipated. This is ridiculous because *(a)* all applications have been frozen most of last year due to the legal action and a new Act, etc; and *(b)* no land can be sold without an approval. It is virtually useless and valueless, so everyone must apply to establish a value upon the subject land.

I have a constructive suggestion to overcome this huge backlog of applications. I suggest that the Department of Agriculture officers be co-opted on to the Native Vegetation Branch and in two to three months would get it all up to date. Trusting you agree and can take action to expedite this idea.

I think that members would agree that that course of action was suggested by the Minister during the Committee stage of the Vegetation Management Authority Bill. Maybe that was a possibility, but I have not yet heard whether or not any action has been taken. I can only implore this Government to treat the matter very seriously.

Here we have one landholder who has placed on him an extra $20 000 cost, something which he has no hope of

servicing until he can get that land under some form of production. He has to sit back and wait for the bureaucrats to take up their cudgels and at least give him an opportunity to get ahead and clear some of his land. I totally support this gentleman. Although I have not used his name, he has given me permission to use it, if necessary, and I am quite happy to give that to the Minister. The reason that I have not used his name is that I believe there are probably many hundreds of people in the rural community who would be similarly affected.

In the remaining minute I will mention a matter that I will take up in the Address in Reply debate. I received a similar type of letter complaining about the interest rates as they have occurred. This person has two sons; one is married and the other one hopes to get married. In the five years since the first son left school the interest commitment on the original loan has risen by $39 000. No-one in their wildest dreams could expect a farm could have a surplus of $39 000. Despite all the other costs of commodities, that one aspect alone, the increase in the interest rates, has raised his commitments by that amount.

The SPEAKER: Order! The honourable member's time has expired.

Mr GUNN (Eyre): I am pleased to have the opportunity of briefly discussing two matters which are of concern to me and also to the agricultural industry in this State. I refer to the vine pull scheme which is administered by the Department of Agriculture through the rural assistance branch. I am not critical of the officers of that branch because they are obliged to administer the scheme as laid down by the Minister. As I understand it, the scheme requires applications to be in place with the authority by the end of April and the actual pull must take place by the end of May.

A meeting recently held at Clare was attended by a large number of growers. I am advised that they expressed concern about the very short time available to them, because they wanted to be able to carry out a very clear economic assessment of what the scheme offered and their own long-term liability. If they took up the option and had the trees removed, they would want to confer with their accountants and think the matter through very carefully. They have requested that they be given 12 months to put this scheme into operation.

The Government acted to make this particular scheme available, but they think that the time factors are quite unrealistic, so I therefore call on the Minister of Agriculture and his officers to sympathetically consider this request. I understand that a representative of the United Farmers and Stockowners attended that meeting, and I believe that by this stage they would have made representation to the Minister.

The second matter to which I want to refer is the controversy which has broken out of recent times following the Government proposals to locate the proposed South Australian Crop Research Institute at Northfield. That has been described by the Director of the Waite Agricultural Research Institute (Professor Quirke) as a blueprint for disaster. Anyone who has any real knowledge of this area would be aware that the Waite Institute has an outstanding record of plant breeding, however you look at it. They have received international recognition. They are opposite the CSIRO, and the industries which they serve cannot afford to have a mistake made in this area.

There has been some dispute about the amount of land that is going to be available, but what the Minister and his predecessor failed to appreciate is that the Waite Institute has in excess of 100 acres, I think, at Strathalbyn (a farm known as Charlick's) where they can carry out their other plant breeding activity. There is land available, as I understand it, at the Mortlock Experimental Station at Martindale, near Mintaro. They can cooperate with the Roseworthy Agricultural College, which is a success story in itself and which has done a great deal of valuable work in this area.

Of course, they have for many years used the resources of many farmers who were very happy to cooperate with them in this area. When we are talking about building a crop research institute for wheat, barley and other grains, the right decision has to be made. The money for this project will come from the growers. The United Farmers and Stockowners Association of South Australia has supported the Waite Institute recommendation. They were prepared to have a second option, but this is the option which they want. I have been contacted by a number of people expressing grave concern at this matter. I sincerely hope that the Minister will see Professor Quirke. As I understand it, he has not been able to make contact. According to Professor Quirke in an article that appeared in the *Advertiser* by Graham Jennings:

> The UF&S is also attempting to obtain a meeting with Mr Mayes on the issue involved and sought without success to have him organise a meeting of all parties to see him before his recent announcement that the Crop Research Institue would be at Northfield, under the Department of Agriculture's umbrella, stating that without realistic discussions it is hardly the way to undertake a new venture in which a maximum of cooperation is required.

I think it is very unfortunate that the new Minister of Agriculture has adopted such an inflexible stand on this matter. Common sense should apply. In the interests of the grain-growing industry, one of the most—if not the most—important industries in this State, we can ill afford to have mistakes made, because it is essential that new varieties are developed which can increase yields that are resistant to disease.

As I said earlier, the existing facility of Waite Institute has a reputation second to none. They have in my judgment never received enough support from the Government, and they should have had further funds. I call on the Minister in both these areas to adopt a more flexible stance. I want to also comment briefly on what the honourable member for Light had to say.

I am delighted with the demise of the Road Traffic Board. If ever there was a bureaucratic group who could make life difficult for people trying to get on with the business of making a living, it has been the Road Traffic Board and its officers. They would run a second to the inspectorate in the Highways Department, which polices the Weights and Measures Act.

Recently, a constituent of mine went up and loaded cattle at Oodnadatta on a very hot day. The cattle were brought straight out of the paddock, loaded on to the truck. They were going to be in the truck for a long time. There are no weighbridges in that area. My constituent is trying to make a living and he was weighed out by the abattoirs and he was so many tonnes over. He had a permit to have a trailer on and, if you exceed the weights, they then cancel the permit and he was then charged with about six tonnes.

This is absolutely ridiculous. There should be an arrangement so that the number of head of stock carried is done in volume, as they do in Queensland and the Northern Territory. It is absolutely stupid to expect somebody to leave a property just south of Oodnadatta only half full. There are no weighbridges. How the hell can people accurately assess what is on?

I really believe that the Highways Department is not sufficiently occupied if it is going to continue to harass people. Last Saturday when I was going up to my electorate at Peterborough, I was going along and I take note of these number plates. I saw a brand new station wagon loaded up, with a siren and those flashing lights on top of it, patrolling

around on a Saturday afternoon. If they had them out surveying a new road it would be doing some good, instead of plaguing people who are only trying to make an honest living. My constituents have enough problems living in the northern parts of the State without being plagued by these people. It is time the regulations were changed and common sense applied.

I am very thankful to my constituents that they have returned me with an increased majority. I would like to take this opportunity to thank all those people who have assisted me in my electorate, particularly my staff at Ceduna, Mrs Doecke, my staff at Peterborough, Mrs Fogarty, and my electoral assistant here at Parliament House, Miss Maria Kourtesis. My electorate is a difficult one to look after. It is large and has many problems.

My electorate staff are called on to do a lot of work, far beyond what they are expected to carry out by the terms of their employment, and I really believe that the time has come when they ought to be given extra facilities so that they can carry out the duties which the public need. Those officers are in a position to help many people who experience great difficulties with the bureaucracy.

The SPEAKER: The honourable member's time has expired. The member for Hanson.

Mr BECKER (Hanson): When I last spoke in the grievance debate I mentioned how the State Government said it would do all it could to peg the interest rates on housing loans and that since the election of this current Bannon Government we have found that interest rates have continued to rise. The rate rise of 1.5 per cent for building society housing loans is having a savage effect on young families. What is happening through the cowardly action of the current Government that granted that increase is that the building societies are now having to counsel all their clients affected by this increase—counsel them to assess whether they can meet the increased repayment without any adverse impact on their own economic situation.

When you ask the average borrower where they are going to find an extra $50 to $60 a month, many of them say, 'We are going to have to cut back somewhere; we are going to have to dip into the small amount of savings that we may have been able to provide in case of an emergency.'

There is general uneasiness amongst young people who feel that they have been badly let down—let down by a Government that has promised much and delivered nothing, as far as they are concerned. They have been let down by a Government whose philosophies are mirrored by those of the Federal Government. Neither the State Government nor the Federal Government has done anything to ease the situation of home buyers. The great Australian dream is slowly disappearing. We will see a period when young people in particular will be conditioned to live in rental accommodation and to be dependent on that rental accommodation for the rest of their lives. One would expect that situation to arise in Europe and some North American States, but not in Australia.

It is a situation in which the State Government and the Federal Government can play a role by curbing their borrowings and thereby their impact on the money supply market, but they do not seem to be doing much about that. The people of South Australia must be reminded that during the last Federal election campaign Mr Hawke and Mr Keating said that interest rates must fall. In the *Age* of 5 November 1984 Mr Keating is reported as saying:

> I accept the view of most market commentators that we have a further interest rate fall ahead of us.

Unfortunately, by April 1985 interest rates had risen. Mr Hawke indicated a further fall when he was reported in the *Sydney Morning Herald* of 11 April 1985 as saying:

> We can expect through the period of this year that there will be . . . a lowering of the level of interest rates.

In the *Canberra Times* of 30 April 1985 Mr Keating was shown as less optimistic when he was reported as saying in a speech on 29 April:

> Now there has been, owing to the shift in the exchange rate, an unavoidable tightening in conditions in the market and I'm not making a prediction about interest rates in the second half of the year.

During the 1984 election Mr Hawke was most forthcoming when predicting the likely future of interest rates. After replying to a journalist who had sought his views on interest rate predicitions, Mr Hawke was reported in the *Age* of 28 November 1985 as having said:

> And you really ought to know that it is both irresponsible for you to ask and you certainly ought to know me well enough to know that I wouldn't do it.

