HOUSE OF ASSEMBLY

Tuesday 12 February 1991

The SPEAKER (Hon. N.T. Peterson) took the Chair at 2 p.m. and read prayers.

ASSENT TO BILLS

Her Excellency the Governor, by message, intimated her assent to the following Bills:

Adelaide Children's Hospital and Queen Victoria Hospital (Testamentary Dispositions),
Boating Act Amendment,
Building Act Amendment,
Building Societies,
Citrus Industry Organisation Act Amendment,
Corporations (South Australia),
Correctional Services Act Amendment (No. 2),
Debits Tax,
Electricity Trust of South Australia Act Amendment,
Evidence Act Amendment,
Land Acquisition Act Amendment,
Land Agents, Brokers and Valuers Act Amendment,
Local Government Act Amendment,
Motor Vehicles Act Amendment (No. 3),
Murray-Darling Basin Act Amendment,
Occupational Health, Safety and Welfare Act Amendment,
Piplines Authority Act Amendment,
Referendum (Electoral Redistribution)
Renmark Irrigation Trust Act Amendment,
Senior Secondary Assessment Board of South Australia Act Amendment,
Statutes Amendment and Repeal (Merger of Tertiary Institutions),
Superannuation Act Amendment,
Trustee Companies Act Amendment.

PETITION: ACCESS CAB VOUCHERS

A petition signed by 327 residents of South Australia requesting that the House urge the Government to increase the number of access cab vouchers available to disabled people was presented by Dr Armitage.

Petition received.

PETITION: URBAN RAIL SERVICES

A petition signed by 1 482 residents of South Australia requesting that the House urge the Government to upgrade urban rail services was presented by Mr Atkinson.

Petition received.

PETITION: BLOOD ALCOHOL CONCENTRATION

A petition signed by 92 residents of South Australia requesting that the House urge the Government to set the blood alcohol concentration limit for fully licensed drivers at .05 per cent was presented by Mr Becker.

Petition received.

PETITION: BOWHILL WHARF

A petition signed by 325 residents of South Australia requesting that the House urge the Government to undertake the restoration of the Bowhill wharf was presented by Mr Lewis.

Petition received.

PETITION: STATE TRANSPORT AUTHORITY LAND

A petition signed by 149 residents of South Australia requesting that the House urge the Government not to allow the subdivision of State Transport Authority land on Commercial Road, Brighton, was presented by Mr Matthew.

Petition received.

PETITION: MOUNT LOFTY RANGES

A petition signed by 69 residents of South Australia requesting that the House urge the Government to limit the prohibition on development in the Mount Lofty Ranges as ordered by the supplementary development plans was presented by the Hon. D.C. Wotton.

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 98, 240, 264, 265, 282, 288, 289, 291, 292, 294, 295, 298, 303 to 305, 332, 341, 344 to 347, 353 to 355, 358, 360 to 362, 369, 371, 372, 375, 377, 387, 390, 392, 394 to 398, 401, 405 to 408, 412 to 414, 417 to 419, 422 to 426, 431 to 435, 436, 438, 439 and 447; and I direct that the following answers to questions without notice be distributed and printed in *Hansard.*

RURAL ASSISTANCE

In reply to **Mr BLACKER (Flinders)** 18 October.

The Hon. LYNN ARNOLD: The recent scheme of assistance to small business referred to by Mr Blacker was specific to the Eyre Peninsula situation and was in line with a commitment made by the Premier in March 1989 to representatives of the Eyre Peninsula Local Government Association. The situation on the Eyre Peninsula in 1989 that resulted in small business loans being made available was a consequence of three consecutive years of very poor seasons. This run of poor seasons on Eyre Peninsula came on top of the nation-wide drought of 1982-83.

Previously, assistance to small non-farm businesses had only been available during the 1982-83 drought. That assistance took the form of carry-on loans and was offered to small businesses throughout the State under the Natural Disaster Relief Arrangements (NDRA) and the Primary Producers Emergency Assistance Act 1967 as amended. The Rural Adjustment Scheme is only available to assist primary producers who are eligible. Small businesses are excluded from the RAS scheme. Although there are no avenues currently available to provide loans to non-farm small businesses, I have asked that the issue be considered by the

recently established Ministerial Advisory Committee on Rural Finance Policy.

GRAND PRIX

In reply to **Hon. J.P. TRAINER (Walsh)** 7 November.

The Hon. S.M. LENEHAN: The Minister of Consumer Affairs has advised that inquiries made by officers of the Department of Public and Consumer Affairs, Office of Fair Trading with the Grand Prix Office and promoter of the Cher Concert have confirmed that a Cher look-a-like was on stage for approximately two minutes during the concert. This is apparently part of the normal act and has been used as a 'comedy routine' in Cher Concerts around the world.

The spokesperson for the Grand Prix Office contends that the fee charged was solely for admission to view the Grand Prix race and the Cher Concert was an added bonus. I am advised that the Fair Trading Act 1987 contains adequate provisions to deal with misleading or deceptive advertising in relation to the promotion of live concerts. The Office of Fair Trading is not aware of any misleading advertsing in relation to the Cher Concert. In the circumstances the Office of Fair Trading does not consider it is necessary to research developments in the United States.

BENEFICIAL FINANCE CORPORATION

In reply to **Mr BECKER (Hanson)** 8 November.

The Hon. J.C. BANNON: Beneficial Finance has a Compensation Committee (consisting of directors) which approves remuneration packages for senior management of the corporation. These packages are established after taking into account market rates of compensation in line with other financial institutions and the performance of the individual.

The former Managing Director of Beneficial Finance was entitled to a bonus on performance. The substantial profit made in 1989 resulted in him being entitled to a large bonus. Of course in a year of loss, no bonuses would be payable.

The new Managing Director is on a remuneration package substantially less than that of his predecessor. This information, together with remuneration paid to the other directors, will be disclosed in the 1991 Annual Report. In relation to loans, the interest cost and fringe benefit tax related to staff loans are charged against the compensation package.

STATE BANK

In reply to **Mr BECKER (Hanson)** 13 November.

The Hon. J.C. BANNON: Directors' fees paid by the bank to its directors are determined by the Governor under the State Bank of South Australia Act 1983.

The basis for setting directors' fees are detailed in reply to question on notice No. 145 tabled in the House on 4 September 1990.

The bank has a Compensation Committee, consisting of the Chairman, the Deputy Chairman and the Group Managing Director, which approves remuneration packages for senior management of the bank. These packages are established after taking into account market rates of compensation in line with other banks, and the performance of the individual. Fees for directors of subsidiary companies are also approved by the Compensation Committee.

In the past, it has not been the practice of the bank to disclose information relating to the remuneration of senior executives, nor is it required to do so. The board, however, has agreed to supply this information in the same format as required under legislation relating to companies. This information is currently being compiled and will be included in the bank half-yearly statement of results.

RE-ESTABLISHMENT GRANTS

In reply to **Mr GUNN (Eyre)** 14 November.

The Hon. LYNN ARNOLD: There have been no changes to the policy guidelines and determinations made under the provision of the States and Northern Territory Grants (Rural Adjustment) Act 1988 which affect the way in which the Rural Finance and Development Division assesses eligibility for re-establishment grants. The Act has two paragraphs which address eligibility in general:

8. (1) A person is engaged in a rural industry if under normal circumstances the principal source of income of that person is from a farm enterprise to which that person contributes a significant part of his or her labour and capital.

(2) The State may decide that in respect of the same farm enterprise more than one member of a family or group is to be considered as being engaged in a rural industry.

Specific assessment criteria to determine eligibility for re-establishment assistance stipulate that the farmer shall:

(1) have dispersed of his/her productive resources or, in the opinion of the State authority, the adjustment out of farming is assured by contractual arrangements; and,

(2) have been without prospects in the rural industry.

Comprehensive information about Rural Adjustment Scheme re-establishment grants is contained in the Department of Agriculture Fact Sheet 22/88 as reprinted in April 1990. These fact sheets are readily available at all departmental district offices and from the Rural Finance and Development Division. It is possible for more than one person or family from one farm enterprise to receive a re-establishment grant.

Two recent cases where approaches have been made to the Rural Finance and Development Division for possible multiple re-establishment grants are still under assessment. In one of these cases where two families are involved, only one family could be regarded as having adjusted out, and there is no contractual arrangement in place which will ensure adjustment out by the other family. In the meantime, a trading partnership is still legally in place connecting both families and the farm business.

In the other case there are complexities of company structures and trust arrangements which will necessitate an opinion from the Crown Solicitor. A senior officer from the Rural Finance and Development Division has had preliminary discussions with the Deputy Crown Solicitor prior to a formal request for an opinion being made. In both cases, the Rural Finance and Development Division has had some difficulty in getting full and frank disclosures of all relevant financial and business details. All reasonable efforts will be made by the division to bring both issues to conclusion. However, with all applications for re-establishment grants, a balance has to be struck between speedy processing of the applications and a duty of care to ensure that taxpayers' funds are disbursed only to those who are eligible to receive them.

HOUSING TRUST RENTS

In reply to **Mr De LAINE (Price)** 20 November.

The Hon. M.K. MAYES: I am pleased to report that the trust is in the process of increasing the opportunities and avenues for its tenants to pay their rent. I have recently given my unequivocal support to the trust's proposal to

contract Australia Post to act as an agent to accept payment by tenants. The Australia Post electronic counter service (ECS) will mean that trust clients can make their payments at their local post office in much the same way as they currently pay at a trust office. The key difference is the number of places the tenants can pay. At the moment there are 60 payment facilities at which tenants can make payments. The use of Australia Post offices will increase the number to over 450 across the State; clearly a tremendous benefit for tenants. There are substantial savings to the trust in administration through the introduction of this payment facility. The estimated annual saving is in the vicinity of $1 million.

The trust is in the process of working toward an agreement for operation and expects to finalise negotiations by the end of the year. Implementation of the new payment arrangements is expected next year. To enable tenants to adjust to the new arrangements, the trust will continue to operate the current method of rent payments for three months when the Australia Post initiative is introduced. Whilst this initiative will provide trust tenants with many more options to make trust payments, investigations into other alternatives continue. In particular, the trust is in the process of investigating a direct debit system to increase options available to tenants and to increase the ease of payments for those tenants who choose to use it. This system will enable tenants to arrange automatic deduction of their rent from their social security payment. There are currently some pensioners and beneficiaries who are able to do this and the trust aims to open up this facility to all pensioners and beneficiaries through negotiations which are currently under way with the Commonwealth Department of Social Security.

SAMCOR

In reply to **Mr MEIER (Goyder)** 20 November.

The Hon. LYNN ARNOLD: Samcor's loss for the financial year 1989/90 was $1 710 466. Of this amount $1 229 867 constituted an operating loss. The other component of the loss reflects lower than anticipated prices for by-products after the purchase of the business known as Hortico By-products in June of 1989 and unforeseen expenditure arising from utilisation of land sold by SAMCOR in 1985. In this latter case SAMCOR was obliged to pay the cost of rehabilitating the land for development because of circumstances that related to use of the land prior to the sale.

SMOKE DETECTORS

In reply to **Mr HAMILTON (Albert Park)** 21 November.

The Hon. D.J. HOPGOOD: The Australian Uniform Building Regulations Co-ordinating Council recently received a consultant's report on emergency warning intercommunications systems, and fire detection and alarm systems. The consultant reviewed statistics for fires, and deaths caused by fire, in various classes of buildings, as defined in the Building Code of Australia.

In respect of residential buildings, by far the greatest incidence of deaths occurred in class 3 buildings, which includes boarding houses and hostels. Multi-storey buildings which comprise class 2, that is, town houses, flats or units, were found to be of some concern. The study recommended that, amongst other fire safety measures, smoke detectors be installed in these types of buildings. The study found that while the death rates due to fire in class 2 buildings are extremely low in comparison to class 3, they are twice that for class 1 buildings, that is, single dwellings or attached row dwellings with their own direct ground floor exits.

The consultancy report is being studied by the Building Control Branch with the aim of preparing recommendations for inclusion in the Building Code of Australia. It may be that the community's interest would be best served by targeting the areas of greatest risk. Whilst the value of smoke detectors in houses is not disputed, the Government's policies promoting housing affordability and deregulation generally will need to be weighed carefully against the costs and benefits of a proposal that the installation of smoke detectors be made compulsory in all types of housing, particularly given the low level of risk of death or serious injury from fires in single dwellings.

COMPUTERS

In reply to **Hon. J.P. TRAINER (Walsh)** 5 December.

The Hon. LYNN ARNOLD: The problem outlined is a potentially genuine problem which could affect many computer systems. The problem is not related to the size of the computer (for example, mainframe, minicomputer or PC) but is a function of the software used and the way in which dates are recorded, for example, most dates in the past were recorded as DDMMYY, where two digits were allowed for day (DD), two for month (MM) and two for year (YY).

Increasingly, however, newer computer systems are providing an additional two digits (CC) for the century, thus avoiding the problem referred to by the Member for Walsh. As an example, the South Australian Government's AUSTPAY system employs this method. It is anticipated that, in the nine years, approximately, before the year 2000, most software in current use will require replacement, upgrade or enhancement and the year 2000 date problem will be dealt with at that time using a method similar to that outlined above.

MURRAY DARLING BASIN

In reply to **Hon. D.C. WOTTON (Heysen)** 6 December.

The Hon. S.M. LENEHAN: In response to questions asked by the honourable member, I provide the following information:

Minutes of Ministerial Council Meetings

Minutes of the meetings of the Murray-Darling Basin Ministerial Council are not public, although information of council business is available from the State Contact Officer, Mr P. J. Hoey (Engineering and Water Supply Department), if requested.

Queensland Joining The Council

On the matter of Queensland joining the Murray-Darling Basin Ministerial Council, I recently welcomed this initiative in my ministerial statement to the last council meeting in Melbourne in August 1990 at which the Hon. Ed Casey was an observer, Queensland has decided in principle to join the council. Administrative, legal and financial details are presently being negotiated.

Community Advisory Committee

The Community Advisory Committee (CAC) is a vital element within the whole of the Murray-Darling Basin initiative. The committee comprises 22 members, drawn from regions and special interest groups across the basin. Six members are South Australian:

- Ann Rungie representing the Adelaide region.
- Bob Loxton representing the Riverland region.

- Toni Robinson representing the Lower Murray.
- Graham Camac representing the Murray Valley League.
- Fran Sheldon representing the Conservation Council of South Australia.
- Arnold Schrape representing the Chamber of Commerce and Industry.

The remaining members are:

- Dr Geoffrey Evans, Chairman.
- Doreen Cooke, Regional Representative , N.S.W.
- Jane Elix, Australian Conservation Foundation.
- Peter Gathercole, Regional Representative, Victoria.
- Robin Giason, Australian Tourism Industry Association.
- Helen Halliday, Australian Council of National Trust.
- Cheryl Hardie, Regional Representative, Victoria.
- Dennis Hodgkins, Regional Representative, N.S.W.
- Lesley Hodgson, Conservation Council of Victoria.
- Des Keely, National Farmers Federation.
- Bruce McKenzie, Australian Council of Social Services.
- Judy Messer, Nature Conservation Council of N.S.W.
- Stuart Nixon, Regional Representative, N.S.W.
- Dick Palmer, Regional Representative, N.S.W.
- Ron Vine, Australian Local Government Association.
- Stan Walters, Australian Council of Trade Unions.

The CAC costs approximately $350 000 per annum, out of an annual budget for the Murray-Darling Basin which now slightly exceeds $50 million.

The role of the CAC is to provide the Ministerial Council with direct and independent advice on how well the community of the Basin is aware of, consulted about, and participates in the whole complex Murray-Darling Basin initiative. This is an enormous task, which the CAC discharges by regularly meeting with community groups, politicians, scientists, engineers, and other technical experts on all issues throughout the basin.

The CAC last met in Shepparton from 20 to 22 November 1990. On this occasion the committee hosted a public forum on the evening of the 20th to canvass a range of issues. The next day a workshop on structural adjustment was held. On the last day the CAC held a normal meeting. All proceedings are open to public, and are widely publicised.

The Chairman of the CAC, Dr Geoff Evans, meets with the Ministerial Council whenever it meets (currently, twice per year). I met with the South Australian members of the CAC on 23 October 1990, and I have requested to meet with them again just before the next council meeting in May or June 1991.

Ministerial Council Membership and Attendance

The current membership of the Ministerial Council is as follows:

Hon. John Kerin and Hon. Ros Kelly (Commonwealth).

Hon. Ian Causley, Hon. Ian Armstrong and Hon. Tim Moore, (New South Wales).

Hon. Barry Rowe and Hon. Steve Crabb (Victoria).

Hon. Susan Lenehan and Hon Lynn Arnold (South Australia).

Attendance at meetings of the council varies with the matters to be covered. A meeting at which a typically wide range of issues is to be canvassed could be attended by:

- a representative from the Queensland Government;
- a representative from the ACT Government;
- such officers of the Murray-Darling Basin Commission, State and Commonwealth departments as are required to advise on the council agenda;
- the Chairperson of the CAC.
- the Chief Executive and supporting staff of the Murray-Darling Basin Commission;
- ministerial advisers and press officers.

CARBON MONOXIDE

In reply to **Mr SUCH (Fisher)** 11 December.

The Hon. S.M. LENEHAN: The Air Quality Branch of the Department of Environment and Planning has been monitoring carbon monoxide at MacDonalds in Hindley Street since September 1988. Previously, the monitoring station was located in the Paringa Building, on the opposite side of Hindley Street, from September 1979 to September 1986. Measured levels of carbon monoxide have increased steadily over these two periods.

Over the three days 21-23 November 1990, markedly higher concentrations of carbon monoxide were recorded than are usual for this site. Levels peaked at around midnight on 22 November, at a maximum one hour average of 48 ppm. The maximum eight hour average was 38 ppm. Both are well above the relevant air quality goals of 35 ppm for one hour and 9 ppm for eight hours. Previous highest levels were a one hour average of 35 ppm, recorded in April 1986, and an eight hour average of 16 ppm recorded in March 1986, at Paringa Building.

The episode during November this year was immediately recognised as an anomaly and investigations into likely causes were instituted. This included a request to the Adelaide City Council for information about any unusual activities in the area which might have contributed to the high levels. These investigations have as yet failed to account for the changes. No further such episodes have occurred since that time.

It is recognised that the benefits of the air pollution controls imposed on new vehicles are not evident in the type of vehicle popular with many who use Hindley Street. It is assumed that many of the pre-1986 vehicles will have had their emission controls removed and would be high emitters of carbon monoxide. The fact that this event was somewhat of an aberration does not point alone at the youthful users of Hindley Street. It may be that some combustion source such as an engine was placed near the monitor during this period while work was being undertaken, it is whether such an action took place that is yet to be established.

The Air Quality Branch conducts long-term air quality monitoring at twelve (12) different sites within the Adelaide metropolitan area. As part of the GARG review it has been recommended that the long-term monitoring be continued and that emission testing of specific industries be carried out by the industry or by consultants acting on behalf of the industry with the branch monitoring an audit function.

KING BROWN SNAKES

In reply to **Mr BRINDAL (Hayward)** 11 December.

The Hon. S.M. LENEHAN: In response to the member for Hayward's question concerning a sighting of a king brown snake at Oaklands Park, I advise that the matter is the responsibility of the Marion council. However, as a result of the question asked by the member for Hayward, an officer from my office contacted the council and brought the matter to its attention.

The council was advised of a possible sighting on a nearby oval—however, because the reported sighting could not be substantiated and the site is some distance from nearby houses, the council has yet to fully investigate the site. The council's intention now is to fully investigate the possibility of an infestation of snakes in the surrounding area. If snakes are found at the site then the council will contact Adelaide Snake Catchers, which is a voluntary organisation supported

by the Department of Environment and Planning and immediately available on telephone 378 3737. Council will also determine whether the site is in accordance with general standards regarding fire danger.

PAPER TABLED

The following paper was laid on the table:

By the Premier (Hon. J.C. Bannon)—

South Australian Finance Trust Limited—report, 1989-90.

STATE BANK

The Hon. J.C. BANNON (Premier and Treasurer): I move:

That Standing Order 107 be so far suspended to enable me to make a ministerial statement without time limit and allow the Leader of the Opposition to make a statement.

Motion carried.

The Hon. J.C. BANNON: First, I apologise to the House for the state of my voice, which is only indirectly attributable to the State Bank. However, I hope it will survive the course of this statement. All honourable members will be aware of the announcements which have been made by myself and the Chairman of the State Bank about its financial problems and the measures taken by the Government. I intend to make a comprehensive statement dealing with that and related matters.

As I mentioned in the press statement, which I issued on Sunday, it had been my firm intention to make these announcements first in Parliament. However, it became necessary, on advice from the bank and Treasury, to alter that plan given the increasing level of speculation in the market place and the community. So as to give a complete report to Parliament and for the formal record it will be necessary to repeat some things which are already public.

Mr Speaker, let me begin with some background. On Thursday 23 August, I tabled the Annual Report of the State Bank of South Australia for 1989-90. It revealed for that year an audited after tax profit for the bank group as a whole of $24 million. As the House is aware, I met with the Chairman and senior officers of the bank on a regular basis. At a number of those meetings projections of future profit for the Bank group were discussed. On 5 September at a meeting with the Chairman of the State Bank I received a report on its projected profit performance for 1990-91. That report predicted a post-tax profit for the group of $36.75 million.

I regarded those results—both the published ones for 1989-90 and the predicted ones for 1990-91—as disappointing. To an extent they were understandable given that conditions in the economy in general, and in the financial markets in particular, had been highly adverse and were becoming more so. It was also the case that we were experiencing a major decline in the value of commercial properties.

In the light of the marked variation between the indications I was now being given and the forecasts that I had received earlier in the year, I was also concerned that the information being given to Treasury, and in turn to myself as Treasurer, was not adequate. Consequently, following the meeting with the State Bank on 5 September, I wrote to the Chairman of the bank in a letter dated 7 September in the following terms:

I am writing to confirm that I would wish to have put in place immediately reporting and monitoring arrangements along the lines we discussed and agreed at the meeting. I would summarise these arrangements as follows:

- information to be provided in an agreed form to Treasury each month;
- discussion to take place between our officers to clarify such information and to identify options for improving the bank's performance;
- a report to be provided to me by Treasury prior to my regular meetings with you.

I would like these arrangements to be put in place as soon as possible and have asked the Under Treasurer to be in touch with the bank to discuss the details.

Following my return from leading an investment mission to Europe in that month, I was advised by the bank on 24 October that the result for the year could be one of small profit or break-even. On 8 November, I was advised by Treasury that, according to the latest information it had received from the bank, it was virtually certain that a profit would not be achieved in 1990-91. Indeed, the bank had advised it could record a post-tax loss of between $30 million and $50 million and indicated to the Treasury that one of the problems faced by the bank was its exposure to non-residential construction. I indicated to Treasury officials that this advice was of great concern and asked to be kept up to date on a monthly basis.

On 6 December I met with the Chairman of the bank. Prior to that meeting, I was advised by Treasury that the bank's level of non-accrual loans was growing quickly and that it was concerned that the bank was not providing sufficiently for bad debts. Treasury was also concerned that the capital adequacy ratio was likely to fall to a level which was only slightly above the Reserve Bank's minimum.

In the light of these very serious concerns, I advised the Chairman of the bank that a joint bank/Treasury working group should be established to review the profit outlook for the bank. I was advised by the Group General Manager of the bank, in a letter dated 18 December, that the board of the bank had agreed to the establishment of this working group.

Initial discussions were held between the bank and Treasury, and it was agreed that the bank would commence detailed work on identifying the full extent of its financial problems. Concurrently, following discussions between the Chairman and myself, the board agreed that an external consultant should also be appointed. J.P. Morgan was subsequently appointed on 18 January 1991 and started work on 21 January 1991. It was agreed that a further review of the bank's position would be presented to me at the end of January when both I and the Chairman had returned from leave.

That meeting was held on 29 January. On that occasion I was advised by the Chairman of the potential problems facing the bank. Following that meeting I asked the Chairman to arrange for Treasury officers to meet with the J.P. Morgan team. On the next day, 30 January, I received further advice from Treasury, following its discussions with J.P. Morgan, and was advised of the likely full extent of the problems.

Mr Speaker, before dealing with the action I took following these meetings, I would like to return to the situation which existed at the end of 1990 and my responses to matters which were raised in the House.

I would like at once to acknowledge that members opposite have, by way of questions, raised a number of issues which are pertinent to the problems now revealed. The Leader of the Opposition has also referred to the problems faced by Governments dealing with financial institutions in his reply to my budget speech. Similar comments were made by other members opposite.

I would also like to acknowledge that the Leader of the Opposition pursued his line of questioning in a manner which tried to avoid the damage which could be caused to the bank by unfounded rumour and innuendo.

Nevertheless, the adversarial system of Parliament sits uneasily with the commercial operation of State-owned financial enterprises, particularly banks, whose operations are sensitive to market perceptions. There is no doubt that towards the end of last year the bank faced a series of questions and a style of questioning which no private bank would ever experience. With the benefit of hindsight it is now obvious that those questions were dealing with the symptoms and not the core problem. However, it must also be acknowledged that the questions themselves were not the cause of the very real problems which have now been laid bare.

Any Government, and any Treasurer, faces a dilemma in reconciling the responsibilities of informing Parliament while at the same time maintaining the viable operation of an institution such as a State bank. Members will recall that I took the step of obtaining written responses to questions concerning the bank's affairs. I took this action both to ensure that Parliament was provided with full and proper information and also to make clear to the board and management of the bank their responsibilities to be accountable through me to Parliament. Members will also recall that on one occasion I advised the House, by way of a ministerial statement, that advice I had received from the bank, and which had been passed onto the House, was inaccurate. That statement, which I made on 13 December, indicated that, while I was not yet in a position to provide a full revision to the previous response, I wished to ensure that the House was aware of the situation.

At the same time, I believe it would have been grossly irresponsible to ventilate publicly in this place my growing concerns about the information I was receiving from the bank. To do so would have been to invite instability before the full extent of the problem was apparent and before a solution could be identified. As I made clear in my statement on Sunday, it was not until 29 January that the extent of the problems the bank faced were identified. At the stage the questions posed by the Opposition were being asked it appeared that the bank's position, although of concern, was of a scale which could be improved without the need for the sort of package which is now being implemented.

My actions during this period when I was becoming concerned regarding the information I was receiving from the bank should also be considered in light of the limitations imposed on the Government by the Act. The Act does not give me the power of direction. It is drawn specifically to exclude interference by the Government of the day.

I would remind the House of the debate which took place during the passage of legislation to establish the bank at the end of 1983. That legislation was strongly supported by both sides of this House. Indeed, in addressing the Bill, the then Leader of the Opposition indicated that the only amendment the Opposition would put forward referred to the clause dealing with the appointment of directors. The Leader indicated that the appointment of directors upon conditions, as was provided in the clause, was tantamount to riding instructions to anyone appointed to the board. The Leader indicated that he did not see any need for this to be incorporated in the legislation.

Similarly, the member for Light, in supporting this amendment, said that there was a clear inference that the Government could seek to interfere unnecessarily into the affairs of the merged bank. He declared that this was 'not on' for members of the Opposition and would not occur if the Liberal Party gained government. He concluded that the Opposition considered that it was paramount that the consultation envisaged by the Act should not be construed in any other way than to mean a mutual acceptance of an end point reached. Similar sentiments were expressed by the member for Hanson.

I believe that in our administration of the State Bank Act and in our general dealings with the State Bank board we have followed those principles enunciated by members opposite which I believe did clearly express the view of the House at the time the legislation was passed. Indeed, the action I sought had to be taken with the consent of the bank board. Once that consent was given in December action followed swiftly.

The problems which have now been identified essentially relate to differences between the book value of the bank group's loan and loan-related assets and their expected realisable value. Given the level of non-performing loans now identified, it is clear that the group's provisioning with respect to bad and doubtful debts was inadequate.

Having become aware of the extent of the problem on 30 January, on the following day I had discussions in Canberra with the Federal Treasurer, the Hon. Paul Keating, during which we discussed the situation generally. I should record that his advice was very useful.

Amongst other processes, which included liaising with the Reserve Bank, I asked that the State Bank's officers undertake the most detailed and rigorous reassessment possible of their loan porfolio with a view to quantifying the magnitude of the problem as quickly as possible. On Monday 4 February—that is, Monday of last week—I was advised that the present value of the gap between book values and estimated realisable values was of the order of $900 million to $1 billion.

It became clear at that point that decisive and substantial action was required to secure the financial base of the bank. A detailed action plan was quickly formulated in consultation between myself, the Treasury Department, the Crown Solicitor and the State Bank, and proposals submitted to and approved by the State Cabinet on Thursday 7 February.

The necessary action has been taken, all associated arrangments are in place, and I can confirm that the bank's financial situation has been secured. The steps which have been taken and which I will shortly outline have been discussed with and endorsed by the board of the State Bank and J.P. Morgan.

I now outline the key elements of the action which has been taken. A contract of indemnity has been entered into between the Government of South Australia and the State Bank under which the Government is committed to meeting any differences as they emerge between the book value of the principal amount of the bank group's loans and related assets and their realisable value. Following the detailed investigation, to which I referred earlier, the present value of these differences is estimated at $990 million. The fact that this is an estimated figure does need to be emphasised. The actual value of the indemnity will depend on factors which by their very nature cannot be predicted with accuracy. Important amongst these factors are future developments in property markets in particular.

The next step in the process was the establishment of a Special Deposit Account at the State Treasury under the provisions of the Public Finance and Audit Act called the 'State Bank of South Australia Asset Valuation Reserve Account'. Funds in this account are and will remain earmarked for the purpose of meeting the Government's indemnity payments under the contract with the bank. The

funds in this account will attract interest at normal short-term commercial rates.

An amount of $970 million has been paid into this account, obtained as a result of sale of housing mortgages under the Government's HOME and HomeStart program to the South Australian Government Financing Authority. Prior to the transfer, the Minister of Housing held the mortgages, with the interest received being used to meet the debt servicing costs on funds borrowed for the schemes, together with other expenses.

Following Cabinet's consideration of the State Bank indemnity, three changes were made to this arrangement. First, the assets—the home loans—were purchased by SAFA, which will now receive the income from them. Secondly, the liabilities under the schemes—that is, the funds borrowed to provide the mortgages—were transferred to the Treasurer, who will now be responsible for meeting the debt servicing from Consolidated Account. Thirdly, the $970 million was paid by SAFA into the new Special Deposit Account.

SAFA's role in the transaction is a purely commercial one, as is required by the Act under which it operates. The net result of the transactions, however, is that $970 million has been paid into the Special Deposit Account and the debt servicing cash flow from the budget will, other things being equal, increase by approximately $51 million in 1990-91 and approximately $106 million in 1991-92.

These changed arrangements will not have any impact whatsoever on borrowers under the HOME or HomeStart programs. Borrowers will continue to deal with the State Bank and the Hindmarsh and Cooperative Building Societies which are the retailers under the schemes. Repayments by borrowers will also not be affected by this change in arrangement.

An amount of $500 million has already been paid from the Special Account to the State Bank and is available to the bank to earn interest and support its activities generally. An amount of $470 million remains in the account which will be supplemented if required and to the extent necessary. The account is earning interest.

A State Bank Advisory Group has been established to supervise the work necessary to ensure that the framework for, and structure and operations of, the bank group are suitable for the future. That work will be undertaken speedily and efficiently in a manner acceptable both to the Government and to the State Bank Board. J.P. Morgan will act as adviser to this group. Details of the arrangements relating to this group have been agreed between the Government, the State Bank Board and J.P. Morgan and were set out in an attachment to the press statement which I made on Sunday.

I mention in this context that the Government, along with the State Bank Board, is most appreciative of the supportive role already played by J.P. Morgan and is looking forward to continuing to work with this organisation. In this context, I would like to refer briefly to comments in the media concerning the tabling of J.P. Morgan's report. The original brief given to them required a report to the State Bank Board by 30 April. However, their initial review indicated serious problems which they brought immediately to the attention of the board. Subsequently, their brief was altered and they played a role in advising on the procedures to be followed by the bank in identifying the extent of the problem. Consequently, there is not at this stage a formal report. However, mindful of the important role they have played I arranged for principal officers of the J.P. Morgan team to brief the Opposition, and this has been done.

I also note that, although the indemnity agreement which has been entered into gives me powers of direction *vis a vis* the bank, it is the intention that the decision making take place to the maximum possible extent within the consultative framework which has been agreed.

I was advised on Saturday last by the Chairman of the bank that the board had accepted the resignation of the Group Managing Director, Mr Tim Marcus Clark. The arrangements which have been put in place are but the first step in the process of re-establishing the bank on a basis suitable for the long term. However, these arrangements are substantial in themselves.

The statutory guarantee by the Government of the bank's deposit and other liabilities will, of course, remain in place. The security attached to funds placed with the bank has never been in question and is not now in question in any way. I note that, even after the full impact of the bank's problems had been felt on the State's finances, South Australia's net debt per capita would still be less than the average of the six States.

I am also in a position to advise the House that, since the announcement on Sunday, the bank has received many inquiries, but while there has been some movement in deposits the overwhelming majority of depositors have retained confidence in the bank. Further, there have been no adverse developments offshore and the bank has received good support in Australian professional money markets.

As I mentioned earlier, all of the action which has taken place has been in the closest consultation with the Reserve Bank of Australia. The Reserve Bank is fully aware of the arrangements and has confirmed that the State Bank is continuing to meet the capital adequacy requirements of the Reserve Bank.

The Reserve Bank has reviewed the deed of indemnity, the financial arrangements being put in place and the State Bank's financial projections. The Reserve Bank has noted that on the basis of these arrangements, the State Bank is projected to achieve a small profit in 1990-91, with increasing profitability in future years and that the bank's capital adequacy at 30 June 1991 is expected to remain above the Reserve Bank's minimum requirements, and increase further in following years.

The State Bank announced yesterday that, with the new arrangements in place, it had achieved a group profit for the half year ended 31 December 1990 of $20 million. I should note also that SAFA is not adversely affected by these arrangements and expects to achieve a surplus in the current financial year in excess of the budgeted amount of $280 million.

I have announced that the Governor, on the advice of Cabinet, has, under section 25 of the State Bank Act, appointed the Auditor-General to make a wide-ranging investigation into the bank. To put it as bluntly as it can be, the purpose is to find out what went wrong and why. I have no intention now or at any other time to pre-empt the findings of that investigation. However, there are some comments of a broad nature which I believe it appropriate for me to make.

I have already referred to the limitations imposed on the Government of the day by the State Bank Act. It is clear that any proposals to ensure that this situation never occurs again must address the limitations of the legislation. The establishment and development of the new State Bank coincided, to a considerable extent, with the changes which were happening at the Federal level in relation to the banking industry—the granting of licences to a number of foreign-owned banks and the general moves towards deregulation.

Under the provisions of the Federal Constitution and the Banking Act of the Commonwealth, State banks are not subject to that Act. However, the Board of the State Bank of South Australia, with my support, decided that it should comply with its provisions, including in relation to capital adequacy and liquidity requirements. The bank has provided to the Reserve Bank on an on-going basis the same information as provided by the private banks and has had regular consultations with it. This is confirmed in the State Bank's Annual Report for 1985-86 where it is stated that, while the bank is not subject to the Commonwealth Banking Act, it continues to maintain a close relationship with the Reserve Bank, applying internal prudential controls in line with Reserve Bank guidelines. This is noted also in the Reserve Bank's report for 1989-90 which records that State banks comply voluntarily with Reserve Bank requirements.

The question of the appropriateness of the policy of deregulation of the finance industry in this country, as in others, is a complex one and I do not purport to have ready answers. There is, of course, a Federal parliamentary inquiry into the banking industry now in train and I, along no doubt with many others, look forward to the results of that inquiry. It is clear—not just from our experience *vis a vis* the State Bank here but looking more generally at the industry—that a fundamental review of these issues is certainly warranted. It is also clear that those of us who have responsibilities with respect to individual banking organisations—bank boards and, in our case, the State legislature and myself as Treasurer—must be aware of and have regard to the fact that the Reserve Bank's requirements are of a minimum nature and certainly do not mean that other, more detailed, prudential controls are not necessary.

In this context I note that one of the most important tasks of the State Bank Advisory Group will be to provide advice on whether changes in the provisions of the State Bank Act might be desirable. This may also be a matter on which the Auditor-General believes it is appropriate that he make recommendations. Again, I do not pre-empt the outcome, but it must be regarded as more likely than not that changes will be recommended to the Government and submitted for parliamentary consideration.

Some time ago now the Treasury Department, supported by the Auditor-General and the Crown Solicitor, submitted to me a set of proposed amendments to the Public Finance and Audit Act designed to better govern the creation and operation of subsidiaries by statutory corporations and related matters. I deferred a decision on these proposals pending receipt and proper consideration of the Public Accounts Committee report on the accountability of these bodies. That work is now well progressed. It will address, *inter alia*, some of the kinds of problems which have arisen within the State Bank group.

I turn now to discuss the broad budgetary framework in which these matters need to be placed. The budget for 1990-91 which I brought down in August is a convenient place to start. That budget provided for—

- expenditure cuts reflected in a reduction in real terms of 0.8 per cent in total outlays;
- a package of taxation measures estimated to yield an additional 16.5 per cent in revenue or $140 million in 1990-91 and $211 million in a full year;
- a budget financing requirement of $260 million, well below the average real level of the financing requirement for the past eight years.

These measures were required as an immediate response to the unprecedented reduction in the level of Commonwealth assistance. As stated in my budget speech last year, Commonwealth funding cuts and decisions made at last year's Premiers Conference meant that South Australia was $235 million worse off in 1990-91 compared with last year. The Government recognised the need for the process of adjustment to continue by establishing the Government Agencies Review Group to oversight a systematic review of the operations of all Government agencies.

The review group, headed by the Minister of Finance, began its work immediately after the budget was presented to Parliament and it continues to work its way through an agenda of change in the Government's approach to providing services to South Australians. That agenda includes structural and organisational changes, improvements in productivity and a redefinition of functions with the underlying objective being one of reducing the ongoing costs of Government while meeting the real needs of the South Australian community.

The Government's mid year budget review provides a mixed picture. The prospect for the end of the year, leaving aside for the moment the effect of the SBSA transaction, is for expenditure to be less than estimated at budget time. The Commonwealth Government's decision to provide tax cuts in exchange for no national wage increase in November 1990 provided a saving to the Government against the budget, but this was more than offset by special wage increases for teachers in schools and TAFE and for some groups in the health sector.

Falling interest rates have meant lower than estimated expenditure on that account, but the $51 million extra interest effect of the SBSA transaction will unfortunately mean a net deterioration in this area. I expect that the net effect will be significantly less than the $51 million amount. The general slowdown in the level of economic activity has affected the receipts side of the budget, particularly with respect to taxation. In total, taxation receipts are at present below levels estimated at budget time. This is reflected in a range of receipts including stamp duties, financial institutions duty and business franchise fees. The Commonwealth has revised downward its estimate of growth in the consumer price index and this is reflected in a reduction in the level of the State's financial assistance grant. This is partly offset by an improvement in royalty payments of about $11 million because of the impact of higher oil prices.

In addition, as the SAFA surplus for 1990-91 seems likely to be above the predicted level of $280 million, the contribution available to the Consolidated Account may be in excess of the $270 million included in the 1990-91 budget figuring.

Having regard to all these matters and to the degree of uncertainty which still necessarily remains at this time of the year, the broad picture is that any departure, either way, from the budgeted net borrowing for 1990-91 is likely to be quite small. Information available suggests that this may well be in contrast with some other States. For example, Mr Greiner, Premier of New South Wales, announced on 18 January that he expected an overall deterioration in the 1990-91 budget of over $200 million.

The Government Agencies Review Group has, in the short period since its establishment, identified a number of areas where potential savings can be achieved through a range of efficiency measures and improvements in productivity. To give the House an indication of the progress already made, let me outline some of the key initiatives which are currently in varying stages of implementation:

- the Government aims to improve the quality and increase the number of programs offered within the TAFE system by placing greater emphasis on and rewards for teaching so that the most able lecturers can pursue a career in teaching and increasing the

number of officers directly involved in teaching through rationalising management structures. These changes are expected to result in productivity improvements of 5.8 per cent (or 600 000 student hours) in 1991 which will assist in alleviating increasing demands on the TAFE system;

- the Department of Lands has for some time been pursuing implementation of a business plan approach to its operations. To enhance this approach a commercial charter was put in place in 1990-91 which aims to reduce the department's net call on the Consolidated Account from $15 million to $9 million over a period of three years;
- the South Australian Housing Trust is in the process of implementing a major restructuring of its organisation involving a review of the management structures and devolution of responsibilities. Savings of $5 million per annum and a reduction of 200 positions are expected through these changes;
- a three year funding package was implemented for the Department of Industry, Trade and Technology in 1990-91 which will achieve an annual reduction of $3 million in real terms by the end of the third year;
- it is planned to reduce the net, real terms call on the Consolidated Account of the Department of Agriculture by approximately $7 million over a four year period through a number of measures including organisational review, rationalisation of functions and commercialisation of activities;
- the State Transport Authority is expected to achieve savings of $9 million and work force reductions of 250 positions through proposed changes in organisational structures and methods of operation and the introduction of improved technology;
- a reduction in positions and operating costs of the Road Transport Department of 160 full-time equivalents and $5 million is anticipated through a range of efficiency measures including restructuring of work units and rationalisation of operations;
- productivity gains equivalent to a value of about $10 million annually will result from the rationalisation of Government workshops;
- annual savings of about $2 million and a work force reduction of 30 positions are expected from the abolition of the Department of Local Government and the consequential rationalisation and transfer of its existing functions to other agencies;
- the operations of SACON are being restructured with the establishment of business units that will bear their share of corporate overheads and have commercial objectives. This restructuring process, together with a possible work force reduction of 370 positions, is expected to achieve annual savings to the budget of $7 million within three years;
- the E&WS Department has been a net draw on the Consolidated Account for many years. However, the department is in the final stages of developing a Business Plan for 1990-91 to 1993-94 which provides a blueprint for significant productivity improvements which will lead to a turnaround from a net draw on the Consolidated Account of some $30 million budgeted for in 1990-91 to a net contribution to the Consolidated Account of around $25 million and possibly more by 1993-94. This turnaround of over $55 million can be achieved without real increases in average water and sewer rates;
- the operations of the Department of Marine and Harbors have been placed on a commercial footing again consistent with a business plan approach. Implementation of this approach is expected to result in a work force reduction of 200 positions and elimination of the present net draw of $10 million from the Consolidated Account, with the objective of a dividend being returned to the budget within three years;
- the Electricity Trust of South Australia is undergoing major structural change aimed at producing substantial improvements in productivity. During this process emphasis will be placed on skill enhancement, work redesign and productivity based reward systems leading to a reduction of 500 positions and annual savings of some $20 million; and
- the Treasury and the Pipelines Authority of South Australia are currently working on a financial plan to place that organisation on a fully commercial footing. In recognition of the State's equity in the Moomba-Adelaide gas pipeline, PASA paid a contribution to the Consolidated Account of $2 million in 1990-91. We expect these contributions to increase substantially in 1991-92 and beyond.

These measures—which, as I say, I refer to the House merely by way of examples out of a much larger picture of reform—alone will provide $140 million in budget savings and significant productivity improvement. My purpose has been to indicate, by way of a progress report to the House, the very substantial nature of the financial reforms being achieved through GARG and other processes. Many other areas remain under intensive review. Further results will be announced at the earliest opportunity.

I cannot and do not deny that the budget implications of the measures necessary to secure the State Bank are substantial. They represent a significant set-back in the program of budget improvement which the Government had under way. But it is no more than a set back and not at all something which is beyond the Government's ability to manage. I suggest that the progress report which I have today given well demonstrates the truth of that statement. The position can be recovered and it will be. It will take a lot of hard work. That work has well and truly begun.

The recovery effort will also require the support of the South Australian community as a whole. I am confident that that support will be forthcoming as the necessity for the Government's actions becomes clear and as our determination to secure the economic and financial future of our State is yet further manifest.

Mr D.S. BAKER (Leader of the Opposition): I will confine my comments today to the issue of the State Bank. The Treasurer has just reported to this House on one of the greatest and gravest financial failures in Australia's history. On a per capita basis, it is worse than the Tricontinental crash in Victoria, equivalent to a loss of more than $2 600 for every family in South Australia—a loss all South Australians have to make good. Certainly, this is without precedent in South Australia's history.

To help to minimise the damage to our State's reputation, my Party has continued to take a responsible approach. Since being made fully aware of the State Bank group's financial position on Sunday, I have taken every opportunity to urge depositors in the State Bank to make sure that their money stays there for the good of South Australia.

The Opposition has also accepted briefings on any matters offered by the Government. We appreciate fully the need for the bank to be given the opportunity to restore some

position of viability. We will not in any way obstruct it in that course. But at the same time as we seek to facilitate the bank's future we cannot as an Opposition duty bound to help protect the interests of South Australians ignore what has happened in the past. We have fulfilled that duty so far by asking a series of questions in this Parliament over a long period of time. Many were not answered.

Indeed, I am concerned to learn from the Premier's statement this afternoon that there was a turnaround of almost $90 million between September and November 1990 in the State Bank's profit projections for that period. Despite that, during November and December the bank and the Government continued to criticise the Opposition for asking questions. I am also concerned that, while it has apparently taken the bank and the Government months to address these problems, J.P. Morgan, according to the Premier's statement, identified them within a week. I therefore defy anyone to say where our questions have been anything but responsible.

I have also made personal representations to the Premier about this matter. He knows that we have been responsible and in fact he acknowledged that today. Indeed, I believe that the Opposition's questioning probably brought matters to a head before this crisis became an even greater catastrophe. But this does not underestimate the damage to our State's reputation.

A glance at the interstate newspapers over the past two or three days shows that South Australia, regrettably, has been dragged into the mire with Victoria and Western Australia—the mire of serious doubt and uncertainty about the accountability, capability and credibility of its financial institutions and the Government's ultimate responsibility for their operations. In these daunting circumstances, we believe the Government must demonstrate a resolve not only to act immediately to repair as much damage as it can but also to inquire fully and publicly into why, in the taxpayers' name, we have a bank which has lost $1 billion and may face even greater losses.

We do not believe the financial credibility of the bank or the economic credibility of the State can recover without precisely identifying what has happened; why nothing was done earlier to minimise the losses; and who, in addition to Mr Marcus Clark, must bear the responsibility.

The Governments of Victoria and Western Australia, reluctantly, after long, drawn-out debate, appointed full inquiries. I hope South Australia does not show similar reluctance. Only a full and public inquiry will demonstrate to all those now questioning the reputation of our State that we are prepared to be frank and honest about the mistakes that we have made and fully ensure they will never happen again. I therefore foreshadow to the House that the Opposition shortly will give notice of an inquiry that we believe the present situation demands and seek the support of all members to ensure that such an inquiry is called expeditiously.

PAPERS TABLED

The following papers were laid on the table:

By the Minister of Industry, Trade and Technology, for the Minister of Health (Hon. D.J. Hopgood)—

Radiation Protection and Control Act, 1982—Report on Administration of, 1989-90.
Controlled Substances Act 1984—Regulations—Uniform Poisons Standard.
Drugs Act 1908—Regulations—
Coniine and Cotarine.
Uniform Poisons Standard.
Food Act 1985—Regulations—
Bread.
Fruit Juice Labelling.
South Australian Health Commission Act 1976—Regulation—Entitlement and Fees.

By the Minister of Education (Hon. G.J. Crafter)—

Department of Public and Consumer Affairs—Report, 1989-90.
Rules of Court—Local Court—Local and District Criminal Courts Act 1926—Motor Vehicle Claim.
Justices Act 1921—Rules—Evidence Fees.
Builders Licensing Act 1986—Regulations—Advertisement of Applications.
Commercial and Private Agents Act 1986—Regulations—Advertisement of Applications.
Consumer Credit Act 1972—Regulations—Advertisement of Applications.
Corporations (South Australia) Act 1990—Regulations—Companies Code.
Land Agents, Brokers and Valuers Act 1973—Regulations—
Advertisement of Applications.
Agents Indemnity Fund Payments.
Small Business Exemption.
Liquor Licensing Act 1985—Regulations—
Liquor Consumption—
Adelaide.
Port Adelaide (Amendment).
Local and District Criminal Courts Act 1926—Regulations—Evidence Fees.
Referendum (Electoral Redistribution) Act 1990—Regulations—
Referendum.
Voting Majority.
Second-hand Motor Vehicles Act 1983—Regulations—Applications for Licences.
Supreme Court Act 1935—Regulations—Evidence Fees.
Travel Agents Act 1986—Regulations—Applications for Licences.
Subordinate Legislation Act 1978—Regulations—Exemption from Expiration.
Summary Offences Act 1953—Regulations—Expiation Notice Fees.

By The Minister of Transport (Hon. Frank Blevins)—

Metropolitan Taxi-Cab Act 1956—Regulations—Fees.
Motor Vehicles Act 1959—Regulation—Authorised Agents.
Road Traffic Act 1961—Regulation—Inspection Fees, Footpaths and Signs.

