HOUSE OF ASSEMBLY

Tuesday 7 April 1992

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

TECHNICAL AND FURTHER EDUCATION (MISCELLANEOUS) AMENDMENT BILL

Her Excellency the Governor, by message, intimated her assent to the Bill.

PETITION: HILLCREST HOSPITAL

A petition signed by 67 residents of South Australia requesting that the House urge the Government not to close Hillcrest Hospital was presented by Dr Armitage.

Petition received.

PETITION: PUBLISHING STANDARDS

A petition signed by 661 residents of South Australia requesting that the House urge the Government to stop reduced standards being created by publishers of certain magazines and posters debasing women was presented by Mr Becker.

Petition received.

PETITION: PORT LINCOLN POLICE AIDES

A petition signed by 849 residents of South Australia requesting that the House urge the Government to appoint Aboriginal police aides for the City of Port Lincoln was presented by Mr Blacker.

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 330, 404, 417 and 432; and I direct that the following answers to questions without notice be distributed and printed in *Hansard*.

KAROONDA TO PEEBINGA RAILWAY LINE

In reply to **Mr LEWIS (Murray-Mallee)** 25 March.

The Hon. FRANK BLEVINS: The State Government has not agreed to the closure of the Karoonda to Peebinga railway line. The Commonwealth Minister for Land Transport did, in December 1991, seek my agreement under the terms of the railway transfer agreement to the closure of the line. I refused because the Commonwealth Government had given no firm commitment to restoring the Mount Gambier 'Blue Lake' service, despite assurances from the Commonwealth Minister that he would abide by the arbitrator's determination. I also insisted that the line was to be maintained in operating order, that services be provided where necessary, and that no railway equipment be removed or disposed of. I will seek an explanation from the Commonwealth Minister in relation to the alleged actions of Australian National.

STORMWATER DRAINAGE

In reply to **Mr OSWALD (Morphett)** 26 February.

The Hon. S.M. LENEHAN: The Engineering and Water Supply Department is currently preparing a report which will present the conclusions of a feasibility study into the construction of stormwater ponding (wetlands) along the Sturt River channel. This document will list the possible sites for wetlands, estimated costs and estimate their effectiveness in improving stormwater quality. A draft will be available by May 1992. The Patawalonga Basin Task Group (established in 1989) has been advising Mr C. Kaufmann (Project Manager, Glenelg) concerning various aspects of the Glenelg ferry terminal development project, including water quality management. The project concept includes a sea water pumping station to flush the lake and installation of trash racks on influent drains. Negotiations are continuing with the proponent concerning the financial contribution for the water quality management facilities and responsibility for construction.

The task group is preparing a concept design for a gross pollutant trap and wetland to improve the quality of stormwater discharged into Patawalonga. A report on this work will be available by June 1992. Preliminary discussions have been held with the West Beach Trust, the Federal Airports Corporation and the Department of Road Transport on land assembly and related issues. The pollution of the Patawalonga is a stormwater management issue. Stormwater management is presently a responsibility of local government with the emphasis to date having been on flood mitigation. Further strategies for stormwater management were considered in a report released in October last year by the President of the Local Government Association and myself, as Minister of Water Resources. The report 'Metropolitan Adelaide Stormwater—Options for Management' is presently the subject of consultation by a joint State and Local Government Task Group with local community, government departments, the development industry, environmental groups and other community groups. This process will continue through to August.

MINISTERIAL STATEMENT: RURAL ASSISTANCE

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

Leave granted.

The Hon. D.J. HOPGOOD: The question of appropriate services to rural families on Eyre Peninsula has been raised in this House on a number of occasions. I am pleased to announce an additional grant of $40 000 for 12 months to establish a position of rural care worker on the peninsula. This follows an evaluation of the 'rural care worker' program completed in December last year. I will invite a local community group to enter into a partnership with my department to sponsor a service of family counselling and support.

The project will build on existing services. These include:

- health services through local community health centres, CAMHS and CAFHS;
- family supports through school counsellors and preschools;
- the Department for Family and Community Services which responds to direct requests for assistance and to referrals from other agencies. The office has recently increased its staff by two and a psychologist has been appointed to assist families;
- increased assistance has been provided through the Department for Family and Community Services for financial counselling. These financial counselling services have constituted the majority of calls on the 008 number, which is available for rural families; other resources available to rural famiies include the Department of Agriculture's three rural counsellors on the Peninsula and the Health Commission's resident psychologist.

At a meeting at Tumby Bay in September last year, sponsored jointly by my department and a local community group, the issue of service coordination and duplication of

service was highlighted. As a result, a pilot project has begun to explore new and innovative ways for joint action leading to improved services. As well, funds have been sought from the Commonwealth Department of Health, Housing and Community Services for a project to develop a local community information and referral service to isolated families on lower Eyre Peninsula. The Government has shown it is committed to ensuring services for the rural community on the Eyre Peninsula, and by the details I have indicated above we will continue to improve the range of those services.

PAPERS TABLED

The following papers were laid on the table:

By the Minister of Agriculture (Hon. Lynn Arnold)—

Animal and Plant Control Commission—Report, year ended 31 December 1991.

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

Financial Institutions Duty Act 1983—Regulations.

MINISTERIAL STATEMENT: GAMING MACHINES

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

Leave granted.

The Hon. J.H.C. KLUNDER: The House will recall that on 5 March I provided to all members copies of three pieces of advice which I had received from the Commissioner of Police on the Gaming Machines Bill 1992. Members will also recall that one of these pieces of advice, dated 4 March, reported on the outcome of discussions between Mr Hunt and the Liquor Licensing Commissioner, Mr Pryor, on the best way of achieving maximum protection against the risk of corruption in relation to poker machines.

