HOUSE OF ASSEMBLY

Wednesday 6 April 1988

The CLERK: I have to inform the House that, because of absence overseas, the honourable Speaker will not be able to attend the House for several weeks.

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

That, pursuant to section 35 of the Constitution Act 1934 and Standing Order 24, the honourable member for Henley Beach (Mr Ferguson), Chairman of Committees, do take the Chair of this House as Deputy Speaker to fill temporarily the office and perform the duties of the Speaker during the absence from the State of the Speaker.

Motion carried.

The DEPUTY SPEAKER (Mr Ferguson) took the Chair and read prayers.

PETITIONS: SHOP TRADING HOURS

Petitions signed by 241 members of the Federated Clerks Union and 143 residents of South Australia praying that the House reject any proposal to extend retail trading hours were presented by Messrs Blevins and Groom.

Petitions received.

PETITIONS: CHILD ABUSE

Petitions signed by 542 residents of South Australia praying that the House urge the Government to review practices and increase penalties in the prosecution of child abuse cases were presented by Messrs Allison, S.J. Baker, Becker, Ferguson, Ms Gayler, Messrs Goldsworthy, Gregory, Klunder, Lewis, Oswald, and Tyler.

Petitions received.

PETITION: WATER FILTRATION PLANTS

A petition signed by 368 residents of South Australia praying that the House urge the Government to construct water filtration plants at Happy Valley and Myponga reservoirs was presented by Mr P.B. Arnold.

Petition received.

PETITION: TOBACCO TAXES

A petition signed by 108 residents of South Australia praying that the House urge the Government not to increase taxes on tobacco products in order to fund anti-smoking campaigns was presented by Mr Becker.

Petition received.

PETITION: ARMED HOLD-UP OFFENDERS

A petition signed by 15 residents of South Australia praying that the House urge the Government to abolish parole and remissions of sentences for persons convicted of an armed hold-up offence was presented by Mr Becker.

Petition received.

PETITION: ANSTEY HILL RESERVE

A petition signed by 4 224 residents of South Australia praying that the House urge the Government to reject any proposal for a recreation park in Anstey Hill reserve was presented by Ms Gayler.

Petition received.

QUESTIONS

The SPEAKER: I direct that written answers to the following questions on the Notice Paper, as detailed in the schedule that I now table, be distributed and printed in *Hansard*: Nos 460, 490, 552, 579, 607, 637, 639, and 643; and I direct that the following answers to questions without notice be distributed and printed in *Hansard*.

CATS

In reply to **Mr FERGUSON** (11 February).

The Hon. G.F. KENEALLY: My colleague the Minister of Local Government states:

Health Act provisions are considered sufficient to deal with any health problems that may arise from the presence of stray cats. However, stray cats do not necessarily represent a health risk and these provisions do not apply to nuisance situations. Councils can pass by-laws to control cats if they are causing problems, although the mere presence of cats is not recognised as a nuisance at common law.

The Department of Local Government has considered the question of council powers regarding stray cats on a number of occasions. A Cat Control Act has been ruled out because it was considered impractical to administer and it currently has little public support. The Impounding Act Review Working Party recently recommended that cats not be included under the Impounding Act but that the Local Government Act be amended to allow councils to limit the number of cats (or require them to be desexed) that may be kept on properties. The suggestion of legislating to impound cats would be very expensive to administer.

Research has shown that colonies of unwanted cats are linked to irresponsible owners allowing their pets to breed or dumping them. The working party recommended an education program to promote responsible cat ownership. The working party's report indicates that desexing of cats in the community should be supported. It is anticipated that this measure would not only help control cat numbers, but also reduce the nuisance behaviour of pet cats.

NEW AGE SPIRITUALIST MISSION

In reply to **Mr S.J. BAKER** (24 March).

The Hon. J.C. BANNON: I have discussed the matter with the Attorney-General. He has advised that he cannot see on the facts known to him that any question of public law is involved. If individuals have any concern about the action of an officer of the Minister of Agriculture as it affects them personally, they can take their own legal advice.

PAPERS TABLED

The following papers were laid on the table:

By the Minister of Employment and Further Education (Hon. Lynn Arnold):

Technical and Further Education Act 1976—Regulations—Non-sexist Language and Appeals.

By the Minister of Transport (Hon. G.F. Keneally):

Road Traffic Act 1961—Regulations—
Traffic Prohibition—
Gawler.
Woodville (Rescission).
South Australian Health Commission Act 1976—Regulations.
Julia Farr Centre Patient Fees.

Western Region Rehabilitation—Compensible Patient Fees.
West Beach Recreation Reserve Act 1987—Regulations—Membership and Functions of Trust.

By the Minister of Education (Hon. G.J. Crafter):
Building Societies Act 1975—Regulation—Restricted Loans.
Fair Trading Act 1987—Regulation—Life Insurance Contract.
Trade Standards Act 1979—Regulations—Child Carrying Seats for Bicycles.

By the Minister of Agriculture (Hon. M.K. Mayes):
Animal and Plant Control Commission—Report, 1987.

By the Minister of Recreation and Sport (Hon. M.K. Mayes):
Racing Act 1976—Rules of Trotting—Handicap Mark.

MINISTERIAL STATEMENT: TROTTING INDUSTRY INQUIRY

The Hon. M.K. MAYES (Minister of Recreation and Sport): I seek leave to make a statement.

Leave granted.

The Hon. M.K. MAYES: I wish to make a ministerial statement to the House about the results of the investigation by the South Australian Police into matters related to the trotting industry, and the hearing by the Independent Appeal Committee of the Harness Racing Industry, both of which are now complete.

On 5 December 1986 the police initiated an investigation into the use of drugs in the trotting industry. On 2 March 1987, an article in the *Advertiser* attributed serious allegations over the trotting industry in South Australia to the member for Bragg. These included claims of corruption and graft, race-rigging and a blatant cover-up.

On 10 March 1987, the member for Bragg went further in Parliament when he claimed that, in addition to the allegations in the 2 March *Advertiser*, there was 'further evidence of serious malpractice by the Trotting Control Board in South Australia'. One of the most serious allegations made by the honourable member was that the Acting Minister of Recreation and Sport may have actively participated in a cover-up.

On 2 February 1988 the Deputy Premier announced the completion of inquiries by the Police Department into matters relating to the South Australian trotting industry. At that time, he said that the inquiries did not result in any recommendations that charges be laid against individuals involved in South Australian trotting. However, he said, the inquiries raised a number of issues of an administrative nature that would have to be addressed by the State Government and trotting authorities. He said that the report of the inquiry would not be released publicly, consistent with normal practice in such investigations.

I received and read a copy of that report shortly after, and was already briefed on its contents by police officials. Based on this briefing and the contents of the report, I reviewed certain administrative procedures within the industry in consultation with responsible Government officers and sought the Trotting Control Board's cooperation in having various changes implemented. These changes were detailed in a written reply to a question from the member for Bragg on 29 March, and related chiefly to improved swabbing procedures.

The roles of the Trotting Control Board and the stewards were also matters which I felt needed review following the police investigation. These matters were also at issue in the appeal by the L.A. Ward racing syndicate against a decision of the board following the swabbing of the horse 'Batik Print' after its win in the 1986 S.A. Breeders Plate. The Independent Appeal Committee of the Harness Racing Industry, which had been ordered by the Full Court of the Supreme Court to rehear the appeal, dismissed this appeal in a decision announced on 25 March 1988.

The reasons for the decision in that appeal case also have a bearing on the allegations made by the member for Bragg and the observations made by the police in the report of their investigations. The committee concluded:

> The decision of the board was made utterly free of any intention to confer any improper or unwarranted benefit on any party . . . The decision was not in our judgment a manoeuvre involving cover-up procedures to protect the name of the industry or any person within it . . . The board, in good faith and with earnest consideration of all factors available to it, acted within the bounds of its broadly defined functions.

The committee, while finding no substantial fault with the Trotting Control Board, did identify some weaknesses in its operation. The first of these is that, due to the absence of legal training amongst existing members of the board, the board did not appreciate the importance of the orderly and foolproof gathering of evidence in the collection and transport of swabs. The committee concluded:

> A board such as this is likely to function better if one of its members is a legal practitioner with a knowledge of the South Australian industry.

I shall bear that observation in mind when future vacancies over which I have control occur on the board.

The second weakness identified by the independent appeal committee was that the minutes of board meetings were not being recorded to an appropriate standard. The committee recommended that the General Manager join with the Chairman to ensure that the statutory requirement upon this board for the taking of proper minutes is more literally observed. The committee was referring to the keeping of confidential minutes which is regarded as—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon M.K. MAYES: —quite in order provided a reference to their existence was included in the more public minutes. I am advised by the board that this matter has already been attended to. I hope that the results of both the police investigation into the trotting industry and the legal proceedings in relation to the Trotting Control Board's handling of the 'Batik Print' case will dispel the cloud which has been hanging over the trotting industry since allegations about its operation were first raised. The industry's image has suffered as a result of those allegations, and it has experienced a lower growth in turnover during this period than the other two codes. I believe that the administrative changes which have been implemented can give the public of South Australia greater confidence in the trotting industry, and I hope that it will now be able to function unimpeded by further innuendo about the way in which it operates.

Members interjecting:

The DEPUTY SPEAKER: Order!

QUESTION TIME

Mr OLSEN: Can the Premier say whether a rise in rates of taxation is an option the Government is considering in the event that the Federal Government implements the recommendation of the Grants Commission to reduce Commonwealth general revenue grants to South Australia by almost $15 million next financial year? An analysis of the Grants Commission Report reveals some alarming trends in South Australia's finances compared to the other States. The commission has reported that levels of State Govern-

ment spending and debt servicing costs are higher in South Australia than in any other State.

In 1986-87 South Australian Government spending was $2 033 per head of population compared with the average of the other five States of $1 850. Since this Government came to office, South Australia has risen from third to first in the spending stakes. In addition, the Grants Commission has found that the State Government's debt servicing cost of $133 per head of population in 1986-87 was 43 per cent above the average of the other States, reflecting the increased borrowings of this Government to fund these higher levels of spending.

These trends call into serious question public commitments the Premier has given to restrain Government spending and to reduce the State's borrowing requirement, and suggest that his current financial strategy can be maintained only with further rises in State taxation.

The Hon. J.C. BANNON: That conclusion is not one that is necessarily drawn. I think—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. J.C. BANNON: —the most important reference in relation to the area of taxes in the Commonwealth Grants Commission Report is the continuing recognition by that independent body that we are a low tax State. In the view of the Grants Commission—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. J.C. BANNON: —we do have a much greater taxing capacity. I do not agree with that—

Members interjecting:

The DEPUTY SPEAKER: Order! Will the honourable Premier resume his seat. I ask that Question Time be conducted in an orderly manner. A question has been asked, and I ask members to cease their interjections so that the question can be answered. The honourable Premier.

The Hon. J.C. BANNON: The Opposition continually brays about the fact that we are a high tax State and that outrageous levels of tax, and so on, operate in South Australia. That is not true. The Grants Commission report endorses that. However, where I do disagree with the Grants Commission is that we have a greater capacity to tax. I believe that our tax base is too narrow, too fragile, and too directly affects business and economic activity for us to put further imposts on the State. We would only do that—

Mr Lewis: What tax doesn't?

The Hon. J.C. BANNON: Royalties, for instance. Our mining royalties are at least half of what they were some years ago in monetary terms. They are a pitiful $30 million or so. They are showing some slight increases, but not very much. Compare our $30 million or so to $150 million in the case of Western Australia. Compare it to the coal revenues derived in Queensland, where of course much of the taxation revenue collected is based on taxing the transport of coal as well, thus raising our export prices. Look at the revenues gained in New South Wales from this source or from other transactions. They are the ones I am referring to when I say they do not have the same sort of impact as they could on our fragile tax base here in South Australia.

So, I do not believe that we have a greater capacity for more taxes, despite the fact that ours are at a relatively low level in national terms. But the reality is this: faced with the sort of reduction in income that we have—and there is a further $15 million predicated in the Grants Commission report—we could reduce services in substantial ways and in sensitive areas. I notice, for instance, that the spokesman on health in another place is demanding further action on hospital waiting lists. He ignores what action has already been taken there. That costs money. I notice that the spokesman—

Members interjecting:

The Hon. J.C. BANNON: The honourable member who interjects has a range of spending proposals when it suits him. I suggest that the honourable Leader of the Opposition, in standing up pontificating on taxes, ought to discipline some of his members and some of his shadow Ministers in terms of their demands for Government expenditure, because that is—

Mr D.S. Baker interjecting:

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

The Hon. J.C. BANNON: —one option that we face. The second option is to increase our borrowings, and this Government has demonstrated complete responsibility in the area of borrowings. We had a borrowing capacity based on a low per capita debt in this State, and we have held that down. Incidentally, the Grants Commission does not deal with the most recent financial year in its deliberations. It is looking at a historical period. None-the-less, those are the facts. We have control of our borrowing and we intend to keep it that way.

Thirdly, there is what revenue we can raise ourselves through taxes. I stress again that, in this fragile economic situation, we have very little capacity to move. It can be only a last resort. It can be only in a situation where a vital service is basically affected. We will know whether we have reached that stage only when we deal with our final budget decisions, when we know the outcome of the Premiers Conference and the impact of the May economic statement. It is still too early.

I point back to the very severe problems we were confronted with by the Commonwealth last year, with millions of dollars hacked out of our budget. We were able to accommodate that within a budget with an allowed smaller deficit and controlling our borrowing. We were able to do that without major tax increases. What tax increase we did apply (which was the one relating to full franchise levy), we took very great care to ensure that it did not have an impact in those areas where it would have hurt most severely by our graded system. I think our Government has demonstrated very clearly its sensitivity on this matter, and that will certainly continue to be the case.

CONSUMPTION TAX

Mr DUIGAN: My question is directed to the Premier. What would be the likely impact of a consumption tax on the living standards of South Australian families? There have been a considerable number of reports in the media recently indicating support within the Liberal Party for a consumption tax. These include statements by the Federal President describing a consumption tax as one of those essential things.

Members interjecting:

The Hon. J.C. BANNON: Members opposite are prepared to pontificate on this matter constantly and interject to cover their embarrassment at the outburst of their Federal President without putting firmly on the record what sort of implications there might be. The honourable member has asked what sort of impact would follow. Initially, given the calculations that one can make depending on the nature of this tax, how and at what level it is applied, a tax something like 10 per cent to 15 per cent would increase price levels by a similar amount. It would have an immediate and substantial inflationary effect. The flow-on impact could be

substantially greater than this. Wages would need to increase by more than that 10 to 15 per cent. If there was to be any kind of value left, that would naturally have to be balanced against what sort of tax cuts could—

An honourable member interjecting:

The Hon. J.C. BANNON: Well, income tax cuts. Obviously, the honourable member sees a general consumption tax as a good thing. It is interesting that he represents a country electorate and, as I understand it, the National Party is one of the most strongly opposed to it, but he seems to be endorsing the general Liberal philosophy on this.

One of the big problems in this area, which has not been properly sorted out or thought through, is the fact that its impact would be quite inequitable on ordinary working families who, after all, spend a greater proportion of their income on basic essential consumption. A general tax applied to all consumer goods affects those essentials and has a much greater impact on those who can least afford it. That inequity would, of course, be very much exacerbated under these Liberal plans by the Liberal Party policy to remove the entertainment, fringe benefit and capital gains taxes as they apply. In other words, the free lunches and so on would come back for the well-to-do. There would be a general consumption tax accompanied by some sort of reduction in those higher rates of income tax and the whole burden of that, of maintaining and supporting public sector services, would fall on those who can least afford it.

It is a pretty disgraceful approach by the Federal Liberal President and those in the Liberal Party who support him, simply to throw this out into the general community and stomp around the country arguing for it without in any way addressing those very severe implications. It is time that we heard something from members opposite in this place about their attitude to it.

COMPUTER ACQUISITION

The Hon. E.R. GOLDSWORTHY: Will the Premier assure taxpayers that urgent action is being taken to stop the massive waste of money by Government departments on the purchase of computers. The Public Accounts Committee report tabled last Thursday provides further evidence of mismanagement and waste of money in the acquisition of computers. The report examined the purchase of equipment by the Department of Transport which was to have saved $5.5 million but could finally increase costs by $3.7 million—a $9.2 million turnaround.

Mr Klunder interjecting:

The DEPUTY SPEAKER: Order!

The Hon. E.R. GOLDSWORTHY: We have an addendum to the report today which draws some pretty dramatic conclusions that the Chairman might care to ponder.

Mr Klunder: Try reading the report first.

The Hon. E.R. GOLDSWORTHY: We have read the report and I read what you put out today. It is very interesting indeed. While the committee criticised the Departments of Transport and Premier and Cabinet—

Members interjecting:

The Hon. E.R. GOLDSWORTHY: Well, he has embarrassed his Premier and the former Data Processing Board for their handling of this particular matter. It also made some alarming general conclusions about the manner in which departments buy computing equipment. For example, the committee has reported that 'there appears to be widespread non-compliance' generally by departments with guidelines for submissions seeking approval for expenditure on computing systems.

This report has come on top of the Thirty-Fifth Public Accounts Committee Report, tabled in 1984, which made similar strong criticisms of procedures for buying computing equipment, and the Auditor-General's Report for 1986 which raised the need for 'on-going attention' to be given to capital outlays on computing installations to ensure 'the most effective use' of resources.

In addition to the bungle in the Department of Transport, the recent confidential report on WorkCover revealed that $2.7 million had been spent on computer equipment which is of little use to the corporation, while a consultant has reported to the Government on major inefficiencies in its central computing centre which costs $10.3 million a year to run. This financial year alone, there are budget allocations of more than $11 million for the purchase of computer equipment by Government intrumentalities and departments, while the reports to which I have just referred raise serious questions about the justifications and effectiveness of this expenditure.

The Hon. J.C. BANNON: First, as a Government we welcome, and as a Parliament we should welcome, the work of the Public Accounts Committee in pursuing in depth a number of these areas, and in subjecting areas of public expenditure to the sort of rigid and close scrutiny of that committee. That is what it is for. It does not mean that, in all cases, the Public Accounts Committee has drawn the correct conclusions necessarily. It does not also mean—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. J.C. BANNON: That work is valuable. Aspects of the conclusions drawn in the most recent report, which is the subject of the honourable member's question, can and will be questioned. Part of it relates to a presentation of the data that was before the committee. I am not prepared to, nor do I think I should, occupy the time of the House in going through chapter and verse. Indeed, in the light of the honourable member's question, if my colleague the Minister of Transport wishes to issue some more general statement or commentary, no doubt he will.

Let me pick up the point made by the honourable member about the return from a particular system in the Highways Department. The figures that were presented looked at that return over the length of time of operation of the system. It is certainly true that, in the first two years (and the data was presented in a way that distorted this effect) there are net outlays of the order of nearly $4 million. From the third year onwards there is a net benefit which, in fact, moves into the black after the fifth year and continues to provide benefits of the order of $1 million per year ever on into the future.

It is also worth noting that the Public Accounts Committee did not say that the system should not be introduced or undertaken; what it did say is that we need to be very careful about the cost analysis and the way in which the benefits of the system are calculated—the net benefit that comes. As I say, in this instance, if one takes it over the period of operation, one sees that the benefits are very tangible indeed. In fact, as one commentary has said, if a project costing less than $6 million and releases nearly 100 staff positions in perpetuity is not cost justifiable, almost no computing project of this type can be. I certainly concede that in this area over a long period there are problems with the new technology and computer technology, and a number of the points made by the PAC are very valid. They will be acted upon and other issues raised will be addressed. However, the overall conclusion is that the Government must move in the direction that it has taken and there will be substantial cost savings at the end of the day.

MURRAY RIVER

Ms GAYLER: I direct my question to the Minister for Environment and Planning. What long-term measures is the South Australian Government pursuing to improve the environmental condition of the Murray River in South Australia and the Murray-Darling Basin generally? An article in yesterday's *News* quoted the Conservation Council as being very critical of the lack of long-term solutions to the problems of the Murray. In particular, the article states:

> The Conservation Council of South Australia said the Government's 'quick fix' attitude was a failure to adequately address long-term solutions.

The article goes on to be critical also of the concentration of engineering projects to solve some of the Murray River's difficulties.

The Hon. D.J. HOPGOOD: Having also read the report, I begin to despair of whether people bother to read any material on which they are commenting, because the vast amount of material that has come out of the Joint Ministerial Council on the Murray-Darling in the past three years (and I have just one sample here) has canvassed both short-term and long-term management options for the Murray and has considered salinity strategies, water management strategies, and land management strategies.

Obviously, some of these require much time to put into place if we are to revegetate the catchment areas of the tributaries of the Murray and the Darling. That is a long-term project and one we should proceed with as quickly as possible. It is a project in respect of which this Government can be effective only through that council, since none of the tributaries have their rise within South Australia.

Nonetheless, it is something that we are urging on the Ministerial Council. I shall not quote at length from the document in front of me, but it is important that I place on record some of the things that the council is actively considering. For instance, on page 7 of the report, the categories of land management options to reduce river salinity include reafforestation and modified land use; improvements in irrigation methods; drainage reuse schemes; and land retirement. Obviously, that last one is a controversial matter. There are figures in this report indicating the benefit to the salinity of the system from a degree of land retirement, but that is not something into which we should rush. At the end of the report, where it talks about a plan for action, the following statement appears:

> A net reduction in salinity levels in the Murray River of 113 EC (median salinity at Morgan) resulting from a 35 EC reduction as a result of the changed river operating policy for Lake Victoria and Menindee Lakes; 80 EC from the staged implementation of the salt interception schemes; 28 EC from staged implementation of land management schemes which improve river salinity, and a 30 EC increase in river salinity as a result of land management schemes which require some salt disposal.

So, there is the equation, and I invite members and people outside who have an interest in these things to read this carefully. Of course, we must look to land management and to water management, but to pass up the opportunity of, through a series of engineering measures, permanently reducing the salinity levels in the river by about 80 EC in a short period would seem to be foolish. On the one hand, we cannot ignore the long-term solutions that must take place but, on the other hand, to pass up the short-term measures would be silly.

Only less than 12 months ago, the member for Chaffey was urging on me the Woolpunda scheme: that has now been adopted by all four Governments and is proceeding. It must proceed, but it cannot proceed to the exclusion of these other options which are important. I suggest that Mr Beresford read this report along with many others.

TROTTING CONTROL BOARD

Mr INGERSON: Why has the Minister of Recreation and Sport tried to cover up important information relating to a decision of the Trotting Control Board in 1986 not to proceed with the testing of a positive swab in the 'Batik Print' affair? I have in my possession the minutes of two meetings of the Trotting Control Board which dealt with this matter and which we asked the Minister to table last year. Based on these minutes, and certain information I had raised publicly, the Minister made a ministerial statement to the House on 18 March last year. I had questioned why one of the board members, Mr Rehn, had not been advised of the board meeting on 1 July which decided not to act further in this matter. The Minister said in his ministerial statement only that, at the time, Mr Rehn had been on his farm 500 kilometres from Adelaide.

In fact, according to the minutes of the board meeting of 7 July, Mr Rehn 'indicated he was not happy at not having the courtesy of being advised or invited'. Accordingly, the minutes also record that the meeting of the board on 1 July was ruled by the Chairman to have been invalid. None of this detail was revealed at the time by the Minister or, until now, has been public information.

Further, the minutes of the 7 July meeting reveal actions by the board stewards in this matter which are not so far a matter of public record. They reveal that the Chairman of Stewards, Mr Broadfoot, asked the board to rescind its decision not to proceed with a positive swab. He was also supported by the then Deputy, Mr Styles, now Chief Steward.

Mr Broadfoot also stated that the authority of the stewards had been undermined and that on two occasions he had been lied to by the General Manager of the board. These minutes raise other serious questions about the lack of evidence available to the board to justify the decisions it made in this matter and were obviously covered up at the time by the Minister to avoid public and parliamentary scrutiny of those decisions.

The Hon. M.K. MAYES: Obviously, the member for Bragg did not listen to the ministerial statement today and has difficulty understanding the legal intricacies of the appeal committee.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. M.K. MAYES: Obviously, the matter has been dealt with by the appeal committee. The honourable member obviously cannot accept the decision of an impartial body. Having made those outrageous utterances and innuendo against individuals and the industry as a whole, he now has to back track, and I note that he has not offered any apologies to anyone.

Members interjecting:

The DEPUTY SPEAKER: Order! I call the House to order.

The Hon. M.K. MAYES: The honourable member has had to backtrack on the whole situation. He is not prepared to acknowledge that he was in the wrong. I will repeat my earlier quote from the Independent Appeal Committee report, as follows:

> The decision of the board was made utterly free of any intention to confer any improper or unwarranted benefit on any party . . . The decision was not, in our judgment, a manoeuvre involving cover up procedures to protect the name of the industry or any person within it . . . The board, in good faith and with earnest consideration of all factors available to it, acted within the bounds of its broadly defined functions.

The honourable member should read the whole decision and realise what outrageous attacks he has made on indi-

viduals within the industry and on the industry as a whole. He should consider the impact of his innuendo and comments impugning the people involved.

DUMP BARGES

Mr PETERSON: Will the Minister of Marine inform the House on the details of the sale of Department of Marine and Harbors dump barges? I have received information that the barge *Denis O'Mally* has been sold and renamed and that it is proposed to dispose of the other vessel, the *John Sainsbury*, with which all relevant spare parts will be part of the deal. Will the Minister provide details of the purchaser, of how the sales were arranged and the amount received for the barges and spares?

The Hon. R.K. ABBOTT: I thank the honourable member for his question. I confirm that one surplus self propelled hopper barge has been sold. The department plans to sell another barge and the bucket dredge which are surplus to requirements. With the approval of the State Supply Board the department placed the disposal of the plant in the hands of the experienced ship brokerage firm South West Chartering in order that the availability of the plant would become known to potential purchasers, both within and outside Australia. To date, the barge *Denis O'Mally*, together with the available spare parts, has been sold to Westham Dredging and its name has been changed to *W.H. Adventure*.

I am not in a position to make public the purchase price although I am happy to tell the honourable member, or any member for that matter, privately the amount received for that hopper barge. At this stage I do not wish to make that public because it could jeopardise the sale of the remaining equipment.

MR SPENCER RIGNEY

Mr BECKER: What is the nature of the advice the Minister of Housing and Construction has received from the Crown Solicitor in regard to the Spencer Rigney case, and how much longer does the Minister intend to take in reaching a decision which ultimately must be made by him and him alone? Over the past few months the Minister has referred the case of Spencer Rigney in turn to the South Australian Housing Trust, the Aboriginal Housing Board, the Ombudsman, the Attorney-General's Department and, most recently, to the Crown Solicitor's Office.

Every single one of those bodies has advised that they can investigate the case but that the ultimate decision as to whether or not Mr Rigney retains his home lies totally with the Minister. During the course of the last few months, and in the absence of any decision being made by the Minister, Mr Rigney has been hospitalised twice—about a fortnight ago suffering heart problems, and most recently (and currently) for diabetes and acute depression.

I understand that the Minister has in his possession a number of statutory declarations from former public servants knowledgeable about the Rigney case. Any or all of these examples of evidence could have assisted the Minister to make a long overdue decision. However, I will quote to the House briefly from just one of those statutory declarations—that of Mr Val Jones, the public servant who personally handled Mr Rigney's application to buy his home. Mr Jones states:

> It is perfectly apparent to me that Mr Rigney wished to purchase a home and not rent . . . The previous owners of the home made the house available for sale specifically for purchase by Mr Rigney . . . Confusion arose in the course of the transfer of responsibility for the purchase scheme from the Department for Community Welfare to the South Australian Housing Trust . . . As a consequence Mr Rigney's purchase of the home has not been formalised . . . I facilitated the signing of the conditions of tenancy by Mr Rigney on the understanding that the original intention for Mr Rigney to purchase the home would eventually be consummated . . . In 1982 . . . I perused the documentation presented to me and was very surprised that the purchase documents had still not been prepared some nine years later . . . It is perfectly apparent to me that the intention of the parties involved was for Mr Rigney to purchase the home at Narrung.

Mr Jones's version of events has been in the possession of the Minister for seven days now. Mr Rigney's supporters are concerned that, if the Minister continues to stall, Mr Rigney will not live to hear the Minister's decision.

Members interjecting:

The DEPUTY SPEAKER: Order! The honourable Minister of Housing and Construction.

The Hon. T.H. HEMMINGS: I congratulate the member for Hanson on at last plucking up courage to ask me a question about a housing matter.

Members interjecting:

The Hon. T.H. HEMMINGS: Well, it has to be something like nine months since he has asked me a question about housing. Let me put the facts yet again before the House. I have forwarded all available documentation to the Crown Solicitor for a legal opinion. The advice from the Crown Solicitor was that several points needed clarification, and it included the suggestion that an investigation be conducted by a Crown investigation officer.

I asked the Crown Solicitor to proceed urgently with this investigation. When I received the statutory declarations from Mr Rigney's solicitors on Wednesday last week I forwarded them immediately to the Crown Solicitor's office for action. The Crown investigator had already arranged to interview Mr Jones that evening, as he had been unavailable earlier in the week, and he discussed his statutory declaration with him.

I received a report from the Government investigator last night. On reading that report I decided that the Government investigator needed to conduct further interviews, and I have asked him to proceed with this as a matter of urgency. Mr Rigney's solicitors contacted the Ombudsman on 24 March. I understand that the Ombudsman has conducted a preliminary investigation and that he intends to pursue a full investigation by way of a hearing.

Both the Government investigator and the Ombudsman have indicated that they believe that there are issues which still need to be resolved, but I emphasize to the House that the issue of legal ownership is not in doubt. Those documents which I tabled on 28 February clearly show that the ownership of the house at Narrung is in the hands of the South Australian Housing Trust.

Mr Jones said that he considered he was interviewing Mr Rigney in relation to the purchase of a home. However, Mr Jones has also said that he did not tell Mr Rigney that after completing the application form he was then purchasing the home. Mr Jones said, 'I did not leave him with the impression that the application for tenancy form was the only document necessary to complete the transaction.' Mr Jones stated that he believed from memory there was a detailed instruction from the Department for Community Welfare office as to the procedures to be followed in relation to Aboriginal funded applications. He has stated to the Government investigator that the whole emphasis of the Aboriginal funded scheme at that time was for Aboriginals to purchase the homes, not to rent them. The advice which I received from the Department for Community Welfare states that the Housing Trust operated the rental purchase scheme prior to 1972, but the scheme known as the funded houses

rental purchase scheme, which is referred to in Mrs Angus's letter in support of Rigney's claim, grew out of a different program.

Departmental correspondence on this funded rental scheme spans some seven years before the scheme was actually implemented. Cabinet approval to facilitate the sale of funded houses to Aboriginal tenants was granted on 16 August 1976, according to DCW advice. Transfer of the title to the South Australian Housing Trust occurred in October 1976 and included the house in which Mr Rigney was living, identified as section 474 at Narrung. I must stress—and this is the reason why there is some delay, which seems to be upsetting members of the Opposition and some members out in the community—that all documentation relating to Mr Rigney and these schemes has not yet been located. It is because of this fact and the conflicting advice which I have received that I have delayed in putting forward a recommendation to Cabinet. I hope that the Government investigation will provide me with a full report as soon as possible so this matter can be resolved. Until the decision is taken, I have given Mr Rigney my assurance many times—and I will give it again—that there will be no eviction proceedings.

Members interjecting:

The DEPUTY SPEAKER: Order!

WATER METERS

Mr TYLER: Can the Minister of Water Resources inform the House whether officers of the Engineering and Water Supply Department consult the plans of a dwelling before they install their water meters? I have been approached by a constituent who recently had a new home built in Flagstaff Hill. My constituent paid $100 to have a standard E&WS water meter connection made. My constituent now finds that the meter has been positioned in the centre of the intended route of his cement driveway. To have the meter moved will cost another $500.

My constituent understands that the pipe to which the meter is connected was installed before the house was planned or built, and also understands that he should incur the cost of having the meter in a different position. However, he argues that it should be posible for some liaison to take place between the E&WS and landowners or their builders so that, if the meter needs to be placed in a different position, this can be discovered before it is actually installed, thus saving time and money for all involved.

The Hon. D.J. HOPGOOD: It is often true that services are pre-laid in an area, as seems to be the case from the details given by the honourable member in his explanation. That, of course, is done because it saves substantial costs. If the allotment involved is of a peculiar shape, then one can understand possibly how this problem arose. The system to which the honourable member refers is one that is possible in terms of current procedures because I understand that the plan would have to be deposited in such a way that it would be available to departmental officers. However, I think that I should take up the matter in greater detail with the department and get a considered reply for the honourable member.

ISLAND SEAWAY

The Hon. TED CHAPMAN: My questions are to the Minister of Transport. Why were the stabilising, fin, and ventilation systems repairs to the *Island Seaway* last month carried out by Perry Engineering and not Eglo Engineering, the builders of the ship? Is it true that the re-welding of the cracked fins and the maintenance work (described loosely by the Minister earlier as teething problems) has added a further $500 000 to the cost of the new vessel?

The Hon. G.F. KENEALLY: To answer the last question first, because the honourable member has asked two questions, I point out that the total cost of the vessel plus the modifications that have had to be made are still within the original tendered price. So, there is no cost blow-out in relation to the *Island Seaway.*

Members interjecting:

The Hon. G.F. KENEALLY: I repeat that the cost to the State Government of the *Island Seaway* is, I think, about $16.2 million.

Members interjecting:

The Hon. G.F. KENEALLY: The cost to the South Australian Government was $16.2 million which included the purchase price plus the capacity for any modifications that might have needed to be made as a result of putting the vessel into operation. That has been done and my advice is that it is within the initial budget.

The honourable member's first question was why the modifications or engineering works were done by Perry Engineering rather than Eglo Engineering. That is a matter that the Minister does not decide, but I will ask my officers the reasons why and report to the honourable member.

Members interjecting:

The Hon. G.F. KENEALLY: I think that there is a question on notice from the member for Bragg about the cost, but in any event I will obtain a report for the honourable member. I point out to the House once again that, even with the cost of the modifications, it still comes within the original tendered price for the *Island Seaway* and members opposite seem to be very unhappy about that. Unless there are substantial blow-outs that they believe they can point to in order to make some political capital, they are not happy with the capacity of South Australian industry to be able to perform within the budgets given. I have greater confidence in South Australian industry than does the Opposition.

WORKCOVER

Mr ROBERTSON: Is the Minister of Labour aware of recent media reports in which employers from the hotel and private nursing home industries have been complaining about increases in their WorkCover levy rates? Further, can the Minister advise the basis of those increases and whether or not there were any reductions in levy rates in other industries?

The Hon. FRANK BLEVINS: I thank the member for Bright for his question. I was a little disappointed last week with the media coverage of the adjustments that were made to the WorkCover levy rates. The reports were certainly very one-sided; the most outrageous report was the one published on the first page of the Adelaide *News.* One day last week it was suggested, by courtesy of the member for Mitcham, that there was a $12 million increase in the amounts to be paid. I would have thought that any journalist being given a handout like that would have checked and found out very easily that in actual fact that was not a $12 million increase but rather a $7 million decrease, which I am sure members would agree is a considerable difference.

I suppose more substantially there were over 100 reductions in levy rates as the outcome of the review that was undertaken. I understand that people in industries who get

a reduction are not those who will go to the press and say 'How wonderful all this is. I have had a reduction'; they will take the money and keep quiet. I would have thought that balanced reporting demanded that, first, the story be accurate and that the other side of the story be given extensive coverage.

The question of the amount that WorkCover raises is certainly one for WorkCover. It is constantly alleged that the State Government raises revenue through WorkCover. All the money that is raised by WorkCover is raised from employers for the system. It has nothing at all to do with the State Government. It does not raise any money at all and, of course, it does not spend it. It is the employers' money and they decide within the framework of the legislation how and in what proportion that money is raised and how it is spent.

An honourable member interjecting:

The Hon. FRANK BLEVINS: I will be happy to deal with that in a moment. Two main complaints made last week require some response, and they were specifically mentioned by the member for Bright: private nursing and convalescent homes and the hospitality industry. I would have thought that, if any group had a legitimate complaint about WorkCover, the last group would be the private nursing and convalescent homes. Their levy has been increased from 3.3 per cent of payroll to 4.5 per cent of payroll. However, what they paid prior to the introduction of WorkCover must be taken into account. The rate recommended by the Insurance Council of Australia for that industry was 11.78 per cent of payroll. In effect, under WorkCover that group has had a huge reduction in workers compensation costs.

If it wants a further reduction, that is in its hands. WorkCover will be delighted to give it, provided it gets its rehabilitation and occupational health and safety practices into some kind of order. That industry is notorious for the high level of claims. So notorious was the industry that, before WorkCover was introduced, some nursing homes were quoted by the private insurance industry a premium of 20 per cent of payroll for workers compensation coverage. Whilst I concede that the industry has had a slight increase to 4.5 per cent, it is the last group that should complain, because it has had a significant reduction. Because of the 4.5 per cent levy ceiling, other industries in South Australia in fact subsidise the nursing home industry; it is subsidised by other employers. If nursing and convalescent homes want reductions, WorkCover will be happy to give it to them but they will have to take some decent occupational health and safety action, something that they have been reluctant to do to date.

A question was raised about the hospitality industry. It has had an increase in its premiums which, on the industry's calculations, will add an extra .5 per cent to payroll cost. The Liberal Party called for a review as quickly as possible so that, if any adjustments needed to be made, they could be made immediately. We took that advice and said, 'Certainly, that is a reasonable suggestion. We will do that.' As a result of the review, the hotel industry was found to be underpaying, so its workers compensation rates were increased, which has added .5 per cent to payroll cost.

The exaggerated statements made by some members of the hospitality industry concern me. They gave examples stating that liquor prices would have to rise by 10 per cent, accommodation by up to 10 per cent, and food by 5 per cent—all this for a .5 per cent increase in the payroll cost.

The most authoritative source to show what increased costs will amount to in the hospitality industry was the report of the 1977 Royal Commission. The results of that Royal Commission were clear. It was pointed out to the Royal Commission and reported by it that an increase of between 4 and 10 per cent in labour costs would add only .5 per cent to overall costs. The increase in the WorkCover levy is far below that, so for people to say that a significant increase can be attributed to WorkCover is nonsense.

The mathematics of WorkCover are simple. If there is to be a loading in certain areas (and WorkCover is the first to acknowledge that in some areas, such as charities and kindergartens, this must occur), there must be compensating increases in other areas. The employers who collect this money collect overall the same amount.

In conclusion, I would like to mention some winners in the WorkCover scheme, which is a swings and roundabouts operation. I have heard no complaint from rural industry. Members opposite represent a significant number of farming families who are almost entirely small business people, but where have there been complaints from the United Farmers and Stockowners? As an ex Minister of Agriculture, I assure the House that members of our farming community do not suffer in silence. If they have a complaint, they let one know early. I expect that they would let their local State members know if they had a complaint against WorkCover, but there has been no such complaint because, in the main, their premiums have been reduced from 13 or 14 per cent to 4.5 per cent of payroll cost. There has been this enormous reduction of several hundred per cent for our farming community.

Mr D.S. Baker interjecting:

The Hon. FRANK BLEVINS: I assume that the member for Victoria, who sits at the back and constantly interjects, has received a personal benefit, and good luck to him. He is engaged in producing for this State the wealth that will flow through and help the hospitality industry and the other industries that are complaining. That wealth has been created in the main by people such as the honourable member. Not much wealth is created in the hotel industry. Indeed, it is primary industry that creates that wealth and WorkCover has helped that industry.

I should have expected that, had there been complaints from manufacturing industry, including the engineering employers who are overwhelmingly small business, we would hear those complaints but there have been no such complaints because their premiums have fallen likewise—a 500 per cent reduction. In the construction industry, the Master Builders Association has not complained because, again, there has been a large reduction in premiums. So, I make the point that the private sector of this State has gained enormously from the introduction of WorkCover and I shall be interested to see, as we get closer to an election, some members of the press asking members opposite, 'What's your policy on workers compensation?' I shall also be interested in the reply, because I am sure that the UF&S, the Chamber of Commerce and Industry, the Engineering Employers Association, the MBA, and other employer organisations will tell members opposite, 'In the unlikely event of your winning an election, you are not to introduce a system that gives us premiums higher than the 4.5 per cent we pay at present.' That means that you must have cross-subsidisation and that the hotel industry and other industries must pay for the significant reductions in the productive areas of the State.

It will be interesting to see how members opposite handle this matter because the WorkCover scheme has been a tremendous success for industry in this State. If it had not been successful, we would have received complaints from all the employer bodies to which I have referred, whereas we have received none. Members opposite, representing their constituents, would have been in here complaining,

but there have been no complaints. So, I implore members of the press who deal with this matter to look at the other side and to ask that question of members opposite who put out these ridiculous press statements. Then, we shall see workers compensation, which is now under WorkCover in this State, stay under WorkCover for as long as any of us are around, irrespective of who is in Government.