By the Minister of Finance (Hon. Frank Blevins)—

Friendly Societies Act 1919—
Savings and Loans Friendly Society—Rules.
Friendly Societies Medical Association Incorporated—General Laws.
Manchester Unity-Hibernian Friendly Society—Rules.
Pay-roll Tax Act 1971—General Regulations.
Public Finance and Audit Act 1987—Regulation—Local Government Finance Authority.
Superannuation Act 1988—Regulations—Teacher Salary.

By the Minister of Housing and Construction (Hon. M.K. Mayes)—

Architects Act 1939—By-Laws—Fees.

By the Minister for Environment and Planning (Hon. S.M. Lenehan)—

Art Gallery of South Australia—Report, 1989-90.
Botanic Gardens—Report, 1989-90.
Clean Air Act 1984—Regulations Salisbury Backyard Burning.
Dog Control Act 1979—Regulation—District Council of Jamestown.
National Parks and Wildlife Act 1972—Regulations—
General.
Hunting permits.

By the Minister of Lands (Hon. S.M. Lenehan)—

Surveyors Act 1975—Regulations—Designated Survey Areas.

By the Minister of Emergency Services (Hon. J.H.C. Klunder)—

Summary Offences Act 1953—Regulations—Expiation Notice Fees.

By the Minister of Forests (Hon. J.H.C. Klunder)—
Electrical Products Act 1988—Regulations—Labelling.

By the Minister of Forests (Hon. J.H.C. Klunder)—
Forestry Act 1950—Proclamations—Mount Brown Forest Reserve Wanilla, Hundred of.

By the Minister of Labour (Hon. R.J. Gregory)—
WorkCover Corporation—Report, 1989-90.
Industrial Conciliation and Arbitration Act 1972—Regulations—Oath and Sick leave.
Workers Rehabilitation and Compensation Act 1986—Regulations—Building Work and Contractors, Employee Exemption.

By the Minister of Marine (Hon. R.J. Gregory)—
Boating Act 1974—Regulations—Kellidie Bay.

By the Minister of Employment and Further Education (Hon M.D. Rann)—
Flinders University of South Australia—Report, 1989.
Public Parks Act 1943—Disposal of Parklands—Clare.
Industrial and Commercial Training Act 1981—Regulation—Amenity Horticulture.
Corporation By-laws-
Campbelltown—No. 1—Repeal of By-laws.
No. 14—Parks and Reserves.
Glenelg—No. 2—Foreshore.
No. 11—Bees.
No. 13—Tents.
Tea Tree Gully—No. 11—Repeal of By-laws.

MINISTERIAL STATEMENTS: SOUTH AUSTRALIAN TIMBER CORPORATION

The Hon. J.H.C. KLUNDER (Minister of Forests): I seek leave to make a statement.

Leave granted.

The Hon. J.H.C. KLUNDER: Members will be aware from media reports that the Chairman of the South Australian Timber Corporation, Mr Graeme Higginson, has announced the sale of the IPL New Zealand plywood mill in Greymouth to a group of New Zealand investors.

Members will also recall that, on 14 December, I announced that a decision had been taken to close the mill in February following the failure of a tender call in September to attract any satisfactory offers. However, I pointed out at that time that the way was still open for a buyer to acquire the plant. That, in fact, is what has happened and the sale was officially concluded on Friday, 8 February.

In providing the House with details of the sale, I wish to say at the outset that the return achieved on the sale of the assets is a very long way short of meeting the total indebtedness of IPL New Zealand.

An honourable member: What's new!

The Hon. J.H.C. KLUNDER: The honourable member is quite right: what's new! This serves to confirm my previous statements in this House and elsewhere that, in retrospect, the New Zealand investment was a mistake.

Members interjecting:

The Hon. J.H.C. KLUNDER: I have said it for the last two years. I said it the first day I came into Parliament.

The SPEAKER: Order! The Minister will return to his statement.

The Hon. J.H.C. KLUNDER: However, having said that, the sale for a price of NZ$1m (subject to the usual settlement adjustments, for example, rates and taxes, etc.) will result in SATCO being approximately NZ$700 000 (that is, A$540 000) better off than would have been the case if the closure had proceeded. The sale agreement provided for the purchasers to accept full responsibility for retrenchment payments and all other employee entitlements to the date of settlement, the cost of all rental and lease agreements and the cost of final accounting services. The final precise result to SATCO will have to await the collection of all receivables and the settlement of trading accounts during the remainder of this financial year. This result will, of course, be scrutinised by the Auditor-General prior to the release of SATCO's end-of-year accounts.

The Chairman of SATCO, Mr Higginson, has said he does not expect the capital loss to be reported in SATCO's 1990-91 accounts to exceed $1.5 million. This, of course, is in addition to the $10 million provision for losses already made. While this is without question a highly unsatisfactory result, it is an improvement on Opposition estimates of the losses which have ranged over time from $15 million to a notional $46.7 million.

The sale of the Greymouth mill has been made possible by SATCO fulfilling my previous commitment to the House. Members will recall that on several occasions I stated that one of my first priorities on becoming the Minister responsible for SATCO would be to turn IPL(NZ) to operating profitably. As reported by the Auditor-General, this has been achieved by SATCO in each of the past two trading years. It is this operating profitability which eventually facilitated the sale of the New Zealand operation and, hence, reduced the loss.

The best that can be said about the situation is that, having put the New Zealand investment behind it, SATCO can now concentrate on maximising the performance of its profitable core businesses and bringing scrimber into commercial production.

I now seek leave to make a statement.

Leave granted.

The Hon. J.H.C. KLUNDER: On 12 December 1990 the member for Kavel re-raised the matter of his allegations of financial impropriety in the management of the now defunct Williamstown Timber Mill. The honourable member produced copies of documents purportedly supporting his allegations and claimed that my previous statement dealing with this matter had misled the House. I was pleased to accept the honourable member's offer to provide me with copies of the documents to which he referred. However, neither of the two faxes that he provided me with support the honourable member's contention that SATCO was involved in 'litigation'. All they indicate, by any objective reading, is that SATCO was engaged in a commercial dispute involving finalising the terms and amount of payment for part-performance of contracts.

I am advised that, whilst the correspondence from Windsor Engineering suggests that they were obtaining legal advice, proceedings or litigation were never commenced and that subsequently the company accepted A$25 000 for kiln design work undertaken on behalf of the corporation. As regards Thatcher Engineering, their fax was forwarded to the corporation in response to a request for confirmation of the amount required to be paid for design of site works, building construction and plant installation. Indeed, this organisation closed its fax with the words 'Thanks for your cooperation . . .'—hardly the tone of correspondence one would expect litigants to exchange. In my previous ministerial statement I stated:

> I am advised, Mr Speaker, that the company has never been a party to litigation in respect of plant acquisition.

The member for Kavel has not produced any evidence that this statement was incorrect then or is incorrect now. Regarding the matter of the creditor vouchers and the memorandum signed by the former mill Manager, Mr Gray, I am advised that the mill Manager issued this memorandum to staff in December 1989, indicating that he would be

working from his home in Port Vincent from January 1990. He also indicated that he would be working on a part-time basis, three days per week, during the six months to 30 June 1990. Nothing here is in conflict with the information provided by me to the House in my previous ministerial statement.

Prior to his cessation as a salaried employee on 30 June 1989, Mr Gray was employed as a full-time employee of SATCO. On 17 July 1989, Mr Gray was contracted by SATCO to continue as the Williamstown Mill Manager full-time for the remuneration indicated by the member for Kavel. This arrangement continued until 31 December 1989 (inclusive). On 1 January 1990, Mr Gray negotiated a contract with SATCO which involved a minimum of three days per week actual work, and for the remaining two days he was to be available for advice and consultation. The amount of remuneration negotiated by Mr Gray and SATCO for the post 1 January 1990 arrangement was identical to the previous contract.

The Hon. E.R. Goldsworthy interjecting:

The SPEAKER: Order!

The Hon. J.H.C. KLUNDER: Try listening. This arrangement was deemed entirely—

The Hon. E.R. Goldsworthy interjecting:

The SPEAKER: Order! The honourable member for Kavel is out of order.

The Hon. J.H.C. KLUNDER: Mr Speaker, this arrangement was deemed entirely appropriate by SATCO, as Mr Gray retained ultimate accountability and responsibility for the Williamstown Mill during this period. Further, I am advised that Mr Gray, given the difficult times then facing the mill, worked consistently in excess of 40 hours a week during this period and, in any event, did not relocate to Port Vincent until after the closure of the mill.

The fact remains that Mr Gray was paid in accordance with the contract commercially negotiated between himself and SATCO. As regards the creditor's vouchers, I am advised that these represent nothing more than the internal bookkeeping records for the disbursement of Mr Gray's contract payments.

In my previous statement I indicated that the mill, throughout the period to which the member for Kavel refers, was the subject of annual audit by a private firm on behalf of the Auditor-General. I said then that neither the private firm of auditors nor the Auditor-General had ever raised any question of spending irregularity or lack of proper internal control either generally or as regards the payment of salaries and contracts. This, I am advised, is still the case.

I am also advised that nothing the member for Kavel provided to me is capable of supporting his latest round of allegations. It would appear that the honourable member is being used by a former employee or employees as a conduit for the public airing of allegations which, upon the basis of my advice, are unfounded.

MINISTERIAL STATEMENT: PUBLIC SERVICE PATRONAGE

The Hon. R.J. GREGORY (Minister of Labour): I seek leave to make a statement.

Leave granted.

The Hon. R.J. GREGORY: The November 1990 edition of the Public Service Association publication *Review* contained a report alleging a case of serious patronage in a Government department. It was later indicated that the allegations concerned the Department of Mines and Energy and were matters that allegedly occurred between 1980 and 1985.

Given the serious nature of these allegations, the Commissioner for Public Employment saw fit to carry out a review into the matter, exercising his powers under section 31 of the Government Management and Employment Act. A review team was established and conducted a thorough inquiry that included interviews and evidence from 23 employees and former employees. I now present to the House a summary of the team's report and I seek leave to have it inserted in *Hansard* without my reading it.

Leave granted.

Summary of Investigation into the Alleged Patronage in the Department of Mines and Energy

Introduction

Below is a precised version of the report requested by the Commissioner for Public Employment into the allegations of patronage and the improper personnel management practices in the Department of Mines and Energy in the period 1980-1985. The names of the main characters involved have been withheld and they are referred to by the *nom de plumes* used in the original Public Service Association Review article.

Precised Version of Report

1. Background

The November 1990 edition of the Public Service Association Review (Attachment 1) contained a report alleging a case of serious patronage in a Government Department that was later identified as the Department of Mines and Energy. The substance of the report was later featured in the *Advertiser* dated 19 November 1990.

Given the serious nature of the allegations the Commissioner for Public Employment then exercised his power under section 31 of the Government Management and Employment Act to conduct a review to investigate and inquire into personnel practices in the Department of Mines and Energy. A review team was then established to assist with the investigation. The team comprised the Manager, Personnel Services in the Department of Personnel and Industrial Relations and the Administrative Manager in the Department of Fisheries. The Commissioner then advised the Chief Executive Officer, Department of Mines and Energy, that a formal review would be conducted.

2. Review Approach

The review team interviewed and took evidence from a total of 23 employees and former employees including all those who could be regarded as key figures in terms of the allegations contained in the Review article.

3. Discussion

During the course of its work each of the key figures mentioned in the article identified themselves with one of the characters mentioned in the Association's article. This proved very helpful because the review team was careful not to make any assumptions about the true identity of people involved. The following characters are involved in the investigation, but are referred to by their *nom de plume*:

Mal A Propp
Stephen Sherman
Roger Knight
Illyich Romenko
Sophie Peters
John Keyes
Director-General Short
Tony McDonald
Claire Manson
The Director Special Services

Definition

Clearly a major theme of the Association's article relates to alleged patronage exercised by 'Mal A Propp' in the department during the period 1981 to 1985. The review team has used the following definition of the word patronage throughout the course of its investigation.

Patronage means the use of position or power to advance the course of individuals or groups so they obtain some personal advantage. It can involve the direct use of power or position to gain an advantage or involve the attempt, whether successful or not, to influence a decision maker to exercise power in favour of a particular individual or group. To establish patronage, the influence or power exercised must be used with the intent of avoiding the spirit and requirements of the prevailing legislation (during 1981 to 1985 this was the Public Service Act now replaced by the Government Management and Employment Act) and outside the

parameters of a properly constituted process such as a selection process based on merit.

The following comments are now made in respect of 'Mal A Propp', 'Roger Knight', 'Illyich Romenko', and 'Stephen Sherman', the main characters involved in the investigation.

'Mal A Propp'

Propp is the principal character in the article and the majority of allegations of patronage, misconduct or poor management are directed against him.

In summary, our key findings in relation to 'Mal A Propp' are:

The inference that he engineered the reclassification of a senior position and then engineered his own appointment to it is completely unfounded. Evidence clearly indicates that the need for a senior level position has been identified before his arrival by the then Chief Executive Officer. Further, it is clear that he was appointed to this position as a result of a merit based selection process.

The allegation that he employed two mates from the Public Service Board is completely unfounded.

We are unable to draw a conclusion about the allegations that he failed to act appropriately about the sexual harassment matter, because of the unwillingness of two persons to make official statements.

There is no truth in the allegation that he approved two weeks special leave with pay for 'Knight' for an invalid reason.

He has admitted that he authorised a car for 'Knight' for permanent home to office use. Having regard to PSB policy of the day and in the light of the evidence available, we are not satisfied that sufficient justification existed to warrant the vehicle being allocated.

It is correct that he prepared the submission to the Public Service Board seeking the creation of a position at the department's Thebarton depot. It is not correct that he did so without consulting relevant line managers.

It is factually correct that he appointed 'Knight' temporarily to this position.

The available evidence indicates that he appointed 'Knight' to an acting position from 3-30 January 1984, as alleged. It is also correct that the Manager of the depot was not told. There is no evidence to support the allegation that 'Knight' continued to get an extra weeks allowance, with his approval.

It is not correct that his reorganisation proposal for the Administration and Finance Branch (1985) included the creation of a permanent job for 'Knight'.

It is correct that the Board recommended the abolition of the last mentioned position and further recommended the return of 'Knight' to his substantive position. 'Propp' has admitted that the decision to leave 'Knight' at the depot despite the Public Service Board reply was a conscious decision for what he considered to be valid reasons. The allegation is therefore correct.

It is correct that he moved 'Tony McDonald' to the Registration Branch and appointed 'Sherman' in his place. The available evidence indicates that this was done in full consultation with the officers concerned for mutual staff development reasons.

The evidence supports the statement that he appointed 'Sherman' to act on the departure of the incumbent, but not for a period of over 12 months as alleged. The further allegation that 'Sherman' was paid 100 per cent of the allowance is not factually correct.

There is no evidence to support the allegation that he created the position of (Statistics Clerk) in the Special Services (Oil and Gas) Division.

It is correct that he appointed 'Sherman' for a further term in 1985, although the period stated is incorrect.

The allegation that his reorganisation of a Branch created a permanent AO-1 for 'Sherman' in another branch is not supported by the available evidence.

The position of CS-4 was created by the Public Service Board and not by 'Propp' as alleged. It is not true that this position was created without consultation with other senior managers in the department.

The allegation that he promised to reclassify the job and to offer it to 'Illyich Romenko' is completely unfounded.

The implication of the allegation tht he was overly persistent in his efforts to have the new CS-4 reclassified to a higher level is not supported by the factual evidence available.

The CS-4 position was subsequently reclassified to GE-3, advertised and awarded to 'Illyich Romenko' following a merit based selection process. It is important to note tht 'Propp' did not create the GE-3, was not a member of the selection panel, had no further dealings with 'Romenko' during the selection process and played no role in the shortlisting of applications, according to the panel members. Those involved had confirmed that exerted no influence over the process. The series of allegations relating to 'Propp's' role in the appointment of 'Romenko' are therefore completely inaccurate.

There is no evidence to suggest that he approved such leave for 'Romenko' other than within the provisions of the part-time education assistance scheme which applied at the time.

The prime thrust of the Public Service Review article is a serious accusation against 'Mal A Propp' of three cases of patronage. The Review Team has found no evidence to support this fundamental and serious accusation.

'Roger Knight'

In summary, our key findings in relation to 'Knight' are:

His initial appointment was on merit. He was not a 'mate' of 'Mal A Propp'.

He was appointed as a result of an open call. He withstood an appeal before being finally appointed.

We are unable to draw a conclusion about the allegations of sexual harassment, because of the unwillingness of two persons to make official statements.

The available evidence suggests that the allegation about $3 000 worth of overtime is a gross exaggeration.

The allegation of an excessive amount of special leave with pay being granted for invalid reasons is not in any way supported.

It is evident from 'Knight's' own admission that he was allocated a departmental car in approximately December 1983 and that he drove his family to a restaurant in this vehicle on one occasion. There is no evidence to suggest further abuse.

Having regard to PSB policy of the day, and in the light of the evidence available, we are not satisfied that sufficient justification existed to warrant 'Knight' being allocated a vehicle for permanent home to office use.

The inference that there was something improper about 'Knight's' later appointment at Thebarton depot is quite possibly fuelled by the fact that he was the author of the review which recommended the creation of the position. He openly admits that he wanted the position and that he 'put his hand up'.

However, the decision to appoint him was made by others and there is no evidence to suggest any improper conduct on 'Knight's' part in securing the position.

The allegation about 'Knight's' period of acting EN-4 is substantially correct. This followed within a few weeks of his appointment at the Thebarton depot and was done without the knowledge of the person in charge of the depot. He was in fact paid at the AO-3 level, an arrangement approved by the Public Service Board.

There is no evidence to support the allegation that 'Knight' was paid an extra week's higher duty allowance.

'Stephen Sherman'

In summary our key findings in relation to 'Sherman' are:

The process followed in relation to his initial appointment to the Department of Mines and Energy was not done in breach of established policy or practice applying in the Public Service at the time. He was not a 'mate' of 'Propp'.

He was later appointed to management services following a merit based selection process.

The allegations about 'Sherman's' personnel techniques when dealing with female staff cannot be substantiated.

The then Director-General, in evidence advised that he did not tell 'Propp' to move 'Sherman' out of personnel because of his improper personnel techniques as alleged.

The allegation about 'Sherman' being given favourable treatment when moved to another branch is not proved. The allegation that the incumbent was unfairly treated and denied an opportunity that was given to 'Sherman' because he was a 'mate' of 'Propp' is not proved. The then incumbent in his evidence refutes that this occurred.

The allegation which implies that 'Sherman' was over-paid because 'Propp' favoured him unfairly, is simply not true.

There are several statements in the article about 'Sherman's' lack of qualifications or his inability to acquire them. All of these statements are factually incorrect.

In relation to the statement which suggests that, whilst in this position, 'Sherman', 'does nothing and understands nothing', it is true that several staff in the Branch would have doubted his suitability for appointment. However, there is also evidence that management had a more positive view about 'Sherman's' capacity to perform accounting work.

'Illyich Romenko'

In summary, our key findings in relation to 'Romenko' are:

There are allegations which imply that he gave false information about his background to the selection panel responsible for his appointment. In effect it is implied that he lied and gave incorrect information on his application. The Review Team has obtained evidence including information supplied by

'Romenko' to verify his background which is sufficient in the opinion of the Review Team to quash the allegation made about his lack of experience or his qualifications.

There are also allegations that 'Romenko' took extensive time off with pay with 'Propp's' approval in order to undertake university study. There is no factual evidence to show that these allegations are true.

4. Conclusion

As can be seen from the review report, a considerable effort has been made by the team to test the validity of each allegation mentioned in the Association's article. The results of that investigation provided clear evidence that the allegations are substantially inaccurate and without substance.

The allegations of impropriety are without fact or foundation. The particular attack on 'Mal A Propp' and the suggestion of gross patronage on his part cannot be proved.

Although the Review Team generally had access to sufficient information to enable firm conclusions to be drawn, this was not the case in relation to the allegations of sexual harassment by 'Knight' and the subsequent inappropriate handling by 'Propp' of the young woman's complaint. We are therefore unable to reach a conclusion on these matters.

In handing down its findings on appeals lodged by 'Ms C Manson' in the early 1980s, the Public Service Board saw fit to criticise the manner in which management of the Department of Mines and Energy handled various aspects of personnel practice. The Review Team supports this opinion and offers the following observations from our investigation by way of illustration:

There appears to have been no formally communicated policy on the process to be followed with filling temporary vacancies within the department. In some cases, this had a detrimental effect on staff morale.

There was no clear policy in relation to staff access to development opportunities. It is therefore understandable why some staff perceived that there were inequities in the ways in which such opportunities were actually made available to a seemingly small number of people.

The rationale for significant organisational changes was not always clearly communicated to staff.

The decision taken by management of the department not to act on the decision of the Public Service Board in relation to the abolition of the temporary position of Business Manager undermined the confidence of some staff in the credibility of management.

Despite approximately 15 reports of sexual harassment in the department in the period under review, there was no formally communicated policy on the handling of sexual harassment matters until recently.

Finally, the Review Team has not identified any cause for formal disciplinary action against any of the persons referred to in the Association's article.

The Hon. R.J. GREGORY: The *Review* article alleged patronage, misconduct and/or poor management by a series of individuals in the Department of Mines and Energy in the early 1980s. In the article individuals were identified by noms de plume. I am pleased to inform the House that the inquiry found as follows:

> ... clear evidence that the allegations are substantially inaccurate and without substance. The allegations of impropriety are without fact or foundation.

The inquiry did not identify any cause for formal disciplinary action against any person referred to in the PSA article.

As I said earlier, this is a summary of the report to the commissioner. During the investigation the real names of all of those mentioned were revealed. However, it is inappropriate for those individuals' names to be used in a public report. It would simply be unfair to identify these people to the public at large with offensive allegations that have been found to be without substance. This report refers to all the individuals by the noms de plume given to them in the original article.

I also point out that in the early 1980s the Public Service Board did have cause to investigate some aspects of personnel practice in this department. The board was critical of the department in some areas. These criticisms are a matter of record and they are once again referred to in the conclusions of this report. These matters were addressed at the time the Public Service Board made its criticism and there is no suggestion that these practices continue in this department. I find the manner in which these allegations were raised most disappointing.

This State has a reputation for having the 'cleanest' and the most efficient Public Service in this country but, from time to time, allegations and accusations of favouritism or patronage will be made, and in many instances by people who have their own agendas. However, I feel that they can be handled more appropriately and sensitively, minimising the chance of damaging the reputations of people who may well be innocent.

If the Public Service Association had genuine concerns about information it had received from its members, it could have approached me or it could have directly approached the Commissioner. However, in the PSA's favour, it did at least try to protect the identities of those involved from the broader public. Unfortunately, the same cannot be said of a member in another place who quoted a letter at length making a number of serious allegations about a number of women working in the public sector. These matters are also being investigated by the Commissioner.

PUBLIC WORKS COMMITTEE REPORTS

The SPEAKER laid on the table the following reports by the Parliamentary Standing Committee on Public Works, together with minutes of evidence:

RN 3500 Port Augusta-Port Wakefield Road 5 km north of Redhill to Collinsfield,

RN 6726 Panalatinga Road, Main South Road to Wheatsheaf Road,

Windsor Gardens High School (amalgamation of Strathmont and Gilles Plains High Schools).

Ordered that reports be printed.

QUESTION TIME

The SPEAKER: I indicate that any questions directed to the Minister of Health will be taken by the Minister of Transport, and any questions directed to the Minister of Family and Community Services will be taken by the Minister of Education.

STATE BANK

Mr D.S. BAKER (Leader of the Opposition): My question is directed to the Treasurer. Will the Government now appoint a royal commission with terms of reference sufficiently wide to identify all the reasons why the State Bank now faces a loss of $1 billion and those responsible for this situation and, pending the appointment of a full and public inquiry, order that no relevant Government or State Bank files can be culled, destroyed or in any way tampered with?

The Hon. J.C. BANNON: The matter raised by the Leader has been given some preliminary consideration by the Government. I have outlined already to the House the speed with which events have moved, and there is no doubt that a situation of this kind does require a full and proper examination of how these events occurred, if only to discern how we can best avoid them in future procedures.

Our first priority, and the most important thing with which to deal at the moment, is the ongoing viability of the bank and the financial structures to support that. They are now well in place and, as we work our way through this week, we will be in a position to look more clearly at the

matters raised by the Leader. I point out, of course, that the procedure that Parliament envisaged in the State Bank Act to cover this situation was that provided under section 25 of the Act.

Indeed, as I have announced, and as the Leader of the Opposition knows, we moved very swiftly to give effect to that procedure. The Governor has given the Auditor-General a commission under section 25 of the Act. It is a wide ranging brief with a very detailed series of questions which he will inquire into. The Auditor-General is now taking up that responsibility. He is looking at the resources he will need to carry out that responsibility, what sort of time scale, and so on.

In the course of his inquiry the Auditor-General will have all the powers and rights conferred by the Public Finance and Audit Act in his capacity as Auditor-General. In other words, he has the right to disclosure of documents and accounts and of interviewing witnesses and things of this nature. So that process of inquiry is under way, and I say again that that is the process which was contemplated by the Act. It could therefore be said that, pending the Auditor-General's report, it would not be appropriate to go further at this stage.

As I foreshadowed, I think it is appropriate that the Auditor-General's report is made available both to the public and to the House. At that stage Parliament might decide that further questions need to be followed up or that certain issues have not been addressed. Perhaps the Auditor-General will make certain findings without drawing conclusions that Parliament could adopt. That is certainly one course of action. I suppose that one of the considerations is how long the inquiry might take. Obviously, we would want a full and thorough report from the Auditor-General and he cannot have pressure put on him to produce instant results or instant answers.

An honourable member interjecting:

The Hon. J.C BANNON: Indeed, he certainly would not. Therefore, it may be that it would be appropriate, concurrently with or in some other way perhaps related with that inquiry, to embark upon an inquiry of the kind that the Leader of the Opposition has suggested. The Leader suggested a royal commission, and there is certainly a royal commissions procedure, a Royal Commissions Act that could be used. There are probably means whereby a judicial inquiry or something of that kind could take place and, of course, the House has at its disposal certain powers of inquiry through a select committee. My current thinking would not favour, for the reasons I have suggested, a parliamentary exercise. I think it would be better for us to have an objective and independent assessment from which Parliament can then derive something which, if it wished to, it could implement in the form of statutory change or whatever.

In effect, I am sharing with the House the thought processes that we have gone through up to this point. I have seriously thought and, indeed, discussed with my colleagues whether it would not be appropriate, in making my statement, to announce some kind of inquiry, a royal commission or whatever. I decided that that would be premature because I do not think that we are through the process of getting the financial arrangements and other things properly in place and assessing their impact. Apart from the Auditor-General's exercise, I think it is only when that is done that we really should turn our attention to this broader question.

I will certainly take the question on notice. I would like to consult with the Leader of the Opposition as to what sort of terms of reference he thinks such an inquiry should have, because I believe we need to have total confidence in its nature and in where it will lead. We must also look at the implications of such an inquiry so, in response to the honourable member, I suggest that I will communicate with him and obtain clarification from him as to what he believes is appropriate in terms of questions of examination, how they might be framed and the sort of timing of such examination, particularly in light of the Auditor-General's exercise.

Let me make a final point. There is no question on my part that these issues need to be thoroughly examined and canvassed. Personally, I would welcome such examination, and I believe it is important for the Parliament and for the community.

So, in principle I have absolutely no objection to the course proposed by the honourable member. However, we should not be doing it as a kind of knee-jerk reaction in the first few days of a particular problem being identified, bearing in mind that an inquiry has been instituted anyway. I hope that the honourable member therefore will be prepared to respond to my approach.

TAFE ENROLMENTS

Mr FERGUSON (Henley Beach): Will the Minister of Employment and Further Education detail how student enrolments in TAFE courses have been affected by the introduction this year of an administrative fee of 25c per hour? Doubts were expressed both inside and outside TAFE about the ability of that organisation to fill classes following the budget announcement of an administrative fee.

The Hon. M.D. RANN: I thank the honourable member for his continued interest in the well-being of students in TAFE. When the administrative fee was announced last year in the budget there was obviously some controversy and I insisted that it was vitally important that regular assessments be made of the impact of the administration fee on student enrolments to ensure that students were not being disadvantaged or discouraged. To this end, DETAFE last week undertook the first of a four week survey of colleges to find out whether or not demand for courses has altered because of the 25c an hour fee.

It would be of great interest to the honourable member to know that overall demand for TAFE courses has in fact increased, despite the introduction of the fee. That does not include the apprentice area, the figures for which are not yet available. In fact, so far as we can discover there is no evidence to suggest that the introduction of these fees has had any adverse effect on students seeking to study in TAFE colleges.

This is partly due to our concessions policy, which allows for a 75 per cent reduction in administrative fees for a whole range of disadvantaged people. It is also due to the excellent work of our student services officers, who are trained to provide expert, individual attention to those students who feel they require extra assistance in paying the fees.

Members will recall that TAFE's Access courses, targeted at the specific needs of disadvantaged members of our community, are totally exempt, and I emphasise that because there has been some confusion from comments made. They are totally exempt from the administrative fee. In this way we can ensure that our commitment to access and equity is not compromised.

Of course there are some changes in demand in certain courses. This occurs every year, and is due to a range of reasons quite apart from fees. For example, one effect of the training guarantee and award restructuring has been a

decline in general clerical enrolments in favour of an increase in computing. Interestingly, tourism and hospitality, which are among the most expensive courses because of the amount of materials used in the colleges, have experienced unabated demand this year.

It is evident that people are willing to pay for quality. The continued high level of enrolments is an endorsement of the relevance and quality of the services provided by TAFE. We will continue to survey enrolments until mid March to ensure that students enrolling in fee paying courses are not disadvantaged or discouraged from building up their skills.

STATE BANK

Mr S.J. BAKER (Deputy Leader of the Opposition): My question is directed to the Treasurer. What was the total of Mr Marcus Clark's salary and benefits package from the State Bank and all associated entities in each of the past three years, and what was the total of his superannuation and severance package?

The Hon. J.C. BANNON: I will take that question on notice.

NATIONAL COMPETITION REQUIREMENTS

The Hon. J.P. TRAINER (Walsh): I direct my question to the Minister of Education, representing the Attorney-General in another place. Will the Minister ask the Attorney to justify the continuation of the anomalous situation resulting under the—

Members interjecting:

The SPEAKER: Order! I cannot hear the question.

The Hon. J.P. TRAINER: —Trading Stamps Act whereby South Australian entrants in free competitions run on a nationwide basis as promotional exercises do not need to actually purchase any of the goods being promoted? This matter was drawn to my attention by the proprietor of a small business in my electorate, namely, my local Mobil service station. One example that the proprietor showed me was an entry form for a $1 000 petrol voucher competition run by Eveready Australia and Mobil, the entry requirements thereon stating:

> To enter simply print your name and address on this entry form and mail it together with two Energiser pack tops to . . .

It then gives an address in New South Wales. Further down in small print it states:

> South Australian residents are not required to provide proof of purchase and may send in a hand-drawn facsimile of the Energiser logo . . . Only one application per person is permitted by this method.

The Hon. G.J. CRAFTER: I will most certainly pass on the honourable member's question to my colleague in another place. However, I point out that the legislation that exists in South Australia by contrast with that which exists in other States has served our community well in that it does not attach conditions to entry into competitions of this type and indeed allows for a much freer competitive basis on which children in particular can enter into contests of this type without being subject to stringent conditions regarding the purchase of products that they may otherwise not wish to purchase.

STATE BANK

The Hon. D.C. WOTTON (Heysen): My question is directed to the Treasurer. At any time during 1990 did Mr Marcus Clark offer his resignation as Managing Director of the State Bank group to the Treasurer, the Chairman or the board of the State Bank and, if so, will the Treasurer explain the reasons given for this action and the outcome?

The Hon. J.C. BANNON: In 1990? First, it was not for Mr Clark to tender his resignation to me—he was employed by the board. I do not know what may or may not have transpired between the board and the Chief Managing Director. I cannot recall Mr Marcus Clark tendering his resignation to me. I cannot speak for the Chairman of the bank.

SUN PROTECTION

Mr McKEE (Gilles): My question is directed to the Minister of Education. Does the Education Department have a program to increase awareness of skin cancer, in particular protective measures to prevent skin cancer?

The Hon. G.J. CRAFTER: I am pleased to say that the Education Department has a number of programs in place to assist students and their families with regard to protective measures to prevent skin cancer. Honourable members would realise all too well that the first day of the school term this year was the hottest day for some nine years with the temperature in most parts of South Australia being well in excess of 40 degrees Celsius. So, preventive measures to avoid skin cancer are important indeed in a State such as South Australia.

The Education Department addresses awareness about skin cancer and preventive measures through the health and safety curriculum. Several programs are utilised to develop knowledge about skin care. These programs vary according to the age and level of understanding of children and include direct learning about the skin as an important organ/system of the body and therefore the need for protection of the skin; safety and protection procedures related to outdoor activities including the occupational health, safety and welfare expectations for protection of employees; and programs of general community education adopted and supported by schools include the 'Slip, Slop, Slap' campaign and specific work with the Anti-Cancer Foundation and Skin Cancer Research Foundation, amongst other similar community groups.

It should also be noted that some school communities now request that children wear hats as a part of the school uniform and many now provide access to 15+ sun screens prior to children undertaking activities outdoors. The health concerns related to exposure to ultraviolet light are numerous and the protective measures and educational basis for general safety and protection must continue to be the joint responsibility of educators and parents with advice from professional experts and community health workers.

STATE BANK

Mr INGERSON (Bragg): Did the Treasurer fully investigate Mr Tim Marcus Clark's suitability and background before he was appointed as Chief Executive of the State Bank? According to R.J. Wood's published history of the Commercial Bank of Australia, Mr Marcus Clark was appointed to that bank in July 1972 and was General Manager in charge of subsidiaries and affiliates. He oversaw the expansion of that bank into New Zealand through the company Marac Holdings. Mr Marcus Clark was the key executive when Commercial Bank's major finance company subsidiary, General Credits Holdings, experienced problems

after increasing its receivables business, but at the cost of increased provision and write-offs and decreasing profit as a result of moving heavily into land and construction development ventures. This prompted Reserve Bank discussions at the beginning of 1980, which included a directive to the CBA stressing its responsibility to ensure the soundness and prudence of the management of its non-bank associates.

The Hon. J.C. BANNON: Mr Clark was appointed by the State Bank Board, as then constituted following the passing of the Act in 1983. In fact, he commenced his duties prior to the bank's opening for business on 1 July 1984. At the time, as the honourable member said, his background was with the Commercial Bank of Australia. That bank had amalgamated with what was then the Bank of New South Wales—Westpac. Mr Clark had, of course, played a leading role in the work to set up that amalgamation. Obviously, the amalgamation having been completed, there were various adjustments in managerial positions within that group.

However, the State Bank Board in South Australia identified him as having eminent qualifications, particularly based on that experience, at the highest level at a time when the first task was, taking account of the 1983 Act, to put together two operating banks—the State Bank of South Australia, as it then was, and the Savings Bank of South Australia. So, we were delighted that someone with that background and qualification in the private sector could be available to pick up the project and steer it.

At the invitation of the then Chairman, Mr Barrett, I met Mr Clark prior to his appointment. I was certainly very impressed with what he had to say about the potential of the State Bank of South Australia and with the experience he could draw upon. Therefore, I believed his appointment was most appropriate. I seem to recall that at the time the Opposition also welcomed and approved that appointment. Therefore, I would have thought that Mr Clark came to this job extremely well qualified for the task at hand.

NULLARBOR PLAIN

Mr HOLLOWAY (Mitchell): Will the Minister for Environment and Planning advise the House of the proposal to assess the Nullarbor Plain for world heritage listing and can the Minister say what support the proposal has received from the Western Australian Government?

The Hon. S.M. LENEHAN: I thank the honourable member for his interest in this issue and, in answering this question, I acknowledge the bipartisan support that has been shown on both sides of this Parliament regarding the assessment of the Nullarbor National Park and the Nullarbor Regional Reserve in terms of the proposal to look down the track at listing the area for world heritage. I make particular reference to the member for Hayward, who has, I believe, had the good fortune to be a principal at a school in that area and has a first-hand working knowledge of it. It was heartening that following the 11 January discussions with the Hon. Ros Kelly (Federal Minister for the Environment), the Hon. Bob Pearce (the Western Australian Minister for the Environment) and me, when the announcement was made, it was welcomed by members opposite. I publicly acknowledge that level of support.

In fact, this is the first time that a Commonwealth Government and two State Governments have moved to look at assessing for nomination for world heritage an area that covers two adjoining States. It is a vitally important part of our arid lands and a significant part of Australia. The investigation that is being undertaken will assess the outstanding and significant geological, archeological and natural aspects of the area. I hope that within about eight or nine months we are able to make an announcement about whether or not the assessment indicates that we can take the proposal forward for nomination to the world heritage listing. Again, I thank all members who have shown such an interest in this very important and significant area.

STATE BANK

Mr MEIER (Goyder): I direct my question to the Premier in his capacity as Treasurer of this State. While the appointment of Mr Marcus Clark as Chief Executive of the State Bank was being considered from late in 1983, did a senior executive of a bank which formerly employed Mr Marcus Clark visit Adelaide to make personal representations to the Treasurer warning that Mr Marcus Clark would be an unsuitable choice for this position, and did the Treasurer advise the State Bank Board of the reasons for this warning?

The Hon. J.C. BANNON: No, I certainly do not recall that.

AIR QUALITY BRANCH

Mr QUIRKE (Playford): I direct my question to the Minister for Environment and Planning. Are the existing functions of the Air Quality Branch to be discontinued? Yesterday a media report indicated that the Air Quality Branch was under 'a cloud'. In an article entitled 'Clean air unit may be axed' in the *News* on Monday 11 February it was alleged that such a Government decision was imminent.

The Hon. S.M. LENEHAN: Again, I thank the honourable member for his question. I can answer categorically no; we are not about to axe the Air Quality Branch. I am delighted to be able to inform the writer of the article, Mr Frank Barbaro, this Parliament and the people of South Australia in that regard. In fact, the functions of the Air Quality Branch have recently been enlarged—as members would know—including the addition of responsibility under the Clean Air Act regarding the phasing out of the use of chlorofluorocarbons in South Australia and a program which to date has been particularly successful and which is now a model for other States in this country.

It is true that as part of the Government Agency Review Group's examination of various departments all aspects of all departments are up for review and I can only assume that that is where this rumour has originated. Obviously, all aspects of the departments are being carefully monitored and scrutinised. However, as the Minister responsible for such important areas as the monitoring of air quality, the whole question of noise control, marine environment protection and, indeed, the whole area of waste management, I think it is important not only that we continue these vital functions that will ensure one of the cleanest and best environments of any city in this country but that we look at more effective ways of ensuring that we have an effective monitoring program.

It may well be that in the longer term the functions of the Air Quality Branch are combined with the other areas to which I have just alluded and that we may look at setting up some environmental protection agency or authority that would be able to more effectively carry out these particularly vital and important functions for the quality of our environment in South Australia. I categorically put to rest the rumour that the Government is somehow not going to continue to monitor the quality of air in South Australia.

That is not going to happen and, as the responsible Minister, I give my assurance on that.

STATE BANK

Mr BECKER (Hanson): I direct my question to the Premier, as Treasurer. What action did he take after the personal representations I made to him last year warning that an employee of Beneficial Finance was so concerned about the financial management of Beneficial and its impact on the wider State Bank group, that he believed the group could go the same way as the Bank of Adelaide following similar problems faced by Finance Corporation of Australia?

In late July 1990 I telephoned the Treasurer to advise him of the concerns of an employee of Beneficial Finance in a position to know, about inadequate provisions for bad and doubtful debts and lack of proper management within Beneficial. On 11 August 1990, I also had a discussion with Mr Marcus Clark who advised me he was resigning from an important Government committee because I had been asking questions requiring him to supervise the group's day to day operations more closely.

How can the Premier reconcile these events with his statement on Sunday that 'the full extent of the problem posed by the bank's non-performing loans only became apparent in recent weeks'?

The Hon. J.C. BANNON: Beneficial Finance is a subsidiary of the State Bank, but obviously it does not control the whole of the bank portfolio. It is true that a large proportion of the problems facing the State Bank come from Beneficial Finance. The honourable member will recall that at the end of 1989—the half-yearly announced result—Beneficial Finance announced a major profit and a very successful half year. It was only when the full year results were published that the loss that had been incurred and some of that organisation's problems began to emerge. Then, of course, there was a change in the management with the retirement of Mr Baker.

I recall the honourable member mentioning this to me, but over this period—the past 12 months or so—all sorts of rumours and bits and pieces of information and so on abounded, but that is true of any institution or anything in the political arena. I certainly took up the honourable member's suggestions. I did not do anything formally, because they were conveyed to me on a confidential basis, so there is no minute in existence whereby I said, 'I have been advised by Mr Becker XYZ.' However, I communicated his concerns informally. In fact, much of the concentrated attention on Beneficial Finance that occurred in that July period, I guess, is attributable to feedback not only from people like myself but from others as well. There is no question but that, if this situation could have been confined to Beneficial Finance and its problems, there would not be the massive problem that we face today. It is because the State Bank also had a series of problems in non-performing loans and Beneficial's portfolio had declined in value alarmingly in the period from about September that we are in this position.

To sum up, at the time, while there were certainly legitimate concerns about Beneficial Finance—and some have been aired publicly—I felt confident that resources were being put in and attention was being paid to Beneficial Finance. The management changed. Mr Michael Hamilton, I think, took over more direct responsibility for that company. I was advised that every loan and exposure had been gone through in detail and the problems identified. I felt satisfied, not necessarily with the result, because there had not been a result, but with the fact that it was being given priority attention. Short of my saying, 'I would like to see the value of this property and your estimate of what you might get in return'—something which I am totally unqualified to do, as well as not having the authority to do so under the bank—I do not believe that I could have taken any more prudent steps. Concerns were communicated and, to the best of my knowledge and information, they were being acted on as a matter of priority. That was not the problem that was identified at the end of January; it was part of a manageable problem that we knew about as the year developed, but not of the size and scale that I have described in my statement.

ACCESS CAB SCHEME

The Hon. J.P. TRAINER (Walsh): Will the Minister of Transport inquire whether there is some way in which head restraints can be provided within access cabs for some handicapped people who have difficulty in holding their heads erect at the best of times? The control of neck muscles with some passengers may possibly be inadequate to cope with even minor movements of a vehicle.

Members interjecting:

The SPEAKER: Order! The Minister of Transport.

The Hon. FRANK BLEVINS: I will certainly have the Office of Road Safety and any other appropriate body examine the matter raised by the member for Walsh. I have not heard to date of its being a problem. The people who run the access cabs on our behalf are very competent. Also, the owners and drivers of the cabs take a great deal of pride in their work. The reports that come back to my office from customers of the access cab scheme are most appreciative of the attention that they get and the comfort in which they ride. If there is a problem—and I thank the member for Walsh for drawing it to my attention—I will have any appropriate person in the Department of Road Transport and the Office of Road Safety examine it to see whether any alterations to our procedures need to be made.

STATE BANK

Dr ARMITAGE (Adelaide): Will the Treasurer immediately release copies of all State Bank reports to the Reserve Bank for the past 12 months; all working and other papers on the State Bank written by J.P. Morgan; and all the weekly and monthly operating review results produced by the State Bank for its executive and board in the past year? Mr Marcus Clark told the Liberal Party shadow Cabinet on 19 March 1990 that the Reserve Bank was so impressed with the State Bank that it had posted an officer full-time to State Bank's head office. In his speech to the Holdfast Rotary Club on 17 September 1990, Mr Marcus Clark said:

> The State Bank of South Australia is quite definitely supervised by the Reserve Bank. We report to the Reserve Bank monthly, quarterly and annually. We fully cooperate with its officers and meet all prudential guidelines, including capital adequacy, credit exposures and liquidity.

In the 23 November 1990 edition of *Business Review Weekly*, State Bank's General Manager, Group Finance and Administration, said that his group:

> can produce an estimate of the previous week's profit for each division within two days. We are normally able to get them between 90 and 95 per cent accurate. These are provided to the bank's Executive Committee and the Managing Director two days later. As well as weekly accounts, a monthly operating review is prepared soon after the end of each month, which is quite com-

prehensive, providing data on income margins, expenses, return on shareholders' funds, market share, capital adequacy and return on assets.

Despite all this reporting, the Chairman of the State Bank, in his media release on Sunday, said that information provided by the bank's executive to the board was 'inaccurate or deficient.'

The Hon. J.C. BANNON: The answer to the question is 'No'. Of the statements made, I think the last one is the only one which has credibility in the current situation—the one by the Chairman. I think that reference has been made to that statement in *Business Review Weekly* in some other context in the House. Certainly, whatever the feeling or impression of those in the State Bank in that area was, that is not borne out by the experience of Treasury officers over the last couple of weeks as they have attempted to work with the bank to get the appropriate information we need.

In relation to Reserve Bank requirements, as I said in my statement, it was the policy of the board that the State Bank should comply with all the Reserve Bank's requirements. It is not bound to do so under the Australian Banking Act, but it is carried out as a policy. My understanding is that the procedures that the Reserve Bank required were in all cases carried out. I might say that the Reserve Bank, in these past few weeks, has been kept pretty fully advised and consulted about the situation. One can only assume that the Reserve Bank was getting the same sort of information as the board or, if not the same, certainly not much better than the information that I was getting.

OYSTER FARMING

Mrs HUTCHISON (Stuart): Can the Minister of Lands advise whether the moratorium placed on aquaculture leases on the West Coast has been lifted and whether plans are in place to allow the development of oyster farming as an industry in South Australia? This being a relatively new industry in South Australia, other coastal areas such as my own have an interest in how this matter develops and in what implications it could have for them.

The Hon. S.M. LENEHAN: I am delighted that members of the Opposition are so interested in this question. In fact, I thought they would be because a number of them do have aquacultural leases within their electoral boundaries. Indeed, I have lifted the moratorium in terms of the whole aquaculture industry in South Australia. The State Government has taken steps in relation to this matter, and I want to acknowledge the work of my colleague the Minister of Fisheries and Agriculture in this regard, because I believe our departments have worked together constructively to ensure the orderly development of what is a new and significant industry to South Australia; that is, the environmentally sensitive industry of oyster farming at Coffin Bay, at the foot of Eyre Peninsula, and at Murat Bay, near Ceduna on the Far West Coast—and I note the member for Eyre is the local member for that area.

I have released the Murat Bay Aquacultural Management Plan, which outlines zones where aquaculture is acceptable, where it is unacceptable or where it is acceptable subject to certain conditions. I have also made sure that the ban has been lifted in both Murat Bay and Coffin Bay. The lifting of this moratorium now allows the development applications to be considered and, indeed, approved if they meet the requirements of the management plans for both areas. In the past week, I have had a meeting with the various departments involved, including the Department of Fisheries, as I was the acting Minister at the time, to ensure that the orderly procedure of these applications can take place and that they can be heard by the subcommittee of the Planning Commission as quickly as possible.

I believe it is important that this industry be given the support that it deserves, provided that it meets all the environmental requirements. To that extent, the monitoring program—that is, the establishment of the base-line data and the ongoing monitoring program—will be carried out by Department of Fisheries officers. Both the management plans, that is, for Murat Bay and Coffin Bay, will be reviewed within five years, and these plans will be modified if significant environmental impact is associated with the aquaculture development. I hope that members in whose electorates these particularly exciting projects are located will welcome the introduction of this new industry and the sensitive handling of this introduction.

STATE BANK

The Hon. JENNIFER CASHMORE (Coles): Did the management of the State Bank overrule the advice of any officer of Beneficial Finance Limited in approving the multimillion dollar loan to Equiticorp? Was the board of the State Bank informed of the advice of loan officers when approving that loan? Further, was Mr Marcus Clark still a director of Equiticorp at the time the loan was made?

The Hon. J.C. BANNON: I will refer that question to the bank and see whether I can obtain information for the honourable member.

TERTIARY PERFORMING ARTS TRAINING

Mr HERON (Peake): Can the Minister of Employment and Further Education say how the recommendations of the inquiry into tertiary performing arts training in South Australia will affect performing arts training in this State?

The Hon. M.D. RANN: I thank the honourable member for his question, which I am sure is of interest to all members of the House. The report of the inquiry into tertiary performing arts training in South Australia, commissioned jointly by the Minister for the Arts and myself, was chaired by Mary Beasley and was recently reported to the Government. Its key recommendation is the establishment of an academy for the performing arts to be known as the Helpmann Academy, named after Sir Robert Helpmann, which would be created on the University of Adelaide's North Terrace campus.

It is proposed that the academy will be governed by an independent board to be established by amendment to the University of Adelaide Act. The inquiry's report and 32 recommendations cover a broad range of issues in performing arts training. I want to stress that the State Government has not endorsed any of the recommendations at this stage pending the period of public comment, and that will end on 16 March.