Subsequent to the release of this advice to members, the Police Commissioner arranged further discussions with Mr Pryor. This resulted in Mr Hunt advising me verbally on 23 March that he would be making a further submission outlining an alternative model which he said represented an agreed position between himself and the Liquor Licensing Commissioner. However, on receipt of Mr Hunt's submission, it was noted that the Liquor Licensing Commissioner's support was qualified in at least one respect. Mr Pryor's comments on the submission were sought and, in a briefing note provided to the Minister of Finance, it was apparent that differences of approach remained between the Liquor Licensing Commissioner and Mr Hunt. I informed Mr Hunt of this and he indicated that he would arrange for further discussions with Mr Pryor.

Mr Hunt informed me yesterday that he would be providing further comments outlining the outcome of these discussions and they arrived this morning. In them, the Commissioner notes that he and Mr Pryor '. . . have taken this matter as far as possible from our position and that the matter should be determined by the Parliament'. Given that this legislation is still before the Parliament, it is appropriate that members be kept informed. I therefore table Mr Hunt's comments of 23 March and 7 April and the briefing note provided by Mr Pryor to the Minister of Finance.

STATUTES REPEAL (EGG INDUSTRY) BILL

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

That the sitting of the House be continued during the conference on the Statutes Repeal (Egg Industry) Bill.

Motion carried.

QUESTION TIME

MINISTER OF TOURISM

Mr D.S. BAKER (Leader of the Opposition): My question is directed to the Premier. As it is now 19 days since questions were first asked in the Parliament about conflicts of interest involving the Minister of Tourism, what action has he taken to satisfy himself that all relevant facts have been provided in answer to these questions and what assurance can he give the Parliament that it has not been misled?

The Hon. J.C. BANNON: The position has not changed since last Thursday. This activity seems to take place between Tuesday and Thursday of every week. The position is exactly the same: the Attorney-General is examining all those matters and will report in due course.

SMITHFIELD PLAINS HIGH SCHOOL

Mr GROOM (Hartley): Will the Minister of Education take steps to ensure that the Smithfield Plains High School council and any supporting groups are allowed a proper opportunity to make submissions in relation to the recently released Joel committee report on the future of Inbarendi College before any attempt is made to implement its findings in relation to the school? The Joel committee report recommended in relation to Smithfield Plains High School that it become a year 8 to 10 junior secondary campus and that it be redesigned, restructured and refurbished appropriate to redefinition as a junior secondary school.

At a meeting last night, the school council resolved to reject the proposal; it intends to maintain a campaign to ensure that the school is retained as a year 8 to 12 school. At a public meeting at the school on 26 February, which I attended, the school community rejected such a proposal suggested in an earlier options paper and sought to make submissions to the Inbarendi College consultative committee. The school council thereupon sought adequate time to put its submission, but it appears that the report was predetermined: when the chairperson went to lodge the school's submission, the chairperson found that the Joel report had effectively been written. The school believes that if—

The SPEAKER: Order! The honourable member is taking an excessive time, and I ask him to draw to a close.

Mr GROOM: I understand: this is a very important issue, Mr Speaker. The fact of the matter is that the school believes that, if it is limited to years 8 to 10, Smithfield High School will wither away. The school therefore wishes to ensure that it has a proper opportunity to make submissions in relation to the effects on the school of the Joel committee recommendations.

The Hon. G.J. CRAFTER: I thank the honourable member for his question and for his interest in educational opportunities for secondary students in the Elizabeth/Munno Para area. I want to acknowledge, too, the longstanding interest of other members of Parliament. The member for Elizabeth, who has served on the Inbarendi school council and has been involved in the restructuring of education in the Elizabeth area for a number of years, has made a very substantial contribution to the well-being of education in that district. In addition, over a very long period my colleague the member for Napier has, as the former Mayor of Elizabeth and also as its local member, taken a very keen interest in educational opportunities in that district. There has been quite substantial change in the configuration of secondary schools in that district, as we are seeing retention rates increase, the emergence of the very successful Eliza-

beth West re-entry school and the Smithfield Plains High School in its own right as a very successful school, and so on. I could go through each school in that area as they form a constituent element of the Inbarendi Secondary College.

It was seen appropriate that we ask Mr Joel once again to review these, with the assistance of a broadly based committee. I will certainly undertake to see that that committee has, in fact, taken account of all the representations that have come from schools and school communities generally and from the broader community. There is certainly no reason why this matter needs to be hastened in any way. It is important that there be a full and thorough consideration of all the representations that come forward so that the decision that is finally taken is not only in the best interests of future generations of students but also generally across the community. That is a very strong feature of the Elizabeth/Munno Para district: there is a strong sense of community and community ownership, particularly in relation to public services and education. I have been pleased to experience that in my period as Minister of Education. I am pleased to take account of the concerns that have been expressed by the member for Hartley and I will ensure that they are taken account of in any final decisions that are taken in this matter.

Mr JIM STITT

Mr MATTHEW (Bright): Does the Premier accept that it was proper for Mr Jim Stitt to pay a person for working on tourism related projects while that person was also in the employ of Tourism South Australia?

The Hon. J.C. BANNON: I do not think I should respond to fishing expeditions by the honourable member, whose *bona fides* in this matter were finally demonstrated only after some days of waiting, because he just would not even provide the information on which he based an earlier series of questions. I can only repeat what I have said to the honourable member: these matters are being reviewed by the Attorney-General.

PUBLIC SECTOR EMPLOYMENT

Mr FERGUSON (Henley Beach): Can the Minister of Labour advise the House on the latest information concerning public sector employment levels?