That is the sort of arrogance experienced in Canberra. The impact of that is worrying me, and should be worrying the Government of the day. In the Australian *Financial Review* of 13 February 1986 an article entitled 'Housing hurt by fall in saving deposits' states:

> Westpac Savings Bank has cut back is available funds for home lending from $300 million in the September quarter of 1985 to $50 million for the March quarter of this year.
>
> The extent of the cutback gives credence to claims that housing activity is being adversely affected by high interest rates.
>
> The cut means that the bank will only be making 1 250 housing loans throughout Australia for the whole March quarter.
>
> The chief manager of Westpac's saving arm, Mr John Morris, said the bank was concerned that it was knocking back customers who were seeking housing finance, but pointed to the slump in saving bank deposits as the reason for the dramatic cut back.
>
> He said the rise in Westpac's ratio of housing loans to total deposits meant that more expensive funds were being borrowed in order to meet statutory liquidity requirements. Westpac's housing loans to deposits ratio was now in excess of 60 per cent, he said. A year ago it was closer to 50 per cent.
>
> BIS Shrapnel's January research bulletin shows that saving bank deposits grew by only 2.2 per cent on a seasonally adjusted basis in the five months to November 1985, as high interest rates attracted funds to better paying deposits. Unless monetary policy can be relaxed sufficiently to attract a higher rate of deposit growth in savings banks in the June quarter. BIS Shrapnel says a greater slowdown in housing activity is possible.

These statements should concern every member of the House and anyone involved in the housing industry. Certainly, it has caused concern, because in the *News* of 17 February 1986 an article entitled 'Major South Australian builder backs call for aid' states:

> One of South Australia's largest builders has backed claims that the Federal Government should assist Australia's weakened housing industry.
>
> The managing director of Pioneer Homes, Mr Craig MacIntosh, today said it was imperative that the Federal Government acted to bolster the home building industry in Australia.
>
> The Housing Industry Association (HIA) has warned that unless the supply of housing finance was increased dramatically and quickly, thousands of Australian families would be denied access to homes of their own, putting thousands of home-building jobs at risk.
>
> Industry analysts have forecast a slump in new house starts from 153 000 last year to 137 000 this year which could result in the loss of up to 30 000 Jobs.

That, Sir, is on an Australia-wide basis. The report continues:

> In South Australia approvals for new dwellings in December fell from 1 303 to 726 and the November figure was down from 1 192 to 699.
>
> Mr MacIntosh said high interest rates were having a profound effect on the building industry.
>
> 'The Government can no longer use interest rates as a tool to bolster the Australian dollar at the expense of the building industry,' he said.
>
> The Labor Government was re-elected on the basis of a housing-led economic recovery programme.
>
> 'Now it is killing the goose that laid the golden egg'.
>
> In a bid to limit the industry's slowdown and consequent job losses, HIA executives have thrashed out a series of what they

termed 'cost-effective policy options' with the Minister for Housing and Construction, Mr West.

I believe that they are seeking an injection of $1 000 million from the Federal Government into the housing industry throughout Australia. If they can do that, they can certainly stop the downward trend. However, we must be careful, because the interest rate component is the problem. We should be providing affordable accommodation and affordable housing for all people within our community at all levels of the socio economic structure. That is where the real pressure is applied to the current Government. That is why I am also concerned about the effects that interest rates are having on Housing Trust tenants. One of my constitutents has just received a letter from the Housing Trust dated 12 February 1986 which states:

Dear Tenant,

I have to advise that after consideration, the Trust has decided that the reduced rent of $27 per week for the dwelling occupied by you will be increased.

On the income stated on your recently submitted 'Review of Rent Reduction' form, your new reduced rent should be $34 per week. However, it has been decided that your reduced rent will by $32.50 per week as from Saturday 1 March 1986. This will be reviewed in three months, when it will probably be increased.

You are also advised that you must notify the Trust immediately there is any change in your income or financial position. Please present this letter when next making payment of your rent.

The Housing Trust has therefore taken steps to increase the the rental of 60 per cent of its tenants by about $5 a week. Certainly, in this case my constituent's rent has increased by $5.50 a week. However, 60 per cent of Housing Trust tenants will receive a similar letter advising them that Housing Trust rents have increased. Over 55 per cent of Housing Trust tenants are pensioners, so members can imagine the impact that that is having—

The ACTING SPEAKER (Mr Klunder): Order! The honourable member's time has expired.

Mr OSWALD (Morphett): This evening I will address my remarks to regulations under the Local Government Act, particularly those refering to parking regulations, their list of offences and the expiation fees which appear under those regulations. I am pleased that the former Minister of Local Government is in the House, because I hope that when the subject material I discuss tonight ultimately comes before Cabinet the Minister, who will be present at that Cabinet meeting, will advise the present Minister of my concerns. Under the Local Government Act, the Government sets down what it calls the first schedule under this regulation which lists offences and expiation fees. In actual fact, what happens is that the Government itemises in great detail the types of traffic offences that exist.

Under one regulation, if a vehicle is left in a permit area the fine is $8. In a few minutes I would like to bring to the attention of the House some of the problems we experience in Glenelg and to show how these regulations are, quite frankly, being abused.

In Glenelg we have several trouble spots caused by parking: one such area adjoins one of our notorious late night trading hotels. In an effort to help local residents—the ratepayers unfortunate enough to live in the vicinity of this hotel where patrons come from all over Adelaide on a Thursday night and park until the early hours of the morning, slamming of doors and causing some most unpleasant scenes in people's driveways—the council promulgated and finally gazetted parking regulations prohibiting parking between 9 p.m. and 2 p.m. in the streets surrounding the hotel.

Council thought that that might be a step in the right direction and it did stop a lot of the itinerant patrons from parking there. But, the problem is that parking tickets placed on the various cars are ignored by the local larrikins. If four of them are in the car and the fine is $8, $2 per head is very cheap parking outside houses in the immediate vicinity of the local hotel.

I submit that the expiation fee is ludicrous. It can be argued that the local council inspector can come along and put a sticker on cars every hour, but that causes administrative difficulties and is quite impractical. The Government has to look at these out-of-date expiation fees and put a realistic figure on them to take into account those people who choose to park outside (in this case) the Holdfast Hotel and share the $8 fine among themselves. As I say, with four people in the car, $2 a head is cheap parking, and a fine should be struck so that those people will have due regard for the council's desire to eliminate parking in the area and give some relief to local ratepayers. Maybe it should be $20, and the inspector can come along and change it every hour; I do not know. Clearly, the Government has to look at the fee and update that $8.

Another one—No. 16 in the schedule affecting us in Glenelg—provides for a fine of $6 to be imposed for leaving a vehicle on parklands, squares, reserves and plantations.

I cite an example of something that happened on Colley Reserve, the large public area where the Bay Sheffield is run, adjacent to that monstrous Magic Mountain sideshow with which we all have to put up at Glenelg. (It is a most unpopular attraction to those who wish that the thing had never been built, but that is another story.) However, this story was passed on to me by the traffic inspector who one day, as he was on his travels around the Bay, found a car that had been driven up on to Colley Reserve. A woman had got out with her family and spread out a picnic hamper, chairs and tables: she had set herself up comfortably. The inspector went up to her and said, 'Look, madam, you cannot park there. You are on a public reserve.' The woman replied, 'Oh! We don't want to move. How much is the fine?' He said, '$6'. She then said, 'That's cheap,' so they decided to pay the $6 and stay on the reserve! That is another example of how ludicrous a $6 expiation fee is.

Another regulation provides that the inspector shall come back every hour and charge a person another $6. However, if one goes to the area with a large family and spends three hours there, it still costs only $18 to virtually take over the reserve. Once again, it is ludicrous, and something should be done about the matter.

Another regulation concerns parking vehicles so as to obstruct a gate, door, entrance or laneway, and once again, outside that notorious hotel of ours, the larrikins park their vehicles not only in the designated 'No parking' area but also, without any due regard for local residents, across their driveways. For that offence the maximum fine is $10. A $6 fine applies to the offence of parking on a dividing strip. It is becoming quite popular to park on the Anzac Highway median strip and have 'strip' parties.

Mr Becker: Strip parties?

Mr OSWALD: Yes, where they park their cars on the strip, although I do not want members to misconstrue that. On those occasions, out come the eskies, the chairs and tables, etc., but after these people leave the area council workmen must come along and clean up after them. The maximum fine for that offence is $6.

In the remaining seconds that I have left I emphasise the points that I have already made in relation to fundamental protections provided by councils for their ratepayers. 'No parking' signs, applying for example, to the period between 9 p.m. and 2 a.m., are erected by local councils for a very good purpose, namely, to provide relief for ratepayers. However, an $8 expiation fee for the offence of parking a car in such areas makes a mockery of the whole exercise. Often there are two or three people in the car involved; they split up the fine and might pay $2 a head, and that is cheap

parking. The residents of Penzance Street, for example, would be delighted if this problem could be resolved. I ask the Minister present in the Chamber to ensure that when this matter comes before Cabinet (I shall write to the Minister of Local Government asking that local government regulations be upgraded) it receive serious consideration.

Mr INGERSON (Bragg): I am sorry that the Minister of Transport has left the House, because I have some transport matters that I want to bring to his attention. I refer, first, to the new registration discs. My concern about them is that they are blank. It is a quite incredible system of deregulation, and I suppose for a Government that is paranoid about deregulation this is the best possible example of it. A sticker with only a numeral denoting the month of the year is simply plonked on a vehicle. There is no further information provided on the sticker. This is now causing a massive problem because people are changing discs, with no identification. The owner of a garage undertaking minor running repairs on vehicles has no idea if a vehicle is registered, as all that appears on a vehicle is a disc showing a numeral denoting a month of the year, with no reference on it to a specific day.

This is causing massive problems for the motor repair industry. A problem arises if a vehicle not properly registered is taken out on the road for normal road testing and an accident occurs. In those circumstances, who picks up the compensation? Is the motor repairer responsible for picking up the costs, or is the owner of the vehicle responsible because he did not tell the garage proprietor that the vehicle was not registered?