However, the Beasley committee report recommended that the proposed academy would contain revised music performance courses from the University of Adelaide's Faculty of Performing Arts, the Centre for Aboriginal Studies and Music, and the TAFE Flinders Street School of Music; a new dance performance course replacing those offered by the TAFE Centre for Performing Arts, and the former SACAE dance provisions of the School of Performing Arts; and revised drama performance courses from the TAFE Centre for the Performing Arts. Of course, it also deals with other areas, such as technical theatre, and it suggests the incorporation of the technical theatre course presently offered

by the TAFE Centre for the Performing Arts and also a new post-graduate professional writing and music composition program.

The family of the late Sir Robert Helpmann has been approached in relation to the proposal to recognise his achievements and contributions to the arts internationally by naming the proposed academy after him. Indeed, members should be informed that I have spoken personally to Sheila Helpmann, the sister of the late Sir Robert Helpmann, and she was obviously delighted by the suggestion and fully supportive of this move. It is essential that tertiary performing arts institutions relate to the needs of the industry—and it is an industry. Government investment in training should be relevant, sound and maintain a vibrant arts industry.

The performing arts industry in South Australia is an important area for generating many employment opportunities and is estimated to be worth at least $65 million to the South Australian economy. The report has not proposed the inclusion in the academy of the acting and directing program presently offered by the Flinders University. However, it has suggested that this question should be reviewed in three years time.

STATE BANK

Mr OSWALD (Morphett): Does the Treasurer have full and unqualified confidence in Mr Stephen Paddison as Chief Executive Officer and Mr Michael Hamilton as Managing Director, Financial Services, of the State Bank in view of the fact that they were the right-hand men of Mr Marcus Clark and, in their various executive positions, have been responsible for many of the decisions relating to the current crippling losses of the bank and their extended cover-ups?

The Hon. J.C. BANNON: The board is in charge of appointing management of the bank.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: All I can say is that certainly in the last few weeks Mr Paddison has done some extremely useful and hard work on this matter. From my observation he has certainly been doing a job that justified the board's making such an appointment. I think that the problem that the board had, with the resignation of Mr Clark, was a vacuum at the top, and it could not be a worse time to fill that on a long-term or permanent basis—and obviously advertisements, head-hunting and these sorts of thing must take place. I think it was the board's view that it should appoint someone and clothe that person with authority to act immediately.

What happens in the longer term, of course, is something for the board to decide. But, in the short term, I would agree with its judgment that to leave a vacuum of leadership would have been disastrous for the bank, and in view of the performance of Mr Paddison over the past few weeks it was logical that he should be given that position of leadership. Of course, he will have to prove himself.

ABERDOUR PARK

Mr ATKINSON (Spence): Will the Minister of Lands advise the House of the future use of land near Bordertown that was once part of the farming property Aberdour Park?

The Hon. S.M. LENEHAN: I believe that we should acknowledge the generosity and the community spirit that has been shown by the Nankivell family in making this gift of farming property to the State. After retiring from farming, I believe the Nankivell family offered the land to the Education Department and it was subsequently transferred to the National Parks and Wildlife Service, hence the reason the question is directed to me.

It is important that, when people give gifts of land to the State in this way, they are assured by the Government that the land will be properly managed and conserved for future generations. As a result of this gift, 133 hectares of land at Willalooka near Bordertown have been added to South Australia's continually growing system of parks and reserves. This is one of the last remaining tracts of native bush left in the Willalooka area.

Officers of the National Parks and Wildlife Service have already identified 44 different species of native plants in this particular area. I acknowledge the support of the Education Department, because the Keith Area School has accepted responsibility for a number of ongoing management actions and, in particular, it is helping to prepare a management plan for the park. Together with other local schools it will be able to use the Aberdour Conservation Park for environmental studies. This will give local children the opportunity to learn more about the flora and fauna of their own area.

Again, I acknowledge the generosity and community spirit of the Nankivell family in making this generous donation to the people of South Australia. I assure them that it is in very good hands and is being properly managed and conserved for future generations.

STATE BANK

The Hon. P.B. ARNOLD (Chaffey): How can the Treasurer say that he only became aware of the massive problems of the State Bank on 29 January 1991 when in February a year ago he was questioned on major bank exposures to six major groups and the inadequacy of provisions for them?

The Hon. J.C. BANNON: As I have outlined to the House, the State Bank had problems and problem loans. I have already mentioned the situation of Beneficial Finance which was well ventilated prior to 30 January. What I am saying is that up until the end of last year, despite those problems and despite the general state of the economy, the figures that were produced and the profit projections we were being shown, or rather by then the losses, were all of what one might call a manageable situation. That is the problem with everyone who has become very wise after the event.

Members interjecting:

The SPEAKER: Order! The Deputy Leader is out of order.

The Hon. J.C. BANNON: As I said in my statement, I can certainly point to concerns they have raised in particular issues in the same way as the honourable member did, but in themselves they do not constitute a problem of the size that we have had to deal with.

Members interjecting:

The SPEAKER: Order! The member for Heysen is out of order.

The Hon. J.C. BANNON: It is that problem that has required direct Government action; that is the situation we have been grappling with over the past two weeks.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: It is not enough to have anecdotal, circumstantial or other evidence of that kind. If these things are being referred to those responsible for them—

and we are still getting projections over a whole portfolio which does not just consist of those particular non-performing items—you are not dealing with a problem of the dimension which I have described. That was identified, as I have said, when J.P. Morgan came on the scene and said to the State Bank assessors—

Members interjecting:

The Hon. J.C. BANNON: Exactly. They said to the State Bank assessors, 'In this current environment—

Members interjecting:

The SPEAKER: Order! The member for Bragg is out of order.

The Hon. J.C. BANNON: —optimistic projections of return are simply not good enough. One begins at the most pessimistic level and works from there, and parameters of gain or loss become meaningless in the sort of economic environment we are in.' That is when a bit of realism began to be instituted and we began to get some meaningful figures.

SMOKING BAN

Mr FERGUSON (Henley Beach): Will the Minister of Recreation and Sport inform the House whether he is aware that a smoking ban will apply to 15 metropolitan and regional TAB offices by 18 February in Victoria; and has he been informed that similar bans will take place in South Australia? An article in the *Melbourne Age* of 6 February 1991 states:

> Smoking will be banned in 15 metropolitan and regional TAB agencies by 18 February and all Victorian betting offices will be smoke free by January next year, according to a TAB policy announcement yesterday.

The Hon. M.K. MAYES: I thank the member for raising this issue. It is of great public concern in terms of what is happening in the community with regard that the general use of public places, and particularly, of course, in view of the medical evidence that is now being produced which suggests that we do have to—

An honourable member interjecting:

The Hon. M.K. MAYES: Your Party has not done much about it—not a thing. In fact, it opposed the tobacco sponsorship Bill. So, I would not crow if I were you. It is quite clear that—

An honourable member interjecting:

The Hon. M.K. MAYES: If you continue to interrupt, I will continue to tell the community what little you have done. It is clear that we do need to look at the issue of people smoking in public places. Obviously, it is now quite clear from medical evidence that passive smoking is injurious to those individuals who are near a smoker and those who are exposed to cigarette smoking. There have been various studies, and I have referred to them in the past in this place: studies carried out in the United States and an American study program conducted by scientists in Greece clearly identified the magnitude of the problem for those involved. As a consequence, it is no surprise to me, nor my colleagues, that this issue has been taken to the Federal Court.

I am aware that the Victorian TAB has undertaken to implement a ban in 15 metropolitan and regional TAB offices. I understand that it is looking at phasing in an overall ban in those places of public use. In terms of our position as a Government, it is important that it is acknowledged that we have looked at this, and the Minister of Health has addressed it in regard to policy for restaurants.

Current TAB policy is that cigarette smoking at the selling counter in TAB staffed agencies is not permitted. Cigarette smoking in the public space of TAB staffed agencies is permitted. TAB policy is to engineer cigarette smoke from the premises by utilising state-of-the-art sophisticated ventilation to ensure a clean and clear air environment exists.

As a consequence of the Federal Court matter reported last week, to which I referred, I have formally asked the TAB board, which it is appropriate for me to do, to consider the legal implications of that decision in regard to its responsibilities, its public liability and its civil responsibility to the community. I have also had brief informal discussions with the Chairman and the General Manager to express my view about the situation. I think their responsibility is to look at the overall implications for the TAB and the community at large. We are reaching a point where the community will no longer accept smoking in public places as a social habit. Certainly, in terms of the responsibility of that public authority, it will have to assess carefully its responsibility regarding the use of its facilities by those members of the public who do not smoke.

As I say, I have referred the matter to the Chairman of the TAB. It is a responsibility of the board—a statutory board—which consists of many eminent South Australians who will look at this in a serious way and consider the implications.

With reference to the situation in Victoria, obviously in due course there will be a complete ban. However, as I understand it, this ban is being phased in. I am not sure how that will work, but I will certainly look at that situation across the border with interest as it progresses. No doubt in the not too distant future I will be notified by the Chairman of the TAB board of the policy it has adopted with regard to smoking in TAB agencies.

The other aspect relates to sub-agencies. That is a matter for individual proprietors, whether it be in a club, a hotel or wherever. Obviously, that issue will be picked up in the debate within the community as a whole, and I am sure that again it is a matter—

An honourable member interjecting:

The Hon. M.K. MAYES: The honourable member suggests that it is not a matter of public interest. Indeed, I think it is. In a comprehensive answer one must address the sub-agency issue as well, and I am more than happy to suggest that in the process of discussions within the community I am sure that we will see the issue of sub-agencies being caught within the argument so that it will have to be addressed as part of the whole issue of smoking on public premises.

BENEFICIAL FINANCE CORPORATION

Mr LEWIS (Murray-Mallee): My question is directed to the Treasurer. Has Beneficial Finance Corporation knowingly accepted the proceeds from organised crime and what controls are in place to prevent money laundering through the State Bank group? The Liberal Party has been given a copy of a detailed report by a New South Wales private detective which indicates that Beneficial Finance Corporation accepted a $1 million deposit from a convicted criminal with many Sydney underworld connections and subsequently loaned the man a larger sum for houses, brothels, furniture and expensive cars under a number of aliases since the early 1980s.

The Hon. J.C. BANNON: I am not sure whether this is the matter that was featured on the front page of Saturday's *Advertiser*. Will the honourable member confirm that for me?

Members interjecting:

The Hon. J.C. BANNON: If it is the same matter, it seemed to refer to events back in 1980, 1981 and 1983, which was prior, of course, to the acquisition of Beneficial Finance by the State Bank.

An honourable member interjecting:

The Hon. J.C. BANNON: Yes, well, there was a Liberal Government at that time, as it happens. If it is that same matter, perhaps that article may indeed shed some light on the case. If the honourable member would forward to me a copy of the report to which he refers, I will have it referred to the appropriate authorities.

SPEED LIMITS

The Hon. T.H. HEMMINGS (Napier): Will the Minister of Transport advise the House whether any consideration is being given to fixing speed limits in suburban streets at 40 km/h? As a result of an article on the subject of a 40 km/h speed limit which appeared in the *Advertiser*, I have been approached by constituents who live in Munno Para supporting such a move.

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: This issue has been around for some time. A number of suburban areas have a great deal of problems with through traffic and keeping the traffic down to a speed that the residents themselves believe is reasonable. My friend and colleague the Minister of Housing and Construction and member for Unley has been the biggest proponent of allowing councils, after consultation with the police, to have the power to designate the speed in certain streets in their suburban areas at lower than 60 km/h. In principle, I believe that this idea has something going for it, and I am certainly very happy to approve a pilot project in Unley.

I want the member for Napier to pass on to the Munno Para council that I believe that a simplistic action such as this is not really the answer. I am happy to have the pilot project. I hope that it is policed very intensely by the police so that some relief can be given to the residents of Unley, but I believe that, unless there are some comprehensive traffic calming plans in all suburban areas of Adelaide, I am afraid that measures such as this will fail, because all observations over the years have indicated that motorists will travel at a speed that they believe is appropriate for the area.

Unless some physical alterations are made to the suburban environment—to the streetscape—I doubt whether it will have any effect at all. Also, there is the effect on neighbouring streets and councils. There is no point in solving the problem with one street and pushing the problem into another street or suburb. So, it is quite a difficult exercise in order to achieve a result. Regarding the other part of the honourable member's question about policing such a measure, I believe that the pilot project should be controlled entirely by the police. Members would know of the strong objections that some members of the community are making now about the police having two—I think it is two, it may be four, but it is a minor number—speed cameras. Imagine every council employee having a speed camera. I am afraid that our electorate offices would be inundated with complaints. It is all very well—

Mr Ingerson interjecting:

The Hon. FRANK BLEVINS: Yes. It is all very well for the Unley council to see it solving its problems, but I believe that there would be a huge backlash by motorists and certainly by our afternoon newspaper, apart from anywhere else, if there were hundreds of speed cameras throughout suburban Adelaide—because they are very cheap to buy, costing something in the order of $30 000 to $40 000! As I say to the member for Napier, we will certainly have a pilot program. I hope it is successful, but I caution the Munno Para council and other councils that far more comprehensive plans are required to deal with the problem. We do have the expertise to assist councils within the Department of Road Transport and other offices within my portfolio responsibility and we will be delighted to assist the Munno Para council.

SITTINGS AND BUSINESS

The Hon. LYNN ARNOLD (Minister of Industry, Trade and Technology): I move:

That the time allotted for completion of the following Bills:
Workers Rehabilitation and Compensation Act Amendment (No. 2)
Freedom of Information (No. 2) and
Waterworks Act Amendment
be until 6 p.m. on Thursday 14 February.

Motion carried.

WORKERS REHABILITATION AND COMPENSATION ACT AMENDMENT BILL (No. 2)

Adjourned debate on second reading.

(Continued from 21 November. Page 2104.)

The SPEAKER: Before I call on the member for Bragg, I indicate that we have an unusual situation in respect of this Bill. There is also a joint select committee reviewing all aspects of WorkCover, including presumably the subject matter of this Bill. I do not want to restrict the debate in any way but I do have to point out that any reference to the manner that the select committee has or should conduct its inquiry would be out of order. As the House has resolved to allow the committee to disclose its evidence before reporting to the House, reference to any evidence which the committee has authorised to be disclosed would be in order. The honourable member for Bragg.

Mr INGERSON (Bragg): We have seen over the past three or four days the biggest financial fiasco in this State. I am currently a member of a select committee that is inquiring into what I believe will also be a significant financial fiasco in the State. To back up those comments I will refer to a couple of documents that were put before the committee during the public inquiry over the past week or so. The documents relate in particular to the unfunded liability of WorkCover. In its annual report the WorkCover Corporation stated very clearly that as of 30 June 1990 it had an unfunded liability of $150 million. Thus, in a short two year period we have gone from no cost to the State for workers compensation funding to a deficit or unfunded balance of $150 million. That $150 million is calculated from a levy income from investment income totalling about $262 million and from expenditure and liability projected to be some $394 million. The operating deficit for the year is $132 million plus an accumulated deficit of $18 million, giving a total of $150 million of unfunded liability within two years.

That is a very serious matter, one about which the State Government should be very concerned as we are really following the same trend as the Victorian WorkCare Corporation. It ended up with massive losses within the first three years and we are heading down the same line. I seek leave to insert in *Hansard* a statistical record.

The SPEAKER: Is it purely statistical?

Mr INGERSON: Yes, Sir.

Leave granted.

STATUS OF WORKCOVER SCHEME AS AT 30 JUNE 1990

Actual 1989-90	Income ($m)	Expenditure/ Liabilities ($m)
Levy Income	233	
Investment Income	29	
Administration Costs		35
Claims Payments		104
Estimated Outstanding Liability		255
	$262	$394
Operating Deficit for year ended 30.6.90		132m
Deficit at 30.6.89		18m
		$150m

Mr INGERSON: This document, a WorkCover report as of June 1990, shows clearly an accumulated deficit, an unfunded liability, of $150 million.

The Hon. R.J. Gregory interjecting:

Mr INGERSON: I did not say that. I will put clearly on the record that this document, which was tabled at a public meeting of the WorkCover select committee last week, states:

The accumulated deficit as at 30 June 1990 is $150 million.

The document was supplied by the WorkCover Corporation. I assume that the House will accept that the statement made in this document is absolutely accurate: I have no question at all as to its validity. Shortly after the document was tabled another document was put before the select committee which brought the financial summary up to 31 December 1990—some six months later. The accumulated estimated deficit as at 31 December 1990, some six months later, is $198 million. So, in the very short period of six months we had an unfunded accumulated deficit of a further $48 million. Thus, in this short period there was a significant deterioration in the unfunded liability of WorkCover. I seek leave to have a statistical table inserted in *Hansard.*

Leave granted.

FINANCIAL SUMMARY OF WORKCOVER CORPORATION FOR PERIOD ENDED 31.12.90

Recurrent	Actual to 31.12.90 $m		Budget to 31.12.90 $m		Variance 0=unfav. $m	
Income						
Levies	146.3		153.5		(7.2)	
Net Investment Income	5.9		23.6		(17.7)	
Other	0.1		—		0.1	
		152.3		177.1		(24.8)
Expenditure						
Actual Claims Payments	85.1		76.9		(8.2)	
Corp. Admin. Expenses	13.9		14.9		1.0	
		99.0		91.8		(7.2)

Recurrent	Actual to 31.12.90 $m	Budget to 31.12.90 $m	Variance 0=unfav. $m
Funds available to meet outstanding claim liabilities	53.3	85.3	(32.0)
Guideline provision for outstanding claims	101.0		
Actuarial estimated operating surplus (Deficit)	(47.7)		
Accumulated actuarially estimated deficit as at 31.12.90			**$198M**

In May last year, with the support of the Democrats and Independent Labor members in this House, the Opposition moved to set up this select committee. Already, in the short time that the committee has been sitting there is considerable evidence to suggest that there has been marked deterioration in the position. During that same presentation, the General Manager of WorkCover pointed out clearly to the select committee that there was a need and a desire to make significant changes, and a need for more time to be granted to the corporation to turn around what seems to me to be the horrendous direction in which WorkCover is going. As I said earlier, I believe that, unless it is dramatically changed, this trend will produce the second biggest financial fiasco in this State.

At that same presentation it was reported to the committee that a second year review process was taking place which identified the problems and concerns among WorkCover applicants whose injuries extend for more than two years. Changes in this area would reduce this deficit significantly. I think that every member of the committee hopes that that is the case.

I have one major concern about that attempt to turn around the deficit, namely, the legal position of WorkCover in rating an injury as partial/deemed total. There is a significant question as to the legality of WorkCover rating injuries in a different way. The General Manager of the corporation made a significant point to the committee, that is, that unless all those in this category could be incorporated into or taken out of the scheme with reasonable care, the scheme would be a disaster. So, in essence, WorkCover is relying on this second year review for a significant reduction in its deficit trend.

There is no doubt that many appeals will be made against the decisions, and that was heralded clearly to the committee. The General Manager of the corporation held back no information at all, and I think that everybody supported that position. However, this highlighted that there is one issue at this stage that would continue to a turnaround of this significant blow-out. Industry itself is very concerned about the direction of WorkCover. Every member of this House would know that some aspect of WorkCover is criticised almost on a weekly basis. This criticism comes from the employers, who complain about levies or the way in which WorkCover is putting pressure on them to do certain things, or from employees, who more and more often come into my office and say that they are having difficulty with the system because of loss of claims, lack of follow-up of calls and mismanagement and problems in administration of WorkCover.

This Bill comes before the House today in a totally different environment from that which existed when it was tabled early in November, when there was a general belief that deficit trends had turned around. We had been briefed on several occasions that trends had changed and that the issues of concern were being brought under control, yet at the public hearing the other day, it was made clear that the

unfunded liability increased significantly from $150 million in June 1990 to $198 million in December, some six months later at the same time that significant changes were in progress. So, a very concerning trend still exists in regard to WorkCover, and I see difficulties for it in the short term and the long term.

As the House would be aware, the Opposition has always been opposed to the way in which the WorkCover Corporation was set up. It was always concerned about the possibility of the development of another bureaucratic monster. I think there is now significant evidence to show that that has in fact occurred, because we now have some 550 people employed in the WorkCover Corporation. We now have more complaints coming through my office regarding inefficiency of the corporation than we have ever had in the time that I have been in the Parliament. I know that some of that concern must be reflected in the fact that I am the shadow Minister and businesses and individuals will refer people to me. But that is only part of the problem. The concerns of businessmen whom I see everywhere I go in the State all relate to this issue: the question of where WorkCover is going and why we have not been able to come to grips quickly with what seems to them to be a very simple management and organisational problem. I have a further statistical document that I would like to have inserted in *Hansard* without my reading it.

The SPEAKER: Is it purely statistical?

Mr INGERSON: Yes; this document also was tabled at the public meeting.

Leave granted.

CLAIMS TRENDS

11 per cent increase in claims incurred for 1989-90

Resultant increase in claims payments

To end November 1990, 6 per cent decrease in estimated number of claims incurred

23 per cent days lost claims—constant

11 per cent increase in claims payments ($8 million to 31.12.90)

3 per cent decrease employment measured by levies.

Mr INGERSON: First, there has been an increase of 11 per cent in claims in 1989-90; obviously there has been a significant resultant increase in claims payments. To the end of November 1990 there has been a 6 per cent decrease in the estimated number of claims over the previous period of six months. So, there is improvement in that area; there is a significant increase in the area of unfunded liability but a drop of some 6 per cent in the estimated number of claims.

The figure of 23 per cent for days lost in claims is still constant, although there was an increase of 11 per cent in claims payments of over $8 million as at 31 December 1990. Therefore, in the claims area we are still seeing some problems of concern—an increase in costs in terms of claims, even though there has been a very slight reduction of some 6 per cent in those claims. It is the long-term claims that are the problem and the area about which industry associations have been complaining for a long time.

As I said earlier, the WorkCover Corporation is attempting to deal by this two-year review with the cases beyond that two-year review. It is my hope that they will be able to solve that problem. However, industry does not believe that it has a chance to do so; it believes that its figures are exceptionally optimistic. We are therefore in a position of great concern, when this Bill now comes into the House to be debated some two months after the initial Bill was tabled.

I turn now to the Bill itself because industry is supportive of some of the changes. Exempt employers are concerned about the standards and the position that has been taken under this Bill. There is much concern within industry groups about other areas to which I will refer as I go through the Bill.

For the first time legislatively the Bill recognises the importance of the role of the employer in the management of claims. I recognise that this has been done now to clarify the position. There has been no question, at least in the past 12 months, of the need to get employers more involved in the management of claims, but we now have a very positive move by the Government to ensure that that occurs.

The Bill provides the employer with the right to request the corporation to review amounts of weekly payments being made to the worker where the employer believes that reasonable grounds exist for the discontinuance or reduction of weekly payments. This clause really deals with overtime and with a problem which has developed and become far more obvious during this time of economic difficulty. I have a statement from one exempt employer, who has clearly put to me the position and has given me an example that I seek leave to insert in *Hansard*. The table is of a purely statistical nature.

Leave granted.

COMPARISON BETWEEN WORKERS COMPENSATION AND NORMAL EARNINGS
FEBRUARY 1991

Employee	Position	Workers Compensation	Normal	Variance
		$	$	$
N.O.	Load Checker	562.16	438.70	123.46
W.L.	Electrician	898.58	624.40	274.18
I.F.	Trades Assistant	728.19	599.80	128.39
M.N.	Electrician	915.99	624.40	291.59
P.L.	Machine Operator	538.67	475.20	63.47

Mr INGERSON: The letter to me reads as follows:

As you are aware, payments of income maintenance made pursuant to the Workers Rehabilitation and Compensation Act 1986 are required to include a component for overtime. Given the frequency of working overtime in this industry because of seasonal demand, all overtime worked throughout the year is included in the income maintenance calculation.

At the moment, because of poor sales, almost no overtime is being worked, and as such our employees are receiving only their base rate of pay which includes an over award component.

There is then a comment about the attached schedule. The schedule is very interesting, because it shows that an employee is employed as a load worker, and as of February 1991 that employee who is on workers compensation is paid $562.16 when the normal work rate is $438.70, showing a variation of $123.46. The next worker is an electrician who, when on workers compensation, receives $898.58, when the normal rate at this time is $624.40, a variation of $274.18. The next example refers to a trade assistant who, on workers compensation, is paid $728.19 and if at work today doing the same job would be paid $599.80, a variation of $128.39. An electrician on workers compensation receives $915.99 and under normal circumstances would receive $624, a variation of $291.59. A machine operator who, when on workers compensation, receives $538.67 would under normal circumstances receive $475, a variation of $63.67.

I use this table to support comments from almost every employer group in this State—the Chamber of Commerce, the Employers Federation, the RTA, Engineering Employers Association, MBA and the AFCC and all other associations. Every single group has highlighted that, because of the Act and its current wording, overtime is a major problem.

The Government has recognised that there is a problem, but it has gone only about 25 per cent down the track of reducing this particular cost. Generally, industry is saying that all workers compensation payments should involve

paying no more and no less than a worker would be receiving if currently at work, minus overtime.

Those examples clearly show that an electrician currently on workers compensation is receiving $274.18 more per week than he would be if he were working in the factory in which the injury occurred. So, there is no incentive at all to go back to work when there is that sort of significant advantage under the compensation scheme. Overtime conditions need to be removed entirely, unless the overtime was worked at the specific time at which the accident occurred and it continues. If economic times change, and there is no obvious need or desire by the community to continue to pay that overtime, it should be paid, because it will end up being an expense to business and economic activity, resulting in more people being out of work. Although this case is one involving an extreme position, the business in question must pay about 35 per cent more per week for an employee who is not there compared to one who is.

The employer organisations and individual businesses have put that issue to me very strongly and have argued forcefully that this Bill does not go far enough. They recognise it has gone about 25 per cent down the track, but it should go the whole way if we are really serious about the unfunded liability. The Act provides—and the Government made a commitment—that WorkCover would be fully funded from day one. However, the WorkCover Corporation has just got further and further behind in its unfunded liability. The trend line is not downwards but straight up. As I pointed out, there has been an increase in the past six months of approximately $48 million in WorkCover's unfunded liability.

The Bill provides the right for a review by a review officer where the employer believes there has been an undue delay in responding to a request. Without reflecting on the review officers, probably one of the most criticised group within the WorkCover Corporation at the moment are the review officers who do the job they are expected to do under this scheme. For them to have another task placed upon them when the reviewing of standard appeals is some six to eight months behind seems quite outrageous. If it is intended to put into the system another group which is concerned to review average weekly earning payments, the only way the problem can be solved is to employ more staff. Already there is a situation where the review officers are being criticised for being so far behind, but the Bill gives them another task. When we read further into this Bill, we see that it is not only this job they are being asked to do, but others. That means increased staff, increased costs and increased problems in terms of the operation of WorkCover. It is fairly obvious that, if we are to get this deficit problem or unfunded liability back in the right direction and that is in credit, we must do something about the level of benefits and administrative costs.

Here was one opportunity for us to go down that track, but the Government did not take it. It is interesting to note that the General Manager, in his presentation to the select committee, made one specific point: that one of the major problems with the WorkCover scheme is the level of benefit paid. He made it clear that it is the highest level of benefit in Australia and one of the major reasons why we have the unfunded liability today. Those are not my words; they are the words of the General Manager of WorkCover in his evidence to the select committee last week. I repeat: that specific point was made by the General Manager of the WorkCover Corporation, not by me, not by the Liberal Party and not by any industry associations.

Mr Ferguson interjecting:

Mr INGERSON: For the benefit of the member for Henley Beach, that point was clearly made by the General Manager to explain why in his opinion there were difficulties with the system. One of the most important points clearly made by the General Manager is that the level of benefit is of concern. If it is not of concern, why has the Government moved in this way now?

Mr Ferguson: What's your opinion?

Mr INGERSON: It is of concern to the Government and, as far as I am concerned and as far as industry is concerned, we have not gone far enough on the overtime issue. Our position has always been clear. A person should be compensated only for the amount he or she is losing during time off, adjusted according to the way that industry and the economic conditions of the day are operating. This does not do that. It goes only part of the way to reducing some of the overtime benefits.

The next point relates to fraud. The Bill increases the time from six months to three years in which a prosecution for any alleged offence under the Act can commence. The Opposition has at times been critical of the WorkCover Corporation over the rorting of the system. Some of the evidence that we have had has been very pointed; other evidence has been shown to be invalid on investigation by the corporation. We have been concerned about the possible rorting of the system, and any move to improve the ability of WorkCover to investigate and prevent fraud should be encouraged. The Opposition will support any move to chase up and correct fraud.

We support the increased powers of inspectors and authorised officers to investigate fraud, levy audit, claims investigations and other associated functions. We support the concept that inspectors' powers should match the inspectorial role of inspectors under the Occupational Health, Safety and Welfare Act. One of my colleagues will be moving to introduce a clause, which he has initiated in most Acts of Parliament which involve inspectors and which principally states that all inspectors need to be fair and reasonable in carrying out their duty. A colleague will put forward that amendment at a later time.

The next section I should like to deal with is that relating to overcharging and over-servicing. Evidence has been put to me and to many other members of the committee as well as to many members of this Parliament that there has been both overcharging in terms of institutions (particularly of hospitals) and over-servicing and overcharging in terms of members of the medical profession, of the medico-legal profession and of the entire paramedical community. Generally there is an argument that overcharging and over-servicing occurs.

Any move that will enable the corporation to reduce or disallow payment for service, where the corporation considers the amount excessive or the service provided unnecessary, has our support. However, one concern highlighted by the AMA, in particular, as well as by the other professions (such as physiotherapy and other paramedical groups) was that there ought to be an agreed position between the corporation and the professional bodies as to the charges. This Government amendment provides that it be at reasonable cost, and not excessive.

If, over a period of time, WorkCover had not been administratively bureaucratic, that sort of statement in a Bill would be fair and reasonable, but its history of being provoking and difficult in administrative areas requires me as shadow Minister to move an amendment that there should be an agreed cost in this area, accepted by the professions and—

The Hon. R.J. Gregory interjecting:

Mr INGERSON: If the Minister were to sit down with the doctors, he might find it quite surprising that an agreement could occur. The fact that the Government and WorkCover do not seem to bother to sit down and talk to people about the problems concerning the professions means that we end up with a confrontation such as that between the Minister and me today. From discussions with the AMA and with some executive officers of WorkCover, I know that they believe that a suitable agreement can be entered into between the two parties, which can be revised yearly or whenever deemed suitable.

The Minister would be very well aware that the AMA on behalf of the medical profession negotiates with the Federal Government on the price to be charged in the Medicare area. It seems to me that it is no more difficult than getting the groups to sit down and do this. The Opposition will be moving an amendment to replace the words 'fair and reasonable' with the word 'agreed'. I hope that the Minister will, at least, consider that amendment, since I believe it is very important and will show clearly that the Government is serious about sitting down with the professions and attempting to overcome this very difficult problem of overcharging and over-servicing.

There is no doubt that the professions themselves accept that it is a problem, and are prepared to do something about it. However, unless the Minister, through the corporation, is prepared to sit down and do it, nothing will happen apart from the traditional doctor bashing that always seems to occur when a bureaucracy of this size takes someone on. I accept that there are problems—I do not have any concerns about admitting that—but they are not handled as well as they ought to be; they can be simply overcome.

In relation to administrative collections, I find it quite incredible that this Parliament has to be asked to introduce an amendment which says that WorkCover in the past has not been able to correct a mistake it has made in its accounts or payments to workers. It must be the only body in this country that cannot change a clerical error it has made on accounts and have it hold up in court. There cannot be anybody else in the country who cannot say, 'Well, look, that's a mistake we have made on an account' and re-issue another one. If one cannot add up straight or cannot take away properly, all one has to do is send out an account and say, 'Look, I am sorry, we have made an error.' Yet in this case a major amendment must be made to the Act so that WorkCover can do it. I find it incredible that a simple administrative exercise such as this must come back to Parliament.

No-one can tell me that if the Department of Labour or some other department makes an error in any of its accounts it cannot send out a revision and fix it up, yet in this case we must alter legislation to enable this to happen. We support this, but think it is an absolute nonsense that we should have to come back to Parliament and do this sort of thing. I would have thought the board—and I think it is a tripartite board in this case, made up of employers, employees, independent people, and a very good chairman—could make an administrative decision that could have corrected this mistake, yet we seem to have to come back and waste the time of Parliament by having to move an amendment to the effect that, 'If WorkCover makes an error in adding up, we must come back to Parliament and get it fixed.' That is nonsense. We support the amendment, but I thought I would put on record how trivial and stupid this amendment is.

I made the comment earlier that exempt employers were concerned about the direction in which this series of amendments, affecting them in particular, was going, and about their treatment generally by WorkCover as a corporation. I just cannot believe that the 94 exempt companies, which are able to manage and administer their own workers compensation schemes, can be put under so much pressure and so many demands. The UTLC says that they have the most magnificent return-to-work programs and are the best performing employers in this State, yet they have the most pressure put on them to continue to perform, far in excess of any of the pressure, any of the standards or any of the administrative costs put on WorkCover itself and the people it is administering.

One has only to look at the results because they show clearly that the exempt employers are doing a better job than those under the scheme, and they are supported by the UTLC. What better bedfellows could one get? The exempt employers are congratulated by the UTLC on how well they have done in their return-to-work programs, their rehabilitation programs, and their administration of this scheme. Their whole processes are said to be good, yet the exempt employers are being placed under controls that WorkCover itself is not administering in the areas in which it is directly in control.

So, we have a situation where exempt employers are very concerned about these changes as they have just been through one of the most exacting and, in their words, unnecessary exercises over the past six months to ensure that they remain exempt employers. Yet, the rest of the system wanders on, going from $150 million to $198 million in unfunded deficit in six months. It wanders on with no great concern whilst all this time and effort has been wasted on the 94 exempt employers, with yet more rules to be placed on them. One would have to believe that they are not performing—why else would the rules and standards on them be increased? The facts are quite the opposite: the exempt employers are doing an exemplary job in the area set up for them.

As a side issue, one of the important points made to me is that the 94 exempt employers pay 28.9 per cent of the total administration costs of the whole WorkCover Corporation through their levy. Just over $10 million of the $31 million is paid for by the special levy on those 94 exempt employers, so that this whole scheme can be administered.

That group of people will now have more controls and specific standards placed upon them. It is unrealistic and unnecessary, because the WorkCover Corporation itself is not carrying out the standards in the private sector that it is administering and demanding of the exempt employers. We ought to ask WorkCover to go into the Government area and start putting in some good standards and straighten up some of the problems in the WorkCover area instead of pestering these 94 major producers of employment, productivity and economic activity in our State. WorkCover is wasting time on these 94 companies—I cannot say that often enough. So, 94 of the State's most important employers are being harassed on almost a daily basis by the WorkCover Corporation.

We are told by the Minister that 7 per cent of the group that WorkCover is supposed to administer is generating 90 per cent of the claims. Why are they not spending the same amount of time on that 7 per cent as they are spending on the 94 companies that are doing the right thing? I never hear any grizzles from the private sector about the pressure put on the 7 per cent, but the 94 companies (with over 40 per cent of the employees in this State) are asking why they have to tolerate more standards and controls and pay out one third of WorkCover's administration costs whilst continually being told that they are not up to standard. It is absolute nonsense—a priority gone wrong.

It seems that, philosophically, WorkCover wants to get the whole exempt group back into the system. The quickest and easiest way to do that is to make life unbearable for these companies and to charge them so much for administration that they have to be in the scheme. It is a nonsense that is going on and it needs to be reversed. I received a copy of the statement from the Employer Managed Workers Compensation Association and it refers to a couple of standards which are worth commenting upon. The standards provide:

4.1 Where the worker chooses the company medical officer as the treatment medical expert, information must only be released by the officer to the employer in accordance with critical element '3' of this process.

4.2 A referral of a worker to a company medical officer in accordance with section 53 (2) of the Act must not include treatment or directions for treatment by the officer.

4.3 Where the worker chooses a medical expert other than the company medical officer for treatment, the company medical officer is regarded as a non-treating doctor and the arrangement and frequency of examinations must be in accordance with critical element '5'.

4.4 Where the company medical officer is not the treating medical expert, the requirements of critical element 4.2 above do not apply to an examination (one only) arranged with the company medical officer to confirm each clearance for work provided by a treating medical expert.

That is the greatest lot of gobbledegook I have ever heard. The comment by the exempt employers about these standards is as follows:

The Act does not address authorisation for the release of medical information. The AMA sets a code of practice for release of information by their members. WorkCover does not have the right to impose on exempts a more stringent practice than that which applies to the population in general.

How can WorkCover demand this sort of practice of exempt employers when it does not apply the same to the private sector? I think it is because WorkCover cannot be bothered applying the same standards in both areas. But, perhaps that is not so—perhaps there is an underlying philosophical argument that says, 'We will put pressure on the exempt employers and make sure they do the best they can or force them into a general scheme.' The above comment is just one example of the standards that are set for exempt employers that are not in place in the general area.

Under this system, if someone does not go to a WorkCover doctor, forms have to be sent to WorkCover, approved and returned. In the meantime, the injured worker is either back at work or is worse—yet the exempt employer still has these forms to fill out. In the private sector covered by WorkCover that does not happen: if someone is injured, they visit the doctor quickly and, hopefully, are rehabilitated and back at work as soon as possible. They do not have to go through all this administrative gobbledegook.

Why does that have to happen in an area in which WorkCover does not, under the Act, have control? WorkCover, although it does not have this control, has implemented this procedure, and now has this provision before Parliament so that it can introduce more standards for administration. Do we not want this State to go ahead economically? Do we want workers compensation to be a burden to industry and not what it is meant to be, that is, compensation for the genuinely injured worker? Do we want to put an economic noose around the private sector of this State? I do not believe we do, but I think that somehow the Government does with all this nonsense of applying all these standards to the 94 exempt employers.

I do not believe that any genuine union representative would tolerate this sort of nonsense. I have had discussions with union leaders, and I believe that all they want is a fair and simple workers compensation system that looks after those who are genuinely injured, and in almost every case they want to get the injured worker rehabilitated and back to work as quickly as possible—and not just quickly, but fairly and reasonably rehabilitated.

Yet, we have this nonsense placed before Parliament. It is bureaucracy gone mad. The private sector tells me that three years ago it is conservatively estimated that no more than 300 people were working in this area of workers compensation, yet today WorkCover has over 500 people working in this area. They are not doing the same job, because three years ago WorkCover did not have an unfunded liability of $198 million and today it does.

It is a disaster for both employers and employees. As I said earlier, I am getting many employees coming in now and saying, 'They lose my claims; I can't get off the system.' Fancy having an employee coming in and saying, 'All I want to do is go back to work but I can't get out of the system. Every time I go to the rehabilitation provider he says that I can't go back to work because I haven't been through the system.' Some people may laugh about that, but these anecdotes are going to come before a committee of this Parliament shortly and they will all come out. They are true anecdotes relating to what is very much part of this system.

An honourable member interjecting:

Mr INGERSON: This is the sort of thing that has been placed upon the employers and I think it is nonsense. It is about time we recognised that the Liberal Party wants a simple, straightforward compensation system which is not bureaucratically controlled and which does not cost the State and the employers a fortune. We want a scheme that is genuinely supplying the injured people in our workplace with reasonable benefits.

The Opposition intends to oppose the whole section that relates to exempt employers, because there is no doubt that the current legislation is being abused by the corporation and being put forward in a way that the exempt employers should not have to put up with, when they are the best performers in the system. This amendment will only make it worse. It will give WorkCover the excuse for not allowing some of the exempt employers to continue. I do not believe that is reasonable when, in the majority of cases, they have excellent records.

In the area of exempt employers there is the question of remission of levy in terms of good performance. When one has a look at the extra standards they are going to have to perform to get that extra remission, one would have to say that it is an excuse purely and simply to make sure that everybody is paying 6 per cent of the levy. I could not possibly believe that those standards that are now going to be placed upon them in legalistic terms, so that they can be administered bureaucratically, are going to make it easier for the exempt employers in any form at all. As I said, it is our intention to oppose totally the amendment as it relates to exempt employers.

The next area I want to talk about in the Bill relates to the minimum administration levy. Here is another ripper. We are now going to charge every single person who puts in an application to WorkCover a minimum of $50. This applies to every single person. It does not matter whether you have any employees. It does not matter whether anyone works for you. You are now going to have to pay $50. What an absolute nonsense that is. If this is not taxation or something by stealth, it is unbelievable. Five thousand people who do not employ anyone are on that list. Why is it that WorkCover cannot take them off? If they are required to be there under the Act—and I do not believe that all of them are. Some have employed people previously—and they do not employ any people now. Just take them off the

list. When they employ people again in the future, make it a requirement for them to go back and register again. But do not tell everybody who has a name and address on the list, 'We are going to charge you $50 just for being there,' because they do not employ anybody. They have no draw at all on the WorkCover system. The only cost is that they are there on the computer list of employers.

If there is a cost to WorkCover, there is a magic new $12 million computer coming up. It could take them off. It should not be very hard to do that. We have experts in WorkCover who can draw up some brilliant programs in terms of complexity of claims. It must be very simple to take off every single employer whose name is on there and who has no employees.

It just seems to me that it is a quick way to make $250 000. That is what it is all about—just another $250 000, and for what purpose? There is no rhyme or reason for anyone to pay $50 just to have their name on the computer. Every system that I know of does a cleansing exercise, and I am quite sure that WorkCover is capable of doing that. It has the expertise to do that, so I suggest that that should happen. We intend to oppose this proposal, along with the proposed clerical change, because it is the most ridiculous thing that I have heard come before this Parliament for a long time.

As far as expiation fees are concerned, the Opposition's stance has always been very clear. I will not go into a long spiel on this, except to say that I do not believe that we need to introduce expiation fees under this system. If, however, finally they are introduced by the Government, I do not believe that the revenue from expiation fees should go to WorkCover. It ought to go back into the system, into general revenue. I do not believe that we should have a corporation generating fees for the breach of its Act and at the same time picking up the revenue from those breaches. We will oppose this amendment.

The Opposition supports the proposed bonus and penalty changes. There is no doubt that there is a range of employers in the system at present who are significantly disadvantaged by the current scheme. The maximum bonus in 12 months time of 30 per cent is not fair and reasonable for some employers and, similarly, neither is the penalty. Flexibility should be given to the WorkCover Corporation to encourage a broader system which would bring it more into line with the old system.

It is fascinating to see that we are now starting to recognise that those who create most of the cost ought to pay and those who do not should pay less. That was pretty much the basis of the old insurance system. It is interesting and pleasing to see that WorkCover and the Government propose to move in this direction. The Opposition supports any move in this area. It will be my intention during the Committee stage to ask the Minister whether he can say what sorts of proposals are being looked at in this particular area.

In relation to specific classes, the Opposition supports the general proposition that there are certain classes of employers who should not be covered by the Act. I mention specifically taxi drivers, who are self-employed people and who should be able to insure themselves outside this system. This clause will enable that to happen, and we support it. However, the Opposition is concerned about one aspect. It is absolutely incredible that any board could say to the Parliament that there should be a unanimous decision to enable this to occur. It seems to me almost as if the board does not want it to happen. I would have thought that it would be much better to enable a simple majority of the board to make a positive decision.

If the majority of the board believes that some groups should or should not be included, then make that decision. It should be no more difficult than a similar decision made by a majority of the board regarding unfunded liabilities. When we reach the Committee stage I will ask the Minister to explain why we need to have this almost unprecedented position of requiring a unanimous decision of the board.

Surely business in this country does not run on the basis of an absolute majority or a unanimous decision in respect of major issues. Whilst in principle we support the argument that special classes should be in or out of the scheme, the requirement for a unanimous decision in order for change is wrong. In the area of dispute resolution, there is significant change. It is in regard to the change from medical review panels to medical advisory panels that there is considerable concern from the AMA, and a letter that I received from the AMA states:

> The area of major concern related to clauses 21 to 29 of the Bill, in particular, clause 24 *(b)* 5 *(b)* which states that 'provide the parties to the proceedings before the review authority with copies of the advice'. We feel that the 'parties' must include all treating providers.
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> We felt that it was unclear as to how the medical advisory panels would be asked to act. It is our view that every general practitioner who is almost always the primary medical practitioner involved, because of his central role in co-ordinating and overseeing patient care, should have the right at a very early stage to obtain a medical review from such a panel. Our view is that the attending doctor should not be involved in person in the panel unless it is specifically requested by the panel.
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> The reason for this position is that normally the doctor-patient relationship is based on trust where the natural propensity is for the doctor to believe what he or she is told. Where a compensatory outcome becomes involved in the normal relationship, vested interest can easily affect the outcome of illness. Doctors generally are not comfortable with these additional constraints and want some effective mechanism to protect their normal doctor-patient relationship. Normally, general practitioners are patients' advocates, but when that position becomes untenable then a mechanism should be available to transfer the requirements for further impartial clinical judgments to another party so that the normal therapeutic doctor-patient relationship is preserved.
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> We do not believe that this referral would occur frequently, as most WorkCover problems are easily and quickly dealt with. What we do want, though, is the right, as outlined previously, to refer when the practitioner can anticipate a conflict of interest. We believe that because of the central role a general practitioner plays in work related injuries, that an advisory panel should have a general practitioner on it along with the appropriate specialists and providers.
>
> We would accept automatic referral to a medical advisory panel for any worker with an injury requiring him or her to be off work for 20 consecutive working days. Although not in our brief, we believe that employers should have a right similar to the general practitioner.

The AMA is saying that it supports the argument for a change to a medical advisory panel, but it believes that a mechanism should be set up through which the general practitioner can refer a worker with an injury requiring that worker to be off work for 20 consecutive working days to the panel. The doctors are saying that from their point of view the use of these medical panels will help to alleviate what is deemed by WorkCover to be major problem, that is, overservicing by some of the medical profession.

I support this concept strongly. It seems to be a proposition by the medical profession to say to WorkCover, 'We are out there, we want to be more involved. Let us adopt a better system so that we can at least attempt to reduce this problem of overservicing.' I support the concept of medical review panels and I believe that they will be successful in their role.

I now refer briefly to the powers of the review officers. There cannot be many situations in our society in which a legally unqualified person can decide that they will not hear a person and not take evidence from them when any appeal against that review may go further on to a judge either in

a tribunal or, in the future, in the Supreme Court. I find it incredible that any Government should propose to Parliament that an individual can be deprived of their right to give evidence by an unqualified person acting as a review officer.

If the situation changes and all review officers are legally qualified, I will change my mind, because people trained with regard to evidence could at least give a professional view. However, as long as legally unqualified people are acting as review officers, I will not support in any form the removal of the right of the individual to give evidence before review officers, because, let us face it: after this review provision takes effect, if a person does not like the result, they will then go before a judge in the industrial court, who will look only at the evidence before him in an appeal. If the evidence that the person wants to be included has already been cut out, whether it is relevant or not, they are virtually going into the tribunal with one hand tied behind their back. I am quite sure that not many legal people in this State would support that sort of concept, and the Law Society in particular has come out very strongly in saying that this is a denial of natural justice and that, whilst it may take a little longer, all evidence that the individual wishes to put before a review officer should be allowed.

The Opposition will support the entitlement to reimbursement of the cost of legal representation for individuals or the representative of a registered association. We would support that argument, because we believe that the most professional support should be available to anybody in a review situation. The Bill also enables the corporation to intervene in any proceedings arising under the Act and in any proceedings before a court regarding the interpretation of the Act or anything affecting the corporation's interests. I believe corporations have that opportunity now, but if the parliamentary draftsmen are telling us that that is not the case, I would support that provision.

I was quite surprised at the response of the industry associations and a few members of the general community to what I first thought was a very simple, uncomplicated Bill. It is amazing that a Government can quietly attempt to slip through legislative measures about which the community at large is concerned.

I will conclude by saying that, in principle, the Opposition supports a significant part of this Bill, but it is opposed to the treatment of the exempt employers. We are concerned that the overtime clause does not go as far as it should because, in today's climate, this overtime clause in particular provides the opportunity for the WorkCover Corporation to reduce its costs.

Mr FERGUSON (Henley Beach): I listened very carefully to the member for Bragg's speech, and I must say that I was very disappointed by his contribution to this Parliament. I was disappointed because I have sat through similar debates every time amendments to the workers compensation legislation have come before this Chamber. All we heard from the member for Bragg, who is the lead speaker for and represents the Opposition, was carping criticism of WorkCover and its legislation.

However, despite criticism after criticism, and although he is in his ninth year in Parliament, he has never been prepared to put forward an alternative. I have been waiting with bated breath to see the member for Bragg put forward in private members' time a better alternative. All he is prepared to do is wait until amendments come before this House and put up criticism which is generalised and without substance. He is not game, I strongly suggest, to put on the table a proposition and the law that he would like to see enacted in this State.

Because I do not have a lot of time (the lead speaker for the Opposition has unlimited time), I will not deal with the Bill clause by clause. What I do want to refer to is—

Mr S.J. Baker interjecting:

Mr FERGUSON: If the Deputy Leader listened, he would have an opportunity to learn.

Mr S.J. Baker: That would be a change.