The Hon. R.J. GREGORY: I thank the member for Henley Beach for his question. South Australian public sector employment has been reduced by 3.5 per cent, according to the latest data released to the Government by the Australian Bureau of Statistics. Through this process of rationalisation, the Government has been able to reduce significantly its employment overheads.

Between September 1990 and September 1991, the fall was 3.5 per cent, or 4 000 people. As such, the public sector, as a percentage of the State work force, now stands at about 17 per cent. I reinforce this Government's policy of no retrenchment or compulsory redundancies, and stress that these savings have been achieved through restructuring and voluntary separation packages. While the overall employment level has fallen, the Government has been able to maintain staffing in key areas such as health and welfare. The largest decrease has been in public administration, where 900 positions have been eliminated, and in finance and property and business services, where a further 600 positions have been dispensed with. We have been able to achieve an overall cut in generally bureaucratic areas whilst maintaining our capacity in front line services to South Australians.

It is interesting to note that, according to the Australian Bureau of Statistics, the size of the public sector actually increased in New South Wales—where we have our only mainland Liberal Government—in the September 1990 to September 1991 period.

GLENELG FORESHORE PROJECT

Mr OSWALD (Morphett): Does the Premier agree that documentary evidence connecting Mr Stitt with the Glenelg foreshore project would create a conflict of interest for the Minister of Tourism, contrary to his assurance to this House of 1 April that 'during these relevant times, the Minister was not involved in any conflict of interest whatsoever'?

We now have documents, not available to us last week, and probably not known to the Premier then. The documents include a copy of an IBD program for February 1989 which lists Mr Stitt's clients and the consultants he was employing to be responsible for those clients. Under the name of an employee of Tourism SA, whom Mr Stitt was paying as one of his consultants, five clients are listed, among them 'Glenelg Project, $10 000'. The Premier will compare this evidence with his assertion made last week that the only link between the Minister and the Glenelg project was a friendship with the architect.

The Hon. J.C. BANNON: I invite the honourable member to make these documents available—if they have not already been provided, and I hope they have—to the Attorney-General. It is appropriate that their significance or otherwise—

Mr D.S. Baker interjecting:

The Hon. J.C. BANNON: Just come to light, interjects the Leader of the Opposition. He tripped over them on the doorstep as he went into his office, or something like that. In view of their immediate currency, I do not think that I should be asked to comment on their validity, relevance or anything else, but I suggest that they could be dealt with properly if they were provided to the Attorney.

UNEMPLOYMENT

Mr HAMILTON (Albert Park): Has the Minister of Ethnic Affairs received correspondence from the United Ethnic Communities in relation to unemployment and the associated social ripple effects and, if so, will he explain what action his department is taking to assist ethnic communities on these issues? Most members would have received correspondence from the United Ethnic Communities (which I will not read into *Hansard*) dated 31 March 1992. Also, there was a launch this morning, 'Search for Work', by the United Trades and Labor Council secretary, John Lesses, on this matter.

The Hon. LYNN ARNOLD: I thank the member for Albert Park for his question. I am aware of both the correspondence and the exhibition to which he referred. The United Ethnic Communities did me the courtesy of inviting me to open that exhibition, as it did my colleague the Minister of Employment and Further Education. Unfortunately, neither of us was available, though we would have liked to have been there had the opportunity presented. John Lesses was in a position to accept the invitation, and I am pleased that he went along and opened the exhibition and the associated petition that went with it.

The issues raised by the United Ethnic Communities Council are very worthy of consideration by members of Parliament and also by the Government agencies and community groups. They have done so in the usual creative way in which they go about such things, by mixing together our different aspects of life, particularly the creative and artistic aspects. I quote from its letter, as follows:

> Through its arts program, the United Ethnic Communities [of South Australia] wanted to draw upon critical and creative energies, particularly of unemployed youths, to boost awareness of the search for work and aim for a greater social commitment to solutions.

I commend them on taking this approach, recognising that their responsibility, as one of the umbrella organisations in South Australia representing many ethnic groups, is to look at the broader question of social and economic issues in our community.

Of course, it goes without saying that it will not always be the case that we would agree with everything they say or propose, and I must say that, whilst I commend them on their work, I do not fully agree with all the points they advocated in their petition which was launched today. I certainly agree with the first point, in which they call for a national summit on unemployment, and I know that my colleague the Minister of Employment and Further Education has, on a number of occasions, called for precisely the same thing; so, there is certainly no problem with that. However, I do have a problem with one of the issues they call for, namely, an inheritance levy during the recession which does not create hardships for beneficiaries and is also used for funding work. That matter was well canvassed in the South Australian community many years ago prior to the 1979 election, and I do not believe that it is back on the agenda in any form at all at this stage, not to mention that the way in which they propose to deal with that seems potentially very convoluted and would have more problems than benefits, even if the social debate on succession duties were to be back on the agenda and, of course, it is not.

As to what else the Government is doing, the South Australian Multicultural and Ethnic Affairs Commission and the Office of Multicultural and Ethnic Affairs work actively and are certainly willing, wherever asked, to work with relevant Government agencies on issues dealing with unemployment, particularly youth unemployment, and they have already been involved in the overseas qualifications issues, which are addressed not so much to youth unemployment but to unemployment in many other age ranges of new settlers in South Australia.

We have encouraged, and are in fact monitoring, a program of multicultural commitment plans by all agencies of Government over a three-year period, which includes the Department of Employment and Further Education, for example, as well as the Education Department and others, where we actually examine what multicultural commitments are being made by those departments in their delivery of services to the people whom they address (in the case of those two departments, those who need skills or education; and in the case of the first department, those wanting employment opportunities). That is the kind of area in which the Multicultural and Ethnic Affairs Commission and OMEA are able to assist, and again I congratulate the United Ethnic Communities organisation for its interest in this very important matter.