Further, how can we expect the owner of a vehicle to remember that a vehicle should be registered on a certain day of the applicable month, when there is no statutory requirement for the owner of a vehicle to keep his registration papers, which provide all the details, in the glovebox or elsewhere in the vehicle?

A couple of repair people have said that, if one ever asks an owner for his vehicle registration certificate, most say that they have got it home in a box somewhere but would not have a clue where it is.

A more serious problem is that of compensation in a case of accident. It was put to me the other day that one of the motor repair people had sent their staff out on a road test, and he had had an accident. The owner of the repair shop rang the Motor Registration Division and spoke to the Registrar, who advised the owner that he could do one of two things: he could ring the department and request the information or obviously ask the owner, who would not have the disc on him in any case.

It then opens up a Pandora's box. What happens if the officer in the Motor Registration Division gives the wrong information? Who is then responsible for the compensation—the Motor Registration Division, the owner of the vehicle, the motor repair company, or the driver of the car employed by the owner? The difficulty is how one proves who is responsible in any case, as there is no information on the disc—no engine number, no registration number and no expiry date—only the month. It is the most incredible system, and I call on the Minister to thoroughly investigate the matter and at least put back one identification number so that motor repairers, police or anyone who wishes to identify the vehicle can do so.

I now refer to the O-Bahn. As we get closer to 2 March, when publicity is being brought on by the Government, it is important to remember that this magnificent busway was the result of a Liberal Government's initiative some time ago. It was an initiative of the previous shadow Minister, the Hon. Dean Brown, who first initiated the project to shadow Cabinet. It was carried through by the Hon. Michael Wilson when in government as Minister, along with the superb pushing of the project by the then local member for Todd, Mr Scott Ashenden. It is interesting that the Government is now taking up this magnificent project and running with it as its project, after having criticised it when it was brought in as an initiative by the then Liberal Opposition. The then Labor Opposition severely criticised the Liberal Government's introduction of it in 1979. Hopefully the program for the busway will continue reasonably rapidly and be finished in 1987 or early 1988. It is a pity that money has been taken out of the project, causing it to slow down. Hopefully, it will be put back into the system, which will be finished very quickly. I hope that on 2 March everything goes off well and that the three members I mentioned earlier will be there to celebrate that magnificent Liberal initiative.

I now refer briefly to the shock announcement yesterday of the closing of Airlines of South Australia. The major concern is not the closing of a significant airline in this State, as we all understand that economics in the hard world today have to override what one's heart ought to carry. It is a pity that this airline—one of the original airlines in this State—will be closed finally later this year. It is an opportunity for smaller firms currently servicing these routes to really show what small business can do when given the opportunity.

I call upon the Government to make sure that the services, particularly to Kangaroo Island—the air passenger and the freight carrying services—are continued and maintained at the high level that currently exists. I hope the Government will make sure that the country areas that are seemingly affected at this stage are well and truly serviced by small competitors who obviously are around. As I have said earlier, it is an excellent opportunity for small business people in this area, and I hope it is an opportunity that they grab with both hands.

The other matter on which I would like to comment is related directly to transport and concerns the proposed new State Bank building. I noted in the paper the other day that concern was expressed about the height of the building. I hope that the Government will ensure that, in the development of that obviously important project for the city of Adelaide, there is no compromise in the air safety program on that direct line into our airport, and that the Minister will give us some information in the next few days, if possible, as to the inquiry into that air space problem.

We had announced the other day a new motel cum commercial development at the airport. That is an excellent development and we look forward in the next few years to see the Commonwealth Government ploughing more money into what is obviously now a long-term airport. However, that development highlights the inadequacies of the international terminal. Whilst there has been much criticism of the Liberal Government's accepting too small a terminal, the reality is that at that time that was the best deal we could get. That does not mean that in 1986 we should not be putting pressure on the Federal Government to upgrade and spend more—

The SPEAKER: Order! The honourable member's time has expired.

The Hon. D.C. WOTTON (Heysen): I will follow on with the same subject as my colleague the shadow Minister of Transport with another transport problem. I regret that the Minister of Transport is not in the Chamber, and I hope that he will take the opportunity to read what I have to say and—more than that—do something about it. First, I refer to the Bridgewater rail line. Much has been said over a period about that transport route. Much was said by the present Government before the last State election, and I

will refer to that aspect a little later. Looking at the tourism aspect of the line, before I get on to the practical transport asset that it is, I suggest that while South Australia has many tourist attractions few can offer the same potential for world class scenery and accessibility as the Bridgewater rail line.

I do not know how many members from this House have made that trip but, if they have not, I suggest that they do so. That excellent trip provides magnificant scenery equal, I suggest, to that anywhere in the world, and I hope that all members will inspect it in the near future if they have not already done so. That line has been associated with a vast number of problems. I have taken the opportunity of catching the train down only on a couple of occasions, but I would use the train much more frequently if the service was improved.

Even though it is a poor service, it is amazing that in the past two or three years, in spite, I suggest, of the Government's deliberate policy of reducing services, the number of passengers using that service has increased. Factors that have probably speeded up the decline of the line include the neglect of the track and consequent increase in transit times (because that is a major problem), and the neglect of the rolling stock mechanically combined with the inability of the 2 000 class rail cars to operate on the line. That in turn causes consequent increases in delays and breakdowns. There are major problems with the rail stock, which is dirty and with many cars being very old. The rail stock certainly does not encourage use.

Further, there is neglect of the rolling stock interiors with the production of appalling passenger conditions; a reduction in the number of trains that run and poor timetables; a decline in station facilities; and little if any integration with bus services.

Towards the middle of last year more than 100 concerned people met in the Bridgewater hall to discuss problems associated with public transport services for the Adelaide Hills. The meeting was called by the Hills Transport Action Group, which comprises members of the public and union representatives. There was unanimous support for the resolution that:

> The Hills Transport Action Group, through community consultation, develop a submission to convince the Minister of Transport that an upgraded Belair/Bridgewater rail service and an integrated bus service under the jurisdiction of the STA is the most viable and necessary transport system for the Hills.

That resolution was supported unanimously. I attended that meeting and I was pleased to be able to speak on and support the resolution. I was extremely disappointed that just prior to the election the continuation of the Bridgewater rail line was, unfortunately, used for political purposes by that group. I regret that, because I had worked with them, and since the election I have continued to do so. Unfortunately, at election time some of those people found that it was necessary to suggest that, if there was a change of Government and if a Liberal Government came to power, one of the first things we would do was close down the rail line—despite statements made by the then shadow Minister of Transport and I that we had no intention of doing that. In fact, both Dean Brown and I had said and done more to retain that service and to try to get the Government to do something about improving it than had anyone else. It is interesting now that the election is behind us to find that the Government has done absolutely nothing to try to improve that service.

The Hills Transport Action Group prepared a submission to the Minister towards the end of last year. It was the cooperative effort of public transport users and unions together with other people who have an interest in improved services in the Stirling and Hills area. It was well prepared and related, first, to problems associated with rolling stock. The submission stated that the distribution of 2 000 series rail cars was not satisfactory, that there was a very real need to upgrade the rolling stock and that all new STA rail rolling stock purchased be air-conditioned and suitable for full performance on the Bridgewater line. A considerable amount of effort went into matters relating to the rolling stock, and much mention was made of track facilities. It was suggested that pathway approaches to platforms at a number of the Hills stations required upgrading.

It is interesting that only today I received a call from a lady whose husband regularly uses the Upper Sturt railway station. There is no bus service, there is no alternative for the hours that this lady's husband has to work, so he has no alternative but to catch the train. It is suggested by this person that the Hills people are penalised for living in the Hills. The Upper Sturt railway station, for example (and the one that I will refer to), has a mediocre platform, something that I suppose could be described as a canopy, a seat and a light, and that is it. When the train is late, which it often is (for the reasons that I have already indicated) people must wait sometimes up to 20 minutes when collecting passengers off that service.

This lady has only one child who on most occasions must accompany her if she must go to the station to pick up her husband. It is most unpleasant sitting there because there are very few facilities. The walk to the station is nothing more than a bush track which in winter requires heavy clothing, and there is general dissatisfaction by those who use the train. If the Government is quite genuine about wanting people to use public transport, if it believes that this is a viable alternative—and it has said enough times that it believes that to be the case, particularly prior to the election, when the Government used it as a political issue—it needs to get off its backside and do something about it.

The people who use the train and those who would use it if the facilities were improved are fed up to the back teeth at the broken promises, hollow promises and hollow suggestions about what the Government might do about this service. The tourism aspect that I have mentioned briefly could bring a great deal to this State. However, people will not travel on this line with the conditions as they are, particularly in regard to the condition of the rolling stock. I urge the Government and in particular the Minister of Transport to do something positive for a change and to take some very real action to follow some of the suggestions and recommendations made in the submission to which I have referred and bring about some action with this line.

The DEPUTY SPEAKER: Order! The honourable member's time has expired.

The Hon. JENNIFER ADAMSON (Coles): Kangaroo Island is one of the State's prime tourist destinations and contains some of the most precious areas of environment that this State has to offer. It is currently being seriously neglected by the State Government. No action has been taken so far to implement the recommendations of the Kangaroo Island facilities report. This report was commissioned last summer in an effort to get the Government off the hook when there was a furore over the inadequate visitor facilities on the island and when the tourism industry on the island was absolutely desperate for the then Minister to do something positive to improve the situation.

Since that time there has been a huge increase in the number of visitors travelling to the island, but nothing has been done to provide the urgently needed resources, especially in the island's precious natural parks. I predict that with the election now out of the way and the next one four years away the Government will put Kangaroo Island on the backburner and nothing will be done there until city

voters insist on a fair deal for themselves as visitors to the island. It is reasonable to assume that the Government does not intend to do anything in what is obviously a safe Liberal seat.