Mr FERGUSON: It certainly would be. I want to refer to the general principles put to this House by the member for Bragg in his opening remarks. I have never listened to a debate on WorkCover in which the Liberal Party has not attacked the benefits that are available to workers in this State under the current legislation. I was not disappointed this afternoon. Yet again, we have heard an attack from the Liberal Party on the benefits that are applied to workers in this State, but the Opposition is not prepared to put up an alternative. Once again, the member for Bragg referred to the level of weekly payments. He was scathing in his criticism of the fact that South Australia is probably the best State so far as payments are concerned. That is something that we ought to be proud of; it is not something that we should run away from.

Mr S.J. Baker interjecting:

Mr FERGUSON: The Deputy Leader of the Opposition may scoff, but all he is doing is following the philosophy of members opposite with respect to WorkCover. The benefits of workers compensation were tested in the House of Lords during the worst period of the industrial revolution of the last century. Arising out of that, the decision was made and the principle established that, if a worker is injured in the course of his duties, it is the employer's responsibility and the law of the land to provide compensation to that worker. This afternoon, we have heard yet another attack on that principle.

The principle put forward by the Liberal Party is that weekly benefits received by workers should be reduced. However, Opposition members will not tell us to what extent those benefits should be reduced. We all know that, if the opportunity comes their way, they will severely reduce the weekly benefits that apply to workers in this State. One has only to look at the actions of the Greiner Government to understand what happened in that State concerning a reduction in weekly benefits.

I hope that when the Deputy Leader speaks he will tell us just how far he wants to reduce weekly benefits. Workers in this State have a right to know. We have an alternative Government which believes that it has a good chance of being elected and, before it faces the people, the workers in the factories ought to know to what level the Opposition wants to reduce benefits.

An honourable member interjecting:

Mr FERGUSON: The honourable member knows that he wants to reduce the weekly payments to workers in this State; he has already told us that this afternoon. The shadow Minister, who is supposed to be in charge of industrial matters has told us this afternoon that he wants to reduce weekly benefits. The honourable member ought to come out and clearly tell us and the people of this State exactly what is the level of weekly benefits that he wants to pay. He is saying to those people who have been injured that they are being thrown on the scrap heap; that they are not entitled to get the money that they were getting when they were employed; that it is their fault that they have been injured; that their weekly benefits will be reduced; and that they will be thrown on the scrap heap. That is all the concern that he has. Those workers are factory fodder and that is

the way that the Opposition is looking at it. That proposition has been put to us already this afternoon.

Every time a measure relating to workers compensation comes before this House the Opposition gets up and attacks the benefits that are available to workers in this State. I must say that those benefits have been hard won over many years and, with the stroke of a pen, members opposite want to reduce the benefits that have been won by trade union officials and other people. I want the Deputy Leader of the Opposition to tell the House to what level he wants to reduce those weekly payments, because workers are entitled to know. The other proposition—

An honourable member interjecting:

Mr FERGUSON: I wish I had an hour and a half because I could fill it in without any problems whatsoever. The other proposition to which the shadow Minister referred earlier in the debate was the elimination of weekly overtime payments to workers. Sir, because you have a lot of experience in the industrial field you would know that many current awards provide the employer with the opportunity to force workers to work overtime. Many clauses in many awards provide that the employee is required to work reasonable amounts of overtime. There have been arguments about what is a reasonable amount of overtime but, with the introduction of the 40-hour week, in most industrial awards in this country provision was made for employers to insist at any time that an employee should be prepared to work a reasonable amount of overtime. Is it not fair that, on the one hand, if the employer is in a position to require a worker to work overtime and an employee is injured in the course of his duties, the employer should pay an average of the amount of overtime that that employee had been working?

Arrangements in relation to overtime in this country quite often mean that an employer requires an employee to work overtime as part and parcel of his or her contract of employment. There have been many times when an employer has stated that he or she wishes an employee to work four, eight or 10 hours overtime a week, or whatever the case may be. In fact, I believe that many shop assistants are required to work four hours overtime a week as part and parcel of their contract of employment. If a shop assistant is injured during the course of his or her employment, the Opposition is saying that that person would have a reduced weekly payment because overtime would not be paid.

Mr Atkinson: Especially if they work in a pharmacy!

Mr FERGUSON: Pharmacies are a bit of a problem, because people who work in pharmacies are generally not employed under the same circumstances as those employed out on the factory floor. Unfortunately, the Opposition shadow Minister's experience is in pharmacy shops and not out in industry where he should know what he is talking about.

The member for Bragg could not get it straight as to whether he was talking about an unfunded liability or a deficit. There is a big difference between an unfunded liability and a deficit. An unfunded liability is the worst possible case that WorkCover could face. A deficit is something that WorkCover has to face up to. We know that it is possible, with good management, to reduce an unfunded liability. I believe that WorkCover's unfunded liability will be reduced by good work practices and good administration. I do not have the same difficulty with an unfunded liability as does the member for Bragg. He suggested that it was a terrible thing that the number of claims forwarded to WorkCover has increased by 11 per cent, as if it were some fault of the workers out there.

If the employers and those involved in looking after production were to look properly at safety, health and welfare, I believe that the number of claims referred to WorkCover would be reduced severely. That is not an argument involving inefficiency so far as WorkCover is concerned. I hasten to add that I do not defend the administration of WorkCover because there are some administration practices that I would like to see changed. However, a proposition that the 7 per cent increase in claims means that something is wrong with the system is unacceptable. If employers were prepared to look at the safety, health and welfare aspects of their workplaces, there is no reason why the number of claims could not be reduced in the future.

The member for Bragg was scathing in his attack on that part of the legislation which suggested that WorkCover could correct clerical errors. I see no reason why that should not be included in legislation. What difference does it make? The fact that it is included in the legislation means that accounts can be corrected. Whether accounts can be corrected otherwise is a matter for conjecture, but what does it matter? Why make a big deal out of it? Why not include it in the legislation? If it is included in the legislation, we cannot go wrong.

In the past I have been critical of the way in which the Opposition has attacked WorkCover, and I am still critical. I hope that in future we shall see a better attitude and that, as time goes by, we can have cooperation on this proposition.

Mr S.J. BAKER (Deputy Leader of the Opposition): I say to the member for Henley Beach that, as far as I am concerned, there will be no cooperation on WorkCover. I rank WorkCover among things like high interest rates, the economic recession, high inflation and AIDS. They can all prove to be fatal after a while, and WorkCover will be more fatal than most. WorkCover is a pernicious disease which will eat at the very heart of employment in this State. We are already seeing it happen. If the Labor Government wants cooperation, bipartisanship, there is no way that it will get it out of me. I believe that it has created a monster that will suck the lifeblood out of the employing population in this State to the ultimate detriment of everybody concerned, and I am not overspecifying that.

If anybody wishes to go back to some of the previous contributions made in this Parliament, they will find that I have made a number of statements about workers compensation and the ingredients which are necessary to have a cooperative scheme in place. Newer members of Parliament would not have been here when I spent 3½ hours on my feet combating the introduction of this legislation. Everything that I predicted has come to pass, because what has happened was very predictable. It is not members of Parliament who are bearing the pain; it is the people out there who are bearing the pain for the crass stupidity of the architects of this scheme. I am not saying anything new. My comments are on record and they keep coming back as being absolutely correct. I did not need a crystal ball to predict what was going on, because it has been written into world history. Anyone who wanted to look at the schemes—

Members interjecting:

Mr S.J. BAKER: Yes, in the world history. There is a report of more than 100 pages in the bowels of this Parliament detailing the countries that I visited when looking at occupational safety, industrial relations and workers compensation. If members want a few clues on the success that has been achieved in a cooperative workers compensation scheme, I suggest that they read that report. I might give

members an insight, or alternatively they may care to make the trip themselves and talk to those who have had a bit of practice in making such schemes work.

This Bill is another attempt to fiddle at the edges. There are some sugar-coated pills for the employers, who would like some changes made, but by and large the scheme is not improved. I make the point very strongly that the Minister and the General Manager of WorkCover are breaking the law, because the legislation demands that the scheme should be fully funded, and it is not. Those people who are responsible—I include the Chairman and the General Manager of the corporation—should look at the legislation, because there is a requirement that the scheme should be fully funded. Recently there have been increases in compensation rates to try to re-fund the scheme. If we look at the evidence presented to the select committee, we find that the unfunded liabilities are escalating. The Minister knows that two people in particular—I do not know whether they can be prosecuted—are not operating within the law, and perhaps the law should be enforced.

The remarks made by the member for Henley Beach were the tired old remarks that we have heard before. He fails to recognise that we have the most expensive scheme in the world. We have a scheme with the highest benefits in the world. If people suggest otherwise, perhaps they will produce the evidence. I have checked with a number of countries, and no-one gets benefits as good as the benefits provided in South Australia.

So, the member for Henley Beach's saying that we should be proud of that defies description. Time and time again we have seen that if we price ourselves out of the market we go bankrupt—and WorkCover is bankrupt. Let me repeat one or two of my predictions from some years ago. One experience of overseas countries is that, when they suffered economic problems, they found that more people suddenly had back pains and wrist injuries, and that was not related to danger in the workplace but to the fact that people knew that their economic futures were at risk.

They used workers compensation schemes as a means of sustaining themselves economically. That is not unusual: it is human nature that people cheat and defraud the system because it is much better than starving or sitting on the dole.

Mr Atkinson interjecting:

The DEPUTY SPEAKER: Order! The member for Spence is out of order.

Mr S.J. BAKER: That is exactly what is happening. When the member for Bragg states that there has been an increase of 11 per cent, someone asks how that can be since, logically, our safety practices should be improving. We are pouring millions of dollars into safety programs. We have a manual handling code, although I do not know how many people would need to be on a semi-trailer crossing the desert to comply with the manual handling rules, but at least we are making an attempt to reduce the impact of back strain and pain through guidelines as to how people should lift and handle objects.

I am not too critical about the fact that we are making an attempt in those areas, nor am I critical that advances are being made in technology and that people are saying that there is a better way of doing things, since that means that we have a healthier work force. What I am critical of is that we are putting so much into safety, with the Occupational Health and Safety Commission now spending in the millions, and codes of practice coming into being at considerable cost.

That is all very constructive, but the proof of the pudding is in the eating. If workers compensation claims are rising at the same time as safety is improving, one question is how the two systems are working together. We can only evaluate a scheme by its performance. WorkCover is abysmal: it is a failure. It has not done all the things that were promised.

The Minister stood up in this House when this scheme was introduced and told us that one of the main reasons for its introduction was to settle down the disadvantage suffered by engineering firms in South Australia compared with those interstate. What he said was that huge cost was associated with workers compensation, and those bills add to the general cost of firms in South Australia, so the Government would cross-subsidise certain firms in this State in order that they could compete on an even basis with those interstate.

I would ask—and have asked—those firms that nodded quite wisely at the time and said, 'Mr Minister, you have a good idea here—we should like to reduce our costs' how they are feeling about it. They are feeling a bit sick. What has happened is what I said had to happen: someone has to pay the bills. Ultimately, the people who cause the problems must pay the higher bills, and there is no escaping that fact.

What now transpires is that those firms that favoured the scheme in the first place are now finding, through penalty schemes and assessments, that the rates of workers compensation premiums are going through the roof. Where they will be in five years is frightening, as the legislation requires that this scheme be fully funded. More and more people will take the opportunity to take up workers compensation for a whole range of reasons, despite improved safety in the workplace.

When the member for Henley Beach says that the Liberal Party wants to treat employees as factory fodder, I am dismayed. Have we not learnt anything in the past 100 years?

When the member for Henley Beach says that the Liberal Party wants to treat employees as factory fodder, I am dismayed. Have we not learnt anything in the past 100 years? Have we not learnt that unless we do everything economically it is not the members of Parliament who suffer but the people who are working, who really count in the world. They are the ones who bear the burden: they pay for it by way of taxation or because they do not have a job.

Over a period of time a number of people have spoken to me about shifting interstate because of workers compensation—and that is not only because of the premiums. They are not the major problem. It is because the scheme induces people to take up workers compensation which in turn takes away the work ethic. If one talks to employers and asks them how bad their problems are they will say that they have a good worker who is taking time off on workers compensation. The doctor has supplied a chit and an employee who has lived with the problem for a long time suddenly finds it better to take time off. Many employers now say that the level of absenteeism as a result of workers compensation legislation has escalated. It is a matter of great concern that if the system induces people to take time off on workers compensation it defeats the purpose of it's being competitive—in fact, it has reduced the work ethic to an extent that is causing great distress to employers in this State.

People say that the Liberal Party does not care; I can only say that we do care. We do care that people are unemployed under the disastrous economic policies that have been brought down by the Hawke Government. We are concerned about the people who will ultimately suffer because of the operations of the workers compensation legislation.

So, let us talk about it sensibly. Let us talk about it in terms that people can understand. The Act itself has to address the fundamental underlying problems and not be a means of taking time off at the expense of the employer and, ultimately, at their expense, because they do not have a job.

The Bill contains some provisions that almost look sensible. One is that employers can play a much more vigorous role in the management of claims and have a say about the extent to which employees may or may not be justified in their workers compensation claims. I note that an extension of time is to be given to follow up breaches of the Act, the overpayment of claims and that sort of thing.

There are positive measures in the Bill, but we are only fiddling at the edges. Amendments to the Bill indicate that the medical profession is charging overly much for its services and is probably over-servicing at the same time. The Bill contains some means for a greater check and balance of this matter. I will not debate whether or not that is right or wrong; I only say that it is endemic to the system we have. It is important that some of those matters be debated, and whether or not an amendment is the right way to go is highly debatable. However, I do know of some rorts, and they have to be grappled with.

We have some classic situations in relation to overtime. We heard the member for Henley Beach talk about the sanctity of overtime; the fact that certain awards require the working of overtime and that in a number of circumstances overtime is part and parcel of the workplace. However, we now have the ludicrous situation where many employees, because of the Hawke and Keating policies which have been supported by Mr Bannon, only work four days a week—there is no overtime. Has anyone done a survey to see how much overtime is currently being worked? There would be very little because the economy is in recession and firms are simply not employing people to work overtime.

The provisions of the Bill in relation to overtime are ludicrous given the current economic circumstances. It provides that an employee who usually works overtime, if their number of working days per week is reduced from five to four, can receive 1½ times or twice their current salary if they are on workers compensation. It induces an employee to do the wrong thing and go for the money rather than for the support of the employer and their workmates during these very difficult economic times.

I endorse the comments of the member for Bragg in relation to exempt employers. The exempt employers are the only performers in this area. They live or die by the sword and are responsible for their employees' rehabilitation. Statistics will show that the employees of exempt employers are back at work three or four times faster than employees covered by the general WorkCover scheme. There are a number of reasons for that: exempt employers pay the bills and want their employees to return to work as quickly as possible. Also, there is a direct relationship between those employers and their employees; and there is no rehabilitation as is the case under the general scheme. The rehabilitation advisers only interest in life appears to be to keep the employee under their care for as long as possible, because they benefit from people staying off work rather than getting back to work. Exempt employers try to keep their employees working and, if they are injured, rehabilitate them as soon as possible. It is in their best economic interests to do that—and economics is a very prevailing factor. It is an important component of how well you do in a very competitive and unkind world.

The changes in the Bill that affect exempt employers are opposed by the Liberal Opposition because they try to water down the rights of exempt employers to perform. If anyone has any doubt about the way exempt employers are operating, I suggest that they compare their statistics with those of employers operating under the general workers compensation scheme. They will find a vast difference in the capacity of employees and in the obligations and responsibilities that are being taken up by exempt employers.

From day one the socialists and those who put the scheme together have been devising means of bringing exempt employers under WorkCover so that they can be destroyed by the problems throughout the scheme. The Liberal Opposition is opposed to someone paying for something they do not like and, in the case of the administration levy, do not get. We are opposed to expiation fees which allow a jumped-up inspector to slap on a fine whenever he or she feels like it. We are opposed to that because—

The Hon. R.J. Gregory: You support cheats.

Mr S.J. BAKER: We don't support cheats. If a person has committed an offence, the matter should be taken before the courts.

The Hon. R.J. Gregory: You support cheats.

Mr S.J. BAKER: The Minister will have his chance to respond. He will respond in his normal mundane, haphazard fashion. He is incapable of understanding what a dynamic system can provide. He is incapable of understanding that this scheme is one of the worst things that has ever hit this State. Until it is scrapped or changed completely it will never be any good and will be to the detriment of every citizen in this State.

Mr BRINDAL (Hayward): Like my colleagues before me, I rise to reluctantly support this legislation. I say, 'reluctantly' because this Bill is a fairly poor attempt to make a bad piece of legislation better. Members on this side of the House in a number of debates over several years have consistently pointed to the serious deficiencies in the WorkCover program. The member for Bragg and the Deputy Leader have covered well many of the points that the Opposition would seek to make in the debate, and I hope that my contribution will not repeat too many of them.

I point out to the Minister some facets of the proposed changes that concern me. They concern me because of WorkCover's performance record to date. It is a matter of public record that the liability of WorkCover has increased. It may well be only a potential liability, but the potential liability of outstanding claims in the WorkCover annual report determined by the external auditor amounts to $525 million at present. The Government and the Minister in introducing the legislation assured us that the scheme would never have such a result.

The Minister in this place trumpeted this wonderful system, this self-funding system, that was going to be the salvation of workers and employers in South Australia. Now, only two or three years down the track, we have a system with an unfunded liability of $525 million; and we have people in WorkCover saying that they need more time to make it profitable. That is the problem. If we look at the trend as outlined in the WorkCover Corporation Annual Report, which was tabled today in this House, one sees that each year for the past two financial years there has been an average carry over of about 64 per cent on the previous year.

If one looks at the trend as it has emerged and we project into the next financial year 64 per cent of $525 million, and add to it the same level of claims for this year (I hasten to add that this goes against the trend exhibited last year, but we will give WorkCover the benefit of the doubt), we come up for next year with an unfunded liability of $575 million,

which represents an increase in liability of $50 million. I hope that this Bill seeks to address that situation. I am sure that if the figures are wrong the Minister in his reply will correct them and tell me where I have erred, but I have taken them from the annual report and I can see no fault in their logic as I have espoused it.

I am also worried about certain clauses of the Bill which we will consider in Committee. Clause 10 (2) *(b)* in particular provides that the corporation is an insurer of last resort, as follows:

(2) The corporation must undertake the liabilities of a formerly exempt employer under subsection (1) if—

(b) ceases to carry on business in the State and fails to make provision that the corporation considers adequate for dealing with claims, and meeting liabilities and responsibilities related to compensable disabilities arising from employment during the period of exemption.

That clause worries me and I hope the Minister in his second reading reply or in Committee will clarify whether it means that a big company that errs badly can then leave the State and thus exempt itself and leave WorkCover with a huge liability. I point to a situation like that at Wittenoom, where a large company could completely desert the State in an attempt to escape its responsibilities. Perhaps that is not covered under this provision.

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

Mr BRINDAL: Before the dinner break I asked the Minister whether the clause which allows the corporation to be an insurer of last resort could be interpreted to mean that, if something went badly wrong with a large employer—and I quoted Wittenoom as an example, and I may well have quoted Western Mining and Roxby Downs—and it pulled out of South Australia and altogether ceased operations in this State, would that leave the WorkCover Corporation as the insurer of last resort and, in fact, would that expose WorkCover and this State to a huge potential claim against it?

Among the other problems that I have with this legislation are a number of matters that are mentioned in the annual report of the WorkCover Corporation, which was tabled in this House today. I have alluded previously to the external auditor's claim of an unfunded liability of $525 million. I also note a potential liability to SGIC of $1 million from the WorkCover Corporation, and that that is a probable—not possible—amount to be paid as it has already been the subject of litigation and has been reduced from a figure of $10.4 million, from memory.

I note that, currently, the WorkCover Corporation exempts 35 per cent of this State's workers because they belong to categories of employment that are exempt and are self-insured. In effect, this means that the WorkCover Corporation covers 65 per cent of this State's work force, yet last year it received 56 134 claims. It has been said previously in this debate that that indicates an increase of 11 per cent on the previous year, yet I note with dismay from WorkCover's annual report that apparently it seems rather keen to cover even more of this State's work force. Under the heading 'New performance standards' on page 12 of the corporation's report, it is stated:

Performance standards have been developed for the assessment of the State's 42 private exempt employers to determine the retention of their exempt status. A program to assess employers was under way by June 1990.

The report goes on to say that it will soon include local government and Crown agencies. I view that statement with some dismay since its implication is not only that the WorkCover Corporation is monitoring the status of exempt employers, but that it is monitoring them with a view to 'determine the retention of their exempt status'. In other words, if they cannot continue to claim exempt status they will become part of the WorkCover Corporation and, I contend, a further liability on this State.

In an answer to a question put to the Minister of Education which I received today the Minister pointed out that the cost of WorkCover type claims against the Education Department, which is, of course, a self-insurer, was $3.1 million in the 1988-89 financial year and $2.3 million in the 1989-90 financial year.

If WorkCover-type costs are so high in the Education Department, one wonders what they must be in other Government sectors where there is a higher risk of bodily injury than is the case in the teaching profession. So, were the WorkCover Corporation to take over many of these other agencies, one wonders what the subsequent debt of the corporation would be. I think it is very dangerous, when the corporation is not performing well and when it obviously has a large and increasing debt, that it would seek to expand its operation and to take even more on board. I would suggest it is a fairly simple axiom that one has one's house in order before adding an extension. WorkCover seems to want to add all the extensions while chaos reigns throughout the property.

Another problem with WorkCover, as I see it, is the creation of almost a new industry under its auspices, and I speak of the rehabilitation industry. I note the following on page 14 of the corporation's annual report:

During the year the first intake of students graduated from the new corporation-funded Graduate Diploma in Social Science... at the South Australian Institute of Technology [now the University of South Australia].

In that year, seven students graduated, and the report goes on to note that 34 students will graduate this year. I do not know how many rehabilitation counsellors are currently in this State, but those two figures added together make a total of 41, and if on average they earn $30 000 a year each we are talking about an industry which in two years will grow from probably very little to $1.25 million a year, and I am sure it will escalate. I see nothing wrong with rehabilitation in appropriate cases, but I am sure all members in this House could cite a number of instances where electors and friends have talked about cases of rehabilitation that have, at best, been questionable.

Part of the purpose of these amendments to the Act and part of the questioning of WorkCover and its ballooning costs are related to the very matter that the Minister mentioned, namely, over-supply and over-servicing. I suggest that, if there is an area that is open to abuse, it is not necessarily the medical and physiotherapy professions and allied medical services but, rather, the rehabilitation industry which is much softer and much more nebulous and under which can be couched a multitude of therapies and other sins. I put to the Minister that what is necessary and reasonable in rehabilitation services should be carefully examined, because what is necessary and reasonable is what an injured person should get. Any more is a waste of the corporation's money and I suggest that in the end it will become a gross waste of money for the taxpayers of South Australia.

Today we heard the Premier in a very sombre mood say that this State can no longer afford to waste money. I support this Bill for that reason. If this Bill helps in any way to curb the ballooning costs of WorkCover, it will have done a good thing, but I reiterate the point on which I started: I support this Bill only in that it may help to make a bad measure better.

Like many members on this side of the House, I believe that the WorkCover Corporation as an institution is totally

and tragically flawed, that it is probably already mortally wounded, and that it is unlikely that it can recover. Quite possibly, the sooner we put in place a better structure, the better it will be for this State. However, in the absence of this Government's willingness to do so, and in the absence of any better scheme, I, like many of my colleagues, have no choice but to support this legislation.

Mr LEWIS (Murray-Mallee): Like other members of the Opposition, I recognise that the proposals contained in the measure before us this evening to amend the Workers Rehabilitation and Compensation Act are to try to improve a hopelessly flawed and administratively bumbling measure which does nothing to enhance the competitiveness, efficiency or workplace safety of South Australian enterprises and South Australians who work in them. This just makes this flawed piece of legislation, this foolish socialist notion of how someone else can pay, a little less onerous in the short run but it does not improve it to the point at which it is ultimately perpetually acceptable. It never will be. It cannot be.

Mr Atkinson interjecting:

Mr LEWIS: It can sound more awkward than it might otherwise sound, but it will do me; it is my way of speaking. I want to make plain that I am not opposed to the proposition of this Bill in general. There are measures within it with which I have a personal quarrel and with which the Opposition quarrels. I am not at odds with any of my colleagues on those points. I hold the view that, if we were in government, we could do much better. The only sensible thing to do is to make individuals responsible for themselves and provide them with the incentive to be so but remove from them the onerous aspect of becoming immediately responsible upon obtaining employment. So we do need an employer-financed scheme against misadventure during the initial stage of employment. That is not at all difficult to understand.

However, in my judgment, once individuals have procured for themselves from the marketplace in the private sector a personal accident insurance policy which they believe suits their needs, they should be given an increase in wages under the terms of their award agreement to enable them to meet that premium such as has been determined in the award would be appropriate. They do not have to pay it all out if they believe their health is good enough and they wish to carry some of the risk themselves. However, the premium in all policies in law could be fixed at a rate which ensured that all medical costs in treating trauma were covered and that reasonable rehabilitation costs of established medical science, whether in the direct medical sense or in the established paramedical professions, were met to ensure that people are rehabilitated.

Mr Atkinson: Is that Liberal policy?

Mr LEWIS: No, this is my view of how it would best work. It would be the responsibility of the individuals to choose a package that they thought best suited them and invest all or part of the additional amount which they earn as part of their wage (determined by agreement between themselves and their employer and registered by the Arbitration Commission) in that premium for the purpose of giving them the protection they desire. They do not have to be restricted to that amount: they can invest even more than that if that is their choice.

Mr Atkinson: What if they don't insure?

Mr LEWIS: If they do not insure, they have to remain on the lower wage. That is the incentive to ensure that they accept responsibility for themselves and those who are dependent upon them. At present each individual worker believes that it is something of which and about which he or she need have no care. They therefore think that it is legitimate in the group camaraderie concept in many work places to rip it off if they can get away with it. That is what is causing an escalation in costs in all these schemes and it extends outside WorkCover; it goes into all kinds of insurance. It is the notion that, because one has paid a premium, one should devise a means by which to recover some benefits. It leads to the development of a cultural attitude, unfortunately, wherein people are tempted to commit insurance fraud. Then, if a worker were paying a premium for cover and had no claims for several years, naturally the market place would offer a no-claim bonus to that worker who took care and would reduce the premium paid.

However, my point is that, if they were incapable or otherwise unwilling to accept personal responsibility for their own insurance, they would not find themselves without such insurance cover; they would simply accept the fact that, in consequence of the decision to demonstrate no interest in their own welfare, they were entitled to a lesser rate of pay. In that way everyone begins to understand that there are no free lunches in this world.

I now refer back to the matter before us. I want to make a contribution on the other side of the argument as a consequence of my personal experience over my lifetime and a number of incidents in which I have been involved. At present, whether it is under the terms of this legislation or under the terms of an injury sustained, say, under the third party bodily injury motor vehicle legislation, people who become claimants or plaintiffs are treated as criminals from the outset by the advocates for the insurer.

I had the impression instilled in me from childhood that all doctors were there to treat the illnesses or injuries of people and to give advice accordingly. However, in my most recent experience, I was injured just over 4½ years ago, after becoming a member of this place. I find that there is a growing profession that has moulded itself to fit the needs of circumstances to serve the needs of this legislation and similar legislation. Those people become advocates for the insurance companies and they do not give a tinker's damn about the health and welfare of the injured party. Their job is to examine and, where possible, to find in favour of the insurer and report accordingly. I think that they are despicable; they are worse than ghouls and vultures. They make a living out of the misery of people who have been injured and they do not care about the interests of, or the injuries suffered by, people who are injured or who claim to be injured.

The adversary/advocacy approach to analysis of what has happened to the individual has taken too much the focus of attention of the way in which the injury is dealt with, and then the way in which we set out to treat, heal and rehabilitate the injured. It is commendable that we are now training a profession to assist in the rehabilitation process, especially in counselling people about their own view of their injury, to encourage them to think positively about the rest of their life rather than negatively in the mistaken belief that that is the essential part of getting the best payout.

In consequence of that phenomenon, namely, that we have had a system in the past which has encouraged people to amplify their symptoms to the point, it seems, where they can obtain the best possible prospects of the highest possible payout, it is a ridiculous situation and an unfortunate consequence of the approach that we have had in this adversary/advocacy method of dealing with claims.

In more recent times, I am no longer so naive or so gullible as to believe that everyone who examines you is doing so for the purpose of determining what in their opin-

ion is wrong with you and how best to advise you to get that treated, healed or fixed, I make a plea for the Minister and those in the caring professions, particularly the medical profession, to do a self-analysis of what the hell they are on about. The approach at the present time must change because, if it does not, we will alienate thousands of people from their faith and belief in the ability of the health professions to heal them and give them the best prospect of a fulsome life after suffering an injury of some kind. That would be a tragedy. It is already bad enough, but to institutionalise it in a society is to cripple that society forever.

With respect to the legislation, it does not address that question anywhere in any general sense. However, it does address some of the excesses that arose out of the system as it was originally introduced and as it is presently operating. To that extent, it is commendable. The reference to overtime is commendable, as is the necessity for other amendments to be made to minimise the cost where it is unjustified. What further distresses me is the notion of having a minimum administrative levy. That affects my own business. Because I have a registered workplace, I must pay that, even though I have no employees. I must pay the registration of the workplace because it was a workplace and I might want it to be a workplace again. I must therefore keep it going and, because it is a workplace, even though there are no employees, I am up for another $50. It is a rip off. In the best Australian vernacular, it is a bloody rip off!

Other things that annoy me include provisions for the regulations to exclude specific classes of workers wholly or partially from the application where the regulation is recommended by a unanimous resolution of the WorkCover board. Unanimous—it will never be unanimous, not while there are union representatives and people committed to the left wing view of that legislation and its place in society. There needs to be only one vote against it and it is out. In my judgment, it ought to be a majority resolution, and that is the view of the Opposition. That happens to be our unanimous view. That is no coincidence, and it is not a point taken for political opportunism (not that any point I ever take is), and I am sure that the Minister would do well to recognise that. It is not necessary to expect that everyone can agree. If a majority can agree, in this place or other forums where decisions are made in our society, that is all that is necessary. I trust that the Minister will recognise that we live in a democracy. We do not need to have unanimity before we reach a sensible decison.

I am anxious about the renaming—indeed, redefinition—of what were medical advisory panels. They are to become review officers. It seems that they are to have too much power and too little responsibility. I am not comfortable with regard to the kind of people who might ultimately seek that professional appointment. I believe that many would come in with a prejudiced view, more to do with their political inclinations than their professional ability and commitment to the task. It would therefore skew their advice and involvement. For them not to have to listen to oral evidence is nonsense. Furthermore, it denies the semi-literate worker the opportunity of speaking to the review officers about their own case, predicament or circumstances. It will drive them into the hands of advocates, and we shall once again become locked into this adversarial situation.

All in all, because the Bill goes some distance towards improving the functions of hopelessly flawed legislation and whilst we have to put up with it, the Opposition in the main supports it, as I do. However, I hope that in the near future we can address the stupidity implicit in the assumptions underlying the introduction of the original legislation and the Government's insistence that such legislation in this form is an essential part of our industrial scene. It is a formula for economic inefficiency. It does not get people to understand the relationship between personal welfare and personal responsibility; and it does not get people to accept that they are accountable and responsible for their own lives. It develops the notion that someone else can pay—not them—that someone else will care—they do not have to—that someone else will be responsible and they do not have to be responsible; indeed, they can be irresponsible.

Nothing in the state of nature throughout history since the first day of creation has been further from the truth and reality. The sooner we come to terms with that fundamental truth, the better off we will all be, the more competitive we will all be and the more prosperous we will all be as a society and nation.

Mr MEIER (Goyder): There is no doubt that in many ways this is a fix-up Bill in that it seeks to correct deficiencies in the WorkCover legislation. It comes as no surprise to the Opposition which, when the WorkCover legislation first came before Parliament, strongly argued against it. The Opposition repeatedly pointed out the many potential problems that WorkCover faced, particularly the real problem of a WorkCover system that did not have any competition. You, Mr Speaker, and others will recall that we said it would be a recipe for disaster if we went down this track.

We have heard an excellent contribution by the shadow Minister of Labour, the member for Bragg. I shall not go over the many points that he raised, other than to say that I certainly endorse them. I should like to make a few comments as to how WorkCover affects the rural scene at a time that will probably turn out to be the worst slump in this State and in this country in modern history. One thing that increasingly has been a penalty on the rural scene is WorkCover. Only this morning I was speaking with a farmer who is also an employer. He told me that, as a farmer, there is no incentive left to employ.

The overheads are high and WorkCover, as we well know, was increased in the past year from 4.5 per cent to 7 per cent, an increase that was very ill timed for the rural sector. We well remember that when WorkCover came in the Government made great play about the fact that the rural sector would benefit from this new scheme in that its rates would be lower. So they were, but that did not last too long.

We are finding that fewer employers are employing people at a time when we need employment more than anything else. It is a great shame that WorkCover has been shown to have so many deficiencies. Members are aware of many of the abuses that have occurred; we had many of them highlighted in Parliament last year. I should like to cite another example, that of the shearer who is shearing interstate and finds that he has a back injury, an injury that will cause him to leave shearing sooner or later.

He weighs up where he can go for help, and finds that South Australia has the best rehabilitative program but, more importantly, the best wages cover for him, because he continues to be on almost his full wage for an indefinite time. So, the person with the back injury comes to this State, shears for an unsuspecting farmer for a matter of days or a week, then says that he has suffered a back injury on the South Australian farmer's property.

Immediately, the farmer is up for the first week's wages, even though he might not have been employing this man for that long, and then WorkCover takes the rest. From time to time we have released the statistics—although I sometimes wonder whether they are given in their entirety—showing how many people are not being rehabilitated into

the workplace. Most, if not all, members here would have people contacting their office about problems with WorkCover. I will give credit where credit is due, and I refer to the WorkCover staff. I have had some excellent cooperation from many of them over the years, but they are having to deal with a system that is inherently bad.

Various parts of the Bill need attention. I should like to refer to comments made on this Bill by the United Farmers and Stockowners in a letter received from them as follows:

> As a general comment, the changes are a step in the right direction. However, we believe that the changes to be made by this Bill do not go far enough. Should this Bill be passed through Parliament, the Government will then be able to show to the general public their 'commitment' to ensuring the survival of the WorkCover Corporation etc., etc., and therefore release pressures for further change.
>
> On that basis, we would submit that the Bill should be rejected in order that the joint select committee of inquiry can consider the issues contained in the Bill, in order that much more needed drastic changes can be made. Our submission does not mean that changes cannot be made before the inquiry is complete.

The House will agree that that extract from the UF&S submission echoes the way I feel, and I believe that I speak on behalf of the Opposition in that respect.

There is no doubt that the Bill recognises the importance of the employers' role in the management of claims. The Bill includes a provision giving the employer the right to request the corporation to review the amount of weekly payments being paid to a worker where the employer believes that reasonable grounds exist for the discontinuance or reduction of weekly payments. The corporation must undertake such a review and must advise the employer of the outcome. This Bill introduces a right of review to a review officer where the employer believes that there has been undue delay in responding to such a request. I can only agree that such a change will be a positive advance in the WorkCover legislation. We also see relating to fraud that the Bill is increasing the time from six months to three years in which prosecutions for an alleged offence can commence. That is commonsense, whether the fraud has involved the employer or the employee, and it is another correction in the right direction.

Review of the overtime provisions is probably long overdue, in the sense that many employees could now be on a higher salary under WorkCover benefits than if they were actually working for their employer, and that situation is fundamentally and unquestionably wrong. That is particularly so at this time when we have a downturn, not only in the rural economy but in the economy generally. Many employers have had to release employees from overtime and they will not be earning the money that they have been earning previously, yet some of their colleagues on WorkCover would be getting the higher rate of pay. This is one of the biggest problems with WorkCover as it is. Often employees receiving WorkCover benefits receive more than people who are still working in the workplace. What incentive is there for an employee to go back to work? Obviously, there is none.

Until that issue is addressed we are kidding ourselves if we believe we can tamper with the legislation and get it to work properly. That is especially so if we think we can start to reduce the deficit facing WorkCover. That is one of the biggest problems now facing this legislation as it relates to WorkCover over all. The Bill also provides for a minium levy. When I first saw the suggestion that every employer be made to pay a $50 levy I could not believe it.

The Minister and most members will recall that only a few years ago registration of the workplace was introduced. It was totally unnecessary legislation, another bit of regulation that put an impost on all employers. I well remember in my electorate several owners of small businesses coming to me and saying, 'Why on earth do we need to register our workplace? We have been here for 20, 30 and 40 years. The Department of Labour and Industry has always known where to send things to us. Officers of the department have known where to call in on us; they have known that if they have any problems we will welcome them onto our premises at any time, but now they are making us pay for the privilege of being here.' I remember also that several farmers told me that they were very concerned about having to register their farm as a workplace. I mentioned this to other farmers who are employers and found that they had not received such notification. After a while, I discovered that the farmers who had not received notification were not listed in the Yellow Pages, so they had not been approached in the first instance. Over time, I believe that that situation was corrected.

So, this was and still is a purely revenue-raising item, and now we see, as if the requirement to register a workplace is not enough, that there will be an administration levy of a minimum of $50 per employer, whether or not you employ and regardless of how long you employ. Members would be well aware that many in the rural sector do not employ every year. On occasions, they may be an employer, but they will be forced to pay another impost of $50 when many of them are already on a negative income. This is just what they do not need. I certainly hope, Mr Speaker, that you oppose this particular clause on the minimum levy as it is an impost that the rural sector cannot afford.

We also see that the idea of a minimum levy has been extended to impose an expiation fee on people who do not register—another money-making item in this Bill. Most members would know that expiation fees were brought in as a simpler method so that we would not have the problem, in many cases, of having to take people to court and having the situation argued before a magistrate or another person. Expiation fees were introduced before my time, but it was argued at that time that they must never become a revenue raiser. This Government has disregarded that advice from the Parliament.

The classic case relates to speeding and traffic offences generally. The expiation fees for such offences have now risen to a ridiculous level where even minimum speeding fines are in excess of $100. It is quite clear that these expiation fees are not there as a deterrent against speeding but as a money raiser for this Government.

When one looks at the mess that we have with the State Bank—and we heard in debate this afternoon and in Question Time that this Government will seek more and more revenue to pay for its wrongdoings—it would not surprise me to see expiation fines increased further in the next few months. Again, this will simply help to bankrupt this State further.

It was pointed out to me many years ago that if the Labor Party took office in this State and nationally it would be unable to manage the economy, that it would muck up the economy. I must admit that I did not entirely agree with that person, but now, as I look back and as I look at today's events at both Federal and State levels, and at the situation in Victoria, Tasmania and Western Australia, I see that it is the same in all places—Labor has failed, and failed miserably. It does not know how to manage the economy.

An honourable member interjecting:

Mr MEIER: The Queensland Government has just taken over from a National Government, and I have not heard of any banks in Queensland going down the drain: they are still looking very positive thanks to the economic management of a non-Labor Party for many years. So, our expiation system is to be introduced into WorkCover, and there is no

doubt that, once it is introduced, it will simply be increased at will and again the employers will suffer.

I would have thought that this Government would be going all out to try to give incentives to employers to try to help them at a time when employers need every bit of help they can get; when employees are crying out for jobs; when so many are being put off, unfortunately; and when our whole economic system is very shaky and we are looking for some positive signs in Government. Instead, the Government is playing around the edges. The Bill contains some positive things, as I have pointed out, but there are also some negative things that are intertwined to make sure that the employer is screwed even harder. We know what the end result will be: there will be fewer and fewer employers.

I believe that the Bill has too many problems and, whilst it will help to some extent, it is imperative that the Minister see the error of his ways and accept the Opposition's proposed amendments, and I hope that will occur during the Committee stage.

Mrs KOTZ (Newland): WorkCover was introduced on the one hand to rationalise costs across the industries and, on the other, to improve and implement cost-effective rehabilitation and retraining for employees and return them quickly to the work force. This theoretical concept has merit but, under this Government's direction, it has become a practical failure. This Bill, according to the second reading explanation, seeks to tighten the administrative practices of the WorkCover scheme, clarifying the interpretation of the Act and restoring or reinforcing the original intent of the legislation.

This Bill is a further attempt by the Government to bolster the failure of the Minister of Labour's white elephant, which has only added to this State's massive debt. I note that in this Bill the Government has attempted to recognise the importance of employers and their role in the management of claims by including a measure to provide for the right of the employer to request a review of the weekly payments received by an employee when an employer considers that there may be reasonable grounds to discontinue or reduce those payments. I believe employers will see this measure as too little, too late, and it would appear that complaints made by employers to WorkCover for a review of the relevance of certain payments to employees has in the past fallen on deaf ears or, by the time a review situation has been contemplated by the corporation, several thousands of dollars have already been lost.

This new provision is set to cover the contingency that the corporation may fail to conduct a review or, where the corporation has conducted a review, its findings are then contested by the employer. However, the Act currently provides for employers to call upon the corporation to have a worker medically examined by a medical expert nominated by WorkCover. In the wisdom of its authors, this Bill has now provided employers with the right to seek a review beyond the initial request for a review. When the corporation ignores an employer's request for a review and some weeks pass since the initial request, the employer can approach a special review officer who can then direct the corporation to review the case (which it did not review on request by the employer).

According to this Bill, the review officer can direct the corporation to expedite the examination and, using the Minister's words in his second reading explanation, the corporation must comply with that direction. What a wonderful piece of legislation this is! Through this Bill, the Minister is indicating very clearly to WorkCover and its administration that legislation is required to point out that its management is inefficient, that basic procedures which should flow from the Act have to be spelt out in further legislation.

WorkCover is a failure and fiddling around with minor adjustments to administration will not improve its massive deficit and I doubt whether employers will be convinced by the placebos presented in this very minor adjustment. The deficit recorded at 30 June 1989 was $18 million. Within the following year, the operating deficit to 30 June 1990 was $114 million, taking the accumulated deficit as at 30 June 1990 to $150 million. In the following six months to 31 December 1990, a further deficit of $48 million was recorded, taking the deficit to that date to $198 million. Why should we continue to be expected to prop up a failing Government enterprise which runs away with taxpayers' money to the tune of $200 million and for which future projections indicate increasing millions in deficit?

I turn now to the annual reports of some of our publicly funded institutions which provide services to the community. They have been affected drastically by the deficit incurred by WorkCover and by the inefficient programs presented through the corporation. First, I refer to the Royal District Nursing Society annual report, which highlights the impact that this inefficient workers compensation scheme is having on the services provided by that organisation. The RDNS report states that workers compensation claims experience and cost over the past three years have been: 1987-88, 28 claims at a cost of $21 882; 1988-89, 52 claims at $108 514; and 1989-90, 60 claims at $160 923. The report goes on to state:

> This increase in the past year has meant that on average 3.7 full-time equivalent (FTE) nursing staff have been absent or on rehabilitation programs with the actual numbers ranging from 2 FTE to 8.2 FTE. It is for this reason that RDNS has had to reorder its priorities by making one senior administrative position redundant in order to fund a full-time occupational health and safety coordinator.

Part of the effect on that organisation is picked up in the following paragraph, which states:

> The significance of this priority has to be related to the fact that administration salaries represent only 7.7 per cent of total salaries and the only other means of funding the position would have been to discontinue a district nurse.

I refer now to the effect on another institution, the Modbury Hospital. On page 8 of the annual report, the Chief Executive Officer states:

> The annual report of the Occupational Health and Safety Officer contains disturbing statistics.

They are the Chief Executive Officer's words. It continues:

> Reported work injuries increased during the year, workers' compensation claims rose by 28 per cent and the dollar costs of the claims carried by the hospital doubled.
>
> The numbers of workers participating in our rehabilitation program rose from 11 to 23, but less than half returned to their original work.
>
> This trend will need to be further examined, including the relationship between the growth pattern and related costs and the introduction of new WorkCover arrangements.
>
> The increases occurred despite a significant increase—from 322 hours to 833—in the time devoted to occupational health and safety training.

There are other clauses in this Bill on which I wish to make comment and I will continue my remarks during the Committee stage.

Dr ARMITAGE (Adelaide): I am pleased to be speaking to this Bill, but sad because I believe it is nothing more than an attempt to put a sugar coating on what is a very bitter pill for South Australians. It is a very bitter financial pill, and members opposite probably realise it is yet another lead weight around the neck of the Labor Government. This Bill is about bailing out a financially haemorrhaging

system, which may or may not have had a chance to work, depending on one's philosophical basis and the way one looks at these things. However, looking at the facts, it is clearly not working.

We discussed WorkCover in this House in March last year when we debated increasing the maximum levy from the then current 4.5 per cent up to 7.5 per cent. In his second reading explanation, in an attempt to justify the need to inflict yet another crippling blow on industry in South Australia, the Minister gave us some reasons why WorkCover's claims experience had deteriorated over the 12 months prior to March 1990. He stated:

> First, claim numbers have been considerably higher than expected on the basis of earlier trends. While this increase in claim numbers is partly explained by the overall strong growth in employment in South Australia and the disproportionately higher growth in high risk industries, this does not provide the full explanation for the increases observed.

In relation to that observation about WorkCover, first I would say how dreadful it is that such a scheme, with the enormous potential to harm South Australian industry, was based on figures that were so patently incorrect. Secondly, the Minister, whilst he told us some of the reason, partly explaining the increase in claim numbers, at no stage gave us the full reason. In other words, his first justification of why we had to increase WorkCover's levy had a number of flaws. The Minister went on to say:

> . . . not only has there been a higher claims incidence but the average cost of each claim has also increased as a result of rising medical, hospital and rehabilitation costs . . .

Certainly, medical costs increase a little bit. There is a CPI increase in various figures given. Hospital fees increase and I believe that rehabilitation fees increase a lot. I am sure that, in the Committee stage of this Bill, we will hear many examples quoted as to how these processes have been abused.

However, I believe that, given the goodwill of the vast majority of the practising doctors—and I speak from personal experience—there is nowhere near the abuse that is the convenient whipping boy for the members of the Government. By using such a convenient whipping boy, I believe they are overlooking the fact that this system of WorkCover is fundamentally flawed. I am currently reading the Cameron diaries, and he quotes a former Labor Party Premier of Western Australia as saying, 'Deceive anyone you like but don't deceive yourself.' I believe that that is what the Labor Party is doing: it is deceiving itself by blaming the wrong things for this great blow-out.

Thirdly, in March 1990 the Minister said:

> A target of 25 per cent reduction in the number of claimants remaining on benefits after one year has not been achieved.

Again, that is nothing more or less than a failure of the system. Given those failures, does the Labor Party attempt to fix the system? Not at all! What it does is to charge more for the system that is not working.

In relation to this Bill, we are obviously looking at increasing the financial take of WorkCover. In his second reading explanation on 21 March 1990 (*Hansard* page 697) the Minister stated:

> . . . over the past 12 months the corporation has experienced a serious and sustained deterioration in its claims experience and it is anticipated that it will have an unfunded liability of approximately $70 million by the end of 30 June 1990.

At the end of March 1990, looking forward three months, the Minister told us there would be approximately $70 million in unfunded liability on 30 June 1990. What was the true situation? There was a total of $150 million in unfunded liability in this fatally flawed system. The Minister has got it reasonably right, I suppose; in fact, he was about 60 per cent understating it. At least with the financial revelations of the past few days, he can claim to be closer to the truth than the Treasurer has been.

I am particularly anxious to learn how this Bill will enable the corporation, presumably at the flick of a switch, to reduce or disallow a payment for a service where the corporation considers the amount to be excessive. I will be very interested to find out how this decision will be made. I am confident that there is enormous opportunity for abuse. Equally, we will have the corporation deciding, according to this Bill, whether the service provided was appropriate or inappropriate. I do not believe that that is the function of a corporation such as this. I believe that it is in fact a function of the inherent relationship between the patient and the person treating the patient. If there is an unfunded liability because of that, one does not say from a corporation point of view that that service was unnecessary. What one does is to work harder to get the right people with the right rules providing the services.

Equally, I guess again as a sop to the providers of these services, where a disallowance or reduction of charges is made, the provider will have a right of review. I shall be interested to know how this review will be carried out and who the functionaries are who will be making the decision.

I wish to address the potential for the minimum administration levy. It is a farce that those who do not employ people throughout the year will still have to pay the minimum administration levy. I put to the Minister and members of the Labor Party that often what are small businesses already pay a levy. They pay to have their work sites registered. Even if a person is not employing anyone, he writes out his cheque, sends it to WorkCover, and says, 'Potentially I might; this is a registered work site.' All we are doing is adding another cost to pay for an already flawed system. I shall be opposing that. I do not believe that that is anything more than an unnecessary claim for absolutely no benefit whatsoever for businesses.

I should now like to address the potential for renaming medical review panels as medical advisory panels. I will debate this further when we get to the clause. As I understand it—I shall be pleased if the Minister will correct me, because I think this is a major difficulty—the final decision on medical grounds as to whether someone is fit for work will be made by someone who is non-medical. If I am wrong, that is great, but that is not the way that I read the Bill. If members think that the system is being abused and is leading to some crazy results now, they have not seen the beginning if we have unskilled non-medical people taking medical decisions. It simply will not work.

In summary, I believe that the Bill is nothing more than an attempt at economic salvation, shall we say, for a system that is haemorrhaging badly. Instead of throwing more money after it, the Government should say, 'It is not working. Let us change the system.'