TANDANYA PROJECT

The Hon. D.C. WOTTON: Why has the Minister so far refused to call for an environmental impact statement for the proposed Tandanya development on Kangaroo Island, recognising that an EIS for a project of this size has never been refused before? Will the Minister now call for an EIS and, if not, why not?

The Hon. S.M. LENEHAN: It is interesting that the member for Alexandra is not here, because I am sure that he would have some very interesting and pertinent views on this matter, but maybe that is for another day. I remind members of the history of the Tandanya proposal. It is in fact, if you like, linked to the proposal for a tourism development within the Flinders Chase National Park. Members might recall that about 2¼ years ago—not long after I became the Minister for Environment and Planning—this Government took a decision that it would not proceed with a major tourism development within the boundaries of that park. However, it was clearly identified in a number of studies that had been undertaken over a period that there was a requirement for tourism development, particularly in accommodation facilities at the western end of the island. I am sure that all members would agree that that was done and, indeed, it was an independent study which I think was supported. Most certainly, it was supported by the local member for Kangaroo Island.

There was a lot of contention about the Government's decision not to proceed with major tourist developments within our national parks system. At the same time, there was a proposal that the Tandanya development take place right on the boundary, or very close to the boundary, of Flinders Chase National Park. In fact, I visited that area, had a look at it and walked over the site that was being proposed.

Members interjecting:

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

The Hon. S.M. LENEHAN: Members might recall that this was the subject of considerable court action, which in fact resulted in the proponents of that development being given approval, under the law, to proceed with the development. In the course of all that—

An honourable member interjecting:

The Hon. S.M. LENEHAN: It is very relevant, and I am sorry that the honourable member cannot contain himself for long enough to hear my answer, because I think he will understand why I am providing this background information, which I think is quite important in terms of my decision. That process underwent full public scrutiny. It went through a series of courts in this State before the final decision was made. It was agreed that that proposal could proceed on that particular site. What the new proponents of the development decided to do was to sit down and try to work through some of the contentious issues; in other words, they moved the site from being almost on the border of the national park, considered by conservationists as the most sensitive area, to an area of lesser sensitivity, that is, to a more environmentally sound area.

Indeed, the proposal then put forward, as I understand it, although of a smaller nature, was certainly much more environmentally sound. The very design of the accommodation, the siting of the accommodation, and the fact that, while it was still in the same vicinity it had been moved to take into account environmental sensitivities, indicated, I think, a willingness on the part of the new proponents to try to meet the genuine community objections that had been raised. As well as this, we now have a situation where we are looking at (and, again, this has been done in broad consultation throughout the local community), through our planning system, identifying tourist accommodation zones,

so that there is some certainty for the development community in this State.

As a Government, we make no apology for that. We are not about preventing job creation nor are we are about preventing properly thought through development: we are about providing some proper ground rules and some certainty to those developments that we think are important. Let me remind members that this project has probably undergone more public scrutiny, I suspect (apart from the Wilpena development), than any other project in this State.

The Hon. Jennifer Cashmore interjecting:

The Hon. S.M. LENEHAN: It is interesting that the honourable member is not prepared to allow me to complete my remarks.

Members interjecting:

The SPEAKER: Order!

The Hon. S.M. LENEHAN: This development is within the tourism accommodation zone. I would have thought that the honourable member would support this type of approach, just as the community of South Australia certainly supported the identification of marina site developments in this State. Indeed, we have taken that particular issue off the political agenda, because we have identified environmentally sound areas where proposed marina development could take place. This is the same situation in terms of tourism zones. I do not believe that at this stage there is a requirement for an EIS. This would be just nothing more—

The Hon. D.C. Wotton interjecting:

The Hon. S.M. LENEHAN: They have already gone through a whole process of assessment. The honourable member well knows that. He well knows that this has gone through a very thorough process of assessment. I find it very sad that the Opposition is so determined. Members opposite are not about ecologically sustainable development: they are about stopping every bit of development in this State. They are about an attack on job creation. They are attacking the very fundamental research that is provided where we might need to have proper and sound tourism accommodation. This is nothing more than a red herring that relates to the previous questions that members opposite have already asked.

ABORIGINAL WOMEN'S OFFICER

Mrs HUTCHISON (Stuart): Will the Minister of Aboriginal Affairs outline to the House the role of the Aboriginal women's issues officer which he announced as part of the State Government's response to the Royal Commission on Aboriginal Deaths in Custody?

The Hon. M.D. RANN: It is true that Aboriginal people are the most disadvantaged group in our society, and Aboriginal women are especially disadvantaged, according to all our research. Not only are Aboriginal Australians the first Australians but still the last Australians on every social indicator, whether it be employment, health, longevity, education and so on, while Aboriginal women in particular often feel the brunt of disadvantage. Issues such as domestic violence are matters confronting many Aboriginal women. This is why the appointment of an Aboriginal women's issues officer within the State Government is such an important step forward. This person will have the role of providing me, as Minister of Aboriginal Affairs, with advice about the needs of Aboriginal women and how the State Government can best respond to those needs.

I am pleased to announce to the Parliament today that Mrs Janis Koolmatrie has been appointed to this position, a woman with extensive experience in Aboriginal community issues, particularly with regard to school and further education. Most recently she has been involved in the extensive preparation for our Aboriginal Languages Institute here in South Australia. It is certainly an area in which I will continue to seek her advice. Her responsibility will include the development of a sports network, breaking down the perceived barriers to State Government services and resources and providing advice to me and other Ministers on policy, strategies and initiatives which will improve the socio-economic status of Aboriginal women.