COUNTRY FIRE SERVICES

The Hon. D.C. WOTTON: Can the Minister for Environment and Planning say whether the issue of future funding for the Country Fire Services in this State has been finalised? If it has been, how is it intended that funding be provided in the future, and does the Minister support the introduction of a property levy? If the issue of funding has not been finalised will the Minister provide the reason for the delay in reaching a conclusion in this important issue, and will he indicate when legislation providing major changes to the CFS will be introduced?

A recent survey conducted by the Local Government Association into issues relating to CFS funding, responsibility and structure showed that the overwhelming majority of councils throughout the State are still highly dissatisfied with the level and method of funding the CFS. In fact, all councils which have CFS brigades in their area were sent a detailed questionnaire, and more than three-quarters of these councils said they were opposed to the current system of funding which takes the form of a combination of a contribution from local and State Government, the insurance industry and community fund raising. I am informed that the idea of a property levy has also been put forward by a working party of the Fire Service Coordinating Committee. It has been brought to my notice that there is an expectation on the part of CFS management that legislation will be introduced in the current session, so enabling consultation prior to debate in the budget session.

The Hon. D.J. HOPGOOD: No legislation has been introduced, but legislation that looks at matters other than funding has been in the course of preparation for some time. It will certainly be introduced in the August session, so that its contemplated modifications to the current arrangements concerning CFS organisation may be in place before the next fire season. That legislation does not canvass funding arrangements. For as long as I have taken an interest in this area there have been proposals for alternative forms of funding of fire services generally. Concerning the Metropolitan Fire Service, the insurance companies do not particularly like the present system and from time to time they have pressed upon Governments (and I think on the Government of which the honourable member was a part) different systems to look at funding, but I do not currently have anything formally before Cabinet.

All I can say is that, if those local government authorities which contact the honourable member urging a change are quite specific in their urgings and would like to put those suggested changes before me, I shall be only too happy to consider them.

ALBERTON RAILWAY SHELTER

Mr De LAINE: Can the Minister of Transport say if and when an adequate passenger shelter will be provided on the Port Adelaide to Adelaide side of the Alberton railway station? The old timber ticket office shelter, which had been seriously vandalised, was demolished by the STA several months ago. Commuters who catch the train at Alberton have expressed to me concern that, with winter approaching, there is virtually no shelter on this side of the station.

The Hon. G.F. KENEALLY: I thank the honourable member for his question. Certainly, I am aware of his concern for the well-being of his electors who are STA commuters. While I might not have all the information that the honourable member may wish, I can give him some information that would be of interest to him. The STA will provide a permanent two-bay shelter at the end of May or in early June 1988. I understand that the shelter will be about 2.8 metres high and 7 metres wide and will be of a beige or similar colour. Additional information is not currently available to me, but I will check to see whether any further information is required by the honourable member. The critical response is that the STA will be providing a shelter by the end of May or early June this year.

OUTBACK ROADS

The Hon. JENNIFER CASHMORE: Can the Minister of Transport say what procedures the Highways Department followed during the Easter weekend to ensure that roads in the Flinders Ranges were not kept closed unnecessarily? Tourist operaters in the Flinders Ranges claim that they will lose much money because of incorrect flooding reports. In Monday's *Advertiser* the owner of Arkaroola Motel, Dr Reg Sprigg, said the department had closed roads through the Flinders on Thursday but that most had been passable on Friday. However, the department had not issued any updated reports and could not be contacted when tourist operators tried to have the roads officially opened. Dr Sprigg also said that, unless the department was willing to have an officer available to collect information from locals and pass it on to the media, the responsibility should be given back to the police, who had been doing this job satisfactorily until the start of this year.

The Hon. G.F. KENEALLY: I would have thought that the honourable member, in explaining her question, might have referred to the quite remarkable Easter weekend result of no road traffic fatalties—something that South Australian motorists should be proud of, because it was the first time that this had occurred in more than 14 years. It is a matter of issue, and it is a matter in which the Highways Department has direct involvement and responsibility in ensuring that roads in South Australia, including the unmade outback roads, are safe and secure for motorists. As a former Minister of Tourism and as a person who grew up in and who lives adjacent to the Flinders Ranges, I am aware of the tourist industry there and of the importance of the Easter weekend, particularly to the two major resorts.

Members interjecting:

The Hon. G.F. KENEALLY: The member for Eyre need not point his fingers at me. I will answer the question as the honourable member asked. I do not need his assistance, although obviously I am going to get it. The Highways Department has a responsibility to ensure that roads in the outback are adequate for traffic and, whether it is the Highways Department, the police, or anyone else, the tendency is to err on the side of caution, because the worst thing that the Highways Department or the Police Department would want is to say that the roads are open for traffic, only to find many people stuck in the outback. That is a serious responsibility indeed.

What the Highways Department has done, as a result of multiferious judgments about the safety or adequacy of roads that were flooded, is to ensure that we have a system

which is tight and which can be operated. The highways engineer responsible for the Port Augusta area kept a close check on the condition of the roads. He issued four bulletins on Saturday saying that the roads were okay for traffic: he issued those bulletins to the people to whom he issued bulletins saying that the roads were not suitable for traffic. All he can do is provide that information to the appropriate agencies. He cannot require it to be conveyed to the public, although one would have thought that that would have been the case. The Highways Department, as with the Police Department before it—and members should appreciate that there is close coordination between the agencies in making judgments about our outback roads—is always anxious to ensure that it does not encourage people to go into the outback and, in so doing, get bogged.

We have the example of people in the member for Eyre's electorate, in the South Australian outback, who I understand are still bogged. The roads have been torn up, and that will result in a tremendous cost to the taxpayer because the roads have to be repaired by the Highways Department at cost to the taxpayer. The Highways Department is always very responsible: it was responsible on this occasion. In common with every other South Australian, I am sympathetic to the tourist operators in the Flinders Ranges who, as a consequence of heavy rains last Thursday, have experienced some impact upon their Easter business. That is a matter of regret, but not a matter where blame can be laid at the feet of the Highways Department or any other agency that has acted quite responsibly.

I can tell the House what would have happened if the Highways Department on Thursday and Friday had said to South Australian and interstate motorists, 'You can go into the Flinders Ranges, you can go off the sealed highways, there is no problem at all and you can go out on the unsealed roads.' What if 20, 30 or 40 vehicles had been bogged? The member for Coles would be asking in this House why the Highways Department or the Police Department did not act responsibly and advise motorists that outback roads were not passable. That is the quandary facing the Highways Department, and it has acted responsibly in making appropriate decisions. As soon as it believed the roads were suitable for traffic it made an announcement to the appropriate South Australian press and, whether or not it was passed on, is certainly not the responsibility of the engineer at Port Augusta who, I believe, has acted quite appropriately and who has my support in what he has done.

PERSONAL EXPLANATION: 'BATIK PRINT' AFFAIR

Mr INGERSON (Bragg): I seek leave to make a personal explanation.

Leave granted.

Mr INGERSON: The Minister of Recreation and Sport misrepresented me in saying today that I had not read the decision of the trotting appeals committee in relation to the 'Batik Print' affair. I have read that decision and I have noted the following particular matters not referred to by the Minister this afternoon. I have noted the committee's concern about the quality of evidence which the board took in deciding not to proceed with a second swab. I have also noted the board's failure to obtain expert advice either as to the sample or as to the legal position. I have noted the board's failure to obtain the steward's opinion or a report on the State—

The DEPUTY SPEAKER: Order! I must interrupt the honourable member. At this stage he must not debate the issue. This is a personal explanation and he should be explaining to the House where he thinks an issue was personally taken against him. This is not a matter for debate. The honourable member for Bragg.

Mr INGERSON: I was only confirming the fact that the Minister said I had not read the report, and I said that I had noted—

The DEPUTY SPEAKER: Will the honourable member resume his seat. I have no intention of debating the matter personally with the honourable member. I have given a ruling and I would ask that he stick to his personal explanation. The honourable member for Bragg.

Mr INGERSON: I noted the board's failure to obtain the stewards' opinion, a report on the state of the stewards' investigation, or to consult with the stewards.

The DEPUTY SPEAKER: I ask the honourable member to come back to his personal explanation, or leave will be withdrawn. The honourable member for Bragg.

Mr INGERSON: Mr Deputy Speaker, I am just proving a point, and that is, that I have noted—

The DEPUTY SPEAKER: The honourable member at this stage does not prove a point. He is making a personal explanation. I ask him to make it, or leave will be withdrawn. The honourable member for Bragg.

Mr INGERSON: I was wrongly accused by the Minister of Recreation and Sport of not reading the report. I am just noting that the board wrongly took into account potential litigation consequences. I make the point that in reading the report the conduct of meetings was also a very important factor as far as the report was concerned.

TRADE STANDARDS ACT AMENDMENT BILL

Returned from the Legislative Council with amendments.

TOBACCO PRODUCTS CONTROL ACT AMENDMENT BILL

The Legislative Council transmitted a Bill for an Act to amend the Tobacco Products Control Act 1986, the Tobacco Products Licensing Act 1986, and the Fair Trading Act 1987. The Legislative Council drew to the attention of the House of Assembly clause 18, printed in erased type, which clause being a money clause cannot originate in the Legislative Council but which is deemed necessary to the Bill.

Bill read a first time.

The Hon. G.F. KENEALLY (Minister of Transport): 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

Illness and death attributable to cigarette smoking constitute the largest man-made epidemic of our time. Every year, 23 000 Australians die prematurely as a result of tobacco-related diseases. Cancer of 13 body sites and nine other diseases are known to be related to smoking according to details published in the *Medical Journal* of Australia in 1986. Recent Commonwealth Health Department figures indicate that deaths from tobacco related illness account for

more than 80 times the number of deaths from heroin and other narcotic drugs.

In South Australia, most recent figures (in a report prepared by Professor Tony McMichael of the Department of Community Medicine, University of Adelaide) show a death toll of approximately 4 300 in the past two years from smoking-related illnesses, including lung cancer, heart disease, chronic bronchitis and emphysema. The appalling significance of these statistics is that they show an average of six deaths occurring every day of the year. This represents approximately eight times the number of people who die on our roads and it is approximately equal to the number of people dying each year from all other types of cancer combined.

According to Professor McMichael, approximately 21 per cent of deaths among voting age people in South Australia are attributed to smoking-related illnesses. There are currently approximately 324 000 children in South Australia under the age of 16. Looking to the future and adulthood, if the current situation continues, we are looking at some 60 000 of today's young people dying prematurely of preventable diseases.

To put these horrifying figures into another perspective, recent data indicate that by age 15 (that is, younger than the legal sale age) one-third of all South Australian children are regular smokers and, according to information recently released by the Anti Cancer Foundation, over 8 000 South Australian schoolchildren are likely to be recruited by the industry to take up smoking in 1988.

A survey conducted recently by the Royal Australian College of General Practitioners (South Australian Faculty) is further evidence of the chilling spectre which is emerging—50 per cent of female patients and 45 per cent of male patients aged between 16 and 24 seen by general practitioners are smokers. We are talking about our sons and our daughters—lives too good to waste. The figures speak for themselves. In the face of such a major epidemic, no responsible Government can simply stand on the sidelines as a spectator to a game in which the stakes are so high—our children's lives.

Protecting the health of its children must be one of the highest priorities of any caring society. A survey conducted in late December 1987 by the Anti Cancer Foundation of the Universities of South Australia, using an independent polling organisation, showed that South Australians are indeed a caring society—95 per cent of parents, surveyed said they did not want their children to become smokers. We must act, and we must act now.

Research shows that factors involved in young people taking up smoking are predominantly social in nature, with 'role-modelling' playing a big part. They are not related to any inherent attractiveness of the drug tobacco. The image of smoking and the way in which it is promoted to young people is critical.

Tobacco advertising promotes the idea that smoking is the gateway to an adult world, and when aimed at young women in particular, it is promoted as glamorous and sophisticated. Since cigarettes are therefore seen as part of adulthood, they become a 'rite of passage' into adult life for the adolescent.

Smoking must be stripped of its glamorous image and healthy non-smoking lifestyles must be portrayed as the norm if young people are not to continue to be drawn into hazardous, lifelong smoking habits. We must aim to produce a smoke-free generation—a generation for whom smoking is not part of growing up.

The Bill before honourable members today aims to greatly reduce the recruitment of young smokers. It aims to reduce the association of smoking with images of sophistication, social success, wealth and sporting prowess.

Members will recall that in 1986 the Government moved to protect the health of our young people with the introduction of the Tobacco Products Control Act. That Act both consolidated and strengthened the laws in this State relating to tobacco. In particular, penalties for sale to minors were increased; small packets of cigarettes whose advertisements were targeting young people were banned; sale of look-alike confectionery cigarettes was prohibited; and greater controls on smoking in public places were introduced.

This Bill is an amendment to the Tobacco Products Control Act, which within the limits of State powers will extend and strengthen that Act. In brief, the Bill will:

- prohibit tobacco advertising, including cinema advertising, billboards and other external signs (with provision for phasing-in and exclusion of the print media);
- prohibit tobacco sponsorship of sporting and cultural events where there is public promotion of tobacco products or brand names (with provision for phasing-in and exemption of the Grand Prix and other national or international events);
- establish an independent South Australian Sports Promotion, Cultural and Health Advancement Trust to provide replacement funding for sports and cultural groups and to promote good health;
- increase the tobacco licence fee from 25 per cent to 28 per cent to create a fund to be administered by the trust.

Legislation on these issues recently passed in Victoria, and is also in force in a number of overseas jurisdictions. The Bill is consistent with the general thrust of private members' Bills introduced by the Hon. Mike Elliott and Mr Martyn Evans last year.

The issue of responsible tobacco advertising has of course, been on the public agenda throughout the decade since the banning of television and radio advertising. The industry effort at self-regulation has failed.

For this reason, it is necessary for the Government to increase the prohibitions on tobacco promotion concentrating on sports and arts sponsorship and the forms of advertising particularly effective with young people.

Tobacco industry claims that its advertising does not induce young people to commence smoking, or that it is only aimed at swaying smokers from one brand to another, are less than frank. Cigarettes have been marketed on image probably more than any other commodity. Many of these images are undeniably aimed at the recruitment of new smokers and the recruitment of young smokers.

Recruiting people into a life threatening habit on the basis of spurious links to social success and sophistication is objectionable. To do this knowing that a significant part of the target group is below 16 and not legally entitled to be sold cigarettes is simply not on.

Before turning to the main features of the Bill it should be made clear that the Government acknowledges that this measure cannot deal with the whole problem but it is a significant step forward. Under our Federal system there is a limit to the power of the State to legislate comprehensively in this area. There are inevitable anomalies and situations which must be dealt with in a practical and realistic way if the legislation is to work.

While the Bill attempts to anticipate and deal with these problems the Government is prepared to make changes as necessary which will assist the Bill's practical effectiveness without abrogating the principles contained in it.

The main features of the Bill are as follows:

Advertising:

New section 11a prohibits the display for pecuniary benefit of a tobacco advertisement that may be seen in or from a public place. It also prohibits the sale (which, under the principal Act definition includes to supply or offer gratuitously but with a view to maintaining custom or commercial gain) of objects constituting or containing a tobacco advertisement—for example, free T-shirts, carry bags, sunshades.

This is the section under which advertising on billboards and hoardings, on taxis and in cinemas, on video tapes and unsolicited leaflets will be prohibited.

Current proposals are that the section would come into operation 12 months after the commencement of the Act. Taking, for example, a possible commencement date of 1 July 1988, the section would thus come into operation on 1 July 1989.

Discussions with the Outdoor Advertising Association are proceeding. In South Australia, 47.4 per cent of all outdoor advertising relates to tobacco. Of that amount, 40 per cent represents Neon/illuminated signs, and 60 per cent represents posters/billboards. There is thus, a considerable investment in this form of advertising in South Australia. The Government is anxious to avoid a situation that might cause substantial economic disruption to the industry and its employees and also acknowledges the need for phasing arrangements to take account of existing contracts.

After 1 July 1989, a phasing-in period is proposed for contracts made before 3 March 1988. This will be achieved through use of the power of exemption. Exemptions will be specific to each case, but no exemption will go beyond 30 June 1992 unless a case of undue hardship can be shown. Negotiations with the industry are proceeding.

New section 11a (3) makes it clear that the print media is excluded. Due to the nature of the printing industry, advertising in newspapers and magazines can only be controlled effectively at a national level. This section will not prohibit advertisements inside a shop or warehouse, adjacent to places where tobacco products are sold. Such advertisements will have to display a health warning of reasonable prominence. The Government will be monitoring this area carefully to ensure that it does not provide a loophole that effectively allows shops to be festooned with tobacco advertising on the pretext it is adjacent to the point of sale.

A tobacconist or cigarette discount shop will be able to have a sign outside indicating that tobacco products are for sale at particular prices and will be permitted to display tobacco products in their shop windows.

Tobacco advertisements which are part of the conduct or promotion of the Australian Formula One Grand Prix will be permitted if they are authorised by the Grand Prix Board. Also specifically exempted are tobacco advertisements displayed or distributed under a contract providing sponsorship for any Sheffield Shield or international cricket match in South Australia. Invoices, letterheads, business cards ordinarily used in business of tobacco companies will be excluded.

Sponsorship:

New section 11c prohibits the public promotion of tobacco products, trade names, brand names and manufacturers' names or interests as part of a sponsorship agreement. The Australian Formula One Grand Prix is specifically exempted by name in the legislation. Also specifically exempted are sponsorships provided for Sheffield Shield or international cricket matches.

Again, there will be a need to phase the provisions in. Sponsorship agreements made after 3 March 1988 will cease when the provision comes into operation (possibly 1 July 1988). Agreements made before 3 March 1988, may continue for a period after the Act comes into operation. Current thinking is that this period will be 12 months (that is until 1 July 1989). However, it is recognised that there may need to be some flexibility. Events that are specifically exempted because of their national or international character may continue after that date.

New clause 14a provides for the Governor to make exemptions. It is proposed that sporting and cultural events that are the subject of national or international television broadcasting or which are genuinely part of a national or international series will be exempted. The reason for such exemptions is related to the extent of the State's powers. To take an example, a ban on sponsorship of a national sporting series could only be effective when a match was played in South Australia. It could not prevent television coverage from being beamed into South Australian living rooms from matches played interstate. The State could not intervene because broadcasting is covered by a Commonwealth legislative power. Tobacco sponsorship of national events is a matter for national control.

Where the event for which an exemption is sought is of a sporting nature, an exemption may be granted on the recommendation of the Minister of Recreation and Sport made after consultation with the Minister of Health. Similarly, if the event is of an arts or cultural nature, the Minister for the Arts may recommend an exemption after consulting with the Minister of Health.

It should be noted that the Bill does not seek to prevent tobacco companies from giving money to events *per se*, providing that there is no public acknowledgment or support of a tobacco product or promotion of the tobacco manufacturer, in association either directly or indirectly with a tobacco product, as part of the sponsorship requirement. Thus, there is nothing that prevents the continued support of sports and culture by the tobacco industry, providing that this support is not used as a back door method of advertising.

The Government has recognised the need to compensate bodies already in receipt of tobacco sponsorship, at least to the extent of their agreements with tobacco companies and proposes the establishment of a specific trust and a fund to be administered by the trust.

South Australian Sports Promotion, Cultural and Health Advancement Trust:

New section 14b and schedule 2 of the Bill provide for the establishment of the South Australian Sports Promotion, Cultural and Health Advancement Trust.

The trust is to consist of seven persons appointed by the Governor, for a term not exceeding three years:

- a chairperson;
- one person with expertise in public health nominated by the Minister of Health;
- three persons with expertise in sport or sports administration nominated by the Minister of Recreation and Sport;
- one person with expertise in the arts or arts administration nominated by the Minister for Arts;
- one person with expertise in advertising.

The trust will manage the Sports Promotion, Cultural and Health Advancement Fund, make grants to health, sporting or cultural bodies, provide sponsorship, conduct or support public awareness campaigns and generally advance and promote good health and prevention and the early detection of illness and disease. In other words, while the 'first call' on the trust's time and resources will undoubtedly be in relation to replacement of sponsorship, it will have a broader function.

The trust will not be subject to the specific control and direction of the Minister of Health. However, it will exercise

its powers subject to any guidelines issued from time to time by the Minister of Health following consultation with the Minister of Recreation and Sport and the Minister for the Arts.

The trust will be required to submit annually a budget for the next financial year, in a form required by the Minister. The Minister, after consultation with the Treasurer and the Ministers for the Arts and Recreation and Sport, has the power to approve the budget.

The schedule requires the establishment of three advisory committees—a Sport and Recreation Advisory Committee, a Cultural Advisory Committee, and a Health Advisory Committee consisting of the chairperson of the trust, the respective Ministers' nominees on the trust and two other persons nominated by the respective Ministers. This will increase the breadth of knowledge and experience available to the trust in dealing with those areas.

The trust is able to appoint staff or make use of the staff of the Health Commission or Public Service (with the relevant Minister's approval).

The trust is able to delegate to a member, employee or committee. However, it is not able to delegate its function of determining to whom or in what amounts financial support may be provided from the fund.

There are the usual procedural provisions (meetings, disclosure of interest, etc.) and in addition a provision protecting the confidentiality of information to which a member of the trust, committee member or employee has access (clause 10, schedule 2). The trust is required to report annually to the Minister, for tabling in Parliament.

At this stage, I am able to provide the House with a general outline of the way the Government expects the trust to operate. However, because its independence is enshrined in the legislation, its day-to-day decision and direction will be determined by the trust itself.

The trust has a charter to go wider than simply replacing lost tobacco sponsorship. It can fund any sporting, recreational or cultural event that has a nexus with health or that can deliver a health message through sponsorship. It is hoped that the trust will assist those who have refused tobacco sponsorship and the less publicised but popular sports in the community such as netball and 'little athletics'. The trust has the opportunity to assist smaller sporting and cultural events that have never attracted tobacco industry sponsorship.

In addition, it is anticipated that clubs or organisations which have previously surrendered tobacco sponsorship on ethical grounds (for example, the East Torrens Cricket Club) will have that sponsorship restored by trust funding.

There is the scope for sponsorship and assistance to be spread widely by the trust, through the community, rather than concentrating on a few high profile events. Young people and young women in particular, who comprise the highest groups of smokers, could be target populations for sporting and cultural assistance from the trust.

It is anticipated that the trust will work closely with sports and cultural bodies in developing a sponsorship package that presents a valuable health message while blending with the event sponsored. The end product will reflect both the aims of the trust and the particular needs of the sponsored event.

The Health Promotion Foundation established under the Victorian Tobacco Act has recently issued for discussion detailed guidelines indicating how it will operate and the conditions on which assistance and sponsorship will be granted. I will be asking the South Australian trust to develop draft funding guidelines relevant to the South Australian scene as soon as possible after its establishment, for community consultation.

South Australian Sports Promotion, Cultural and Health Advancement Fund:

New section 14e establishes the fund at the Treasury. Money will be paid into the fund pursuant to the Tobacco Products (Licensing) Act. Clause 18 of the Bill amends the Tobacco Products (Licensing) Act to provide for:

- an increase in the licence fee from 25 per cent to 28 per cent (this will produce an estimated $5.2 million per year and raise the price of a packet of cigarettes by approximately 5c);
- an amount of not less than 10.7 per cent of the amount collected as fees for tobacco merchants' licences to be paid into the fund.

It is estimated that this amount will be sufficient to generously cover the existing value of tobacco sponsorship in this State and permit further support of sport and the arts through the trust. In the event that the 28 per cent is varied in any future budget, the 3 per cent will be varied to ensure a constant figure in real dollar terms.

I take the opportunity at this stage to address some of the concerns which are being expressed, in particular in sporting circles. No sport currently in receipt of tobacco sponsorship will be financially worse off as a result of the Bill. The trust will replace the amount of sponsorship obtained from tobacco companies on a dollar for dollar basis on production of validated claims. Despite making inquiries, the Government has been unable to determine accurately the annual value of this sponsorship and estimates vary considerably. The upper limit, however, is estimated at about $2.4 million.

There will be money available to meet this demand and enable substantial additional funding for other sporting events and for the promotion of a healthy lifestyle through sport. Indeed, the South Australian sporting community will do far better out of the fund than they every did from the tobacco industry.

The trust is not intended to replace the existing funding arrangements of the Department of Recreation and Sport. It is not proposed that any sport, including the racing codes, will be excluded from the operation of the fund, except where a sport is exempted from the operation of the Act and continues to take tobacco sponsorship.

The trust will be independent of the Department of Recreation and Sport. There is no question of it 'absorbing' the department. Sport will be well represented on the trust by the three sports nominees and also by the two additional sports advisory committee members nominated by the Minister of Recreation and Sport.

The Minister will, under the legislation, be consulted on any guidelines the Minister of Health may wish to issue to the trust. He will also be consulted before the budget is approved and before any exemptions from the Act are determined. Sport will not be coerced into accepting sponsorship by the trust. The decision to seek this form of assistance must be made by the sports bodies themselves. Some may wish to pursue other forms of corporate sponsorship. The Government will not seek to withdraw any other form of financial support to a sporting group that did not seek funding from the trust. The same sorts of assurances can also be given in relation to the arts and cultural area.

Other Matters:

Turning to other matters covered by the Bill, provisions are included to strengthen the law relating to competitions conducted by tobacco companies. In particular, the legislation broadens the prohibition on the use of trading stamps,

currently provided by the Fair Trading Act 1987 and extends the law relating to competitions, to effectively prohibit any prize or competition conducted in association with a tobacco product.

If promotional events designed to promote the sale of tobacco products or to promote smoking generally occur, and fall outside the general prohibitions, the Governor will be empowered to prohibit those events if they are considered undesirable. At a recent meeting of Australian Transport Ministers, it was resolved to ban smoking on interstate buses. The Tobacco Products Control Act already bans smoking on intrastate buses. The opportunity has been taken in the Bill to extend this ban to interstate buses.

The Bill represents a major development in the community response to the problem of tobacco usage. If the community as a whole can reduce the extent to which children take up smoking, it can make significant inroads into the epidemic of tobacco-related disease and mortality. The Bill is designed to do this. Principally, the success of this Bill will be gauged by the extent to which young people are discouraged from commencing smoking. Where prohibitions on smoking and sponsorship have occurred overseas, there is clear evidence that the smoking rate of children declines markedly. For example, this occurred in Norway where the introduction of a ban on tobacco advertising saw sharply reduced sales of cigarettes to young persons.

The legislation is not in any way a step towards prohibition of tobacco. Nor is it a zealot's Bill, as the industry has suggested. It does not infringe on civil liberties, a fact which has been confirmed by the South Australian Council for Civil Liberties, and it does not seek to blame smokers for their habit. What the legislation does attempt to do is to create a climate where the link between smoking and sophistication as presented through advertisements no longer occurs. It seeks to create a climate where smoking is no longer considered a rite of passage between adolescence and adulthood. For the sake of our children, I urge honourable members to support the Bill.

Clause 1 is formal.

Clause 2 provides that the measure is to come into operation on a day to be fixed by proclamation. The clause allows specified provisions to be brought into force at later dates.

Clause 3 amends the long title of the Tobacco Products Control Act 1986, so that it refers not only to regulation of tobacco products but also to the proposed new South Australian Sports Promotion, Cultural and Health Advancement Trust.

Clause 4 inserts a new heading.

Clause 5 amends section 2, the commencement section, of the Tobacco Products Control Act. The clause removes subsection (3) which suspends the commencement of section 7 until similar provisions are in force in the Australian Capital Territory and three States other than South Australia. This amendment is consequential to a later clause providing for the repeal of section 7.

Clause 6 inserts a new section 2a setting out objects for the Tobacco Products Control Act as it would be amended by this measure.

Clause 7 amends section 3 by adding new definitions required for other proposed amendments.

Clause 8 inserts a new heading and section 3a. Proposed new section 3a is designed to make it clear that the provisions imposing controls in relation to tobacco products do not apply in relation to anything done by means of radio or television broadcasts.

Clause 9 removes from section 4 a provision empowering the grant of exemptions from the operation of that section. Under the Bill, exemptions may instead be granted under a proposed new general provision (see clause 15).

Clause 10 provides for the repeal of section 7 which requires tobacco advertisements to include health warnings. Under the Bill, health warnings are required to be included in certain tobacco advertisements by proposed new section 11b.

Clause 11 removes another specific exemption provision.

Clause 12 inserts new sections 11a to 11e.

Proposed new section 11a prohibits the display for direct or indirect pecuniary benefit of a tobacco advertisement so that it may be seen in or from a public place. The section also prohibits the distribution of a leaflet, handbill or other document that constitutes a tobacco advertisement or the sale of any object that constitutes or contains a tobacco advertisement. These prohibitions are not to apply in relation to—

(a) a tobacco advertisement in or on—
  (i) a newspaper or magazine;
  (ii) a book;
  (iii) a package containing a tobacco product;

(b) a tobacco advertisement that is an accidental or incidental part of a film or video tape;

(c) a tobacco advertisement that is displayed inside a shop or warehouse adjacent to a place where tobacco products are offered for sale;

(d) a tobacco advertisement that is displayed outside a shop or warehouse where tobacco products are offered for sale but relates only to tobacco products generally or the prices at which particular tobacco products may be purchased;

(e) a tobacco advertisement that is authorised by the Australian Formula One Grand Prix Board as part of the conduct or promotion of a motor racing event within the meaning of the Australian Formula One Grand Prix Act 1984;

(f) a tobacco advertisement that is displayed or distributed under a contract providing sponsorship for a cricket match in South Australia that forms part of the Sheffield Shield series or any series of international cricket matches;

or

(g) an invoice, statement, order, letterhead, business card, cheque, manual or other document ordinarily used in the course of business.

Proposed new section 11b provides that a person must not display a tobacco advertisement in a shop or warehouse where tobacco products are offered for sale unless the advertisement incorporates or appears in conjunction with a health warning that either complies with requirements to be prescribed by regulation, or is given reasonable prominence having regard to the nature of the advertisement.

Proposed new section 11c prohibits contracts or arrangements under which sponsorships are provided in exchange for the promotion of tobacco products. The provision is not to apply in relation to any motor racing event within the meaning of the Australian Formula One Grand Prix Act 1984 or any contract providing sponsorship for a Sheffield Shield or international cricket match.

Proposed new section 11d prohibits competitions or trading stamps promoting tobacco products.

Proposed new section 11e prohibits the distribution for promotional purposes of free samples of tobacco products.

Clause 13 amends section 12 which prohibits smoking in buses. The clause removes a provision which excludes interstate buses from the operation of the section.

Clause 14 amends section 14 which sets out powers of inspection. The clause amends the section so that the powers

may be exercised for the enforcement of the provisions relating to the advertising or promotion of tobacco products. The clause also inserts a new provision that makes it clear that a person is not required to answer questions which would result in or tend towards self-incrimination.

Clause 15 inserts a new section 14a, a new Part III (relating to the South Australian Sports Promotion, Cultural and Health Advancement Trust) and headings.

Proposed new section 14a provides for the granting of exemptions from the operation of any of the provisions imposing controls relating to tobacco products. Under the provision, an exemption may be granted by regulation made on the recommendation of the appropriate Minister. An exemption may be granted to facilitate the promotion and conduct of a sporting or cultural event or function, to allow the performance of a contract entered into before 3 March 1988 or to relieve undue hardship. The appropriate Minister is the Minister of Recreation and Sport in relation to sporting events and the Minister for the Arts in relation to cultural events. The Minister of Health is the appropriate Minister for other exemptions and must be consulted before a recommendation may be made by one of the other Ministers. The appropriate Minister must, before recommending an exemption, have regard to certain factors. These are whether—

(a) there is national or international interest in the event or function;

(b) there are links between the event or function and other events or functions outside the State;

and

(c) reasonable efforts have been made to obtain support for the event or function that would not require the granting of such an exemption.

An exemption granted to allow the performance of a contract may not have effect beyond 30 June 1992.

Proposed new Part III (comprising sections 14b to 14q) relates to the South Australian Sports Promotion, Cultural and Health Advancement Trust.

Proposed new section 14b provides for establishment of the trust as a body corporate.

Proposed new section 14c provides for a membership of seven—

(a) one to be the presiding member;

(b) one to be a nominee of the Minister with knowledge and experience in the area of public health;

(c) three to be nominees of the Minister of Recreation and Sport with knowledge and experience in the area of sports or sports administration;

(d) one to be a nominee of the Minister for the Arts with knowledge and experience in the area of the arts or arts administration;

and

(e) one to have knowledge and experience in the area of advertising.

Proposed new section 14d sets out the functions of the trust. These are to promote and advance sports, culture, good health and healthy practices and the prevention and early detection of illness and disease, and more particularly for that purpose—

(a) to manage the Sports Promotion, Cultural and Health Advancement Fund and provide financial support from the fund by way of grants, loans or other financial accommodation to sporting and cultural bodies or for any sporting, recreational or cultural activities that contribute to health;

(b) to conduct or support public awareness programs;

(c) to provide sponsorships;

(d) to keep statistics and other records;

(e) to provide advice to the Minister;

(f) to consult regularly with Government departments and agencies and liaise with persons and bodies affected by the measure;

(g) to perform such other functions as are assigned to the trust by the Minister or by this measure or any other Act.

The section provides that the trust has all such powers as are reasonably necessary for the effective performance of its functions. In addition to its other powers, the trust is empowered, after consultation with the Minister, to make a grant from the fund for the relief of loss suffered as a result of the application of the measure to any matter or thing existing at or before the passing of the measure. The section provides that the trust must, in performing its functions and exercising its powers, endeavour to ensure that sporting or cultural bodies are not financially disadvantaged by the operation of the measure and have regard to any guidelines issued from time to time by the Minister after consultation with the Minister of Recreation and Sport and the Minister for the Arts.

Proposed new section 14e provides for the establishment of the Sports Promotion, Cultural and Health Advancement Fund at the Treasury. The fund is to consist of money paid into the fund pursuant to the Tobacco Products (Licensing) Act 1986, and all other money received by the trust. The section provides that the fund may be applied by the trust in accordance with a budget approved by the Minister—

(a) in paying amounts that the trust determines should be paid by way of grant, loan or other financial accommodation;

(b) in paying costs and expenses incurred by the trust; and

(c) in making other payments required or authorised by law to be made from the Fund.

Proposed new section 14f provides for the preparation of annual budgets to govern the trust's financial operations for each financial year.

Proposed new section 14g provides that further provisions relating to the trust are set out in schedule 2.

Clause 16 amends section 15 of the Act which relates to offences under the Act. The clause increases the general penalty for offences from $2 500 to $5 000. The clause also inserts provisions providing that an offence is committed by a person who causes, permits or authorises an act or omission that constitutes an offence, and that, where a body corporate is guilty of an offence, each member of the governing body of the body corporate is also guilty of an offence unless it is proved that the member exercised reasonable diligence to prevent commission of the offence.

Clause 17 inserts a new schedule 2 setting out further provisions relating to the trust. These deal with the following matters:

1. Term and conditions of membership of the trust;
2. Validity of acts of the trust;
3. Meetings and procedure;
4. Disclosure of interest;
5. Delegation by the trust;
6. Committees;
7. Employees of the trust;
8. Superannuation;
9. Immunity from liability;
10. Non-disclosure of information;
11. Accounts and audit;
12. Annual reports by the trust.

Clause 18 amends the Tobacco Products (Licensing) Act 1986, by increasing by 3 per cent the *ad valorem* licence

fees payable under that Act. The clause also inserts a new section 24a providing that—

(a) the money collected under that Act as licence fees must be paid into the Consolidated Account;

(b) not less than 10.7 per cent of the amount collected as fees for tobacco merchants' licences (not being restricted licences) must be paid into the Sports Promotion, Cultural and Health Advancement Fund for application in accordance with the provisions of the Tobacco Products Control Act 1986;

(c) payments must be made into the fund for that purpose at times and in amounts determined by the Treasurer after consultation with the Minister of Health.

Clause 19 makes amendments to section 44 of the Fair Trading Act 1987 (prohibited trading stamps) that are consequential to proposed new section 11d which prohibits competitions and trading stamps designed to promote tobacco products.

Mr BECKER secured the adjournment of the debate.

SITTINGS AND BUSINESS

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

That the time allotted for—

(a) all stages of the following Bills:
Correctional Services Act Amendment (No. 2),
Workers Rehabilitation and Compensation Act Amendment (1988),
Children's Protection and Young Offenders Act Amendment,
Community Welfare Act Amendment,
Evidence Act Amendment (1988),
Sewerage Act Amendment,
Lottery and Gaming Act Amendment; and

(b) completion of the second reading and referral to a select committee of the Firearms Act Amendment Bill—

be until 9 p.m. on Thursday.

Motion carried.

SEXUAL REASSIGNMENT BILL

Second reading.

The Hon. G.J. CRAFTER (Minister of Education): 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 regulation of sexual reassignment procedures and for the legal recognition of the reassignment of sexual identity.

The need for legislative reform arises because the present law does not recognise the reassigned sexual identity. The issue of legal recognition of transsexuals was first raised in 1979 at the Standing Committee of Attorneys-General. The standing committee spent some time examining the need for reform with regard to post-operative transsexuals. However, not all the States and the Commonwealth could agree on what, if anything, should be done.

As a result, the standing committee is no longer looking at the matter. However, the State Government has decided to pursue the matter in order to regulate the performance of reassignment procedures and so that the legal status of post-operative transsexuals can be recognised in this State.

A number of foreign jurisdictions, including some American States, Canadian Provinces, Germany, Sweden, and Switzerland have implemented schemes providing for the recognition of a change of sex in certain circumstances.

Reassignment surgery has been carried out for some time in Adelaide. Yet, a transsexual who has undergone the reassignment procedure cannot be recognised under their reassigned sex. Official documents, such as birth certificates, cannot be amended to reflect the reassignment.

The Bill provides a mechanism for approving hospitals and persons involved in carrying out reassignment procedures.

The commission cannot approve a hospital unless it is a suitable place for carrying out reassignment procedures and it has appropriate staff and facilities to ensure proper patient counselling and care.

Further, a person who carries out a reassignment procedure must be a legally qualified medical practitioner also approved by the commission. The commission can impose conditions on the approval, such as the type of procedure which can be undertaken and the provision of counselling. It would also be possible under this mechanism to set eligibility criteria for persons wanting to undergo reassignment procedures.

The Bill also provides for the issue of recognition certificates by a magistrate. A magistrate will be able to issue certificates to infants or transsexuals who have undergone reassignment whether or not the procedure was performed before or after the passage of the legislation. The magistrate would be able to issue certificates where the reassignment procedure was performed in this State or where the birth of the person is registered in this State.

Once a recognition certificate has been obtained it can be produced to the Registrar of Births, Deaths and Marriages so as to obtain registration of the reassignment of sex.

The recognition certificate would be conclusive evidence for South Australian purposes that the person has undergone the reassignment procedure and is of the sex to which the person has been reassigned. This is a crucial provision as it gives legal recognition to the reassigned sex of the infant or transsexual.

The Bill provides for appeals to the Supreme Court against decisions of the Health Commission and a magistrate. It also sets out offences relating to breaches of confidentiality and the provision of false or misleading statements.

The Bill before members is an important step in adopting a more realistic and sensitive approach to persons who undergo sexual reassignment procedures. It will not necessarily solve all the problems faced by transsexuals. For example, the issue of marriage of transsexuals will still be a matter for the Commonwealth to resolve. However, it will give them a legal recognition in this State that to this time has been lacking.

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 sets out the various definitions required for the purposes of the legislation. A 'reassignment procedure' is a medical or surgical procedure (or a combination of both) to alter the genital and other sexual characteristics of a person to the sex opposite to the sex identified in his or her birth certificate.

Clause 4 relates to recognition certificates.

Clause 5 provides that the Act binds the Crown.

Clause 6 regulates the persons who may carry out reassignment procedures. It is proposed that a person must not

carry out a reassignment procedure unless the procedure is carried out at a hospital approved by the Health Commission and the person is a legally qualified medical practitioner approved by the Health Commission to carry out procedures of that kind. A hospital will be required to provide staff and facilities to assist and provide counselling services to patients undergoing reassignment procedures.

Clause 7 will allow a magistrate to issue a recognition certificate in appropriate cases. The Minister will be entitled to appear at the hearing of the application. The magistrate will be able to issue the certificate if certain prescribed criteria are satisfied. The magistrate will be able to act informally and the proceedings will be conducted in private. A certificate will not be able to be issued to a person who is married.

Clause 8 provides that a recognition certificate is conclusive evidence of reassignment of sex. An equivalent certificate issued under a corresponding law will have the same effect.

Clause 9 provides for the production of recognition certificates to the Principal Registrar of Births, Deaths and Marriages and the registration of the reassignment of sex.

Clause 10 will allow the Supreme Court to cancel a recognition certificate if it appears that the certificate was obtained by fraud or other improper means.

Clause 11 sets out various rights of appeal to the Supreme Court.

Clause 12 protects the confidentiality of information obtained during the administration of the Act.

Clause 13 creates an offence in relation to the provision of false or misleading information under the Act.

Clause 14 relates to the offences under the Act.

Clause 15 will assist in determining age when there is no certain evidence establishing age.