Mr VENNING (Custance): I do not want to speak for long on the issue and I do not want to repeat what has already been said, but it would be remiss of me not to debate this Bill at this time of rural crisis. Many of my constituents are alarmed and annoyed by the WorkCover Corporation. Apart from the rural crisis, the biggest household problem that I handle is WorkCover. The rural crisis is bad enough, but, as the shadow Minister said earlier, WorkCover does not give us any encouragement to do the right thing. Rural people are angered by the minimum registration levies and registered work sites, whether they have shearers or not. The rorts go on. It is a flawed system and people are encouraged to abuse it. Those who do the

right thing get frustrated out of their minds by the bureaucracy that they encounter in WorkCover.

I should like to quote one case. I know it is a bit boring to do this, but this case needs to be aired in the House. I have my constituent's permission to do so. Mr Donald Morrison fell off a truck on 20 November last year. He was tarping a load, was blown off the truck in a gusty wind and was brought to Adelaide by air ambulance. The dealings with my office through my secretary and Minister Hopgood's office were extremely unsatisfactory. Repeated calls to Mr Schultz, both by the constituent and by my secretary, have not been answered, and at no time has she actually managed to speak to Mr Schultz.

If he is not on the other line, he has left for the day. The manager of the claims department, Mr Dennis Kirkwood, gave an assurance that a telephone message would be responded to within five minutes, which seemed to be a ploy to get people off the line with no real intent of satisfying the inquirer, or ensuring that his subordinate was performing satisfactorily. My constituent, Mr Morrison, was referred to Social Security—and this is an affront to anyone's decency—because the matter was taking so long.

This was January, and it had taken over a month. He was advised to see Social Security if he was in financial difficulties. Heavens above! Mr Morrison was then accused of making a hoax claim. I have never heard of anything so ridiculous—he was brought to Adelaide by air ambulance. Statements were repeatedly made by WorkCover to the effect that letters were awaiting signature, yet these did not arrive; cheques were in the computer, yet they did not arrive; and telephone messages were left unanswered.

This, mind you, is one case—not several. Documentation requested by WorkCover and provided by us turned out not to be the documentation actually required. At this time, I felt it necessary to become involved. I rang the office, got past the switchboard and spoke to a Mr Peter Muir. He knew of Mr Morrison's claim, and it had been processed. I said, 'In that case, could you fax a copy to me?' Then, of course, he could not find it.

It was then revealed that it was in the pile waiting to be processed. He assured me that it would be processed immediately. Five days passed. I rang Mr Morrison and he had not received the letter, so I again rang Mr Muir, who said that it had definitely been processed but was awaiting postage. Mr Morrison received his letter on 27 January—over two months since he had the accident.

A group certificate for the wrong period was used to assess the benefit and, when this was queried by Mr Morrison, he was met with total disregard. Yet, when I pointed out the problem it was seen to be something that could be fixed. Minister Hopgood's office could not have been more helpful, and Minister Gregory's office was deliberately unhelpful. Not only could I not get through to the person I asked for but also I was not allowed to leave a message for that person or for another filling in for him. I was absolutely blocked in every direction by the person on the switchboard.

In total, it should have taken in excess of two weeks to have a straightforward claim settled. The time factor and the number of STD calls from my office were far in excess of what should have been necessary to accomplish the task. Also, my own application to join WorkCover was lost and took six months to tidy up. It has involved problem upon problem.

The ideals of WorkCover may be fine: workers are entitled to be compensated if they are injured at work, but this monster is out of control and encourages abuse. I feel that it must return to a mutual agreement between employer and employee, and then they will both be accountable to each other. WorkCover as it exists is a failure. As we have heard, its deficit is massive and growing—from $18 million to today's $190 million.

Today we do not want any more State Banks, yet this is what will happen. Unless we can arrest this immediately, it will grow to that magnitude—another failed Government enterprise. I hope that the Government will accept our amendments to this Bill. We must have a bipartisan approach to solving this problem, and bring in a workers compensation scheme that works, not a scheme that will milk the Government purse. We must encourage all people to do the right thing, and I support our Party's constructive attitude to this Bill. I hope that the Government will accept our amendments.

Mr HAMILTON (Albert Park): I welcome the opportunity to speak to this Bill. Ever since I have been a worker (and I still classify myself as one despite being in this place), I have marvelled at the attitude of the Opposition. I came into this place in 1979. I came down from the country in 1968, and prior to my entry into this place I remember running around Mile End as a guard with a list, pen and paper, taking up collections from my workmates for colleagues who had been injured on the job—and I took up those collections because when they were injured on the job they got only 85 per cent of their wages. That situation went on for years and was changed with the election of a Labor Government.

I will never forget the 85 per cent and having to go around to my workmates and take the money to one of my colleagues and say, 'Here is the money from the troops.' I remember vividly the responses of many of the spouses to those collections that I had taken up on behalf of my colleagues, all because of the attitude of conservative Governments and conservative thinkers like the people opposite.

Mr Ferguson: And they haven't changed.

Mr HAMILTON: Indeed, as my colleague the member for Henley Beach astutely comments, things haven't changed. When I came into this place in 1979 one of the first functions I attended as the member for Albert Park was at the Alfreda Rehabilitation Centre. I went there to witness the opening of the workshop, which was an initiative of the previous Corcoran/Dunstan Government. Dr Bunt Burnell, officially opened the workshop, and was well-known for his involvement in trying to assist injured and disabled people. He asked for, I think, $300 000 for a hydrotherapy pool to assist and rehabilitate workers who were injured on the job and, to be charitable to the Hon. David Tonkin, the newly-elected Premier, I think he was carried away by his own importance, because he said, 'I have learnt three new words since becoming Premier: the first two are 'how much?' and the third is 'No.'

I just about fell off my chair. At that function were many people of the then Premier's ilk—doctors who expressed dismay at what a stupid statement that was. I never forgave him for making such a statement, although personally I have nothing against the man. That same reaction was echoed by the Hon. Dean Brown as the Minister of Labour. The *Hansard* record shows, for anyone who would like to go back and have a look at it, that just about every time a Bill concerning industrial compensation was debated I raised that issue, and I was relentless in relation to it.

I approached the Hon. Dr John Cornwall, the Opposition health spokesman, and asked him what he would do if we were re-elected to Government: would he commit the Government to paying that sort of money—and he did. On 11 April 1986 I was given the honour of opening the rehabilitation hydrotherapy pool at Royal Park.

Members on this side understand the need to assist people who are less fortunate and who have to go out and do manual work, unlike those silvertails opposite—with the exception of the member for Custance. The overwhelming majority of members opposite were born with a silver spoon in their mouths through inheritance and they have never really had to appreciate the problems and difficulties of being a working class person and having to get up at different hours of the day and night to do shiftwork and all the associated menial tasks.

It came as no surprise to me to hear members opposite and the Deputy Leader of the Opposition express their view. What a silvertail is the Deputy Leader—what a big head, who talks about the economic ills of this State. I am the first one to concede that we have a few problems, and we certainly have, but to blame those economic ills on the workers is unfair, especially when in many cases they are the fault of employers who do not want to get involved.

Opposition members complain about occupational health and safety but, if employers were willing to spend a few dollars making their workplaces safe, we would have fewer activities requiring legislation in this Parliament to compel employers to make their workplaces safe. Anyone who remembers the questions I have asked in this place will recall that last year I asked the Minister of Labour questions about under-award conditions.

Allegations were made about illegal migrants being employed and people working in unsafe conditions. Indeed, a worker was harassed because of the unsafe conditions in which he was working. It was remarkable (and a colleague on this side of the House knows about it) that six months after I raised those questions in Parliament an employer was contacting members trying to ascertain who that employee was who had the temerity to complain to a member of Parliament about the working conditions that he and his work mates were suffering.

Fancy an employer going to such lengths. The basic and fundamental rights of workers to be protected in the workplace must be supported. Yet that sort of attitude is not isolated at all and I came across it repeatedly in my time in the work force. Not once today have I heard members (true, I have been out of the Chamber on a number of occasions, but I have listened to the debate in my room) talk about safety by employers. The member for Bragg claims that he mentioned it but, if he did, he skipped over or muttered it quickly because I do not remember it. Rarely do members opposite address that question. I do not mind an even balanced approach to the question of WorkCover.

Mr Venning interjecting:

Mr HAMILTON: The sheep herder can have his go afterwards. If members opposite want to be fair dinkum, let us have a balanced approach. I am the first to concede that there are people out there who will exploit the system. I would have thought that members opposite would be willing to stand up and indicate that the people they purport to represent, that is, the business sector of the community, do have problems and have not been prepared in many instances to provide proper and decent workplaces for their employees. No, we do not even hear any concession in that regard. There were none at all, and I am critical of them for that.

I have listened year in and year out, Bill in and Bill out, to the attitude of members opposite to workers compensation. Let us be fair about it: there are workers who have rorted the system, and I know that myself. One chap sticks vividly in my mind. Years before he had claimed workers compensation and many years later he attempted to claim it in another area, but I refused to sign the documentation. However, we hear nothing from members opposite about the people they purport to represent not making a safe environment in the community. For as long as I can remember, and for as long as I have been involved in it, the trade union movement has had to struggle, and to struggle damned hard.

An honourable member interjecting:

Mr HAMILTON: The honourable member opposite interjects 'What little is left of it.' We know what they are after, we know the sorts of conditions they want, the standover tactics such as, 'Sign this contractual arrangement, or you're out the gate.' They want to turn back the clock to the 1930s conditions involving such standover tactics.

The Hon. Ted Chapman interjecting:

Mr HAMILTON: You will get your opportunity in a moment; just contain yourself and don't be so rude. There are those who do not want the working class to be educated. They do not want the working class to understand their conditions, because if a worker is educated he or she might have the gall to stand up and lodge complaints with the employer or they might even organise themselves to fight for better conditions.

We have repeatedly seen attacks by members opposite on conditions that would look after working class people. I believe that now not only is the blue collar worker starting to wake up but the penny is starting to drop for white collar workers also. The clock does turn a full circle. I concede that there have been some problems in the trade union movement. I would be the first to concede that and I concede it readily, but I believe that the workers will find that if they do not stand up they will be run over. Initially, some of the contractual arrangements will look very nice and very fine, but, after they break the back of the trade union movement if they ever do that, it will be another story entirely, because many of the conditions that have been hard fought and won will go out the back door—there is no question about that.

Only today I was reminded of a lad, a friend of the family who lives not far from me, who a few years ago got a job with a contractor. I said to him, 'Kym, what's your job like?' and he said, 'It's very good, Mr Hamilton; it's a good job and pays well.' I said, 'That's great, I am glad for you, and good luck to you.' However, he then said, 'But, Mr Hamilton, I don't think that the machinery that we operate is very safe.' I said, 'What's the problem, Kym?' and he explained to me that there were no guards on the machines, etc. I said, 'Why don't you report it to your shop steward or to your union official?' He said, 'You'd have to be joking; this bloke would not have the union on in a fit.' I said, 'Complain to the Department of Labour,' and he said, 'No, I'm frightened to do that: I'll get the sack.' Within two weeks that lad was at my place with a broken leg caused by the equipment he was operating—and he was frightened to complain.

I remember that my involvement with the Australian Railways Union—and I do not get any pleasure out of saying this—began because of the poor conditions on the job when I first came from the country. I had to fight people in my own Party to try to get better conditions for those workers whom eventually I ended up representing. I am dismayed when I see members opposite fighting against a basic and fundamental right for workers to be protected, because in many cases the conditions on the job are appalling.

With equal dismay I heard the Deputy Leader today being very critical about how much this Government is spending on occupational health, welfare and safety. Critical! One would have thought that members opposite would welcome

that because, in the long term, it is in business people's interests to have safe working conditions. They do not want to talk about that aspect; all they want to talk about is WorkCover premiums. They are not far sighted; they are not prepared to look down the track; all they are concerned about is the immediate return on capital and what they will get out of it. Let us look at the long-term benefits to the workers.

Members interjecting:

Mr HAMILTON: No, they are not, and why is it that members on this side repeatedly receive representations from our constituents in relation to unsafe work practices? I think the answer is quite clear. I believe that history will record that, despite the fact that we have had some problems in WorkCover—there is no question about that—eventually, we will overcome those unfunded liabilities of WorkCover, and I hope it will continue. The will is there. Okay, there are the cynics and those people who wish for obvious political reasons that it will fold, but be it on their conscience.

I have a fundamental belief that we have a responsibility in this place and particularly on this side to do everything we can to protect not only the workers on the job but also some of those employers from themselves, because those employers are not prepared—and we know this ourselves—to provide those basic conditions. I just hope that this Bill is passed and that WorkCover does continue, because I do believe that in the long term those problems will be overcome and we shall see how this works out. I believe we will be successful in overturning those problems, and the workers should be given every protection that they deserve.

Mr BLACKER (Flinders): Every time WorkCover legislation comes before the House there is a debate about the goodies on the one side and the baddies on the other, but let us get a few facts quite clear. The vast majority of employers like to do the right thing by their employees and, conversely, the vast majority of employees like to do the right thing by their employers. So, really, what we are talking about is a minority, and that minority causes a lot of problems. Some of them do abuse the system, and there is a minority of employers who do not do the right thing and have unsafe work places.

The member who spoke previously made a lengthy contribution to this debate about irresponsible employers and I would support him totally in his quest against the irresponsible employers who are patently at fault in having an unsafe work place when they know as much. I do not support anyone knowingly having an unsafe work place and putting employees at risk. However, there needs to be some understanding, appreciation and joint risk sharing by the employers and employees, and I would like to cite an example that actually happened to my own family just last year. It is the only time in my history of farming and in my father's, when we have ever had a workers compensation claim.

A simple little accident happened when a lad working in the shearing shed climbed up on the wool table and jumped into the woolpress, thinking it was full of wool. Anyone who knew the wool shed knew there were only four fleeces in the bale and, of course, he went crashing to the bottom and hit his back on the way down.

That little accident probably could have happened to anyone at any time who had shown the indiscretion not to check the density of the wool in that bale before he jumped in. Who was at fault? Was the employer at fault? I do not think so. When baling and pressing wool, it is well known that it has to be put in at the top. The employee, a very genuine lad, did not want to receive his wages for the two days he had already worked for us because he believed that he had not fulfilled his commitment to work for the four days of the shed. Of course, he was paid a week's wages.

However, problems arose. We reported the accident to WorkCover and a month went by and we still had not heard any result. We rang up to see what had gone wrong. WorkCover could not find our notification. Eventually we gave WorkCover the details over the telephone and a little while later we received a telephone call to say that WorkCover had the application, that it had been received in the due period, and the matter proceeded. We were told not to pay the employee his average weekly wage. We wanted to pay him a week's wages at the shed hand's rate at that time, even though he worked for us for only three days. We were quite happy to do that, and we offered to do that. However, WorkCover said that, first, his average weekly earnings had to be worked out.

For most of the year, the lad is unemployed. He seeks employment wherever possible and gets a short run with shearers as a shed hand. He is a very genuine lad who tries to help himself by gaining employment wherever possible. I will gladly have him back in the wool shed next year because of the sincerity of his approach. Nearly three months later it was eventually worked out that we were supposed to pay him $85 a day for five days as his week's wages. As my wife explained, we were not allowed to do that because that was not his average weekly earnings. On the one hand we were told not to pay him on a daily rate for five days as we wanted to do; yet, on the other hand, three months down the track, after the so-called investigation, we were told to do exactly that.

What we were asked to pay was not the employee's average weekly earnings. He knows that, and the lad had the decency to admit to my wife that he was doing very well out of it. The lad knows that it was his mistake and, as I said, he did not want to receive the wage he had earnt because he had not fulfilled his contract. It was a very genuine case.

I am concerned about risk sharing, which is what we should be talking about. The employee and the employer should share the cost of that risk so that the responsibility for safety in the workplace is shared. Some people will argue that the employer should pay all the costs of WorkCover but, if the employees had to pay a share of the fee—25 per cent or, I suggest, 50 per cent—and it was deducted out of their wages, they would see that work safety is a shared responsibility and a shared cost. As a result, employees would be as responsible as possible in the workplace.

The problem that has developed is that, every time there is an increase in WorkCover or an increase in any other form of protection, it adds cost to employment and, ultimately, it costs someone a job. Even the financial constraints that are placed on Governments cost people jobs. Today the Premier provided details concerning rationalisation in Government departments. I calculated that somewhere between 1 800 and 2 000 jobs are on the line as a result of the restructuring that was announced in the statement made by the Premier in relation to the State Bank.

They are tightening-up Government procedures. So, 1 800 to 2 000 people will be out of a job or, to put it another way, 1 800 to 2 000 families will be seeking unemployment benefits. The problem needs to be addressed and it needs to be realised that it is just not a simple matter for employers to create or to provide jobs.

The Government has realised that it cannot do it; it has admitted today that it has to cut back in various Government departments. All the figures were not provided because

the Premier indicated that he was going to take $7 million out of the Department of Agriculture, but no reference was made to jobs and no numbers were given. I do not know, but obviously 75 or 100 jobs will go. We really do not want that sort of rationalisation in respect of most of the Government departments referred to today. The Department of Agriculture, in particular, provides a service hopefully to keep farmers on the land and to keep them viable. I just do not know what will happen this year. I venture to say that three-quarters of Eyre Peninsula is on the market. If the Government's valuations as determined by the Valuer-General and the rates determined by each local council were realisable, I venture to say that three-quarters of Eyre Peninsula and a fair bit of the rest of the State would be for sale.

It is a very serious situation. Farmers will not be sowing crops because of the costs, which include WorkCover, fuel and many others. They will not plant a crop in an area that may produce only six bags an acre. The returns that one would expect to receive would not cover the cost of sowing the crop. The Government is facing a terrible dilemma because it cannot let those industries go down the tube. They provide a very large part of its tax income, and at the Federal level they provide export earnings. About an hour ago I read a New South Wales paper which estimated that one-third of the wheat acreage will not be planted.

I know that I am diverging a little from the legislation before the House, but it is all relevant to the overall cost structure that we are talking about. It has an indirect effect on the cost of fertiliser, machinery manufacture and so on in the producing sector. Where there is the potential to employ, either directly or indirectly, those costs need to be addressed. The WorkCover levy was increased last year from, I think, 4.5 per cent to 7.5 per cent. That increased cost will be the straw that breaks the camel's back for many people. Whilst many people will not single it out and say that WorkCover did it, it does contribute significantly to the overall cost of business. I draw to the attention of the Government that, if it wants to employ people in this State, it must address those particular areas so that those who have the desire and the ability to employ are encouraged to do so.

Our unemployment is extremely high and the Government must ask the reason why. The reason is that the cost of employment is too high. Every person I know would like to be able to employ: they have the work, but they do not have the wherewithal to pay for those employees. It is the add-on costs that are the killers, because when one is doing one's budget to work out whether or not one can afford to employ—and for argument's sake let us say that the ballpark cost of wages is $25 000—one must include at least another $10 000 in add-on-costs to be able to employ someone. Therefore, if the net cost is $35 000 and if that employee cannot generate $35 000 for his employer, there is no point in offering employment.

I wish to leave it at that point but raise the issue that WorkCover is a very serious part of employment. It needs to be contained. We do not want to see it blow out, as has been suggested by many people tonight, because of the unfunded liability, and become another burden on the taxpayer. After all, the blow out that we had in the State Bank, as detailed today, is roughly equivalent to the State health budget, and we have just seen it go out the window over the past two days. That is the gravity of the situation, and I trust that the Government will seriously pursue every possible avenue, including WorkCover and associated employment costs, to make sure that we turn the corner and get back to potential employment opportunities.

Mr GUNN (Eyre): I do not want unnecessarily to take the time of the House, as I believe there are more important things that we ought to be discussing, in view of the parlous state of the economy, the way people are being treated and the financial difficulties of my constituents and others in rural Australia. We should not be debating pieces of legislation which are designed to make it more difficult for those people. The one thing I cannot understand about this legislation is the attitude of the Government and those people to administer it. They have a peculiar attitude. They believe that the employers—and I hope the Minister's officers will have the courtesy to listen, because I have a few things to say about them from my own personal experience—are not—

The DEPUTY SPEAKER: Order! Is the member for Eyre directing his remarks through the Chair?

Mr GUNN: I certainly am, Sir. They do not seem to understand that employers are not willing cows to be milked. I will cite some examples about which I am concerned. I have hundreds of constituents with negative incomes because of wool, wheat, massive charges and taxes, and the red tape and nonsense that they have been involved in. WorkCover has been one of the most bureaucratic, insensitive organisations with which they and I have ever had to deal. Will the Minister explain why, when WorkCover sends out its notices or information to employers, it includes threats? That is absolutely outrageous! If a private insurance company sent similar correspondence to me or to anyone else, you would cancel your business and never go to the organisation again.

A constituent of mine in Jamestown received a letter threatening him with a summons because of non-payment, yet he had paid the money and it had been cleared through his bank. That is bureaucratic incompetence. Why have people received these outrageous threatening letters? It is all right for Mr Owens to say that he wants a better understanding from business, but in his next press statement he says that he will put more penalties on employers. There are too many penalties on them now. He has never had to pay a premium in his life; and Government members opposite have never had to pay one. My advice to employers concerning this extra fee is: do not pay it. Tell Lou Owens and his board of cronies to jump in the lake. Mr Owens and his organisation ought to lift their game a bit, and I will tell him to his face if he would like to come and speak to me about the organisation.

The Government has put its cronies on the board, and most of them have never been in business or know anything about it. It is a disgrace! The quicker we have a Liberal Government to tear the guts out of this organisation, the better. It should never have been on the statute book because it has been an absolute disaster. There are some other answers that I want. When employees are injured and at a disadvantage, WorkCover will not give employees any information. What is WorkCover's policy in this area? Does it believe that confrontation and threatening people is the best approach to achieve cooperation and commonsense?

Had I realised that this debate was coming on so quickly I would have brought some of the correspondence that I have in my possession and read it into *Hansard.* I also want to know why private companies, which are forced to pay the levy even though their employees are over 65 years of age, are told they cannot get any benefits. I could name three who have been to me in recent times. I have sent the information to the member for Bragg, and I hope that he will raise it in the select committee, because this is quite wrong.

My experience with this organisation on behalf of my constituents has been one of amazement at its attitude. There are many things that I want to say, but the Whip tells me that time will not permit. I will raise some of them in Committee. I foreshadow that I intend to move an amendment because of the way in which people have been treated. I recall having lengthy negotiations with certain officers with weeks going by and getting no satisfaction. It was only after getting very cross and agitated that I at least got one very reasonable person—a woman—who admitted that what had gone on was shocking.

I want to know, when the Minister responds to the debate, why they use the big stick to threaten people, 'If you do not do this, you will get . . .' For example, someone may ring the organisation wanting to make a payment for the year and some fellow says, 'Every month you have to fill out one of these forms,' and the person calling says, 'This is how much I estimate it will be for the year; I want to write one cheque; I want nothing more to do with your red tape nonsense.' The bloke then says, 'You will, or you will be fined.' Those are the sort of silly little people who are running the organisation. They would be dismissed if they were employed by a private insurance company, because they would have no business. That is the sort of attitude that we get when we give an organisation total monopoly.

I want to know from the Minister why they continue to belt employers over the head. Are they aware of what is taking place in industry? Are they aware that my constituents cannot afford to pay the levy? Indeed, I intend to tell them not to pay, because it is nonsense. The Government has bankrupted them and the country is on its knees. My constituents have negative incomes. Yet, this Government continues to twist their arms, and there are more difficulties to come.

We are entitled to a response. What is the policy? What is the philosophy of this organisation? Why does it want to belt people instead of dealing with them in a sensible, rational and responsible way? Why is it sending out threatening letters to people telling them that they have to pay thousands of dollars? Why must it try to impose these silly penalties on people? There is talk about late payments, but many of these people cannot afford to pay at all.

I want to know why this is the philosophy. The information must surely be available to the Minister. If it is not, it ought to be and the debate should be put off. I have personal experience and my constituents have been driven mad. They have never been threatened in their lives, but now they are getting these outrageous letters. Whoever drafted them ought to be told to go to the cold shower and to come back and deal with people as reasonable individuals. I want to know from the Minister and from the Chairman of WorkCover what the policy is. I would be pleased if Mr Owens would ring me and explain it to me, because I am far from satisfied. I am sick of people complaining to me about WorkCover. All I say to them is that I have a clear conscience because I did not vote for it and that I look forward to helping to tear it apart, because it is unnecessary.

In the meantime, people are being disadvantaged. This Parliament is entitled to a response. We are entitled to know why this organisation is putting the stick on people before using commonsense. How does it expect people with negative incomes, who have to employ people, to pay extra fees and levies? It is nonsense. Why do we want more red tape and provisions? We should not be prepared to have these little bureaucrats running around the country unless they accept the same kind of responsibility as the poor individuals who have been harassed. I am opposed to the whole process. It is a sad day for South Australia that we have this legislation, the majority of which is unnecessary. Indeed, the whole legislation is unnecessary. It could have been fine tuned earlier to make it more acceptable.

Mr S.G. EVANS (Davenport): I agree with most of what has been said on this side of the House—very little has been said on the other side of the House—but I want to refer briefly to a couple of matters. One thing that amazes me is, as the member for Eyre suggested, that WorkCover does not pay all the benefits of workers compensation to people over 65 who may run their own company. It will pay some of the benefits, but not that which relates to salary, yet those people pay full tote odds for WorkCover. But people cannot be compensated for loss of salary if they are seriously injured or injured in such a way that they cannot continue to work.

In this Parliament we passed a Bill against age discrimination, yet here we have a Government organisation practising exactly that which, I believe, in real terms should be considered illegal. A test case may prove that it is illegal and that those people should be paid, at least in moral terms. If they pay the full tote odds, why do they not receive the full benefit?

Another matter relates to the way in which WorkCover operates in recognising the employer as much as the employee. I agree that there are some very dishonest or negligent employers, but it is the same with employees—and they are not always involved in the same accident. In other words, it is not a negligent employer who ends up with an injured negligent employee, but quite often a genuine employee has an accident working for a negligent employer, and vice versa.

The employer cannot find out why an employee is not going back to work or what the real position is in relation to his health. One example is a man who sustained a bad fracture to his leg and who has now collected over $80 000 in workers compensation in wages alone, yet nothing has been reported back to the employer as to when this person is likely to go back to work, nor has he been investigated. He is walking around doing other things and no-one is getting tough with him. He is exploiting the situation. We all regret, of course, that he had a broken leg initially.

Another case to which I want to refer is that of a constituent of the member for Fisher. This person complained that he was not getting a fair go from WorkCover, so the member for Fisher passed the letter to me. This person wrote that he had been a nursery assistant (in a plant nursery) and on 26 June 1990 injured his back at work, lifting a bag of peat moss. He writes:

> Despite my reporting the injury, my employer is disputing my claim of a back injury. As my symptoms worsened, X-rays revealed a lumbar disc prolapse from this injury, which eventuated in recent surgery to my spine. I am now convalescing . . .

He went on to explain that he had suffered, and it looked as though he would use up his life savings and those of his fiancee, with whom he lives. The Department of Social Security had not given him any assistance as he was unable to receive sickness benefits, so his fiancee's income as a nurse was helping. Their nest-egg savings were exhausted, and they were looking at selling their car which, I have since learned, is a four-wheel drive vehicle, something that they choose to use as a family car. He pointed out in his letter that he may have to sell his cottage. I know this cottage: it is a neat, modern cottage and would be in the moderate price range. I took up this matter in all innocence, believing that everything I was being told was factual. It may be: I cannot prove whether it is or not.

The employer was also in my electorate. He has written to the Chief Executive Officer of WorkCover, Lou Owens, to state his case. I will not read all his letter because time is short, although that was my intention. It states in part:

> The claim we refer to is claim no. 1143013, involving Mr... We hired Mr... after an interview... during which Mr... stressed that he had no serious illness or weakness or any back problems... On Tuesday, 26.6.90 Mr... claimed that he had injured himself either loading or unloading a bag of peat moss which he picked up for us at Green's Horticultural Products.

In fact, when it was checked—and the employee still claimed in his letter to me that it was on the 26th—it was found that the day the peat moss was picked up he was with his boss and that it was in fact Tuesday the 19th, not the 26th at all. So, he did not even get that right.

He never reported the accident to his employer and took time off work. When he was eventually told that his sick leave had run out, he said that he was going to WorkCover, and that was the first time that he had indicated he was going to WorkCover. He went to WorkCover and still the employers were not advised of any of the problems. They were not allowed to have their own doctor examine him. The employee ended up at the same hospital where his fiancee was a nurse and, I believe, was working for the specialist who undertook a small operation on his back to correct the problem. But, he is still claiming on WorkCover.

Under today's economic conditions the young people who work this business are perhaps facing as big a financial burden as the employee. Yet, they cannot get anywhere with WorkCover. Only two ladies have ever phoned them back, for which they are grateful. Mr Gray will not listen to them and hear their story. I think it is unjust that employers do not get the same reception from WorkCover as employees in relation to putting their case. The employers have now sacked the employee, and they know that they take the risk of being fined and of having a penalty added to their premiums. But, they have no alternative, because export and local markets have decreased, resulting in a decline in their business. They have gone back to employing casual employees because business has fallen off. They had to take the risk of saying to this employee, 'There is no more work here and, even if there was, because you have told us you had a back injury when you were in Darwin earlier and you did not disclose that to us at the time of employment, and it appears you have not told WorkCover, we cannot employ you.'

I do not know all the facts: I know only those related to me by both parties, and I have put them briefly tonight. I hope that the department will look at this case; Mr Owens has a copy of the letter. I support the views that have been expressed by members about how the cost to the community has been forced up through WorkCover.

The Hon. R.J. GREGORY (Minister of Labour): I move:

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

Motion carried.

The Hon. R.J. GREGORY: I have listened to many debates in this House regarding the conditions of workers, and never has the Opposition changed its approach. The benefit of workers has always been opposed. Members opposite have paraded all their paranoia and prejudice before us tonight. However, I want to compliment a number of members opposite for their contributions to the debate because, for the first time in matters of workers compensation, they picked out specific examples in the Act, referred to them and attempted to put forward a philosophical argument explaining why they are opposed to it. Let us look at the scheme that they were condemning and what was operating previously.

Under the previous scheme when people were injured, the traumatic injury was cured, the worker was paid but was no longer able to work in their industry. All the participants, with the exception of the worker, were highly satisfied with the scheme—the employers, because they no longer had the injured worker around the place, the lawyers, because they had finished their task and had got money for the worker; those in the medical profession, because they had physically cured the traumatic injury, or done as much as they could; and the trade union, because it had obtained some money for the worker. In many instances such workers finished up being unable to work.

The other disadvantage of the old scheme was the inability of insurance companies to continue providing funds and the inability of employers to continue paying premiums. In 1979 we had about 52 insurance companies providing workers compensation insurance in South Australia when the tripartite committee reported. When it commenced its work, we had 54 companies operating in South Australia. When the WorkCover Act was introduced there were about 32 insurance companies operating in South Australia. Since the introduction of WorkCover we have been aware, as a result of press publicity, of another company having been unable to continue to honour its commitments under the old workers compensation scheme. That company folded and left the WorkCover operation in other States to pick up the mess. That was the position under the old scheme.

I would now like to describe to the House what used to happen and what would happen today in similar circumstances. I was called to the E&WS Kent Town workshop to look at a metal cold saw that had removed a considerable portion of the forearm of an apprentice. I visited the apprentice in hospital and chatted to him. The person most severely injured in the accident was operating the lathe behind and he fell and fractured his skull. The apprentice was unfortunate enough to be working with the machine when he slipped; his right hand went forward and was severed about a third of the way up from the wrist.

In those days there was not microsurgery available. At the Royal Adelaide Hospital the surgeons removed more bone and patched up his arm as best they could. About 18 months later I saw that apprentice and asked him how he was getting on. His relationship with his girlfriend had ceased, he had received a lump-sum payment, he was no longer employed by the E&WS Department and he was trying to attend a rehabilitation service in order to be rehabilitated.

Let us consider the participants in this situation. The employers had satisfied their legal obligations by giving the apprentice, I think at the time, a portion of $25 000, based on how much one gets for the loss of an arm. The insurance aspect had been dealt with because it was a State Government organisation and the insurance business paid up. The medical doctors could claim that they had fixed up a traumatic injury as best they could. The union claimed that it had done the best job it could because it got the apprentice money.

However, I would like to contrast that situation with the system that I saw in 1979 when I visited Toronto and inspected a rehabilitation centre. We were shown a small nursing area with five beds in it; in one bed was a person who had experienced a similar injury to his left arm five days earlier.

I did not talk to that person, but when I was talking to the people who were showing me around I said, 'Who are all those people in there pestering that person', because I

have been in hospital suffering from a serious injury and I know that I did not want people pestering me, I just wanted to lie there and get over it. I was advised that those people were assessing the ability of that patient to be rehabilitated into the work force. They had a system in Toronto, with all its imperfections, that was designed to assist that worker, who had lost a portion of his arm in an accident, to get back into the work force. Those people were examining him to see what additional training could be provided to enhance that person's job prospects. They were looking at the assistance he needed in his home and what he needed in his family life, and they were making plans there and then. That worker would have been confident knowing that until he was back at work he would be given assistance.

Contrast that situation with the scheme that we had in South Australia some years ago when that young man lost his right arm. That is the difference between the two schemes. When members opposite say that WorkCover has failed and they want to return to the old scheme, they want to return to that old barbaric system where people injured in that way were turfed out to social services. That is what they are saying.

When we were in Saskatchewan we met a young man who was the Chairman of the workers compensation board. It did not take long to realise that he had an artificial leg. I then asked him what job he had before he became the Chairman and he told me that he was a school teacher. When I asked him what job he had before he lost his leg he told me he was a manual worker. He became a school teacher because the rehabilitation service had the view that he had the intellectual capacity to become a school teacher, and he was subsequently trained to do that. That is a successful rehabilitation scheme, and that is what we had—a workers rehabilitation and compensation scheme. We were looking at putting workers back to work and not throwing them onto the scrap heap.

When members opposite talk about the scheme failing abysmally, they are really saying that they do not want a scheme that is compassionate and caring: they just want to turf people out. One of the themes that have come through on a number of occasions tonight concerns this business of paying 100 per cent of earnings for 12 months and how that encourages people to stay away from work. I have heard that statement made consistently.

Mr Ingerson interjecting:

The Hon. R.J. GREGORY: The member for Bragg interjects about 120 per cent. I noticed tonight that he was talking about the downturn in the economy when the Act lists what has to be taken into account for the payment of salaries. He said that because the economy has turned down we need to take some money off the workers. I have never heard members opposite say that when the economy lifts and we take into account the average of the lower wages that we ought to lift them. They have never argued that proposition. However, I will get back to what I want to say. We are all well aware of the benefits of the New South Wales scheme where the trade union member has to kick the bosses to get make-up pay. If we look at the current issue of the *Workers Compensation Reporter*, we will find that there has been a recent agreement in New South Wales with the building unions to make up pay to 100 per cent. So, a worker such as a shop assistant or one who works in an industry that does not have industrial muscle will get an enormous amount less than 100 per cent. After six months, if the worker is a family person, he or she will be better off on social services or going down to the CES and getting unemployment benefits. That is how good the scheme in New South Wales is. Will that get people back to work, Mr Speaker?

A report prepared for the Australian Capital Territory Government shows otherwise. It shows that in the first six months WorkCover in South Australia with 100 per cent cover was achieving a far better return to work than the New South Wales scheme, which was designed to starve people back to work. Members opposite say that we ought to reduce benefits so that hunger will drive sick people back to work. It has not worked in New South Wales, so why should it work here? I suggest that WorkCover works because, although it has only been operating for three years, it has been able to get a rate of return to work better than what has been achieved in New South Wales where they attempt to starve people back to work. They are doing it better here already, and members opposite tell us that the scheme has too many bureaucrats, that it is inefficient and that it is collapsing.

I notice the member for Bragg nodding his head in agreement. He says that it has too many bureaucrats, but let us examine the arguments members of the Opposition have put forward tonight. First, they say there are too many bureaucrats; then they say there are too many rorts where workers are making claims for compensation when they do not deserve it. So, we then have the situation where, if WorkCover follows the dictum of the member for Bragg, it would reduce the number of its bureaucrats so that it does not investigate these claims of fraud. Perhaps it is a self perpetuating argument.

An honourable member interjecting:

The Hon. R.J. GREGORY: So, now we have it; the member for Bragg wants to be able to starve people back to work. He has no compassion. I wonder what he does when he goes to church on Sunday mornings.

An honourable member: He dips his hand in the collection plate.

The Hon. R.G. GREGORY: No, I would not accept that at all; the member for Bragg is too honest for that. He might not put anything in there, but he would not take anything out.

Members interjecting:

The SPEAKER: Order!

The Hon. R.J. GREGORY: I believe that when one looks at the number of people working for WorkCover, compares that with the number of people working for workers compensation and the insurance industry previously and analyses the results we are getting, one will find that we have a very effective organisation.

I am of the view, and I was of the view from the day this Act commenced, that the first Bill that was passed in this House would have to be amended as we started to find out how it worked and how the courts would interpret the Act from time to time. I said prior to the end of last year in the setting up of the select committee into WorkCover that I would be introducing a Bill and, in all probability, I would be introducing other Bills before the select committee reported; I would be doing that with regard to the good management of the legislation as we found that certain things needed to be done. Members opposite need not crow too much about that, because they themselves have agreed from time to time when the courts have made decisions and their interpretations have been greater than that envisaged when the original Act was passed.

One of the contributions from members opposite disappointed me greatly, namely, that from the member for Mitcham. As one of my colleagues said, at one stage he was on automatic pilot. I have heard him speak on this matter previously and he has not changed what he says. It is exactly the same; he is so consistent. One thing did disturb me. He alleged in this House that I was breaking the law; I do not

know which law or laws he was talking about. He also alleged that the Chairman of the board of WorkCover was also breaking the law. I have said previously in this place to the member for Mitcham, who happens to be hiding somewhere else at the moment that, if he is aware of anybody breaking a law or a series of laws, he has a duty as a citizen to report it to the appropriate authorities, and I challenge him to do that.

All I can say is that over the years he has been making these accusions about the breaking of the law, fraud and everything else that happens in rorts, and in WorkCover and industrial relations matters; they are figments of his imagination, exaggeration and the usual baloney that one gets from him when we talk about industrial relations. I challenge the honourable member to take the appropriate legal action if he thinks or believes that I as a Minister am not carrying out my obligations in accordance with the Act.

These amendments are designed to ensure that the integrity of WorkCover is protected, that the benefits are provided as was originally intended in the framework of the legislation, and that ensures a delivery. The WorkCover board has found many instances where things are not happening as they should and it has found that it needs legislative amendments to provide for the delivery of those services. One of those areas is rehabilitation. WorkCover instigated a review of rehabilitation and from that it is trialling a method that it hopes will ensure that rehabilitation is cheaper and more effective. I commend the Bill to the House.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

Mr INGERSON: New subsection (8) provides:

A regulation under subsection (7) cannot be made unless the board, by unanimous resolution of the members present at a meeting of the board, agrees to the making of the regulation . . .

Can the Minister explain why it is necessary to have a unanimous decision of a tripartite board? In practical terms, it really means that there will never be any exemptions or classes left out because, as I understand it—and I may be corrected—there is rarely a unanimous decision by the board. Whilst the union movement and employers might agree on some things, in some specific areas they would not agree, and as an example I cite the case of subcontractors.

A class of subcontractors might believe that they should not be covered under the Act because they are individual owners of their businesses. For the life of me, I could not see that the union movement and the employers would agree on that matter. What it really means is that very few classes would get through under this clause, particularly if the decision must be unanimous.

The Hon. R.J. GREGORY: This Bill provides that the WorkCover board's decision must be unanimous. I remind the Committee that the board consists of six representatives from the employer organisations, six representatives from the trade union movement and a couple of independent people. The board's decision must be unanimous because it has the power to deem people not to be workers and can remove their rights. It was considered that, given that the board has the power to take away a considerable financial benefit, the decision ought to be unanimous.

Mention was made of contractors. We are all aware that, in certain circumstances, some contractors are workers and, consequently, fall within the definition of the Act. As I said, given that the board has the power to take away from them the considerable financial benefits provided under this legislation, it was felt that it should be a unanimous decision of the board, not a divided one. The important thing is that those people who are right at the heart of ensuring the proper management of this Act—people from the employer and employee organisations—agree to such a decision unanimously. These people treat this matter seriously and their experience and consent ought to be taken into consideration.

Clause passed.

Clause 4—'Average weekly earnings.'

Mr INGERSON: This is probably the most important clause in the whole Bill in terms of amending the overtime provision. The Opposition is concerned that the Government has not gone the whole way in relation to removing overtime entirely from this particular clause. All of the employer representative organisations to whom I have spoken believe that this section has not gone far enough, particularly in today's economic environment, where very few workers are being paid overtime and where a significant number of workers on workers compensation are receiving considerable sums in excess of their co-workers who are still working in the system. I gave some examples earlier in my second reading contribution in relation to one company where there were very large differences between what was being paid to the average worker in the factory and the sum paid to those on compensation in the past 12 months.

It seems to me, and there is no question as far as all employer associations are concerned, that this clause does not go far enough. Can the Minister give the Committee some idea of the potential savings to the scheme as a result of this amendment? In my second reading contribution I said that it was about 25 per cent of what could be achieved if the Government went the whole way. What financial benefits does this clause have for the corporation?

The Hon. R.J. GREGORY: Nobody has any way of working out what the percentage savings will be, but I will outline the philosophy behind the Bill. I remind the House that whilst a number of employer organisations are of the view that overtime should not be taken into consideration when someone is on workers compensation, the trade union movement, on the other hand, believes that they should be paid average weekly earnings for the previous three or six months, or whatever (but no more than 12 months) and that, if a worker has worked an enormous amount of overtime in that period, he or she should be paid accordingly. That is the view of the trade union movement and if one asks trade union representatives, they will say that no-one will be paid for overtime under this scheme.

I remind members that the reason for this amendment is a recent decision in the Supreme Court, where the justices interpreted the wording of the current Act in a particular way. The intention of the current Act was to ensure that, if people were working overtime in a regular and established pattern, that ought to be included in their average weekly earnings for this purpose.

I do not know how much work the member for Bragg has done in industry or whether he worked overtime, but a considerable number of people perform shift work on a four-shift roster basis who one could say work overtime in a regular pattern because they have to be able to operate on a four-shift roster. On the other hand, there are workers who might work the same amount of overtime but it is opportunity overtime, that is, when machinery breaks down or when an order has to be completed, and such overtime would not be included.

While we are unable to quantify the amount, we know that this will ensure that workers will be excluded from a certain amount of overtime in the calculation of their weekly wage. However, there are workers, such as bakers, who work in the morning and have a peculiar way of making up their

salary, which includes overtime every time they work, and that will be included in their average weekly earnings.

Mr INGERSON: New subsection (8) *(a)* (iii) provides:

the worker would have continued to work overtime in accordance with the established pattern if he or she had not been disabled;

Will the Minister explain how that new subsection will be interpreted? In the current environment, we have no idea what the future pattern will be.

The Hon. R.J. GREGORY: Again, the member for Bragg demonstrates that he does not know too much about industry.

Members interjecting:

The Hon. R.J. GREGORY: Well, he has demonstrated it. There are a considerable number of people working right now who work overtime regularly. How do you think we have these lights working tonight? Is it because people work in power houses 24 hours a day. Buses run constantly. People work overtime regularly. Members will find, with the relaxation of the very rigid eight hour working day and the five-day working week Monday to Friday, a whole number of patterns of hours are emerging which require people to work outside the normal working week. Take the case of the powerhouse worker who is injured and is unable to continue to work. That work is still there, and when they get better they go back to work. That is what that means.

Mr S.J. BAKER: There is some concern about this provision, as pointed out by the member for Bragg. There is a particular concern at the moment because of the downturn in industry, as the Minister would recognise. Industries that have regularly worked overtime are no longer doing so, and some are even going on to three or four day weeks to conserve the labour force so that they do not have to put off employees. A number of cases have been mentioned to me about people who have suddenly been affected in the workplace and have applied for workers' compensation.

The Minister may have heard a suggestion that the Remm site has had and will continue to have a large number of claims as that process winds to its finality. That was suggested to me by a union member some time ago, and I am not sure what is the current situation. If we apply our minds to the current situation, how do the rules then apply to this proposal? Whilst the person may have been in a regular overtime situation when injured, and there is a general downturn, it is suggested that it will be adjusted backwards, but I am not too sure of the full provisions that will apply.

The Hon. R.J. GREGORY: I thank the member for Mitcham for coming into the Chamber and contributing to this debate. Average weekly earnings can be calculated when people are working three or four days a week, and then later they are suddenly working five days a week when that is what the employer required. Again, members opposite want to take but they do not want to give.

Mr S.J. Baker: I just asked a question. Can you answer it?

The Hon. R.J. GREGORY: When I was a child, I was told that patience is a virtue, and the mother of the member for Mitcham should have told him that. If the work for a person at Remm is still there, they will continue. The honourable member is forgetting that the prior amendments give the board power to reduce if it is not appropriate. The honourable member ought to take the whole of the amendments and the Bill into consideration, not just a small portion of it.

Mr S.J. BAKER: I am not sure that the Minister actually answered the question. The question really relates to an existing pattern which suddenly disappears because of economic circumstances, and it could reappear in six, nine or 12 months. Is what is happening in the industry, the workplace, taken into account? What conditions does WorkCover take into account? I will be very specific. How does WorkCover work out its guidelines as to what is the acceptable, normal practice within that industry? For example, if people on the Remm site decide to avail themselves of other opportunities, such as WorkCover for remuneration, does that mean they have a right to the overtime that is involved? Everyone would recognise that they are working virtually seven days a week on the Remm site. Will the Minister say what WorkCover takes into account when determining what is normal?

The Hon. R.J. GREGORY: When I said that patience was a virtue, I meant it. On page 4, clause 7 *(d)* (bb) provides:

where the weekly payments include a component for overtime—the corporation is satisfied that if the worker had continued in the work in which he or she was last employed before becoming incapacitated, he or she would not have continued to work overtime or the pattern of overtime would have changed so that the amount of overtime would have diminished.

That allows changes to be made. The matter to which the member for Mitcham was referring was handled in that provision.

Mr INGERSON: In the example that I gave earlier there were significant discrepancies between what is being paid at the moment and what is being paid under the compensation award. Can the Minister explain how these adjustments are made by the corporation when there is this obvious change between the type of work and the hours that they are effectively working?

The Hon. R.J. GREGORY: Throughout the Bill there are powers for employers who have reasonable grounds to make approaches to the board so that reductions can be made. As I said, they will be up there seeking reductions, but we will not see too many of them up there seeking an increase.

Clause passed.

Clause 5—'Chief Executive Officer.'

Mr INGERSON: Will the Minister explain why the definition has changed to Chief Executive Officer? Is there any significant advantage in making this change?

The Hon. R.J. GREGORY: It is a change in title. From time to time the powers that be who write our Bills think things should be done in a different way.

Mr INGERSON: What about the salary?

The Hon. R.J. GREGORY: The salary of the Chief Executive Officer is determined by the WorkCover Board.

Clause passed.

Clause 6—'Compensation for medical expenses, etc.'

Mr INGERSON: I move:

Page 2, lines 39 and 40—Leave out paragraph *(a)* and substitute new paragraphs as follows:

(a) by inserting after subsection (1) the following subsection:

(1a) For the purposes of subsection (1), the amount of compensation will be determined—

(a) according to scales published by the corporation in the *Gazette*:

or

(b) if a particular cost is not fixed by such a scale—according to what is a reasonable amount for the provision of the service in respect of which compensation is payable.

Page 3—

Line 8—Leave out 'a reasonable amount' and substitute 'the amount that the worker is entitled to claim'.

Line 10—Leave out 'the charge to a reasonable amount' and substitute 'the charge by the amount of the excess'.

Lines 32 and 33—Leave out 'by the regulations' and substitute 'by a scale published under this section'.

After line 36—Insert new subsection as follows:

(9) The corporation—

(a) will fix the scales to be published under this section;

(b) may, by subsequent notice in the *Gazette*, vary the scales so published;

and

(c) must, so far as is reasonably practicable, fix scales for each of the kinds of services to which the section applies.

(10) The corporation must, before fixing or varying a scale under this section, consult with associations or persons who, in the opinion of the corporation, represent persons who provide the kinds of services to which this section applies.

Basically, the amendments will enable the corporation to negotiate with registered associations, such as the AMA, the Pharmacy Board and the Physiotherapists Association, to set a scale of fees which can be published by the corporation in the *Gazette*. If the cost has not been fixed by scale, it will enable the corporation to accept a reasonable amount for that service.

I understand that this amendment will cover approximately 80 per cent of all benefits or services charged to the corporation. It will enable the corporation to set a more reasoned and acceptable scale. I believe that it will also enable the corporation more easily to administer the benefits that it is prepared to pay. In my opinion, the staff of the claims section, for example, would be able to put into the computer all the agreed fees, and any bill that came in higher than that could be adjusted according to the arrangements accepted between the corporation and the society. I commend the amendments to the Committee.