An honourable member: That's their track record down there.

The Hon. JENNIFER ADAMSON: It is indeed. I now refer to a working party report commissioned by the previous Minister and entitled 'Tourism Development and management on Kangaroo Island'. It was released in June 1984 and describes what is known in industry terms as the 'market position' of the island. It states:

> It is also designed to create top of mind awareness of Kangaroo Island, being synonomous with diversity, nature, beauty, wildlife, fishing, beaches and getting away from it all whilst pursuing enjoyable relaxed recreational past-times.

The Hon. D.C. Wotton: And excellent national parks.

The Hon. JENNIFER ADAMSON: Indeed. The report further states:

> If it is to be marketed as offering these attractions and there is clearly demand in the market place for them, then any development must also reflect and be consistent with this position statement.

In terms of national parks, the report states:

> Land in public ownership vested under the control of the National Parks and Wildlife Service accounts for almost one quarter of the island's land surface. These areas include numerous popular features of visitor interest but probably none more so than Flinders Chase, Seal Bay and Kelly Hill Caves. Flinders Chase in particular, comprising much of the western end of the Island, has an appealing wilderness quality which provides a guaranteed opportunity for the visitor to experience Australian flora and fauna in an undisturbed natural setting. It is estimated that up to 80 per cent of visitors to Kangaroo Island visit the park and it is invariably reported as one of the highlights of a visit.

What has happened since that report and the facilities development report to which I referred hit the deck—nothing at all has happened. Not $1 has been spent and no action has been taken.

At the moment the only management that is being undertaken in the Kingscote zone, other than at Seal Bay and D'Estrees Bay areas, is crisis management in the peak visitation period. The staffing in national parks is woefully inadequate for sound environmental management and for meeting visitor needs for information, camp permits, patrolling and interpretation. How can a ranger interpret things when he cannot even patrol the vast area?

At Seal Bay, since 1983 there has been an increase from 215 cars to 610 a week so far this year, with no increases in permanent staff. At Kelly Hill Caves the number of camp permits issued has more than trebled since 1984, again with no increase in ranger staffing. At Flinders Chase, the number of visitors has increased from 39 708 in 1983 to 68 000 in 1985, again with no increase in ranger staffing.

No visitor destination can stand this sort of influx without damage unless there is very careful management. That means that there must be sufficient staff who must have sufficient equipment and back up. That is what was recommended in the facilities report.

Nothing has been done about the appalling roads which carry higher and higher volumes of traffic every month and every year. The south coast road is breaking up at a dramatic rate and that of course poses immense dangers to the people who travel on it. Nothing has been done (nor is it planned to be done) about toilet facilities or about the water supply for American River.

I suggest that the Minister of Tourism, instead of strolling through the casino in high heels, should don a pair of camping boots and stroll through the national parks on Kangaroo Island. Visitors have to put up with complete neglect by the Government—by the Deputy Premier, as Minister for Environment and Planning; and by the Minister of Tourism. On the Island it is well known that, since that report was released, she has not extracted $1 from Treasury and she has made no serious attempt to do so. The Minister for Environment and Planning, at present on the front bench, if he has attempted to do so, has been unsuccessful. It is quite clear that those two Ministers have very little clout with Treasury.

Unless something is done, and done soon, the environment of Kangaroo Island will suffer even more serious damage than has already been the case. The residents are being subjected to intolerable situations with roads being churned up and visitors—particularly interstate and international—who regard a trip to Kangaroo Island as a rare opportunity to experience Australia's flora and fauna are simply being sold short.

The priorities that were identified in the Tourism Development and Management on Kangaroo Island Working Party's Report are interesting in so far as they have been entirely ignored by this Government. The first priority was to establish a sealed road network on the island. Other priorities were to establish detailed signposting programmes, an interpretation centre at Reeves Point, and reticulated water supplies for Kingscote and particularly for American River and Penneshaw: nothing has been done there. We can only be thankful that this past summer has been an extremely cool summer. Had it been a hot summer, as was the last one, the outcry from Kangaroo Island would indeed have been stronger than the rather muted comments that have been heard so far.

The Emu Bay camping area was identified as a medium priority. Other high priorities included the beach at American River. An investigation should be initiated to examine the possibility of creating a sandy swimming beach or enclosed swimming area at American River. Informal bush camping facilities were required for Brown's Beach and day visitor facilities for Pennington Bay.

So the report goes on, and so the neglect of the Government goes on. It is simply not good enough that Kangaroo Island, along with the Flinders Ranges, which are our peak international visitor attractions, should be neglected in this way, and I urge the Minister for Environment and Planning not to let another year elapse and another summer come and go before he gives the national parks on Kangaroo Island the attention they deserve.

Mr MEIER (Goyder): This evening I wish to draw the House's attention to a very important project that has started in Wallaroo: the new hospital for Wallaroo. Some members would remember that the Wallaroo Hospital was promised at the election before last, and some of the local residents and others believe that it was very much a political decision. I will not go into that. We have waited for virtually three years, and then—I think it was the same Sunday on which the election was announced by the Premier in November—the Minister of Health just happened to be up at Wallaroo and announced that things would start on the hospital.

Good news, I say. In fact, the Minister of Health announced that siteworks to the value of some $57 000 were going to commence, and I am pleased to say that, to the best of my knowledge, those siteworks have been completed. That does not create a hospital. In fact, I hope there will be no delay in allocating the other $7 million, because the Minister said in an article reported in the *Yorke Peninsula Country Times* that work on actual construction and redevelopment of the hospital would begin in mid-February at an estimated cost in excess of $7 million.

I note that today is 20 February, and unless something occurred during this last week I believe that the hospital construction has not commenced. I will be making more

investigations on Saturday when I am in Wallaroo, but I trust that the Government will not delay the Wallaroo Hospital at all and that, if there has been a delay from mid-February, at least we can see by the end of February that work will have commenced on the actual construction.

It is something the peninsula needs very much. In fact, as the Minister indicated, incorporated in the area will be a new operating theatre complex and obstetrics delivery suite. Other new departments will include radiology, casualty, central sterile services and outpatients for the use of medical practitioners and visiting specialists.

Included in the new building there will also be a branch laboratory of the Institute of Medical and Veterinary Science to service Yorke Peninsula, day care centre, speech pathology, physiotherapy, occupational therapy, pharmacy, linen store, general store, kitchen and staff dining room. It is a hospital that must go ahead without delay. I trust that the Minister will take note of what I have said this evening, that there seems to be somewhat of a delay already. I hope that by the end of February we will see things going full steam ahead.

The second item I wish to bring to the attention of the House concerns the speed limit as it applies to heavy vehicles on our roads. Currently that speed limit for semi-trailers and other vehicles is 80 km/h. As a person who commutes along several of our highways in the northern part of the State, I believe that is a dangerous speed limit, not from the point of being too high but being too low. Other drivers who are entitled to go at 110 km/h become very frustrated getting behind trucks that are only travelling at the speed limit of 80 km/h. I have seen examples where they are tempted to take risks in passing those heavy vehicles, and I believe it is high time that the Government moved to increase the speed limit to 100 km/h.

That has been voiced in this House (I think it was last year) but we do not seem to have seen any action to date. That is what is needed. I believe that the heavy vehicle drivers are at a real disadvantage with the hand radar guns coming in, because obviously they will be sitting targets for the police who use the hand held radar guns, and it is not going to be terribly difficult to catch speeding transport drivers.

Let us be realistic and sensible. Let us create a speed that is within the tolerances of safety, and I believe 100 km/h for the modern trucks and the very stringent safety standards applied to those vehicles are satisfactory. In fact, many members probably would have experienced those vehicles travelling faster. That is a matter for the law to look after, and certainly it is a pity that some heavy vehicle drivers abuse the speed limit perhaps out of all proportion to what it should be.

I hope we will hear from the Minister of Transport as soon as possible that this matter is being looked into. Many of us remember that the then Minister of Transport made a statement that the speed limit for the State would be lowered from 110 to 100 km/h. At that time there were many hundreds if not thousands of people who signed petitions objecting to such a lowering of the speed limit. Despite the fact that we have unfortunate accidents from time to time, our road toll is too high. I feel certain it would be a retrograde step to reduce the speed limit from 110 to 100 km/h; in fact, it was one of the directors in the Department of Transport who indicated that the average speed of motor vehicles in South Australia apparently has been assessed as being the same as the average speed of motor vehicles travelling in New Zealand. New Zealand has a speed of 80 km/h; South Australia has a speed limit of 110 km/h. Therefore, speed limits do not affect the speed at which people travel. It simply means that more revenue can be gathered by the Government. Let us hope that the Government has dismissed any thoughts of lowering the speed limit.

My final point concerns a matter that was also brought to the attention of this House by the member for Bragg, that is, the new registration labels. I find it hard to believe that this Government has gone to a system where registration labels now come out as blanks; one gets the same old label with nothing printed on it. This will make it easier for dishonest people to steal vehicles and legitimately get hold of an unused registration disc.

Members can imagine the situation where a person has just received a new registration disc. Someone else manages to get hold of that disc, and then the first person has to apply for a new one. A police officer checking vehicles, particularly if the number plates have been changed, cannot tell from the registration disc whether or not it applies to that or another vehicle. SGIC third party insurance officers looking at a crashed vehicle cannot tell from the disc whether or not that vehicle was registered at the time of the accident. It is a retrograde step.

Of course, the Registrar of Motor Vehicles has indicated that the appropriate details are shown on the registration certificate. Who in their right mind with the number of thefts that occur would keep that certificate in the glove box of their car. That would create the ideal situation for a thief to steal not only the car but also the registration papers. A sensible person keeps those registration papers at home in a safe place. The new registration discs will create problems for dealers who are dealing with a multitude of vehicles. If they get a dozen or more discs coming in they will not know which vehicles those discs belong to. It is clear that this system has to be changed quickly.