Clause 16 is a regulation making provision.

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

CORRECTIONAL SERVICES ACT AMENDMENT BILL (No. 2)

Adjourned debate on second reading.

(Continued from 30 March. Page 3749.)

Mr BECKER (Hanson): The Opposition will support the legislation to the second reading stage. I will pose a series of questions to the Minister as we need some clarification on certain matters, and we will then decide what we will do from there on.

Mr Tyler interjecting:

Mr BECKER: The Opposition has some rights in this House. If the honourable member, who will not be here for very long, wants to carry on like that, we can make sure that the legislation is dealt with in a more forceful manner in another House. The Government proposes three major amendments to the Act. At present where the permanent head is satisfied that a prisoner is alleged to have committed an offence, that prisoner can be segregated from other prisoners while investigations of the alleged offence are conducted. The prisoner can be held in a segregation area for a period not exceeding 30 days, as the permanent head sees fit. There can be no extension of the period, and this arrangement is not affected by the legislation.

However, where the permanent head is satisfied that the welfare of a prisoner requires that he or she be segregated from other prisoners, or that a prisoner is likely to injure or unduly harass another prisoner, the prisoner can be held for an initial period of seven days. This period may be extended by periods of one month subject to the approval of the visiting tribunal. This section of the Act has proved to be inadequate and difficult to administer.

The amendments in the Bill propose that the initial period of segregation be 14 days. This will allow for the necessary administration to proceed more smoothly. It also proposes that the initial period of 14 days may be extended by periods of up to and including two months. The amendments have come about as a result of a challenge to the Government last year when a prisoner who was then in Yatala Labour Prison applied to the Supreme Court on the grounds that he was being unlawfully segregated, and the court found in the prisoner's favour.

In dealing with segregation, one of the biggest problems in our correctional institutions is the general behaviour of some of the offenders. From time to time prisoners act up because of their own intellect, disability, or their general attitude to the institution, and the behaviour of some of them is such that they can disrupt the operation of the institution. Therefore, the permanent head of the department needs some power and authority to segregate troublemakers and to deal with them accordingly. We have no quarrel with that.

While some offenders may argue that they have rights, and ways and means of protesting, I believe that, once sent to an institution, they lose certain privileges. It is apparent that the grounds on which a prisoner may be segregated may be too limited and that there are a number of grounds on which segregation should be available to prison management, such as an attempt to escape from custody or in some other way posing a threat to the institution or to good order and discipline within it. In other words, the management here is seeking power and authority to crack down on certain nasty types in the institution—those who generally will not conform with the rules of sound management when all other prisoners abide by those rules. At the same time, management must have good reason for segregating a prisoner.

In relation to the Yatala Labour Prison, where a special segregation unit is currently under construction, the Government will establish a committee known as the Segregation Unit Review and Assessment Committee, which will be chaired by a senior officer of the Prisoner Assessment Committee.

This will assist in the ease of administration of difficult prisoners. However, the visiting tribunal still has power of veto over decisions of management or the segregation review assessment committee. Such veto would prevent an abuse of power. It has never been suggested to me, including during my inquiries, that there has been an abuse of power in this regard.

A further safeguard for prisoners is that any direction given concerning segregation must be in writing, must specify the grounds upon which it is given and must be served personally to the prisoner to whom it relates within 24 hours of the direction being given.

At the present moment, a person who misbehaves could well have been segregated, say, last evening and could not be seen by the visiting tribunal until next Tuesday, so there is a seven day delay to some degree within the internal management of the system. Therefore, we can understand why 14 days initially is needed from that point of view.

I believe that the prisoner at Yatala who took the department to the Supreme Court went on a hunger strike but every few hours asked that he be given a shower. During the shower, he kept drinking the water, so he was able to withstand his hunger strike for some time. That is just one

of the little tricks and problems with which management is faced within our institutions.

Mr Lewis interjecting:

Mr BECKER: The point is I do not think he is entitled to have a quick drink every so often. The other area of concern in the proposed legislation is the provision to limit the parole board statutory obligation concerning the interview of prisoners. Currently, any or all prisoners can seek interview by the board, but the board is not obliged to interview a prisoner upon his request more than once in any financial year. In the 1987 financial year, the Minister advised the House, when introducing this legislation, that the board interviewed 133 prisoners and parolees. There are about 890 prisoners currently within our institutions. I understand the board's concern that such requests could escalate and that the board would be unable to fulfil its other obligations.

The proposed amendment seeks to limit the classes of prisoner who may request an interview to those seen as long-term prisoners (lifers), those serving sentences of indeterminate duration (at the Governor's pleasure), or those serving sentences of more than one year where a non-parole period has not been fixed.

I also understand that many prisoners do not seek an interview with the Parole Board. In actual fact, many of them refuse their annual visit. This is a problem for some of the authorities and I believe that these prisoners need very serious counselling to ascertain why they have refused and what can be done to assist them and to further ensure their rights. We see a problem as to whether this clause limits the rights of all prisoners and remandees. At the same time, we must admit that there are some people in our institutions who are intellectually disabled and may not understand or appreciate what is being done for them.

The third and final amendment to the legislation makes clear that a warrant issued by the Parole Board for the apprehension of a parolee authorises the detention of the parolee in custody pending his or her appearance before the board. Complaints have been made to me that the terms and conditions of parole are quite strict. In one case recently, at the request of his employer a parolee breached a minor section of his parole conditions. This was discovered by the board and the parolee served another three months gaol. He believed that the warrant under which he was apprehended and placed in detention immediately was unfair. He still considers that this clause is unfair. So, we may seek further information from the Minister.

All in all, the Opposition sees the amendments as a step to further tighten and improve the management of those in prisons within South Australia. We want to be assured that those offenders in our institutions are aware of their rights and have their rights protected. Therefore, at this stage we support the second reading of the Bill.

The Hon. FRANK BLEVINS (Minister of Correctional Services): I thank the member for Hanson for indicating the general support of the Opposition for this Bill. I certainly recognise the validity and some of the concerns expressed by him in his second reading response. I think everyone in correctional services or anyone who has any knowledge of correctional services would also agree that those concerns have some validity. I believe that the safeguards written into the legislation are adequate to ensure that the concerns expressed by the member for Hanson are overcome. I believe also that the open nature of the administration of correctional services in this State is a safeguard against the kinds of abuse that could occur under a less open system.

As regards one or two of the specific questions raised by the member for Hanson, I think it more appropriate that those questions be answered in the Committee stage rather than my going through them now and repeating the points in Committee. Again, I thank the member for Hanson for his indication of the Opposition's support for the Bill.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Segregation.'

Mr BECKER: What is meant by the word 'segregation'?

The Hon. FRANK BLEVINS: Exactly what it means in the common meaning of the word. I do not know that I can explain it any differently. It means to segregate somebody from either all or some of the other prisoners in the prison into a specific area that has been designated an appropriate place for segregation.

The Hon. Jennifer Cashmore: Remove from the group.

The Hon. FRANK BLEVINS: Yes; I thank the member for Coles who said that it is removal from the group. That is one very succinct definition of 'segregation'. I really cannot help the member for Hanson any more than to say, 'In the ordinary understanding of the word.'

Mr BECKER: Regarding the word 'segregation', I refer briefly to the case of an offender who eventually got through the system; he was at the pre-release cottages at Northfield, I believe, did something wrong and was sent back to E Division at Yatala. He understands that he was classified as a segregated prisoner, yet he found himself in the general yard. Does segregation mean that one is withdrawn from an area, yard, unit, or however it is described, and then allocated a cell where movements and access to one or from anyone else is limited?

The Hon. FRANK BLEVINS: That sounds a bit like protection to me rather than segregation, but I cannot make any meaningful comment without knowing all the circumstances of the individual case. It may well be that the Department of Correctional Services thought it inappropriate that this prisoner stay at the cottages at Northfield, if, as the member for Hanson said, the prisoner had committed some breach of prison rules, regulations or policy, and that E Division was an appropriate place for that prisoner to be held for a period of time prior to being returned to the cottages or released. I really cannot comment until I know the full background of the case and the incident. If the member for Hanson gives me some information to identify that case I will have it investigated and a full report sent to him.

Mr BECKER: The Minister in his second reading explanation said:

> The Bill proposes further statutory safeguards, firstly, removing from the permanent head the power of extending segregation in those cases where a special segregation review committee has been set up for the prison. In relation to Yatala Labour Prison, where a special segregation unit is currently under construction, the Minister will establish a committee entitled the 'Segregation Unit Review and Assessment Committee', which will be chaired by a senior officer of the Prisoner Assessment Committee and include other members such as the Manager of the Prison or his nominee and one or more Assistant Chief Correctional Officers, and any other persons nominated by the Manager. The power of 'veto' is retained by the visiting tribunal.

Is the Minister able to advise the Committee how many members will comprise the Segregation Unit Review and Assessment Committee and exactly from where they will come?

The Hon. FRANK BLEVINS: Not at this stage. As the amendment proposes, there is no determined number. It may well be appropriate in certain circumstances to have a greater or lesser number but I can look at the *Hansard* record of the questions and, if necessary, obtain more advice

for the member for Hanson. There are no numbers set down; it depends on what is appropriate at the time.

Clause passed.

Clause 3—'Powers of the Board.'

Mr BECKER: The Opposition has difficulty with the clause. The Government by amending section 63 proposes to reduce the number of offenders who may have access once a year to the Parole Board for interview. The proposal is that a prescribed class of prisoner, one who is sentenced to life imprisonment, one who has a sentence of indeterminate duration (at the Governor's pleasure) or one who has a sentence of imprisonment for a term of more than one year in respect of which a non-parole period has not been fixed, will have access to the Parole Board. That therefore means that this Government is going against the wishes of the Government of the day which reviewed the legislation and brought in section 63, thereby allowing offenders the right to have once a year access to the Parole Board.

Even though the Parole Board interviewed 133 offenders of a prison population of 890 or thereabouts, one can envisage a tremendous amount of work if every offender was entitled—but of course not all offenders are entitled—to access to the board. Even so, it seems wrong and contrary to prisoners' rights for prisoners to be denied access to the Parole Board. In the Opposition's opinion the Minister has not given the Parliament satisfactory reasons to deny that opportunity to all prisoners. Can the Minister further explain why it is necessary to limit and prescribe the classes of prisoner who shall have access to the board?

The Hon. FRANK BLEVINS: The problem that the Government has is with the open-ended nature of the Act. There are close to 800 prisoners who, by law, have access to the Parole Board. If they all took advantage of that at every meeting of the Parole Board, there would have to be a full-time Parole Board in constant session to deal with fortnightly visits from prisoners. The Parole Board feels that there is no point in some prisoners constantly coming before it. The circumstances have not changed; all they want is to argue the toss with the Parole Board once every fortnight or three weeks, or however often it is, that the Parole Board sits. The Parole Board is a part-time board and long may it remain so. I do not think that there is any requirement for anything other than presently exists.

I am trying to not use the word 'nuisance' but I do not think that I can avoid it. Some prisoners, because of this section, are making a nuisance of themselves to the Parole Board and are really not making any contribution at all. Nor can the Parole Board make any contribution to solving some of the problems that they have. It would be more appropriate if they sought solutions to some of their problems elsewhere than with the Parole Board.

Knowing the Parole Board as I do—and as does the member for Hanson—I believe that any genuine request to appear before it, whether or not the prisoner has an absolute right to a hearing, if the Parole Board feels it can assist, would be agreed to. Whether in the aftermath the Parole Board could help with the problem is another question. But the potential for prisoners to make the Parole Board unworkable by using this provision is very high. I do not believe that this provision will have any effect on the quality of the service that the State or individual prisoners receive from the Parole Board, but it will limit the overuse of the Parole Board for no good purpose.

Mr BECKER: We are disappointed, because it was the intention of the Minister's Party, when this legislation was written and the Act was amended, that all offenders have access to the Parole Board. As I said, I believe in, and strongly support, the United Nations Charter of Human Rights and the rights that offenders have in our correctional institutions. I believe that one of those fundamental rights should be access to the Parole Board.

I do not deny that some may use it as an occasion to abuse the system or make a nuisance of themselves. But one of the problems in our institutions is the growing number of intellectually disabled people who do not understand the system because of their lack of education and, regrettably, the standard of education of many of our offenders is poor. The people concerned should have the right, once a year, to go to this body and ask questions or put their case. They should certainly have the opportunity to have their parole terms and conditions considered. For that reason, the Opposition firmly believes that a prisoner's rights are fundamental to our modern society and the provision should remain as it is in the Act. The Opposition opposes this amending clause.

The Committee divided on the clause:

Ayes (26)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins (teller), Crafter, De Laine, M.J. Evans, and Ferguson, Ms Gayler, Messrs Gregory, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Rann, Robertson, Slater, and Tyler.

Noes (16)—Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker, Becker (teller), and Blacker, Ms Cashmore, Messrs Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Lewis, Meier, Oswald, and Wotton.

Pair—Aye—Mr Groom. No—Mr Chapman.

Majority of 10 for the Ayes.

Clause thus passed.

Clause 4—'Apprehension, etc., of parolees.'

Mr BECKER: Why are we now dealing with this amendment? In introducing the Bill, the Minister said:

> Clause 4 makes it clear that a warrant issued by the Parole Board for the apprehension of a parolee authorises the detention of the parolee in custody pending his or her attendance before the board.

Does this mean that, prior to this amendment, when a parolee offended and was detained, the procedure was illegal?

The Hon. FRANK BLEVINS: I have been advised that that may have been the case. It has not been tested so I am not in a position to give a definitive answer. However, I have been advised that this amendment is necessary to clarify the matter.

Clause passed.

Title passed.

Bill read a third time and passed.

FIREARMS ACT AMENDMENT BILL (1988)

Adjourned debate on second reading.

(Continued from 30 March. Page 3747.)

The Hon. B.C. EASTICK (Light): I will not address the Chamber for long on this Bill because the matter will go to a select committee. That is a wise decision by the Government and the Parliament. It is an intricate subject, involving a number of emotional aspects. Regrettably, the emotional problems arising out of tragedy have been allowed to interweave themselves into a rational consideration of the gun debate. There is no argument from anyone in the gun lobby and in Parliament that a proper approach to gun legislation is essential. In the end result it will be important to make quite certain that the legislation achieves its purpose and is able to be monitored and/or policed, as the case may be,

without intruding upon the general rights of the community at large, yet at the same time ensuring that the community is protected against perpetrators of crime.

Throughout the world over an extended period it has proven impossible with legislation far more draconian than that contemplated here to solve the problems associated with guns in the hands of criminals, and I shall refer to that briefly as I proceed.

In 1972, Colin Greenwood, in the United Kingdom, presented a book on firearms control entitled *A Study of Armed Crime and Firearms Control in England and Wales, 1972.* Although I do not wish to debate at any length the contents of this book, I shall draw on several passages from its conclusions and suggestions. At page 240, the following statement appears:

> It is extremely difficult to establish the logic behind much of the legislation.

That situation has evolved in Australia over a period, as witness the reports made available, for example, by J.D. Fine in his publication *An Agenda for the Reform of Firearms Laws.* This was an independent survey undertaken by that person, a Western Australian, who has examined the problems of firearms within Australia (I will refer later to some of his recommendations). Again, at page 241 of his book, Greenwood states:

> One of the most glaring defects to be found in any study of the developments of the legislation is an almost complete absence of proper research. The statistics produced to support Bills have invariably been inadequate and have lacked points of comparison.

One could truly direct that remark against the computer statistics in South Australia. There are major problems in getting from the South Australian records the sort of detail required and I believe that that will be and should be one of the matters considered by the select committee in order to ensure that it brings back to the House the statistical information supporting any recommendation that is finally made. At page 242, Greenwood continues:

> A further recurring factor in the passing of legislation is that, in most cases, the sponsors have claimed only limited objects for their Bill. In all cases during the debates, it has been accepted that the legislation would have only limited effects. Yet, as soon as each Act has been passed, everyone appears to have been surprised that the problem to which it was addressed did not disappear overnight.

That is something that has been replicated throughout the world. Again, at page 242, Greenwood states:

> The failure of a particular Act to have a marked effect on the problem has frequently simply led to further legislation and not to research to determine the reasons for the failure.

Again, I suggest categorically that it will be necessary for the select committee to determine legislation that is likely to gain public support and achieve a result. Greenwood continues (at page 242):

> The evidence produced in Chapter 15 indicates that 50 years of very strict controls on pistols have left a vast pool of illegal weapons. Large numbers are surrendered to the police each year and it is difficult to avoid the conclusion that this is only the tip of the iceberg.

I suggest from evidence already available to members of this place and to members of the South Australian community generally that the information coming forward from discussions with people in the gun lobby (those directly associated with the controlling bodies in the fields of sport and hunting) can provide evidence of difficulties similar to those highlighted in that conclusion of Colin Greenwood. Much use is made and has been made over the years of statistics, but at page 243 Greenwood states:

> No matter how one approaches the figures, one is forced to the rather startling conclusion that the use of firearms in crime was very much less when there were no controls of any sort and when anyone, convicted criminal or lunatic, could buy any type of firearm without restriction. Half a century of strict controls on pistols has ended, perversely, with a far greater use of this class of weapon in crime than ever before.

That view is still held widely, and I shall refer shortly to a White Paper presented in England in January this year. The wheel is again turning and people are asking questions the same as those that were raised by Greenwood in 1972. At page 245 of his book, Greenwood states:

> Careful examination of all the evidence available suggests, therefore, that legislation has failed to bring under control substantial numbers of firearms, and it certainly cannot be claimed that strict controls have reduced the use of firearms in crime. On the basis of these facts it might be argued that firearms controls have had little effect and do not justify the amount of police time involved.

I believe that, regrettably, that is a fact of life in Australia today and one matter about which the select committee must be certain. At page 246, the author states:

> The system of registering all firearms to which section 1 applies as well as licensing the individual takes up a large part of the police time involved and causes a great deal of trouble and inconvenience. The voluminous records so produced appear to serve no useful purpose. In none of the cases examined in this study was the existence of these records of any assistance in detecting a crime and no-one questioned during the course of the study could offer any evidence to establish the value of the system of registering weapons.

That information is clearly available from a quiet discussion with people directly associated with registration proceedings in this State and elsewhere. At page 247, Greenwood states:

> The general tenor of the policy does little to reduce the numbers of illegally held weapons. Where weapons are illegally held for criminal purposes, there is no hope that they will be voluntarily handed in, or that the owner will apply for a firearm certificate. It is clear, however, that substantial numbers of firearms are illegally held by otherwise respectable people.

Since the debate on this Bill started, in my electorate I have found a tremendous number of people of German origin, the fifth generation of the Lutheran immigrants from Prussia in 1840, who are the custodians of the family gun brought out by their forebears. This gun is a masterpiece of German engineering that has not been fired in anger or in sport for many years: it is part of their heritage, and in no circumstances would it have been surrendered to the Government if the measures originally intended were to proceed. Such guns will go into oblivion, turning their owners—people of good repute held in the highest regard in the community—into criminals by virtue of their reluctance to forsake that heirloom. At page 248, Greenwood states:

> Whatever the total cost to the police, the fees should be fixed so that they do not dissuade a person from making an application.

One could refer to the debate that took place in this House on the most recent increase in gun registration fees and contemplate whether some measures that would be a natural follow-through by the Government effectively to put into place the requirements of the legislation circulated about a month ago (even though that legislation has been honed down) still have the potential for a massive increase in resources that would have to be funded from somewhere—indeed, from the owner's pocket. The author continues:

> The imposition of unduly restrictive conditions on the grant of a certificate appears to be increasing. Each of these conditions should be examined to see whether or not it contributes towards achieving the object of the controls. If the condition makes no significant contribution towards this end, it cannot be justified, and it is likely to do no more than to antagonise and inconvenience the certificate holder for no purpose.
>
> The amount of time spent on administering the controls could be substantially decreased in a number of ways without in any way losing such effectiveness as the controls may have.

There is a considerable wealth of information to support that view. I refer now to pages 251 and 252:

> For the future, it is essential that the whole problem of controls and their relationship to armed crime should be the subject of

objective review. If this is to be done, there must be available accurate and informative statistical data.

This is a factor that has been referred to previously. At the bottom of page 253 and on page 254, the report states:

To continue with the process of attempting to deal with the criminal use of firearms by placing more restrictions on legitimate users is not likely to achieve anything. But the great danger lies, not in the ineffectiveness of such restrictions, but in a belief that they will solve the problem.

I believe that the view put down about 16 years ago is very much a fact of life today. It is similar to the conclusions, for example, which have been underlined by Mr Fine in the material which he has made available and which I know is available to the Minister and other people within the parliamentary scene. I refer to information contained on pages 93 and 94 of the 'Discussion on subsidiary matters and agenda for the reform of firearms law', where Mr Fine states:

It is suggested that all realistic and beneficial productive steps be taken Australia-wide to assure that only persons competent to use firearms in a manner consistent with the public safety ever be allowed to own or to use any type of firearm. Any firearm is likely to achieve the robber's objective of intimidating and frightening his victim. Even the least powerful of commonly used rifles, those of the .22 calibre rimfire variety, project ammunition with sufficient force to kill or inflict serious injury at a distance of a kilometre or more. Commonly used varieties of sporting rifles could be used quite successfully by a criminal sniper. The prospect of semi-automatic sporting rifles being used by organised gangs for paramilitary purposes within Australia is at best remote; and any such threat would no doubt be met far more effectively by the State though other, more direct, responses than inclusion of further clauses in a firearms statute.

Whilst one could develop considerable debate about those measures, the final words are important, and I bring them forward again:

... more direct responses than inclusion of further clauses in a firearms statute.

I have given a fair indication that I would see that the activities of the select committee in viewing the Bill which will be presented to it will cover all aspects of the purpose of the Bill, the clauses and their likely effect, and to pick up where necessary additional requirements to which it may be necessary to give the consideration of the House. They may be to identify clearly that what the Government has in mind, whilst noble in intent, is quite impractical in fact and, as indicated by me on behalf of my Party as recently as yesterday, there is already a belief that there would need to be an additional 20 full man/woman/person days per day to satisfactorily monitor the requirements as laid down in the Bill presented to the House.

If that is going to be at the expense of other important actions to be taken on behalf of the public by the police, the Government must indicate where it will find the additional resources to fulfil that requirement. It is quite obvious, if one attends the Firearms Unit in Hindmarsh Square, that the available space is insufficient to fulfil the requirements of any additional workload. The bureaucracy that would be created by monitoring the sale of ammunition and tying the purchase of ammunition to individual licences, even if a computer was functional, would be a major task.

We know from evidence made available from answers to questions on notice and from Estimate Committee responses over a period that the Police Department computer system directly associated with gun registrations is not as functional as it ought to be, that there are major difficulties and that time and resources have not been available to put onto that computer a lot of information held in hand files from 1978 onwards. We have the situation where a number of guns that were not re-registered have not surfaced again in the hands of other individuals and are out there without any attempt by the police to follow them up, because the police have not had the manpower to follow that matter through. I am sure that these matters will all come into reality.

I mention briefly that we are approaching an issue that is not isolated to South Australia. In fact, it is not isolated to Australia. Recently the Minister was with the Registrar at a conference where action was taken supposedly by all Australia States with the exception of Tasmania. However, it has since come to pass that New South Wales is not going down the track determined at the meeting. Certainly, Queensland is not going down that track, and I understand that Queensland was lumped into the decision taken because the Queensland Minister happened to be the Chairman of the meeting and was not actually consulted or given an opportunity to put down the position relative to his State.

The Hon. D.J. Hopgood: He was in a perfect position to put his point of view.

The Hon. B.C. EASTICK: He has subsequently publicly put his position clearly and no doubt if the Minister has an answer to that issue he will advise us. The simple fact is that we are not approaching uniform legislation in Australia, albeit that the Prime Minister sought to get his fingers into the act, responding to this gut reaction—

Members interjecting:

The Hon. B.C. EASTICK: Are you going to make a contribution and let us all know about it?

The ACTING SPEAKER (Mr Duigan): Order! The member for Light has the floor.

The Hon. B.C. EASTICK: The Prime Minister was reacting, as so many people have reacted, to a simple question, which was also the basis of an *Advertiser* article this week: Are you concerned about the availability of guns? Suddenly, 85 per cent of the people came out expressing a concern. However, what the article and the researchers did not do was to ask, 'But what would you do about it and how do you see it being approached?' That is an entirely different set of circumstances. The question as put in the *Advertiser* survey achieved nothing. Yes, there is a concern; there is a concern by every member of this House, and I have indicated that, but the way of approaching the concern is not to become so defensive that we build a wall around ourselves and create situations which cannot resolve the difficulties, which are not practical and which cannot be policed.

I mentioned earlier that it is beyond Australia, and a White Paper handed down in the House of Commons in January this year (reported from *Survey of Current Affairs*, vol. 18 No. 1—a document available to all members of Parliament), states:

The Government's approach, says the White Paper, has been informed by the need to ensure the safety of the general public from the irresponsible or criminal use of firearms and shotguns and to protect the rights and interests of those who use such weapons in pursuance of their work or their sporting and leisure interests.

I repeat—

... to protect the rights and interests of those who use such weapons in pursuance of their work or their sporting and leisure interests.

That is where we must determine a balanced approach to the whole matter. The paper continues:

The Government is concerned to accommodate the needs and interests of the legitimate shooting community in so far as this does not compromise the primary concern of ensuring that firearms controls give adequate and effective protection to the community at large.

It also contains other information that members can follow. I support the second reading for the purpose of the greater debate which will ensue from now until the budget session. I look forward to seeing those with a genuine interest in this matter, no matter on which side they be, coming forward with facts and substantiating their views on this issue.

I leave the debate with a quote from one of my constituents who had the opportunity to read the various versions of the Minister's Bills—that introduced before Christmas, that circulated some four weeks ago, and that introduced in the House last week. My constituent, who has had a long involvement with a rifle club as a sporting and leisure recreation, states:

> I have read the latest Firearms Act Amendment [Bill] and the more I think about it the more it reminds me of the padlock we fit to a shed—it will keep some curious children out and most honest people, but it is no deterrent to a housebreaker.

Indeed, I believe that what has been presented to the House on this occasion is no deterrent, nor has previous legislation here or overseas been a deterrent, to the criminal who wants to make use of a firearm for criminal purposes. Finding an answer to that issue and putting up penalties which are effective and which really show the concern of this Parliament and its determination to not tolerate in our community the use of arms for felonious purposes will be, I hope, one of the major achievements of those who will sit initially on the select committee and subsequently will make a decision by way of an Act of Parliament. I support the second reading.

Mr BLACKER (Flinders): I support the second reading, with the express knowledge that the Bill will be referred to a select committee. I support the member for Light's proposal for that select committee and thank the Government for considering it (although presently I am only going on the Government's assurances as per press releases that have been issued over the past two or three days). This legislation has had a very chequered history, and there is a great deal of confusion and anxiety in the community about how it should, would or could apply. To that end it is necessary to put on record a little bit of background of what has happened over the past few months and why there has been some confusion and perhaps some misunderstanding.

I think that the Government, and in this case probably the Minister, must carry a fair amount of the blame for that confusion and anxiety because of the various Bills which were allowed to be circulated and on which the general public was able to say that it did not apply to their particular industry and that it was wrong. Back in August, in following up its undertaking that there would be a tightening of gun laws, the Government initiated a report which was commonly known as the Hill committee report. Yvonne Hill, the former Olympian, chaired that committee, which consisted of a number of delegates from the firearms industry and Government officers—very responsible people in every case.

That committee brought down its findings and, in the main, I believe it met with general acceptance amongst all members of that committee. When the Government introduced its Bill on 3 December a great deal of emphasis was placed on the report yet many of its recommendations were totally ignored and, in some cases, directly opposed. Of course, that made a mockery of that committee and, needless to say, Yvonne Hill (whose name had been used to establish some credibility for the Government's legislation) obviously was hurt and prepared to say so publicly. I sympathise with her because I do not believe that I have ever known an individual who has been invited to chair a committee of any kind whose report has been used—and in some cases I think we could say abused—in the manner in which it has.

Following the report and the legislation introduced in the Parliament a lot of public debate occurred and concern was expressed about what was included in the Bill. At that stage I became involved, because the Bill and some of its supporting documents—papers that emanated from the Minister's office—clearly stated that there would be no right of appeal. Further, embodied in the legislation were amendments that indicated that the onus of proof would be reversed. Both of those principles are very fundamental principles in our democratic society and, as such, should be supported wherever humanly possible. For that reason I became heavily involved and sought the views of my constituents.

The Minister has said, in various reports that have come from his office, that primary producers will not necessarily be affected. I understand that the Government would have a real fight on its hands if it decided to confiscate all weapons from primary producers, because there are legitimate reasons for people on rural properties to own firearms—first, for the destruction of diseased or injured stock; and, secondly, for the destruction of vermin, be they rabbits or whatever else is causing the problem. To that end the Government allayed some of the fears of my constituents when it said that it would exempt primary producers.

Then the age problem came in. Every young person on a farm is well versed in the handling of firearms by the time they reach 16 years, and certainly by the time they reach 18 years. The Government compromised again and reduced the age to 16 years, and believed it would cover the case by doing so. Again, this raised a problem with the sporting shooting fraternity. Many of our Olympians obviously start shooting at an age much earlier than 16 years. Individuals in my electorate who are in the State classification are excellent shooters and can qualify for State competitions. Of course, many of those are not yet 16 years and, in one particular case, I know that the age is 13 years. This legislation would forbid that lad from continuing his chosen sporting activity, which in that case was clay target shooting.

I can see that there is some justification for the control of the use of firearms. Any person, irrespective of age, under the control of an appropriate club where proper gun control and tuition is provided, and provided they are old enough to handle a gun under tuition, should be taught to handle that firearm appropriately. That is only part of the story.

Following the introduction of the Bill into Parliament on 3 December, the Premier made a press release on 21 December which put a new dimension on the legislation that this Parliament was supposed to be considering. That press release, which raised a whole series of new issues, was a reaction to the violent misuse of firearms that took place in the eastern States. Not one of us, nor any person to whom I have ever spoken, would in any way condone the misuse of firearms. I want to make that perfectly clear: every member of this society, irrespective of political persuasion and the role they play in society, would be against the criminal misuse of firearms. However, this legislation has been introduced and, until last week, we did not have anything to consider other than the Bill that was presented to Parliament on 3 December. So, again, confusion reigned. Then, on 3 or 4 March, the Premier released from his office a further Bill, together with regulations, for which I thank him. Even though I disagree with parts of it, I think it was appropriate to have draft regulations circulated with that Bill, because at least it gave the opportunity to further understand other aspects of the legislation.

I was present at a meeting at Port Augusta recently to which members of every political Party were invited. The Minister of Transport attended but chose not to take the platform because he believed that he was there only to hear what was being said about the Government. That was unfortunate, because the invitation was extended to the Government to put its view to the gathering. Some reference was

made to the then new draft Bill released from the Minister's office the day before. I did not have a copy of the Bill, therefore I had not read it and had no comment to make on it. My only comment was on the legislation then before Parliament. It became evident during the meeting that even the Minister of Transport did not know what was in the Bill because, after some speakers had contributed to the meeting, the Minister of Transport interjected by saying, 'But we are talking about .22s', when reference was made to the way in which those weapons should be stored.

The regulations stated that any automatic firearm, be it a .22 rifle or otherwise, had to be kept in a steel and concrete strongroom. To me, that is utterly ridiculous. One would readily agree to the use of a steel lockable cabinet, or something similar, but for an automatic .22 to be kept in a steel and concrete strongroom certainly is not in accordance with commonsense. So, further confusion was thrown into the debate because of that. I wonder whether the Minister quite deliberately mentioned that so he could use it as a compromise, back off from the strongroom concept and get most of the Bill through after that. It is a poltical ploy. I suggest the Minister might have done that, or it might have been an oversight or a misinterpretation of drafting directions.

Nevertheless, firearm owners were again up in arms when the opportunity was there for the Government to allay some of the fears that the firearm organisations were expressing. Still further confusion reigned. I am most grateful that the Bill before Parliament will be referred to a select committee, because it will give all those persons with an interest in firearms the opportunity to present their views to that committee, and I hope that the legislation that is finally passed by this House will be much better as a result of that procedure.

I guess that what every member must ask themselves is, 'Will this legislation solve the problem?' The Government has backed off by stating in the second reading explanation that this Bill will not be a panacea. I think we would all agree with that. It will not solve all the problems. At this stage, I venture to say that it is unlikely that it will alleviate any of the problems of criminal misuse of firearms. If I thought for one moment that it could, I would be more than happy to bend over backwards to support it, but I do not see that it can. I am sure that the Government's credibility in its handling of this legislation thus far has been placed in doubt and there have been suggestions of ulterior motives and so on. Because it has not been clear and concise, and because the propositions put up by the Government have been impractical and cannot work, the Government will lose the confidence of the firearm owners. I have been absolutely astounded at the number of people and the professions of people who are interested firearm owners, whether they be bank managers, public servants, white collar or blue collar workers or whatever. The firearm interest covers just about every spectrum of society.

So, the Government is not necessarily picking off an area of the community which it thinks has a cache of firearms. That is not the case, because the whole broad section of the community is involved. I have found during this debate that numerous people within my electorate have firearm collections, and those collections can range from three or four firearms to, in some cases, 70, 100 or even more. Where do they stand regarding this legislation? It has been suggested that firearms for collection purposes should be made inoperable but, as one person put to me, we would not paint a moustache on the Mona Lisa. I am not sure that that is an appropriate parallel but, if a firearm is rendered inoperable, it is no longer a collector's item, as a coin, if it has a scratch on it, is no longer a collector's item. The value of the collection is diminished. There is a whole range of concerns which only a select committee can properly consider.

In due deference to the Minister, I believe that some of the advice he has been given may not have been in the broader context appropriate to what we are trying to achieve. I appreciate that that may well be the case. I may be wrong; the Minister will obviously deny that, and I do not blame him for doing so. What I am suggesting is that unless all perspectives can be given a fair hearing, the legislation that ensues from this House will not necessarily be appropriate.

It is appropriate that I make just one further comment. The firearm legislation played a very important part in the New South Wales election. I believe that that was an overreaction to the Government's overreaction to a problem. I do not wish to see that happen in South Australia. I do hope that commonsense can prevail, because it did not prevail in New South Wales. The New South Wales firearms organisations were conducting national championships, and even national competitors could not go interstate without the police having to turn a blind eye or at least denying they even knew that firearms entered the State for the purposes of competition. That sort of situation becomes ridiculous. I do not think that any one of us would want those sorts of circumstances to apply. So, in the Government's pursuing this legislation, if commonsense prevails it will get widespread support. It will get support from firearm owners and the general public but, if it becomes overzealous or over-reactive to a situation without being able to demonstrate that the objectives of the Bill will be met by the legislation, only further confusion, mistrust and issues of that kind will ensue. I trust that the Government will take all those factors into consideration.

The Cain Government made firearms an issue in the by-election. There was no question about that; Premier Cain made that comment quite publicly and there was a reaction of about 20 per cent against the Government for that reason. I do not know whether in fact firearms was the key issue in the election, but it was clearly stated by the Government of the day that there would be a showdown on that issue. If that is the case, that is not the sort of environment for rational debate. This select committee, by ensuring that evidence will be taken and reporting to the House when the House next meets sometime in August, will take us out of that emotive area and get us to a situation where commonsense, hopefully, will prevail. I support the second reading in the hope that the Bill will be referred to a select committee so that commonsense can prevail and the interests of all parties are protected as much as possible.

Mr S.G. EVANS (Davenport): I appreciate that there will be an opportunity to debate some of these issues later when the select committee reports. I am grateful to the member for Light for suggesting a select committee and I am pleased that the Government has endorsed that action. I have a 410 shotgun, which is the smallest of shotguns, and it is no use for the purpose for which I have it, which is to kill foxes, because I have to get too close to them and they know that I am there before I know that they are there. So, I go for something a bit larger. But it was an experiment when I got it about 12 months ago.

As a young chap, I had many guns, some high-powered. I have a fear for high-powered guns now and I admit that. I think that the vast majority of people react when we are talking about firearms: they have a fear or concern, and that is understandable. When I hear people in gun clubs saying that 'we need to have laws to compel people to use guns properly', I do not get excited about that, because I

do not think that it is necessary to force people to be trained. Maybe we could produce a booklet that is handed to people for them to read how to use guns, because there have been very few incidents of which I have been made aware over the years where not knowing how to use a gun has caused trouble.

It is usually people who know how to use guns and have been trained in their use—sometimes people from the army or army reserve—who have gone amok with them. Quite often it is not their fault, but we as a society do not recognise that. We do not recognise that, in every play, film, book or whatever that contains violence for the sake of entertaining the human race, the male has been depicted as the aggressor, the one who should do something to harm the other, whether it be with a broken bottle, a gun, a fist, a motor car or whatever. We as a Parliament fail to recognise that. We have spoken about it a little bit and the Federal Parliament is just as much to blame. If we are to have equal opportunity let us have equal responsibility; let us show some of these films depicting women pulling a gun or smashing people over the head with a broken bottle and we will soon see that the trend will not be for only males to do it. Take for example the Bonnie and Clyde story; how long did it take before we had the Bonnie and Clyde style of aggression in our society once that story was shown to the community.

I do not condone any of that violence and I think that the sooner we wake up to what is being shown on TV programs, which young people have seen since they were able to view television when allowed to—and not everyone is responsible—the better. Until then, we will have this sort of action in our community.

What of the gun? The Minister should be aware that in a southern high school in South Australia in a technical studies classroom during the late 1970s a teacher had the children making breeches for sten guns. Approximately 20 were made. One of the children took one home; his father, who had been an armourer in the army, made the school aware of it. I can name the teachers, the principal and the school. But that is not the purpose of raising this matter in this debate. The point is that people in a technical studies classroom in a secondary school were manufacturing a quite powerful gun. When they got caught out, they were not satisfied with that: they broke into the technical studies area after hours with the aid of another teacher. No police action was ever taken to charge those involved and no action was taken by the Education Department to sack them. I can tell the House—and I do not need to, because the Minister can check it out—that those concerned were transferred to another school in the country.

The point that I am making is that if criminals want to have a gun, they will make the confounded thing. During the war the New Zealand Government wanted to buy automatic weapons from this country, which would not supply them. So, it turned ordinary single fire weapons into automatics to help equip its small army.

I have a deep concern about firearms, but to the farmer and some other people they are a tool of trade. There is no doubt about that. They are not a weapon; they are a tool of trade and they must have them. To some people in the services, to guards and to the Police Force, they are a tool of trade. In the sporting area they are part of the sporting equipment. But when the mind goes, or the mind is still stable and people are criminals by nature, they can become a weapon, as can a cricket bat, explosives, poison and so many other things.

I say to the House now that if people in motor vehicles were depicted on film racing through a crowd in a crowded street and wiping out 20 or 30 people, some young idiot—or older idiot—would do the same thing because their mind cracks. I say that because unfortunately we, the males, have been trained through books, films, plays and our style of life, not to talk about our personal problems to our mates as females have been trained to do. We have been taught to keep it inside ourselves and become moody until some of us crack. I guarantee that anybody who does this sort of research would find that is a fact. It may be that the young man in Victoria did not intend to shoot eight people, but once he started that was it.

We need to remember that a lot of it is our fault. We are not looking for prevention, we are trying to find a cure that will not work. I believe there should be some changes to the law. I do not have any doubt in my mind that nobody should be able to drive around in a motor vehicle or walk around the streets with a loaded weapon unless there is a lawful use by, say, a police officer. There is no justification for that and we should provide the opportunity in the strongest terms so that the law can do something about it.

There are many things that one could say but, as I promised, I will not continue now. I just want to finish on this note. We can make all the laws we like and in my view we will not decrease by one per cent the crime that is committed with guns.

Those who want to commit a crime with a gun will get hold of one; even if they make an imitation gun, they can pull off a hold-up. I would be bluffed by a well made, imitation weapon (I know that it is unlawful to have one) and if somebody said, 'If you don't hand over your money and your watch, I'll pull the trigger.' As far as I am concerned he can have my money, watch, shirt and trousers as well.

We will not solve the problem this way. Nothing will be solved with storing high powered weapons. Only those who use such weapons for a lawful purpose will store them and that creates a great opportunity for somebody who wants to make a big haul to knock off the lot. From my own experience, I know that people will get into quarries, where there are locked, concrete magazines full of explosives. When they want them for a break-in, they just crack into the magazines, and they have the equipment to carry out their crime. That is how illogical it is to think in that vein. It sounds nice to non-practical people but we are dealing with practical people who want to use something for an illegal purpose. There is no risk of people not being able to use a gun: the danger is those blighters who have a warped mind or criminal intent and who really know how to use a gun.

Yvonne Hill has been slighted over this whole matter, and that is a pity. When I was a lad, her father and uncle were household names in my family because they took part in the King's Shoot (now the Queen's Shoot). They were very prominent in that field and had a similar trade to mine. Yvonne Hill is deeply hurt, and I do not blame her for that, because of the way in which she and others were used. The Minister might say that is not the case, but I hope that the select committee considers all these matters. I also hope that it examines why violence occurs in our community and its relationship to firearms. It should also consider whether we are attacking the wrong problem because we depict males all the time.