The Hon. R.J. GREGORY: The Government accepts the amendments.

Amendments carried; clause as amended passed.

Clause 7—'Discontinuance of weekly payments.'

Mr INGERSON: During my second reading speech I specifically mentioned the point about a reduction being necessary to correct an arithmetical or clerical error. Will the Minister explain to what this arithmetical or clerical error refers?

The Hon. R.J. GREGORY: One thing that members need to remember is that statutory authorities and departments do not amend Acts of Parliament as they feel like it. There is a definite requirement for this amendment so that the WorkCover board can authorise a change in benefits. Once a benefit has been set, it cannot be changed, although there are times when that should occur. The amendment the honourable member is complaining about actually facilitates the delivery of services and benefits to the people concerned.

Mr INGERSON: Will the Minister give the Committee some examples of the sort of problem that has been created by this requirement to change the Act?

The Hon. R.J. GREGORY: If the figure were $408 and someone wrote $418, the board does not have the power to change that. If the member for Bragg and the member for Adelaide sit there and say that no-one makes those sorts of mistakes from time to time, they are wrong. Occasionally, mistakes do occur and need to be corrected. Sometimes, it is to the advantage of the workers; sometimes it is to their disadvantage. Once a figure has been set, under the current Act it cannot be changed. With these amendments in this Bill, those corrections can be made.

Mr INGERSON: I accept the Minister's explanation but find it incredible that we must bring a clause into this Parliament to make what is an obvious administrative change. Is the Minister saying that in other Acts the same sort of situation may apply and that we do not know about it?

The Hon. R.J. GREGORY: I am not in a position to refer to other Acts; I am referring to this Bill. If there are only two lawyers in a room, there are three arguments going at once and three opinions. One opinion is that you can change, and the other opinion is that you cannot change, so there is an argument. We are not prepared to have this settled in the Supreme Court, so this slight amendment, taking up about five minutes of our time, will put the matter beyond doubt and cause lawyers to suffer a grave disadvantage to their income for the next year.

Clause passed.

Clause 8 passed.

Clause 9—'Compensation payable on death.'

Mr INGERSON: Why has the provision in relation to orphan children been inserted into this legislation? There is specific reference to it in an earlier clause, but it seems to be out of kilter with the rest of the Act?

The Hon. R.J. GREGORY: At the moment an orphan child is only entitled to the weekly payments. This amendment provides for an orphan child to receive 50 per cent of the prescribed sum, and that is the lump sum that is available to workers and their dependants when they suffer grievous injury. This corrects what is felt to be an anomaly. I point out again that this is one of those provisions where both the social partners have agreed that there ought to be an amendment to provide benefits to someone who has become an orphan. It is a reasonable thing to do for that child.

Mr INGERSON: In comparing this Bill with the original Act I notice that proposed new subsection (10) contains the word 'may' instead of 'shall'. Is there any legal reason for this? I notice that in other provisions there has been a change from making a very positive statement of how the payment should be made to a position where it now 'may' be done. Is there any specific reason for that?

The Hon. R.J. GREGORY: I am not a barrister or solicitor, so the advice I am about to provide is what I have been told, and what I know from experience. My understanding in respect of benefits that are provided to people under the age of 18 is that guardians or trustees have a discretion if the word 'may' is there. If the word is 'shall' there is no discretion.

In the drawing up of a will one of the parents might decide, because of problems within the family, that the money from the estate should not go to a particular child but could or should go to their grandchildren, and when they draw up the trust the word 'may' is there. That means there is a discretion with respect to how it is applied. It is not so that you can just march in and take it away from them. Someone who is a guardian or a trustee has a discretion as to how they apply that money, and further on the Bill provides for that. That is the normal thing you find in wills where there is some discord in a family with respect to a marriage, which unfortunately happens from time to time. It is a standard thing put into these things, so that there is this discretion.

Clause passed.

Clauses 10 to 12 passed.

Clause 13—'Exempt employers.'

Mr INGERSON: I oppose this clause. There is a very significant belief amongst exempt employers that they would like this legislation in particular, section 60, left as it is. Since I made fairly lengthy comments on this clause during my second reading speech I do not think there is anything further to add.

The Hon. R.J. GREGORY: The Government supports this clause and thinks it is a pretty good idea.

The Committee divided on the clause:

Ayes (22)—Messrs L.M.F. Arnold, Atkinson, Bannon, Blevins, Crafter, De Laine, Ferguson, Gregory (teller), Groom, Hamilton, Hemmings, Heron and Holloway, Mrs Hutchison, Mr Klunder, Ms Lenehan, Messrs McKee, Mayes, Peterson, Quirke, Rann and Trainer.

Noes (22)—Messrs Allison, Armitage, P.B. Arnold, D.S. Baker, S.J. Baker, Becker, Blacker and Brindal, Ms Cashmore, Messrs Chapman, Eastick, S.G. Evans, Goldsworthy, Gunn and Ingerson (teller), Mrs Kotz, Messrs Lewis, Matthew, Meier, Oswald, Such and Venning.

Pair—Aye—Dr Hopgood. No—Mr Wotton.

The CHAIRMAN: There are 22 Ayes and 22 Noes. I give my casting vote for the Ayes.

Clause thus passed.

Clause 14 passed.

Clause 15—'Imposition of levies.'

Dr ARMITAGE: As nearly all members of the Opposition have stated in their second reading speeches, the Opposition is opposed to the imposition of a minimum levy to be established by regulation on the basis that it will account for the administration involved with WorkCover. We are opposed to this because it seems quite bizarre that all registered employers—and I note that the Bill refers to 'registered' employers—will have to pay this levy whether or not they have employed workers during the year.

The Opposition's position is that in order to become a registered employer one has to register the work site and one is actually paying money to WorkCover to do that anyway. It seems to the Opposition that the amount paid to WorkCover to register one's work site is quite enough to cover the administration costs of WorkCover. We see absolutely no reason why people who do not employ workers should pay an administration levy because when it is all boiled down no administration is involved. So the Opposition would like an explanation of why people who do not employ workers are expected to pay an administration levy.

The Hon. R.J. GREGORY: That begs the question: if they are not employers why would they bother to register? If they register on the basis that they might be an employer, they are creating a cost. There are, apparently, 5 000 employers on the register of WorkCover who have bothered to register themselves as employers. Those people pay no levies because they do not pay any salaries, but forms have to be sent to them for them to complete and return. I suppose they are called a nil return; I have no idea how they work things out, but I do know a couple of things and one is that if a computer, accounting or checking system has to be opened for people who do not need to be there, that creates a cost. The other 50 000 or more employers in South Australia do not want to pay for this 5 000.

It is not uncommon in business to find that, if one wants to spend some money in an establishment, a minimum amount is set. For instance, one might go to a company that supplies engineering tools—as I have from time to time to a company which I think is called Blackwood at Regency Park—and want to buy a small diameter drill. If it was available at Flint's it might cost just a dollar or two but, because it is not a standard size, at Regency Park the minimum fee might be $25 or $35. So, you scratch your head and think, 'How can I get value for money around here?' So you go away and think of another way to do the job. Recently, I had a piece of aluminium anodised. The cost of doing that was about $45, which is the minimum fee. Business is charging that amount. What these business people are saying, and what their representatives on WorkCover are saying, is that if people are going to register when they are not workers and create a cost then they ought to pay for it, and that is what the minimum levy is about.

Dr ARMITAGE: As I understand it, they have to have their work site registered and they pay for that. Whether or not they employ anyone, they already pay to register their work site. That is the first thing one must do, as I understand it—correct me if I am wrong. I have employed people and the first thing that I had to do was to write a cheque to WorkCover to register my work site. Surely that fee ought to be enough to cover what I regard as reasonably minimal administration costs, which the Minister has just detailed.

The Hon. R.J. GREGORY: I suppose it is a bit like the chicken and the egg: until there is a worker there one does not have a work site and what is being registered is the possibility that it might be a work site. If a person wants to register it as a work site and employ no-one, that is that person's business; they are not forced to do it. One is not required to register it with anyone until one actually has a worker there. If one wants to register it without having workers, one pays the fee. The amount of money that I think the honourable member is referring to is the old workplace registration fee, which used to be a minimum of $27 but which is now a percentage. If the honourable member employed one person he would have paid a lot less than $27.

I thank the member for Mitcham for that suggestion because he suggested one day that we ought to cut down on a bit of red tape. I took him up on that suggestion, but I must admit that a few people grizzled about it afterwards, because in the process of evening this out some people had to pay a bit more and some had to pay a bit less. Those who paid less thought it was a good idea and those who paid a bit more grizzled about it.

However, the reality is that, until one employs somebody, one does not have a work site. That is one of the other discrepancies we found when we first moved into WorkCover: an enormous number of people registered on the basis that they might be a work site, and the Department of Labour just could not correlate a lot of these places. Inspectors visited them thinking that these were unregistered workplaces but found that they were not workplaces under the meaning of the Act, because nobody worked there as a worker. Other people might have been there doing something, but they were not workers as far as the Act was concerned. Until they became workers it was not a workplace, so it did not have to be registered.

If people want to register, fine, they can pay the levy, but, if they do not want to pay the levy, they should not register until the day or the day before they employ a worker. Members will note in this legislation that there is provision for late payment when certain things occur.

Dr ARMITAGE: I am still unclear. What if someone employs part-time employees throughout the year? It would seem prudent on past years' experience that they employ people, so they register their work site; they pay a fee to WorkCover to register that work site. If throughout the year they do not employ anybody, they still pay an administration levy, despite having registered their work site but not having employed any workers.

The Hon. R.J. GREGORY: It is like getting a drivers licence on the basis that one might like to drive a car, but never doing so.

Mr INGERSON: Of these 5 000 people how many registered in response to the initial demand, in essence, of the WorkCover Corporation that all people had to register under the Act? How many are still in those circumstances and, if there is still a significant number, is the Minister prepared to write to them and tell them that they do not have to be in the system?

The Hon. R.J. GREGORY: I do not think anybody who was not an employer of workers was required to register under the Act. Somebody who is not an employer but who registers on the off-chance that they might be an employer does that consciously, but they were not required to do that; they did it, and that is the difference. They were not required

to do it. My advice is that a considerable number of those people—there are currently 5 000, and I referred to them earlier—registered in the first instance when those registrations took place several years ago.

Mr INGERSON: Is the Minister prepared to write to those peole and advise them that there is no requirement under the Act that they be registered but that, if they remain registered and if this clause passes, they would be responsible for the paying of a registration fee? It seems to me that there is a reasonable way out of this: those who want to remain should pay the registration fee and those who were caught up in the initial euphoria of WorkCover could perhaps be written to and allowed to withdraw.

The Hon. R.J. GREGORY: No, I will not write to them; it is not my place to do it and the member for Bragg ought to know that. However, the member for Mount Gambier would understand that, once this amendment took effect, the board of WorkCover would have the appropriate people in WorkCover advise these people of their obligations. A number of members opposite this evening have said that this is a Government-run board—a Government this and a Government that—and interposed was mention of the WorkCover Corporation. I reiterate: it is a statutory authority; it is managed by a board that is selected by representatives of employers and employees. Members say it is 'under the direct control' but, if they care to read the Act, they will find that I must give directions in writing and I have never done that yet.

The Committee divided on the clause:

Ayes (22)—Messrs L.M.F. Arnold, Atkinson, Bannon, Blevins, Crafter, De Laine, Ferguson, Gregory (teller), Groom, Hamilton, Hemmings, Heron and Holloway, Mrs Hutchison, Mr Klunder, Ms Lenehan, Messrs McKee, Mayes, Peterson, Quirke, Rann and Trainer.

Noes (22)—Messrs Allison, Armitage (teller), P.B. Arnold, D.S. Baker, S.J. Baker, Blacker and Brindal, Ms Cashmore, Messrs Chapman, Eastick, S.G. Evans, Goldsworthy, Gunn and Ingerson, Mrs Kotz, Messrs Lewis, Matthew, Meier, Oswald, Such, Venning and Wotton.

Pair—Aye—Dr Hopgood. No—Mr Becker.

The CHAIRMAN: There are 22 Ayes and 22 Noes. There being an equality of votes, I give my casting vote for the Ayes.

Clause thus passed.

Clause 16 passed.

Clause 17—'Special levy for exempt employers.'

Mr INGERSON: This clause provides a new measure for the administration of claims, and it is probably the most important issue as far as exempt employers are concerned. It is their understanding that they are already responsible for the provision of the administration of claims and they want an explanation from the Minister as to why this measure has been included. Once again, it seems to be over-regulation of this group of exempt employers, that is, the group that has an excellent track record in terms of the administration of claims.

The Hon. R.J. GREGORY: I am sure that the member for Bragg is familiar with remissions. Not only are they provided for in the current Act, but also they are for rehabilitation. It is proposed in this Bill that occupational health and safety, involving the prevention of injuries, should be taken into account. The rehabilitation of people reduces incidents in the work place, and this also provides for administration of claims. If exempt employers meet the criteria as established by WorkCover, they get the remission. A WorkCover committee, which includes exempt employers, is working out the proper criteria for the application of this section and others that refer to this matter.

Clause passed.

Clauses 18 to 21 passed.

Clause 22—'Medical advisory panels.'

Dr ARMITAGE: In my second reading contribution I detailed anxiety about the fact that the final decision as to whether or not on medical grounds a worker was to work under this alteration to the Act would be made by a non-medical person, in other words, a review officer. As I understand it, having spoken to the Minister in the intervening time, one of the supposed advantages is that medical officers will not be the final arbiters and, therefore, will not be likely to be quizzed by lawyers. Knowing the propensity of lawyers and the vagaries of the law, I guess that in itself is a good thing. However, I would like to know what the Minister perceives is likely to happen when a review officer goes against the recommendations of the new medical advisory panel.

The Hon. R.J. GREGORY: The member for Adelaide is correct: the medical people involved with WorkCover and the review panel have found it a bit difficult, because when they make a decision it is a determination and when there is a dispute about that they are then cross-examined. They have approached WorkCover with the view that they do not like being cross-examined and the way out of that is for them to give a considered opinion. The reviewing officer takes that into account in making his or her determination. However, the matter referred to by the member for Adelaide is covered in clause 33 with the substitution of new section 94, subsection (2), which provides:

> If a review authority differs from the advice provided by a medical advisory panel on a medical question, the authority must state its reasons for doing so in the reasons for its decision.

I would have thought that that requirement in relation to the reviewing authority was a fairly powerful incentive not to differ unless there were very good reasons to do so.

Dr ARMITAGE: Accepting that, and agreeing with the Minister, I still want to know what he perceives is likely to happen if there is disagreement. Obviously, the disagreement would be contested in court.

The Hon. R.J. GREGORY: It would go to a higher authority. I remember that on one Prosh day a young lad was walking down the street carrying a case, and a lawyer was carrying a case to court and the case was suspended; he was on a ladder going to a higher court. That is what would happen in this case: that ladder would be used.

Clause passed.

Clauses 23 to 27 passed.

Clause 28—'Notice of proceedings, etc.'

Mr INGERSON: As I said earlier, the Opposition is concerned about this clause because, in essence, it enables the review officer to take or not take relevant evidence. It seems to me and the Opposition that there is a lack of natural justice in this clause. I would have thought that if a person was reviewing a case all evidence ought to be taken. In the end, the reviewing officer would decide whether or not certain evidence was applicable. Further, I understand that the transcript of these reviews costs $8 per page. The transcript presentation is put out to the private sector. I understand that the review officers do not have that transcript available to them because the cost of $8 per page is too expensive. Will the Minister say whether that is true and whether the reviewing officers are being placed at a disadvantage because there is an instruction from WorkCover that they do not pay for the transcript at $8 per page?

The Hon. R.J. GREGORY: Members ought to have a good look at the section, which provides:

> . . . is not obliged to hear evidence from a witness—either generally or on a particular subject—if satisfied that the evidence is not relevant, or if of the opinion that the evidence would merely

provide unnecessary corroboration of other evidence admitted by the review officer);

The whole concept of the reviewing officer is to settle these things quickly. WorkCover has found that lawyers have been booking up cases for three days and bringing in one witness after the other who all say the same thing. It is a bit like sometimes listening to members opposite here when they say the same thing. If it was a public meeting or within a member's sub-branch, somebody would soon move that the question be put. That is really what is happening here. Enough has been heard. One must remember that, if you are dissatisfied with the case, you can carry it on a bit further. However, the majority of cases are settled at the review stage. Very few go beyond this stage. It is to ensure a speedy settlement of cases. It is not an intention to deny justice. It is intended to stop clogging up the process with unnecessary evidence and submissions.

Mr INGERSON: My understanding is that, if there is a disagreement with the review officer's decision, and consequently it is appealed to the tribunal, the evidence that was placed before the review officer is all that the tribunal hears. Is that correct?

The Hon. R.J. GREGORY: My advice is that section 97 of the Act sets out what the review authority is to do and that if, in appealing, people claim that they have been denied the right to give evidence, they can then have that evidence admitted.

Mr INGERSON: I have been informed that the review officers at present are denied the use of transcript in making their decisions. Has a decision been taken at WorkCover that, because the cost is $8 per page (and I understand that the transcript is supplied on contract by someone in the private sector), it is too expensive and the review officer will not get the transcript?

The Hon. R.J. GREGORY: I would not have a clue as to what the honourable member is talking about. I could take it up with the CEO, but I refer the honourable member to my experience when I was a union official. We only ever took transcripts when they were provided free and they never prevented us from doing what we used to do in the courts.

Clause passed.

Clauses 29 to 41 passed.

Clause 42—'Powers of inspectors.'

Mr GUNN: I move:

Page 17, after line 7—Insert new subsection as follows:

(9) An authorised officer, or a person assisting an authorised officer, who, in the course of exercising powers under this section in relation to an employer—

(*a*) unreasonably hinders or obstructs the employer in the day-to-day running of his or her business;

(*b*) addresses offensive language to the employer or to any other person at the workplace;

(*c*) assaults the employer or any other person at the workplace, is guilty of an offence.

Penalty:

(*a*) for an offence against paragraph (*a*) or (*b*)—$6 000;

(*b*) for an offence against paragraph (*c*)—$6 000 or imprisonment for 1 year.

This amendment is similar to an amendment that I moved to the Pastoral Act and the Waterworks Act. The purpose is not to impede or be obstructive, but to put the person who is being interviewed by an authorised officer on the same footing as the officer. We have aggressive people who have been interviewed and we also have inspectors who become over-zealous or over-enthusiastic, and there is a need to protect people against that sort of activity. I believe that this is a fair and reasonable amendment. I have no desire to make it more difficult for the people involved in the administration of the legislation.

The Hon. TED CHAPMAN: I support the member for Eyre's amendment. The Marine Act had a similar amendment inserted last year, and the Waterworks, Pastoral and Land Conservation Acts have similar provisions. As my colleague has indicated, it provides the sort of protection for the employer in this instance that is otherwise provided for the inspector in another part of the Act. I think it is reasonable that the Government should support this measure of equality in relation to the two paramount parties covered by the Act.

Amendment carried; clause as amended passed.

Clauses 43 and 44 passed.

Clause 45—'Expiation of offences.'

The Hon. R.J. GREGORY: I move:

Page 18—

Line 8—Leave out 'by the Corporation within limits prescribed'.

Line 9—Leave out '28' and substitute '60'.

Amendments carried.

Mr INGERSON: The Opposition, whilst accepting the amendments and agreeing with the changes, is generally opposed to the expiation of offences under the Act. In consequence, as I mentioned in my second reading speech, first, we do not accept the expiation, because we believe it is not the way that any offences under the Act should be treated; and, secondly, we believe that if it is to be introduced any expiation fees collected for breaches ought to go into general revenue. They should not go direct to the corporation. We oppose this clause.

The Hon. R.J. GREGORY: That demonstrates that members opposite support cheats and people who are out to rort the system, because what we have is a system that operates on the basis of insurance payments—and that is what WorkCover is—months in arrears. Compare that with the workers compensation scheme that members opposite tout as being so much better, where employers were paying annually in advance.

When you pay annually in advance, as with all insurance, if you do not pay the right amount or pay in advance, you are not insured. Under the old scheme, it was an offence if you did not pay your insurance, and you were liable to prosecution. What has happened here is that if employers are late in putting in their returns or in making monthly payments, do not provide their returns so that WorkCover knows what amount to levy and do not register or employ people—and when they do not register or employ, they are actually uninsured—there is an expiation notice, but if people do not want to pay it, that is fine; they do not pay it and they then go to court. People have the opportunity to go to court if they want to. If they do not want to go to court, they just pay the expiation fee. It is a conscious decision on their part, but why should all other employers who pay on time be penalised by the people who do not?

Take the example of people who do not put in the appropriate registration forms. If they have been employing 10 people and then, with the economic downturn, employ only five, their return is reduced. Consequently, when WorkCover gets hold of them and says, 'You have not been paying your premiums for the past month or so,' or, 'You are 15 days late and have not paid,' and fines them for late payment, people can say, 'Hang on—I don't have that many people there.' You will find that WorkCover always adjusts it; they are not unreasonable in that area.

However, each of these things is a cost, and the member for Bragg and other members opposite were complaining about WorkCover's problems. If each employer sent the returns on time, paid the money on time, registered when supposed to and sent in all the documentation when supposed to, there would not need to be a number of so-called

bureaucrats going through the forms to ascertain who among the employers is rorting the system by not paying. If people were all honest, we would be able to reduce the work force in WorkCover by that number. This expiation notice makes it much easier to collect the fine. If people do not want to pay it, they do not have to; they can go to court.

Mr INGERSON: First, I object to the statement that the Opposition is supporting a group of cheats, and think that the Minister ought to withdraw that statement, as it is totally unacceptable. I do not believe that there has been any suggestion by the Opposition that that is the case, and I ask the Minister to withdraw the remark in reply.

One of the things that we are concerned about and that the Minister has highlighted is the unreasonably severe penalty for late payment of the levies. That is an area that needs to be challenged and, before the select committee finishes, I am quite sure that that is an area that will be challenged and questioned at great length, because it is totally unacceptable for fines of up to 100 per cent for late payment to be introduced. That is a minimum percentage, and is just unacceptable. If we see this organisation being given the right to expiate, then that is not on.

I do not accept that WorkCover or its staff can act reasonably in this case. Many examples have come before me, about which I have written to the General Manager, about the unreasonableness with which the charges are currently being imposed. I see this as an unreasonable bonanza for the corporation. I accept, and would agree with the Minister, that if people are more than one or two months in arrears it is fair and reasonable to suggest prosecution. However, because we have no rules I can see that an expiation fee could be introduced at short notice and unreasonably. For that reason we oppose this clause.

The Hon. R.J. GREGORY: I withdraw the remark about the Opposition's supporting cheats. What it is doing is adopting double standards.

Mr Ingerson interjecting:

The Hon. R.J. GREGORY: Yes it is. Before WorkCover, if an employer did not pay his insurance premium and a person working for him was injured the employer was liable for all the costs incurred. In many instances those employers went broke and the worker dipped out—never got a dollar. According to the member for Bragg and a number of other members opposite, that was the best scheme that was ever around. They have said as much tonight—that they want to get rid of WorkCover and replace it with the old scheme; that is the only criterion they have. With WorkCover, because it is a statutory authority, employers who used to pay 12 months in advance can suddenly be two and three months in arrears. If an employer is in arrears, in essence he has not insured his employees. It is suggested that those employers who have not insured are bludging on those who have, and they ought not to be penalised. If we are to have penalties of $6 000 because someone might call an employer by an appropriate name, as has just been inserted in the Bill by members opposite—

The Hon. Ted Chapman: By the Parliament.

The Hon. R.J. GREGORY: The member for Alexandra never spoke in support of it. For a silent member he makes a lot of noise. In essence when employers do not pay their bills in this area they are not insured. But, somehow or other, the standards have changed. Suddenly, there is a statutory authority—WorkCover—and it suddenly means that people can be in arrears and do what they like; they can be two or three months in arrears. WorkCover is criticised because it is not collecting money and yet the member for Bragg is suggesting that it is all right to be two and three months in arrears.

Mr Ingerson interjecting:

The Hon. R.J. GREGORY: He did say that, Mr Chairman, and to me that is supporting employers who do not want to pay. WorkCover is quite careful and assists employers when they have a reduction in their work force and there need to be changes in what they pay each month. It understands that and has even reached arrangements for payment in arrears. I put to the member for Bragg that if employers consistently do not pay on time they are in breach; they ought to be paying. By not paying they are saying that their employees are not covered and that in itself can be a terrible indictment on an employee who is injured. If an employee is injured in an accident and can no longer work, who will support him? We would expect WorkCover to do it. But, how can you if the employer is not paying. This is what this is about. As I said earlier, if employers do not want to pay the expiation fee they can go to the court and have their lawyers battle it out down there. If that is what they want to do, that is fine.

Mr INGERSON: Not only is the Minister a little deaf but he is also pretty loose with the sorts or words that he uses. I suggest to the Minister that I have never said in this place that the old scheme was any good. I was one of the proponents within our Party for change. I have never been a proponent for the bureaucratic mess that we have at the moment. The Minister will find that history will show us in the next couple of years that this will be the second biggest disaster financially for this State.

When the Minister makes his loose-tongue charges and comments, he ought to get a few facts right. I did mention to the Minister that the cost of being behind in payment was excessive. I did not say that it was right or wrong that people could not pay their accounts. In the case of people who are two or three months behind, I said that there should be a more reasonable charge and that I did not trust the use of expiation fees by the bureaucratic organisation that WorkCover is, and I stand by that. I do not believe that that aspect will be handled fairly and reasonably.

Any organisation that imposes a charge of more than 100 per cent for late payment is totally abusing its right within our society. Certainly, there ought to be (and we will be considering this in the select committee and in our Party) more reasonable charges in respect of people who are behind in their payments, particularly people who get behind as a result of circumstances beyond their control. I have no qualms with the Minister's opposing those people who deliberately get behind with their payment.

In our society today many people deliberately do that but, in the past few months, many people have been poorly treated by WorkCover in this area when no consideration at all has been given to their economic circumstances. Indeed, it has just been purely and simply a bureaucratic implementation of fines levied on people who are having difficulty in this economic climate. There are employers out there who do have problems and, whilst I understand the Minister's love and support for the employee, there are legitimate employers on the other side of the fence who, every now and then, get into difficulty. I just do not trust this organisation to implement expiation fees fairly and reasonably when we have no guidelines before this Parliament in respect of how they will be applied.

If we are to be asked for expiation fees to be put in, the Parliament ought to know how they will be used. There should not be just a bland statement, 'We will put in expiation notices', and then expect Parliament to accept it. The next thing would be that the Minister will have me asking him questions in Parliament about the unfair treatment of small business in South Australia. I am sick and tired of

this place just willy-nilly being expected to accept such ridiculous legislation. There is no explanation in respect of this measure. The Government says, 'You and the rest of the community just accept it because we, the Labor Party and our organisations like WorkCover are the best, and we will always do the right thing.'

Minister, that is not what is happening in the community. People are being abused by this system and people are being hurt because of the bureaucratic actions of the WorkCover system. I do not accept that this or any other Minister administering the Act can be fair and reasonable with these sorts of statements before Parliament. The Minister knows that it is not acceptable and the Opposition opposes this clause.

Mr S.J. BAKER: It is only when the Minister rises to his feet that the full force of the Government's ineptitude becomes apparent. When I listen to the Minister, I understand why South Australia is in such diabolical straits. The Minister started out saying that the Opposition supports cheats and that sort of thing.

Let me assure the Minister that we are not playing the game according to his rules; we are playing the game according to the rules that will help the people out there. This is not only about late payment—and I will address that question—there are a number of requirements under the Act, such as reporting requirements, where expiation fees will obviously be used. So, the Minister should not tell us that only one area will be covered by expiation fees. That is rubbish, absolute rubbish!

We know what happens with expiation fees. It is a cheap, easy and lazy way of banging someone around the ears—we know that. It is efficacious to be able to use a device which does not involve a lot of work. It is an easy way of getting a bit of money. We do not believe that it is appropriate with a Bill such as this for the Government to take a cheap, easy and nasty way out. If a person commits an offence, take them to court. We know that you will use this little thing to sort of—

The CHAIRMAN: Order! The honourable member will address his remarks through the Chair.

Mr S.J. BAKER: WorkCover will use it to create a confetti trail amongst South Australian employers for something that they fail to do under the Act. That is the first point. The second point is that the Minister, through WorkCover—and he is defending the WorkCover system—will take up to 200 per cent if someone is behind with their levy payments. I question whether anyone in South Australia has the right to impose a penalty of 100 per cent or 200 per cent because of late payment. We know that firms are going broke out there because they have not been able to get payment from a person who has borrowed money or because someone who has supplied goods has not been paid. Their only redress is the bankruptcy court.

For the Minister to say that the Government will use the expiation fee as well as the late payment fee of 100 or 200 per cent makes the whole thing quite horrific. When I was handling this legislation on behalf of the Opposition—and the member for Bragg has received the same information—a number of employers received a notice demanding a late payment fee of 100 or 200 per cent, yet they had either paid the fee and there was a fault with the computer or there was a question or query still waiting to be answered and the computer failed to recognise this and spat out a demand for payment.

Parliament should not tolerate this type of initiative put before it by the Minister. We should not be ruled by computers that spit out these demands when something is not done on time. We should not be ruled by people who cannot run their system properly. When WorkCover performs and provides a service, we can start to talk about more efficient ways of operating a system of fines, but WorkCover has done nothing for the employers and employees of this State.

Mr LEWIS: In a specific way relevant to the protests raised on this point by other members of the Opposition, including the Deputy Leader and my colleague the member for Bragg, let me add my views as they will affect the kinds of people I represent, 60 per cent of whom are on negative incomes this year. That means that after a year's work they will be worse off at the end of the day than they were when they started out, yet the Minister is saying that he will introduce an automatic punitive scheme for expiation fees to apply.

When these people will not have the money to even feed their families without going further into debt, the Minister would quite happily have a notice automatically churned out of a computer requiring them to pay the expiation fee or to go to court and cop an even heavier fine. That is the level of callous indifference and the depth to which you, Mr Chairman, and your colleagues have sunk. That acknowledges, as members opposite must acknowledge, that a Minister of this Government overlooked his personal responsibilities. It can happen, and it does happen. I am referring not just to an automatic fee that he then had to pay—it had to be discovered. You, Mr Chairman, the Minister at the table and all members in this Chamber know who and what I am talking about.

This kind of thing smacks of the sort of jackbooted approach that bureaucratic administrations introduce for the sake of their own expedience and comfort, and it is as crooked and rotten as the proposal it comes from. It does not achieve anything and there is no room for reasonable consideration of the special circumstances that might have been involved. The Minister and the Government clearly do not care a damn for those people about whom I am talking and whom I represent who will do not a week's work, not a month's work, but a year's work. They will look after the vertebrate and plant pests on their properties, they will do their duty and they will be worse off at the end of the day, and they will know they have a Government that cares about only one thing—the money it can squeeze out of them. It is blood money.

The Committee divided on the clause:

Ayes (22)—Messrs L.M.F. Arnold, Atkinson, Bannon, Blevins, Crafter, De Laine, Ferguson, Gregory (teller), Groom, Hamilton, Hemmings, Heron and Holloway, Mrs Hutchison, Mr Klunder, Ms Lenehan, Messrs McKee, Mayes, Peterson, Quirke, Rann and Trainer.

Noes (22)—Messrs Allison, Armitage, P.B. Arnold, D.S. Baker, S.J. Baker, Becker, Blacker and Brindal, Ms Cashmore, Messrs Chapman, Eastick, S.G. Evans, Gunn and Ingerson (teller), Mrs Kotz, Messrs Lewis, Matthew, Meier, Oswald, Such, Venning and Wotton.

The CHAIRMAN: There are 22 Ayes and 22 Noes. There being an equality of votes, I give my casting vote for the Ayes.

Clause as amended thus passed.

Clause 46 and title passed.

Bill read a third time and passed.

ADJOURNMENT

At 11.20 p.m. the House adjourned until Wednesday 13 February at 2 p.m.

HOUSE OF ASSEMBLY

Tuesday 12 February 1991

QUESTIONS ON NOTICE

SCHOOL SECURITY

98. **Mr D.S. BAKER (Leader of the Opposition)** asked the Minister of Education: In view of the concerns of the Auditor-General in his 1989 report (p. 59) about the Education Department's 'apparent lack of progress in addressing the major issues' identified by a review of school security, what action was taken during 1989-90 to implement the recommendations of the department's Security Review Committee submitted in March 1988 and will the committee's report be made available to the Opposition and, if not, why not?

The Hon. G.J. CRAFTER: Approval was given to implement a formal risk management framework for the Education Department encompassing the security of school assets. Implementation began on 1 July 1990.

Approval was given for additional resources to be provided to improve school security patrols and the organisational structure of the Education Department's security services section to facilitate the provision of the improved services, to be implemented this financial year.

Further sites were alarmed. A school watch program was approved as part of the Government's crime prevention strategy. Two persons, a police officer and a school teacher, have now been appointed as a school watch team to plan, develop and implement a strategy aimed at enlisting schools and community support to safeguard school facilities.

A curfew operating between the hours of midnight and 7.00 am was introduced in December 1988. The report was an internal working document not intended for public release.

SECURING THE FUTURE

240. **Mr D.S. BAKER (Leader of the Opposition)** asked the Minister of Industry, Trade and Technology: What specific action has been taken to implement the commitment made in the October 1989 document *Securing the Future* that the Government would 'create a Technology Development Forum to provide a vehicle for bringing together South Australian companies, higher education and Government to advise on the best means to expand South Australia's technology base, including advice on appropriate infrastructure needs'; if the forum has been created, who are its members and how often has it met; if it has not been created, why not; and when will it be?

The Hon. LYNN ARNOLD: The Technology Development Forum was established in November 1989.

Briefings to Date:

November	Mr Robin Miege, Director of Innovation and Technology Unit, Commission of the European Communities.
January	Professor Michel Ronis, Scientific Attaché for French Embassy.
April	Dr Christopher Marlin, Senior Lecturer and Deputy Chairman of Department of Computer Science, Adelaide University.
May	Dr Peter Crawford, Director, Department of Industry, Trade and Technology.
June	Professor Ralph Slayter, Chief Scientist, Department of the Prime Minister and Cabinet.
	Professor Kenneth Strafford, Professor of Metallurgy, South Australian Institute of Technology.
July	Mr Bruce Guerin, Director, Department of Premier and Cabinet.
	Mr Peter Laver, Corporate General Manager, BHP Technology and Development.
September	Mr Peter Hart, Director, Luminis Pty Ltd.
October	Senator John Button, Minister for Industry, Technology and Commerce.
November	Professor Michael Miller, Head of Digital Communications Group, South Australian Institute of Technology and Deputy-Director of Australian Space Centre for Signal Processing.
December	Mr Robert Ramsay, Director of Surveillance Research Laboratory, DSTO.
	Mr William Scammell, Chairman Emeritus, Fauldings and Chairman of Technology Development Forum.

Future Briefings:

February	Professor Peter MacDonald, Flinders Medical Centre.
March	Dr Donald Williams, Australian Submarine Corporation.

Technology, Development, Forum, members:

Name	Position	Company
Scot Allison	Director, Electronics Research Laboratory	DSTO
John Bastian	Managing Director	Sola Optical
Tim Bednall	Partner	Finlaysons
David Cirocavitch	General Manager	Enterprise Investments
Tim Marcus Clark	Managing Director	State Bank of South Australia
Sandy Donaldson	Senior Partner	Stratford & Co.
Peter Edwards	Managing Director	Edwards Marshall & Co.
David Gaszner	Managing Partner	CORRS Australia Solicitors
Steve Gerlach	Managing Partner	Finlaysons
Brian Hickman	Managing Director	AMDEL Ltd.
David Klingberg	Managing Director	Kinhill Eng.
Doug Kneebone	Chairman and Chief Executive Officer	Pak-Poy & Kneebone Pty Ltd
John Lovering	Vice Chancellor	Flinders University of South Australia
Kevin Marjoribanks	Vice Chancellor	University of Adelaide
Alan Mead	Interim Vice Chancellor	University of South Australia
Howard Michell	Chairman	G. H. Michell & Sons (Australia) Pty Ltd
Paul Nestel	Chief of the Division	C.S.I.R.O
David Pank	Chairman	Technology Dev. Corporation
Mike Quinn	Managing Director	Mitsubishi Motors Australia Ltd
Bill Scammell	Chairman Emeritus	F. H. Faulding & Co.
David Seaton	David Seaton & Co	256 Stanley Street
John Spalvins	Chairman	Adelaide Steamship Co. Ltd
Tony Summers	Chairman	Bennett & Fisher Ltd

Name	Position	Company
Michael Terlet	Managing Director	AWA Defence Industry Pty Ltd
Lindsay Thompson	General Manager	Chamber of Commerce & Industry South Australia Inc.
Peter Williams	Partner in Charge	Deloitte Haskins & Sells
Don Williams	General Manager	Australian Submarine Corporation Pty Ltd

GOVERNMENT CAR POOL

264. **Mr BRINDAL (Hayward)** asked the Minister of Education:

1. How many vehicles are leased by the Education Department from the Government Car Pool?
2. What were the total running/leasing costs for such vehicles in the past financial year?
3. What are the anticipated leasing costs for this year?
4. To whom were these vehicles allocated and for what purpose?

The Hon. G.J. CRAFTER: The replies are as follows:

1. 180 vehicles as at 25 October 1990.
2. $721 000.
3. $989 000.

4. No. of Vehicles	Responsibility	Use
1	Chief Executive Officer	As prescribed by Government direction in connection with Executive Officers' salary packages.
8	Executive Officers	
27	Northern Area Office 9 Superintendents 14 Advisers Guidance Officers Social Workers Music Teachers 2 Pool 2 Staffing Officers	Not allocated to individual officers. General duties involved in school visits, teaching and area operation.
14	Southern Area Office 3 Assistant Directors 6 Superintendents 1 Facilities Manager 1 Townsend House 2 Aboriginal Education Team 1 Fleurieu Peninsula Project	Not allocated to individual officers. General duties involved in school visits, teaching and area operation. Teacher services, Aboriginal Education, Special Education Program.
55	Eastern Area Office 38 Pool 5 Superintendents 3 Assistant Directors 1 Administration 1 Facilities 3 Project Officers 3 Staffing 1 Murraylands Aquatics and Riverstudy Centre	Advisory, school and student support staff. Not allocated to individual officers. General duties involved in school visits, teaching and area operation.

OAKLANDS PARK PRIMARY SCHOOL

265. **Mr BRINDAL (Hayward)** asked the Minister of Education:

1. By what method was a value of $1.5 million fixed as adequate for the sale of the Oaklands Park Primary School site?
2. Why was the sale not made in the open market?
3. If SGIC subsequently sells the unimproved site at a profit, which suggests that the purchase price was inadequate, has the Minister any form of redress?

The Hon. G.J. CRAFTER: The replies are as follows:

1. A value of $1.5 million was not fixed. A value of $3.8 million was arrived at after taking into account advice from the Valuer-General and a private consultant on the estimated value following rezoning.
2. Cabinet considered a range of options for the sale and decided that a sale to SGIC was the best option.
3. The Minister has no further involvement in the matter.

PREMIER'S VISIT TO ITALY

282. **Mr D.S. BAKER (Leader of the Opposition)** asked the Premier: In relation to his recent visit to Italy—

1. What was the duration;
2. What were the trade objectives, who did the Premier meet in order to achieve those objectives and were any trade or investment agreements finalised;
3. What were the names of those accompanying the Premier whose expenses were paid in full or in part by the Government; and
4. What was the total cost of the visit?

The Hon. J.C. BANNON: The replies are as follows:

1. The visit was of 3½ days duration, arriving in Naples at 1230 hours on Monday, 1 October 1990, and departing from Rome at 2130 hours on Thursday, 4 October 1990.
2. The broad objectives were to increase both trade and investment activity between South Australia and Italy. This is seen as a first step in developing closer relations with other regions of Italy to take advantage of the strong social and business links which have already been forged through migration.
   - The main focus of the visit was the signing of the Gemellagio (twinning) Agreement which formalises the relationship between South Australia and Campania and which, through the establishment of a consultative committee, will encourage further economic interchange.
   - Prominent South Australian businessmen and politicians, including Joe Emmanuel, John di Fede, Chris Sumner, Peter Rossi, Mario Feleppa, Charlie

Scalzi and Paolo Nocella, attended the signing ceremony and accompanying activities.

— Specific areas of potential cooperation have been identified in the following industries:
  - motor vehicle components
  - tomato processing technology
  - leather processing
  - tourism

— Persons with whom the Premier met included:
  - Senator Bochino, Minister of Industry
  - Sg. Radice, Regional Government of Campania
  - Dr Ruoppolo, Campania Chamber of Commerce
  - Avv. Girolamo Pettrone, Campania Chamber of Industry

  In addition, meetings were held with several town mayors.

— Trade and investment promotion were the principal objectives of a seminar which was staged in Salerno and a luncheon hosted by ABIE (Australian Business in Europe) in Rome. Lists of attendees are available. Follow-up action is being undertaken through the Agent-General in London.

3. The following persons accompanied the Premier in Italy:
- Mrs Bannon
- Mr G.N. Walls—Agent-General, London
- Dr P.J. Crawford—Chief Executive, Department of Industry, Trade and Technology (1½ days only)
- Mr G. Anderson—Executive Assistant
- Mr J. Turner—Press Secretary
- Mr S. Hurst—Senior Business Development Manager, South Australia House, London
- Mr J. Crosby—Marketing Manager, Department of Industry, Trade and Technology

4. All non-Government members of the mission met their own costs. The total cost of the visit was $27 915.

GOVERNMENT VEHICLES

288. **Mr BECKER (Hanson)** asked the Minister of Transport:

1. To whom and in what capacity is the vehicle registered UQW 933 issued and can the driver of this vehicle take his family to and from the city and use the vehicle for private purposes and, if so, how many kilometres per week does this vehicle travel on private use?

2. Are daily trip records kept in the vehicle log book?

3. Are Public Service Circular No. 30 guidelines for use of this and other vehicles attached to the same department being adhered to and, if not, why not?

The Hon. FRANK BLEVINS: The replies are as follows:

1. Government vehicle UQW 933 is located at the Woodville Adolescent Support Team of the Department for Family and Community Services. The officer concerned lives at Mylor. His daughter attends Nailsworth High School. As public transport from the Hills is sparse, the officer uses his own vehicle to transport his daughter to school. However, on those evenings and early mornings when he is required to work out of normal hours, he uses a Government vehicle. On these occasions, he drops his daughter off to school which is on a direct route to his place of employment. The officer has the permission of his Regional Director to transport his daughter to school.

2. Daily trip records are not kept in a log book. However, it is possible to check the occasions on which the car was used for this purpose.

3. Public Service Circular No. 30 guidelines are being adhered to for use of this and other vehicles located in the department.

289. **Mr BECKER (Hanson)** asked the Minister of Transport:

1. What Government business necessitated the following vehicles being at Westfield Shopping Centre, Marion between 10 a.m. and 3.30 p.m. on the dates listed:

(a) 26 September—UQP 789, UQT 172;
(b) 27 September—UQY 509;
(c) 5 October—UQR 013;
(d) 9 October—UQU 668, UQU 689, UQX 275, UQR 129, UQY 515, UQU 905, UQX 351, UQY 517, UQT 239, UQS 020, UQY 509, UQT 029, UQN 487, UQS 480;

and

(e) 11 October—UQU 354, UQU 920, UQP 408, UQY 074, UQZ 229, UQX 291, UQX 229, UQQ 659, UQO 859, UQW 005, UQZ 351, UQT 239, UQX 099, UQO 595?

2. What Government business was the driver of the vehicle registered UQW 030, containing a man, woman and two children, conducting at Westfield Shopping Centre, Marion on 14 October at 4.15 p.m.?

3. Were Public Service Circular No. 30 guidelines for use of Government motor vehicles being adhered to in all these cases and, if not, why not?

The Hon. FRANK BLEVINS: The replies are as follows:

1. *(a)* Vehicle UQP 789 is a vehicle allocated to the Marion Youth Project Team (YPT) of the Department for Family and Community Services. A staff member was using the vehicle to do the weekly banking for the YPT. The bank is located at the Westfield Shopping Centre.

Vehicle UQT 172 is allocated to Child and Adolescent Mental Health Services (CAMHS) School Support Team which is based in Murray Bridge and provides an outreach service to schools in the Murray-Mallee and Upper South-East District.

The driver of the vehicle was obtaining information on a battery recharger at Tandy's in Marion Shopping Centre for the Murray Bridge office. The equipment was subsequently purchased.

(b) The driver of the vehicle UQY 509, registered in the name of Southern Domiciliary Care, was a paramedical aid who was assisting a Southern Domiciliary Care Service client with shopping.

(c) Vehicle UQR 013 is on hire to the South Australian College of Advanced Education, Bedford Park. The Dean, College of Nursing, Christian Medial College and Hospital, Vellore, South India, was a visitor to the South Australian College of Advanced Education, Sturt Campus, on 5 October 1990. A visit to a local shopping centre was specifically requested during the visit. The School of Nursing Studies complied with this request and hence the vehicle was at Westfield Shopping Centre, Marion, for a brief tour.

(d) Vehicle UQU 668, registered in the name of the Pipelines Authority, was not at Westfield Shopping Centre, Marion, between 10.00 a.m. and 3.30 p.m. on 9 October 1990. The vehicle concerned is a Toyota van with wide body, located at Peterborough, assigned for work north of Peterborough and is not normally used in the Adelaide metropolitan area. A review of the vehicle movement records, the communications log and discussion with the District Superintendent Northern at Peterborough confirmed that the vehicle UQU 668 was at Peterborough on 9 October 1990.

Vehicle UQU 689, registered in the name of the Engineering and Water Supply Department, is issued to the Little Para Water Filtration Plant and on the day in question was being used by the courier. The driver of the vehicle was

interviewed and he claims that he did not travel to the Marion Shopping Centre on that day.

Vehicle UQX 275 is allocated to Housing Trust field officers located at the trust's Metro South Regional office. The officer concerned has field responsibilities and as a consequence is involved in extensive travel within the region. The regional officer is located at 486 Morphett Road, Warradale, which is in very close proximity to the Westfield Shopping Centre at Marion. Investigations have established that the said officer had called at this shopping centre to purchase lunch.

Vehicle UQR 129, registered in the name of the Engineering and Water Supply Department, is issued to one of the collectors, Customer Services Branch, which involves daily travel throughout the metropolitan area to visit properties where rates accounts are overdue. The driver of the vehicle was interviewed and advised that he did stop at the Marion Shopping Centre for a short time on the day in question to use the toilet and bathroom facilities. It is not uncommon for employees who are on the road daily to stop at shopping centres to purchase their lunch or use the toilet and bathroom facilities.

Vehicle UQY 515, registered in the name of Flinders Medical Centre, is allocated to Child and Adolescent, Mental Health Services (Oaklands Park). There is no record that this vehicle was in the vicinity of Marion Shopping Centre on the date in question.

Vehicle UQU 905 is on hire to the Lotteries Commission of South Australia. On 9 October 1990, the vehicle was being properly used in the course of duty by one of the commission's service technicians in connection with the repair of an on-line terminal located in the mall of Westfield shopping complex.

Vehicle UQX 351 was being used by the Officer in Charge, Darlington Division of the Police Department. It was at the shopping centre to visit the member for Hayward and the shopping centre management re youth problems.

The driver of the Southern Domiciliary Care vehicle UQY 517 was a podiatrist in charge of this vehicle taking a scheduled break before attending a patient visit.

The driver of the Southern Domicilary Care vehicle UQT 239 was a physiotherapist taking a scheduled break between patient visits.

Vehicle UQS 020 is registered to the Police Department. On the day in question a crew was on foot patrol of the shopping centre.

The driver of the Southern Domiciliary Care vehicle UQY 509 was a paramedical aid who was assisting a Southern Domiciliary Care Service client with shopping.

The Royal Adelaide Hospital vehicle UQT 029, was not at the place specified on Tuesday 9 October 1990.

Vehicle UQN 487 is registered in the name of ETSA. On the day in question an employee, based at Mile End, was passing Marion Shopping Centre on his way to his day's work location and called in to pick up some cash. He was stopped for a matter of minutes and then proceeded to his job. The employee has been reminded of his responsibilities while in charge of an ETSA vehicle.

Vehicle UQS 480 is registered to the Police Department. On the day in question a crew was on foot patrol of the shopping centre.

(e) Vehicle UQU 354 is located at the Campbelltown office of the Department for Family and Community Services. The vehicle log for 11 October shows that the vehicle was used from 1 p.m. to 3 p.m. by two social workers who visited Morialta High School to conduct an interview with the School Counsellor for use in an In Need of Care application for the Children's Court. According to the log, the vehicle was not used again that day.

Vehicle UQU 920 is registered to ETSA. On the day in question the vehicle was used by two drivers. On the first occasion it was used to attend the Newton depot leaving Eastwood at 8.30 a.m. and returning at 11.00 a.m. On the second occasion the vehicle left Eastwood at 2.30 p.m. to attend a meeting at Mile End. It returned to Eastwood at 3.15 p.m. Each of the drivers denies having travelled to Marion.