The SPEAKER: Order! The honourable member's time has expired.

Motion carried.

In Committee.

Clauses 1 to 4 passed.

Clause 5—'Power to borrow.'

The Hon. B.C. EASTICK: How does the wording of this clause compare with the norm? Basically, this Bill is in a form that is consistent year by year. However, I notice that at the tail end of clause 5, where we are authorising a sum of $80 million for the purpose of borrowing, it includes 'such other sums as may be required for the purposes of the State'. That is the most open-ended cheque that I can recall having seen. With that phrase included the amount of $80 million is not the upper limit: it is any amount that the State may want to raise. I am aware of the constraints on borrowings and the responsibility of government, but these words are an extension of the normal attitude that prevails in the presentation of documents such as this.

The Hon. D.J. HOPGOOD: It is an unusual form of wording. As the honourable member says, the constraint on the Government is the normal annual budgetary process and the necessity to look very closely to the loan funds and the way in which they should be disbursed.

I would have to get a considered reply for the honourable member in relation to the actual wording. I can certainly indicate to the honourable member that the normal budgetry disciplines will apply, keeping in mind, of course, that the purpose of this Bill is to keep the State in cash between the beginning of the new financial year and such time that the budget will come in. The Parliament, of course, will be sitting for some considerable time before the next budget, so the normal processes of review will be available to all honourable members. As to the actual technical reasoning for that verbiage, I will get that information and seek to have it incorporated in *Hansard* as occurs with reports from budget estimates committees and the like.

Clause passed.

Title passed.
Bill read a third time and passed.

DAYLIGHT SAVING ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 13 February. Page 159.)

The Hon. B.C. EASTICK (Light): On my own behalf and that of a number of members of the Opposition, I support the Bill. A number of members will speak in brief terms relative to the measure indicating the constraints which are placed upon them, and in some cases will put a personal view. The constraints relate to the referendum that was held at the time of the State election in 1982 when the simple question, 'Are you in favour of daylight saving?' was put to electors. There was an overwhelming result in favour of daylight saving, with 70.09 per cent of the 93.12 per cent of the populace who voted at that time. However, there were five electorates that recorded a negative vote: Eyre, which provided a 47.26 per cent vote in favour of daylight saving; Flinders with 42.96 per cent; Goyder with 41.50 per cent; Mallee with 43.86 per cent; and Rocky River with 44.94 per cent.

All of the other 42 electorates showed a positive result in answer to this question, although there was a variance in the degree of acceptance from the mid 80s down to fractionally above 50 per cent. Those details relative to the referendum are an integral part of an attitude towards this measure. It is a statistical record which was provided from the report to this Parliament, being the Referendum (Daylight Saving) Act 1982 held on 6 November 1982, and a report which was laid on the table in the Legislative Council on 2 June 1983 and which appears as Parliamentary Paper 151 in the 1983-84 year. As the chart is purely statistical and I seek leave to have it inserted in *Hansard* without my reading it.

Leave granted.

STATEMENT SHOWING DISTRICT TOTALS

District	No. of Electors on Roll	No. of Electors who Voted	Percentage of Electors who Voted	No. of Electors in Favour of Prescribed Question	No. of Electors not in Favour of Prescribed Question	No. of Informal Votes	Percentage of Voters in Favour of Prescribed Question	Percentage of Voters not in Favour of Prescribed Question	Percentage of Informal Votes
Adelaide	16 147	14 353	88.89	10 294	3 472	587	71.72	24.19	4.09
Albert Park	19 931	18 748	94.06	14 057	4 043	648	74.98	21.56	3.46
Alexandra	20 194	19 026	94.22	11 482	7 254	290	60.35	38.13	1.52
Ascot Park	16 749	15 798	94.32	11 607	3 910	281	73.47	24.75	1.78
Baudin	23 718	22 205	93.62	18 229	3 651	325	82.09	16.44	1.46
Bragg	16 261	15 172	93.30	10 998	3 966	208	72.49	26.14	1.37
Brighton	19 881	18 742	94.27	15 015	3 495	232	80.11	18.65	1.24
Chaffey	19 126	17 587	91.95	9 998	7 232	357	56.85	41.12	2.03
Coles	19 838	18 760	94.57	13 762	4 364	634	73.36	23.26	3.38
Davenport	19 040	17 596	92.42	13 690	3 689	217	77.80	20.96	1.23
Elizabeth	20 151	18 486	91.74	14 639	3 473	374	79.19	18.79	2.02
Eyre	15 542	13 852	89.13	6 547	6 910	395	47.26	49.88	2.85
Fisher	24 057	22 587	93.89	18 226	4 163	198	80.69	18.43	0.88
Flinders	16 587	15 558	93.80	6 683	8 602	273	42.96	55.29	1.75
Florey	18 129	16 976	93.64	12 835	3 817	324	75.61	22.48	1.91
Gilles	16 920	15 846	93.65	11 721	3 758	367	73.97	23.72	2.32
Glenelg	17 031	15 853	93.08	11 947	3 706	200	75.36	23.38	1.26
Goyder	17 426	16 527	94.84	6 859	9 371	297	41.50	56.70	1.80
Hanson	17 929	16 591	92.54	12 582	3 729	280	75.84	22.48	1.69
Hartley	19 651	18 244	92.84	12 641	4 686	917	69.29	25.69	5.03
Henley Beach	19 220	18 112	94.24	13 498	4 088	526	74.53	22.57	2.90
Kavel	19 268	17 976	93.29	10 555	7 232	189	58.72	40.23	1.05
Light	16 946	16 063	94.79	8 421	7 385	257	52.42	45.98	1.60
Mallee	15 858	15 029	94.77	6 592	8 222	215	43.86	54.71	1.43
Mawson	24 988	23 617	94.51	19 618	3 749	250	83.07	15.87	1.06
Mitcham	16 948	15 814	93.31	11 665	3 928	221	73.76	24.84	1.40
Mitchell	17 698	16 454	92.97	12 131	4 036	287	73.73	24.53	1.74
Morphett	16 993	15 718	92.50	11 689	3 781	248	74.37	24.06	1.58
Mt Gambier	18 617	17 514	94.08	12 365	4 802	347	70.60	27.42	1.98
Murray	19 116	17 813	93.18	10 806	6 670	337	60.66	37.44	1.89
Napier	18 740	16 900	90.18	13 176	3 415	309	77.96	20.21	1.83
Newland	24 547	23 223	94.61	19 447	3 524	252	83.74	15.17	1.09
Norwood	17 722	15 980	90.17	11 777	3 631	572	73.70	22.72	3.58
Peake	16 944	15 729	92.83	11 341	3 796	592	72.10	24.13	3.76
Playford	20 308	18 921	93.17	15 361	3 207	353	81.18	16.95	1.87
Price	15 813	14 850	93.91	10 288	3 890	672	69.28	26.20	4.53
Rocky River	17 415	16 442	94.41	7 397	8 873	172	44.99	53.97	1.05
Ross Smith	16 160	14 909	92.26	10 408	3 889	612	69.81	26.08	4.10
Salisbury	23 282	21 602	92.78	16 715	4 352	535	77.38	20.15	2.48
Semaphore	19 080	17 795	93.27	13 212	4 176	407	74.25	23.47	2.29
Spence	15 241	14 104	92.54	9 861	3 615	628	69.92	25.63	4.45
Stuart	17 947	16 844	93.85	10 067	6 415	362	59.77	38.08	2.15
Todd	20 798	19 752	94.97	15 618	3 811	323	79.07	19.29	1.64
Torrens	16 914	15 275	90.31	11 218	3 822	235	73.44	25.02	1.54
Unley	16 595	15 253	91.91	11 459	3 445	349	75.13	22.59	2.29
Victoria	15 998	15 058	94.12	8 350	6 445	263	55.45	42.80	1.75
Whyalla	17 751	16 034	90.33	11 788	3 820	426	73.52	23.82	2.66
Totals	871 215	811 288	93.12	568 635	225 310	17 343	70.09	27.77	2.14

The Hon. B.C. EASTICK: This Bill might be referred to as the third phase of the recent daylight saving saga. The first was a 1971 Bill, which a number of us recall, and which was put in place with a restriction—it had to come up for review after 12 months of operation. That was the first year of daylight saving. In 1972 it was again before the Parlia-

ment and was confirmed, so it became a feature of South Australian summertime subsequent to 1972.

In actual fact, it goes back to another Act—the Standard Time Act 1898—which was assented to on 23 December 1898. The Standard Time Act of 1898 ties South Australia into the position that it holds relative to the other States in the Commonwealth, and indeed to decisions which are taken relative to each area's time in relation to Greenwich in the United Kingdom. It is interesting to note that the eastern seaboard of Queensland, New South Wales, Victoria and Tasmania basically follow the same time pattern other than when it comes to daylight saving and for reasons best known to Queensland it follows a course of action which is different from the others. It is relative to a time zone of a longitude which does not even pass through the State of Victoria. It goes up through Queensland and New South Wales entering at about Cape Howe. This is well recorded in the report on the daylight saving Bill of 15 September 1971.

It appears in the *Hansard* record at pages 1478 to 1491. I mention that because a contribution was made during the course of that debate by Mr Carnie, who was then the member for Flinders. Mr Carnie went to some lengths to outline the various time zones as they apply to South Australia. He related where the time zone relating to the eastern States is, then picked up the point that the time zones so far as South Australia is concerned related to a line not in South Australia but one which travels roughly through Warrnambool.

He then pointed out that the next time zone—and this is quite significant in the effect that it has upon the populace of South Australia—is the time zone that passes roughly through Elliston on the West Coast. It can be noted from the figures I mentioned earlier that the West Coast area in the early days, and at the time of the referendum (and I believe still is) was violently opposed to daylight saving and to any extension or alternative.