As a first step, Janis will be travelling around the State talking directly to Aboriginal women to get a clear picture of needs, priorities, problems, opportunities and resources already available to them. The picture that arises from this will enable State agencies, working together in an inter-agency forum with the Commonwealth, local government and the private sector, to target and address those issues of special concern to Aboriginal women.

CONSOLIDATED ACCOUNT

Mr S.J. BAKER (Deputy Leader of the Opposition): Will the Treasurer explain why, at the end of January 1992, there is an excess of payments over receipts and borrowing on the Consolidated Account of $450 million compared with $145 million as at January 1991?

The Hon. J.C. BANNON: The Deputy Leader usually issues a statement every time the so-called Niemeyer statement, from which he draws his question, is issued, and he invariably ignores the disclaimer and explanation to those statements which are, in a sense, a hangover from the 1930s where agreement is reached—

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: It is interesting that the retiring Leader and his ex-Deputy would wish to carry on about that. There is no question that the manner of presentation of those accounts, which are required by all States and are still produced, is quite inadequate. It needs variation and change. I refer the honourable member to what is said in those statements, namely, that the frequency and pattern of payments and expenditure varies from year to year and month to month and, therefore, one cannot get any reasonable assessment simply from a crude analysis of those figures.

I add, of course, as I have stated already in public, that, in light of the recession, revenue is down. It is down for South Australia as it is for all States of Australia, and that is something that we have to grapple with as we approach the end of the financial year and prepare our budget for the next year.

PENSIONER CONCESSIONS

Mr HAMILTON (Albert Park): Will the Minister of Health explain what types of concessions and discounts are available to pensioners from Government agencies through to the business sector?

Members interjecting:

The SPEAKER: Order! The member for Albert Park cannot speak over the other voices.

Mr HAMILTON: In seeking this information for a Semaphore Park resident, I have also been requested to ask whether the Minister will take up with SACOTA and other agencies whether business houses will display a sign on their

shop frontage indicating that such concessions are available to our large pensioner community.

The Hon. D.J. HOPGOOD: I am happy to answer the second half of the honourable member's question in the affirmative. In relation to the first half of the question, the honourable member indicated to me some months ago that he wanted to put this matter on the public record, so I have some information which I will make available to the House. Members would know, of course, that the seniors card began in November 1989 as a public transport concession for retired people aged 60 years and over. Since that time, we have worked with the South Australian Council of Pensioners and Retired Persons to encourage recognition of the seniors card very widely indeed. We welcome any concessions provided by organisations and businesses.

At this stage, the Target stores provide discounts on every second Tuesday as part of their pensioner discount days. In addition, a number of organisations such as Wallis, Greater Union, State and Festival Theatres, most harness racing clubs and all greyhound racing clubs, the bicentennial conservatory and national parks offer concessions to cardholders. There is also the State Bank pensioner saver's account which, of course, is of considerable assistance to these people.

I suggest that pensioners or holders of the seniors card invariably should ask whether a concession is available. They may be surprised at the number of times the concession is made available to them even though there may not actually be an advertisement on the premises indicating that the concession is available. However, I will take up the honourable member's question. Finally, I make the point that people can always ring AgeLine (226 7067), which is the telephone information service for all facets of policy and services in relation to older people, and where there is any doubt people should simply ring that number.

MOUNT LOFTY RANGES REVIEW

The Hon. E.R. GOLDSWORTHY (Kavel): I am not sure whether this is the penultimate question or the ultimate one.

Members interjecting:

The SPEAKER: Order! The member for Kavel.

The Hon. E.R. GOLDSWORTHY: I may have another one tomorrow. What action does the Minister for Environment and Planning intend to take to reduce the exorbitant cost of information on the Mount Lofty Ranges review being sought from three of her departments under the Freedom of Information Act? In a press report today, it was disclosed that the cost to the Adelaide Hills Landowners' Association for access to documents on the review would be more than $20 000. The three departments involved are the Department of Environment and Planning, Department of Lands and the E&WS. The charges involved raise serious questions concerning the validity of the Government's freedom of information laws.

The Hon. S.M. LENEHAN: I am aware of the interest of the Adelaide Hills Landowners' Association because my office and I have met with that organisation a number of times during the consultation period, particularly with respect to the announcement on the transferable title rights scheme. I point out to the House that, after nearly five years of work on this particular project with a number of agencies and the Local Government Association, there is an enormous number of documents, nearly all of which are in some way covered by the request. I do not know whether the honourable member has had an opportunity to look at the detail of the request of each of the four departments, but it is extremely extensive and the number of documents covered by the request is, in fact, enormous. I believe that we would probably need to have almost a semitrailer to transport them.

That point aside, this material must first be sorted and examined and, where it involves information that is provided by local government or by private individuals who would have some part of their business affairs canvassed, each council and individual must be consulted under sections 25 and 27 of the Freedom of Information Act. I remind the honourable member that that Act was agreed to and passed by this Parliament. So, that must take place as well.

I will give the honourable member one example. In the case of the Department of Environment and Planning, the estimate for this work is $5 880. I can give the honourable member a more detailed breakdown—in fact, department by department—and I would be happy to provide him with that information. From memory, I think we are talking about 186 person hours, but I would not like to be held to that figure as I cannot give the information off the top of my head.