If you are not happy with the world, shoot, kick or bash somebody—act in a violent way—because that is the way we are trained, particularly by television and film, from the day we are born. It has been said that parents should watch what children view. Responsible parents might, but not all parents are responsible. If they were, we would not have any violence, and we all know that. I support the referral of the Bill to a select committee. A concerned group of

people—I do not call it a gun lobby—are worried about further constraints on their legitimate use of firearms resulting in more expense, because people who have been elected to Parliament have not really thought through how this particular matter should be handled.

Mr PETERSON (Semaphore): I support the referral of this Bill to a select committee so that people who have concerns and who wish to make a point can do so and all the arguments can be consolidated. It is to be hoped that the select committee will come up with a workable proposition. I see a danger in legislation such as this when it is not Australia-wide. While there are differing laws and attitudes in every State and Territory, it will not be effective. As has been said earlier, people cannot stop a criminal getting a gun whenever he wants one. We must be careful not to penalise the genuine gun owner who may like guns for being guns. I know of several collectors who have not fired their weapons although they have collected guns over the years as a genuine interest. Although I do not own a gun and have not done so for many years, I find the complex engineering intriguing, and I can understand the fascination that some people have for them.

As the member for Davenport has said, there are many reasons for gun misuse in our society, and they will not be solved with a single piece of legislation. I strongly support the point that people who use weapons or simulated weapons in committing a crime should be punished. That is the bad part of it. The man or woman who collects or owns guns legitimately and fires them within the bounds of a club or a discipline must not be penalised. A person who uses a gun in the commission of a crime must be penalised and a set sentence would not be out of place—and I mean years, not a matter of a smack on the hand. A term of five years imprisonment for the use of a gun in a crime would not be out of place. They are the people we must punish. I hope that the select committee can look at these points and come back with legislation that will improve the position. However, I do not believe that legislation in isolation in one State will solve the problem.

Mr M.J. EVANS (Elizabeth): I am sure all members recognise the great complexity and the difficult moral and practical questions that one faces in addressing the regulation and control of firearms. It is to the Government's credit that it has sought to address it in a very reasonable and rational way. It is also to its credit that it has agreed to place this matter before a select committee because of the importance of the issue and the many views in the community that need to be addressed and examined. Unfortunately, we do not have a great deal of information about the problem that we are seeking to address. The statistics on the firearm problem, if I can refer to it in that sense, are very hazy and uncertain.

Without doubt, there are many hundreds of thousands of guns in South Australia, many of which are registered and many of which are not. The details of registered guns are contained on a very old and ineffective card index system which, if it is to be effective in any way, must be updated to a computerised version. Maintaining accurate records in such a system is anything but a simple task.

I am certainly not a supporter of the armed society concept. I do not support the views put forward by groups such as the extreme National Rifle Association of the United States. Fortunately, there is no counterpart here, although some members of the community have expressed extremist views on the subject. I do not believe that the community as a whole supports those views. I agree that the community is seeking reasonable regulation, but there is no necessity to extend that reasonable regulation beyond the minimum point necessary, and I am sure that the Government accepts that. Unfortunately, a lot of the legislation that is before us, while it is certainly not an emotive response to some isolated and unfortunate incidents, is a very substantial administrative and regulatory burden on the community.

Many hundreds of thousands of people own weapons of one kind or another and use them for various legal and lawful purposes. The regulation of those weapons is, on the whole, a pointless exercise. The number of weapons that are used illegally in this State each year is very small, and it is very small in relation to the total number of weapons in the community. To direct as much regulatory effort as we have to the 99.9 per cent of weapons that are not used illegally in the sense of being used in armed hold-ups, assaults and homicides is a waste of valuable police resources. I hope that the select committee will address those kinds of issues, as well as a number of others, such as obtaining accurate statistics on the number of registered and unregistered weapons in the community. Indeed, the whole system of registration needs to be examined carefully.

Although it is clear that the licensing of individuals so as to enforce high standards of education and responsibility of ownership would be useful, the benefits of registration are far less clear cut and I hope that the select committee will examine that aspect in detail. Far more emphasis needs to be put on the training and education of individuals in the safe handling of weapons and perhaps less emphasis on the individual registration of those weapons, which is far less useful.

I hope that the select committee will also examine the costs of maintaining an accurate register and the costs of computerising that register, as well as the likely error that may be contained on the register. Like the member for Semaphore, I hope that the select committee will examine the need for massive mandatory penalties for those using firearms to commit a serious offence, because the Government has not so far considered that aspect in the legislation before us. I also believe that the select committee should examine existing stocks of ammunition, because substantial stocks are held in the hands of individuals in the rural and metropolitan areas, and the potential for individuals to manufacture their own ammunition either from ready made parts or from first principles, because that area needs to be addressed if we are to regulate the supply of ammunition.

I also believe that the select committee should examine the need for differential restrictions in the metropolitan and country areas. There are substantial differences in the way in which one can use weapons in the metropolitan and country areas and that aspect needs to be examined, as do the benefits that might be derived from devices such as trigger locks and similar devices that can be attached to guns to prevent their being fired without first disengaging the locking device. It would certainly prevent instantaneous reactions with weapons and would ensure their safety in the event of unauthorised individuals and children being in possession of them.

The committee should also examine the need for a permanent amnesty on firearms. It has been suggested that a buy-back scheme could be usefully implemented, but the vast number of firearms already in the community makes the implementation of such a scheme difficult except perhaps for limited numbers of particularly dangerous weapons. However, a permanent amnesty on the other hand would be a different proposition. I believe that the idea of temporary infrequent amnesties would not work as well as an ongoing amnesty. However, the select committee could examine that matter if it were so minded.

I also believe that the penalties under the Firearms Act itself, as distinct from the penalties to which I referred earlier in relation to people using firearms to commit an offence, need to be further examined. The Government proposes, in the statute law revision section of the Bill, to increase the penalties under the Firearms Act itself. I am a little surprised to see that in the statute law revision section rather than as a substantive provision of the Bill, because I believe that for the first time it introduces the possibility of imprisonment for a second offence. That kind of change is to be welcomed, but I believe at this stage, given the seriousness of the offences that can be committed under the Firearms Act, that even more serious penalties are required than are provided for in the Act, and even than are provided for in the Bill, albeit in the statute law revision section.

With those remarks, I certainly support the second reading. I am happy that the Bill is going to a select committee and, although that will delay its implementation, in this case the delay is well worthwhile as it is important that this Parliament exercise its legislative function deliberately and responsibly, and this will give us the opportunity to do that.

The Hon. D.J. HOPGOOD (Minister of Emergency Services): Given that every speaker in the debate so far has indicated support for the Bill to second reading, there seems little point in my making a lengthy reply. However, as my friend and mentor, and former member of this place, Hugh Hudson, was wont to say, there are things that need to be said.

The Hon. B.C. Eastick: But you will not take as long as he.

The Hon. D.J. HOPGOOD: I doubt that I shall be as prolix as that effective member was on some occasions. Members are aware of my support for the motion to be moved by the member for Light for this Bill to be referred to a select committee. I shall reiterate my reasons for that support. Members of another place have made it perfectly clear that, if this Bill gets to them without the benefit of a select committee, they will in turn refer it to a select committee. From an examination of the Legislative Council's Notice Paper, there are currently five select committees running in the Legislative Council and this week members in that place are considering a motion from the Australian Democrats (indeed, for all I know that motion may already have been carried) for a sixth select committee to be appointed: that is, six select committees in a House of 22 members with the limited resources in numerical terms, that Parliament can provide.

It became increasingly clear to me that a select committee in another place would be a recipe not for a delay of only two or three months but possibly for a delay of up to 18 months, which would be inconsistent with the Government's stated intention of having this Bill or something very much like this proclaimed into law at the earliest opportunity. So, for the reasons (and for no other reasons) that I have just outlined, I am reluctantly urging my colleagues on this side to support the motion of the member for Light.

The honourable member referred to certain experts who had said certain things concerning gun legislation. However, it is unfortunate that one can always find some sort of expert to support one's view and, without unduly detaining the Chamber, I point out that I can just as equally quote Duncan Chappell (Director of the Australian Institute of Criminology), who in Bulletin No. 10, entitled *Firearms and Violence in Australia*, draws some pertinent conclusions from the Canadian experience of gun control. I should briefly point out what is said on page 2 of that publication: that comparisons between the United States of America and Australia as regards guns are really phoney because society is different in that regard.

Indeed, Canada has historically tended to chart a closer course to our experience. In 1978, Canada introduced comprehensive gun control reforms providing for new national licensing and screening procedures; registration of firearms; prohibition orders on certain types of gun ownership and possession; increased penalties for firearm offences; the promotion of safe firearm handling and storage measures; and the regulation of firearm businesses. In 1983, the Canadian Ministry of the Solicitor-General published the results of a three year evaluation of these new firearm control measures, and the following findings flowed from that investigation: the proportion of violent crimes committed with firearms declined in the post-legislation period; where firearms were used in violent crimes there was an increasing trend for the firearm to be a hand gun; there was a displacement of firearms by other weapons in robberies; accidents with firearms showed a downward trend; and suicides with firearms declined.

The bulletin contains a graph which I cannot verbally reproduce, but figure 1 shows the decreasing rate of homicides committed with firearms in Canada following the introduction of firearm control laws. The interesting point about the data is that the total homicide rate also shows a slightly declining trend. Homicide by other than firearms remain fairly constant. It would appear that the total homicide rate declined because homicides by shooting declined. These Canadian research findings, the bulletin concludes, are in general supportive of the merits of adopting a national gun control strategy.

Much that I have heard during the public debate here, if one wants to take it to its logical conclusion and accept the premises put forward by those people, is in fact an argument for not having control on guns at all, and that is ridiculous. I need only remind this House that regulation was provided for in this State in 1977. It was proclaimed in 1980 by a Liberal Government. I have adopted the general structure of that legislation in the amendments now before the House.

It is necessary that I reply to the member for Flinders about his charges of inconsistency on the part of the Government. First, the Bill that was previously before the House and the report that gave rise to that should not itself have been any basis for confusion on the part of people. A committee was set up with a very specific task to do: that was, to come up with a system that would enable the long debated argument on conditions placed on hand guns to be resolved in a way that could be incorporated in legislation.

That committee did a good job and came up with a system which, along with certain other limited matters, was incorporated in legislation. It is true that Yvonne Hill took issue with some of the points of that legislation. With respect—and I said as much to Yvonne Hill in a letter that I wrote to her on 24 December, a letter which I will not quote, first, because there is not time and, secondly, because she is as much the owner of the correspondence as I am and she has not given me permission to read out our private correspondence—I pointed out, first, that some of the verbiage was a little different and that was the way in which the Bill had been drafted, but the Parliamentary Counsel usually has certain advice that one needs to listen to with some respect in these matters and, secondly, that some of the matters which seemed by examination of the Bill to be sins of omission were indeed to be incorporated subsequently in regulations. I am not aware of any response by Yvonne Hill to my letter of 24 December. It may be that

she was satisfied with the explanations that I outlined in it. There may be other reasons of which I am unaware as to why there was no further response.

Of course the matter was then partly overtaken by events because, first, the police had been working on a thorough review of the legislation and their report became available to me at about that time; secondly, of course, the States and the Commonwealth endeavoured to get a national agreement on this matter and a draft national agreement was made available.

The Government decided that it would proceed to legislate along the lines of that draft national agreement. We had not been able to get that earlier legislation through the House before Christmas and, therefore, it seemed sensible not to have two Bills before the House but to get rid of one and to incorporate the substance of that earlier legislation in the more comprehensive Bill which would come before the House. The Premier and I then released a general statement of intent. We have largely adhered to the contents of that statement. If people like to investigate and inspect this legislation and the regulations which have already been issued they will see that in the broad we have not resiled from what was in that statement.

For people to suggest that in the main they have only had a few weeks in which to evaluate our propositions when in fact that statement was available on 21 December is quite ridiculous. It is true that in matters of detail we have been prepared to sensibly listen to sensible suggestions that have come forward. It seems to me that some people are playing 'Heads the Government loses and tails it cannot win' in this matter. Because we have been prepared to listen to sensible advice and at some points modify the legislation and the regulations we are accused of inconsistency. On the other hand, had we simply ignored all of the advice coming forward we would have been called tyrants and been accused of being unreasonable and not being prepared to listen to advice, and all that sort of thing. I rest my case on the fact that the general outlines of the legislation have been available to people for a long time and we have not resiled from those general outlines. We have sensibly listened to advice.

Let me say a little about advice. I have received friendly advice from many people over the months while this matter has been debated, and I think I should detail it. Despite the lengths that we have gone to to make absolutely clear what is going on, apparently some people simply will not listen. Imagine my horror on Thursday evening, when I was listening to the channel 10 news, and they said, 'We have seen the Bill. The Government has backed off from the earlier controversial clauses about confiscation of firearms and we understand, therefore, that the Bill is likely to be rather more acceptable to the firearms community.'

One well known gentleman in that community was in fact interviewed on television and expressed himself as being not altogether satisfied with the legislation but nonetheless a little more relaxed about it than previously. My horror arose from the fact that this Government spent a couple of thousand dollars in newspaper advertisements making it perfectly clear to everyone that there was no confiscation provision in the legislation—nor had there ever been one. I rang the television station immediately and I understand that there will be some retraction. Despite all of that, however, there is still an echo of it. This afternoon the member for Light, in talking about heirlooms, said that these heirlooms would have been lost if the Government had proceeded with its original proposals.

I hope that I am not misquoting the member for Light. I am sure that *Hansard* tomorrow will make it clear whether or not I am. I hope that I am not. If I am, I apologise to him. It implies that at some stage in this whole process the Government intended to introduce legislation to confiscate arms which to that point had been legally held. That is simply not the case, and we have made that clear all the way along. I do not understand why one has to say it time and time again and yet people simply will not listen. They should have listened, because I have gone out of my way to consult with people about this matter.

Let me give chapter and verse, and then I will conclude on that point. On Tuesday 15 December I had a meeting with representatives of the Combined Shooters and Firearms Council. Mr Keith Tidswell, President, was present as was Mr Rodney Gibb, Secretary. Neither of these people came to me as strangers: quite the reverse. Some years ago Mr Gibb, I can remember—and this may have been the first occasion when I met him—conducted me over the Adelaide Pistol Club, at Virginia. That club is a tangible reminder to the shooting community of the support this Government gave for Olympic style shooting and certain other related disciplines. So, I knew Mr Gibb quite well.

Mr Tidswell, wearing rather a different hat, as part of the Sporting Shooters Association, had positively contributed to my famous kangaroo summit of some years ago and, in fact, some of his suggestions were incorporated in the sort of summary that I took up at that time. Subsequently, I was a guest of his organisation when it presented me with its environment award. Mr Tidswell and Mr Gibb were also in that same week of around Tuesday 15 December invited to my Christmas party. Mr Tidswell came along and brought with him apologies from Mr Gibb.

On Thursday 17 December the Firearms Traders Council was brought to see me by Mr Lindsay Thompson, of the Chamber of Commerce, and Mr Doug Osborne, President, was present. On Tuesday 19 January the Southern Vales Shooting Club, represented by Phil Worden (President), Di Croft (Secretary), and Mr Leon Holmes, came to see me and invited me to attend their club—and I subsequently did, as I will detail. On that same day—this was quite a day for shooters—the South Australian Revolver and Pistol Association—represented by Mr Neil Tamblyn, Paul Yarwood and Mr Alex Taransky—waited on me, along with the South Australian Target Pistol League—represented by Mr Ian Low, Mr John Beenham and Mr Rod Dowling—and they put their point of view to me.

On Thursday 28 January the Small Bore and Air Rifle Association—represented by Mr Terry Ireland (President) and David McFarlane (Vice-President)—came to see me to talk about these matters. On Tuesday 16 February the South Australian Field and Game Association came to my office in this building. Mr Peter Schram (President), Mr Brian Smith (Immediate past President), Mr Graham Goldsmith and Mr John Kentish (Education Officer), were present.

Mr John Kentish, of course, did not come to me as any stranger because, in my capacity as Minister responsible for the National Parks and Wildlife Act, he has had a good deal of contact with me, perhaps up to half a dozen meetings over the years I have had that portfolio. On Wednesday 16 March the Combined Shooters and Firearms Council—the aforementioned Mr Tidswell, Mr Gibb and four others—came to see me. On Monday 21 March the Hahndorf Rifle Club—Mr Wayne Holden (President), Mr Brian Whittenbury (Secretary), and Mr Jim Pengilly—came to see me. In addition to all those deputations, there have been innumerable letters, telephone calls and meetings with representatives of the South Australian Police Force, and my ministerial officers.

On Saturday 23 January I attended the South Australian Revolver and Pistol Association State Championships at

the Noarlunga City Pistol Club (and there is graphic evidence of that in a publication that recently came out). On Saturday 13 February I took up the invitation of the Southern Vales Shooting Club and visited its range, when I was invited to be the patron of the club. On Saturday 19 March I visited the Brukunga Combined Pistol and Shooters Club. We have before us, therefore, the result of a good deal of negotiation that has taken place between me and a very large number of representatives of the gun owning community in the State. For the most part people have been very friendly and constructive in the way in which they have approached this task. I would be misleading the House if I were to express, on the other hand, other than disappointment with the attitude of the Combined Shooters and Firearms Council.

In conclusion, the reason we have legislation in this area is the fundamentally different character of the devices that we are dealing with compared to any other device that is immediately available to ordinary people in civilised Western communities. It is certainly true that theoretically one can hold up a bank with a carving knife (and that has been tried), a slingshot, or even possibly, with a bit of ingenuity, with some old-fashioned fly paper, for all I know. All I can say is that, although I know the member for Light is an extremely pacific individual—he is a man of peace—should he at any stage ever become violent I would feel rather more comfortable if he had a fly paper, a slingshot or a carving knife in his hand than if he had a firearm—and that really at the bedrock is the justification for the legislation we are arguing for here.

The Hon. B.C. Eastick interjecting:

The Hon. D.J. HOPGOOD: Of course, we have to look at human nature, and if everybody was like the member for Light I guess we would not need this legislation. Unfortunately, not everybody is like the member for Light; and unfortunately there was a man called Bacon who invented gunpowder. Unfortunately, that is rife in our community. Fortunately, most people have a responsible attitude towards its use; unfortunately, a few do not. Unfortunately, we cannot always predict when people will move from category A to category B.

Bill read a second time and referred to a select committee consisting of seven members, of whom four shall form a quorum; the committee to consist of Messrs Blacker and Eastick, Ms Gayler, Messrs Gregory, Hopgood, Ingerson, and Robertson; the committee to have power to send for persons, papers and records, and to adjourn from place to place; the committee to report on Thursday 14 April.

WORKERS REHABILITATION AND COMPENSATION ACT AMENDMENT BILL (1988)

Adjourned debate on second reading.

(Continued from 23 March. Page 3444.)

Mr S.J. BAKER (Mitcham): Before proceeding to debating the contents of this Bill I intend to reflect on the performance of WorkCover. The business community and employees of this State have become victims of a scheme that was ill-conceived, poorly implemented, is abysmally managed, breathtakingly inefficient, unbelievably accident-prone, exceptionally costly, and diabolically destructive. These amendments do nothing to change that situation and, indeed, could exacerbate it, despite the Minister's announcement of unanimous approval on behalf of the corporation. I hereby charge the Minister with gross incompetence and dereliction of duty for the part he has played in the whole debacle.

In support of this accusation I present the following evidence. Injured workers are waiting for weeks and, in some cases, months to receive their compensation cheques; doctors are waiting months to be reimbursed, and some have still not received payment for treatment provided at the scheme's inception in October. The scheme places a burden on low-risk industries, many of which are struggling in this poor economic climate; the initial classification of industries was incompetent, as evidenced by the recent reassessments where 146 industry premiums were increased compared to 111 decreased. The computer management system is inoperable because SGIC hired a United States firm which had no experience in the field for its software generation—the same firm took its employees off on holidays at a time when the system was seriously malfunctioning.

No records are currently available on which to judge performance. The board is collecting premiums far in excess of those agreed to in this Parliament by its taxing of all employee payments, including superannuation. Rehabilitation agents with little or no experience are making medical decisions, often to the detriment of the employee. Subcontractors still do not know whether they are or are not covered under the scheme, but are being forced to pay the premiums. Older employees are being thrown on the scrap heap. There appears to be no-one on the 'hot line' capable of rendering proper advice; employers reporting possible rorts by employees on compensation are being told that manpower constraints and administration difficulties prevent follow-up. The cost to employers of complying with the administrative workloads are spiralling and no firm guidelines are as yet in place for the calculation of the first week's wage for casuals or seasonal workers.

The computer is spewing out cheques to doctors and employees which bear little resemblance to the correct payments. Rehabilitation is becoming the new growth industry, with no quality controls or performance measurements. Promises of 40 per cent reductions in premiums for South Australian employers by the Minister represent criminal misrepresentation of the facts; 60 per cent of employers are paying more; 75 per cent when the additional cost to the new scheme is considered. Those employers who are paying wages beyond the first week of injury are waiting inordinate times to be reimbursed. WorkCover inspectors are visiting work sites and threatening employers with $50 000 fines or imprisonment. Rehabilitation agents are forcing employers to take back injured workers before they are ready to recommence work, with resultant relapses.

Had a senior executive in a private practice displayed such outstanding incompetence and untruthfulness, he or she would have been sacked long ago. Premier Bannon no doubt will promote his Minister to remove one of his great liabilities, but who bears the cost of this atrocious scheme? I will deal briefly with each of the points I have raised, because I believe they are important points that have to be addressed as a matter of urgency, otherwise the scheme will founder and we will have Victoria revisited. Perhaps worse than that, some of the problems that are compounding in the system represent not only inbuilt liabilities but serious malfunctions as far as service to both employees and employers is concerned. I will take them one by one.

I operate on the 1 per cent rule. If one person contacts me, I believe that at least 99 others have a similar complaint. Most people do not run off to their MPs when they have a difficulty. Many would not go to the shadow Minister, for example, because they simply would not know that that person existed or they may not necessarily think that that person would be able to change the situation. I have had 20 complaints from people who have simply not

been paid. Therefore, by my calculation, I suggest there are probably 2 000 out there who have not been paid within a reasonable time. The complaints have been dealt with absolutely atrociously by WorkCover. By the time they reach my desk, the employees or the employers on their behalf have been back to WorkCover time and time again asking, 'Where is the cheque?' The response from WorkCover has been, 'It's in the mail.' A week later they ring up and ask, 'Where is the cheque?' The reply is, 'It's in the mail.' The employee says, 'But that was the excuse last week.' WorkCover replies, 'I am sorry, there is a computer malfunction.'

This goes on day after day, week after week, and employees who are living from day to day have no money. So, they have to run to their bankcard, and if they are overdrawn on their bankcard they have to go down to the Department for Community Welfare or the Department of Social Security, or someone, so that they can live. WorkCover does nothing to assist them over their troubled period. It just lets them sink as it says, 'The cheque is in the post.' I am getting tired of the excuse that the cheque is in the post, because it never is.

It is particularly bad for people on casual employment. We know there is difficulty in the casual employment area, because WorkCover has to assess what is a reasonable wage to be paid, given the average weekly earnings criteria. So, the fault does not lie totally with WorkCover. In some cases there are difficulties, but we must be able to achieve an administrative arrangement so that these people receive payment. I have had contact from five people who were promised payment before Christmas: they went and ordered their Christmas presents. This means there are 500 people in the same situation. WorkCover stated, 'The cheque is in the post.'

Surely WorkCover did not have to tell these people an absolute untruth time and time again. It could have said, 'There is some sort of difficulty; we will give you some form of payment to tide you over until we get these administrative difficulties sorted out.' But it did not. There are many angry employees and employers who have been trying to do the right thing by their workers. The employers, interestingly enough, receive the same reaction, so they are angry. Some employers have said, 'We cannot let you go without pay, so we will pay it ourselves,' and they are still waiting to be recompensed by WorkCover.

I refer now to the situation whereby doctors are waiting months to be reimbursed. I have said that some doctors still have not received payment for bills that they rendered when the scheme first commenced, and that is true. The other day I heard the case of a taxi driver who had been injured. WorkCover was still trying to work out whether it was responsible or whether it was a third party claim. The fact is that the person still has not been paid for the time off work, and the doctor still has not been paid for the services he rendered back in October. The interesting fact is that the person was paying premiums and was injured whilst at work. So, even if WorkCover had some difficulties with the payments to the person concerned, it did not have to leave the doctors hanging since October. The doctors are now sending out summonses and asking, 'Where is my money? When will I get my money?'

Another item that is related to this wonderful new scheme concerns minor injuries. Under the old scheme, minor injuries were dealt with efficiently. The normal process was that, if someone had a splinter in their hand or a cut or bruise that required attention, they were sent to the doctor. They rang up the insurance company and said, 'Here is the chit. I would like you to fix it up.' So, they would write on the chit, send it down the line, and the bill would be paid by the insurance company—all in the space of about seven days. Under this new, beaut scheme that we have with WorkCover, between them the doctors and the employers have to fill out three very large forms for a simple splinter in the hand. Because the WorkCover system is malfunctioning, the poor old employer is being hassled by the doctor who asks, 'Where is my cheque?' Of course, the employer rings up WorkCover which states, 'The cheque is in the mail,' but of course it is not. This goes on month after month for just a simple thing like a splinter in the finger.

One employer who is well known to me conducted an assessment of how much it cost to be reimbursed for a $20 doctor's bill. The doctor still had not been paid. The administrative cost of looking after a splinter in the finger was $40 to the employer, without taking into account the costs to the doctor and everybody else concerned. It is an absolute administrative nightmare, with three large forms to fill out regarding the removal a splinter.

There was also the debacle when WorkCover sent out $700 000 worth of cheques to the doctors, chiropractors and physiotherapists. Because it had made such horrendous blues, it cancelled the whole lot. So, the doctors then finished up having to pay a cancelled cheque fee, and it still took well over a month to sort out that problem, so they were another month behind with the payment. There are many aspects to that area.

I said that the scheme places a heavier burden on low risk industries. It has been well noted in this House and in public statements by the Minister that the scheme is designed such that there shall be cross-subsidisation. That cross-subsidisation is hurting. It is hurting in industries where people are receiving very low returns on their capital because of the current economic problems. The expenditure of any extra dollars outside their own responsibility creates a burden. People do not have to think very hard when they consider industries that employ clerical people, shop people and sales people—all of those areas have been affected. They are areas which in recent times have been hit by the downturn in the economy. There are many examples of where cross-subsidisation is hurting the very industries we are talking about. I wish to ask the Minister where he suddenly dreamed up his $7 million saving as a result of the review of premiums.

When I challenged him on the subject he said, 'WorkCover told me.' I want to know who in WorkCover told the Minister that there would be a saving of $7 million, because that is an outright untruth. I will tell members why. If we look at the industries which have been affected by the change we find that in 146 industries the premiums have been increased. The premiums of only 111 have been decreased. That is a difference of 30 per cent. Some of the increases have occurred in very significant industries. We heard about the nursing homes and hospitals today.

So, from where did the Minister get this magical figure of $7 million? I heard that the situation was quite the opposite. There are no administrative records (and shortly I will refer to the administrative chaos) upon which to base that estimate; no records at all. The only thing on which people can rely is what is coming in and going out of the bank. So, how did they suddenly declare that there would be a saving? I challenge somebody associated with the Minister to explain to this House how he came up with a saving when everybody knows that the take from the WorkCover scheme will actually increase.

Some of the changes are quite startling. For example, it is interesting to note that the Casino will have a 1.4 per cent workers compensation premium rate, yet licensed clubs

will have a 3.8 per cent rate. I wonder who made the decision? Did members know that, according to the premiums set out, it is more dangerous to work in a licensed club than in an ammunition and explosives factory? That is true. WorkCover said that because of the good safety record in the explosives factory it would decrease the premium rate from 3.8 per cent to 3.3 per cent. Of course, the rate for licensed clubs went up to 3.8 per cent. There are many other anomalies in these rates.

I question on what basis WorkCover could possibly undertake a review of premiums. Given that it simply has no records on which to operate, it cannot do it from experience. The new rates set are completely out of kilter with relativities that have been set interstate in a lot of areas, particularly where premiums have increased. So, how did WorkCover make this change? There is an inkling that it used the first set of employer returns and said, 'We will look at the revenue that we are likely to derive from the estimated wages.' That is the only excuse that I can find for the review. The Opposition asked for a review of a number of rates. I make no bones about it: we asked for a review of some of the rates, because some were patently wrong. After a lot of bullying and outcry, some of those rates that were so outstandingly incorrect, so that the Minister had to take some notice—it was getting a bit hot in the kitchen—were changed to something far more reasonable. Many areas were changed, and changed for the better.

The Opposition did not ask for a full-scale review, because it knew that there would be insufficient information available to the system upon which to base that review. We said, 'Here are a number of areas that are in urgent need of change because they are obviously wrong.' Any simpleton would know that it will take at least a year, 18 months, perhaps even two years, the way this scheme is operating at the moment, before WorkCover will have any basis upon which to determine whether or not those rates are appropriate. The rates have to be based on relative experience. If one industry is more accident prone than another, the relativity should be reflected in the rates that are set.

Many of the problems of WorkCover relate to the fact that the SGIC took on a United States firm to undertake its software generation. I wish to read to the House some excerpts from a report on this system. I will selectively quote from the report, but I assure the House that these excerpts reflect the whole nature of the report. It states:

> The system installed by the agency [SGIC] is a modified general insurance software package developed by PMSC [the American firm]. It should be noted that PMSC supports the rest of SGIC system activities. It appears that in the initial planning there was no provision for the early development of management reporting. Development was concentrated on a processing system to the exclusion of a reporting component.

In a paragraph headed 'Implications' the report states that the system is flying blind and that there are no early warning systems. It mentions an overpayment of $741 377 in cheques. It appears that the cheque program, instead of producing cheques for the current run amounting to $41 757, produced cheques for both current and all past accounts due, thereby duplicating previous payments. The Minister cannot even get his record system right. The report further states:

> Cheques were sent out by the agency. Subsequently a 'stop payment' was issued on all cheques produced in that run. At the time this error was discovered, the agency could not locate the problem because the PMSC staff were all back in America on four weeks leave.

It is interesting to note that in America people do not have four weeks leave. They must have adopted the Australian practice. The report looks at some of the data collected and talks about registration forms. It is critical of the fact that WorkCover is not processing any claims or information of less than one week's duration. What is happening to all the records? If claims of less than one week are not being processed—which must make up 80 per cent of the volume of workers compensation claims—I would like to know what is happening to them. Are the employers wasting their time or is there some system whereby there will be a catch-up phase further down the track? Perhaps they simply have no interest in the subject. It makes it very difficult of course when one has to pay doctors' bills, which quite often relate to only a few hours off work or less than one week. But supporting evidence is required. The report further states:

> Both the agency and PMSC have either made major miscalculations on the timings for the needs of the style of operational reporting needs of the corporation or have been less than frank in their disclosures to the corporation in this regard.

I think the intimation is that somebody has not been telling all the truth. The report continues:

> The presentation by PMSC illustrated that PMSC were only new to the area of workers compensation. They appear only to be in their infancy in this field, using WorkCover as their developmental site at what appeared to be astronomical costs, when compared to other software specifically designed for workers compensation systems available in the market place, and which can operate on a range of equipment including IBM.

That is extraordinary. WorkCover took on a computer software firm that had never had appropriate experience. What is it: Donald Duck and Mickey Mouse? The board must have contracted someone from Disneyland. The report continues:

> Broadly speaking for a software installation fee of the order of $AUS 2.7 million, all that has been provided by PMSC/agency system is a batch data capture system, with no satisfactory computerised reporting systems for WorkCover, inadequate on-line facilities, poor documentation, limited access to information, poor project control, and PMSC representatives who are hard to contact—do not return calls, etc., and would appear to be unprofessional in their conduct towards the corporation.

That is extraordinary stuff. With respect to quality control, the report had this to say:

> Quality control appears to be a major difficulty within the agency, affecting all areas of its processing function. Examples of these areas are listed below. Whilst all of the categories of errors have been the result of system difficulties detailed earlier, there still appears to be a deficiency in a number of the check control practices.

So they are not too hot. It continues:

> There appears to be a severe deficiency in the level of experienced staff . . .

A number of registration errors have been made. Further:

> Approximately 700 coupon booklets issued from Sydney late in December 1987 were found to be incorrect and required significant activity to correct the situation.

I understand that the bill for that little exercise was something like $50 000. It continues:

> Whilst most, if not all, of these errors could be put down to minor 'hiccups' in the implementation of a major and extremely complex system, of greater concern is the apparent lack of effective quality control measures . . .
>
> [Given] an external image of bureaucratic bungling and ineptness [there is] potential for more major things to go off the rails, and failure to identify the matters early . . . There is a clear indication of an attitude held by the top management within the agency which reflects an uncooperative and, at times, blatantly blocking approach to the corporation's requirements.

The Chairman of WorkCover must like this, because it will be more fuel for the fire. The report continues:

> In the past the Manager of the agency has refused the corporation access to the priority setting process for systems development; information on training programs for staff; to redress experiential deficiencies; and reluctance to be totally open about the agency's operation.

It looks like the agency is involved in a giant cover-up. Other observations have been made about the operation of

WorkCover. Whilst it might be fuel for the political fire to raise these matters in the debate, it must be clearly understood that the major losers resulting from this crass ineptitude are the employers and the employees who have to live within the system. I am sick and tired of the telephone calls that I receive from people who are not getting justice in the system. In fact, I remarked to my secretary last week that, if this continues, I will have to put in an extra telephone and go on holidays, because I will go mad. People are trying to get answers and they are not getting them; so they go down the line. A number of people who contacted me had already approached members opposite.

An honourable member: Who?

Mr S.J. BAKER: If you are not careful, I will give the names. I mentioned that the board was collecting premiums far in excess of those agreed in Parliament. In the Act, we left unsaid an area that I now regret was not so tight that it could not be moved an inch. I refer particularly to the discretion of the board to interpret employee remuneration. The board decided to go on a gigantic rort. Because it could not get enough revenue from wages and salaries it decided to pick up anything and everything that relates to employment. It decided to get into double taxation in a grand way. It looked down the payroll tax list, which is very extensive, and said, 'We will have all those. They don't necessarily relate to workers compensation, but we need the revenue, so we will take that lot.' Someone who is very smart said, 'The only thing we have left is superannuation, so we will tax that as well.' In the process, of course, the corporation increased its revenue base by between 10 and 15 per cent. That was a bright idea. However, it was inconsistent with what I believe the Parliament determined. I find the board and all its members at fault for allowing superannuation and the areas that bear no relationship to workers compensation to come under the premium setting.

Some questions have been raised about rehabilitation agents. As always happens with a new system, we have a number of people who are poorly equipped and ill-trained to carry out the rehabilitation process. The Government has given contracts to a number of people who it believes are competent to look after those who have been injured and are in need of rehabilitation. Some have worked extremely well and worked in with the employers; others have used their position unreasonably in their dealings with the medical profession and employers. Those matters will rise to the surface as we go further with this legislation. The more time it has to settle down, the more examples there will be of agents acting in a unilateral fashion without due consideration to the employer, employee and medical practitioner. I merely raise the question now.

As far as I am aware, some subcontractors still do not know where they are going. I do not know whether the taxi drivers' appeal has been settled, so perhaps the Minister can inform the House of their status. A lot of people are waiting with bated breath for that determination. The corporation determined that it will collect premiums, but it will not pay the bills. That is subject to appeal and, until that appeal has been determined, people will not know where they are going. Of course, the corporation could have invoked that particular section which allows it to take on self-employed people. So, if the corporation deemed that they were not to be covered because they were subcontractors and self-employed, it could have covered them, anyway. It has preferred to leave them hanging, and that is where they still are.

Older employees are in a different position. The member for Kavel cited the case of the person who was over 65. It is interesting to note that WorkCover collects all the premiums. It has said, 'Whatever you pay out in wages, salaries and allowances, we will take the premiums.' If an injury occurs, and it is time to collect, WorkCover says that it cannot pay up.

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

HAIRDRESSERS BILL

Received from the Legislative Council and read a first time.

CREMATION ACT AMENDMENT BILL

Received from the Legislative Council and read a first time.

WORKERS REHABILITATION AND COMPENSATION ACT AMENDMENT BILL (1988)

Adjourned debate on second reading (resumed on motion).

(Continued from this page.)

Mr S.J. BAKER (Mitcham): Before the dinner adjournment, I was referring to the problems facing elderly people in relation to WorkCover. I said that, while premiums were being collected and employers forced to pay premiums in respect of workers in the upper age group who were subject to pensions (above 60 years for females and above 65 for males), there was no cover for wages should the worker be injured, and that dilemma must be sorted out. Certain principles are laid down in the Act, but they relate to the period of remuneration in the case of total and permanent incapacity rather than to the matter of how workers shall obtain recompense. If the scheme is to operate effectively, the employee should not be placed in a situation of double jeopardy, nor should the employer. It should be made clear that the employer does not pay premiums in respect of the elderly workers and the employer could perhaps provide some form of scheme to provide for an employee who is injured. Certainly, they cannot have it both ways.

The hotline that advises employers and employees on the administrative arrangements of the WorkCover scheme and on questions that arise in the case of injury has worked poorly. Indeed, I have received an extraordinary number of calls, especially in the first three months of the scheme's operation, from people who say that they cannot get advice and who are seeking my help. So, my line became a hotline and in the case of serious difficulty I would refer such inquirers to competent people in the WorkCover scheme. These include people with whom I have worked, who are employed within the corporation, who understand WorkCover, and for whom I have a great regard. Certainly, they are struggling to perform under a system that was not put together well, but I have received justice from them. However, it is not good enough for people to telephone a prescribed number (indeed, it did not work in the first two or three weeks) and then talk to officers who have no idea of what the WorkCover system entails. The problems are continuing. Indeed, someone who telephoned me yesterday had inquired of four officers in the system and had received no answer to the question asked. Something needs to be done to enable a question from an inquirer to be dispensed with expeditiously.

Rorts arise in such a scheme as WorkCover. In Victoria, there are large question marks about people using and abus-

ing the scheme. Although problems are apparently not widespread at this stage, three employers have approached me saying, 'We believe that the employee is not playing the game.' Two of those employers say that they contacted WorkCover but that WorkCover had backed off saying that it had not the resources to provide the appropriate follow-up. If that is the present situation, it should not be allowed to continue. In each case the employer was trying to say, 'We don't believe that there is a genuine injury case here. Can you please see whether it can be substantiated?' However, those requests were refused. Because WorkCover is in its early days, we have no evidence of widespread fraud but, with benefits accruing under the system, fraud will no doubt tend to become a serious problem as it develops.

Concerning the cost of employers complying with administrative workloads, I said earlier that an employer had carried out a costing analysis of his attempts to have a doctor's bill paid by WorkCover and he came up with a total costing of $40 in respect of a $20 bill and the doctor had still not been paid. If the scheme is to work properly, it is important that its administration be as lean and as efficient as possible, but too many people now spend an inordinate amount of time filling out Government forms that often serve little use yet cause great aggravation. In this regard, WorkCover is no exception. Too many forms must be completed, especially in the case of minor injury. In the case of a more serious injury, I believe that the circumstances must be properly documented, with the requirement that more information be supplied. However, that is often not the case and employers are drowning under a welter of paper.

Earlier, I referred to the problem of calculating the first week's wages. When an employee earns a weekly wage that varies only a little except for national wage rises, the calculation is simple. However, probably 30 per cent of the work force is not in that situation. Either those workers have a part-time job or a second job. In that situation, in the case of injury the calculation becomes a little difficult because of the need to determine average weekly earnings. I should have thought that the guidelines in respect of those calculations would by now be set in cement, but I still receive complaints from employers, and particularly from employees who are not being paid. That would indicate that such problems are being put into the too-hard basket and not dealt with as expeditiously as they should be.

I also referred earlier to the problem of the computer system, which is simply not performing. An example has been given of cheques being issued to the value of $741 000 when indeed the total should have been only $41 000, with all the accompanying hiccups after the event. That is not a minor example and I understand that erroneous payments are often made.

Again, I have been contacted by employees who have received these strange payments, saying, 'Mr Baker, what are they doing to me?' Over a period these matters are fixed up, but in the meantime they cause enormous aggravation to the employee, extra administration to WorkCover, and debilitating effects if the cheque payment system cannot work correctly from the beginning.

Much has been made of rehabilitation and the need to get an injured worker or employee back into the work force as quickly as possible, after being given the best and most appropriate medical care available, so that they can resume a normal and active working life. That is the theory. Unfortunately, the theory does not necessarily mean that it can be put into practice. The types of complaints that I am getting indicate that the rehabilitation agencies are in an overkill situation.