Be that as it may, detail of those time zones and their relativity to Greenwich is available in the record for any member who may wish to read it. We then come to the particular measure with which we are dealing tonight and which seeks to extend the period of daylight saving for 1986 by a matter of two weeks. This is to tie in with a decision taken by Premier Cain in Victoria so that a Royal visit and other activities in Victoria can occur in natural light.

Indeed this fits in very closely with the royal visit and the Adelaide Festival of Arts. I can see no difficulty, involving those two events, with the provision of the additional period of daylight saving. The means by which the matter has been approached on this occasion is rather unusual: it is unusual not to write into the Bill a prescription. We are writing in an opportunity for a decision on daylight saving to be made by regulation. If the Bill is passed, the provision that a decision can be made to begin daylight saving earlier than the last Sunday in October or extend it later than the first Sunday in March will continue on in perpetuity. That means that a decision changing the stipulated period of daylight saving in South Australia will be subject to the whim of the Government of the day.

If a regulation is introduced that extends daylight saving earlier in the season, or later in the season such a regulation would be subject to the scrutiny of this Parliament, but Parliament might not be sitting at the applicable time and by the time Parliament resumes the event may long since have passed. The advantage of not having a prescription means that an element of flexibility is provided and that the Government can take cognisance of special events occurring in any given year. This applies, of course, to events such as the Adelaide Festival of Arts, perhaps a royal tour, and any other events that might be planned.

However, such flexibility does mean that a Government could stipulate a period of daylight saving at any time of the year, but I suspect that in bringing this matter before the Parliament the Government has no such action in mind. Costs and the disruption involved if South Australia were not in relative harmony with the time zones in other States would be a disadvantage to the State. Indeed, I picked up the point that we are going with Victoria, and that New South Wales has also been happy to go along with a decision made by the Victorian Government. Therefore, the normal business communication and transactions which occur between the three States can continue with the least possible disruption.

The method inherent in this measure is unusual, although I accept the importance of the element of flexibility involved. However, I would like the Minister to give a fairly clear indication to the House, that at least while he is responsible for the legislation, as Chief Secretary of the State, a unilateral action will not be taken unless for a specific purpose and with plenty of advanced notice being given to the population at large, and, further, that an extension will not apply to any time other than at the beginning or end of the normal daylight saving period presently applicable. With those remarks I indicate my support for the Bill.

Mr FERGUSON (Henley Beach): I also support the Bill, and do so with enthusiasm. Over several years I have been on a personal campaign to extend daylight saving in South Australia. I do so for several reasons. The first is the overwhelming support the referendum on daylight saving received in my own electorate, where more than two to one voted in favour of daylight saving. I would like, and have advocated over the years, a further extension of daylight saving—further than the proposition in front of us. However, I am at least happy to see that daylight saving does not end during the first week of the Festival of Arts and is able to carry on well into the festival so that at least people taking part in outdoor activities can enjoy them in daylight. I have received submissions over the years from constituents seeking an extension of daylight saving at both the end and at the commencement of the period. I will read correspondence that I received from one of my constituents, Ms J. Chalmers, who stated:

Dear Mr Ferguson,

I am writing with interest regarding the current move to extend daylight saving to 16 March 1986. I wish you and the Parliament to consider not only extending but bringing daylight saving forward in spring. The present proposals mean that daylight saving will end within one week of the autumn equinox. It seems only sensible then to start daylight saving one week after the spring equinox rather than the present six weeks. If the argument to extend is correct (and I believe it is) then surely all the same savings on electricity, etc., would be passed on by starting daylight saving earlier. I would ask you to bring this to the attention of the House and wish you well on the passage of the Bill. Yours sincerely, Ms J. Chalmers.

My seaside electorate contains a large coastal area and I would naturally be in favour of extending daylight saving. People are able to frequent the beaches and spend more time swimming and enjoying healthy activities. I have always enthusiastically supported the beachside traders, and they are in a position to improve their activities to the benefit of all people within my electorate during daylight saving.

I have also over the years been approached by many sporting bodies within my electorate referring specifically to more time being provided for training, which in turn must improve the general standard of participants. It also makes coaches available and provides more time for individual tuition. Junior players, especially females, are able to return to their homes after enjoying sport in daylight as there is a greater safety factor.

More opportunities are provided to conduct twilight meetings, which are an advantatge both to players and spectators. Financial benefits are gained due to greater spectator interest and support. Businessmen are afforded more time and incentive to participate in sport and recreation. Hours of match play can be extended and curtailment of play due to bad light is minimised, particularly with cricket activities. More economic use of sportsgrounds is possible. Great assistance is given to the conduct of State and national championships, with extended hours available for play and entertainment of visitors.

School sporting competition can be played on weeknights, thereby relieving teachers of weekend duties and freeing the students for family outings. More time is available for cooperative effort by members of clubs and associations, in effecting improvements to facilities provided for the use of players and members. That is a whole list of reasons why daylight saving should continue to be extended.

The Hon. B.C. Eastick interjecting:

Mr FERGUSON: So far as the member for Light's interjection is concerned, my interest is for the people of my electorate and all of the advantages that I have just enumerated relate to the people in my electorate. If there were some way possible for time zones to be adjusted so that people who are opposed to daylight saving could have the best of both worlds, I would be totally satisfied. I cannot see how that can be done without interrupting business and everything that goes with it.

I know that some country members are opposed to daylight saving. However, in the time that I have given publicity to this matter I have received many letters from people in country electorates in which I have no influence. Interestingly, the New Zealand Royal Commission into daylight saving produced reasons why it is an advantage to country people. It allows for more stock work and stock movement to be completed before the main heat of the day. Additional daylight is available for shepherding and the shedding of sheep for the next day's shearing.

Primary producers and their families and employees have better opportunities to travel to the cities and towns and return during daylight. It is claimed that daylight saving increased rural productivity and gave greater opportunities for property repairs and maintenance. Rural workers are able to enjoy additional leisure time and amateur beekeepers found additional daylight an advantage in the handling of bees.

However, above everything else, the main reason for my support of an extension of daylight saving concerns the saving in electricity charges. When I researched this matter in November 1983 I was able to glean from the Electricity Trust that the estimates of saving in electricity charges for the two months of daylight saving—as it was then on 1 November 1983—was $2 million.

With the inflationary spiral I am sure that the people of South Australia will now be saving much more than $2 million. True, there is a diminishing saving in electricity as one proceeds into the year, but I estimate that the savings in electricity charges in regard to the extension of daylight saving will be considerable and will run into many millions of dollars. For that reason alone, and because I represent an electorate that benefits greatly from any extension of daylight saving, I support the proposition and hope that at some time in the future we might be able to extend it even further.

Mr GUNN (Eyre): I oppose the Bill, and I make no apology for doing so. I was interested to hear the comments by the member for Henley Beach, because I hope that daylight saving is never extended. Certainly, I do not intend to vote for it. My constituents in the west of South Australia are poorly treated by Governments anyway. This Government will not even give them a school bus in which to take children to school.

Mr Ferguson: What has that to do—

Mr GUNN: Let me finish. I have a bit to say about how people in isolated communities are affected. The Government intends to inflict another fortnight of daylight saving on them and it will not be long before the Government tries to make it a permanent feature. The member for Henley Beach and his ilk would probably like to introduce Eastern Standard Time in order to give us an extra half an hour on top of that. I intend to protest on every occasion on behalf of the people who are most affected in the west of my district. When the announcement about the extension of daylight saving was made my telephone ran hot from that very moment. It was wrong of the Government to unilaterally make such a decision without first having the courtesy to have discussions with representatives of the people most affected.

Mr De Laine interjecting:

Mr GUNN: We know your arrogance. I thought you were the people who believed in consensus. The clear display of arrogance we see across the Chamber tonight is indicative of the Government's attitude. There is only one good thing about it—it will bring about its demise. I want to read to the House a letter I received from the Coorabie and Districts Progress Association which explains the difficulties faced by people and which states:

> In regard to the recent announcement that the Government intends to extend daylight saving for a further two week period, our organisations (Coorabie and Districts Progress Association and Coorabie rural school) would like to raise the strongest possible protest. In fact, so incensed are the residents of this community, should the motion to extend the daylight saving period be carried in Parliament, they will refuse to comply and encourage all people who disagree with the proposal to adjust their clocks to Central Standard Time (CST) on 2 March 1986.
>
> It is high time that the people who are most disadvantaged by daylight saving were given some say as to when it should end. We have been forced against our will to accept daylight saving for many years now, and believe that any further extension is totally unacceptable. In fact if there is any alteration, it should be to shorten the period, not extend it. In the past the wishes of the western area of the State have been completely disregarded in this matter, and we intend to raise the strongest possible protest, even to an act of civil disobedience if necessary.
>
> The setting of Central Standard Time is incorrect for almost all of South Australia, as our time in relation to the sun is set in western Victoria. CST should be one hour behind the eastern States to cater for the majority of the State. In the western border region we would then have the equivalent of about half an hour daylight saving all the time. Even if one accepts the present Central Standard Time as being normal (which it isn't) those of us on the western side have half to three-quarters of an hour of so-called daylight saving at all times. When you add another hour to that, during November, December, January and February it becomes most frustrating. To take the daylight saving period any further becomes even more ludicrous.
>
> Farmers, particularly during harvest, are disadvantaged due to the fact that they have to start the day by the clock to get their children to school on time but cannot start harvesting till midday (whenever that is) on acount of the coolness and moisture problems associated with harvesting cereals. The dry part of the day continues until late (by the clock) and the farmer does not get into the house until 9.30 to 10 p.m. This causes lack of normal rest for all the family as, although the clock indicates that it is late, the sun is still shining and children are somewhat reluctant to go to bed in broad daylight. Therefore, starting the day by the clock and finishing it by the sun creates a long, long day.
>
> By extending the period of daylight saving into March it means that many children who travel by school bus will need to arise while it is still dark. This will not be helpful to them and it will also increase the electricity bill for their family due to having breakfast before daylight. For those who think they are saving daylight on the eastern side of the State, spare a thought for those of us on the western side, as we are losing it over here.