The department requested a payment of $2 940 in advance as a deposit. I point out to the House that this is in accordance with the requirements of the Act. I think that that is a perfectly reasonable request. The Engineering and Water Supply Department, the Department of Lands and the Department of Agriculture have responded to requests for access to information in a similar way. I will very quickly put this matter into context by pointing out to the House that the Adelaide Hills Landowners' Association actually announced in the *News* of 21 February this year that it was raising $1 million for a fighting fund to 'challenge the State Government's Adelaide Hills land control proposals.' I point out that it made that announcement while consultations were still proceeding. So, this association—according to its own media statement—has a $1 million fighting fund to enable it to oppose this move in the courts of this State.

The land control proposals for Mount Lofty are contained in the draft management plan, the draft supplementary development plan and a transferable title rights scheme. I point out to the honourable member that the first two of these plans have been the subject of consultation with local councils and, following the process, the development plan will be placed on public exhibition. The transferable title rights scheme, of course, will be debated shortly in this Parliament. I find it quite extraordinary that, on the one hand, the Adelaide Hills Landowners' Association should contemplate the expenditure of $1 million on a legal challenge for something that is still subject to public consultation and decision by this Government and then, on the other hand, having requested material costing many thousands of dollars, it is complaining that it does not have the money to pay for what is a legal requirement under the Freedom of Information Act.

I could be forgiven for thinking this was just a political ploy on behalf of the Adelaide Hills Landowners' Association. I do not have to remind the honourable member why it was brought into being, who is orchestrating it and, of course, that it has something to do with his imminent resignation in terms of the Liberal Party preselection. All members of this House know that this is nothing more than a cheap political stunt to try to make an issue out of legislation that this Parliament agreed to and passed.

ADOPT-A-STATION PROGRAM

Mr HOLLOWAY (Mitchell): Will the Minister of Transport investigate whether insurance cover can be provided to members of Neighbourhood Watch and other community groups who participate in the Adopt-a-Station program and other measures to combat graffiti on STA property? I have been informed that the Neighbourhood Watch organisation has recently advised that insurance cover provided to its members for activities related to Neighbourhood Watch does not extend to anti-graffiti measures. I understand that damages have been claimed against persons involved in a graffiti clean-up exercise by someone whose clothes were spoilt by paint.

The Hon. FRANK BLEVINS: I thank the member for Mitchell for his question. He asked whether I would investigate it. I will do better than that. I will not only investigate it, as he asked (I have already done that), but institute—

An honourable members interjecting:

The Hon. FRANK BLEVINS: It is amazing really. I will see that the STA institutes insurance cover for volunteers of organisations such as Neighbourhood Watch, so long as the project to be undertaken is with the STA's knowledge. I would not recommend that any volunteer group select a station to clean up or any project on STA property without first liaising with the STA.

Benefits for personal accident, injury or illness would be generally in line with the philosophy behind the Workers Rehabilitation and Compensation Act 1986, but modified, where appropriate, to reflect the special circumstances of the volunteers. Benefits would be paid on an out-of-pocket basis after other entitlements had been used. That is, volunteers would be required, first, to claim on Medicare, private health cover, personal insurance, superannuation, compulsory third party bodily injury insurance etc., and the Government would then meet any non-recompensable expenditure with regard to medical costs, reasonable rehabilitation costs, or cost of loss or damage to apparel or other personal effects. Lump sums for death or serious disability would be paid on the same basis as under the WorkCover schedule.

Weekly income would be paid to those who could demonstrate a loss of income. Benefits would take account of actual lost income up to the WorkCover ceiling of twice State average weekly earnings. For long-term incapacities, benefit reductions in line with WorkCover rules would apply. In special circumstances, where volunteers necessarily incur costs as a result of incidents arising out of their volunteer involvement, additional benefits could be paid if considered appropriate by the Minister of Finance. All benefits, except weekly income benefits for long-term incapacities, will be payable regardless of age. Any liability arising from the action or advice of a volunteer acting in accordance with department or agency instructions would be treated as if the action or advice were that of an employee.

I want to make clear to our volunteers that, if they go through the proper channels, we really appreciate what they are doing. About 25 stations have now been adopted by volunteers. We appreciate the work that they do. Anybody who looks at the STA with a view to seeing how we deal with graffiti can only praise the STA, its employees and the volunteers. It would be unacceptable if volunteers, through any injury or accident, were out of pocket or in any other way disadvantaged through working in this community-minded way. I will ensure that the STA treats them at all times in the manner that I have outlined to the member for Mitchell. I thank him for his concern and for drawing this issue to my attention.

ASTHMATIC CHILDREN

Mr SUCH (Fisher): Will the Minister of Education initiate a thorough review of guidelines and practices relating to the care and emergency treatment in schools of children who suffer from asthma? In the light of an increasing incidence of asthma, I have been contacted by parents and teachers who believe that Education Department policies and practices relating to the care of asthmatic children should be clarified and updated so as to avoid uncertainty, including health risks to children and legal risks to teachers and support staff.

The Hon. G.J. CRAFTER: I thank the honourable member for his question. Indeed, it is a representation similar to one that I have received from the member for Price in recent times. I understand there is some activity in the community about this issue and about the current guidelines and administrative instructions provided to schools by the Education Department to assist in dealing with students who suffer from asthma. Unfortunately, an increasing number of children require daily medication, and the way in which that medication is administered, and indeed the understanding of that ailment, is an important part of the daily lot of teachers in many of our classrooms.

As I said, administrative instructions and guidelines are in place, but I will be pleased to have the department discuss the effectiveness of those guidelines, and whether there are any shortcomings in them, with the relevant authorities—the Asthma Foundation, a very active organisation in this area on behalf of the community, and the appropriate medical authorities—and to discuss whatever other appropriate professional advice can be gained by the Education Department.