Another employer presented me with a chronological list concerning an employee with an injured hand. The injury was not serious but, if one looked at the doctor's bills, one would have thought that the person had lost an arm or leg. That employer had had experience with hand injuries because they were prevalent in his industry. He believed that the agencies—I do not know on what basis they are paid—were spending a considerable time taking injured employees to various specialists, for physiotherapy, and to a whole range of medically related practitioners to fix up a simple problem. As I said, this person had considerable experience in an industry where, unfortunately, hand injuries were all too common. In dealing with the agency, not only did the employer lose the services of that employee for 2½ weeks more than normally would have happened, but the bill paid by WorkCover seemed to be absolutely exorbitant. At this stage there does not seem to be any quality control or measurement of performance being placed on the agencies.

Earlier I alluded to the fact that they lacked professional expertise in the field, as would be expected with any new scheme. I am concerned that this could become a new growth industry and get out of control rather than being a profitable mechanism for ensuring that people are given correct treatment to restore their work force capability. Members would have noted the criticism that I laid at the door of the Minister for his claim some time ago that there would be a 40 per cent saving in premiums as a result of the new scheme. My figures indicate that something like 60 per cent of employers in this town are paying more in premiums than they did under the old scheme and, by the time we take into account the first week's wages and the additional administrative costs, the figure is closer to 75 per cent. It was a gross untruth by the Minister at the time to suggest savings of the magnitude that he did to entice employers.

One area causing misgivings involves employers who, in good faith, paid the wages of injured employees. A number of employers in this town have said, 'I am going to do the right thing and keep the wage going until my employee is back at work.' Some employers have done this because the employee has not been paid. Others have done it from week one to ensure that the person is not without some form of income. Such employers are to be congratulated for the way in which they have treated their employees. However, WorkCover has much to answer for in that these employers who are showing an enormous amount of faith are simply not being reimbursed. Sometimes the waiting periods can be more than two months for reimbursement of wages. Certainly, that will kill off any incentive for an employer to support an injured employee.

I have had one or two examples of WorkCover inspectors going on sites, after accidents have occurred, in a fairly belligerent manner. One thing I will say about the operations of the Department of Labour inspectors in the past has been that they have inevitably been very constructive about the way in which they have approached occupational safety. If they have seen a problem, they normally have said, 'I am not going to fine you. Just fix it up.' If the employer has not fixed it up, then he has been subject to fine. That has been one positive aspect of the way in which the Department of Labour has operated in the past. However, that is not so in respect of certain people from WorkCover, who seem to have found a new niche in life.

I have received two complaints at this stage—and they may well be an overaction, but I am noting the matter here to ensure that the practice stops—where officers have gone along and accused the employer of doing some heinous and terrible things to their employees when in fact the accident

might well have been avoided by the employee taking due care. It is important that WorkCover does not employ officers who use and abuse the Act by threatening employers. That does not mean to say that, where there has been serious breaches involved, the full force of the law should not operate.

Again, on the rehabilitation front I have had two examples quoted where agents have pushed the employees back to work prematurely, there has been a relapse and the employee has had to go off work again, so that the total rehabilitation time has been much longer than normal. Certainly, there will be some ups and downs in that area because it is difficult to judge when a person is or is not fit for work. I did note that one of the agents demanded of an employer that not only did he take the employee back before he was ready to return but also asked the employer to spend many thousands of dollars to modify the workplace to accommodate the injured employee.

The employer has had a very good history of assisting employees in difficult circumstances, and he did not take too kindly to an agent telling him what he could do with his work place at his own cost. These areas will cause problems unless they are sorted out quickly, and I hope that some form of instruction will go out to WorkCover employees to ensure that they do the right thing.

To indicate the level of concern by a number of employees on this matter, I intend to read to the House some letters that I have received from various bodies. The first letter from a meat wholesaling organisation states:

The wholesaler employs some 50-60 people. Claims have been put in concerning compensations which have been put in together with doctors' bills. The doctor has had no reimbursement since September and seems to be paying out money all the time and isn't receiving any remuneration for claims. A summons has also been received from one of the hospitals. In one instance, an employee has been off sick for three months. WorkCover is costing more compensation than ever and provides no service. Everyone is getting irate. Office employee at the [meatworks] is wasting ½-day a week sorting out the problems.

Another letter is from the textile, clothing and footwear area, which has been affected by the increase, and the letter written to the Premier, states:

WorkCover was heralded as a great piece of legislation, to control the ever increasing cost of workers compensation insurance. This is already proving incorrect, due to an increase of 18.4 per cent, announced for our three industries. This has been backdated to include the March levy, payable in April, with no prior notification whatsoever.

Both Federal and State Governments are looking for improved performance from their manufacturing industries. This only comes with proper business forecasting and planning, which is impossible with snap decisions. At least under the private enterprise system, we knew our premium a year in advance, and there was also the opportunity for rebates, for good performance.

We are in very competitive labour intensive industries. We are therefore very vulnerable to import competition. Soon we shall embark upon the Federal Government's 'Post '88 Plan' for the TCT industries, which we have accepted. The result of our labour intensity means low value added per employee, when compared with more capital intensive industries. Now that we have the maximum levy rate, it means that in effect our levy percentage per dollar value added is much higher than more automated industries. This levy increase will add [a certain amount per week].

That company is complaining about certainty in the system rather than this change in the middle. A letter, from a hardware store addressed to the Premier, states:

1. Our premiums have risen from $6 903 p.a. previous to WorkCover, to the now projected rate of $21 120 p.a. based on the same annual payroll.

2. We are to some extent sympathetic to cross subsidisation in determining WorkCover rates; however we believe the degree of subsidisation is a gross overkill and will not contribute to the general welfare of the scheme.

3. Rates have gone from 0.5 per cent—51 per cent to the present 0.5 per cent—4.5 per cent.

4. That the 'high risk' industries are also high profit industries and existing margins cope with previous workers compensation rates. It is doubtful that this increased profit will flow to the consumer.

5. Removing the direct cost of accidents away from an industry is a disincentive to the creation of safe work practices.

That letter contains a number of suggestions as to how the system can be improved. A letter from a manufacturer expresses dissatisfaction about the way in which WorkCover is operating from a number of points of view, including the rates on offer. It states:

Sad to say what emerges from all of this is evident that there are no proper guidelines for WorkCover, and that both on the administrative and staff level there is a hearing ear but with no commitment, just a form of pacification only—promises are made to call and are not kept.

The management of this establishment, wishing to discuss some matters with WorkCover had been promised at least four visits from a WorkCover officer who promised to be there at a particular time, but did not turn up. Some employers are getting very poor service. The letter continues:

For the record, and by way of a reminder, my small company . . . started almost five years ago as a successful applicant for the 'Self Help Employment' scheme. As you are aware not all succeeded in such ventures, as many fell by the wayside. Others like ourselves not only succeeded but have built up a good reputation with other businesses and the public in general. We are proud to be a South Australian manufacturing company.

Our workers compensation commitment over the last two years prior to WorkCover, consisted of 1.5 per cent for office staff and 3.5 per cent for factory staff, with a choice of having any injured staff examined at a local clinic at a reasonable fee, and should a valid claim be made it would be fully met by the insurance company of our choice.

Now, at the drop of a hat, one applies for WorkCover and from what we have experienced the hospital or clinic charges high fees for attendance and treatment.

This is true. As soon as a doctor or a hospital knows that the matter is covered by WorkCover, the price goes up. The letter goes on to mention the problems with one worker and the treatment. It continues:

In essence what is being said, is that if your Government is sincere and interested in the small businessman of which I am one, then please get [a WorkCover officer] or someone with knowledge and appreciation of what we have to put up with, to give a fair levy rate and proper industrial classification for our mode of business.

When WorkCover officers make a promise to call at our factory then please do so. If something is not done soon, not only will we be placed in a position to put staff off work, but it could ultimately result in seeing the closure of a business that I have put so much into.

This man said that he would close his business if he could not get some help and assistance to work through the WorkCover mess. He is not the first person to say this. Others have rung me and expressed that sentiment. Employers, for a wide variety of reasons—economic pressures, land tax or WorkCover—are becoming sick and tired of a Government that does not care. When industries are under pressure to perform the last thing they need is more forms to fill out, more bureaucratic incompetence and no service—and that is what people are receiving.

The Caravan Parks Association is upset about the 44 per cent increase in WorkCover premiums. This letter, addressed to the Premier, talks about the retrospectivity of WorkCover and also notes that caravan parks are run mostly by husband and wife, or family, teams, and that nobody ever makes a claim on workers compensation—yet their premiums, for some unknown reason, have increased. Another letter written to the Premier states:

We wish to register our protest against the way WorkCover is implementing its regulations and we as a small business no longer believe in its sincerity. We believe that, to avoid embarrassment

to the Government, the new rates were deliberately announced only after the Port Adelaide by-election.

How true could it be! The letters were dated 12 March and 17 March, which was before the Port Adelaide by-election. However, they did not arrive until the by-election was over. Strategically placed—and this was supposed to be independent of the Government! On 12 March and 17 March letters were sent out telling 146 industries that their rates had increased and 111 industries that their rates had decreased. The letter continues:

> We strongly reject the transparent explanations provided in the latest circular and take it as an offence towards our intelligence.
>
> Now WorkCover has finally broken the ice where others feared to tread: employer contributions towards superannuation funds are now levied. If your Government is sincere about superannuation and still wants to lead us along that path, then please don't try to explain this action. Stop that cancer!
>
> WorkCover is not acting in isolation. It rather reflects your own ways, the predicament you are in. We have learned to see through all this: you keep on milking while the rats are at the dairy grain . . . with your consent!

An irate customer of WorkCover! Another letter addressed to the Premier concerns the problems of WorkCover administration coupled with the problems of workplace registration under occupational safety legislation. A letter written to WorkCover, which it would have noted, states that this company was informed on at least four different occasions of different rates operating. It states:

> . . . on 24 March 1988, we received a letter from [a certain person] informing us that the frequency of our payment classification has been changed from annual to monthly. We are given six days in which to pay . . . However, before the ink was dry, we received another letter on 28 March 1988 and backdated 12 March 1988, written by [a certain gentleman]: Dear Sir, from 1 March 1988, our payment frequency is to be annual and our levy rate will be 4.5 per cent. This is a retrospective charge . . .

The same gentleman said that he read in the newsletter that the payment was not to be retrospective—yet it was. The letter continues:

> In all, total confusion reigns. To top this off, why is it that my wife, a director of the company who does only clerical work, is required to pay the top rate of 4.5 per cent levy, when I, also a director, constantly working on a building site, pay the same rate?

That person makes a number of suggestions. Quite extraordinarily, he has received four different notifications—they must have a lot of money around at WorkCover—as to when he has to pay his premiums and at what rate. Those letters are just a sample of what has come in this week in relation to WorkCover. I will now briefly address the contents of the legislation, because most of the detail of the amendments will be dealt with in Committee. Indeed, many of the changes are of a positive nature. One major change—the mechanisms for compensating volunteers injured while acting on behalf of the Government—has now been put in place.

The second area is that the coverage of all domestic workers is now under the scheme. Thirdly, vehicle accidents of a work related nature must be reported to the police before qualifying for compensation to reduce fraud.

A limitation is placed on common law action by workers against third parties. There is enforcement of employers to accept back injured workers, and 28 days notice is to be given before employment termination. There is a tightening up of the appeal provisions. Cost sharing of old injuries is to be determined by the corporation, with appeal rights to the Industrial Court. There is to be a sharing between Government agencies of information of a particular nature. There will be relief for employers with regard to bearing the cost of transport to medical facilities in isolated areas, and more stringent conditions will operate as far as exempt employers are concerned.

The amendments are generally of a very positive nature. However, they have been around for some six months. The Minister circulated these amendments, with very little change, in August of last year. They have not surfaced until now and one can only ask why, indeed, there has been such a problem.

If the corporation recommended that they should be put in place in the Bill then why has the Minister been so reluctant to have them surface before this house, at the eleventh hour in terms of our sitting days?

The other issue that perplexes me, apart from the timing of the amendments, is the question of unanimity amongst employers and unions on these issues. Why would employers agree to the corporation investigating any matters it thinks fit? Why would they wish householders to be relieved of all responsibility to pay any contribution towards premiums when they are going to foot the bill? Why would they accept return to work provisions which are inconsistent with the Industrial Conciliation and Arbitration Act? Why would they stop employers from seeking exemptions when they know that the benefits of the exemptions, in terms of a viable work force and good work force practices, must become more widespread in the community?

Why would they give the opportunity to the corporation to reduce the number of industry categories of an employer in order to extract the highest premium possible? Why would they agree to the ability of the board to determine who can appeal when a levy or fine imposition is being challenged under appeal? Why would any of these groups, employers or unions, agree to the disclosure of information under the terms described in this Act? Why would they give the corporation unfettered ability to make decisions on its own behalf free of the encumbrance of Parliament? And why would they give the right to the corporation to extract moneys from the insurance companies for old injuries without a proper mechanism?

I ask these questions because these are the provisions within the legislation. Some of them directly affect a very large number of employers in this town, yet the Minister has told us that he has received unanimity. I can only guess that he has received unanimity because employer representatives on this body are so frightened that the scheme is going to fall apart that they are willing to do anything to shore it up and, in the process, affect many other smaller businesses in this town.

As I said, through this Act they will have to fund casual household workers. They will, of course, have to pay a very heavy price for the return to work provisions which will simply not assist employment in this town. I will address this question in Committee, because it is a very serious question. They obviously believe that the more safe employers they can get within the scheme, the greater the spread of risk, because through these amendments they are effectively trying to stop people seeking exemption from the provisions of this Act and become self-insurers.

On a number of counts which I will canvas, the amendments do not seem to do a great deal for employers in this town, yet the Minister says that he has achieved unanimity. I question the basis of tripartite committees and the extent to which employers become locked into a situation when, if they were subject to a hand count from their industry, they would never have been given the right to make decisions such as these. However, I can only guess at the motivation regarding the members on the corporation. I do believe that they are trying their damndest to make a very poor system work but, in the process, they may well be selling off the farm to achieve a very indifferent result. That

really is the last question that I wish to pose to the House before going into Committee.

The extent to which people are representative of themselves or their organisation on boards or corporations is a serious question. I believe that the employer representative members of that board represent an employer voice, an employer perspective, without being tied to the dictates of the organisation from which they came. However, there have been some things in this Bill that I thought should have been questioned far more seriously than obviously those people did, and that is of concern.

Finally, I refer to the extent to which the corporation has taxed the employers of this State through its coverage of premiums. It will come as no surprise to the Minister that I intend to move an amendment to exclude superannuation from the brunt of WorkCover premiums.

I am very disappointed with the way in which WorkCover has operated over the past six months. It simply has not performed. It has not performed for all the reasons I have specified. In every area it has done exceptionally poorly. The major losers have not been the SGIC, the Minister or WorkCover; the major losers have been the people for whom the system was designed—the employees and the employers. The Minister can stand up and say, as he has done, that it is a system that shall be administered by the employees and the employers. Can I say to the Minister: if you sell a cow with disease, it will not make much difference who is looking after the cow.

It is time that the system fronted up to its responsibilities and that the people in charge made some very difficult decisions to make the damn thing work, even if they have to work 70 or 80 hours a week. It is about time that the Minister said, 'I have made a mistake and I will actually do something about it', so that we do not have the debacle we have had over the past six months when so many problems have arisen and have been dealt with inadequately by all concerned, which has brought discredit to everyone involved.

Mr D.S. BAKER (Victoria): I compliment the member for Mitcham on his contribution to this debate. He attempted in the time available to him to outline some of the problems with WorkCover. It is just a shame that time does not permit him to go on and fully document all the problems that the community is experiencing and perhaps to bring home to the Minister that the system is not what it was cracked up to be. I thought I would start by quoting from the recommendations of the conference on WorkCover in December 1986 and quote a few lines from what the Minister said about WorkCover and how amazing it was, what the shadow Minister said, and then a few timely words from the member for Florey on his views of WorkCover. That might refresh their memories about what they thought of it then, given what a few months later is starting to happen. Also, the comments will be updated in this debate so that, when the next amendments are introduced and further problems surface, these words will come home to them and they will realise that ideological ideas such as WorkCover may be all very good but if they are not based on sound financial reasons or sound financial management, they easily can go off line. On 4 December, the Minister in the House of Assembly said:

> I also think it is rather nice that the member for Florey was on the conference of managers of both Houses to see the Bill finally through. I am certainly proud to have brought Jack Wright's baby kicking and screaming into the world; eight years was certainly a long gestation period, but it was very, very worthwhile.

Well, it is just coming home now how much more kicking and screaming it will do, and it will continue crying for many years to come. The Minister further said:

> Certainly, sick and injured workers will benefit enormously from this piece of legislation. The same applies to employers, who have worked as hard as the unions to bring this Bill into being. It was not just for mercenary motives, but it is worth noting that the benefits that will flow to employers under this scheme are quite extensive.

Further on, he continued:

> The scheme will make this State competitive with Victoria and will place us certainly in a better position than either New South Wales or Western Australia. That is important, because the maximum amount that can be levied as premium, when this Bill is enacted and the scheme is established, will be 4.5 per cent of payroll. For the submarine project, that is very, very significant indeed, because similar premiums in New South Wales, which appears to be our principal competitor for this contract, are well over 20 per cent of payroll.

Many of those things are now coming home to roost. Then the shadow Minister (the member for Mitcham) said:

> I believe, and will always believe, that the way we are going now is not the right way, and that it will put this State into debt.

I will repeat that. 'It will put this State into debt.' He continued:

> What we have adopted here today is the Victorian legislation with all its problems.

I might interpose and say that we have learnt recently that the Victorian legislation has resulted in an unfunded liability of $2.5 billion in the short time that that has been going. The shadow Minister went on to say:

> After 10 months, the Victorian scheme managed to get itself $155 million in debt—

It is frightening to see what is happening at present. He continued:

> If this scheme goes the same way as the Victorian scheme is going and as the New Zealand and Ontario schemes have gone, we will bankrupt either the State or the employers. The Government must make up its mind. Either the employers or the Government must pay the bill. If it is the Government, the taxpayer must pay. There are no other possibilities.

Of course, that is quite correct. Then we heard a contribution from the member for Florey who was in typical form. He stated:

> Unlike the member for Mitcham I believe this Bill will work. The honourable member's speech was just an illustration of sour grapes and he peddled a number of untruths and made certain selective comments in order to knock the Bill. He mentioned Ontario. I have had the opportunity of going to Canada on several occasions and one of the things I would not want to do is model anything on the Ontario workers compensation scheme, because that scheme, when it got into the large debt the honourable member talks about, was under the Government of Conservative Parties who selected failed people to manage it. When I say 'failed people' I mean failed Conservative members of Parliament who got done in elections and were put on the board.

I think he meant that they got beaten in elections. He went on:

> They had a failed QC as chairman of the board and it just did not work.

When it really comes home to roost, what happens to these schemes if failed people are put in charge of them? It is happening all over again in South Australia with all those ACTU and trades hall people, friends of the Minister and of the member for Florey whom they have shoved on all these committees—boy aren't they doing a great job?

As we go on we will see the problems that this State will face because of this unfunded liability and because the scheme has not been properly managed from day one. I will continue with more of the member for Florey's contribution, as follows:

> As a side benefit, I believe that there will be a considerable reduction in costs to the employer. If we went down the path advocated by the member for Mitcham, we would keep costs at

about the present level, but constantly reduce the benefits available to the injured worker. That is the path that he would go down. We would finish up with very few manufacturing industries, because they could not afford to pay those rates, and we would end up in a situation like the 1930s, when the only manufacturing industry we had in this State was to support the agricultural industry—and that was it. The manufacturing industry we know today did not exist then.

The member for Florey continues:

The member for Mitcham does not have a vision for the future; he does not care about workers and their families.

That is utter tommy rot. There is no doubt that employers do care about what goes on with their workers and believe that the workers should be protected. Most employers are responsible and believe that they should have to act within some restriction or law. I think that most employers also believe that employees should have to act responsibly and, if they are under restrictions within the law, employees should be responsible and be under similar restrictions. I do not believe that anyone in the work force—employers or employees—believes that there should be an incentive not to go back to work. That is one of the greatest problems in relation to any compensation program: if there is not an incentive for people to return to the work force, there is abuse of the system on both sides. It does not matter on which side one stands, that comes forward.

In the House today in answer to a question the Minister made several comments on WorkCover. He is very good at getting away from the facts of life and selling us the wonderful story that it is the employers' money and they will administer it. Unfortunately, the Minister, when it comes to financial matters, is completely out of his depth. We have seen that on several occasions recently in this House, especially during the superannuation debate when he claimed that SGIC was getting a 30 per cent return on its investment in ASER. Since that day, and since the Minister's utterances on this WorkCover legislation, one has started to realise that the whole department and its administration is under the care and control of people who had no idea of the financial ramifications.

The Minister stood up in the House today and said, 'Of course, the member for Victoria should know. He represents rural people. There are a lot of farmers down there who contribute their agricultural income to this State. They are all happy. None of them are complaining, because their costs have gone down from 13 or 14 per cent to 3 or 4 per cent.' That is not correct; it is absolutely incorrect. The farming industries were never at that level—ever. They have not come down to as low as the Minister says. When he says that everyone is now paying 3.5 per cent or 2.5 per cent, and that that is much less than they were paying before because they were then paying 8, 9 or 10 per cent, what he does not tell is the whole story. Under the private insurance scheme, which, of course, had to balance the books because it could not be run at a huge unfunded liability, we did not pay a levy or percentage of salary on such additions as superannuation, severance pay, bonuses paid to workers or, above all, an example that was telephoned through to me today, on redundancy pay. Some people have to pay redundancy pay; they get a bill from the workers compensation people for the percentage levy. So, although the percentage might have come down, in many cases the total sum that one pays for workers compensation has increased.

The shadow Minister and the member for Mitcham cited letters from a lot of people who suddenly have become very disillusioned. And this will continue. When the Minister gets up and starts talking to us about financial arrangements, I would caution all members to not listen too well because, unfortunately, once he gets out of the labour and industrial relations fields, he does not quite understand the financial ramifications. That is what is happening to WorkCover in South Australia; it is following the same path that the Victorian scheme is going down. I do not think that anyone could justly claim that the introduction of WorkCover and its management in this State has not been an absolutely unmitigated disaster. Everything has been in chaos from day one even though many people were criticised—not only in this place but also in the other place—for having the audacity to put it off for eight months and delay the introduction of this marvellous thing that was going to help everybody in this State.

I agree that the workers should be protected, but this scheme was really going to help the employers. Even after all the delays, we had such fiascos as the 008 hotline, which was to help everyone find out about the scheme. However, the hotline number that was given was not even the WorkCover number; it was the Taxation Department number. The number had not been changed. How could anyone start a business on that basis after having it put off and having eight months to think about it, as the Minister says? It is an absolutely despicable way to start any business. When all the queries started to come in, everyone was in the dark, and I know that many employers and the electoral offices were hounded day and night. People could not get through even when the number was changed, because there were not enough staff to handle the claims.

The payments system has been covered by the member for Mitcham. Large employers were getting phone calls and being asked whether they would not mind funding it. I will quote their terms 'While we get our house in order, if you will go on paying out the workers compensation claims, we will speedily recompense you as soon as we can.' Some of them waited months and months to be paid. They were not only paying their workers compensation levies but also paying out the benefits.

Having been told that the Victorian system was so marvellous, that ours was pitched just a little below it but was much the same, I am amazed how we could have such a financial and management disaster. Anyone with an ounce of business acumen would be amazed. As the member for Florey stated, if you put in people who have been done at an election—failed people—that is what will happen. It is happening in this State and in every other State because there is no incentive. Private enterprise is not involved and, when there is no incentive, there is sloppy management.

A lot more will be said in this place about the management of the workers compensation scheme and about the people involved in it. Many more stories of absolutely scandalous waste and of extravagant expenditure will come to the fore. I hope that the Minister will take some advice from other parties who can put him on the right track about how this scheme can be financially managed. Unfortunately, at the end of the day, none of us would disagree that workers must be properly compensated for injuries that occur in the workplace; none of us would disagree that employers should have to pay a levy towards that. However, I am sure that all of us would agree that there cannot be a scheme as open-ended as this, without incentive to get back to work, that will be funded by the taxpayer, and that is where deceit comes in. Because of the unfunded liability, whose ramifications are unknown to employers and taxpayers, it is the latter who will eventually be picking up the tab for workers compensation claims. That is not reasonable; it is a deceitful way to go about it.

Although it is accepted that people must be adequately covered, employers who step out of line must be encouraged by an Act of Parliament to make sure that their workplace is safe. That is where most input should be and employees

should also be encouraged to make sure that they are responsible for their side of the contract. To have the taxpayer fund that with an unfunded liability is deceitful. At the end of the day, the taxpayers of Victoria will revolt against that scheme and the Government will have to severely cut benefits to workers, which it should not do in genuine cases, or it will have to double or treble the levies payable.

As with all grandiose schemes that start off with big handouts, it is not very long before amendments must be introduced. This legislation was introduced in December 1986, and suddenly the Minister has pages of amendments incorporating 177 changes to the categories. He has also claimed that there is a saving of $7 million. If the Minister has calculated that from the raw figures, I suggest that he goes out into the community and speaks to the people paying the bills. Even if he says that the levy has come down from 3.5 to 3 per cent, in the business world that does not mean that more money is not paid today in workers compensation levies than was paid 12 months ago. I just hope that the Minister will admit that the scheme has tremendous problems, that the management is unbelievably bad and that something must be done. He should give a guarantee to the taxpayers of this State that they will not be faced with an unfunded liability, as has occurred with the Victorian scheme, and that it will not be a millstone around their necks.

Mr BLACKER (Flinders): I pose a number of queries to the Minister that I hope he will be able to answer in his reply or during the Committee stage. I have been contacted by three chiropractors in my electorate. They have contacted the Minister's office and WorkCover as to whether their receptionist should be on the 4.5 per cent classification because no actual category is listed. It is a simple matter and I would have thought that it could be easily overcome. I have not heard whether the Minister or WorkCover has responded.

The other query is a little more complicated and relates to WorkCover premiums for employees or share employees within primary industry. I use that example because, as I have told the Minister, there is an anomaly. It is not an issue that will be easily overcome, and I trust that it will be further considered. WorkCover commenced on 1 October 1987 and as all members know WorkCover premiums are paid in arrears: in other words, at the end of the month from which salary or share has been paid. The difficulty that has arisen is that until 1 October, employers covered their employees on an annual basis and the premium was paid in advance. The salary that was worked out for share farmer employees was an average of their total income on a weekly basis. WorkCover does not see it that way and employers are required to take out the appropriate prescribed levy in accordance with the actual payments made for that particular month.

I declare a personal interest in the example that I cited to the Minister. A particular employee of ours was engaged on a wage and share basis and was paid at $100 a week with 15 per cent gross proceedings of the whole farm. For the off period in which the employee was engaged, in effect he earned only $100 a week. During the December/January period when the wool cheque and the grain payments came in, it could be said that he earned $2 000 or $3 000 a week. That must be averaged over the whole year. That poses the problem of how one makes the deductions. I wrote to WorkCover—

The Hon. Frank Blevins interjecting:

Mr BLACKER: I thank the Minister and I sympathise with his comments that it is with great difficulty that it is worked out. I wrote to WorkCover and received the response that we should make the deductions when the payments come in. The complicating factor now is that the particular partnership in which that employee was engaged terminated on the day before Easter, just one week ago. Now we are obliged to keep that particular partnership open and alive for the next three or four years while grain payments come in so that WorkCover deductions can be made in four years time for income allegedly received in the 1987-88 farming year. There may well be a way around those complications. So far nobody has been able to explain just how.

One can throw another spanner in the works by wondering what would happen with a deceased estate when the trustees would be obliged to keep that estate open. It may well be that WorkCover can go to the appropriate grain authorities, ask for the residue for 1987-88, get an estimated amount and make a calculation. That may be a possibility. However, consideration must be given to bulk handling tolls, wool support subsidy refunds and promotional refunds, which can go on for some time.

So, this poses for WorkCover another problem to which I cannot really see the solution. Can the Minister say whether, if our employee had an accident in November and for the period in which WorkCover operated he had received only $100 a week, on what basis he would be compensated? After all, his income would be more than $100 a week: indeed, it averaged $400 a week over the whole year. However, the WorkCover levy paid until that time for the duration of the WorkCover was based on only $100 a week.

I ask the Minister that question because, although I am personally involved in this matter, there are hundreds and hundreds of people who engage their farm workers on a wage share basis. In some cases it is purely a share basis: they become contractors and they are therefore responsible for taking out their own cover. However, in most cases they work on a wage share basis whereby the property owner pays a small wage so that in effect he is the employer engaging an employee and therefore controlling the activities of that individual.

I am still at a loss. I do not know of anyone trying to avoid paying his just dues, but there is considerable difficulty in finding out how we act in this case. In the case of the partnership just concluded, we are trying to sort things out and pay dues in arrears, because we do not know how much income the employee has (we could make a rough guess), as the Grain Board pays directly to him on a percentage basis less the appropriate costs borne by the landholder.

So, an element of guesstimation is required, but I am concerned more particularly that WorkCover should be able to negotiate a cut off point whereby on the dissolution of a partnership or the finalisation of an estate we could say at a given time, 'This must be terminated. What do we owe WorkCover for moneys that may be received in future for work done during the previous 12 months?'

I am more than happy to put my affairs on the table for the department purely as an example of what many others are experiencing at present. It all gets back to the inability of WorkCover to assess the income of the individual in advance. The dues are paid on a 'one month in arrears' basis and there is no provision for averaging over the 12 months, yet there must be provision for averaging as regards the payment of compensation for employees along the line.

I do not wish to complicate things for the Minister. I merely point out the problem and I trust that the Minister, his department and WorkCover can ultimately solve the problem because it is creating considerable confusion in the rural community and this may apply in other areas with

which I am not familiar. I trust that the problem can be solved.

Mr MEIER (Goyder): I am pleased to have the opportunity to speak on this Bill and in particular to support the shadow Minister, the member for Mitcham, whose remarks covered a wide range of items. I also support the remarks of the member for Victoria. It was interesting to hear the comments made by the member for Flinders, who brought forward a few rural problems. Certainly, this legislation was heralded by the Minister as the great new workers compensation scheme for South Australia. He really attacked the Liberal Party and the Liberal Opposition for allegedly penalising employers and employees by holding up the passage of the original legislation through this place.

In retrospect, however, I guess that we can see that we did the employees a favour by holding up the legislation for at least as long as we could but, unfortunately, we were outgunned in the end by the Australian Democrats, who sided with the Government to allow this system to become law. Now, this great system comes before us with many amendments to be made. In fact, I think that of the 44 clauses of the Bill at least 30 contain amendments, although it might be argued that some of the clauses rely on others and that some amendments merely clarify the terms of the original legislation. Whatever be the case, this shows that things have been far from perfect.

I acknowledge that earlier this year or towards the end of last year the Minister said that many mistakes would be discovered in the workers compensation legislation and that we might be amending it for the next five or 10 years. Let us hope that amendments will not have to be introduced over such a long period. Once the Liberal Party gets into Government a much better system will be introduced within less than two years.

The Hon. Frank Blevins: When?

Mr MEIER: In less than two years. We now have this legislation and this system with us and I do not wish to make light of the effect that it is having on so many sections of the community, not least of all the rural section. The Minister referred to farmers and other rural producers and the member for Victoria covered that aspect well, so I shall not go over the ground again. However, I wish to bring to the attention of the House a few problems that have become apparent with WorkCover since its inception, in fact even before. The Minister will be aware of some of those problems if not all of them.

One such problem concerns a farmer who, not having employed anyone full time for some years, sought advice whether he should be involved in WorkCover in anticipation of employing someone for one or two years to build a shed. He was told initially that he would not need to be covered but, on talking with an accountant, he learned that he should register. Then, WorkCover agreed that he should register. This primary producer also employs a person each year to spread superphosphate.

The Minister indicated that this producer by registering with WorkCover had complied with the requirements and that a levy would be payable when he contracted a worker. However, how will the many people go who have not registered? I assume that, if they are not employing anyone, they need not register but, if they employ someone in two or three years time when the present publicity about WorkCover has died down, what will be the position?

I also refer to the case of a painter who told me a month or two ago that he was disturbed because he had not heard from WorkCover even though he had applied last year. The Minister kept reminding me on each approach that he was not responsible for this matter but that it was the responsibility of the Workers Rehabilitation and Compensation Corporation, but I believed that most of the cases that I brought forward were such that amendments were needed, so I referred it to the Minister each time. This painter applied, and months afterwards had heard nothing.

He had employed a person to help him and he was worried about whether that person would be covered. I rang and put the painter directly onto an officer of WorkCover, and I was informed by the painter a day or two later that WorkCover had no record of his application. WorkCover said that that was not surprising because apparently a huge amount of mail had gone astray. I understand that much of the mail went to the *Advertiser*, which apparently was running a competition at the time and the box numbers were similar. People registering for WorkCover had their mail delivered to the *Advertiser* and it was not received by WorkCover.

I do not know how much truth there is in that story, but my constituent was assured that he could employ the person, who would be registered for WorkCover, and the forms were sent to him in due course. I wonder how many other people in a similar position have not been advised that much of the mail apparently went astray. Also, there have been many cases of people who have objected strongly to the new rates and who cannot see eye to eye with the Minister about the concept of cross-subsidisation.

That is a relevant point that they have raised and the Minister's view is not held by people out in the electorate. I referred the Minister to a radio electronics firm which complained strongly about the unjustified and unrealistic 4.5 per cent levy which, as members know, is the maximum rate. The company pointed out that in the first place WorkCover did not differentiate between the risk of employees and that previously the firm had paid 1 per cent for clerical workers, which meant a 450 per cent increase. Previously the firm had paid 2.6 per cent for retail shop assistants and 3.8 per cent for electricians. It believed the increase from 3.8 per cent to 4.5 per cent was acceptable.

The Minister pointed out that the 4.5 per cent is an industry rate and is not one that relates to the various occupations employed by firms in each industry. However, why should clerical workers and retail shop assistants have to come under the same rate? Surely, with the amount of work that supposedly has gone into the Act it is possible to come up with a differential levy. I know that we have heard the Minister say that the levy is based on standards from overseas—and I suppose that New Zealand was included in that—and that that is the way to go. If it is the way to go, why are we seeing losses already? Why are we seeing the Victorian system go from crisis to crisis? It seems from the evidence given by the member for Mitcham and the member for Victoria that other overseas countries are not performing any better. If that is the way to go, it is time that we changed direction, and changed fast.

I know and acknowledge that industries such as the building industry have come down a large amount. It was previously about 15 per cent to 20 per cent and it has now come down to a levy of 4.5 per cent. No-one disputes that. I suppose the Government cannot provide the figures, but I would like to know what drop there has been in building prices. Has there been a significant reduction in costs involving larger builders? That needs to be analysed. The Minister nods his head, and I would love to hear statistics and see figures on that.

The Hon. Frank Blevins interjecting:

Mr MEIER: There certainly is a free market. If the Minister argues that, I hope he will acknowledge it. It is

good to see him thinking in a free market sense—we will convert the Minister in due course, although I will not hold my breath. The building rate was at least 15 per cent to 20 per cent or more, depending on which insurance company was involved. Why could not the building industry be cut back to a levy of 7 per cent or 10 per cent, which would have been a 50 per cent reduction, and builders would have been supportive of that?

They would have accepted that reduction gladly and such a reduction would not have meant the same massive increases from 1 per cent to 4.5 per cent, for instance, for electrical retailers. It would have been much fairer. I cannot see why the scheme cannot head in that direction right now. I know that in one or more answers from the Minister he has indicated that the corporation is now developing a bonus penalty scheme that will give recognition to companies with a better claims experience than the average for their industry. That should have been in from the start, rather than bringing it in slowly.

Referring to the Bill, we can expect up to only a 20 per cent variation, which is nothing significant. There needs to be a much greater bonus system if the Minister believes that this is the way to go, with the 20 per cent variation to be the bare minimum. Returning for one moment to the electrical retailer, on 16 November 1987 I received from the Minister a reply indicating amongst other things that a review of rates would take place in the next 12 to 18 months. It is indeed interesting that four months later we see the review handed down. It came in much faster than was anticipated.

If the Minister had paid heed to the Opposition, and particularly to the member for Mitcham, a long time ago, we would not have seen this mess in the first instance. Certainly, there have been other cases involving the rate factor, and the latest example is in relation to the further increase which we have seen only in the past week or so. One of my local bakers has had his rate increased from 3.8 per cent to 4.5 per cent, an 18.4 per cent increase in levy. He said, 'Originally I was paying $400 a month. When WorkCover came in I was paying $600 a month and now, with the new rates, I will be paying $710 a month, nearly a 100 per cent increase.'

Also, I cite the case of a service station operator, who was paying originally 1.5 per cent. WorkCover came in and the rate was 2.8 per cent and now with the revised figures he is up to 3.3 per cent. These people are screaming. They are throughout the rural areas and they are in city areas too. They say to me, 'John, I do not know that we can afford to keep the staff on.' It is hurting the workers and indirectly I suppose it is hurting the unions and certainly the unionists, and I can cite many examples in that respect.

A further matter that has come out of the WorkCover problems involves a motor mechanic in my electorate. One of his workers cut his thumb. He was taken to the local hospital and had one stitch put in. This business duly received a bill from the doctor for $49 and from the outpatient department for $50, a total of $99 for one stitch. That was partly acceptable. Of course, that had to be paid for under the new scheme, but the doctor also gave the worker two days off, which meant that the employer had to pay two days wages as well.

The main argument is why this person could not have been put on light duties—and I will be interested to hear from the Minister whether the provision in the Bill relating to the area of return to work and the fact that the disabled worker must be given adequate provision also relates to an injured worker who has cut his thumb and has received one stitch and could perhaps do light duties. The employer said that there were many light duties that could be done, such as cleaning up and putting things away, which would have not required the use of both hands necessarily.

Furthermore, I have taken up with the Minister the case of a person who employs domestic help who has sought private insurance but private insurers would not come to the party.

This Bill seems to cover domestic employees, and I hope that that will be across the board. It has been brought to my attention that one employer reported having to pay WorkCover for employees over the age of 65 years but was told that such employees were not covered. I hope that that statement will be refuted by the Minister because, if it is the case, we have huge problems regarding domestic help because many domestics are over the age of 65 years. That information came from an employer who contacted WorkCover on that matter.

There are many other questions in relation to domestic help. Who is responsible for contacting WorkCover? For example, if a domestic employee hurts his or her leg and says to the employer, 'I will be all right. Don't worry about taking me to the hospital,' if an infection sets in and perhaps the leg has to be amputated, and if no-one reported it to WorkCover initially, will the employer be liable or will WorkCover pick up the tab when the time comes? There are many unanswered questions.

What about the case where one has to pay WorkCover only if one is paying a person more than $5 000 per annum? On checking this I found that, as long as the person kept records showing that they have paid less than $5 000 it would be all right. What about the person who pays in cash and does not keep any pay records? What will happen if it comes to a legal challenge? I do not think the Minister has any answers to this. In fact, it is obvious from the way he is looking away and is not prepared to look me in the eye and face these questions that he does not have any answers. These amendments are simply touch-up amendments; they will not cure many of the ills.

Another case concerns an employer who paid a redundancy payment of some $10 904 to an employee and was then contacted and told that in addition, he had to pay 2.3 per cent of that amount to WorkCover. Are employers to be caught in this trap, having to pay not only the redundancy payment but the extra percentage to WorkCover? If that is so most, if not all, employers have not been told about it, and it is a further trap for the unwary.

I have no doubt that WorkCover will simply plunge from crisis to crisis, and it is a shame that the Minister will not acknowledge it. He may acknowledge it after this Government is out of office, but by that time it will have hurt many employers and, quite possibly, many employees who will not be employed because employers will not be able to employ them. And that is quite apart from the problems of WorkCover itself. These amendments are simply an attempt to cover up some of the glaring errors, but I do not think they even go that far. I am pleased that the shadow Minister, the member for Mitcham will propose a fair swag of amendments.

The Hon. FRANK BLEVINS (Minister of Labour): I thank all members for their contribution, particularly the member for Mitcham. He made a very extensive contribution indeed. At the last count—and I confess I gave up—I think he listed approximately 74 grizzles in relation to WorkCover. It is fair to say that he is not overly keen on the scheme, which really surprises me given the very strong support for the scheme from the overwhelming majority of employers.

However, there is merit in some of the things he said. It was basically a rehash of an *Advertiser* article a couple of weeks ago where there was quite an extensive, although misleading, report on some of the problems that WorkCover was having with its agency—not, I stress, problems that WorkCover itself was having. I will not go through all those grievances that the member for Mitcham detailed; suffice to say that the problems that WorkCover is having with the agency are very real. What I am particularly pleased about is the quality of the management of WorkCover. It identified those problems very early, and we are doing something about them.