The Hon T.M. McRae interjecting:

Mr GUNN: I will refer to that later. The letter continues:

For those without children who may try to ignore the clock, it also makes life difficult. Machinery dealers and banks and many other shops shut down in mid-afternoon (5 p.m.). Wheat silos only stay open until midway through the harvesting period each day causing unnecessary storage of grain until the next day. Extra storage bins are required, adding further costs. It may be said that there could be an alteration of working hours. However, many unions object to their workers working hours other than 9 to 5 and penalty rates apply outside these hours, which adds to the crippling costs that the farming community has already been called on to endure.

In relation to the Country Fires Act which states that no fire shall be lit before midday and must be extinguished by 9 p.m. on the same day, the CFS does not recognise these times during the daylight saving period and therefore it causes much confusion in this regard.

Many small manual telephone exchanges close at 6 to 8 p.m. and farmers find it impossible to make necessary phone calls after work. With regard to arranging meetings in country areas, where some people by necessity have to work by the sun and others work from 9 to 5, it makes it almost impossible to arrange suitable times for such meetings or social activities. This causes much ill-feeling that would not otherwise happen. For instance, a farmer could not attend a meeting until 10 p.m., whereas a school teacher or the like would want it at 7.30 or 8 p.m.

For anyone who is able to view television in this western area, the timing of the programmes leaves much to be desired during the daylight saving period, as one finds that the programmes that are of importance to country viewers, particularly news and weather, are all well and truly over before the farmer gets into the house, and on many occasions one would find that transmission has ended for the day by the time he arrives home.

Coorabie rural school has been forced to alter its starting time by half an hour, but this has generated further problems. The school is now not operating on the same time basis as other schools, and normal interaction is thus affected. In addition, the later finishing time precludes the permanent teaching staff from travelling to Ceduna for banking and business matters.

Much inconvenience is caused to the travelling public, in particular those coming from the west to SA as on crossing the border, the time jumps ahead 2½ hours due to WA not having daylight saving. Many problems are thus encountered in regards to meal times, closing times etc. WA seems to manage quite well without daylight saving.

We would suggest that, instead of changing the clocks at all, people who want or need extra leisure time should be allowed to start one hour earlier to achieve the same result as they are now achieving with daylight saving.

We request you then as our member to fight this matter as forcefully as possible, to show true grit and determination and to convey the message that this community intends, as far as is possible, not to comply with any further extension of daylight saving. Yours faithfully, B.H. Jones, (Secretary), (Coorabie & Districts Progress Association); and yours faithfully, P.A. Barritt, (Head Teacher) (Coorabie Rural School).

I believe that that letter is very well put together and gives a very accurate assessment of the situation in the western parts of the State. A great deal of inconvenience and many problems have been caused by daylight saving due to moisture problems along the coastal areas of Eyre Peninsula, where people cannot commence their harvesting operation when the silos open at 8 p.m. because of the moisture content, particularly on damp evenings. There are many other associated problems. I do not know who wrote the report about New Zealand bees referred to by the member—

Mr Ferguson interjecting:

Mr GUNN: That may be applicable to New Zealand, but it is certainly not applicable to the rural areas of South Australia.

Mr Ferguson: The bees here are different to those over there.

Mr GUNN: The member would not know whether bees were upon him. I do not think he would have any idea at all. I do not know that about bees but I would say that the member was talking bull.

An honourable member: That's a top comment.

Mr GUNN: The little smart alec member from the south has been a ministerial assistant and has not been out in the real world. When he has been in this place for a while he will learn to face a bit of reality.

The SPEAKER: Order! The honourable member is hiving off in other directions. I ask him to return to the Bill.

Mr GUNN: I do not like to stray from the matter under discussion, and I thank you, Sir, for your assistance. An attempt was made to sidetrack me by members opposite. They who would not know anything about the problems associated with living in isolated country communities. From their attitude they obviously do not care and are not concerned. They have displayed that attitude very clearly in this House tonight.

In conclusion, I strongly oppose this measure. I do not believe it is necessary. I am concerned that there may be an attempt to make it a permanent feature in this State. I oppose the second reading.

Mr BLACKER (Flinders): I oppose this Bill, for a number of reasons. Over a number of years I think I have established my attitude and, more particularly, the views of my constituents, towards daylight saving. Listening to the debate tonight, I tried to analyse where the two sides stood. I think it is fair to say that those people who live in a regulated area, who can go to work by the clock, knock off after putting in so many hours per day and then travel to some sport or recreation would believe that daylight saving is marvellous. To those people who have absolutely no responsibility to the wider community, where they can enjoy themselves to the ultimate end to their own personal pleasures daylight saving would be marvellous. If I was in that situation I would look forward and support daylight saving as such. However, to those people out in the wider community who earn a living from the land and who must work with the elements the story is vastly different.

We could not compare the two. The unfortunate part about it is that, in relation to the letter that the member for Eyre read into *Hansard*, people who live in the western part of the State already have daylight saving.The very location in the State determines that they have daylight saving over and above the metropolitan area and, more so, over and above the area of the original time meridian on which South Australian time is established. That is situated near the Victorian border. So, we have a daylight saving element already built into our system.

To then add another hour on top of that aggravates the position. You have schoolchildren who get up in hours of darkness and come home during the heat of the day. You have the situation in the primary production area where farmers, because of the hours of trading of the silos, can reap for only one or two hours on average when they can actually cart directly to the silo. For the rest of the time they have to provide bins and storage. With a bin costing $2 000 (and that is cheap if you can get it at that price), it means that that is an additional capital cost that is placed on that farmer. So, because of that one hour, he in turn is faced with the extra requirement to provide bin storage for the grain that he requires.

On top of that, the grain handling authorities must absorb the increased penalty times if the silos open after 5 o'clock. We all know that the unions have a requirement that after 5 o'clock a penalty attaches to it, and so it goes on. Late last year one of my constituents wrote to me to ask if I could ascertain from the Government whether any assessment had been done on the actual cost of daylight saving to the primary industry areas of the State. At that time I wrote to the Minister of Agriculture, but regrettably I do not have the letter that I sent. The basic request was whether any assessment had been made as to actual costs, particularly in relation to the grain handling industry.

I subsequently received a reply from the new Minister of Agriculture. I was very surprised with his reply, and I did not know whether I should be kind to him and not send his letter out, or whether I should send it out and let the community see the ridiculous statement that he had made. I will read the letter and then attempt to give some explanation in the hope that the Minister might be able at some stage to return with a correction to the statement that he made. The letter, dated 24 January 1986, states:

Dear Mr Blacker,

Thank you for your letter dated 17 December 1985 regarding the impact of daylight saving on farm costs.

In general, silo managers in South Australia are free to enter into flexible working arrangements with their employees regarding hours worked.

That is fine. What he does not mention is the additional cost that is incurred after 5 p.m. The letter continues:

Times of opening and closing vary considerably over the State for a number of reasons—

that is fair, but he does not mention the costs after 5 p.m—

depending on the volume of grain entering silos, rail truck arrivals, trans-shipment of grain between silos, shipping timetables, etc., all of which affect the amount of penalty rates paid.

That is his only reference to penalty rates. The letter continues:

Daylight saving by itself is not a cost factor.

That is the final statement. He alludes to the fact that penalty rates are included, but then says that daylight saving by itself is not a cost factor. For a person who purports to be a Minister representing the agricultural industries of the State to say that about the people whom he represents is an insult.

I give the Minister the benefit of the doubt. I do not really believe that he understood the import of the question, because I do not believe that he, as a Minister of the Crown, would make such a ridiculous statement. To that end, I hope that the Minister will read the comments that I have made and perhaps even send a revised letter. I have to send this letter to the person who wrote to me, and I know that he is a member of a producer organisation. I do not doubt for one moment that that letter will be circulated all over Eyre Peninsula. The Minister's credibility is at stake because of the statement that he made in answer to a very simple request about whether any assessment had been made on the effect of daylight saving on farm costs. It was a simple question which required a simple answer and, with due respect, if the Minister had said that he was unaware that any actual costing had taken place, I think it could have been accepted in a far better way than it has been today.

I oppose this Bill for the very reason that it writes into the Act that daylight saving can be extended by regulation—and that concerns me. If the Government were genuine in its intent that the extension by a fortnight was to take place on this occasion in special circumstances in the J150 year, and to parallel what is happening in Victoria, I could accept the argument. I would disagree with it, but could accept that there was some logic behind the argument put up. To use this occasion as an excuse to put the amending legislation in such a way that it can be changed by regulation without reference to this Chamber is wrong.

It raises the suspicion that the Government has these things in the back of its mind and will probably do this at a later date without reference to Parliament. On that principle alone I must oppose this Bill, because I cannot support this Parliament just handing over to the Government—irrespective of which Party is in office—the ability to change the time zone at its whim.

I take up the point that the member for Light made, that we could have this occur during the year. Whilst I do not at this moment see any real reason for doing that, one could not help but believe that if a major international function should occur here—if, for argument's sake, the Olympic Games were to come here, there would be the tendency for the Government to hop in and just change the times as such.

This change will not suit the school children who have to travel on buses during, in some cases, the darkness of the morning and get home during the heat of the day in summer, nor will it suit primary producers who are inconvenienced in their communications. We do not all have STD telephones that we can dial 24 hours a day. The situation is getting better, but there are many areas in the western regions of Eyre Peninsula (and no doubt in other areas of the State) where manual exchanges still operate. They cannot therefore put in the day on the tractor or the header and then come home and make calls because the phone is closed, the normal hours having run out.