Vehicle UQP 408 is allocated to trust field officers located at the Housing Trust's Metro South Regional office. The officer concerned has field responsibilities and as a consequence is involved in extensive travel within the region. The regional office is located at 486 Morphett Road, Warradale, which is in very close proximity to the Westfield Shopping Centre at Marion. Investigations have established that the said officer had called at this shopping centre to purchase lunch.

Vehicle UQY 074 is registered to the Police Department. On the day in question a crew was on foot patrol of the shopping centre.

The State Transport Authority, Toyota Camry Wagon registration UQZ 229, was located at the Marion Shopping Centre on 11 October 1990, from approximately 11.45 a.m. until 1.30 p.m. This vehicle was driven by the State Transport Authority's Depot Manager—Morphettville, who is the authorised officer, for the purpose of conducting depot business at the Post Office and other agencies within the shopping complex.

Vehicle UQX 291, registered in the name of the Department of Employment and Technical and Further Education, was being used for official business at the time in question. The vehicle was used by a training supervisor employed by the department in the administration of the Industrial and Commercial Training Act 1981. This requires officers to visit various employers to approve premises and monitor training of persons under contracts of training. The vehicle was used by the officer carrying out his normal daily duties.

Vehicle UQX 229 is owned by State Fleet and leased to Aboriginal Education. On 11 October 1990, this vehicle was being used by an officer who had to attend a meeting at the Northern Area Professional Services Branch. The officer was at this meeting from 9.00 a.m. to 4.30 p.m. This section is located near the vicinity of the Parafield airport and at no time during that day was the vehicle parked at the Westfield Shopping Centre, Marion.

The driver of the vehicle UQQ 659, registered in the name of Southern Domiciliary Care, was a paramedical aid who was assisting a Southern Domiciliary Care Service client with shopping.

The registration number UQO 859 does not exist on motor registration records.

Vehicle UQW 005 is allocated to the Flinders Medical Centre and was parked in front of Marion Shopping Centre while the hospital courier collected and delivered mail in the Flinders Clinic on Diagonal Road.

Vehicle UQZ 351 is registered to the Police Department. On the day in question a crew was on foot patrol of the shopping centre. Darlington division personnel have been instructed to visit, on a regular basis, the Marion Shopping Centre because of youth behavioural problems, damage to property and community policing initiatives.

The driver of the vehicle UQT 239, registered in the name of Southern Domiciliary Care, was a physiotherapist taking a scheduled break between patient visits.

The driver of the Clovelly Park Community Health Centre vehicle UQX 099, the Coordinator of the Marion Youth

Project (MYP), met with the Director of the Youth Access Centre to discuss delivery of an 'information pack' and took the opportunity to speak with young people outside Woolworth's. Records show banking for the centre's administrative requirements was also carried out on that day. MYP is temporarily operating from 465 Morphett Road, Oaklands Park, which abuts Westfield Shopping Town, where a large percentage of youth who use the MYP facilities often congregates. It is therefore not unusual for the Government vehicle to be parked at Westfield up to four times a day while workers carry out their duties.

Vehicle UQO 595 is on hire to the Office of Emergency Housing, South Australian Housing Trust. The vehicle was issued to an officer for official office to home use on 11 October 1990 as the vehicle was required for use early the next morning. The vehicle was not at the location mentioned between the hours of 10.00 a.m. and 3.30 p.m.

2. Vehicle UQW 030 is located at the Crisis Care Unit of the Department for Family and Community Services. The official radio log shows that on 14 October at about 4.15 p.m. this vehicle was being used by a Crisis Care worker for a call-out which involved visiting clients in Plympton Park at a private address. The log indicates that at 4.15 p.m. the Crisis Care worker radioed in to base to state he was mobile from Plympton Park to an address at Mansfield Park with the clients, a woman and her baby.

3. Yes.

LAND BROKERS

291. **Mr BECKER (Hanson)** asked the Minister of Education representing the Attorney-General:

1. What has been the total amount of claims made against the Land and Business Agents Act Consolidated Interest Fund or Agents Indemnity Fund by creditors of licensed land brokers who have defaulted over the past five years?

2. How many and which licensed land brokers have defaulted in each of the past five years and what was the total amount of claims in relation to each defaulter?

The Hon. G.J. CRAFTER: The replies are as follows:

1. Total amount of land broker claims made against the Consolidated/Agents Indemnity Funds over the past five years is $13.111 million.

2. Eight licensed land brokers have defaulted in the past five years. Total amount of estimated claims on the fund in relation to each defaulter are:

Defaulted	Name	Claim on Fund $'000
* 1986	Hodby	5 350
1987	Schiller	2 226
1988	Warner	133
* 1988	Neagle	20
1988	Zogopoulos	6
1988	Bowling	55
* 1988	Nicholls	1 011
1989	Winzor	4 310

Note * In relation to Hodby $1 570 832 was recovered from his bankrupt estate.
In relation to Neagle $20 000 was recovered through the courts.
In relation to Nicholls it is estimated payments from the fund will be limited to $650 000 due to payments from his bankrupt estate.

B.S. WINZOR

292. **Mr BECKER (Hanson)** asked the Minister of Education representing the Attorney-General: Why do creditors of B.S. Winzor have to wait until February 1991 before they receive part payment of moneys due to them and why cannot payment in full be made now?

The Hon. G.J. CRAFTER: As at 30 October 1990, the Agents Indemnity Fund stood at $8.5 million. Estimated claims against the fund stood at $8.7 million. The Acting Commissioner for Consumer Affairs has advised that he has called for claims in the matter of Mr Winzor. He has, I understand, already begun the assessment of claims in respect of those applications he has already received.

The Acting Commissioner advised that he will be writing to claimants advising them of his assessment of their claim in the near future. Should they accept his assessment he will begin to make payment as soon as possible. The Acting Commissioner advises that it is his intention, if possible, to make full payment to the creditors rather than part payment. This will of course depend on the amount in the fund at the time of payment and the amount of outstanding claims.

The Acting Commissioner also advises that these payments could be made before February 1991, however he will not be in a position to give a definite date until the assessments are returned.

AGRICULTURE

294. **Mr BECKER (Hanson)** asked the Minister of Agriculture:

1. What new markets are being sought for the export of South Australian agricultural products and, if none, why not?

2. How many persons are employed in the Department of Agriculture and associated statutory authorities?

3. How many primary producers are there in South Australia?

4. What State Government assistance is provided to primary producers and at what estimated annual cost?

The Hon. LYNN ARNOLD: The replies are as follows:

1. It will be understood that exporting our agricultural products is undertaken by private sector traders and statutory marketing authorities. However, the Department of Agriculture is in the process of analysing and identifying with industry possible new markets or markets which could be developed further for the information of those industries.

They include the following:

Products	Markets
Citrus	USA, Japan, South Korea, Taiwan, Middle East, France, Germany
Medicago Seeds:	
(i) green manure crops	Mountain and mid-West States of USA, southern Canada
(ii) cold tolerant cultivars	North and West Africa, Iberian Peninsula
(iii) range improvement	South-West USA
Oats	North Africa
Vegetable Seeds	South-East Asia, Europe, Japan
Beef	South Korea
Table Grapes	Europe
Grape Juice	Japan
Barley	South America
Sheepmeat	USA
Dairy Products	South-East Asia
Faba Beans	North Africa, Saudi Arabia, Italy, Japan
Chick Peas	Mediterranean countries, Middle East, Indian sub-continent
Vetch	Mediterranean region, Japan
Cherries	South-East Asia, Taiwan, Europe
Stone Fruit	UK, France, Italy, Middle East
Apples	Europe, South-East Asia, USA
Dried Apricots	Germany, Japan
Native Cut Flowers	Japan, USA, Europe

2. The following actual full-time equivalents were employed as at 30 June 1990:

Total Department of Agriculture —includes, State, Commonwealth and Industry funded employees	1 194
Associated Statutory Authorities —includes Citrus Board, Metropolitan Milk Board, SAMCOR and South Australian Egg Board	587
3. Male farmers and farm managers	19 776
Female farmers and farm managers	9 299
Total farmers and farm managers in South Australia	29 075

Source: 1986 Census data

4. The State Government provides assistance to primary producers in numerous ways through the South Australian Department of Agriculture, principal components being:

(a) Research and advisory services provided for farmers ($39.3 million was expended on these activities in 1989-90).

(b) Research carried out for industry paid for by external sources—Rural Industry Research Funds ($7.8 million was expended in 1990-91).

(c) Services carried out for the Commonwealth contractually ($8.6 million expended in 1989-90).

(d) Protection of the environment (e.g. soil conservation and landcare programs will cost some $7.9 million in 1990-91. Other environment related programs include agricultural chemicals, water conservation and biological control of pests and diseases).

(e) Administration of concessional rural lending programs through the Commonwealth supported Rural Adjustment Scheme (RAS). Lending under RAS in 1990-91 is budgeted as follows:

	$ m
RAS (Part A)	20.0
RAS (Part C)	2.0
Commercial Rural Loans	8.0
Rural Industries Assistance Development Fund (normal lending)	0.5
Rural Industries Assistance Development Fund (other lending)	3.5
Rural Industries Assistance Development Fund (grants)	0.5
Total	$34.5 m

SHEEP

295. **Mr BECKER (Hanson)** asked the Minister of Agriculture: Has the Government given consideration to purchasing sheep from farmers, slaughtering them through SAMCOR and providing the meat for institutions providing meals for those in need and/or direct to the needy and, if not, why not and, if so, what are the estimated costs and how much money is the Government prepared to spend to assist the needy and provide relief to those involved in the rural industry by such means?

The Hon. LYNN ARNOLD: The Government is not giving consideration to purchasing sheep from farmers, slaughtering them at SAMCOR and providing the meat to the needy. The Government has directed SAMCOR to operate commercially. Therefore, the Government will not direct SAMCOR to slaughter sheep at no cost or at a subsidised price.

If the Government did undertake the suggested purchase of sheep, slaughter and distribution of meat through SAMCOR the costs would be similar to existing wholesale prices. SAMCOR charges $7.25 per animal slaughtered; for the first 2 000 of a client's consignment to SAMCOR for a particular week. Any sheep over the 2 000 then cost $6.25 each. Given average carcase weights, the cost of slaughtering alone is $0.36/kg. Cutting up and transport charges would double this amount.

Western Australia has had a well publicised program of slaughtering sheep for the needy. This has been done at country abattoir and was organised by Rotary at the initiation of Father Brian Morrison. Labour and transport have been provided free. So far a total of 500 sheep have been slaughtered on one weekend. A further 500 will be slaughtered in the near future.

The Yorketown Catholic Women's League is attempting to establish a system in South Australia to slaughter low priced sheep for the needy. Evidently Yorketown butchers have offered a reduced price of $15 per head to slaughter and cut up the animals. A similar exercise is underway in the South East.

The Western Australian and South Australian initiatives are to be commended. They will provide cheaper meat to the needy but given the number of sheep involved the initiatives will have no effect upon prices paid to farmers. Also such initiatives of either slaughtering sheep for nothing or at a reduced rate could occur at any time, not just when sheep are cheap.

RADIO AND TELEVISION BROADCASTS

298. **Mr BECKER (Hanson)** asked the Minister of Education:

1. What action has the Minister taken to ensure the Australian Broadcasting Corporation continues and does not reduce radio and television broadcasts for primary students, particulary music programs, and, if none, why not?

2. What guarantee has the Minister obtained from the ABC and/or the Federal Government that the ABC will meet its statutory obligation to continue providing broadcasts to children in schools, preschools and at home, and if none, why not?

The Hon. G.J. CRAFTER: The replies are as follows:

1. The matter has been raised at the Australian Education Council and a task force chaired by the Director-General of Education (Queensland) has prepared a report. South Australia was represented on the Task Force.

2. The charter of the ABC does not require it to produce educational programs specifically for schools' use. Its educative role is described in broader terms.

The ABC has agreed to continue to broadcast educational television programs in 1991. The ABC is participating in discussions with the Commonwealth, State and Territory education authorities in the development of alternative strategies for the production of Australian made education programs and the purchase of quality, relevant programs from overseas. It is expected that the ABC will continue to provide transmission facilities for educational programs in 1992 and beyond.

MARINELAND

303. **Mr BECKER (Hanson)** asked the Minister of Industry, Trade and Technology:

1. How much did the Government pay the liquidator to cover all liabilities of the company owning Marineland?

2. What were the details of each cost item including the liquidator's fees and expenses?

3. Why has a full public exposure of costs not been given to Parliament before now?

4. What was the amount of legal costs incurred by the Government over this issue?

The Hon. LYNN ARNOLD: The replies are as follows:

1. Liquidator not appointed but a receiver/manager. Not all details are available, however for the majority of the details I refer to the paper (Marineland—Summary of the Receiver's and Manager's Payment Schedules) tabled in the House on 28 September 1989. Information on costs of the receivership have also been icluded in the last two Auditor-General's reports.

2. These details are not yet completed. However, documentation for the finalisation of Tribond Development Pty Ltd, receivership are currently being lodged with the Corporate Affairs Office. Some additional costs can be anticipated when this process is finalised.

3. Details have not been finalised. However, progressive details have been tabled and reported on in the last two Auditor-General's reports.

4. No direct charges have been made on the Department of Industry, Trade and Technology by the Attorney-General's Department in relation to the Receivership of Tribond Developments Pty Ltd.

REVERSE MORTGAGE SCHEMES

304. **Mr BECKER (Hanson)** asked the Premier:

1. What investigation has the Government undertaken into the feasibility and benefits to aged persons of 'reverse mortgage schemes' and if none, why not?

2. Using the value of an average Adelaide residential property, how many years would a retired person have to live before the reverse mortgage exceeds the market value of the property?

3. What other issues are the Government looking at to provide aged retirees the opportunity to obtain income using the equity of their residential property?

4. Why is it necessary for the Government to become involved in such schemes for the aged retiree?

5. What other subsidies or financial assistance can the State Government offer all retirees bearing in mind the Federal Government's call for financial restraint?

The Hon. J.C. BANNON: The replies are as follows:

1. The Office of Housing on behalf of the State Government recently prepared a report entitled 'Housing Initiatives for Older South Australians'. The report examines a number of housing initiatives for elderly South Australians including 'reverse mortgage schemes'. The report recommends that the Government proceed with the development of a 'Reverse Equity Mortgage Scheme' subject to the execution of a detailed feasibility study.

The report was recently released for public comment. In releasing the report the Government has stressed that none of the proposals outlined in the report will be introduced without prior public consultation.

The Government recognises that it is essential that further work be undertaken to address all issues concerning the protection of consumer rights and the legal, financial and social implications before committing itself to any such scheme.

The Office of Housing and HomeStart Finance is undertaking a feasibility study into the financial viability of such a scheme for both the State Government and potential consumers.

2. While the potential exists it is rarely the case that under a 'Reverse Mortgage Scheme' for the interest and principal owed on the loan at some time to exceed the market value of the borrower's property.

The likelihood of the client's financial commitment exceeding their property value over the term of the loan is of prime consideration during negotiation of the loan agreement. The amount which a client can borrow in a Reverse Mortgage Agreement is based on the value of the property at the time of entering the agreement, the client's age and life expectancy and the existing interest rate.

Due to the variables of age, property value, interest rate and loan amount the time at which the debt owing will exceed the client's house value will generally differ for each participant. However, as an example, charging an interest rate of 14 per cent, a client aged 65 years with a property valued at $100 000 receiving a loan of $14 000 would be expected to have 31 years before the equity in the house was completely exhausted.

To minimise the circumstances of the lender outliving the equity in their house, care is taken to negotiate a realistic loan amount at the commencement of the mortgage agreement. Should the Government proceed with such a scheme it would aim to provide appropriate consumer protection and awareness through the following:

- availability of fully independent counselling services for interested elderly consumers;
- full disclosure of all terms and conditions within contract documents;
- guaranteed life occupancy of the home to the elderly client;
- development of consumer protection legislation which will cover all aspects of Reverse Mortgage Schemes and other associated loan products.

3. At this time the State Government is not considering any other scheme which specifically provides aged retirees the opportunity to obtain income using the equity in their residential property. However, the report 'Housing Initiatives for Elderly South Australians' canvasses a number of initiatives which may be of assistance to elderly homeowners.

4. Home Equity Conversion may be a useful option for aged people. However, the Government has not as yet decided to become directly involved. A feasibility study is being undertaken, and if the Government decides as a result to move to the stage of developing a scheme, widespread consultation will be undertaken.

5. The Bannon Government currently provides a high level of subsidies and assistance to elderly South Australians through Public Housing and other programs. The South Australian Housing Trust has, since the late 1970s, shown a strong commitment to the provision of low cost rental housing for elderly South Australians. Through the construction of aged Cottage Flats and both through the Housing Cooperatives Program and Joint Ventures Program, the Trust has significantly expanded low cost housing for the aged.

As at 30 June 1990, the Housing Trust total stock of aged Cottage Flats (6 681) represented 10.5 per cent of all rental accommodation (63 318) held.

Elderly trust tenants in receipt of low incomes also receive rental subsidies in accordance with the Housing Trust's rent to income policy.

In addition, elderly home owners in receipt of pensions are generally eligible for rebates in council rates without any reduction in their pensions. In South Australia under the Rates Land Tax Remissions Act 1986, eligible aged pensioners can receive remissions of up to 60 per cent on annual council rates and quarterly water and sewerage rates.

SCHOOL PROJECTS

305. **Mr BECKER (Hanson)** asked the Minister of Education:

1. Further to the answer to question No. 93 of the previous session, what complaints has the Education Department received from schools that work has not been completed satisfactorily?

2. What redress do schools have to ensure satisfactory workmanship and completion of jobs within a reasonable time?

The Hon. G.J. CRAFTER: The replies are as follows:

1. Area offices have received no formal complaints from schools.

2. SACON as the Government's advisers on building standards provide the expertise to ensure that satisfactory work standards are maintained.

Schools are able to report and discuss concerns they may have with regard to quality and timing of work with the Facilities Manager in each area who takes up the matter with SACON who deal with the situation.

Schools are aware that there may be occasions when it is necessary to delay a project and divert resources to a higher priority such as in the event of a major vandalism, break and enter or arson attack on a school.

MARINE AND HARBORS DEPARTMENT

332. **Mr MATTHEW (Bright)** asked the Minister of Marine: How many formal and how many informal committees exist within the Department of Marine and Harbors and in relation to each:

(a) what is the name;
(b) what are the terms of reference;
(c) when was it formed;
(d) when is it expected to achieve its objective; and
(e) to whom does it report?

The Hon. R.J. GREGORY: The replies are as follows:

As at 22.11.90

FORMAL INTERNAL DMH COMMITTEES

Name	Terms of Reference	Formed	Expected to Achieve Objective	Reports To
Executive Management Committee	To develop policy proposals	February 1990 new DMH organisation structure	Ongoing	Chief Executive Officer
Resources Management Committee	To ensure that agreed financial and work force budgets are met in the achievement of performance targets	January 1989	Ongoing	Chief Executive Officer
Recreational Boating Advisory Panel	To advise on projects and budgets. Integral part of the planning, design and negotiation process clients	1980	Ongoing	Director Marine Safety
Contracts Consultative Committee	A forum for the exchange of views between management and union representatives on the use of departmental resources and contractors	June 1988	Ongoing	Chief Executive Officer
Navigation Aids Committee	To identify and coordinate solutions to problems with navigational aids	1988	Ongoing	Director Port of Adelaide
West Lakes Water Quality Committee	To manage West Lakes water quality	1980	Ongoing	Chief Executive Officer
Fishing Havens Advisory Panel	To establish priority of development projects for the professional fishing industry	1963	Ongoing	Chief Executive Officer
Port Bonython Maintenance Committee	To maintain control and planning	19.8.85	Ongoing	Director Regional Ports
Central Occupational Health and Safety Committee	To overview departmental occupational safety and health programs and coordinate issues identified by local safety committees	May 1988	Ongoing	Chief Executive Officer
Head Office Local Occupational Safety and Health Committee	Health and safety functions pursuant to s. 33 of the O.H.S. & W Act 1986	October 1988	Ongoing	Central Occupational Health and Safety Committee
Local Safety Committee Mooring Gang/Crane Shed/Mooring Launches	Health and safety functions pursuant to s. 33 of the O.H.S. & W Act 1986	October 1988	Ongoing	Central Occupational Health and Safety Committee
Local Safety Committee—Construction	Health and safety functions pursuant to s. 33 of the O.H.S. & W Act 1986	October 1988	Ongoing	Central Occupational Health and Safety Committee
Local Safety Committee—Transport and Workshops	Health and safety functions pursuant to s. 33 of the O.H.S. & W Act 1986	October 1988	Ongoing	Central Occupational Health and Safety Committee
Local Safety Committee—Ceduna	Health and safety functions pursuant to s. 33 of the O.H.S. & W Act 1986	October 1988	Ongoing	Central Occupational Health and Safety Committee

Name	Terms of Reference	Formed	Expected to Achieve Objective	Reports To
Local Safety Committee—Port Lincoln	Health and safety functions pursuant to s. 33 of the O.H.S. & W Act 1986	October 1988	Ongoing	Central Occupational Health and Safety Committee
Local Safety Committee—Port Pirie	Health and safety functions pursuant to s. 33 of the O.H.S. & W Act 1986	October 1988	Ongoing	Central Occupational Health and Safety Committee
Local Safety Committee—Port Giles	Health and safety functions pursuant to s. 33 of the O.H.S. & W Act 1986	October 1988	Ongoing	Central Occupational Health and Safety Committee
Local Safety Committee—South East	Health and safety functions pursuant to s. 33 of the O.H.S. & W Act 1986	October 1988	Ongoing	Central Occupational Health and Safety Committee
Local Safety Committee—Supply	Health and safety functions pursuant to s. 33 of the O.H.S. & W Act 1986	October 1988	Ongoing	Central Occupational Health and Safety Committee
Local Safety Committee—Wallaroo	Health and safety functions pursuant to s. 33 of the O.H.S. & W Act 1986	October 1988	Ongoing	Central Occupational Health and Safety Committee
Local Safety Committee—Whyalla (Port Bonython)	Health and safety functions pursuant to s. 33 of the O.H.S. & W Act 1986	October 1988	Ongoing	Central Occupational Health and Safety Committee
Departmental Consultative Committee	To provide a consultative framework with DMH Unions on DMH objectives	October 1990	Ongoing (due to be reviewed in February)	Chief Executive Officer
Metal Trades Award Restructuring Consultative Committees	Self explanatory	November 1989	Ongoing	Central Coordinating Committee (Metal Trades Award Restructuring)
State Manning Committee	Establishment of manning levels of trading vessels	1936	Ongoing	Minister of Marine
Berth and Terminal Productivity Committee	The promotion of the efficient use of No. 6 berth Outer Harbor and container terminal	Early 1989	Ongoing	Chief Executive Officer

NATIONAL CRIME AUTHORITY

341. **Mr D.S. BAKER (Leader of the Opposition)** asked the Minister of Education representing the Attorney-General: In relation to Operation 'B' in the schedule of operations of the South Australian office of the NCA tabled by the Attorney-General on 5 April 1990—

(a) what has been the outcome of consideration by the Prosecution Services Section of SAPOL of briefs 'with respect to three further persons';
(b) how many people have been charged as a result of this operation;
(c) how many of those charged are employees of the South Australian Housing Trust;
(d) what are the specific charges laid against each person; and
(e) what financial or other assets of the trust are alleged to have been involved in this corruption?

The Hon. G.J. CRAFTER: The replies are as follows:

Operation 'B' tabled on 5 April 1990 indicated that five persons had been charged and a further three were being considered.

(a) Two further people have been charged.
(b) A total of seven people either have faced or are still facing charges. Immunities have been given to three other people.
(c) Of the seven people referred to in *(b)*, six were either employed by the South Australian Housing Trust or were contractors used by the South Australian Housing Trust.
(d) One person has pleaded guilty to 45 offences including false pretences, falsification of accounts and larceny. In addition, he asked that a further 93 offences be taken into consideration.
(e) A second person was tried and found not guilty of nine counts of receiving. He pleaded guilty to one charge of larceny. He faces one further charge of false pretences which has yet to be heard.
(f) A third person faces one charge of larceny as a servant. He has been committed for trial on 30 counts of falsification of accounts.
(g) A fourth person faces two charges of larceny as a servant. He has been committed for trial on 42 counts of falsificaiton of accounts.
(h) A fifth person faces one charge of larceny. He has been committed for trial on 69 counts of false pretences.
(i) A sixth person was acquitted in the Magistrate's Court.
(j) A seventh person pleaded guilty to charges of falsification of accounts and false pretences.

Assets involved include television towers, air conditioners, a sleepout, a transportable building and a hot water service. The false pretences and falsification of accounts have involved amounts of money for work done and then inappropriately charged to the South Australian Housing Trust.

344. **Mr D.S. BAKER (Leader of the Opposition)** asked the Minister of Education representing the Attorney-General: Has the aspect of Operation 'E' in the schedule of operations of the South Australian office of the NCA tabled by the Attorney-General on 5 April 1990 concerning the police been resumed and, if so, when and, if not, when is it expected it will be resumed?

The Hon. G.J. CRAFTER: It should be noted that all operations (with the exception of 'F') were suspended on the basis that total resources were to be devoted to Opera-

tion HYDRA. A review of all suspended operations will be undertaken at the conclusion of HYDRA.

- *Operation 'F'*
  The final report is in the process of being completed; it is anticipated that it will be provided to the Government. The report has been delayed for a number of reasons, including the necessity to complete HYDRA.
- *Operation 'H'*
  This operation was commenced on the informtion of a confidential informant. A large part of the information has since been retracted and it is doubtful any further active investigation is warranted.
- *Operation 'L'*
  This operation has not been resumed and it will be reviewed after completion of the HYDRA inquiries. However, one of the targets mentioned in the progress report of December 1989 to the Attorney-General was the subject of a separate investigation which arose from another operation related to Operation 'L'.
- *Operation 'E'*
  Investigations in respect of this operation are continuing and the operation will be reviewed at the end of 1990.

Since receipt of this information the final report on Operation 'F' (the actual code name of which is now publicly known as HOUND) has been received and is being considered by Government.

345. **Mr D. S. BAKER (Leader of the Opposition)** asked the Minister of Education representing the Attorney General:

1. Has the Government received a final report in relation to Operation 'F' in the schedule of operations of the South Australian office of the NCA tabled by the Attorney-General on 5 April 1990 and, if so, when and will the name of the department involved be made public as promised by the Premier in his undated letter to the Leader of the Opposition received in the Leader's electoral office on 31 May 1990?
2. What were the corruption allegations involved in this operation?
3. If the Government has not received a final report, what is the reason for the delay?

The Hon. G. J. CRAFTER: The replies are as follows:

It should be noted that all operations (with the exception of 'F') were suspended on the basis that total resources were to be devoted to Operation HYDRA. A review of all suspended operations will be undertaken at the conclusion of HYDRA.

- *Operation 'F'*
  The final report is in the process of being completed; it is anticipated that it will be provided to the Government. The report has been delayed for a number of reasons, including the necessity to completed HYDRA.
- *Operation 'H'*
  This operation was commenced on the information of a confidential informant. A large part of the information has since been retracted and it is doubtful any further active investigation is warranted.
- *Operation 'L'*
  This operation has not been resumed and it will be reviewed after completion of the HYDRA inquiries. However, one of the targets mentioned in the progress report of December 1989 to the Attorney-General was the subject of a separate investigation which arose form another related to Operation 'L'.
- *Operation 'E'*
  Investigations in respect of this operation are continuing and the operation will be reviewed at the end of 1990.

Since receipt of this information the final report on Operation 'F' (the actual code name of which is now publicly known as HOUND) has been received and is being considered by Government.

346. **Mr D.S. BAKER (Leader of the Opposition)** asked the Minister of Education representing the Attorney-General: Has Operation 'H' in the schedule of operations of the South Australian office of the NCA tabled by the Attorney-General on 5 April 1990 been resumed and, if not, when is it expected to resume and, if so, when and has there been any conclusion yet?

The Hon. G.J CRAFTER: It should be noted that all operations (with the exception of 'F') were suspended on the basis that total resources were to be devoted to Operation HYDRA. A review of all suspended operations will be undertaken at the conclusion of HYDRA.

- *Operation 'F'*
  The final report is in the process of being of being completed; it is anticipated that it will be provided to the Government. The report has been delayed for a number of reasons, including the necessity to complete HYDRA
- *Operation 'H'*
  This operation was commenced on the information of a confidential informant. A large part of the information has since been retracted and it is doubtful any further active investigation is warranted.
- *Operation 'L'*
  This operation has not been resumed and it will be reviewed after completion of the HYDRA inquiries. However, one of the targets mentioned in the progress report of December 1989 to the Attorney-General was the subject of a separate investigation which arose from another operation related to Operation 'L'.
- *Operation 'E'*
  Investigations in respect of this operation are continuing and the operation will be reviewed at the end of 1990.

Since receipt of this information the final report on Operation 'F' (the actual code name of which is now publicly known and HOUND) has been received and is being considered by Government.

347. **Mr D.S. BAKER (Leader of the Opposition)** asked the Minister of Education representing the Attorney-General: Has Operation 'L' in the schedule of operations of the South Australian office of the NCA tabled by the Attorney-General on 5 April 1990 been resumed and, if not, when is it expected to resume and, if so, when and has there been any conclusion yet?

The Hon. G.J. CRAFTER: It should be noted that all operations (with the exception of 'F') were suspended on the basis that total resources were to be devoted to Operation HYDRA. A review of all suspended operations will be undertaken at the conclusion of HYDRA.

- *Operation 'F'*
  The final report is in the process of being completed; it is anticipated that it will be provided to the Government. The report has been delayed for a number of reasons, including the necessity to complete HYDRA.
- *Operation 'H'*
  This operation was commenced on the information of a confidential informant. A large part of the information has since been retracted and it is doubtful any further active investigation is warranted.
- *Operation 'L'*
  This operation has not been resumed and it will be

reviewed after completion of the HYDRA inquiries. However, one of the targets mentioned in the progress report of December 1989 to the Attorney-General was the subject of a separate investigation which arose from another operation related to Operation 'L'.

- *Operation 'E'*
  Investigations in respect of this operation are continuing and the operation wil be reviewed at the end of 1990.

Since receipt of this information the final report on Operation 'F' (the actual code name of which is now publicly known as HOUND) has been received and is being considered by Government.

STATE COMPUTING CENTRE

353. **Mr S.J. BAKER (Deputy Leader of the Opposition)** asked the Minister of Housing and Construction representing the Minister of State Services:

1. What is the value of the land, the building and the computer hardware and software at the State Computing Centre, Glenside; and
2. During 1989, how many times did the IBM system fail to operate?

The Hon. M.K. MAYES: The replies are as follows:

1. The value of the land and building (as at May 1990) is as follows:

	$
Land	595 000
Building	7 159 000
	$7 754 000

The value of computer hardware and software is as follows:

(As at 31 October 1990):

	Hardware $'000	Software $'000	Total $'000
Current book value	3 901	259	4 160

The value of leased hardware and software is as follows:

(a) 1989 purchase price: IBM 3090-180S $5.64 million
(b) Purchase price (March 1990) if current lease paid out: $3.85 million

2. The IBM system failed to operate on eight occasions for a total of 11.2 hours during 1989-90. This represents an 'up-time' of 99.76 per cent.

GOVERNMENT VEHICLES

354. **Mr S.J. BAKER (Deputy Leader of the Opposition)** asked the Minister of Transport:

1. Which Government department is responsible for the vehicles registered UQQ 646, UQT 652 and UQQ 511?
2. From which area do each of these vehicles normally operate?
3. How many people were travelling in these vehicles on 22 July 1990 and were there other than Government authorised officers travelling in them?
4. Why were they at Palm Valley in the Northern Territory on that date and how long were the vehicles away from their normal bases?

The Hon. FRANK BLEVINS: The replies are as follows:

1. Government vehicle UQQ 646 is located at the Duke of Edinburgh's Award Scheme, Department for Family and Community Services. Vehicles UQT 652 and UQQ 511 are both four-wheel drive vehicles located at State Services and were hired by the award scheme.
2. All vehicles operated from the Duke of Edinburgh's Outdoor Centre at Magill and were on an approved expedition under the award scheme.
3. On 22 July 1990 there were 14 people travelling in the vehicles. There were three Government officers and four authorised community aides. The other people were participants in the United Kingdom/Australian Duke of Edinburgh's Award Scheme Exchange.
4. They were at Palm Valley as part of phase 4 of the exchange, which was an 'adventurous project' in the centre of Australia jointly organised and sponsored by the award scheme in the Northern Territory and South Australia. Vehicle UQQ 646 was away from base from 28 June to 1 August. Vehicles UQT 652 and UQQ 511 were away from base from 18 July to 2 August.

SGIC COMPANIES

355. **Mr S.J. BAKER (Deputy Leader of the Opposition)** asked the Premier: Further to the answer of 2 October 1990 concerning the 1989-90 financial results for three companies operated by SGIC, namely Bouvet Ltd, SGIC Hospitals Ltd and Health Development Australia, for each of these companies:

(a) what was the trading result;
(b) what was the cost of borrowings included in the profit and loss statement; and
(c) what was the extent of tax write-offs?

The Hon. J.C. BANNON: Health Development Australia is not a subsidiary company of SGIC. It is an unincorporated joint venture between the Health Development Foundation and SGIC. SGIC has included its production of the income ($405 644) and expenditure ($855 405) in its accounts at 30 June 1990. Cost of borrowing included by SGIC was $26 326. There were no tax write-offs. In relation to SGIC subsidiaries, the information requested is as follows:

Profit/(Loss) after tax at 30 June 1990:	$
Bouvet Pty Ltd	(1 287 766)
SGIC Hospitals Pty Ltd	516 917
Cost of borrowing included in profit and loss statement:	
Bouvet Pty Ltd	NIL
SGIC Hospitals Pty Ltd	NIL
Extent of tax write-offs in subsidiaries:	
Bouvet Pty Ltd	NIL
SGIC Hospitals Pty Ltd	NIL

358. **Mr S.J. BAKER (Deputy Leader of the Opposition)** asked the Premier: Further to the answer of 2 October 1990 concerning taxes paid by SGIC, what are the details of the FID, pay-roll tax, land tax and stamp duty paid by Bouvet, SGIC Hospitals Limited, and Health Development Australia, respectively, during 1989-90?

The Hon. J.C. BANNON: The taxation details are as follows:

	*Bouvet Pty Ltd	*SGIC Hospitals Ltd	#Health Development Australia
	$	$	$
FID	5 147	11 385	361
Pay-roll Tax	224 690	430 582	—
Land Tax	168 514	68 321	13 907
Stamp Duty	1 200	2 000	500

* SGIC subsidiaries
\# Unincorporated joint venture between Health Development Foundation and SGIC

CENTREPOINT

360. **Mr S.J. BAKER (Deputy Leader of the Opposition)** asked the Premier: Further to the answer of 2 October 1990 concerning Centrepoint, what consideration was given by

Myer to SGIC in exchange for rent-free accommodation at Centrepoint?

The Hon. J.C. BANNON: Myer Stores Ltd does not receive rent-free accommodation at Centrepoint.

COMMUNITY CORRECTIONS CENTRE

361. **Mr BECKER (Hanson)** asked the Minister of Correctional Services:

1. It is normal practice for the Manager of the Community Corrections Centre at Port Augusta to lend his car or other Government motor vehicles under his care to the Administrative Officer to travel to Adelaide for holidays and, if so, why?

2. Why did the Administrative Officer of the Community Corrections Centre take her mother and children in a Government car registered UQX 593 to Adelaide from approximately 15 to 24 June 1990?

3. How many times did the Administrative Officer contact the department, and for how long did she work in the department in Adelaide during this period?

4. Why did the Adminsitrative Officer travel to Adelaide from 1 to 7 October 1990, and did she report to the department on Wednesday 3 October 1990; if so, why and for how long; and did this then justify the use of the Government car for a one-week holiday in Adelaide?

5. Would it have been cheaper for the Administrative Officer to travel to and from Adelaide by train or coach if it was necessary for her to attend the city office for that day and, if so, why were these options not taken?

6. Is Public Service Circular No. 30 being adhered to by the Community Corrections Centre at Port Augusta; if not, why not; and what action will the Minister take to ensure the contents of the circular are strictly adhered to?

The Hon FRANK BLEVINS: The replies are as follows: It is not and has not been the practice at the Port Augusta Community Corrections Centre to make a vehicle available to staff for holiday purposes. The vehicle in question was at the time being used in accordance with the guidelines set down in the Commissioner's Circular No. 30.

GOVERNMENT MOTOR VEHICLES

362. **Mr BECKER (Hanson)** asked the Minister of Transport:

1. What Government business were the drivers of the following vehicles carrying out at Westfield Shopping Centre, Marion on the dates listed:

(a) 15 October 1990-UQZ 351, UQY 614, UQZ 212, UQU 506, UQY 507, UQQ 758, UQT 167, UQZ 229, UQQ 731, UQS 076, UQW 865, UQY 051;

(b) 16 October 1990-UQZ 358;

(c) 17 October 1990-UQW 645, UQX 905, UQY 918, UQU 252, UQW 005, UQX 099, UQB 724, UQT 234, UQU 753, UQR 219;

(d) 18 October 1990-UQS 562, UQQ 805, UQX 091, UQU 792, UQB 472, UQX 099, UQO 856, UQJ 945, UQX 945, UQX 515, UQZ 693, UQT 567, UQP 558, UQX 333, UQT 817;

(e) 23 October 1990-UQS 661, UQW 751;

(f) 24 October 1990-UQG 515, UQU 575, UQS 451, UQY 363, UQW 227, UQZ 752, UQX 360, UQY 509, UQY 507, UQK 303, UQY 519; and

(g) 25 October 1990-UQJ 817, UQP 891?

2. Were Public Service Circular No. 30 guidelines being adhered to by the departments involved?

The Hon. FRANK BLEVINS: The replies are as follows:

1. *(a)* Government vehicle UQZ 351 is registered in the name of the Police Department. The crew who were using the vehicle were conducting inquiries in Westfield Shopping Centre.

Government vehicle UQY 614 is registered in the name of Southern Domiciliary Care and Rehabilitation Service. On 15 October the driver of the vehicle was an Activity Adviser who was collecting craft goods and aids from Gaby's Shop.

Government vehicle UQZ 212 is registered in the name of ETSA, and is located at the South Metropolitan Headquarters. The vehicle was being used by an employee working in the area who was having lunch at the shopping centre.

Government vehicle UQU 506 is registered to the State Transport Authority. The vehicle was being used by the Morphettville depot for crew changeovers.

Government vehicle UQY 507 is registered in the name of the Southern Domiciliary Care and Rehabilitation Service. At the time in question the driver of the vehicle was a paramedical aide who was assisting a client of the service with their shopping and banking.

Government vehicle UQQ 758 is registered in the name of ETSA, and is located at the South Metropolitan Headquarters. The vehicle was being used by an employee working in the area, who was having lunch at the shopping centre.

Government vehicle UQT 167 is registered in the name of the Police Department. The crew who were using the vehicle were conducting inquiries in Westfield Shopping Centre.

Government vehicle UQZ 229 is registered to the State Transport Authority. The vehicle was being used by the Depot Manager of the Morphettville depot for depot business.

Government vehicle UQQ 731 is registered in the name of Southern Domiciliary Care and Rehabilitation Service. On the day in question the driver of the vehicle was assisting a client in the Dementia Care Program with their shopping and banking.

Government vehicle UQS 076 is registered in the name of the Police Department. The crew who were using the vehicle were conducting an on-foot patrol in Westfield Shopping Centre.

Government vehicle UQW 865 is attached to the Department of Labour's Southern Regional Office whose geographical area includes the Marion Shopping Centre complex. The driver was an Occupational Health and Safety Inspector and was carrying out routine inspections.

(b) Government vehicle UQZ 358 is registered in the name of the Police Department. The crew who were using the vehicle were conducting an on-foot patrol in Westfield Shopping Centre.

(c) Government vehicle UQW 645 is registered in the name of the Police Department. The crew who were using the vehicle were conducting inquiries in Westfield Shopping Centre.

Government vehicle UQX 905 is registered in the name of ETSA, and is located at the South Metropolitan Headquarters. The vehicle was being used by an employee who was obtaining lunch at the shopping centre.

Government vehicle UQY 918 is registered in the name of ETSA, and is located at the South Metropolitan Headquarters. As this vehicle is used by any one of a number of people during the day, for office purposes, no record is kept of individual usage. However, it is assumed that the employee was on ETSA business.

Government vehicle UQY 918 is registered in the name of ETSA. This vehicle was being used by an ETSA meter reader who parked in the shopping centre while he read meters on foot in the adjacent area.

Government vehicle UQW 005 is registered in the name of Flinders Medical Centre. At the time in question the vehicle was parked outside Westfield Shopping Centre on Marion Road while the driver was collecting/dropping off mail at Flinders Clinic.

Government vehicle UXY 099 is registered to Clovelly Park Community Health Centre. The vehicle was parked at Westfield Shopping Centre whilst the driver attended to the banking duties for the community health centre.

Government vehicle UQB 724 is registered to the State Transport Authority. The vehicle was being used by the Works Department for routine bus stop maintenance.

Government vehicle UQT 234 is leased to the Materials Development and Production Services Unit, Education Department. The records for that day show that the vehicle was used by a number of people from the unit. The most likely reason for it being parked at Marion would be for officers to carry out banking at the centre. The vehicles are also often parked at Marion as this is the closest centre for the purchase of material from petty cash or by local purchase order.

Government vehicle UQU 753 is registered in the name of the Department of Road Transport. The A/Manager, Internal Audit and Manager, Personnel Services, were on Departmental business at the Marion motor registration office.

Government vehicle UQR 219 is registered in the name of Adelaide Medical Centre for Women and Children (Adelaide Children's Hospital) and was driven on the day in question by an on-call maintenance worker for the hospital. He stopped on his way home to use the State Bank's automatic teller machine. The hospital allows the on-call maintenance person for the evening and weekend the use of this vehicle as frequent call-ins are required. The cost to the hospital in providing this facility is somewhat less than the cost of providing private motor vehicle mileage reimbursement or Cabcharge.

(d) Government vehicle UQS 562 is registered in the name of the Department of Road Transport. The traffic signal technical tradesperson involved cannot recall visiting the shopping centre on the day in question. If he had done so in the course of his field duties, it would have been to buy lunch or use the toilet facilities.

Government vehicle UQQ 805 is registered in the name of Southern Domiciliary Care and Rehabilitation Service. At the time in question the driver of the vehicle was a paramedical aid who was assisting a client of the service with their shopping and banking.

Government vehicle UQX 091 is registered in the name of the Engineering and Water Supply Department. On the day in question the driver of the vehicle was using the public facilities at Westfield Shopping Centre, Marion.

Government vehicle UQU 792 is registered in the name of the Engineering and Water Supply Department. On the day in question the driver of the vehicle was using the public facilities and purchasing lunch during a scheduled meal break at Westfield Shopping Centre, Marion.

Government vehicle UQB 472 is registered in the name of the Engineering and Water Supply Department. On the day in question the driver of the vehicle was using the public facilities and purchasing lunch during a scheduled meal break at Westfield Shopping Centre, Marion.

Government vehicle UQX 099 is registered to Clovelly Park Community Health Centre and belongs to the Marion Youth Project. It was parked at Westfield Shopping Centre on the date in question whilst the driver attended to banking duties for the centre.

Government vehicle UQO 856 is registered in the name of the Engineering and Water Supply Department. On the day in question the driver of the vehicle was using the public facilities and purchasing lunch during a scheduled meal break at Westfield Shopping Centre, Marion.

Government vehicle UQJ 945 is registered in the name of the Drug and Alcohol Services Council (DASC) and is located at the Payneham Alcohol Unit, 90-92 Fourth Avenue, Joslin. On a daily basis one of the clinicians from the unit visits five community houses under DASC's umbrella, three of these being located at 428 and 436 Morphett Road, Warradale, almost adjacent to the Westfield Shopping Centre, Marion and at 19 Darlington Street, Sturt also a short distance to Westfield.

These community houses provide a low rental, secure and alcohol/drug free environment for clients in rehabilitation. The clinician provides one-to-one counselling, the teaching of living, social and budgeting skills. In order to do this the majority of shopping expeditions take place at Westfield where clients learn to buy sensibly in relation to both cost and nutrition. Westfield is the closest shopping centre. Likewise, clients living at the Hughes Street, Mile end, community houses are taught similar skills and shop with the clinician regularly at the Central Market, Adelaide. The use of a Government vehicle for transporting and assisting clients is consistent with current organisation policy and is an important part of the rehabilitation process.

Government vehicle UQZ 945 is registered to the State Transport Authority. The vehicle was being used by the Regency Park Workshops. According to their records the vehicle has not left Regency Park for several weeks.

Government vehicle UQX 515 is registered in the name of ETSA. This vehicle is based at Riverton. Between 11.00 a.m. and 2.30 p.m. on 18 October, the employee was working at Balaklava, after which he returned to Riverton. This particular vehicle was, therefore, not at the Westfield Shopping Centre on the date mentioned.

Government vehicle UQZ 693 is registered to the State Transport Authority. The vehicle was being used by the Morphettville depot for ticket inspection.

Government vehicle UQT 567 is leased to Community Residential Care, Deparment for Family and Community Services. The vehicle was being used by a member of Community Residential Care who had been attending a meeting at the Marion FACS centre on that day and needed to have a key cut at the shopping centre for security purposes at that office.

Government vehicle UQP 558 was leased on short-term hire to the Public and Environmental Health Division, South Australian Health Commission. During the period of hire, the vehicle was in the charge of a Commission Health Surveyor from the Food Standards Unit of the Environmental Health Branch. The vehicle was at the Marion shopping centre (and also Unley, Mitcham, Burnside and Adelaide shopping centres) due to investigations being carried out in response to food label complaints.

Government vehicle UQX 333 is leased to the Southern Metropolitan Adolescent Support Team, Department for Family and Community Services. At the stated time, the vehicle was in the charge of one of the group workers who had taken a client of the Southern Metropolitan Adolescent Support Team to visit the Commonwealth Employment Service.

Vehicle UQT 817 is registered in the name of the Department for Family and Community Services and is located

at the Marion district. Without an exact time it is difficult to ascertain the vehicle's location as several staff used the vehicle throughout the day. No staff can recall having this vehicle at the shopping centre on the date mentioned.

(e) Government vehicle UQS 661 is registered to Glenside Hospital and used by the Marion Outreach Team. On 23 October 1990, the vehicle was driven by a clinical nurse consultant and was used to transport material for a static display within Wesfield Shopping Centre, Marion. The static display was part of Mental Health Week and comprised a number of exhibition screens which were transported to the centre at 9.00 a.m. and from the centre at 5.00 p.m. on Monday, 22 October and Tuesday, 23 October 1990.

Government vehicle UQW 751 is registered in the name of the Department of Road Transport. The painter involved was engaged in painting a departmental property in close proximity ot the shopping centre. He went there during his lunch break to withdraw his pay.

(f) Government vehicle UQG 515 is registered in the name of the Engineering and Water Supply Department. On the day in question the driver of the vehicle was at the Department of Motor Vehicles office renewing a licence as requested by his supervisor.

Vehicle UQU 575 is located at the Marion district office of the Department for Family and Community Serices. Without an exact time it is difficult to ascertain the vehicle's location as several staff used the vehicle throughout the day. No staff can recall having this vehicle at the shopping centre on the date mentioned.

Government vehicle UQS 451 is registered in the name of the Department of Road Transport. The traffic checker involved was returning to head office from field work on Lonsdale Road. He stopped off *en route* to buy lunch and use the toilet facilities. Government vehicle UQZ 693 is registered to the State Transport Authority. The vehicle was being used by the Morphettville depot for ticket inspection.

Government vehilce UQW 227 is registered in the name of the Engineering and Water Supply Department. On the day in question the driver of the vehicle was using the public facilities and purchasing lunch during a scheduled meal break at Westfield Shopping Centre, Marion.

Vehicle UQZ 752 is located at the Community Placement Team of the Department for Family and Community Services. On the date in question, a staff member was attending a meeting at the Marion district office of the department and due to unavailability of parking space at the Marion office had parked the car in the Westfield Shopping Centre carpark opposite.

Government vehicle UQX 360 is leased to the Queen Elizabeth Hospital. The vehicle is used by the post natal home visiting nurse of the Queen Elizabeth Hospital. The Nurse spends her working time in the western suburbs visiting mothers and their newborn babies. The nurse does not return to hospital during the day, and rather than using the ablution facilities of some of her clients' homes she prefers to use the facilities at Westfield Shopping Centre.

Government vehicle UQY 509 is registerd in the name of Southern Domiciliary Care and Rehabilitation Service. The driver of the vehicle was assisting a client in the Dementia Care Program with their shopping and banking.