That is the way in which WorkCover will operate. It will operate not on the basis of an annual review, but on the basis of a daily review—a very good management practice. Whenever any problem is identified, as in the best run companies in this State, they will not just be identified but they will be rectified. It would have been very easy for me to say to WorkCover, 'Just go away for 12 months; ignore the problems for 12 months; let's get a smooth introduction; don't do any adjustment to rates; let everybody settle down and get used to what they are paying; just work through and around the problems with the agency; don't confront them and fix them up.' That would have been one way to go. It is certainly not the way I intend WorkCover to be run, and it is not the way the board of WorkCover would want it to run.

We want instant identification of problems or potential problems and very quick remedies for those problems. That is how all the best companies operate and WorkCover will be no different.

The member for Mitcham raised some other criticisms that I believe are worth one or two comments. I will not go on for an hour and 20 minutes as he did, or anywhere near that—10 minutes will be ample. The honourable member raised the question of levy rates. It has been no secret since the scheme was first conceived that there was a very significant element of cross-subsidisation and broadbanding, so that people within the same industry paid the same rate irrespective of the job that they were doing in that industry. That was the whole idea of the scheme, and I would have thought that the member for Mitcham would have understood that from the start. Perhaps if he had not made rambling three hour second reading speeches on the Bill when it was introduced he could have taken a little more time to consider the philosophy of the scheme and as a result would have had a deeper understanding of the scheme. If the honourable member had done that it would not have been necessary to query why, for example, a receptionist in the steel industry was paid for at a different rate from a receptionist in some other industry. That was the idea; that was inherent in the scheme.

The member for Mitcham has also criticised the rehabilitation aspect. I think he suggested that it was a growth industry. There is some truth in that and it is a very good industry in which to have growth. I cannot think of any better industry to have a very large growth element than the rehabilitation industry. It is growing from a very low base—a neglected area, although not necessarily neglected out of any thoughtlessness on the part of employers—because previously the representatives of the workers (and I was one of them when I was more active in the trade union movement) had a different philosophy. We were brought up with a different philosophy in relation to rehabilitation. As with many things, our thinking has also changed with respect to rehabilitation. At one time we advised the people we represented that, under no circumstances, should they go back to work until they were 100 per cent fit—they should sit back and draw all their pay, and sometimes this went on for years. We do not do that today; we encourage people to get back to work as quickly as possible. We have removed any financial incentive that was built into the old system, any financial incentive for workers to stay off work as long as possible and to be as sick as possible for as long as possible.

That was the old scheme. I am pleased that the member for Playford is not here listening to me, because I am sure that he would object; that certainly was not the intention, but that was the effect of the old workers compensation system.

The fact that rehabilitation is blossoming is something of which I am proud. However, let us look at this in its perspective: WorkCover has only 12 staff in this area. This compares with Victoria, which has many hundreds on the payroll doing the same job. Therefore, whilst it is a growth industry, it is not out of proportion.

The question of old employees being on the scrap heap was raised previously, and I have responded to that in this House by way of ministerial statement. It is not true and is doing a great disservice to elderly workers to suggest that that is the case. I have asked for more specific details from members opposite when they have raised these examples in the House. Of course, I do not get the details: none of the members opposite actually deliver so that I can look at a specific case and find out what the problem is. We simply do not get the information. The questions are asked and the responses are given. I have requested more information so that I can give more detailed responses but, of course, the Opposition does not provide the necessary facts.

The question of the change in levy rates was raised last week. I have made my views known very clearly to WorkCover that immediately they have sufficient quality data to share rates more equitably, then that must be done. I did not want to wait 12 months, although politically that might have been quieter for me. I wanted it done there and then. The board was very happy to oblige.

The rates are based on actuarial advice to WorkCover from outside actuaries—not from WorkCover's own actuaries—who have no axe to grind, as they are merely paid to do these calculations for WorkCover and we act on their advice. Therefore, in this respect WorkCover is as clean as a whistle. There is also the question of fairness. I have stated quite clearly that the money involved is not taxpayers' money—it is employers' money. The taxpayer has no direct financial stake in it at all: not one cent.

An honourable member interjecting:

The Hon. FRANK BLEVINS: Well, I will come to that. I am dealing with the member for Mitcham, and I will deal with the member for Victoria later. Therefore, it is perfectly reasonable for employers to say, 'We run WorkCover; this is our money. We want to ensure that people are paying as they ought to.'

I would have thought that that was perfectly reasonable. If one particular category is not paying its way, then there is no justification for criticising WorkCover for saying, 'You are being subsidised by other employers, not the taxpayer, to an unfair degree, and we will make an adjustment.' I cannot see anything other than equity in that. I cannot see that the action WorkCover takes is anything other than to be applauded.

The savings arising from that very recent review are $7 million. The member for Mitcham does not accept that. Well, he is free not to accept it. If he does not want to accept the facts, that is up to him. There is not a great deal that I can do about it. But the fact is that there is a $7 million saving to the employers in this State. The employers

on the board of WorkCover will substantiate that. I can only suggest that the member for Mitcham speak with them if he does not believe me.

Mr S.J. Baker interjecting:

The ACTING SPEAKER (Mr Duigan): Order! The member for Mitcham has made his contribution. The Minister is responding.

The Hon. FRANK BLEVINS: If the member for Mitcham chooses not to believe me, that is fine. He is free to do so.

Mr S.J. Baker interjecting:

The ACTING SPEAKER: Order!

The Hon. FRANK BLEVINS: I will certainly not lose any sleep over it. If he genuinely wants a further opinion on it, I suggest he contact the six employer representatives on the board. They are very reputable people, and I will refer to them in a moment. There was also some criticism—I am not quite sure why—of the lower Casino rate. I cannot say why there is a lower rate for the Casino other than that the actuary said that that was the appropriate rate. If the actuary had said that the rate should be higher, it would be a higher rate. We do not pluck these figures out of the air. The levy is set on proper actuarial advice. If the member for Mitcham does not like that, he is quite welcome to suggest to WorkCover some other basis for setting a levy, but I cannot imagine what that would be.

The taxi industry excited the member for Mitcham for some 10 minutes or so. What is the status of the taxi industry? Well, it has not changed. The status of the taxi industry is pretty well the same as it was prior to—

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: A mess, I agree—prior to WorkCover's being introduced. There are some very complex arrangements as to how people earn their money in the taxi industry, whether or not they are employees. However, the taxi industry is acting, as one would expect, very responsibly. It is having discussions with WorkCover tomorrow, as a matter of fact, and it may well be that the taxi industry and WorkCover can come to some mutually advantageous arrangements on a proper commercial basis. If they do, good luck to them; if they cannot, I am afraid there is nothing at all that we can do about it. If the taxi industry chooses to conduct its affairs in a certain way which means that we cannot deem their workers or the people engaged in the industry to be employees, there is not a great deal we can do about that. We can, of course, legislate to have subcontractors deemed to be employees. I am sure that the member for Mitcham would object very strongly as his Party has done over the years when we attempted that in other areas. I do not think he would change his mind for the taxi industry.

This Bill before us was brought to me by WorkCover. It is nothing that I initiated, except that I have a general view, which I conveyed, that I want changes made as they are found to be necessary. However, for some reason or other, the member for Mitcham made some criticisms in his second reading contribution. It is a real slur on the employer representatives on the board to suggest that somehow they are doing things against the interests of employers, or somehow they are acting in a political way. That is quite offensive. These are people of very high repute in the community who are guarding their funds—not taxpayers' funds—very carefully indeed. They believe that these amendments are desirable. The union representatives on the board also agree that they are desirable, as it is their money and their members who receive the benefits, I have no reason to argue with the Bill before the House. On their behalf, I object to the criticism levelled at them by the member for Mitcham. Let us spell out who they are.

Alan Crompton, the ex President of the Chamber of Commerce and Industry, is a member. To cast any slur at all on Alan Crompton is quite outrageous. The service that he has put in for employers in this State is absolutely without parallel. However, he is subjected to criticism by the member for Mitcham. We all know Bob Dahlenberg. I assume everybody in this House knows and respects him greatly. He is the ex General Manager of Shell in South Australia, very prominent in the South Australian Employers Federation. To suggest that somehow Bob Dahlenberg is not acting in the interests of employers and that somehow he is a crony or a friend of mine because he is on the board is quite an outrageous slur. He is a very fine South Australian.

Robert Hercus, whilst not as well known as Bob Dahlenberg, is widely known and highly respected in the engineering employers association. He is somebody whose reputation is beyond question. Michael Shanahan is also a member of the board. He is the past President of the UF&S. To suggest that somehow Mike Shanahan is not acting in the interests of primary producers in this State is outrageous. The member for Mitcham and others who have backed him in these suggestions ought to be thoroughly ashamed of themselves. Mike Shanahan has acted all his working life in support of primary producers, and to a much greater degree than some members of this Chamber.

There is a suggestion that there is no business acumen on the board. Again, that is nonsense. I have already mentioned four very prominent businessmen in South Australia. We also have Gabrielle Kronberger, who is a partner in Peat Marwick & Hungerfords, a firm of chartered accountants. To suggest that somehow Ms Kronberger is not acting in the interests of employers and has no expertise in financial matters is patently absurd.

The sixth member of the board is Garth Challans. He is a representative of the self-insurers, as was suggested by the self-insurers. He is employed by the State Bank and is very prominent in financial circles in this State. So, it is more than unfortunate, it is outrageous, that the member for Mitcham, supported by other members opposite, criticises these people and suggests that they are not acting in the interests of employers. The amendments embodied in this Bill before the House were agreed unanimously by the board.

I think it is absolutely disgraceful for members opposite to criticise them. I believe that most of the points raised by the member for Mitcham will be covered in the Committee stage, so I do not intend to go through them again.

I will refer to a couple of other contributions. The member for Victoria suggested that somehow WorkCover was putting the State into debt. I do not know whether he was quoting himself or the member for Mitcham during the final stages of debate on this measure when it was originally before the House. There is no evidence to support that assertion whatsoever—none at all. Not one cent of taxpayers' money has been spent, and at the end of the year the financial accounts of WorkCover will be placed before the House and I think that the member for Victoria will be pleasantly surprised. Of course, the member for Mitcham will be disappointed because there will be nothing to criticise. However, that is something for the annual report, and not something that I will dwell on at any great length. I have the utmost confidence in the board; that when the annual report is put before the House we will see that the scheme is managed to the financial benefit of employers and the whole of the South Australian community.

Mr D.S. Baker: What's gone wrong in Victoria?

The Hon. FRANK BLEVINS: I thought that I explained this when the Bill was originally before the House. I am very pleased that we had the benefit of 12 months' experience in Victoria, because we particularly avoided some of the features of the Victorian scheme that we thought, in the long run, were unsupportable. We made no secret of that and we made no secret of it to the trade union movement. We told it that the benefits paid in South Australia would not be up to the level of Victoria. I repeatedly stated that to the trade unions and the House. However, the annual report will tell the tale—

Mr D.S. Baker interjecting:

The DEPUTY SPEAKER: Order! The member for Victoria has already made a contribution.

The Hon. FRANK BLEVINS: —because the board will report to me, and that report will be tabled in Parliament for all to see. I am very confident of the outcome. The member for Goyder made one or two complaints, but I have not heard too many complaints from Yorke Peninsula, which is an area of the State that has been particularly favoured by the WorkCover system. It has not been singled out for special treatment, but inherent in the system are large benefits for the bulk of the constituents of the member for Goyder. I am pleased about that because I believe that the rural industry is one of the engines of wealth creation in this State, and the fact that WorkCover has brought some relief in their input is something to be applauded.

I think that the UF&S is to be congratulated for its constant support for the WorkCover concept over many years. Michael Shanahan and Grant Andrews did an extensive study on workers compensation, both interstate and overseas, and were convinced many years ago that a single insurer scheme was the way to go. I think that the faith in their judgment has proved to be correct. I will check *Hansard* tomorrow, but the member for Goyder apparently suggested that if the Liberal Party wins the next election it will abolish the system.

Mr Meier: I did not say that; I said that we would have a much better system.

The Hon. FRANK BLEVINS: I will check *Hansard* because, as I said at Question Time, I do not believe that this system can be abolished.

Mr Meier interjecting:

The Hon. FRANK BLEVINS: I would be delighted to hear the views of members opposite—

Mr Meier: My personal opinion is that I think it should be abolished.

The DEPUTY SPEAKER: Order!

The Hon. FRANK BLEVINS: —because, as I said at Question Time today, the problem with abolishing this system is that now you have entrenched amongst the bulk of the employers in this State, in the engineering, primary and building industries and many small businesses in the contracting industries, a ceiling of 4.5 per cent of payroll. If the Liberal Party believes that it can introduce a system that will increase that maximum of 4.5 per cent of payroll, it is kidding itself because the UF&S will not allow it to do so. The Chamber of Commerce and Industry, the Engineering Employers Association and the Master Builders Association will not allow it to do so. That was the flaw in the argument advanced by the member for Goyder when he suggested that the 4.5 per cent levy was too low and that it ought to be 8 per cent, which would still represent a significant decrease for the high risk industries, and he asked why we did not do that.

Mr D.S. Baker interjecting:

The DEPUTY SPEAKER: Order! The member for Victoria will come to order.

The Hon. FRANK BLEVINS: That has some superficial appeal, but the reason that we did not do it is very clear: because our principal competitor in the manufacturing industry or, for example, in the shearing contracting industry is Victoria and Victoria established a 4.5 per cent maximum. Victoria set a market rate and the Government had to meet it. It may well be that, if Victoria had established a maximum of 8 per cent, the Government would have done the same and the degree of cross-subsidisation would have been less. But, if you are saying in this State that our manufacturers in particular can survive on a workers compensation rate that is almost 100 per cent higher than our competitors, you are quite wrong—they cannot. That is why the 4.5 per cent maximum was introduced. It is as simple and as logical as that. If the Opposition is suggesting that it would go to 8 per cent, it would find out very quickly from business in this State that, whilst it sounds a nice idea, it will stick at 4.5 per cent.

Mr Meier interjecting:

The DEPUTY SPEAKER: Order! The member for Goyder will come to order.

The Hon. FRANK BLEVINS: I thought that I covered that by saying that the benefits in South Australia are lower than the benefits in Victoria.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. FRANK BLEVINS: The annual report will tell the tale.

Mr S.J. Baker: You won't have any figures, their computer doesn't work.

The DEPUTY SPEAKER: Order!

Mr D.S. Baker: You don't even understand what it is all about.

The Hon. FRANK BLEVINS: I am quite happy and confident that when I present the annual report to Parliament it will be with a smile.

Members interjecting:

The DEPUTY SPEAKER: Order! The debate is not being helped by members interjecting.

The Hon. FRANK BLEVINS: Particularly as I was very quiet during the second reading debate; in fact, I was not here. I commend the second reading to the House. I am sure that over the next two or three hours we will have an extensive debate in Committee on some of the details that are in the Bill. I look forward to that debate being constructive and as brief as possible.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—'Functions and powers of the Corporation.'

Mr S.J. BAKER: I move:

Page 2, lines 4 to 6—Leave out subsection (3) and insert the following subsection:

(3) The corporation may carry out such investigations and inquiries as are reasonably necessary for the purpose of—

(a) determining any matter that might affect its liabilities; or

(b) carrying out any of its other functions.

As the clause currently stands, the corporation can make such investigations and inquiries as it thinks fit. We have already seen a departure from what I believe is the essence of the Bill in relation to the payments and premiums that will accrue from private employers. That faith was broken when it exceeded the direction of the Bill. It is important that the Bill reflect the wish of Parliament, which is that the corporation's investigations should be relevant to the its functions, and that is what this amendment does.

The Hon. FRANK BLEVINS: I oppose the amendment because the clause is quite satisfactory. The problem with the amendment moved by the member for Mitcham is that what is 'reasonably necessary' must be defined. There is a possibility of opening up an avenue for quite unnecessary litigation concerning that phrase. I do not consider that the clause will create any problems.

Amendment negatived; clause passed.

Clauses 5 to 9 passed.

Clause 10—'Incidence of liability.'

Mr S.J. BAKER: This deals with accidents that are not directly related to the workplace; namely, 'journey to work' accidents. Will these unrepresentative liabilities become part of the secondary fund and why has this provision been included when the employer is not usually responsible for such payments?

The Hon. FRANK BLEVINS: The problem is that the employer pays for the first week in relation to journey accidents. It is more appropriate that it comes out of the employee's third party car insurance, so it is a saving for the employer.

Mr S.J. BAKER: That is what my question is directed at. Does SGIC have to accept responsibility to pay third party claims in each case where journey accidents are involved?

The Hon. FRANK BLEVINS: It must; it is covered by the insurance.

Mr S.J. BAKER: There has been some difficulty between the various insurance companies about who actually pays the bills. There is some conflict about whose responsibility it is to pay for the injuries. With regard to workers compensation insurance, it was always my understanding that, if an employee was injured on the way to work, the employer, through the insurance company, had to pay the costs. If that is wrong, I will accede to the Minister's greater knowledge.

My other question concerns proposed subsection (8a), which is aimed at casual domestic employees. It is very open-ended because it means that anybody can be excluded from paying for their own liabilities. It would have been better to specify casual domestics in the legislation rather than leave it to regulation. Can the Minister give a guarantee that this is the only area affected and are there any other areas in which he is thinking of making a similar form of exemption?

The Hon. FRANK BLEVINS: I acknowledge the point. My advice is that that was the best way to draft the provision. It was suggested that, in the case of casual domestics, it could have been spelled out. However, I accepted the advice of those who know more about drafting than I do. I will discuss the honourable member's query with my drafting advisers to see whether they are still of the view that this is the best way to address the problem, and report back to him.

Mr MEIER: As I mentioned in my second reading speech, I am concerned about whether or not domestics over the age of 65 are covered by this proposed subsection.

The Hon. FRANK BLEVINS: I cannot see how the question arises. If they are employees, they are covered. I am not sure what prompted the question.

Mr MEIER: It was brought to my attention by people who employ a person or persons over 65. WorkCover indicated that they were to pay WorkCover premiums for any person or persons over 65 but they were not covered under WorkCover. That surprised me. I realise that the Minister was not able to respond to everything that was mentioned during the second reading debate, so I mention it again because I know quite a few domestic helpers who are over 65. There is not much point having WorkCover provisions if people over 65 are not covered.

The Hon. FRANK BLEVINS: There is a misunderstanding on the part of the member for Goyder because they are covered for medical expenses. If they were to lose an arm, they would be compensated according to the scale. A person over 65 is limited in the amount of compensation that could be received for economic loss; it is not a case of providing for the loss of, say, 30 years of working life.

However, I still cannot see what the problem is. If the honourable member writes to me with his example, I will go through it step by step in correspondence with him hopefully to assuage his constituent's fears.

Mr D.S. BAKER: A similar case has been brought to me from the building industry where it is claimed that in respect of some employees older than 65 years the full levy must be paid and that it must be paid also on redundancy or superannuation payments. However, the Minister has said that these people are not fully covered. Is it reasonable to accept the full levy if the people in question are not fully covered?

The Hon. FRANK BLEVINS: I believe that the present provisions are reasonable, but I am happy to have WorkCover re-examine them. Paying on superannuation and redundancy is a separate issue which I should be happy to address at the appropriate time, but it is a complete furphy. If the total collection, for example, is $150 million and it is not collected in respect of superannuation or redundancy pay, the same $150 million must be collected, so everyone must pay a little more. Therefore, the question is irrelevant.

Mr MEIER: Prior to the passing of these amendments, if a person paid less than $5 000 a year to a casual employee that person was automatically covered. Does this provision simply extend that limit?

The Hon. FRANK BLEVINS: Yes.

Mr MEIER: If I employed a person for a day to demolish a fence between my house and that of my neighbour, would I be completely covered even if I did not tell anyone that I was employing that person but, in the case of accident, told WorkCover, 'I'm sorry, the person has had an accident I guess he'll take up the expenses.'?

The Hon. FRANK BLEVINS: If the person were employed off the street to help for the day in taking down the fence and it was therefore a case of labour only being supplied for the day, the answer would be 'Yes. The person would be completely covered'. However, if the person is employed by a building firm or a subcontractor who brings equipment on to the property to rip down or recoil wire, etc., the person must be treated as a subcontractor rather than as an employee and the arrangement would be different.

Clause passed.

Clauses 11 and 12 passed.

Clause 13—'Limitation of employer's liability.'

Mr S.J. BAKER: The Bill sorts out the problem of casual domestic labour, which has been a difficult area about which I have received many telephone calls and letters from people either not obliged or not inclined to do work around the house because of the liability that might be incurred. The employers have taken on that liability, which is a further problem for them, but at least the difficulty has been sorted out.

There is the potential area of the limitation of employers' liability where an action is being pursued in New South Wales to circumvent the no liability clause which underlines this whole legislation. The idea was that one sued the associated employee and the employer finished up footing the bill for failing to provide safe premises or associated mat-

ters. This clause overcomes any difficulties that might arise should an injured employee decide to use a third party as a means of getting a common law claim against the employer, and to that extent the Minister is to be congratulated on taking the initiative by removing that problem from the statute.

Mr M.J. EVANS: New subsection (4a) *(b)* provides that, where the disability is attributable to the negligence of another worker who was acting in the course of employment with the same employer, the worker has no right of action against the other worker. In modern business practice employers often break up their business into a number of related corporations that act together. Only recently, we have seen General Motors-Holden's being divided into several operating units. Some of these units may operate on the same site.

Employees from related corporations will act together in some circumstances, sometimes frequently. Does that create any kind of potentially anomalous situation where in fact those employees are not acting in the course of employment with the same employer since they are operating under different employers? There is provision later for related corporations. Does that provision relate back to this clause, and does the 'same employer' mean 'related employers' or is there the potential for anomalies to arise where a business has been divided into separate corporations which actually operate from similar sites but with different corporate identities?

The Hon. FRANK BLEVINS: I am advised that the problem has been recognised and is taken care of under new subsection (4b) on page 4 of the Bill. If a separate legal identity is involved, the redress is under new section (4b).

Clause passed.

Clause 14 passed.

Clause 15—'Insertion of ss. 58a and 58b.'

Mr S.J. BAKER: This clause causes considerable difficulty. First, it imposes on an employer certain obligations to notify the corporation of changes in the circumstances of injured workers. The second part concerns the employer's responsibility to re-employ an injured worker. I move:

Page 5, lines 11 and 12—Leave out paragraph *(a)* and substitute the following paragraph:

(a) a worker who—

(i) suffered a compensable disability arising from employment with that employer;

and

(ii) has been receiving weekly payments for total incapacity for work resulting from that disability,

returns to work with that employer;.

This amendment is related to a further amendment, which strikes out paragraph *(c)*. In the Bill we have a set of convoluted ideas expressed in this first section about whose responsibility it is to advise whom.

Clearly, it should not be incumbent upon an employer if it is not the employer at whose premises the injury occurred. We already have difficulties involving multiple jobs. Therefore, to impose liability on an employer who is not the employer at whose workplace the injury has occurred is fundamentally wrong in law. Secondly, how much information does the Minister want to go to the corporation? Changes in working circumstances could mean a daily report on whether people are pushing a broom or working a lathe or doing office duties to get them back into the working environment. Paragraph *(c)*, states:

there is a change in the type of work performed by a worker who is receiving weekly payments for partial incapacity.

We are getting into a terrible area of bureaucratic overload if we require employers to write a report every time an employee changes his type of work. One hopes that a person partly incapacitated will be given a variety of work. That provision is not appropriate.

Another concern relates to the 14 days notification. An employee is required to notify the employer within 14 days but within that 14 days there is a requirement on the employer to notify the corporation, and that creates a difficulty. If the employee does not notify the employer within 14 days, the employer will have broken the law because he has no capacity to notify the corporation within the same 14 days. This first amendment seeks to rectify these problems.

The Hon. FRANK BLEVINS: I oppose the amendment as it would only place an obligation on the employer to notify WorkCover of a return to work. The current provision is wider than that and it requires the current employer or employers, if there are more than one to notify of the return to work. It is obviously important that employers when they know that a worker has been off employment because of workers compensation, whether injured in their employment or not, notify the return to work. The reason is clear. There have been instances in Victoria of an employee who had several employers at any one time being off on workers compensation from an injury that occurred when in the employ of one employer and getting the appropriate benefit which is for the whole of his employment across the three employers and then continuing to draw workers compensation and working at the other two jobs, assuming we are talking of three jobs. No-one agrees that that should happen.

The amendment is designed to stop that and to put an obligation on all the employers of that employee to notify the return to work. It is to protect WorkCover funds, employer funds. Obviously, there will be more administration because of it but the WorkCover Board believes that this provision is warranted by the potential for abuse in this area and the recorded cases of abuse in this area in Victoria. The payoff for WorkCover and its funds is more than compensated by the extra administration required.

Mr S.J. BAKER: I do not disagree with anything the Minister said. The only difficulty is that the Bill places undue responsibility on a person who has not been responsible in any way for the original injury. I refer the Minister to an example which occurred in my electorate involving a person working for the Government who also worked part time on the weekend. That is perfectly reasonable. The person was injured at the weekend and was off for several weeks. If he had been injured in the course of his State Government employment he would have had a responsibility, even though he worked only once every three weeks or so, to notify the other employer for whom he worked on a casual basis, and that employer was charged with the responsibility of notifying WorkCover. He may never see that employee again, or may see him only six months later.

There is a dilemma here because of multiple job holding. Unless the employer has been the one on whose premises the injury occurred, it seems hardly fair to place the liability on him. The Minister says that the employee is responsible for notifying his previous or other employers. That is fine, but what if he does not? The employer still has to report to WorkCover. There are no ifs or buts. Although, there is the problem with the 14 days: if the employee does live up to the responsibility and contacts the employer within 14 days, the employer is responsible within that 14 days to notify the corporation. I would be happy for the Minister to consider the problem so that the Bill could be amended in another place if there is a better way of expressing what should be there.

The Hon. FRANK BLEVINS: I undertake to do that. We both want the same thing and it is just the words needed to achieve it that need to be clarified.

Amendment negatived.

The Hon. FRANK BLEVINS: I move:

That the time for moving the adjournment of the House be extended beyond 10 p.m.

Motion carried.

Mr S.J. BAKER: I move:

Page 5, lines 15 to 17—Leave out paragraph *(c)*.

This paragraph deals with the responsibility to notify the corporation every time the type of work performed changes.

The Hon. FRANK BLEVINS: I oppose the amendment. It will delete the requirement of an employer to notify a change in the type of work performed by a worker receiving partial incapacity benefits. The Bill attempts to avoid overpayment of benefits when a worker has taken on higher paid work than the worker was originally assessed as being capable of performing. Again, it is to protect the funds of the corporation.

Mr S.J. BAKER: If that is the intention, the wording could be changed to reflect that. As it stands, the legislation requires the employer to notify every change in the type of work, and that is open-ended. All the Minister has to do is change the wording so that it reads something along the lines of 'change his remuneration capacity'.

The Hon. FRANK BLEVINS: I will consider that suggestion. It may well be that there ought to be words added so that it reads 'to employment which pays a higher rate'. I will talk again to my drafting advisers and see whether the provision can be made clearer.

Mr D.S. BAKER: I support the amendment. It appears to me that the onus on employers is becoming greater and greater as we work through this Bill. This clause could become very onerous in terms of bookwork alone for any employer. Anything that can be done to alleviate that problem would have to be in the best interests of all parties concerned. It appears to me that a change in payments received would alleviate the problem regarding this paragraph and make it much simpler for both parties.

I ask the Minister to consider that. Perhaps some changes could be made in another place. Under all these Acts, especially this Act, the burden on employers is becoming greater and it is a fact of life that many of the complaints we receive in our electorates are from employers who do not have the time or staff to carry out the duties that are thrust on them under this Act. Not only does this Act place a financial burden on them but also there is the additional burden of their trying to keep up with the bookwork. When this does not happen, it appears to me, the people who complain to WorkCover are not getting a sympathetic hearing and that is when many of the problems arise. We are talking not about employers who employ 1 000 people but about the employer who employs a couple of people and who has to sit down for many hours a week to keep up with some of the onerous provisions under these Acts. That becomes quite ludicrous when this work is not neccessary.

Amendment negatived.

Mr S.J. BAKER: I move:

Page 5, lines 30 to 36—Leave out subsection (1) and insert new subsections as follows:

(1) If a worker who has been incapacitated for work in consequence of a compensable disability is able to return to work, then—

(a) where—

(i) the worker is fit to undertake the employment in which he or she was engaged when the disability arose;

and

(ii) the employer from whose employment the disability arose is in a position to re-employ the worker in that employment,

the employer must, on the application of the worker, re-employ the worker in that employment;

(b) where—

(i) the worker is not fit to undertake the employment in which he or she was engaged when the disbility arose but is fit to undertake some other kind of employment;

and

(ii) the employer is in a position to make available to the worker that other form of employment,

the employer must, on the application of the worker, employ the worker in that other employment.

(1a) If—

(a) an employer employs or re-employs a worker in pursuance of subsection (1);

(b) there is a consequential detriment to the profitability of the business in which the employer is engaged,

the Industrial Court must, on the application of the employer, quantify the detriment and the corporation must reimburse the employer for the amount of the detriment, or the amount of the levy paid by the employer for the period over which the detriment arose (whichever is the lesser).

This amendment is very long. The principle I am expounding under this amendment is that there should be some compensation for employers who do the right thing under the Act. As the Bill blandly states, an employer is required to accept back an injured worker or a person who has suffered some injury and who is returning to the workplace. I am a great believer in the fact that that principle should be adhered to.

Difficulties arise, however, in a number of instances; one is where that person has been away from the workplace for some months or more than a year and someone else has been employed in his or her stead. There are other examples where the person comes back in a capacity which is reduced in comparison with their previous capacity, and in small workplaces there is a real difficulty. The difficulty is that there may not be room for someone in a two or three person workplace to be able to take up the job they left. It is feasible in large workplaces of 50 or 100 people to take people back on staff. The only way it is worthwhile for the employer to accept someone back is if the financial burden associated therewith is somehow reduced or removed.

One of the good things under the old legislation was that it was in the interests of the employer to get that person back into the workplace because the employer knew that the longer a person stayed away the more they would have to pay in premiums the following year; and the longer that person stayed away the less likely they were to make a contribution to the workplace.

No carrot is dangled in relation to the conditions under this Bill, but my amendment dangles the carrot and says, 'Look, we understand that in all probability some financial disadvantage may be suffered. We will not force you to make a decision which may be disadvantageous to your firm, but we will act on the principle that it is good practice anyway.' Under the old Act the good practice was that, as soon as the employee re-entered the workplace, less workers compensation premiums would have to be paid in the following year.

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: I understand that the Minister says that that will now happen, but I have seen nothing along those lines. In all probability—

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: If the Minister wishes, he could start a whole new debate on what was in the Act and what has actually been done. I ask the Minister what happened to the self-employed provision where the taxi drivers could

have been provided for overnight, but that has not been brought into force by the corporation.

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: The Minister should not tell me about what will happen. I do not have a great deal of faith in the Minister's protestations as to what will happen. I want to see something of substance and I know that the Act provides that the corporation can actually give some incentive. To date, I have seen nothing from the corporation to suggest that it will do that. Two employers have complained to me that people from the agency rushed through the door and said, 'Listen, you have to take this worker back.' The employer said, 'Hang on, you can't tell me what to do', but there are a few difficulties. The agency said, 'Well, I want you to spend so many thousands of dollars in modifying your workplace and I want you to take the employee back now.' Of course, the employer said, 'I want to take this person back, because he is a very valuable employee, but how can I take him back when I am paying premiums higher than I have ever paid before and you are saying that I have to pay out of my own pocket for assisting the worker?' That is a fact of life.

The Hon. Frank Blevins: It is not a fact of life.

Mr S.J. BAKER: I have seen two examples of that.

The Hon. Frank Blevins: You should send them in to see me. I will fix them up. Obviously, you don't understand and you are giving them very bad advice.

Mr S.J. BAKER: I am not sure that the Minister could give them any better advice. I do not think that the Minister knows the Act which he administers. This amendment seeks to determine that the principle of a person returning to the workplace is important and, if the employer is to suffer some financial liability which may crush the firm, especially in very small workplaces, there should be some offsets in the system. The Act provides that the corporation can offset premiums to assist the rehabilitation process. To date, no announcement has been made in that regard. The two complaints that I have received, probably about over-zealous rehabilitation agents, have been along the lines, 'Look, you have to take this employee back.' We all know that this is not the right way to operate. My amendment places the procedure fairly and squarely within the Act.

It provides for the corporation taking responsibility to assist in the rehabilitation process and to assist the employer who is making the effort to accept that worker back and to get that person back on the road. If this clause is passed, it provides that, irrespective of the circumstances, the employer has to take the injured employee back; irrespective of whether the person has been away for two years, the employer must take the employee back; and irrespective of whether the employee can perform the duties as previously, they have to be taken back. The only way that the employer does not have to take them back is if they can prove to the court that they cannot do it. We are talking about a reverse onus of proof and about an employer being forced by first principle to take back an injured employee when the circumstances may well be so difficult that it is quite impractical to do so.

In the interests of trying positively to assist in this rehabilitation process, I have moved this amendment, because I believe that it really expresses our intentions, namely, that we should assist the employer financially in providing the employee with the best rehabilitation possible.

The Hon. FRANK BLEVINS: I oppose the amendment. Can I clear up some, I will say, misunderstandings of the member for Mitcham? The principal Act, which is freely available, the Workers Rehabilitation and Compensation Act, at page 18, Part III, under 'Rehabilitation and Accident Prevention Programs' provides under section 26 (3) *(g)* that the corporation may:

> Provide equipment, facilities and services to assist workers to cope with their disabilities at home or in the workplace.

If somebody from the rehabilitation section of WorkCover suggests that X, Y, or Z require attention in the workplace so that the injured worker may come back into a particular workplace, WorkCover pays for it. It is all provided for in the Act. To say that this employer came to the member for Mitcham and said, 'I will have to pay thousands of dollars to have the place modified' is incorrect. They do not have to pay anything—WorkCover pays. So, if the member for Mitcham receives any of these kinds of inquiries again, he can point to the provisions in the Act and show those people his deep knowledge of the detail of the Act. If he still has difficulties, he can then contact me.

It is not true to say that there is no financial carrot for employers to take back an injured worker. The Act provides for that, and that will be used. That provision can be a system of bonuses and penalties. As soon as we have sufficient data on which to fairly base such an adjustment, I assure members that we will do it. It may take 18 months to have sufficient data, but the actuaries will tell us when the data is sufficiently sound for us to say to employers, 'Your rehabilitation is excellent, as is your record of lack of injury. Therefore, we can apply any bonus to them at all.' There is no limit. There is no restriction in the Act to the bonuses that can be applied; nor, I might add, is there any restriction on the penalties that can be applied to bad employers with bad records or on a pretty ineffectual rehabilitation system in that work place. So, the financial carrot and the financial stick are there. I am sure that all members of the Committee would applaud that. But that is in the principal Act; that is inherent in the scheme.

I agree with the member for Mitcham that this is a particularly important part of the amending Bill. If we do not get this area right, we will have some problems, but certainly not problems that will be fatal to the scheme. Again, in Victoria, the experience has been that employers there are attempting to dump onto the workers rehabilitation and compensation scheme workers whom it is too much trouble for them to take back. They do not accept any social responsibility and, for some reason, they are not particularly worried about the financial penalties. In effect, they are not dumping these workers onto the taxpayer: they are dumping them onto other employers. I must keep stressing throughout this debate that it is all employers' money, and employers do not want to pick up the tab for another irresponsible employer who feels no obligation to employers in general or to the scheme in general.

I believe that the provisions in the Bill will go a long way to solving that problem. It will not be a problem for responsible employers in this State, but certainly irresponsible employers will have to behave more responsibly. They will have the assistance of WorkCover to do that, both in advice and financial assistance where that is necessary. But, at the end of the day, the responsible employers in this State will not be picking up the Bill for irresponsible employers.

Mr S.J. BAKER: I thank the Minister for that response. In relation to the problem of the overzealous agent at Port Lincoln, I recommended that the person contact someone who knew a little more about the scheme than the agent did, and that problem was sorted out. The Minister spoke about the system of bonuses and penalties. Unfortunately, we have come to the conclusion, if we listen to the Minister, that it will be 18 months before the system of bonuses and penalties will be sorted out. The Minister has nothing to

date from his computer which would give any idea how the system is running.

So, that will cause a run-on in the time frame in which one can actually get data to draw conclusions. In fact, I do not actually know how the annual report will be got out this year. Maybe some of those things will be sorted out in the next few months. Importantly, however, we are talking about how the scheme operates from now, not in 18 months time.

The Hon. Frank Blevins: Don't shout at me.

Mr S.J. BAKER: Sometimes you are deaf.

The Hon. Frank Blevins: I am not deaf.

Mr S.J. BAKER: You have complained about being deaf on certain occasions. I am just making sure that you can hear.

The Hon. Frank Blevins: I have 20/20 hearing; there is no need to shout.

Mr S.J. BAKER: We are talking about something that will happen in 18 months time, we are talking about employers as of now who will be responsible for taking back employees. They will do that under a penalty system, with a big heavy stick hanging over them and with the thought, 'We don't care if it breaks you or if it is inappropriate; we don't care for all those reasons, but you must accept back an employee and if you don't like it the onus of proof is on you and it will be your responsibility'. Under all those points lie some great difficulties, as I have indicated to the Minister. What I am trying to do is to say in principle at day one that rehabilitation is the important component, that it should be approached in a productive fashion and that it should provide a lot of incentive for all the right things to be done. I do not believe that we should wait 18 months.

I have listed here tonight all the problems that are wrong with the WorkCover scheme. I know that the Minister has said that they will be all right, that they are just old problems rehashed. But they are problems that I happen to hear about week after week, and people are getting the distinct impression that WorkCover is a lemon. Irrespective of what I believe about the future of WorkCover—and I have an ideological position on WorkCover—at least whilst this Minister is in this Government or this Government is actually operating in this State, it is beholden on it to make the damn scheme work as well as possible. But it is simply not performing at the moment. If we get into this situation now where somebody says, 'Look, I don't give a damn about the circumstances, that employee is going back into your workplace'—which is the expression used in this amendment—then I believe that we are starting off on the wrong foot and I want to get the thing off on the right foot. I believe that this amendment has a great deal of merit. I know that the Minister is refusing, but perhaps it can be thought about and really reconsidered in the light of what we can actually do about helping employers and employees to meet their responsibilities under the Act.

The Hon. FRANK BLEVINS: The member for Mitcham got somewhat carried away when he started talking about WorkCover being a lemon. I point out that the overwhelming majority of employers in this State had huge reductions in their premiums.

Mr S.J. Baker interjecting:

The ACTING CHAIRPERSON (Ms Gayler): Order! The member for Mitcham had his say and will come to order.

The Hon. FRANK BLEVINS: I think I mentioned earlier today that, in particular, our primary, manufacturing and building industries—all those sections of our business structure—have had huge reductions, of several hundred per cent. That is something that will not be reversed irrespective of any change of Government or Minister because employers will not permit anybody to do so. I agree with them completely. The productive section, the wealth producing sector of South Australia's economy, has benefited enormously.

That was an aside, but I thought that it was worth a response, as the member for Mitcham had got somewhat carried away, as he does. One of the problems here tonight is that the member for Mitcham just does not read the Bill. He is saying that WorkCover officers can walk in, say 'Do this' and 'Do that', and he used some pretty strong language which I do not want to repeat, saying that it does not matter whether it bankrupts the business or how absurd is what is being suggested, but that is taken care of in the Bill. Subsection (2)(a) states quite clearly that the principal part of the clause does not apply if:

> . . . it is not reasonably practicable to provide employment in accordance with that subsection.

It is there quite clearly: it has to be reasonable, it has to be practicable. The type of safeguards the member for Mitcham is looking for are all here in the Bill—and I agree with him that those safeguards are necessary. That is why they were put in the Bill. On that basis, I repeat that I reject the amendment.

Amendment negatived.

Mr S.J. BAKER: I do not intend to pursue the further amendment to that clause, but I simply make the observation that there is a conflict between the Industrial Conciliation and Arbitration Act about the 28 days notice as required in this Bill compared with the industrial laws in this State. Perhaps the Minister could have a look at it some other time.

Clause passed.

Clause 16—'Exempt employers.'

Mr S.J. BAKER: I move:

Page 6, lines 15 and 16—Leave out paragraph *(eb)*.

I shall use this as a test amendment. We understand that a number of employers in this State wish to be classed as exempt employers. There are a number of advantages to that status. They run their own schemes and they are responsible for their own processes in terms of assisting their employees. We know that where there has been a self-insurance scheme operating in particular industries the quality of safety has been far higher than that for comparable industries. We know that the cost to the employers is far lower than in comparable industries, and we know that the industrial relations record of those industries is far better than where the industries themselves have been subject to general insurance.

The reason is that if a company is responsible for its own affairs it will obviously make the effort to ensure that its costs are minimised and its profits maximised. This provision says that, when considering the application for exemption, the corporation take account of the effect that registration of the employer or group would have on the compensation fund. That simply is a new provision designed to stop people seeking exemption. I put to the Minister that the reason people seek exemption is that they believe that they have the capacity to conduct their affairs properly outside the general fund.