What benefit is daylight saving for a farmer if he has to knock off during part of his working day so that he can go and make a local call? It really gets ridiculous, to the extent of grossly inconveniencing those people who are not in the closely settled areas. As I said, I can understand the argument of the member for Henley Beach in his position, where he does not have people working on the land and with the elements. For people who have to work with the elements on the land this Bill is a further imposition which I do not believe this Parliament should force upon them. I totally oppose this Bill.

Mr MEIER (Goyder): It is important to remember that the prime reason for this Bill being introduced is because the Victorian Premier took the move to extend daylight saving; New South Wales followed suit, and, certainly, South Australia has probably little choice but to fall in line, since airline schedules, bus schedules and the like would be thrown considerably out of kilter if we did not follow suit.

I think it is interesting to note that at the last referendum in 1982 the then electorate of Goyder had the highest vote against daylight saving: a vote of 56.7 per cent against, compared to 41.5 per cent for daylight saving, with a 1.8 per cent informal vote. Nevertheless, one is not dealing here with the principle of daylight saving. We are dealing here with an extension to an already existing situation, and it is clear that about 70 per cent of the people of South Australia voted in favour of daylight saving.

Whilst I have had many discussions with persons who are against daylight saving, they recognise that the referendum has been held, that the people of South Australia have had the chance to decide whether they want or do not want daylight saving, and that it is in a sense a *fait accompli*. The two week extension, in my opinion, will have a negative effect amongst those people who have experienced a similar negative effect for the rest of daylight saving. The previous speakers have gone through those cases very adequately and I do not intend to go over them myself.

I appreciate, having a young family, how it disrupts aspects of life. I, too, sympathise for those children who have to travel long distances on school buses, but because this is occuring at the end of the daylight saving period, because a prime factor against daylight saving in the country areas, namely the harvest, is largely finished (with the exception perhaps of the medic harvest) and because many farmers are now enjoying recreation at some of the tourist centres, particularly on the peninsula, I believe that the extra two weeks will not have such a detrimental affect as the initial concept of daylight saving had when it was introduced.

For that reason, whilst I fully acknowledge the factors against it, because of the desire to be in line with the other States, because of the Queen's visit here, the Jubilee 150

celebrations and even the start of the Festival of Arts, I will be supporting this move this evening.

Mr BECKER (Hanson): Since 1968-69 I called for daylight saving in South Australia when I was president of my union. I have always kept up the call for daylight saving ever since I have been elected to this House and was supported by the seaside councils, particularly the Glenelg council, in that move. We in the seaside councils, as the member for Henley Beach said, appreciate the benefits of daylight saving as do the small businesses and residents.

During the referendum I called for daylight saving. I made no bones about it within the electorate, and 75.84 per cent of my constituents voted in favour of daylight saving, compared with 22.84 per cent against. We had the lowest informal vote we have ever had in my electorate of 1.69 per cent.

I understand and appreciate the problems of the people in the far north of the State and the west coast, and I believe the two weeks extension sought now is not long enough. I have always believed daylight saving should go to the end of March. The Government should look at this suggestion and further consider the extension of daylight saving, not for two weeks but for four weeks.

I think that there is an error in this legislation, and I do not know whether or not the Minister or Cabinet have considered it. Although unfortunately it will not be the Mitsubishi Australian Grand Prix, I understand that the Australian Grand Prix will be held over the weekend of 25 and 26 October.

Daylight saving in South Australia commences at 2 a.m. on 26 October. When I went to Paris and Canada on a parliamentary study trip, nothing was worse than being in a foreign country and finding out that there had been a change to the time; that daylight saving had occurred in the night. I think that daylight saving should start on the first Sunday in November rather than the last Sunday in October. The Minister will have to look at this because there could be confusion amongst overseas and interstate visitors with this change of time on the day of the great race.

Members can imagine the confusion with the Grand Prix. Visitors who rise on Sunday morning will forget about the daylight saving change. Tens of thousands of people came from interstate to enjoy themselves at the Grand Prix last year. With a carnival atmosphere one does not look at the papers or the television, and one rarely listens to the radio. I predict a problem with this. Daylight saving should not commence on the Australian Grand Prix weekend. I ask that the Minister take this matter back to Cabinet for further consideration, and I ask him to consult Mal Hemmerling. I would not want to do anything that would upset the Australian Grand Prix.

Mr HAMILTON (Albert Park): It was not my intention to enter into this debate but I was very much influenced by my colleague the member for Henley Beach, whose words of wisdom over the years have influenced not only me but many people in the western suburbs. It is interesting to see the member for Hanson, the member for Henley Beach and the member for Albert Park supporting this proposition. Members opposite believe that referenda indicate the will of the people. Suddenly we find the member for Eyre and the member for Flinders, and many others, opposed to the popular will of the South Australian people, which was reflected back in November 1982. The majority of South Australians have clearly indicated where they stand in connection with this measure. I can usually draw a few interjections from the Opposition benches, although I know that they are out of order. However, opposition members are strangely quiet tonight. Moreover, we hear much comment from the Opposition benches about small business people.

Mr Ingerson interjecting:

Mr HAMILTON: The nondescript from Bragg who has not had a win in as many years as I have known him—

Mr Groom: The Leader in waiting.

Mr HAMILTON: The Leader in waiting, as my colleague suggests. Despite all the money spent in Albert Park, he could not do much good. Let me return to the kernel of the problem. Members opposite are great advocates of small business but are suddenly saying that they do not want daylight saving.

The Hon. D.C. Wotton interjecting:

Mr HAMILTON: The honourable member can have his say later. We hear a great deal from these advocates of small business, but suddenly they do not support those people who wish to journey interstate. Of course, members know that travel is very expensive.

Telephone calls interstate are very expensive. Victoria, New South Wales and indeed South Australia are all in step, contrary to the member for Bragg who is out of step as usual, in more ways than one—even with Sportsfield he is still out of step. Of course, he has not had a great deal to say about this matter. Like others, he will interject, but does not have the intestinal fortitude to stand up and have a say on the matter. Members opposite have not done any work in terms of their own electorate. I know that some of my colleagues are shuddering, 'Kevin, don't stir them up too much; we want to go home tonight.'

Let me say that it is not very often that I pay the member for Hanson a compliment but at least he had the guts to stand up, and I say to him, 'Congratulations. Whilst it took you a long time to get on to the front bench (but I do not know how long you will stay there after tonight's episode), at least you had the guts to stand up tonight and say what you felt.' I support the proposition put forward by my colleague, the member for Henley Beach.

The Hon. D.J. HOPGOOD (Deputy Premier): Madam Acting Speaker, I congratulate you on your first stint in the Chair. I would like to thank honourable members for the attention that they have given to this debate. In particular, I can understand the pressures that operate on the one hand on country members, particularly from the western regions of the State and, on the other hand, on what might be called the Ferguson-Becker-Hamilton axis representing the seaside region of the Adelaide Plains. I simply want to say in relation to the commitments that were asked of me by the member for Light that indeed those commitments I am only too happy to give.

The Government believes that, by providing the mechanism which is laid down in the Bill, we will have some necessary flexibility, but on the other hand, the Government understands and recognises that that flexibility must be operated with the utmost sense of responsibility in the interests of particularly our industries where the relativity with the eastern States is most important. As I said before, we understand the pressures that operate on portions, though not all, of the rural community. I would anticipate that in any attempt to use the regulatory mechanism laid down in the Act there would certainly be the opportunity for the normal subordinate legislation procedures to be gone through to ensure that the proper parliamentary review was maintained.

I would also commend to members the specific information which the member for Light has had read into the *Hansard* record. I think it will be a very useful reference for us for many years to come. I commend the Bill to the House.

The House divided on the second reading:

Ayes (28)—Mrs Appleby, Messrs L.M.F. Arnold, P.B. Arnold, S.J. Baker, Becker, Crafter, De Laine, Duigan, Eastick, and Ferguson, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hopgood (teller), Ingerson, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Meier, Olsen, Oswald, Payne, Rann, Robertson, Tyler, and Wotton.

Noes (2)—Messrs Blacker and Gunn (teller).

Pair—Aye—Mr Abbott. No—Mr D.S. Baker.

Majority of 26 for the Ayes.

Second reading thus carried.

In Committee.

Clause 1 passed.

Clause 2—'Interpretation.'

Mr BECKER: I seek an assurance from the Deputy Premier that daylight saving in 1986 will not commence on the last Sunday in October, which is the 26th, the day of the Australian Grand Prix, because I believe that will be more convenient for overseas visitors and persons from other States. We will possibly have 100 000 or more visitors in Adelaide then. The organisers of the Grand Prix are trying to break a record for attendance for a specific event and that could well be in excess of 115 000 spectators. For the sake of simplicity, could daylight saving commence either on the second to last Sunday in October or the first Sunday in November? Will the Deputy Premier consider my suggestion and take it back to Cabinet?

The Hon. D.J. HOPGOOD: I must apologise to the honourable member, as he raised this matter during the second reading debate, and it slipped my mind when I was replying to the debate, otherwise I would certainly have taken up the matter. In terms of the undertaking I have just given to the member for Light, it would not be reasonable for me to give the honourable member an undertaking at this stage. Proper consultation must be entered into before any further extensions take place.

However, the representations that the honourable member made during the second reading debate were quite reasonable. The Government will certainly take into account the matter raised by the honourable member and will fully consult with a view to making an appropriate decision. I do not contest the merit of the suggestion, but I have given an undertaking to the House that the Government will not make 'off the top of the head' decisions and that proper consultation will be entered into, and that is the decision that the Government will abide by.

Clause passed.

Clause 3 and title passed.

Bill read a third time and passed.

STATUTES AMENDMENT (VICTIMS OF CRIME) BILL

Received from Legislative Council and read a first time.

ADJOURNMENT

At 10.37 p.m. the House adjourned until Tuesday 25 February at 2 p.m.