Government vehicle UQY 507 is registered in the name of the Southern Domicilary Care and Rehabilitation Service. The driver, a paramedical aide, was assisting elderly clients with shopping and banking. The staff involved in the paramedical aide program conduct this service for approximately 30 clients a week. Therefore, they are frequently attending Westfield Shopping Centre on legitimate business.

Government vehicle UQK 303 is registered in the name of the Department of Housing and Construction. The driver of the vehicle was organising repairs to his work shoes. The driver as a carpenter is entitled to an issue of safety shoes which, due to a medical condition, must be reparied. Therefore, it is essential that his shoes are kept in good order and safe to work with. In this case it is considered appropriate that the employee organise repairs during normal working hours as with other tools of his trade.

Government vehicle UQW 005 is registered in the name of Flinders Medical Centre. The vehicle is allocated to the Child and Adolescent Mental Health Service. On the day in question, the vehicle was registered as being in Murray Bridge from 8.00 a.m. to 5.00 p.m.

(g) Government vehicle UQJ 817 was registered in the name of the Engineering and Water Supply Department. The vehicle was cancelled in 1988 and no longer exists.

Vehicle UQP 891 was located at the time at the Sturt Community Unit of the Department for Family and Community Services and would have been at the shopping centre for a number of reasons, for example, shopping for food, clothes and garden or household goods for the unit. The officer in charge of the unit has verified that the vehicle was being used for official purposes.

2. The Public Service Circular No. 30 guidelines were being adhered to by all the departments involved.

EDUCATION DEPARTMENT EMPLOYMENT POLICY

369. **Mr BRINDAL (Hayward)** asked the Minister of Education: What is the Education Department's policy with respect to the level any officer of the teaching service or employee under the Government Management and Employment Act can deputise in an acting position without having to go through an application and interview process, and what is the maximum duration that a person can occupy an acting position before an application and interview process is necessary?

The Hon. G.J. CRAFTER: GME Act Positions: The GME Act provides for employees to be assigned to acting positions of a higher classification for up to three years without a formal selection process. The method of reassignment in these cases depends on the needs of the department and the professional development of its employees and does not depend upon the level of the officer. Normally the process is one of advertising for expressions of interest which are processed by a panel. Other processes consistent with the GME Act are used on occasions.

Education Act Positions: Assignment into an acting position without a formal selection process cannot exceed one year and rarely exceeds six months. Various forms of modified selection procedures are available to schools to fill these acting positions. Each school is required to have its own policy with regard to filling these positions. Many of the modified selection processes use an application and/or interview process according to the needs of the school, the school policy and the tenure of the position.

371. **Mr BRINDAL (Hayward)** asked the Minister of Education: Are Education Department schools still required to have a policy in respect to filling acting positions from within their own personnel and if so, what is it, and, if not, why not?

The Hon. G.J. CRAFTER: All schools are required to have a policy in respect of filling internal positions. The school policy needs to address the following issues:

When the merit principle is to be used. (The merit principle must be used for all positions with a tenure of more than one year).

The changing needs of the school.

The staff development needs.

The use of section 47 of the Equal Opportunity Act.

Processes to be used to fill vacancies of short tenure.

The processes to be used when unforeseen circumstances lead to a vacant position which needs to be filled quickly.

Preparation of the job and person specifications.

By addressing the above issues in the formation of a school policy all staff are contributing to the leadership structures provided in the school. This process is designed to provide equitable access to leadership positions for all teachers in an efficient manner.

372. **Mr BRINDAL (Hayward)** asked the Minister of Education:

1. Further to the response of the Associate Director-General of Education in Estimates Committee A, who currently occupies the position of Superintendent (Poverty in Education) which was occupied by Mr M. Conley until his retirement and:

(a) was the position advertised and if so, how and when;

(b) was the position offered to officers at an equivalent level and, if not, why not; and

(c) what was the designated level of the position at the time of Mr Conley's retirement and is that level to be maintained and, if not, why not?

2. How many times has the position of Coordinator, Priority Education, been vacant in 1990 and:

(a) by what process was the position filled;

(b) when and how was it advertised;

(c) were substantive appointments made and, if not, why not;

(d) what efforts, if any, were made to ensure that appointees had the necessary background and knowledge not only of administration but of the specialised nature of the programs;

(e) what relevant experience did those appointed as Coordinator in 1990 bring to the position; and

(f) why were officers, who had previously been interviewed for the position and recommended by the interview panel as suitable, overlooked in the appointment?

The Hon. G.J. CRAFTER: The replies are as follows:

1. S. Sweetman is Acting Superintendent.

(a) No.

(b) No. The officer was assigned to the position on the basis of skills, knowledge and experience gained while Coordinator of Priority Education and as a principal in an Education Department school.

(c) ED2. All ED2 positions are under review as part of the Government Agency Review Group exercise.

EMERGENCY HOUSING

375. **Mr BRINDAL (Hayward)** asked the Minister of Housing and Construction: Will the Minister pursue measures to provide more emergency housing for young families and, if not, why not?

The Hon. M.K. MAYES: Despite the financial constraints imposed on this State under the Commonwealth/State Housing Agreement, the South Australian Housing Trust continues to provide a wide range of emergency housing responses to the community, and particularly to younger households which are recognised as having special needs. These commitments complement the substantial crisis services provided through the Supported Accommodation Assistance Program administered by the Minister of Family and Community Services.

In addition to the trust's general wait/turn allocations which assist a substantial number of young people, Housing Trust services which assist households in housing crisis are:

The Crisis Accommodation Program—This scheme provides housing capital assistance to supported accommodation services catering for people who are homeless and in crisis. One of the major functions of this program is the provision of dwellings for youth shelter and support programs.

Under CAP, which commenced in 1984, the Federal Government provided $2 605 383 which enabled the trust and private organisations to purchase/construct 43 dwellings and renovate 6 dwellings which are used to assist young families who seek emergency housing assistance prior to moving on to a more settled housing situation.

In 1990-91 funding from the Commonwealth Government of $3 358 million will be made available to South Australia for the purpose of providing improved conditions for fire, safety and security work; the purchase or construction of additional dwellings for new services, and major renovation of properties in urgent need.

In total, since 1984 CAP has provided 71 dwellings and 126 renovations which assist youth, women, general and family crisis accommodation needs at an expenditure of $11 020 448.

The Community Tenancy Scheme— The trust leases some 557 dwellings through this scheme to community groups and organisations responding to the accommodation needs of special needs groups, including young people. Forty-nine properties have been made available for family shelter purposes and a further 118 for youth housing. I have arranged a review of this scheme and a range of community housing program which respond to households requiring emergency accommodation.

The Direct Lease Scheme—This scheme provides medium term accommodation for young people with a history of unstable housing. Currently there are some 500 properties in the program.

Priority Housing—Priority housing provides permanent trust accommodation based on housing need and social, medical and financial factors.

Rent Relief—Rent relief assists low imcome households to secure and maintain private rental accommodation. This scheme has been reviewed recently and the formula for determining payment levels amended to provide additional benefit for under 18-year-olds.

Emergency Housing Office—Last financial year, the Emergency Housing Office had 34 754 contracts with households seeking assistance. Approximately half of this client base are households comprising of members under the age of 25 years.

The Emergency Housing Office provides information, advocacy and counselling to households in crisis and housing poverty. It provides and arranges emergency accommodation and makes a range of financial assistance payments for low income households. These include assistance with tenancy bonds, rent assistance, and in exceptional circumstances, assistance with removals and basic furniture items.

In 1989-90 the Government increased funding to the Emergency Housing Office by approximately 15 per cent ($731 000) to meet additional demand. In the current financial year, funding for the Emergency Housing Office has

been increased by a further 16 per cent from $5 735 000 to $6 651 000 based on projected demand.

OAKLANDS ESTATE KINDERGARTEN

387. **Mr BRINDAL (Hayward)** asked the Minister of Children's Services:

1. What is the justification for the half day per week closure of the Oaklands Estate Kindergarten in view of the clientele of the kindergaren and the Government's stated principles of social justice in relation to such clientele?

2. Is the Minister aware of enrolment projections (other than those used by the CSO), which indicate justification for the kindergarten remaining open on a full-time basis and, if so, what action does he propose to take and, if none, why not?

3. Will the Minister reconsider the decision and, if not, why not?

The Hon. G.J. CRAFTER: The replies are as follows:

1. In 1988, as part of the 4 per cent industrial agreement, the Government reached an agreement with the South Australian Institute of Teachers that staffing in preschools across the State would be based on average attendances over the preceeding 4 term period. Based on the agreed process and formula, Oaklands Estate Kindergarten staffing allocation was to be reduced—to half day centre staffing from term 1 of this year (1990).

The result was discussed with the committee and parents at that time, and the implementation was delayed to enable confirmation of the declining average attendance trend. The statistical analysis recently undertaken has again confirmed the staffing entitlement to be that of a half day centre, according to the agreed formula that is applied to all centres across the state—regardless of the centre's clientele.

2. Staffing allocation in preschools is based on attendance rather than enrolments. Consideration has, however, been given to projected enrolments, as provided by the centre, and the enrolment trend in the near future is similar to the enrolment pattern over 1990, when attendances have been consistent with half day staffing. Information available from other sources does not suggest an enrolment increase in the immediate future.

3. Since the centre's staffing entitlement throughout 1990 has been that of a half day centre it is not appropriate to continue to delay implementation of this decision. The staffing entitlement will be reviewed in term 1, 1991, and attendances will continue to be monitored. As staffing is allocated according to an agreed formula and process, if attendances in the future indicate an increase in staffing allocation, the allocation would be increased accordingly.

HOUSING TRUST

Mr MATTHEW (Bright) asked the Minister of Housing and Construction: How many South Australian Housing Trust clients (by suburb) came forward during the recent amnesty and confessed that they were understating household income or circumstances and what will be the saving to taxpayers as a result?

The Hon. M.K. MAYES: As a result of the South Australian Housing Trust amnesty held between 1 October 1990 and 10 November 1990, 425 trust clients declared that they had understated household income or change of circumstances which affected the rent payable to the trust. Please refer to attached list for a suburb-by-suburb breakdown of client declarations. To date 319 clients have returned forms, with 106 outstanding. The moneys involved so far are:

fraudulently obtained benefit—$264 216.50
increase rent collectable—$6 283.75 per week
increase rent collectable—$326 755.00 per year

In view of the aforementioned figures it is anticipated that the total benefit to the trust will be approximately $500 000 per annum in additional revenue.

SOUTH AUSTRALIAN HOUSING TRUST AMNESTY—BREAKDOWN OF FIGURES BY SUBURB

Aberfoyle Park	1	Morphett Vale	14
Adelaide	1	Morphettville	4
Angle Park	2	Mount Barker	4
Athol Park	1	Mount Gambier	8
Berri	2	Murray Bridge	8
Blair Athol	1	Nailsworth	1
Bordertown	3	Nairne	1
Broadview	1	Naracoorte	2
Brooklyn Park	1	Noarlunga Downs	3
Campbelltown	1	Northfield	1
Christie Downs	5	Nuriootpa	1
Christies Beach	3	Oaklands Park	3
Clare	1	Osborne	4
Clearview	4	Para Hills West	5
Craigmore	4	Para Vista	4
Croydon	3	Parafield Gardens	6
Cummins	1	Paralowie	2
Darlington	1	Paringa	1
Dover Gardens	2	Parkholme	3
Eastwood	1	Payneham South	1
Edwardstown	4	Penola	1
Elizabeth	33	Peterhead	1
Enfield	1	Plympton	1
Ethelton	1	Port Augusta	4
Evanston	3	Port Lincoln	4
Felixstow	1	Port Pirie	3
Ferryden Park	6	Renmark	1
Findon	2	Renown Park	2
Fulham Gardens	1	Reynella	1
Gawler	4	Ridgehaven	1
Gilles Plains	1	Royal Park	1
Glenelg	2	Salisbury	14
Glengowrie	1	Seacombe Gardens	3
Hackham West	13	Seaton	8
Hackney	1	Seaview Downs	1
Henley Beach	1	Sefton Park	1
Hillcrest	4	Semaphore Park	5
Ingle Farm	1	Smithfield	4
Kensington Park	1	Somerton Park	3
Kent Town	1	South Plympton	2
Kidman Park	4	Strathalbyn	2
Kilburn	4	Taperoo	4
Kingston	1	Torrensville	1
Klemzig	1	Tranmere	2
Largs North	1	Underdale	1
Loxton	1	Victor Harbor	1
Magill	1	Walkerville	1
Mansfield Park	2	West Lakes	1
Marion	1	Whyalla	14
Millicent	4	Windsor Gardens	3
Mitchell Park	4	Woodville	7
Modbury	2	Wynn Vale	1

WILLIAMSTOWN MILL

392. **The Hon. E.R. GOLDSWORTHY** asked the Minister of Forests:

1. Why was the Williamstown mill and associated land and buildings not put up for sale by tender?

2. In valuing the mill and associated property and timber licence what value was agreed for—

(a) the timber licence;
(b) the mill and equipment; and
(c) the land on which the mill was established?

3. If the valuation was on some other basis, what was that basis?

The Hon. J.H.C. KLUNDER: The replies are as follows:

1. Sale of the Williamstown mill by tender was considered by the corporation board but discarded for reasons including:

The poor profit performance of the mill in recent years. Trading conditions during 1988-89 were relatively good for the sawmilling industry. However, despite this and the fact that the mill had ample log supplies available, it recorded a significant trading loss.

Commercial considerations dictated that there would be few industry participants interested in acquiring the Williamstown mill assets. Negotiations with CSR-Softwoods also led to SATCO gaining access to additional log supplies in the South-East almost equivalent to the volume it has forgone from the Adelaide hills region. This arrangement is expected to be of significant benefit to SATCO operations in future years as is the increased log available to CSR-Softwoods' mill at Kuitpo. Both organisations will achieve a more efficient use of capital assets which is significant to their ongoing competitiveness in Australian markets.

Advice I received from the Chairman of SATCO indicated that sale of business assets by negotiation was clearly the preferred course to a general tender call, particularly in circumstances where there was a very limited number of potential buyers available and continued operation of the business in its original form was in doubt.

2. A sale price for mill equipment, land and buildings was agreed with CSR-Softwoods by negotiation. During discussions, no values were assigned to individual assets or groups of assets. The sale price of $1.5 million resulted in a capital loss of $131 000 being recorded in the company's accounts.

3. Valuation of individual components of the transaction was not used as a method of reaching agreement on the final selling price. The price was determined by the purchaser making what the chairman of the corporation considered to be a satisfactory offer for the business assets as a whole.

GOVERNMENT MOTOR VEHICLES

394. **Mr BECKER (Hanson)** asked the Minister of Transport:

1. What Government business was the driver of the vehicle registered UQT 783 engaged in on Tuesday, 23 October 1990 at 11 a.m. in the car park of R.M. Williams in Percy Street, Prospect?

2. Have the responsibilities under Public Service Circular No. 30 been brought to the attention of this driver and, if not, why not?

The Hon. FRANK BLEVINS: The replies are as follows:

1. The driver of vehicle UQT 783 had been authorised to use the vehicle for official business on the day in question. However, at the time mentioned he was not authorised to be in the car park of R.M. Williams.

2. The driver has been counselled and reminded of his responsibilities in terms of Commissioner's Circular No. 30.

395. **Mr BECKER (Hanson)** asked the Minister of Transport:

1. Was the driver of Government vehicle registered UQZ 784 carrying out Government business on Saturday, 10 November 1990 at 3.15 p.m. when making a purchase at the Royal Oak Hotel Bottle Shop, O'Connell Street, North Adelaide?

2. Have the guidelines set out in Public Service Circular No. 30 been brought to the attention of this driver and, if not, why not?

The Hon. FRANK BLEVINS: The replies are as follows:

1. The State Fleet vehicle is a Nissan Navara 4WD and was being used by the engineering and track construction team retained by the Australian Formula One Grand Prix Office. The duties of the driver of the vehicle in question required attendance at the circuit on Saturday, 10 November 1990 and the officer concerned was on his way home. The activity as outlined in the question was not related to Government business.

2. The driver has been advised that greater discretion needs to be exercised in the future and that full compliance with established guidelines for use of Government vehicles is required.

AUSTRALIA POST

396. **Mr BECKER (Hanson)** asked the Minister of Finance:

1. Is the Minister aware that Australia Post, in advertising that motor vehicle registration, South Australian Gas Company, Engineering and Water Supply, South Australian Police, Electricity Trust of South Australia, State Government Insurance Commission, Department of Fisheries and National Parks accounts and fees may be paid at most post offices and selected larger agencies, is causing confusion in that West Beach, Fulham and Camden Park Post Offices are unable to provide all these services because of lack of computer facilities and, if so, what action can the Government take to ensure all these services are provided at all post offices and agencies in the State?

2. Will the Government ensure that any holdup in motor vehicle registration facilities being available is no longer delaying commencement of this service?

3. When were the required facilities for registration of motor vehicles to be paid via Australia Post finalised and what was the reason for the delay?

The Hon. FRANK BLEVINS: The replies are as follows:

1. The agreement signed by the Treasurer was for payments to be made at most post offices and selected larger agencies. The list of agencies and post offices that were included in the agreement is extensive. Included in this list are 123 metropolitan locations and 59 country locations (total 182) where payments may be made. Information from Australia Post indicates that these locations were chosen as being commercially viable using factors such as their location in or near major shopping areas and population centres. As well, these locations are expected to attract increased levels of business in the future. Australia Post is currently undertaking a comprehensive review of all its business locations with a view to further extending the existing computer network.

2. The agreement with Australia Post is that motor vehicle registration facilities will only be available at those Australia Post locations which have electronic counter services (ECS) terminals installed. West Beach, Fulham and Camden Park do not have ECS facilities at this stage. Installation is a matter for Australia Post.

3. Introduction of the registration renewal facility was dependent upon legislative change to the Motor Vehicles Act. This was necessary in order to authorise Australia Post to issue temporary vehicle registration permits on behalf of Motor Registration. The required changes to the Act have now been passed by Parliament. Motor Registration and Australia Post introduced vehicle registration renewals through Australia Post locations from Monday, 19 November 1990.

DEEP SEA PORTS

397. **Mr GUNN (Eyre)** asked the Minister of Marine:

1. What was the 1989-90 revenue and profit or loss for each of the deep sea ports in South Australia?

2. How much is the Department of Marine and Harbors going to spend in 1990-91 on upgrading the ports?

The Hon. R.J. GREGORY: The replies are as follows:

1. The revenue and financial results of S.A. ports in 1989-90 are as follows:

	Revenue $'000	Surplus/ (Deficit) $'000
Port Adelaide	21 572	(2 796)
Port Bonython	3 749	2 982
Port Lincoln	3 956	(866)
Port Giles	942	(426)
Thevenard	3 682	748
Wallaroo	1 889	(200)
Port Pirie	3 741	(581)
Other Ports	831	339
Private Ports	5 204	4 733

* The surplus/deficit results have been calculated on a cash accounting basis and depreciation has been applied, based on the current written down historical cost of assets employed at these ports.

2. The Department of Marine and Harbors total capital works program includes the following investment in commercial port facilities:

Port Adelaide
— Oil Berth/Fire Fighting Facilities $2.998M
— Container Berth Shipping Facilities $6.220M
— Breakwater refurbishment $0.320M
Port Giles
— Bulk Loading Plant re-roofing $0.560M
Thevenard
— Jetty Structure upgrade $0.300M
Wallaroo
— Jetty/BLP strengthening $0.155M
General Navigational Aids Upgrade $0.470M

'BRIGHT START, BRIGHT FUTURE'

398. **Mr GUNN (Eyre)** asked the Minister of Children's Services: How much is the Children's Services Office spending on the promotion 'Bright Start, Bright Future' including television advertisements, car stickers and administration?

The Hon. G.J. CRAFTER: The cost of the promotion was $14 250. The promotion was designed in line with part of the Children's Services Office Strategic Plan 1990-91 which states: 'To promote community awareness and knowledge of children's services'. The campaign ws carefully targeted to appeal to disadvantaged groups who often do not respond to traditional publicity. These groups are:

Aboriginal parents;
unemployed parents;
single parents;
those with limited command of Eglish; and
parents with literacy prolems.

The advertisement was shown as a community service announcement, thereby receiving bonus free showings for each paid spot of air time.

SHARK FISHING

401. **Mr MEIER (Goyder)** asked the Minister of Fisheries:

1. What are the respective licence, net licence, net registration, fishers licence, boat licence, general licence and any other licence fees for State marine scale fishers who fish for shark and for South Australian fishers who have a Commonwealth shark licence and, if the various fees are different, what are the reasons for such differences?

2. What restrictions apply to each respective shark fisher in terms of area in which they can operate?

3. Can any marine scale fisher fish for shark and, if so, can they use any method, for example, hand lines, drop lines, trolling lines, fish traps or nets?

4. What limits, if any, are placed on the catching of shark under State and Commonwealth licences?

The Hon. LYNN ARNOLD: The replies are as follows:

1. State marine scalefish fishery licence holders are required to pay an annual licence fee of $376 for the renewal of commercial fishery licences. An additional fee of $250 is applicable to those licence holders who have the registration of a mesh net (including large mesh [shark] nets) for the taking of fish for the purpose of trade or business. No other fees are applicable for State fishery licence holders. Fishers who hold a Commonwealth fishing boat licence to fish in Commonwealth waters are required to pay a licence fee of $60 and an additional licence levy of $395. This licence enables fishers to take shark by longline only. Fishers who have an endorsement to participate in the Commonwealth southern shark gillnet fishery are required to pay a net levy of $570 per net they are entitled to use. Participants in this fishery hold an average endorsement of five nets.

2. State marine scalefish fishery licence holders may only use longlines or large mesh (shark) nets for the taking of shark within three nautical miles of—

(a) the low water mark of the mainland coast;
(b) the low water mark of any island adjacent to the coast;
(c) baselines specified in items 29 to 42 of table 1 of the schedule of the proclamations published in *Commonwealth Gazette* No. S29 of 9 February 1983;
(d) baselines specified in items 1 to 4 of table 1A of the proclamation published in the *Commonwealth Gazette* No. S57 of 31 March 1987.

An indicative map describing these areas is available from the Department of Fisheries in the booklet 'Guide to Fisheries Legislative Jurisdiction'. Fishers who hold a Commonwealth fishing boat licence and are only entitled to use longlines for the taking of shark in Commonwealth waters may operate in any Commonwealth waters of Australia which are not closed to fishing. Participants in the southern shark gillnet fishery may only operate the nets endorsed on their licence within Commonwealth waters (between 3 nautical miles and 200 nautical miles) bounded by the Victorian/New South Wales State border and the South Australian/Western Australian State border, including Commonwealth waters adjacent to Tasmania.

3. Any State marine scalefish fishery licence holder is entitled to take shark for the purpose of trade or business using handlines or rods and lines in any waters of the Australian fishing zone adjacent to South Australia as these devices do not require registration on State fishery licences. Licence holders may only take shark using other devices if the devices used are registered on the respective licence. Large mesh (shark) nets and longlines may only be used in State waters by State fishery licence holders (see 2).

4. In addition to the area and device restrictions listed above, there are a number of specific input controls in both the Commonwealth and State shark fisheries in such areas as mesh size, number of devices, hooks etc. Size limits of

45cm for gummy shark and 40cm for school shark apply to fish taken in waters adjacent to South Australia. (These sizes are measured from the fifth gill slit to the base of the tail).

GOVERNMENT MOTOR VEHICLES

405. **Mr BECKER (Hanson)** asked the Minister of Transport: What Government business was the driver of the vehicle registered UQW 352 carrying out which necessitated a visit to Harry's Home Centre, Mile End on Saturday 17 November at 1.35 p.m. and was the driver authorised to use the vehicle for the purpose of visiting the store on that day?

The Hon. FRANK BLEVINS: The Commissioner of Police has advised that Government vehicle No. UQW 352 is registered to the South Australian Police Department. On Saturday 17 November 1990, the vehicle in question was allocated to an officer of that department who was, at the time, engaged in scheduled despatch duties. Whilst travelling between two designated locations, the driver stopped for a meal break and purchased food items from the snack bar located at Harry's Home Centre, Mile End.

406. **Mr BECKER (Hanson)** asked the Minister of Transport:

1. What Government business was the driver of the vehicle registered UQF 225 attending to at 4.45 p.m. on Monday 12 November at White House furniture, 125 South Road, Morphett Vale?
2. Has the driver been made aware of the guidelines set out in Public Service Circular No. 30 and, if not, why not?

The Hon. FRANK BLEVINS: This vehicle is allocated to Mr M. Carroll a leading hand lift mechanic employed by the Engineering Workshop of SACON. Mr Carroll had finished work at 4.15 p.m. and was on his way home when he stopped at Clark Rubber (adjacent to White House Furniture) to obtain replacement rubber door stops and seals used on various lifts. Mr Carroll has approval to garage a Government vehicle at home as he participates in the 'on-call' system in the workshop. He is aware of his obligations and responsibilities when using a Government vehicle.

407. **Mr BECKER (Hanson)** asked the Minister of Transport: What Government business were the drivers of the vehicles registered UQB 003, UQT 962, UQS 154, UQW 345, and UQU 157 carrying out at 6.38 p.m. on Friday 16 November when parked at the rear of the Esso Service Station, Darlington.

The Hon. FRANK BLEVINS: Vehicle registered number UQB 003 is a John Deere four-wheel drive tractor, with a heavy duty grass slasher attached, and it is owned by the State Transport Authority. On 16 November 1990, it was out of commission due to an electrical fault which resulted in the batteries being flat. It was garaged at the Adelaide railway yard depot on that day and subsequent weekend.

GEOGRAPHICAL NAMES BOARD

408. **Mr D.S. BAKER (Leader of the Opposition)** asked the Minister of Education: What was the name of the school originally approved without reference to the Geographical Names Board by the Education Department and which was referred to as inappropriate in the 1989-90 report of the board, why did the board consider that name to be inappropriate and what is now the name of the school?

The Hon. G.J. CRAFTER: The replies are as follows:

1. Settlers Farm School was the planning name.
2. In October 1989 the Geographical Names Board considered the name inappropriate because it has an estate rather than a suburb association, and its generalised reference to early settlers was not matched with a specific heritage identification.
3. The school is now called Settlers Farm, following the board's reconsideration of the name in light of the widespread use of the name by the local community and representations made on its behalf by the school council, the local member and the Minister of Education.

FAXNET

412. **Mr BRINDAL (Hayward)** asked the Minister of Education:

1. What is the purpose of the Faxnet system and how does it work?
2. Why was it introduced and what are the anticipated economic and other benefits from the system?
3. What is the system expected to cost in a full year and what offset costs have there been in respect to it?

The Hon. G.J. CRAFTER: The replies are as follows:

1. The Faxnet system enables copies of documents to be transferred between any groups of schools or work sites in which Education Department employees are located in South Australia. The network consists of facsimilie machines which communicate with each other using the public telephone network.

Communication occurs either by direct dialling or by relayed transmission from a number of central/local hub machines, the latter being introduced so as to reduce long distance telephone costs as well as enabling multiple transmissions to occur at the same time.

2. The system was introduced to alleviate the delays of communication to schools and worksites which occur through courier and postal delivery, as well as to introduce the ability for immediate document transfer between any two points within the department for personnel, strategic or administrative purposes. The curriculum has also benefited, as has distance education and open access delivery, enabling the Open Access College to transfer students' work immediately, even during a lesson. School and support Unit vacancies, previously pulished in the *Education Gazette*, have been distributed by Faxnet since the beginning of term 4 1990. This has resulted in vacancies being advertised and filled more rapidly.
3. The cost of the Faxnet system in a full year (1990) is as follows: For a proportion of telephone line rentals that are also used by the schools for other purposes $75 625.20. For the call costs involved with the transmission of messages from the central/local hub machines $39 638.24. (This approximates to 0.30c per document per location.)

The cost of postage and envelope alone is greater than fax for a two page average document. The cost of posting out a two page document to all sites is approximately $574.00. This includes printing, enveloping, labelling and postage which averages at 66c per location. To send the same document via Faxnet costs $183.00 in call costs or an average of 24c per location which is less than the cost of postage.

EDUCATION DEPARTMENT VACANCIES

413. **Mr BRINDAL (HAYWARD)** asked the Minister of Education:

1. In view of the six priority education vacancies advertised in the *Advertiser* of 23 November, will the Minister

provide advice as to the devolution of the programs in 1991?

2. Are the numbers of professional staff employed for administrative and consultancy purposes by the Country Areas and Disadvantaged Schools Programs, respectively, increasing, remaining static or decreasing by comparison with the 1990 figures and how do those trends compare with the general pattern of curriculum support services provided by the Education Department in the same period?

The Hon. G.J. CRAFTER: The replies are as follows:

1. Information provided to the member for Hayward earlier in the year described the steps taken to devolve both the Disadvantaged Schools Program and the Country Areas Program. These structures and processes will be maintained. Furthermore, responsibility for the selection of school-based personnel now lies with schools within Education department and area policies and procedures.

The devolution of the Disadvantaged Schools Program and Country Areas Program is regularly reviewed in light of curriculum directorate functions and priorities.

2. The number of professional staff employed in the Priority Education Unit will increase by 0.5 for 1991. The recommended list of priority projects schools for 1991 includes an additional 27 schools. The additional schools required some additional field officer time. However, the restructuring of the Priority Education Unit for 1991 precludes the need for further staff increases. Curriculum support services to schools provided by the Education Department are not yet finalised for 1991 and no comparisons can be made.

EDUCATION DEPARTMENT PROGRAMS

414. **Mr BRINDAL (Hayward)** asked the Minister of Education: In view of the Minister's reply to the member for Hayward in respect of the Disadvantaged Schools and the Country Areas Programs that 'the responsibility for the administration of the program rests with the state education systems', does he intend to inform his Federal counterpart that the Government does not intend to adhere to the Federal guidelines which, for the Inter-systemic Country Areas Program, stipulate that management is vested in the State Advisory Committees of the Program?

The Hon. G.J. CRAFTER: The State Advisory committees for both the Disadvantaged Schools Program and the Country Areas Program have the responsibility for providing advice to the Minister of Education.

In South Australia the responsibility for the ongoing administration and management of the programs is delegated to the Curriculum Directorate through the Director-General of Education.

EDUCATION DEPARTMENT COUNSELLORS

417. **Mr BRINDAL (Hayward)** asked the Minister of Education:

1. How many professional counsellors are employed by the Education Department to deal either with the prevention of or counselling of teachers and ancillary staff suffering from stress-related illness?

2. What were the number and average length of hours lost by teachers and ancillary staff because of stress-related illness in 1990 and how do these figures compare with those in 1989?

3. What were the estimated costs of stress-related illnesses in 1990?

The Hon. G.J. CRAFTER: The replies are as follows:

1. There are 8.6 FTE personnel counsellors to support employees reporting work-related injury or disability.

2. and 3.

Financial year	Reports	Lost time (wks)	Cost
1988-90	196	3 492	$3.1 million
1989-90	264	2 911	$2.3 million

EDUCATION DEPARTMENT FIGURES

418. **Mr BRINDAL (Hayward)** asked the Minister of Education:

1. How many FTE-seconded teachers, administrative and clerical staff are currently employed by the Curriculum Directorate of the Education Department and how many of these are employed in the Flinders Street office?

2. What are the anticipated employment figures for the directorate in 1991 and if there is any reduction, what effect will such a reduction have on the support services offered by the directorate?

The Hon. G.J. CRAFTER: The replies are as follows:

1. State-funded positions in the Curriculum Directorate as a whole and positions located in Central Office for 1990 are as follows:

	Seconded Teachers	Administrative*	Clerical
Curriculum Directorate	67.5	54.5	64.7
Central Office	0.2	6.0	13.1

(* Administrative officer group includs Superintendents of curriculum and employees in technical classifications employed in the Materials Development and Technology Services Unit.)

2. No decisions have been taken with regard to staffing levels for 1991. The outcome of the Education Department's submission to the Government Agency Review Group will determine future staffing levels.

EDUCATION DEPARTMENT CURRICULUM UNIT

419. **Mr BRINDAL (Hayward)** asked the Minister of Education: In relation to each discrete curriculum unit in the Education Department—

(a) what is the location;
(b) how long has it operated;
(c) what is its function; and
(d) how many seconded teachers, administrative and clerical staff does it employ?

The Hon. G.J. CRAFTER: The reply is as follows:

1. Plympton Curriculum Unit (the arts)
   (a) Plympton High School
   (b) 12 months
   (c) provides advisory and curriculum management support for the arts; houses the music section resource collection
   (d) seconded teachers—4 administrative and clerical staff—6
2. West Beach Curriculum Unit (Sports Administration)
   (a) West Beach Primary School
   (b) 2 years
   (c) management of the South Australian Primary School Sports Association and South Australian Secondary School Sports Associations
   (d) seconded teachers—3 administrative and clerical staff—2
3. Languages and Multicultural Centre
   (a) Newton Primary School
   (b) 3½ years
   (c) LOTE and English as a Second Language, management support for the New Arrivals Program and Multiculturalism in Education
   (d) seconded teachers—30 administrative and clerical staff—11.4

4. Materials Development and Technology Support Unit
(a) Darlington Primary School, The Parks Community Education Centre
(b) 6 months
(c) responsible for the publishing of curriculum support materials; development of software materials for curriculum support
(d) seconded teachers—10.8 administrative and clerical staff—23.1
5. Mitchell Park Curriculum Unit
(a) Mitchell Park High School
(b) 18 months
(c) mathematics, science and technology
(d) seconded teachers—12.5 administrative and clerical staff—4.7
6. Morialta Curriculum Unit
(a) Morialta High School
(b) 18 months
(c) 8-12 schooling
(d) seconded staff—8 administrative and clerical staff—3.6
7. Ingle Farm Curriculum Unit
(a) Ingle Farm Primary School
(b) 15 months
(c) the teaching of English and literacy
(d) seconded staff—7 administrative and clerical staff—7
8. Gilles Street Curriculum Unit
(a) Gilles Street Primary School
(b) 10 months
(c) R-7 education; Girls in Education and parent participation
(d) seconded staff—14 administrative and clerical staff—6.5
9. Aboriginal Education Curriculum Unit
(a) Enfield Primary School
(b) 15 months
(c) Aboriginal Education
(d) seconded staff—9.5 administrative and clerical staff—9
10. Fulham Gardens Curriculum Unit
(a) Fulham Gardens Primary School
(b) 15 months
(c) Human Society and the Environment
(d) seconded staff—4 administrative and clerical staff—2.4
11. Marden curriculum unit
(a) Marden High School
(b) 2 years
(c) Health, Physical Education and Personal Development
(d) seconded staff—8 administrative and clerical staff—9
12. Flinders Park Curriculum Unit
(a) Flinders Park Primary School
(b) 10 months
(c) special education and student services
(d) seconded staff—4 administrative and clerical staff—3
13. Priority Education Unit
(a) Warradale Primary School
(b) 8 years
(c) Disadvantaged Schools Program
(d) seconded staff—16 administrative and clerical staff—8.3

GOVERNMENT MOTOR VEHICLES

422. **Mr BRINDAL (Hayward)** asked the Minister of Education:

1. What is the Education Department's policy regarding the use of departmental vehicles to travel to and from work?

2. What is the departmental policy regarding the garaging of vehicles and is there any limit to the distance that vehicles can be garaged from the work site?

3. Is an encouragement given to separate Government departments using the same vehicle travelling to the same regional centre?

4. By whose authority is a Government vehicle being driven from Lipson to Port Lincoln and return on an almost daily basis and what is the justification for the expenditure involved?

The Hon. G.J. CRAFTER: The replies are as follows:

1. The Education Department's policy regarding the use of departmental vehicles to travel to and from work is the Government policy set down in Commissioner's Circular No. 30.

2. Departmental policy regarding the garaging of vehicles is such that vehicles are normally to be garaged at the work site, unless there is no safe garaging facility at the work site and there is evidence of wilful damage to or loss of the vehicles. There are a number of work locations at which security of departmental vehicles cannot be guaranteed. In such cases, the director controlling the vehicle may approve an alternate garaging location at an employee's residence. In the case of alternative garaging, the employee concerned must be willing to garage the vehicle, and be able to do so in a way which both reduces the potential risk to the vehicle and minimises the distance involved in driving the vehicle between the workplace and the residence. Garaging away from the work site can be undertaken by a number of employees, depending on which officer has a need to use a vehicle on official business on the following day. There is no limit on the distance that vehicles can be garaged from the work site, but every effort is made to minimise the distance.

3. There are occasions when officers of separate Government departments travel to the same regional centre together.

4. The vehicle referred to is leased by the Country Areas Program from State Fleet with the authority of the Coordinator, Priority Education. The officer responsible for the vehicle is a Priority Education Field Officer who spends the majority of her time in schools and attending school council meetings and local action committee meetings (parents groups) on an after-hours basis. Accordingly, use of the vehicle is in accordance with Commissioner's Determination No. 30, clause II (2) and III (3).

423. **Mr BECKER (Hanson)** asked the Minister of Health:

1. How many motor vehicles are attached to the South Australian Health Commission and The Department for Family and Community Services head office?

2. How many rented spaces are reserved for them each day at the CitiCentre car park and what is the occupancy rate and weekly cost of each car park?

3. When was the last review of allocation and use of motor vehicles and what savings were envisaged and, if none, why not?

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

South Australian Health Commission:

1. Twenty three.

2. Eleven. Occupancy rate is approximately 100 per cent. Weekly cost of each park is $44.20.

3. The last review of the allocation and use of motor vehicles was in May 1990. All Health Commission Central Office long-term hire vehicles are now made avaiable for official use by other central office staff as an alternative to obtaining taxis or short-term hire vehicles from State Fleet. It is envisaged that the use of long-term hire vehicles in this way by central office staff will optimise their utilisation and significantly reduce the cost of taxi hire and short-term vehicle hire that would otherwise be incurred. A computer-based booking system has been established and procedures are in place to monitor the use of long-term and short-term hire vehicles by central office staff to ensure that the most economical use of all vehicles is achieved.

The Department for Family and Community Services:

1. Eleven. The Commissioner for the Ageing also has a vehicle.

2. Ten. Occupancy rate is almost 100 per cent. Weekly cost of each park is $44.20.

3. The last review of the allocation and use of motor vehicles at CitiCentre occurred in May 1990. No savings were identified. All vehicles are utilised as needed by FACS employees at CitiCentre for official travel.

424. **Mr BECKER (Hanson)** asked the Minister of Transport:

1. What Government business was the driver of the vehicle registered UQW 154 with a trailer attached attending to at Sleepers & Creepers at Coromandel Valley on Sunday 18 November, and what was the reason for the one adult and one child passenger being in the vehicle?

2. Have the guidelines in Public Service Circular No. 30 been brought to the attention of the driver and, if so, what action has been or will be taken if the driver was not on Government business and, if none, why not?

The Hon. FRANK BLEVINS: The replies are as follows:

1. The vehicle in question is issued to a member of the State Emergency Service who is required to respond to emergency calls at any time. However, on 18 November 1990 the vehicle was not being used for Government business nor had permission been given for any private use.

2. The guidelines in Public Service Circular No. 30 have been brought to the attention of the driver and, in addition, he has been counselled on the misuse of a Government vehicle.

425. **Mr BECKER (Hanson)** asked the Minister of Transport:

1. What Government business was the driver of the vehicle registered UQY 341 attending at a dentist's surgery in Jeffcott Street, North Adelaide between 3.57 p.m. and 5.6 p.m. on Monday 26 November and what was the reason for the female passenger being in the vehicle?

2. Have the guidelines in Public Service Circular No. 30 been brought to the attention of the driver and, if so, what action has been or will be taken if the driver was not on Government business and, if none, why not?

The Hon. FRANK BLEVINS: Government vehicle UQY 341 is registered to the Electricity Trust of South Australia. The vehicle in question is assigned to an ETSA district supervisor who is on call 24 hours a day. The driver is assigned to the Adelaide district depot, which has normal working hours between 7.15 a.m. and 3.40 p.m. On 26 November 1990 the driver attended a dental appointment on the way home at 4 p.m. in Jeffcott Street, North Adelaide. At that time, he picked up his wife who works in North Adelaide. The employee has been reminded of his responsibilities whilst in charge of an ETSA vehicle.

426. **Mr BECKER (Hanson)** asked the Minister of Transport:

1. What Government business necessitates the driver of the vehicle registered UQQ 659 calling at Delta Crescent, Aberfoyle Park at about 10 to 10.30 a.m. for half an hour or more at least once a day and sometimes several times on Fridays?

2. What classification is the driver and what are the terms and conditions of the driver's employment?

3. Has Public Service Circular Number 30 been brought to the driver's attention and, if not, why not?

The Hon. FRANK BLEVINS: The replies are as follows:

1. The vehicle in question is assigned on a day-long basis to a paramedical aide who lives in Delta Crescent, Aberfoyle Park. For the past two weeks the paramedical aide has, for personal reasons, been calling into her home during her breaks.

2. The driver is a paramedical aide employed on a full-time basis.

3. Public Service Circular No. 30 has been brought to the attention of the driver of the vehicle. The driver's action is not condoned and disciplinary action has been taken.

ELECTRICITY CHARGES

431. **Mr BRINDAL (Hayward)** asked the Minister of Mines and Energy: Why are the three Salesian Sisters who are living in a convent at Brooklyn Park charged commercial rates by ETSA when their incomes are very small and they are required to pay for the electricity themselves? Will the Minister intervene in this and any other instances on the grounds of social injustice and, if not, why not?

The Hon. J.H.C. KLUNDER: The domestic tariff applies to consumption used by households for everyday living, provided the premises have permanent sleeping, cooking, bathing and toilet facilities. Households are defined as a family or a group of individual persons up to four and, where one or two families or eight individuals reside in a residence, only one supply charge is applied in calculating the account. Religious priories, seminaries and convents are not considered to be households and would normally have more than eight occupants. They are therefore not eligible for domestic tariff.

A trust officer recently visited the convent and spoke to Sister Delma who advised that, although the convent has rooms for up to ten occupants, only three were lived in during school terms. Communal cooking and laundry facilities are available for the occupants. Now that we are aware of the small number of sisters occupying the convent, and that it is used as a domestic residence, the trust will change the tariff to domestic rates for the next account render.

MALLALA DEVELOPMENT

432. **Mr MEIER (Goyder)** asked the Minister for Environment and Planning:

1. What is the Government's intention regarding development in the area between the Gawler and Light Rivers in the District Council of Mallala?

2. Will the Government indemnify the ratepayers of the Mallala District Council against any or all of the millions of dollars necessary for stormwater drains in the area?

The Hon. S.M. LENEHAN: The replies are as follows:

1. The Government has no particular intentions for development in the area between the Gawler and Light Rivers in the District Council of Mallala. In accordance with earlier commitments, the Government is examining the extent of flooding of the Gawler River and will, if necessary, redefine the Gawler River floodplain.

2. The provision of stormwater drains is the responsibility of local councils; therefore, the Government will not indemnify ratepayers against the cost of stormwater drains.

LEWISTON BOUNDARY

433. **Mr MEIER (Goyder)** asked the Minister of Employment and Further Education, representing the Minister of Local Government: Why was a full investigation not carried out by the Department of Local Government when inquiries were put to that Department by the residents of Gawler River regarding the Lewiston boundary and names issue?

The Hon. M.D. RANN: The Department of Local Government received a number of letters and telephone inquiries over a considerable period in relation to the assignment of the name 'Lewiston' to a portion of the area of the District Council of Mallala. The department monitored the debate, and responded appropriately to all the inquiries, but was not at any time in a position to intervene. The name change proposal was initiated by the Geographical Names

Board, pursuant to section 9 (2) of the Geographical Names Act 1969 and did not pertain to provisions of the Local Government Act. The Geographical Names Act is administered by the Minister of Lands.

Following an invitation from the Geographical Names Board, the council considered the matter on two separate occasions and came to the same conclusion on both occasions. Council again considered the matter a third time following expressions of public concern, but confirmed its previous decisions to support the name change.

GAWLER RIVER

434. **Mr MEIER (Goyder)** asked the Minister of Lands:

1. Why has the name Gawler River been gazetted for the district east of Boundary Road when the Geographical Names Board had advised residents, the Ombudsman and the Bunyip that it would be a misnomer to allocate the name to the district west of Boundary Road because it was not a recognised place name?

2. Will the Minister further investigate the matter and ensure that the process as set out in the Geographical Names Act 1937 is followed?

The Hon. S.M. LENEHAN: The suburb of Gawler River was gazetted following a request by the District Council of Light to the Geographical Names Board to provide suburb names to the southern portion of the council area. The name was established in conjunction with the District Councils of Mallala and Light, Australia Post and the police. On 21 June, the area to the west of Boundary Road was officially named Lewiston, a name associated with the area since the 1850's. A group of residents has aggressively challenged the name and boundaries of this suburb claiming that all or at least part of it should be named Gawler River.

The Geographical Names Board advised them that it was not appropriate to use the name Gawler River for Lewiston, as it was not a recognised place name in that area. It did not advise, as has been claimed, that the name Gawler River could not be used as a suburb name in an appropriate location. The land to the east of Boundary Road has a strong historical connection with the name Gawler River. The area is roughly centred around the old Gawler River School and the still-used Gawler River church and cemetery established in the mid 1850s. Accordingly, the name Gawler River has been allocated to this area. I have had considerable personal involvement in this matter and am satisfied that the Geographical Names Board has carried out the procedures required by the Geographical Names Act and believe further investigations are not required.

GOVERNMENT VEHICLES

435. **Mr BECKER (Hanson)** asked the Premier:

1. Does the Government vehicle allocated to Mr G. Anderson have a bicycle carrier on the rear and, if so, why is a bicycle carrier a usual optional extra for Government vehicles and if so, why?

2. Is the allocation of a vehicle to Mr Anderson part of a total salary package for the classified position he occupies and if so, why?

The Hon. J.C. BANNON:

1. The guidelines for the provision of private-plated vehicles allow optional equipment to be fitted at the employee's own expense.

2. Yes. The officer has been classified by the Commissioner for Public Employment as an Executive Officer Level 2. As such he is entitled to a private-plated vehicle for business and private use.

STUDENT ASSISTANCE

436. **Mr BRINDAL (Hayward)** asked the Minister of Education:

1. What assistance is given to those categories of students who are differently abled within the education system and if any categories do not receive assistance, why not?

2. How many hours of additional teaching and/or ancillary time is allocated to each category of student?

3. How does the proposed allocation of hours for 1991 vary from each of the previous three years and what is the reason for any variation?

The Hon. G.J. CRAFTER: The replies are as follows:

1. Additional salaries to support students with disabilities are allocated to areas and specialist centres by formula, and are then allocated according to identified curriculum need and not on the category of disability.

2. Not applicable.

3. Not applicable.

GOVERNMENT VEHICLES

438. **Mrs KOTZ (Newland)** asked the Minister of Transport:

1. What Government business was the driver of the vehicle registered UQR 748 conducting on Thursday 6 December at 5.27 p.m. in the car park of K Mart at Ingle Farm?

2. Have the responsibilities under Public Service Circular No. 30 been brought to the attention of this driver and, if not, why not?

The Hon. FRANK BLEVINS: The replies are as follows:

1. The driver, a community health worker at the Salisbury Community Health Service, had just left the service's Ingle Farm Outreach service which is located next door to the K-Mart car park. The driver was authorised by the Chief Executive Officer to take the vehicle home that evening and, in taking a short cut through the car park, had stopped to use an Easybank machine.

2. The responsibilities of Public Service Circular No. 30 are known to the driver of the motor vehicle.

439. **Mrs KOTZ (Newland)** asked the Minister of Transport:

1. What Government business was the driver of the vehicle registered UQU 502 transacting on Thursday 6 December at 5.01 p.m. in the car park of the Bi-Lo Supermarket at Greenacres?

2. Have the responsibilities under Public Service Circular No. 30 been brought to the attention of this driver and if not, why not?

The Hon. FRANK BLEVINS: The replies are as follows:

1. Between 3.30 p.m. to 4.45 p.m. on the date in question, the driver of vehicle UQU 502, a social worker attached to the Eastern Geriatric Assessment Team (in conjunction with a medical officer), was involved with a nursing home assessment of a client. Because there was no food in the house, the social worker visited the Greenacres shopping centre to purchase food for the client. The officer delivered the goods to the grateful client and went home.

Domiciliary Care staff are rostered from 6.00 a.m. until midnight seven days a week, and the practice of buying food and basic household necessities for clients is a regular occurrence for such workers. It is a major component of

the service's aim, which is to keep aged/disabled clients in their own home environment.

2. Public Service Circular No. 30 has been drawn to the attention of the service's staff. All staff employed by Eastern Domiciliary Care Service are reminded of the obligations and responsibilities of driving a Government vehicle on a regular basis.

WARRADALE CURRICULUM UNIT

447. **Mr BRINDAL (Hayward)** asked the Minister of Education: How much money has been spent in the past two calendar years on modifications to the offices of the Warradale Curriculum Unit, what was the nature of the modifications and what was the source of the funds?

The Hon. G.J. CRAFTER: The sum of $32 551 has been spent on modifications, which include:

upgrading the telephone system;

installation of air conditioning;

upgrading and enlarging office space; and

erecting a store room.

State and Commonwealth funds paid for the modifications.