We have agreed to that principle within the Bill, therefore there should be no special provision to say, 'Look, you might reduce the amount of income to the fund by .5 of 1 per cent, therefore we cannot allow you to leave.' This should be based on the ability of people who want an exemption to operate as an exempt employer or an exempt employer group in a cost effective, efficient manner, paying due regard to the benefits accruing to their employees. The

Opposition completely rejects the proposition that is contained herein.

The Hon. FRANK BLEVINS: I oppose the amendment. The provision is sensible. The effect of any large scale withdrawal by employers under the compensation fund is of crucial importance to the State. I have always had a deal of sympathy for the position of self-insurers, for some of the reasons that have been advanced by the member for Mitcham. We now have a sole insurer and, if the scheme is to stay viable, any leakage of employers from the scheme must be in a carefully controlled manner. The provision is still there for a self-insurer to contact the Minister who can make the final decision. I am certainly not unsympathetic to the position of self-insurers. However, I also have an obligation to protect the financial viability of the fund.

In a perfect world, all employers would be self-insurers. It would not be necessary to compel people to take out separate workers compensation insurance other than for catastrophes. A number of firms, which are quite capable of self-insuring, could not withstand a catastrophe. I understand the arguments; however, I have an obligation, as does the Government, to assist the corporation in ensuring that any increase in the rate of self-insuring is not damaging to the corporation. Again I point out that this amendment was suggested by the corporation and unanimously supported by members of the board, including the representative of the self-insurers. It is not a big issue with self-insurers or the industry representatives on the board. In fact, they all agree that such a provision is necessary to give greater control over who can and cannot self-insure.

Mr S.J. BAKER: The Minister has explained his position very clearly. He told employers previously that, if they presented a good case to the corporation and could prove that they would run a compensation scheme through their own devices in a way that was of positive benefit to all concerned, they would be allowed to do so. He is now saying that the Government did not like that idea because there may well be too many people who could run efficient schemes and the Government wants to drag them down to the lowest common denominator. I understand that about 20 or 30 employers are waiting for or will be asking for exempt status. I am concerned that the Minister will not consider them on their merit but purely from the point of view of whether the fund will benefit from their departure from the scheme. That is simply not good enough. The Government should look at merit rather than at what each individual will take out of the fund.

How many of these exempt employers will take out a poultice of money? Together they might well add up to a significant sum, but as individuals they will not represent a significant reduction from the fund. They should all be considered on their merits and, if they have good practices, we should be encouraging these people to seek exempt status because it means they are controlling their affairs and controlling them effectively. They are saving everyone a bit of money. If it is in the retail industry, they are obviously saving consumers the cost on the end price of the goods—something we should be definitely encouraging rather than discouraging. We therefore reject the provision in the Bill.

Amendment negatived.

Mr S.J. BAKER: I move:

Page 6, lines 17 to 19—Leave out paragraph *(b)*.

We do not believe the corporation should have absolute discretion in these matters.

The Hon. FRANK BLEVINS: We oppose the amendment for the reasons already given.

Amendment negatived; clause passed.

Clause 17 passed.

Clause 18—'Preliminary.'

Mr S.J. BAKER: I move:

Page 6, line 26—After 'amended' insert the following:

(a) by inserting in the definition of 'remuneration' in subsection (1) 'superannuation payments made to a worker or' after 'but does not include'; and

(b) [the remainder of clause 18 becomes paragraph *(b)*].

This amendment requires that superannuation payments not be included under the employee renumeration. It has taxed my mind for some time as to how to pull the corporation back into line when it clearly breaches what the Parliament has set down. When we are talking about workers compensation payments, the revenue derived from employers should be consistent with the moneys that will be paid out.

The corporation (and it may well have been a unanimous decision—I have not been informed by the Minister) said that it would get as much money as it could. If employers in that group said that they would get as much money as they could, perhaps my criticisms of those individuals might well be warranted because no doubt exists that the Parliament would never have allowed that to go through. The board on its own discretion decided to use a great big sweeper and take everything that looked like some form of payment to an employee, knowing that on the payment side the employee would not be receiving any of those elements of remuneration. I can go through the list and talk about superannuation, long service leave, sick leave, travelling allowances, and clothing allowances—all of which have been sucked into the system to broaden the revenue base.

I had two options in this case. I could have attempted to amend the Act to make this area of employee remuneration subject to regulation, but I knew that we would have to dismiss the whole regulation which would mean that no money would be flowing into WorkCover or, alternatively, I could list items that should not be included.

Neither option was a palatable solution, so to keep some form of consistency with the only other area that uses a sweeper system, namely, the Pay-roll Tax Act, I determined that the Parliament should show its displeasure at the way in which the corporation operated. The best way to do that was to exclude superannuation from the employee remuneration.

I have said that the corporation is wrong; it went outside the bounds of Parliament. It did not fulfil its duty in this regard and, therefore, I have moved the amendment, on which I intend to divide if necessary.

The Hon. FRANK BLEVINS: I oppose the amendment. In one respect it makes no difference to WorkCover whether or not the amendment is carried.

Mr S.J. Baker: It's dishonest.

The Hon. FRANK BLEVINS: It is not dishonest at all. The employer will finish up paying exactly the same whether or not superannuation is included. If superannuation is excluded, the average rate would have to rise to cover the loss of revenue so that there was not a shortfall or underfunding. Whether one includes superannuation, long service leave or anything else is irrelevant to some extent. If it had not meant another change at this stage in the levy rate I would have been inclined to accept it. The general rate will increase. A set amount is required, and if it is calculated only on 38 hours of ordinary time one can exclude superannuation, annual leave—all those things—and still take the same amount because it will increase the general rate.

Mr D.S. Baker: It's financially naive.

The Hon. FRANK BLEVINS: It is not financially naive; it is a fact.

Mr D.S. Baker interjecting:

The Hon. FRANK BLEVINS: The member for Victoria likes to sit in his corner making those remarks. I can assure him that, if WorkCover requires $150 million for the year, it will get it if the rate is based on 38 hours and you exclude all these other things. It is a simple manipulation of the rate. It does not cause any distress to WorkCover at all. I cannot see what the fuss is about. Certainly, at the next review of rates I will ask WorkCover to examine it as it seems to make the member for Mitcham excited enough to divide. We could give him something to smile about. However, employers will be paying the same amount because it will just be a higher average rate. It is as simple as that. I am happy to give that undertaking to the member for Mitcham. The employers about whom he worries will be paying the same whether it is calculated on superannuation or ordinary time earnings.

Mr S.J. BAKER: We will not agree and we will divide anyway. The Minister's economics are extraordinary. I suppose it is completely consistent with the way this Government operates. It says, 'If you keep expanding revenue, you can spend the money.' That is the principle.

The Hon. Frank Blevins: I'll go through it again; it's obvious that you're having a problem.

Mr S.J. BAKER: We need not go through it again. I can explain to the Minister where the fallacy of composition comes in with his argument. The Minister did not know when the Bill was being presented what the components of the Bill were going to be. He did not know what the remuneration was going to be. He put his finger in the air and said, 'Politically, what can I use to get a rate to reach some agreement with certain employers?' We know that. The Minister knows it. It was a classic trade-off.

The Hon. Frank Blevins: I had nothing to do with it.

Mr S.J. BAKER: The Minister set a rate that would suck in a few of the employer groups who were paying a little more so that they would support the scheme, and so get those in another place to agree.

He made that political decision, and now he is saying, 'But the employers are still going to pay the same.' I disagree entirely. There was never any intention that he would use a vacuum cleaner when he was collecting premiums. He told the employers that it was 4.5 per cent. Everybody understood what 4.5 per cent of wages and salaries was until the corporation came up with this new scheme to be able to collect a little extra revenue—if you like, expand its financial base. That is the truth, and it exceeded its authority in the process. We do not agree with the corporation or the Minister and, in principle, we are moving against that with this amendment.

The Hon. FRANK BLEVINS: The member for Mitcham, for some reason I am not quite sure of, is having a great deal of difficulty understanding that the way in which the average rate is calculated is not important—that it is what the average rate is. What you do is target a certain figure, say, $150 million, which is spread across all the various employers in the State. So, you have to pitch an average levy rate, which at the moment is just under 3 per cent, maybe 2.75 per cent or something like that (that is, if you are using superannuation and all the other bits of remuneration). If you choose to exclude superannuation, annual leave, overtime or anything else, and you still have your target of $150 million because your outgoings are still the same, instead of the average rate across the State being 2.75 per cent you would have to increase it to 3 per cent. Therefore, every individual employer would be paying exactly the same as if he were paying the higher rate on the lesser remuneration group that is levied. He would pay the higher rate on the 38 hours (on the ordinary time earnings) than is paid at the moment. However, at the end of the day the employer would be paying exactly the same amount to WorkCover.

I have no strong view as to whether or not superannuation should be included. I can see that if you include everything that can be classed as remuneration you avoid creative bookkeeping where people would and do—and certainly did in relation to fire insurance companies—try to evade the levy and, if superannuation were excluded, avoid creative accounting so that superannuation took the higher proportion of the total remuneration.

Mr Blacker: Fringe benefits.

The Hon. FRANK BLEVINS: Yes, but if the premium is going to be $200 000 for that company then it is a lower rate on all those bits and pieces of remuneration or a higher rate on only one lump of the remuneration, and you can forget all the other bits and pieces; but you still get $200 000 from that company. It is a very simple concept. It does not require any great thought. As I said earlier, the member for Mitcham seems to feel that it will have some beneficial impact on employers by removing superannuation from the equation, but it will have none whatsoever. It may make him happy, in which case I think it is something worth pursuing.

I will certainly ask WorkCover to consider some of these areas so that it can give an appearance, which is all it will be, of excluding certain parts of the remuneration package, but it will collect exactly the same amount to the dollar from the company; it will just be a higher rate on what is left. It is a very simple equation.

Mr D.S. BAKER: I did not intend to speak until we dealt with clause 19 but, because the matter has already been raised, it will probably be dealt with more quickly in relation to this clause. The Minister has made grandiose claims about WorkCover, saying that everyone is paying a lower percentage. He has said that under the old Act some people paid 15 per cent and now that figure has been reduced dramatically and everyone is paying this very low percentage. Unfortunately, that is where the Minister does not quite understand the figures, because under the old Act people paid a percentage of an employee's gross salary into a workers compensation scheme. It did not really matter what that percentage was: what really mattered was on what structure of the wage people paid.

All of a sudden the Minister is running around and claiming how all the percentages are being reduced and is that not marvellous, but he does not say that the gross wage has been loaded dramatically by including all the other bits and pieces such as superannuation, severance pay, sick leave, travelling allowances and all the other benefits. We now find that redundancy pay is being included. It is very simple arithmetic to work out that, if all those things are added into the gross salaries and wages for the year, of course there is a lower rate, but the amount paid for workers compensation cover does not reduce and, for the majority of people in South Australia, it is not less, as claimed by the Minister. He cannot under any circumstances pull that furphy on the people of South Australia, because it is wrong and, if he does not understand the figures better than that, it is not beholden on us to try to lead him through it in one syllable words.

The Hon. FRANK BLEVINS: I think that is probably about the sixth time today that the member for Victoria has made the same contribution. It does not seem to matter what is before the Committee or the House. Apparently the member for Victoria has this idea in his head and he whips it out at the slightest provocation and repeats it to the Committee. I wish to correct some of the things that he

said. He mentioned that I said that all employers in this State were paying less, but I did not say that at all. In fact, I said something completely different.

Mr D.S. Baker interjecting:

The Hon. FRANK BLEVINS: I do not need to look at *Hansard*. You keep repeating this very simple and quite incorrect statement and therefore it is indelibly printed on my brain, just as someone obviously has imprinted it on the member for Victoria's brain. It makes for rather sterile debate but, nevertheless, it gives an interesting insight into the character of the member for Victoria, if we needed one. I certainly have not claimed that all employers are paying less; some employers are paying considerably more. That was the intention of the scheme. As I think I mentioned previously, the intention of the scheme was that the wealth creating sectors of our community, which are ably represented in this Parliament, for example, by the member for Flinders (and I owe him an apology, because I did not respond to his second reading contribution, but it is all here and I will do so in great depth) needed assistance and we have done that.

This scheme has provided that assistance. However, it has been at the expense in particular of service industries. We have made no apologies for that; that was the intention. The cross-subsidisation is inherent within the scheme. Perhaps it is asking too much to ask the member for Victoria, when he is given his brief on a certain Bill, to at least attempt to make it accurate. I do not mind the member for Victoria constantly repeating the brief he has been given, but it is irritating that I have to respond to correct the inaccuracies. I hope that the member for Victoria asks his staff to lift their game and that they earn whatever it is they are being paid by at least being accurate and less boring.

Mr D.S. BAKER: I just ask the Minister to closely check the *Hansard* tomorrow, to read it very carefully, so that he may understand when it is printed before him.

Mr BLACKER: I pick up another point from what the member for Victoria has said in relation to the WorkCover levy on what might be termed a lump sum payment, an *ex gratia* payment or long service leave. I use as an example an employee who has been working for 10 years and would perhaps be granted, in round figures, $1 000 a year or a $10 000 lump sum payment at the end of a 10 year period. Would he have to pay the WorkCover levy on the total of the $10 000 or on the $750 that was actually earned since the commencement of this scheme because, prior to that, private insurance was taken and it would be assumed that that was covered during that period of time. Is the levy paid on the amount of pro rata long service leave that would be applicable since 1 October or on the lump sum that is received, although the entitlement to that was earned before WorkCover? In other words, 9.25 years, in this example, would have been prior to the WorkCover period.

The Hon. FRANK BLEVINS: The short answer is 'Yes', that the employer would have to pay on the lump sum. It is quite proper that the employer pays on that lump sum. It is remuneration. However, if lump sums were excluded, there would be only an increase in the general rate to collect exactly the same amount required—$150 million—to fund the scheme. If lump sums were excluded, some individual employers may feel that they gain, but in the long run they would finish up paying exactly the same, and the general rate of other employers would be increased, because the same amount of money would be collected from the available employers. What it is levied on is fairly irrelevant.

Mr BLACKER: I take issue with the Minister on this matter. I understand that what he is saying will apply in 10 years time when the entire 10 year entitlement is earned during the period of WorkCover. However, the example that I have just quoted of 9.25 years with entitlement that was actually earned before WorkCover commenced. The justification for the next nine months into the tenth year is totally applicable; there is no argument over that. It is my assessment that there would be no argument 10 years down the track when the entire long service leave or lump sum payment was earned during the period of WorkCover.

I can see a great deal of dissatisfaction in the general community when employers will be required to deduct a WorkCover levy on income the entitlement for which was accrued well before WorkCover was devised. It again raises the issue of estates, and so forth, where the entitlement actually originated or became an entitlement to the employee some time down the track. I guess that it is a penalty on those persons and employers who did not pay their lump sum last year when all the entitlement was earned before WorkCover. Because they happened to be three months late and the entitlement became due as at 1 October and the lump sum was paid as at 1 October, they then had to take out a levy on that lump sum payment as at that date, not the period of employment that had earned it since 1 October.

The Hon. FRANK BLEVINS: Not if it was fully accrued before WorkCover. If it was fully accrued before WorkCover you would not pay. What employers in general are paying for is the liabilities that arise this year. So, if you calculate that the liabilities that you have taken on will be $150 million, to fund that you will need $150 million. That sum will be collected from all employers, irrespective of the various components of remuneration. So, it really does not matter whether it was partially accrued prior to WorkCover or partially thereafter. In the overall scheme of things you still have to raise $150 million, so employers in general will still have to come up with that money. For one or two individual employers it may make a difference in the amount that they must pay in a given year. But overall it does not make any difference: employers will still have to come up with the $150 million or whatever the required figure is.

Mr BLACKER: This is becoming more intriguing because it is retrospective taxation on moneys or entitlements that were accrued well before WorkCover ever commenced. The Minister's argument would be totally valid if the entire period of employment was during the life of WorkCover. In other words, 10 years down the track, the example that I quoted of the 10 year period and $1 000 a year lump sum payment or long service leave at an additional cost I can understand totally. However, I cannot accept that this proposed scheme is putting a levy on entitlements nine years before the commencement of WorkCover. Therefore, it is retrospective taxation.

The Minister's argument that he has to collect $150 million I can accept: he must have that sort of money. However, it is not correct in my view to tax people who were employed before WorkCover commenced nine years ago; often it will be longer than that. But, if the $150 million is to be collected it must be collected from those people and the entitlements must be for that 12 month calendar period.

Therefore, if there has to be an adjustment in the levy it must be during that period, not the period before WorkCover.

The Hon. FRANK BLEVINS: As I have said, probably for the fourth or fifth time, I really have no great problems with that. I have already stated that I will ask WorkCover—as it will obviously make the member for Flinders and the member for Mitcham happy—to have a look when they are making a levy adjustment and perhaps take out superannuation or anything else which seems to offend. Really, it

is no skin off WorkCover's nose, because it will collect exactly the same amount from employers in this State. The question of retrospective taxation does not come into it. It is not taxation, and it is not retrospective in the sense that, when that remuneration is paid, the levy is struck.

The accumulation has nothing to do with it whatsoever; it is when the remuneration is paid. So, it is not retrospective; it is not taxation, but it is something which has kept us occupied here for half an hour or more, when I have already stated that I am quite happy to ask WorkCover, when next they are doing a levy adjustment, to look at this area, because it has nothing whatever to do with how much they collect. They just increase the general levy rate overall and collect exactly the same amount from all your constituents and mine.

The Committee divided on the amendment:

Ayes (16)—Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, and Blacker, Ms Cashmore, Messrs Eastick, S.G. Evans, Gunn, Ingerson, Lewis, Meier, Olsen, Oswald, and Wotton.

Noes (26)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Blevins (teller), Crafter, De Laine, Duigan, M.J. Evans, Ferguson, Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Rann, Robertson, Slater, and Tyler.

Majority of 10 for the Noes.

Amendment thus negatived; clause passed.

Clauses 19 to 22 passed.

Clause 23—'Review of levy.'

Mr S.J. BAKER: The Opposition opposes this clause. The proposition is that, if an employer wishes to contest the final levy rate set, that employer should have the right to do so with proper legal representation or on his or her own behalf, not subject to the discretion of the corporation.

The Hon. FRANK BLEVINS: I support the clause.

Clause passed.

Clauses 24 to 31 passed.

Clause 32—'Application for review.'

Mr S.J. BAKER: The debate on this clause and that on clause 34 is consequential on the debate concerning exempt employer status.

Clause passed.

Clause 33—'Appeals.'

Mr S.J. BAKER: My amendments to this clause are consequential on a previous amendment and I will not pursue them.

Mr M.J. EVANS: The main function of this clause is to limit the nature of the appeal process somewhat. I notice from the second reading explanation that the Minister gives some credence to the changes that have been made to the appeal system and, in fact, he speaks very highly of it. However, he goes on to indicate that there has been an emerging trend to overly legalise the process in the sense that there is the option of avoiding a significant hearing at the review officer level and moving straight to the tribunal for a major legal process. Of course, the function of the amendments is to ensure that all of the grounds for the appeal are presented at the original hearing of the review officer and that the hearing by the tribunal is limited only to those matters adequately canvassed before the review officer, as I understand it.

We have very little information about the appeal process from the second reading explanation and, very little information from the corporation by way of statistical analysis as yet because it is obviously in such early stages of operation. Will the Minister indicate what sort of numbers of appeals have been instituted as distinct from those cases heard by the review officer? How many review officer cases have there been and how many of those have proceeded to appeal? That information is quite relevant in looking at the proposals to restrict the appeal process.

I am also a little concerned that the effect of this could be contrary to what the Minister is intending in some respects. Clearly, while people are now permitted to be represented by a legal practitioner at the review officer or tribunal level, I imagine that the tendency has been to be legally represented only at the tribunal and perhaps for individuals to present their own cases at the review officer level, and where those cases are accepted no need exists for legal representation. If we are going to limit the grounds on which one can mount an appeal to the tribunal, if I was in the position of taking a case to a review officer as an employee I would find myself in the position of needing legal advice at the initial level, in order to ensure that I did not unnecessarily limit my rights at a subsequent stage, if that was to be the case. One would find that everyone would bring lawyers to the review officer and such cases would become unnecessarily complex, as people will not want to strictly limit one's grounds in future situations.

I wonder whether the Minister may in fact achieve something other that what was originally intended in that the tribunal decisions may be restricted. If that was the case we would find ourselves with very complex review officer decisions. I am also interested to know how this compares with other situations where the State Government has set up administrative tribunals. For example, we have appeals under the Water Resources Appeal Tribunal, the Planning Appeal Tribunal, and so on. We also have administrative appeals at the Commonwealth level. I understand that in most of those cases the review tribunal, particularly with planning cases, has a full re-hearing of the cases. It seems to be a limitation not previously attempted.

I am interested to know whether any State precedents exist. My principle concern is with the tendency that will exist to fully legalise the review officer disputes as distinct from tribunal hearings and that the focus of attention will shift to that. Will the Minister make available the basic statistics applying to this area, either now or at a subsequent time? That would assist the consideration of this kind of clause.

The Hon. FRANK BLEVINS: Obviously, I do not have with me those figures of how many cases have been held before a review officer, but I can get them for the member for Elizabeth. To some extent there is an element of second guessing. There is something of a quiet tussle going on between WorkCover and some members of the legal profession who see an avenue through the review and tribunal process of recapturing some of the work that they have lost through changes to the workers compensation system.

Certainly, a trend has been identified of people taking a case to review officers and withholding relevant material. There is no question that that is happening and we are fearful that, if the trend continues and we have more cases before the tribunal, some of the benefits of the scheme, which was in part to limit the outgoings to the legal profession, will be lost. We are having some amicable discussions with the Law Society on this clause. It has expressed certain views, and I respect its right to put those views to the Government.

However, the principal parties with rights, as opposed to an interest, in this area are the employers who put up the money and the employees who get the compensation for the injury or sickness. Members know that I respect the Law Society greatly, but I do not give it the same status in the argument as that accorded to employers and employees.

I am happy that discussions are proceeding. We will come to an amicable agreement that goes some way towards satisfying the Law Society's queries without having to concede so much that it significantly prejudices the principles of the scheme.

The fact that the board was unanimous in requesting this provision on the basis of trends that it has seen is significant. From a financial point of view employers do not want the scheme to be significantly damaged or wounded by the practices we have seen creeping in to the appeal sytem and, likewise, employee representatives on the board do not want to get bogged down in a mire of legalities. That was part of the undoing of the old scheme, about which the member for Playford knows so much. In its day the old scheme was as advanced as WorkCover is today. I put it that high.

I am not sure what I can do to put to rest the legitimate fears of the member for Elizabeth other than to make officers available to go through in a less formal way than we are presently doing just what is happening and what we fear may happen if the board's wishes in this regard are not acceded to by the Parliament. I take note of the points he made. I am not being disrespectful when I say that they are not new points: they are points that have occurred to the principal players in the game and to those who are on the edge of it. It is absolutely crucial to the system that the appeal process does not develop into a legalistic process which we, as do the employers and employees, feel would be totally undesirable.

Mr M.J. EVANS: I share the Minister's concern to avoid that legalistic approach. It was one of the great failings of the old system. I agree with his objective and appreciate the fact that he has taken note of the comments I have made, and I look forward to discussing those statistics with the officers because I think it is a very useful exercise. However, I feel that we run the risk in the process that we are adopting here of shifting the legalism from 10 per cent or 20 per cent (or whatever the number of cases that go from review to the tribunal) down to 100 per cent of review cases because, if a person goes before a review officer, they will have to be legally represented and ensure that everything they put forward is fully protected in law so that their appeal rights are preserved.

I feel that we run the risk of having a counterproductive result in that respect. While I share the Minister's objectives, I wonder whether the approach will produce that result. I agree with him that I am only commenting on the basis of what is before me in the Bill. He and his officers obviously have a greater in-depth understanding of it from their background and day-to-day experience of it than I do, and I am perfectly happy to defer to the Minister's wishes in that respect. I look forward to discussing it in some detail subsequently.

The Hon. FRANK BLEVINS: I know exactly what the member for Elizabeth is getting at. It is something that he will appreciate that the trade union movement has picked over carefully indeed. We are quite fortunate in having a working example in New Zealand that has worked for many years of what we are attempting to do here. This is virtually a take from the New Zealand system. Of all the systems of this style in the world, I am assured that in this area of appeals the best of all the systems is the one in New Zealand.

It may well be that the member for Florey can enlarge on that further, although I am not inviting him to intervene in this debate. He can certainly have some discussions with the member for Elizabeth because I think he was on the committee which had a look at the New Zealand system. I can only say to the member for Elizabeth that the six representatives from the United Trades and Labor Council who are on the WorkCover board have all agreed that it is in the interests of their members and of employees that this provision be introduced. The review process will break down unless all the evidence that is available, that people know—and if they do not know then obviously it cannot be put—is put at the appeal process.

To date I have heard no complaints from employees to the effect that the appeal process is disadvantaging them. However, injured workers are being advised to withhold certain information in the hope that later on they may have a better chance before the tribunal. I may not be explaining the situation very well, and I am trying to be somewhat circumspect, but I certainly think that we should take some comfort from the fact that the six UTLC representatives are as keen on having this as are the employers.

Clause passed.

Clause 34—'Decisions relating to exempt employers.'

Mr S.J. BAKER: I indicate that I will not pursue the amendment standing in my name as it is consequential on the other areas affecting exempt employers.

Clause passed.

Clause 35—'Special provision for prescribed classes of volunteers.'

Mr S.J. BAKER: I move:

Page 11, lines 26 and 27—Leave out subsection (1) and substitute the following subsection:

(1) The Crown is the presumptive employer of persons of a prescribed class who voluntarily perform work of a prescribed class that is of benefit to the State (and the Crown therefore has the liabilities of an exempt employer in relation to persons of that class).

The amendment simply ensures that the Crown is responsible for the volunteers and that the fund, which is made up of contributions from private employers, never incurs the burden of the volunteer work force. What does the Minister see as the dimensions of the volunteer work force?

The Hon. FRANK BLEVINS: I oppose the amendment, although I take the point that the honourable member is trying to make. I think that there is an element of overkill in the amendment, but I will certainly have another look at this area during the passage of the Bill through another place. The volunteers are mainly those in the SES and the CFS. I will see whether there are any others, but they are the main two. They are basically funded as *quasi* State operations. I cannot be any more precise than that at the moment.

Mr S.J. BAKER: Where is the boundary line? As the Minister is well aware, a whole range of volunteers assist the State in the CFS, the SES and other organisations which receive some Government funding—in fact, in some cases it is deficit funding and in other cases it is in the form of contributions from the Government. Where does this volunteer element begin and end? I ask this question so that people acting as volunteers can be sure of whether the scheme will be available to them or whether they will have to obtain their own insurance.

The Hon. FRANK BLEVINS: I cannot really add anything to what I said previously. I have already mentioned the SES and the CFS and, off the top of my head, I cannot think of any others that will be included. I will have some discussions with the Minister of Emergency Services to see whether he will be recommending any others to the Government.

Amendment negatived; clause passed.

Clauses 36 and 37 passed.

Clause 38—'Confidentiality.'

Mr S.J. BAKER: I formally oppose this clause, because we believe that the Minister should be more forthcoming

as to what information will be made available between the various agencies. There is some concern, and in some cases I suppose paranoia, about the sort of information which could flow from the corporation. We do not have any difficulty with paragraph *(ab)* relating to the disclosure of statistical information, but we are certainly concerned about this bland paragraph which provides:

(e) the disclosure in accordance with the regulations of prescribed information to any prescribed Government authority or any prescribed agency or instrumentality of the Crown . . .

We will have to wait for the regulations before we get a commitment from the Minister as to what will be there, but any information can be traded. There was the very worrying example of a Federal Minister who revealed confidential Medicare information relating to medical practitioners. There is no doubt that a considerable amount of sensitive information will flow into this body. Some employers feel that they do not really want their records circulating amongst Government departments and they do not agree with this provision.

I have repeatedly asked why, especially in the occupational safety and registration of workplaces, we are duplicating records. That problem could have been solved by an amendment here. I have been quite critical of the Minister having two lots of bureaucrats trying to identify the same places already on the computer which does not work properly. I concede that certain information should be made available, but that information is of a very limited nature. There is an element of distrust and, given that element of distrust, the Opposition opposes this clause on the basis that we have to have some commitment from the Minister as to exactly what information he will release to other institutions.

The Hon. FRANK BLEVINS: I am happy to give the commitment. In fact, it is encompassed within clause 38 (2) *(e)* which provides:

The disclosure in accordance with the regulations of prescribed information to any prescribed Government authority or any prescribed agency or instrumentality of the Crown . . .

In other words, anything that WorkCover wishes to do in this area will have to come before Parliament. No secret list will be given to secret organisations; it will come before Parliament, which obviously has the right to reject any regulation, so it will be done quite openly through Parliament. Two areas spring to mind: first, the one mentioned by the member for Mitcham, and I think it was a very sensible suggestion; secondly, the question of fraud. Under certain circumstances it may be desirable to allow the SGIC to have limited access, which will be decreed by Parliament, if an investigation is required into certain types of motor vehicle claim frauds. I am sure that the member for Mitcham would be aware of some of the problems that are occurring very publicly interstate. A suggestion has been made that perhaps some fraud is also involved with the SGIC.

It may well be that it is not necessary to assist the SGIC or *vice versa* in this area but, if it is deemed necessary, that will come before Parliament by way of regulation so that everybody is aware of the type of information and to whom the information will go, and Parliament will have the opportunity to debate it and, if necessary, if it feels it is going too far, reject it. It is a completely open process.

Clause passed.

Clauses 39 and 40 passed.

Clause 41—'Evidence.'

Mr S.J. BAKER: I move:

Page 13—

Lines 33 to 38—Leave out subsection (1).

Line 40—Leave out 'an officer' and insert 'the General Manager'.

Line 44—Leave out 'an officer' and insert 'the General Manager'.

Page 14—

Line 4—Leave out 'an officer' and insert 'the General Manager'.

Lines 13 to 15—Leave out subsection (6).

Proposed new section 120a subsection (1) provides that a certificate signed by an officer of the corporation shall be supplied and that shall be deemed to be sufficient evidence that a person is an employer or an employee. On my understanding of the rules of evidence, this could be one of the areas of contention by people contesting some element of the operation of WorkCover. Indeed, they may be defending their position as represented by WorkCover. One of the most critical features of that defence may well lie in whether that person is an employer as recognised or an employee. In the taxi industry the employer/employee status has not been resolved. Therefore, in complex cases of employer/employee relationship, it should not be based on the absence of proof to the contrary: it should be based on the ability of people to argue whether they are an employer or employee. That is a fundamental difference and it should not be assumed that a certificate is sufficient in that case.

The Hon. FRANK BLEVINS: I oppose the amendment. We have had legal advice that the present Act is deficient. It is making it extremely difficult for us to collect debts. A number of employers are taking technical legal points against us, compelling us to prove that they are an employer, and it is making the working of the system very difficult. I accept the point that the member for Mitcham is making. It is a responsible point of view. I disagree with it. I feel that WorkCover should not be frustrated in this way when people owe it money. Our legal advice is that such an amendment is perfectly proper and will assist in the recovery of debts owing to WorkCover.

Mr S.J. BAKER: The next three amendments provide that the certificate should be signed by the General Manager and not by an officer, because we are talking about legal proceedings against a person, and that cannot be left up to any individual. There must be responsibility at the top.

There is a presumption of guilt which should not be contained within this Act and the reverse onus of proof. There is also an inadequate coverage of who shall be the officer who signs the death warrant of the person concerned. We believe that it should be the General Manager.

Amendments negatived; clause passed.

Clause 42 passed.

Clause 43—'Regulations.'

Mr S.J. BAKER: Obviously the Opposition opposes this clause, because it gives the right to the corporation to make any decisions it likes, how it likes and, based on everything that is not contained in the regulations, it can make up its own mind as to how it should proceed. I have already mentioned a number of examples where the Opposition believes that the corporation has not acted properly. Therefore, if the corporation wishes to have power, it will get that power through the legislation or the regulations. We do not believe it is appropriate to provide this general clause.

The Hon. FRANK BLEVINS: I am advised that this is merely a technical amendment. The drafting advice that is available to me—and to any other member of the House if they choose to avail themselves of it—I think reinforces the point that I make. I am advised that it is nothing to make a great fuss about, and it is a very ordinary provision. That advice is readily available to any member. Obviously I support clause 43 of the Bill.

Clause passed.

Clause 44—'Amendment of First Schedule.'

Mr S.J. BAKER: I move:

Page 14—

After line 39—Insert new subsection as follows:

(4a) The Corporation must, before making a determination under subclause (4), consult with any employer or insurer who, in the opinion of the Corporation, has an interest in the matter, or who has notified the Corporation of its interest in the matter.

Lines 42 to 45—Leave out all words in these lines and insert 'any employer or insurer with whom the Corporation was required to consult under subclause (4)'.

Page 15—after lines 9 to 13—Leave out subsections (8) and (9) and substitute the following subsections:

(8) On any application for review the Industrial Court—

(a) may confirm, vary or quash the corporation's determination;

(b) may, if the Corporation's determination is confirmed, order that interest be paid on the amount of the determination as from the date of the determination or some subsequent date;

(c) may make any incidental or ancillary orders.

(9) An amount payable in accordance with a determination under this clause (plus any interest payable by virtue of an order of the Industrial Court under subclause (8)) may be recovered as a debt (but proceedings for recovery must not be commenced until the time for applying for a review has expired, or where there is an application for review, until the application is determined, is withdrawn or lapses).

This is a serious matter that revolves around who shall make a determination in regard to injuries incurred prior to the enactment of the new legislation. Under this proposition the Minister says to the insurer, 'You will all pay your money and we will determine the matter later.' Under the proposition that I am putting, it is up to the Industrial Court to determine the amounts owing, but the corporation shall not have use of the money at the time until the review by the Industrial Court is satisfied.

I have tried to be perfectly fair rather than putting the onus on one party or the other. If indeed the Industrial Court makes a determination, the corporation will have the right to get back interest for the period during which there has been a dispute. That is perfectly fair. So, rather than asking the insurance company to pay over what in some cases may be hundreds of thousands of dollars, we say that the system should operate fairly and the corporation should have the right to recover any lost interest when that determination is made.

The Hon. FRANK BLEVINS: I am not persuaded as to the merits of the member for Mitcham's amendments and therefore I oppose them. WorkCover is having discussions with the Insurance Council of Australia to achieve a provision that deals with this problem. It may well be that between now and the passage of the Bill through the other place some proposals may be arrived at that are satisfactory to all parties.

It is a difficult and serious problem, which we have made a serious attempt to address. Has the member for Mitcham? It may well be that our combined wisdom over the next few days will see a satisfactory outcome.

Amendments negatived; clause passed.

Title passed.

Bill read a third time and passed.

The Hon. FRANK BLEVINS (Minister of Labour): I move:

That Standing Orders be so far suspended as to enable the House to sit beyond midnight.

Motion carried.

LOCAL GOVERNMENT FINANCE AUTHORITY ACT AMENDMENT BILL

Received from the Legislative Council and read a first time.

STATUTES AMENDMENT (COAST PROTECTION AND NATIVE VEGETATION MANAGEMENT) BILL

Returned from the Legislative Council without amendment.

BRANDING OF PIGS ACT AMENDMENT BILL

Returned from the Legislative Council without amendment.

ABORIGINAL LANDS TRUST ACT

The Legislative Council intimated that it has agreed to the House of Assembly's resolution.

ROAD TRAFFIC ACT AMENDMENT BILL (No. 2) (1988)

Returned from the Legislative Council without amendment.

IRRIGATION ON PRIVATE PROPERTY ACT AMENDMENT BILL

Returned from the Legislative Council without amendment.

ELECTRICITY SUPPLY (INDUSTRIES) ACT AMENDMENT BILL

Returned from the Legislative Council without amendment.

SUPPLY BILL (No. 1) (1988)

Returned from the Legislative Council without amendment.

CHILDREN'S PROTECTION AND YOUNG OFFENDERS ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 29 March. Page 3634.)

Mr S.J. BAKER (Mitcham): This is one of a package of three Bills which amend legislation concerning child abuse to take into account recommendations from the report by Ian Bidmeade into the in need of care review and those from the Government's task force on child sexual abuse. Whilst many of the recommendations of those two entities remain to be implemented, these three pieces of legislation pick up certain aspects. This Bill seeks to do the following:

1. It extends the grounds for making an application that a child is in need of care to include maltreatment by a

person living in the same household, other than the guardian.

2. It requires the Minister to convene a conference between appropriate members of the Department for Community Welfare and the Children's Interest Bureau (except where it is not practicable to do so) to provide advice to the Minister on the action to be taken in relation to the child before any application is made to the court.

3. It requires the guardians of the child to be notified in writing of action which is contemplated unless the Minister is 'of the opinion that to do so would not be in the best interest of the child'.

4. It requires the date of the hearing of any application to be no earlier than five working days from the day on which the application was lodged unless the court thinks urgent action is required.

5. It allows the court to make interim orders with respect to the child (including access to a guardian but to no other person) where the case is adjourned.

6. It allows the adjournment of the hearing of any application for a period not exceeding 35 days (extended from the current period of 28 days) and prevents an adjournment on more than one occasion except with the approval of the senior judge.

7. It requires the child who is the subject of an application to be represented by a legal practitioner or, where the court is satisfied that the child has made an informed and independent decision, not to be so represented.

8. It excludes the rights of any other person to a child where the Minister or any person is appointed the guardian under these provisions of the Act.

9. It requires a review at least once in each year that the child remains under guardianship, such review to be conducted by a panel of persons appointed by the Minister.

10. It provides for a transit infringement notice for an offence under the State Transport Authority Act 1974.

11. It provides for the interstate transfer of young offenders.

12. It extends the ambit of the Act to care, protection, control, correction or guidance. This involves the addition of the word 'protection'.

I pay a tribute to my colleagues in another place who canvassed exceptionally well all the issues associated with this provision. This is a very delicate matter, and in some ways we are charting new waters in our approach to the package of amendments. The Opposition supports the propositions contained in the Bill. A great deal of work has been done in the child abuse and child sexual abuse area.

[*Midnight*]

The Opposition has certain concerns about the operations of the Department for Community Welfare. Those concerns have been strongly aired in another place. We have question marks over the relationship between the Children's Interest Bureau and the Department for Community Welfare staying under the one Minister with the subsequent conflicts of interest that could arise. Generally, in dealing with the propositions under this Act (and remembering that many of the areas of concern that we had about the Bill have been catered for by amendments in another place) only one or two items remain to be covered. They are subject to the amendments that will be moved in Committee. The areas about which we are talking generally improve the operation of the Act concerning children at risk. They do not supply answers and I do not necessarily believe that Parliament will supply many of the answers. It will be an ongoing changing situation where more devices are brought into play to somehow grapple with the increasing number of people who are reporting cases of abuse of children.

I refer members to the debate in the other place. My colleagues the Hons Trevor Griffin and Diana Laidlaw have done a superb job of not only tightening up amendments to the Act but also in displaying their knowledge and understanding of the challenges that apply in this area. The Hon. Diana Laidlaw, for example, has done a huge amount of research on child abuse. She presented a paper to the Liberal Party, and had it adopted, on strategies for reducing the incidence of child abuse. It contained positive propositions, some of which we are seeing in the legislation before us tonight. With those few words I commend the Bill to the House. I will move one or two amendments at the appropriate time. Generally, the Opposition supports the Bill.

The Hon. G.J. CRAFTER (Minister of Children's Services): I thank the Opposition for its indication of broad support for this substantial measure which comes as part of a package of Bills currently before the House to improve the administration of the jurisdiction of our courts and the administrative procedures relating to those that deal with children, in particular young offenders, and other matters relating to the well-being of young people who are categorised under the broad category of being 'at risk' in our community.

This Bill comes about as a result of the very substantial work done by the Bidmeade review of the package of legislation relating to these matters. The Bill attempts to resolve some of the key problems, although not all of them. A number of matters have been left to be dealt with as a result of further consideration and reviews currently being undertaken. The Bill attempts to resolve some of the problems highlighted in the report.

The need for the legislation to state unequivocally that the interests of the child are paramount in these matters is essential. It is important that that is clearly expressed for all those who are working with young people in this area. There is a need to introduce an independent perspective to the decision making process—and that has also been the subject of some brief criticism—particularly in relation to the perception that natural justice is being applied in the decision taking process, which often has lasting effects on the lives of young people.

The third area addressed is the need to give greater information to parents and guardians about in need of care applications and proceedings. That has also been the subject of debate and criticism and, at times, heartburn in our community where there has not been the sharing of information to the extent that will now be available.

Fourthly, there is the need to increase the range and type of orders available to the court so that there is a range of options that can be used to provide for the best set of circumstances for those young people who are being dealt with so that they have opportunities available to them and their families to repair some of the damage that has been done to their lives and to reconstruct relationships which are also important if they are to have life opportunities that are their right. So, this is an important measure. It comes to the House in an amended form. It has been dealt with substantially in another place, where the responsible Ministers reside. I note that the Opposition intends to move a number of further, albeit minor, amendments. I commend the Bill to the House.