I acknowledge that it is a difficult issue to manage. Each case is different and requires very sensitive responses by teachers and other students. There have been some tragic occurrences over the years, where students, particularly in situations outside the school context, have not had their ailment understood. I know of one case with respect to students travelling on public transport: a death resulted from the inability of other users to respond sensitively to the needs of a particular student. It is a most serious issue, and I will be pleased to have this matter pursued.

LOT 31, BOURNEMOUTH AVENUE, TENNYSON

Mr HAMILTON (Albert Park): Will the Minister for Environment and Planning advise the House and my constituents the exact position in relation to Lot 31, Bournemouth Avenue, Tennyson? Correspondence received at my electorate office from a Seaview Road, Tennyson constituent expresses concern about the sand dunes in this area and, in particular, refers to Lot 31, Bournemouth Avenue. It has been alleged that a recent edition of the *7.30 Report* gave an unfairly edited version of an interview with a Coast Protection Board representative.

The Hon. S.M. LENEHAN: I thank the honourable member for his interest in this matter: members would be aware that he has long been concerned with the protection of our coast, particularly that part of the coast that is entrusted to his care as the local member.

I would like to put on the public record that I share the concern of the honourable member and, indeed, his constituents about ensuring that areas of high risk are protected from development. Therefore, I am pleased to be able to inform the honourable member that a selling strategy has been developed for this property which takes account of

the need to conserve the fore dune. I believe that interest has been raised by the *7.30 Report*.

An honourable member interjecting:

The SPEAKER: Order!

The Hon. S.M. LENEHAN: The honourable member may not be aware that similar concerns were expressed by the Woodville council and, indeed, the Coast Protection Board and the Department of Lands. This led to the property being purchased by the Department of Lands, acting as the agent on behalf of the Coast Protection Board, in 1989. At that time the three groups agreed that the then planning controls did not provide sufficient power to prevent high risk development on this site.

In fact, under the planning controls that existed, a dwelling could have been built 6 metres back from the sand dunes, and very little could have been done about that except to purchase the property and to realign the boundaries. It was therefore agreed that the property should be purchased, that the potential area for safe development should be redefined, and that the realigned property could then be sold. It was also agreed that the three parties would share the costs or losses of this exercise.

I am delighted to inform the honourable member that the realignment of the boundaries has now occurred. I would be pleased to provide him with a sketch plan of the newly aligned boundaries. It is also important to note that the protection of the coastal area is also achieved through the registration on the title of a land management agreement between the Corporation of the City of Woodville and the Minister of Lands, so there will be something on the title to ensure that development can only take place within a building envelope. This agreement will have the effect of binding the corporation with respect to any building and planning application lodged over the site. The agreement also places an obligation on the owner to construct and complete a seawall on the seaward land, upon notice to do so being served by the council on the owner. Furthermore, it places a restriction on the area of the property that can be developed, and indeed even down to the nature of that development.

I point out that, whereas under the system previously we purchased the land and a dwelling could be built six metres from the sand dunes, now we are talking about a minimum setback distance of 29 metres from the original approval. I believe that these joint actions address the concerns that have been raised, quite properly, and I trust that the honourable member will indeed agree that the purchase and subsequent resale of this property have been handled with careful concern in having environmental considerations at the forefront all the time during the negotiations.

AMBULANCE INDUSTRIAL CAMPAIGN

Mrs KOTZ (Newland): Does the Minister of Health condone the delays of up to four hours in the treatment of elective patients in public hospitals, caused by the industrial campaign at present being waged by the Ambulance Employees' Association? Further, does the Minister support pressures from hospitals to conduct their own elective care ambulance services as a means of alleviating patient suffering? I have received information from an extremely reliable and informed source that four-hour delays are being caused by the Ambulance Employees' Association dispute with the St John Ambulance Brigade, which is being waged to rid St John control of the ambulance service and to eliminate volunteers from country ambulance depots.

The Hon. D.J. HOPGOOD: The honourable member refers to elective surgery, and from time to time members opposite have risen in their places to ask questions about delays of four or five weeks, or months, and that sort of thing, in relation to this same surgery. I am not aware of any specific campaign by the Ambulance Employees' Association which has this as a factor. The honourable member will be aware that what some have called industrial dispute has been waged in very recent times, and the only specific action on the part of employees has been the covering up of the St John sign on the ambulances. That has been the subject of discussion between management and the union. The Government has been very happy to assist in that process.

The honourable member must understand, and the House must understand, that the Government does not run the ambulance service. The ambulance service is run by a board and, where that board requests assistance from the Government to facilitate certain matters or to be the honest broker in discussions, that will occur. For example, such a request occurred yesterday, and this morning there was a very long discussion involving both sides and my colleague the Minister of Labour. As a result of that, both parties to the matter emerged with certain propositions which they would put to the people whom they were representing in those discussions. They were very appreciative of the role that my colleague played, with his industrial experience, in those negotiations. We would hope as a Government that both sides will accept the matters that were tentatively agreed by the negotiators and that we can get on from the unfortunate matters that have occurred in recent days.

Again, though, I make the point that there has been no withdrawal of labour at all on the part of the union, and indeed my understanding was that the management's position was and has always been that this is not technically an industrial dispute at all. Either it is or it is not, and certain things follow in consequence of that matter. In some ways it seems that, if we get bogged down with a debate about whether it is or is not an industrial dispute, maybe that does not advance the matter very far, but the fact that there is even any query on whether there is an industrial dispute suggests to me that there are not bans on and there is not withdrawal of labour and all those sorts of things that we normally associate with an industrial dispute.