Bill read a second time.

In Committee.

Clauses 1 to 5 passed.

Clause 6—'Application for declaration that child is in need of care.'

Mr S.J. BAKER: I move:

Page 2—
Line 21—Leave out 'should' and insert 'must'.
Lines 28 and 29—Leave out ', unless of the opinion that to do so would not be in the best interests of the child,'.

This matter has been canvassed thoroughly. We have a difference of opinion with the Government on whether the guardian, who will principally be the parent, should be informed as to the disposition of the child, or what the Minister intends to do. This clause provides that before making an application relating to a declaration that the child is in need of control, the Minister has to or should, except in urgent circumstances, arrange a conference between Department for Community Welfare officials and the Children's Interest Bureau and, further, unless there is something drastically wrong with the proposition, inform the guardian of the child's situation. There tends to be argument on the side of the Government that there should be discretion on the side of the Minister. There have been a number of examples in the past where it is not the Minister but a departmental official who makes the decision and the parent or guardian has been cut out, much to the distress of the parent concerned. We believe 'must' should apply, because it is important that the person who is legally responsible for that child should be informed about what the department is doing. It is important that this and other legislation complement each other in referring to the paramount interest of a child.

We firmly believe that there has been too much unilateral action by the department. Each member of Parliament in this House has received examples of where the department, at least on the allegations we have received, seems to have acted in a fashion that has not been in the best interests of the child or of the family. Also, we have all received accusations that of course have not been proven. However, we believe it is important that people who are responsible for children maintain that responsibility and have the respect of the system which requires notification.

Ms LENEHAN: I oppose the amendment. The arguments put by the member for Mitcham are very general and talk about too much unilateral action taken by the department. This clause provides:

Before making an application under this section in respect of a child, the Minister—
(b) should, unless of the opinion that to do so would not be in the best interests of the child . . .

And it then goes on to detail what has to happen. If the amendment is carried, and if, for example, a child is being physically, sexually or emotionally abused while police investigations are taking place, then to insist that the parents or guardian must be notified may prejudice those investigations and ensure that the parent or guardian has time to flee the State or do something that would prejudice a successful legal action. It concerns me that that will take away any consideration of what might be an individual circumstance which would prejudice the best interests of the child.

That proposal does not address the concerns in the community about the methodology that is adopted by the department in relation to some of the problems that have been raised about the most effective way of ensuring that at all times the best interests of the child are protected, rather than looking at perhaps some parents who get upset. In opposing the amendment I ask the Minister whether he has any other examples which indicate the importance of this provision remaining in the Bill.

The Hon. G.J. CRAFTER: The Government opposes the two amendments for the reasons that have been outlined. Indeed, the member for Mawson has further justified the Government's opposition to the mandatory nature of the Opposition's proposals with respect to notification. The inclusion of the word 'must' would mean that a conference would be a precondition of an application and a point might be taken whether or not such a conference took place before the application was taken out by the Minister. The aim of the conference is to advise the Minister so as to assist him or her to decide what action should be taken in relation to the child. The Bill sets out that such a conference should be held. The Government does not consider it appropriate to make such a conference a precondition to the application for precisely the reasons that the member for Mawson has outlined. Further, the amendment to lines 28 and 29 is opposed because it would mean that the notification to parents should be given in every case.

The Government accepts that as a general rule a guardian should be advised of an investigation and its possible outcome. However, the amendment provides for such notice to be given where it would not be in the best interests of the child to make such information available. There may be circumstances where to give notification may act against the interests of the child, for example, where it is suspected that a parent may travel interstate with the child. As I said, there was debate on this point in the other place, and indeed a series of examples were given which, if the Opposition's mandatory amendment was carried, would act against the interest of those young people for whom we are designing the legislation to help.

Mr S.J. BAKER: I am not saying that my amendment is perfect; I am simply saying that there have been a number of examples—and they have been given in Parliament and in the media—where some very strange decisions have been made by particular individuals with a vested point of view. We have all seen them. If you divided the stories in half, you would probably get very close to the truth. I am not saying that my amendment—

Ms Lenehan interjecting:

Mr S.J. BAKER: I am simply saying that I will have to have a lot more evidence of good decision making by the Minister's designee in these circumstances—and I have seen a case recently where I believe the department has made the wrong decision—before I have enough faith to say that this provision allows for the rights of children to be preserved along with the rights of the parents. I guess we are trying to provide a set of words which reflect that principle. I do not think that we are at great odds about that. As a result of the discretion used in the past we are obviously more intent on allowing parents, guardians or whatever to be part of the process.

Amendment negatived; clause passed.

Clauses 7 to 17 passed.

Clause 18—'Application of this division.'

Mr S.J. BAKER: I move:

Page 8:
Line 26—after 'is amended' insert '—*(a)*'.
Line 28—Leave out 'an' and insert 'a prescribed'.
After line 30—Insert word and paragraph as follows:
and
(b) by inserting after its present contents, as amended (now to be designated subsection (1)) the following subsection:
(2) For the purposes of subsection (1) *(bd)*, 'prescribed offence' means an offence relating to the non-payment of fares that is alleged to be the first such offence to have been committed by the child.

The amendments are designed to put a hold on the ability of the Minister to determine what traffic infringement notices can be issued. During searching questioning on this matter

in another place the Attorney-General said, 'Well, infringement notices are issued not only for fare evasion but also for vandalism and a whole lot of other offences.' The Opposition is fundamentally opposed to that proposition and, anyway, has some difficulty with these notices being issued to minors. I know that they are used in a whole range of areas to free the courts of minor offences.

We do not believe that traffic infringement notices, if they are to be issued in the first place (and we have reservations about that), should be given for offences other than fare evasion. Of course, if these notices continue to be issued there is no guarantee that fare evasion will not continue, so there is some difficulty in follow up, that is, there is some difficulty about how children will respond to infringement notices.

Whilst we have reservations, we suggest that it should stop at the offence of fare evasion and that it should not be extended into other areas such as abusive behaviour, vandalism and a whole range of other anti-social activities which conceivably could be disposed of through these infringement notices.

The Hon. G.J. CRAFTER: It amazes me that the Opposition seems to take different philosophical approaches in relation to legislation dealing with the expiation of offences and issuing of notices. A different approach is taken each time a Bill is introduced. In this case, I think that there is a conflict not only in the Opposition's ideology but also in the practicalities and consequences of this amendment.

First, we oppose the amendment, which simply would mean that transit infringement notices could only be issued to young offenders for offences relating to the non-payment of fares where it is alleged to be the first such offence committed by the child. Therein lies a particular problem. In the case of fare evasion irregularities, it would be impossible to know at the time of observing an offence whether the young offender was a first or subsequent offender. The practical difficulties in introducing a tiered system would be significant. Such a system does not exist for adult offenders. The Government favours an approach of allowing transit infringement notices to be issued to young offenders over 15 years of age in the same case as such notices would be issued to adult offenders. I think that that position is eminently rational and sensible.

Mr S.J. BAKER: The Minister questions our consistency, but normally we do not hand out TINs to children. We are talking about minors in the true sense of the word, and we simply do not do that. Here we are taking a specific situation and applying it to these children. If we do that, obviously the rules should be more stringent. Everybody in this Chamber knows that, if children do not commit an offence by the time they are 18, statistics show that there is probably an 80 per cent chance that they will never in their lives commit a serious offence. So, if there are offenders, the important thing is to catch them early. If our system was effective, then perhaps they would not infringe again. Unfortunately, life is not like that, but the principle is that, if someone offends, catch them early and see whether something can be done about the matter. That principle is involved in this amendment.

The amendment is workable, because it relates to an alleged first offence. If the child says, 'No, this is the first time I have ever been caught,' so be it and the system eventually will catch up with that person anyway. It is not unworkable. In many cases the children give false names anyway. The principle is very sound. If we are to prevent anti-social behaviour which could lead to further criminal activities, this is an opportunity to do so. If we continue to hand out pieces of paper to children, it does not solve the problem. We are not trying to tie up the courts; we are simply trying to make the system work in the way that it should. We do not believe that the Minister should have a discretion to hand these pieces of paper to the children in the first place, but it may assist in keeping the number of cases to a minimum.

The Hon. G.J. CRAFTER: When the Opposition was in Government some years ago it took a very strong stand on infringement notices, and in particular traffic infringement notices. Since that time, particularly in Opposition, the Liberal Party has taken various approaches as to whether or not this concept should be extended to other areas of Government regulation.

So, the Opposition's attitude ebbs and flows depending upon the Bill. Here we have a dichotomy between how we deal with young offenders and adults in this area. That is a most unwise division to create. Further, with respect to the infringement notices (and I repeat this each time a measure of this type comes before the House), there is a right of each person who is alleged to have offended to not act in accordance with the infringement notice but to go to court and have the matter dealt with there as the matter would be if there were not the option of an infringement notice.

The honourable member indicated that some young people give false names anyway, so why worry about the practicalities of determining whether a young offender was indeed a first offender in those circumstances! We cannot develop legislation on those sorts of premise at all. For those reasons, the amendments are opposed.

Amendments negatived; clause passed.

Clause 19 and title passed.

Bill read a third time and passed.

COMMUNITY WELFARE ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 29 March. Page 3634.)

Mr S.J. BAKER (Mitcham): I do not need to reiterate my opening remarks on the previous Bill other than to say that this measure is part of a package. This amending Bill covers the areas within community welfare which are widening the scope and the role of the Children's Interest Bureau to include advice relating to care or protection orders. The second area is setting a consistent set of rules to determine whether a child is in need of care or protection, and this is consistent with the amendment to the Children's Protection and Young Offenders Act with which we have just dealt. It gives further scope for reporting child abuse cases because it changes the wording to 'suspect on reasonable grounds' that an abuse has taken place. Further, it widens the number of persons who will be charged with the responsibility of reporting child abuse cases.

Again, I compliment the shadow Minister (the Hon. Diana Laidlaw) on her handling of the Bill and the matters that were so pertinent to this debate. We have to realise that the techniques we are setting in place are indeed in the embryo stage, and if members opposite wish to carry on we will be here a lot longer than I intended.

We have attempted to set up these committees of inquiry and reinvent the wheel from an Australian perspective. We are generally moving forward in an honest attempt to make inroads into the child abuse area and these amendments are aimed in that direction.

The Opposition has some concerns, in particular about mandatory reporting, an area that has received considerable

attention. Some real questions are being asked as to whether we should require certain people to report cases when they believe that abuse has taken place. There is new thought on the whole issue which suggests that we should encourage, not require, people. There are important reasons why we should consider the mandatory reporting provisions. I know that in a year or two we may delete that part of the clause and substitute a voluntary provision. However, as the Minister of Transport wants me to talk about mandatory reporting and some of the difficulties that may arise, I would like to tell him about it.

For example, we know that mandatory reporting discourages families from seeking help. We know that it discourages people who know the family and who are concerned about the welfare of the child from encouraging the family to seek help. We know that by identifying a certain class of person having special obligation to report weakens the capacity of legal services to work effectively, to prevent child maltreatment and to take constructive action when maltreatment occurs. Mandatory reporting may well cause parents to blame the child in cases where a report has been made, which may lead to further abuse. Essentially, mandatory reporting is an unenforceable obligation and, as such, must be queried. There is no guarantee of adequate follow-up if a report has been made; people could place themselves in a difficult situation because of lack of action.

There is a whole range of reasons why mandatory reporting should be reviewed and I am sure that that will occur over time. The widening of the scope of the mandatory reporting area causes its own set of difficulties.

The major question with which I wish to take issue is whether the Children's Interest Bureau should represent the child at the same time as the Department of Community Welfare is putting forward a proposition on the disposition of that child. We have two bodies that are essentially the same, and that area has been adequately covered in debate elsewhere. We have two bodies reporting to the same Minister which effectively will become the same entity. We cannot expect people to divorce themselves from their own working situation and their ministerial obligations. To that extent amendments have been placed on file that request that the Children's Interest Bureau be transferred from the jurisdiction of the Minister of Health to the jurisdiction of the Attorney-General. In that way we will reduce the number of conflicts because we will have a body that will stand up for the interests of the child based on the principles of care and protection and we will have the DCW which will operate on its own guidelines and principles. At some stage they will have to come together, but their positions will not be compromised because of their proximity to each other and their relationship to the Minister. In general the Opposition supports the proposition before the House.

The Hon. G.J. CRAFTER (Minister of Children's Services): I thank the Opposition for its indication of support for this measure which, as indicated by the member for Mitcham, relates to the Bill that has just passed the Assembly and the Bill that is to follow relating to amendments to the Evidence Act. This package of measures achieves the aims we expressed in the previous debate. This set of amendments arises out of the in need of care review, the Bidmeade review and the substantial report of the Government Task Force on Child Sexual Abuse. It is surprising that the Opposition in this House, as in the other place, has taken a stance and policy direction which is at odds with that which has been recommended by the extensive task force report and the wide consultation that arose in the Bidmeade consideration of the in need of care provisions. There is a substantial body of opinion throughout the world which, I suggest, is contrary to the line the Opposition has taken in this area.

I cannot support the criticisms that the Opposition has made as I think that they are shallow and, as I said, at odds with the substantial body of current thinking in this jurisdiction. South Australia in many respects has led this area of legislative reform and programs supporting it in the administrative section of government and in various authorities, particularly in more recent years in the establishment and development of the Children's Interest Bureau.

To place that bureau in the justice administration portfolio, as proposed by the Opposition, would be quite detrimental and contrary to the philosophy behind that important agency which, I think, will have a growing role in the protection of children's interests in our community—and a very constructive and positive one at that. I commend the Bill as it stands to members.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

New Clause 2a—'Insertion of heading.'

Mr S.J. BAKER: I move:

Page 1—After clause 2—Insert new clause as follows:

2a. The following heading is inserted after section 25 of the principal Act:

DIVISION IA—CHILDREN'S INTEREST BUREAU

This matter has been canvassed during the second reading debate and relates to who should be responsible for the interests of the children. We have determined that the Children's Interest Bureau will play a critical role in the advice given to the Minister on this subject. The DCW is required to consult with the Children's Interest Bureau before coming to a conclusion or proceeding to court action.

We believe that there should not be conflicts caused by the same parties making the same decisions. If we want independent advice, the only way to get it is to separate the parties. If one reads the Bidmeade report, that point was made very strongly, from my recollection and if I am not misconstruing what was said at the time. It is a long time since I read the report.

The recommendation of the Bidmeade report was that, for very good reasons, the role of the child advocate should be carried out by a person or body distinctly different from the Department for Community Welfare: it was supposed to be in the interests of the child. My amendments to clause 3 go to the importance of the independent nature of the child advocacy role. It cannot be independent if they are both under the control of Dr Cornwall.

The Hon. G.J. CRAFTER: As I said in my second reading speech, the Opposition has a shallow approach to this division of responsibility. If this function of the Children's Interest Bureau, which is an independent statutory body under the Community Welfare Act that gives advice to the Minister with respect to the matters proposed in this Bill, is placed under the Attorney-General, the bureau's role can similarly be argued to be confused, if that is the concern that the Opposition has, or compromised in some way with the advice that the Crown Law Department gives, because it is also involved in acting in these matters. The logical conclusion of the Opposition's fears is that one would need to place it in the marine ministry or another separate ministry. For those reasons, I therefore oppose the new clause.

New clause negatived.

Clauses 3 to 8 passed.

Clause 9—'Notification of maltreatment.'

Mr S.J. BAKER: I move:

Page 2, lines 34 and 35—Leave out paragraph *(m)*.

Instead of listing in the legislation the people who are required to report child abuse cases, the Minister wants us to allow these matters to be prescribed by regulation. That is not in keeping with the original proposition. Whilst the Opposition has reservations about the mandatory reporting procedures, it believes that it is appropriate that those classes of people charged with the responsibility should be listed in the Act.

The Hon. G.J. CRAFTER: The Government opposes this amendment, which seeks to remove the provision to allow classes of persons to be declared by regulation to be subject to the mandatory reporting provisions. The provision in the Bill is a restatement of the provision that is already in the Act. It must be borne in mind that this has been reviewed by various bodies that are widely representative of the community, and they have not recommended that this course of action be taken. The Government has re-included this provision as it offers a degree of flexibility to the operation of the section. For example, it will allow a technical change to a work situation undertaken under another title to be accommodated without the need to resort to Parliament to amend the legislation every time that occurs.

Mr S.J. BAKER: The Minister cannot have his cake and eat it, too. The principle is that this class of people is either included in the Act and responsible to the Parliament or it is not. If the Minister had been true to himself, he would have struck out all those people who are listed in the Act, tested the proposition in another place, and said that they would all be prescribed by regulation. I will not pursue the amendment because I do not have the numbers. I intended to move an amendment relating to the setting up of an advisory committee, because it is important that such a committee be set up. However, I will not pursue that amendment.

Amendment negatived; clause passed.

Title passed.

Bill read a third time and passed.

EVIDENCE ACT AMENDMENT BILL (1988)

Adjourned debate on second reading.

(Continued from 29 March. Page 3641.)

Mr S.J. BAKER (Mitcham): This is the third Bill in the package to reform areas of the law dealing with child abuse. The Bill provides for the allowance of evidence by children under 12 years of age. For some time there has been considerable concern and debate as to how we allow young people to present their story to a court of law in a way which will not traumatically affect them. It has always been a difficult situation because it is fraught with danger. On the one hand we could have the traumatisation of the child through the cross-examination that may follow and, on the other hand, we could have the situation where untruths were told and someone's liberty was affected. So, it has been a difficult area. The Bill provides for the evidence of children under 12 years of age to be taken into account. Particular provisions exist on how the evidence should be treated.

The Bill attempts to make the giving of such evidence as easy as possible. For example, in sexual abuse cases the court can be cleared of all people except the judge and jury. In other cases we have the facilitation support for the child concerned. The Law Society obviously has considerable difficulty with the proposition, as it cuts across one of the very fundamental tenets of the law as we know it, namely, the right of a person to defend himself to the best of his ability, and the presumption of innocence.

The Government has probably succeeded in treading that delicate path that needs to be trod in this situation. We are all only too aware that, if we do not maintain balance, the movement on one side or the other will have very serious impact. We know, for example, that the number of reported sexual abuse cases, compared with the number where complaints are found (that does not mean that nothing is done about them) is less than 50 per cent of complaints on issue.

Therefore, this area requires a great deal of sensitivity. The Attorney promised that he would review clause 5. If members bother to read the debate from another place they will see the interesting twisting and turning involved in how we cater for the evidentiary difficulty inherent in the Bill. Probably the Minister will respond in regard to the Attorney's promise to review his latest draft to ensure that it actually does what it is intended to do. The Opposition supports the proposition and believes that it is heading in the right direction but we do not in any way undersell the difficulties.

Ms LENEHAN (Mawson): I wish to publicly put on the record my congratulations to the Government for the introduction of this package of three Bills which gives effect to a number of recommendations from the Child Sexual Abuse Task Force in its report to the Government. I want to outline briefly details of some of the groups involved in preparing that report. Not only have a number of individuals given a lot of their time and energy in looking at the question of child sexual abuse, but I particularly want to have on the public record my acknowledgment of the work of the People Against Child Sexual Abuse which has given a lot of time, energy and support to the findings of the child sexual abuse task force report.

The Bill does a number of things, as have been outlined. I think the most significant of those concerns addressing the issues and problems that have been raised from time to time in the community in respect of the availability of evidence to be heard from children who have been sexually abused. In amending the legislation to allow for a child of seven years or above to be able to provide evidence under oath and for children under seven years to be able to provide evidence not under oath but for that evidence to be treated in the same way as sworn evidence, provided a number of criteria have been met, is, I believe, a significant breakthrough in terms of attacking some of the problems of child sexual abuse—and that is, that there was a belief that, if young children were sexually abused, the abuser was virtually immune from the law because most child sexual abusers do not do so in view of witnesses.

Therefore, under the present law there was no way that these people could be brought to justice. The points raised by the member for Mitcham are addressed and the Government in this Bill has achieved the balance between the rights of the child and the rights of the accused. I am aware of the amendments on file from the member for Mitcham, but I do not believe that they substantially alter clauses 2 and 3 as the amendments would suggest. Certainly, I will be opposing the amendments in Committee.

I want to have publicly on the record my congratulations to and support of the Government for the introduction of this package of Bills. I look forward to the fact that these Bills will address the issues and problems that have caused an enormous amount of heartache in the community, both for the victims of child sexual abuse and for those parents and family members who have been severely affected by the aftermath of the sexual abuse. I support the Bill.

The Hon. G.J. CRAFTER (Minister of Children's Services): I thank those members who have spoken in the second

reading debate and indicated their support for this important measure, which does form part of the package of child protection measures that we are now considering.

I do not want to go over the ground that honourable members have covered, but I want to also acknowledge the considerable work that has been done in arriving at the position at which we are presently in being able to consider these important measures before the House, particularly the work that the task force has done in trying to balance what has been very difficult to achieve in the past, that is, the need to assist the child victim in these circumstances that form the claims and causes that come before the courts and, at the same time, to protect the rights of an accused person.

The recommendations made by the task force were aimed at balancing these often competing interests that seemed so difficult to reconcile in the form of legislation that would provide the desired result and give the protection that the community demands for children in these circumstances. The task force recommended that the age at which a child should be able to give sworn evidence should be lowered. The majority thought that the age of seven years was the age which should be adopted. The task force also recommended that children under that age should be able to give sworn evidence where the judge considers them to be competent.

It also recommended that the means of swearing in a child should be simplified. Clause 5 sets out the new provisions dealing with the reception of evidence of a young child. The Bill lowers the age for a child to give evidence on oath to seven years. It also allows the evidence of young children, that is, children aged 12 years or under, to be assimilated to sworn evidence. Proposed section 12 (2) allows for the reception of evidence of a young child where the child appears to the judge to have reached the level of cognitive development to enable that child to understand and respond rationally to questions and to give an intelligible account of their experiences, provided that the child promises to tell the truth and appears to the judge to understand the obligations entailed by that promise. Where evidence is received under this subsection it is to be treated in the same way as evidence given on oath. Therefore, it will not need to be corroborated before a conviction can be made.

In cases where a child cannot satisfy the requirements of proposed section 12 (2) the child can only give unsworn evidence—evidence which would continue to require corroboration as a matter of law. The effect of the new provision would be to allow more children to give evidence in court and for such evidence to be treated on an equal basis with evidence of adults. Clause 5 also provides for a support person to be present during the time that a young child is giving evidence. This provision is aimed at assisting a young child to deal with the traumatic experience of attending at a court to give evidence. The support person would be able to sit in close proximity to a child during the giving of the child's evidence provided that he or she did not interfere with the proceedings in any way.

I have referred specifically to that area, but it is indeed one of a number of areas dealt with in this package of very important changes to evidentiary requirements before our courts. I also raise a very substantial issue which has not yet formed a package of legislation but which no doubt will be dealt with in due course, and that is the subject of interlocutory proceedings for the removal of alleged offenders from a home situation. Obviously, that is an important measure. It took up a lot of the interest of the task force. The recommendations of that task force are the subject of continuing debate in our community, consideration by the relevant authorities, and they will be dealt with in due course. I commend this package of amendments to the House.

Bill read a second time.

In Committee.

Clauses 1 to 4 passed.

Clause 5—'Evidence of young children.'

Mr S.J. BAKER: I move:

Page 2, lines 5 to 27—Leave out subsections (2) and (3) and insert new subsections as follows:

(2) The form of an oath to be given to a young child must (if necessary) be adapted so as to make it comprehensible to the child.

(3) If a young child is to give evidence before a court without an oath—

(a) the judge must explain or cause to be explained to the child that the child must tell the truth in everything that he or she may say before the court;

(b) the evidence has such weight and credibility as ought to be given to evidence given without the sanction of an oath;

and

(c) a person who has been accused of an offence and has denied the offence on oath cannot be convicted of the offence on the basis of the child's evidence unless it is corroborated in a material particular by other evidence implicating the accused.

I move the amendment because an undertaking was given in the other place that the matter would be reassessed in light of the fact that the wording of the clause was subject to a great deal of dispute. I believe that the Attorney-General was not comfortable in his own mind that this clause, which was finally agreed to in another place, was the most appropriate wording. The Attorney undertook—and I presume it was passed on to the Minister in this place—to look at the situation again given that there were difficulties with the wording and if necessary further changes would be made. I would appreciate it if the Minister could live up to that promise.

The Hon. G.J. CRAFTER: The Attorney has reviewed this matter and has taken advice on the wording of the clause. The Government will continue to oppose the amendment and retain its commitment to the wording as debated in the other place. The amendment would result in the age of giving sworn evidence being lowered in the use of a simplified oath. However, the test of competency would continue to be based on the understanding of the obligation of an oath, that is, a moral and religious test of competency. The task force recommended that a cognitive test be used and for the introduction of a simplified oath or affirmation. The Bill provides for a cognitive test of competency and a form of affirmation or declaration.

The amendment proposed by the member for Mitcham may also introduce a minimum age below which a child could not give sworn evidence or its equivalent. This view is based on the decision of the Supreme Court regarding present section 12 of the Evidence Act. The introduction of a minimum age sets up an arbitrary limit which may act against the interests of some children. For that reason the Government considers that, if a child is of a legal level of development to fit within the test, his or her evidence should not be treated differently.

The amendment also modifies proposed subsection (3). The unsworn evidence of a child would be given such weight and credibility as ought to be given without the sanction of an oath. The Government prefers the approach contained in the Bill whereby the child's evidence is evaluated in the light of the individual child's level of development.

Mr S.J. BAKER: The Minister made a number of observations and I will not dwell on them. It is interesting that the Minister said that it should be the understanding of the

child about what an oath means as to whether evidence can be given any greater weight than other forms of evidence. The Minister also mentioned an age being laid down. I remind the Minister that the Act provides for an age as to when a minor is a minor and when a sexual offence is regarded as carnal knowledge. A whole range of ages is set down in the Act for good reasons, so that we do not get into this very subjective area. I do not wish to pursue the amendment much further. I am not convinced that the Attorney actually made an attempt to cover this area, given the reasons for opposing the amendment tonight. We are all working in the same direction. It may well be that the clause could lead to further appeal situations, with which we really do not want to become involved. So I guess it will be the proof of the law and its operation that will determine whether or not the legislation before us is workable. If it does not work, I guess we will see the presentation of another Bill.

Mr LEWIS: I am not satisfied with the Minister's reasons for his rejection of the amendment moved by the member for Mitcham. However, the evidence given to me by some of the most senior and respected psychologists in this State and the United States indicates that, if the law is administered as provided in this Bill and as previously administered, then we will convict innocent people. The burden of proof does not reside with the Crown to establish guilt in these matters. I understand that more often than not the disposition of the court is such that the accused virtually has to prove his or her innocence. Accordingly, I would have thought that the approach being advocated by the Opposition through the member for Mitcham's amendment would ensure that the system of justice that we have had is reinstated and maintained.

It is quite clear from the evidence presented to me that children are capable of being manipulated by vicious and nefarious adults who wish to vilify an innocent adversary. Therefore, I am very uncomfortable about the whole direction in which this legislation is going. It ignores natural inclinations and what we have learned over several hundred years in the development of our system of justice is the best way in which to administer the law to determine whether or not someone should be found guilty of an offence. I am disappointed that the Government has acceded to the demands of a radical minority, most of whom are Marxist feminists.

Ms LENEHAN: I oppose this amendment and I will also counter some of the remarks made by the member for Murray-Mallee. As a result of talking to the parents of child sexual abuse victims, it has been my experience that in the courts quite the opposite exists; in fact, the child is put under the most pressure. In the past the legal procedures have been stacked in favour of the accused and against the victim. It was because of the weight of evidence that was provided to the Child Sexual Abuse Task Force—

Mr Lewis interjecting:

Ms LENEHAN: Why don't you read the Child Sexual Abuse Task Force Report and you will see that the evidence presented by lawyers, parents, workers and members of the community in general supports the position that I am taking on this matter? I am rather surprised that the member for Murray-Mallee does not seek to provide protection and justice before the law for innocent children who are victims of what has to be one of the most insidious crimes in our community—the sexual abuse of children. He is saying that he is disappointed that the Government is attempting to address what has been acknowledged by even some fairly hard-nosed criminal lawyers as being a most unjust situation with regard to children under the age of 12 who could not give evidence in their own case. They were not able to give evidence, because they were not able to provide a sworn statement.

This Bill treats children as equal human beings, and I am sure that any parent in this Chamber would agree that children do not make up those sorts of things and that, if a child is somehow schooled by an unscrupulous parent, then that becomes very evident to the professional workers in the case. Once again, I support this clause and I oppose the amendment.

Mr LEWIS: The member for Mawson misrepresents my position. She has not taken advice from objective, long-standing experts—

The ACTING CHAIRMAN (Mr Duigan): Order! The member for Murray-Mallee will refer to other members in the Chamber by their proper title.

Mr LEWIS: Presumably I should refer to you, Mr Acting Chairman, in gender terms as 'he', and I have referred to the member for Mawson as the member for Mawson and as 'she'. At no time have I directed my remarks other than through you—'she was' and 'she is', the third person. You will forgive me then for explaining the use of the pronouns in the course of my remarks. I will return to the substantive part of the defence of my position. I do not deny any of the genuine concern which the member for Mawson has expressed as being genuine. Nor do I deny that it happens. I merely ask the Committee to consider, by the approach being taken in the legislation, that we make it easier for some innocent people, once accused, to be convicted.

I have always thought that it is better, if a man or a woman is charged with murder, that 50 people so charged, though being guilty, have verdicts of not guilty returned than for one who is not guilty to be found guilty. That was more especially the case when the death penalty was the consequence of a guilty verdict. It is a feeling and a belief which I have and advocate with a passion because of my understanding of the way and, indeed, my firsthand experience of the way in which there is no justice in many other societies on this Earth. For the member for Mawson or anyone else in this Chamber to advocate changing the system which makes it possible for us, beyond reasonable doubt, to establish guilt before convicting anybody, to advocate an abrogation of that position for the sake of catching a few more offenders, is not adequate defence of the changes which this Bill will introduce into the legal system once it becomes law.

I share the compassionate concern that she has expressed about the effect that those heinous acts perpetrated on minors by adults for their own personal gratification produce in the lives of their unfortunate victims. There is no doubt about that. However, I am more concerned that our system of justice is not changed from one where the burden of proof is left with the Crown to prove guilt and not with the accused to prove innocence.

Mr S.G. EVANS: I did not intend entering into this debate, but I will just record briefly a view I have held for a long while. I do not support any actions that are adverse to minors, but there is no doubt that, in our modern society, because we have changed the law so much, children are now being used in some cases, even though it may be a few only, as tools in trying to win arguments to justify partnership break-ups to win material benefit in courts. I do not care what experts are employed who claim they can understand children and that they can tell when children are telling the truth or lying, or even when adults are telling the truth or lying: we will end up in particular with some males paying a severe penalty for crimes they have never committed. I will leave it at that. We are making it so, and if I

am right, I hope that some of those members or their families who support this concept feel the effect within their family structure of what can occur once children are allowed to be used as tools by adults to gain materially in break-ups of partnerships and, in particular, marriage.

It is happening already and it will happen more so in the future, because that is what is happening in many cases with children today in a society in which so many marriages, or, if you like, *de facto* relationships break up.

Amendment negatived; clause passed.

Clause 6—'Statement of victim of sexual offence who is a young child.'

Mr S.J. BAKER: I do not intend to pursue this amendment.

Clause passed.

Remaining clauses (7 to 9) and title passed.

Bill read a third time and passed.

ADJOURNMENT

At 1.17 a.m. the House adjourned until Thursday 7 April at 11 a.m.

HOUSE OF ASSEMBLY

Wednesday 6 April 1988

QUESTIONS ON NOTICE

HOUSING TRUST ARCHITECTS

460. **Mr BECKER** (on notice) asked the Minister of Housing and Construction:

1. How many architects and other persons are employed in the South Australian Housing Trust's Architects Section and what is the total annual cost of operating this section?

2. How many new houses have been designed by this section and at what cost per property?

The Hon. T.H. HEMMINGS: The replies are as follows:

1. The South Australian Housing Trust's Housing Supply Division employs eleven architects, 44 drafting and technical officers and four clerical officers. This division's total annual operating cost is approximately $3 million.

2. The number of houses designed and constructed by the trust's internal resources over the past five years is shown in the table below together with the average cost of trust houses over that period.

	No. of Houses	Average Cost $
1982-83	1 549	29 347
1983-84	1 638	32 470
1984-85	1 942	39 937
1985-86	1 571	42 499
1986-87	1 244	42 688

Average design costs have not been calculated for this period since costs vary considerably depending on complexity, size and location of the housing development.

ONKAPARINGA ESTUARY

496. **The Hon. D.C. WOTTON** (on notice) asked the Minister of Transport, representing the Minister of Health: In view of conclusion No. 5 in the Manning Report *Onkaparinga Estuary—An examination of water quality* which states 'Microbial quality is poor during the wetter periods with numbers of total faecal califorms and E-coli well above the recommended criteria for contact recreation—the highest numbers are found below Old Noarlunga', what action has been or will be taken by the South Australian Health Commission to warn swimmers or those fishing in the vicinity and will signs be put up immediately warning people of dangers associated with contact recreation in the area?

The Hon. G.F. KENEALLY: A preliminary review of the results contained in the report suggest that at times of stormwater influx the water quality may not satisfy the criteria for primary and secondary water recreation, hence a more detailed evaluation of the report findings is warranted.

As the land abutting the river and the river waters are subject to control and administration of several governmental agencies and the Noarlunga City Council, it is proposed these agencies meet and discuss the issues arising from the report findings. The A/Director of Public and Environmental Health, South Australian Health Commission, has written to the Department of Environment and Planning suggesting that they convene such a meeting. Following this meeting it is anticipated that a complete review of the report methodology and findings will be undertaken and a report submitted to the Central Board of Health for consideration and direction as appropriate.

In the interim it should be noted that most contact recreation occurs within the vicinity of the mouth of the river and the report indicates the microbial levels are significantly lower than immediately downstream from Old Noarlunga Township. At the microbial levels indicated in the report it is unlikely any person would suffer any adverse health effects from consuming fish taken from the river.

ASBESTOS REMOVAL

522. **Mr BECKER** (on notice) asked the Minister of Housing and Construction:

1. Is all asbestos removal work from Government buildings and private enterprise placed under the care and control of the Minister's department and, if so, why?

2. What position or advice does Mr Jack Watkins hold or give the Minister regarding asbestos location and removal?

3. Where is the removed asbestos dumped and what safeguards apply?

The Hon. T.H. HEMMINGS: The replies are as follows:

1. Asbestos removal within Government buildings is contracted to licensed private asbestos removal companies. Such contracts are normally let by the South Australian Department of Housing and Construction (SACON) to standards determined by the South Australian Asbestos Advisory Committee. This committee also determines priorities for the asbestos removal program.

Asbestos removal within private buildings is normally arranged by private enterprise using licensed asbestos removal companies. Currently, all asbestos removal work is required under the Occupational Health, Safety and Welfare Act to be approved by the Chief Inspector, Department of Labour. The regulations under the Act prescribe the standards, procedures and safety precautions to be maintained. Arrangements are in hand to transfer this approval role, and associated functions for asbestos removal within both public and private buildings, to SACON. Consolidation of all asbestos removal functions in one department would improve efficiency.

2. Mr Jack Watkins is a member of the South Australian Government Asbestos Advisory Committee. As a member of the committee, Mr Watkins is involved in discussing, establishing priorities and implementing procedures for the safe removal of asbestos from government buildings.

3. Removed asbestos is required under the Occupational Health, Safety and Welfare Act to be disposed of in a manner approved by the Chief Inspector. This involves the transport of asbestos by licensed transporters using sealed containers, and deposition of asbestos waste only at solid waste landfill depots licensed to receive such waste. The whole dumping process is required to be supervised by an authorised person under the South Australian Waste Management Commission Act.

IYSH

579. **Mr BECKER** (on notice) asked the Minister of Housing and Construction:

1. What is the estimated number of homeless in South Australia and how does the figure compare with twelve months ago?

2. What is the estimated number of young people in the age groups 15-18, 19-21, 22-25 seeking shelter?

3. Of the estimated number of homeless how many are Aboriginal?

4. What financial assistance has been made available for Aboriginals as part of IYSH projects and, if none, why not?

The Hon. T.H. HEMMINGS: The replies are as follows:

1. Since there are no accurate figures available on the total number of homeless persons in South Australia it is not possible to make a comparison with earlier time periods. The information that is available, from agencies dealing with people in housing need, shows that there is a growing need for housing assistance amongst particular groups within the South Australian community.

2. A comparison of the 1981 and 1986 Census information shows that the numbers of young people aged between 15-25 years recorded as sleeping out, or migratory, increased from 313 to 789. The numbers of young people approaching agencies, which provide assistance to persons seeking accommodation in the private rental sector, such as Trace-a-Place and the Emergency Housing Office, increased during the past 12 months.

3. Many of the homeless persons within South Australia are Aboriginals but there are no accurate statistics available.

4. During the 1987 International Year of Shelter for the Homeless, over 70 applications were received for grant funds. Three of these specifically related to funding for programs to assist Aboriginal students, particularly those with drinking problems. However, one project was not a direct request for housing assistance and, therefore, was not considered a priority. Another had recurrent funding implications. The third was funded and will enable Aboriginal students to learn building skills through the construction of a demonstration mud brick building.

CROUZET SYSTEM

607. **Mr INGERSON** (on notice) asked the Minister of Transport:

1. What is the current cost of the Crouzet system to the end of January, including replacement of all faulty tickets and equipment?

2. What effect have foreign exchange rate changes had on this cost?

The Hon. G.F. KENEALLY: The replies are as follows:

1. The cost of the Crouzet system is $10.7 million comprising:

	$m
Basic Crouzet contract cost (at February 1985 prices)	4.86
Foreign exchange cost	3.28
Additional equipment purchases and modifications	0.81
Adjustments for inflation (rise and fall)	0.70
Direct costs to the STA for ancillary equipment and installation work	1.05
	$10.70

Pending final payment of all costs to Crouzet, some minor adjustments may occur to foreign exchange and inflation related costs.

Additional equipment purchases included 30 BOM-1 machines to print and sell tickets at railway stations, 113 rail control units, 33 portable validators for on-street sales and extra spare parts.

Inflation factors are two-fold:

1. Australian inflation effect was fixed at 12 per cent above the original sum for the Australian component which is approximately one-third of the total contract cost.
2. Foreign inflation effects are calculated on an international set of indices.

Faulty tickets were returned to the manufacturer. No payment was made for the faulty batches of tickets.

All equipment is under warranty and is repaired or, if necessary, replaced by the contractor at no cost to the State Transport Authority.

2. The foreign exchange component of the cost of the Crouzet system is $3.28m.

PRISON VIDEOS

637. **Mr BECKER** (on notice) asked the Minister of Correctional Services:

1. What is Correctional Services departmental policy concerning classification and type of videos offenders are permitted to watch?

2. Was a documentary of explicit murders titled *Killing of America* permitted viewing for an offender prior to the closure of Adelaide Gaol and, if so, why?

The Hon. FRANK BLEVINS: The replies are as follows:

1. There is no promulgated departmental policy concerning classifications or type of videos prisoners are permitted to watch. However, each prison has a local rule authorised by the Manager. Port Augusta Gaol, Cadell Training Centre, Port Lincoln Prison, Northfield Prison Complex, and the Adelaide Remand Centre do not permit R or XXX rated videos to be shown. Mobilong Prison and Mount Gambier Gaol do not permit XXX rated videos to be shown. Yatala Labour Prison has no formal restrictions on the type of videos shown. In all institutions the videos are chosen off the shelf by institutional staff from commercial outlets.

2. The former management of Adelaide Gaol is not aware that the video *Killing of America* was shown prior to the gaol's closure.

GOVERNMENT VEHICLES

639. **Mr BECKER** (on notice) asked the Minister of Labour:

1. As they do not undertake inspections, do all regional managers of the Department of Labour need motor vehicles to travel to and from work?

2. What is the department's policy in relation to providing motor vehicles for regional managers and why were the previous three regional managers, Grubb, Sheridan and Boyce, not provided with motor vehicles?

The Hon. FRANK BLEVINS: The replies are as follows:

1. All regional managers of the Department of Labour are required to carry out inspectorial work and all are available for after hours call out.

2. All regional managers have access to a Government motor vehicle. Messrs Grubb, Sheridan and Boyce have not at any time been regional managers.

TRADING HOURS

643. **Mr BECKER** (on notice) asked the Minister of Labour:

1. Is it the Government's intention to request departments, particularly the Registrar of Motor Vehicles, to extend trading hours to 5 p.m. on Saturdays and, if not, why not?

2. Is it the Government's intention to ask the Lotteries Commission to extend tenancy hours to 5 p.m. on Saturdays and, if not, why not?

The Hon. FRANK BLEVINS: The replies are as follows:

1. No. Current arrangements are satisfactory and cost effective.

2. Same as 1.