Again, I make the point to the honourable member that there is no campaign on the part of either the Government or the union to get rid of volunteers in the ambulance service. There is no such campaign. This Government would be appalled if it had to turn around and pay the cost of the replacement of volunteer effort in the country and in the ambulance service, just as we would be appalled if all of a sudden we were faced with a proposition for a fully professional CFS or any nonsense like that. It just would not work. The honourable member can put all of that out of her mind. I would hope that there will be an agreement arising out of the meeting this morning and that we can get on with the very important job of providing the service. However, I will treble check the very specific matter the honourable member has raised and if there is any spirit of truth in it of course I will raise it with the board.

CORRECTIONAL SERVICES

Mr HOLLOWAY (Mitchell): Has the Minister of Correctional Services seen reports that a privately-run gaol in Brisbane is more expensive to operate than a comparable State-run gaol and, if so, would he say what are the implications of these findings for the future of gaols in South Australia? It was reported in the *Weekend Australian* that

a Sydney university researcher has shown that the privately-run Borallon Correctional Centre in Brisbane is more expensive to run than a comparable State-run gaol at Lotus Glen, in North Queensland. The report claimed that the Borallon operation is effectively subsidised by the State because the private operators do not pay for the use of Queensland Corrective Services Commission facilities or services, such as computer data banks. The article also claimed that the audit and disciplinary processes at Borallon are questionable.

The Hon. FRANK BLEVINS: This is a very interesting question, as I have outlined to the House on a number of occasions. Some conventional wisdom has grown up around the question of the private sector being able to run gaols more economically than the public sector. The figure that has been used is somewhere around 10 per cent cheaper. I have always been a little sceptical about this, but nevertheless I have taken it as being correct in the absence of any empirical evidence to the contrary. The Government has taken from that and entered into detailed negotiations with the PSA to bring down the cost of running gaols in this State so that they are at least comparable with the private sector.

I have always taken the view that there is no reason at all why the public sector cannot do those things at the same cost and with the same efficiency as can the private sector. However, I was not surprised when I saw in the *Weekend Australian* of 4-5 April an article indicating very strong evidence that, if we compare the total cost of running the Borallon prison in Queensland with an almost identical prison in that State, one finds that the private sector is more expensive. It was not a mickey mouse analysis: indeed, it was an analysis for the Institute of Criminology at the University of Sydney. The researcher was Mr Paul Moyle, and I want to quote from that article.

An honourable member interjecting:

The Hon. FRANK BLEVINS: Mr Moyle is a researcher for the Institute of Criminology at the University of Sydney. I do not know the gentleman or his qualifications—

An honourable member interjecting:

The Hon. FRANK BLEVINS: I doubt that he is a pharmacist—but I would have thought that the University of Sydney would ensure that anything to which its name was attached was conducted by someone reputable. I think the House should take note of some of Mr Moyle's findings. Mr Moyle states that the showcase Borallon Correctional Centre, west of Brisbane, is more expensive to operate than a comparable State run gaol. He cites budget figures showing that the Borallon management contract cost the Queensland Government $8.15 million in 1990-91, compared with the $7.02 million allocation for the conventional Lotus Glen Prison in North Queensland. The two gaols are about the same size and age and are similar in design. Mr Moyle states that his findings debunk the argument for stepping up privatisation of prisons. He claims that the audit and disciplinary processes at Borallon are also questionable. 'The popular justification for privatisation of prisons is the perception that private companies manage organisations more efficiently and effectively', Mr Moyle told the *Weekend Australian*. He adds:

> The major point I am making is that Borallon is not as cost effective to the State as it is being claimed.

The article continues:

> But Mr Moyle said the Borallon operation was effectively subsidised by the State because Corrections Corporation of Australia Ltd did not pay for the use of Queensland Corrective Services Commission facilities or services, such as computer data banks. With such overheads factored in the true net unit cost per prisoner is $104.69 a day for Borallon and only $101.54 for Lotus Glen.
>
> 'Borallon uses the services of head office of QCSC and other administrative support just as other public sector prisons do,' Mr Moyle said in a paper to be published this month. 'Therefore, it is unrealistic to expect the public sector to have this cost added on to their overhead while . . . excluding Borallon.'

I look forward to reading this paper when it is published. I think it is extremely important that people in South Australia—and Australia—understand that privatisation of public sector operations will not necessarily save money. On many occasions it is done only for ideological purposes, not because the private sector can necessarily do it any more cheaply than the public sector. I think that should always be borne in mind, particularly in the area of criminal justice, because I believe, as I have said in this House on a number of occasions, that the State has an obligation to care for the people who are directed by the courts to have their liberty taken from them and put in the care and control of the State. I strongly believe that the State has an obligation to take care of them. This does not mean that the employees of a State organisation can have a blank cheque on the pocket of the taxpayer. I believe there is an obligation on those employees the same as on every employee in Australia to work as efficiently as possible and not to capture the industry for themselves rather than for the public whom they are supposed to serve.

GRIEVANCE DEBATE

The SPEAKER: The question before the Chair is that the House note grievances.

The Hon. JENNIFER CASHMORE (Coles): I want to draw the attention of the House to the deplorable state of learning resources and libraries in TAFE colleges. In the past three or four weeks I have had the pleasure of visiting all the metropolitan TAFE colleges, and when the House rises I look forward to visiting colleges at Port Lincoln, Port Augusta, Whyalla, Mount Gambier and the Riverland. From what I have seen, these colleges are doing a superlative job, by and large with very dedicated staff, diligent students and equipment and facilities ranging from the modern and the good to the somewhat dilapidated and out of date. The state of resource centres in TAFE colleges leaves a great deal to be desired. I seek leave to insert in *Hansard* a purely statistical document outlining comparable resources for South Australian Department of Technical and Further Education learning resources, those at CAEs immediately before their amalgamation and British colleges of further and higher education. I give the assurance that the table is purely statistical.

Leave granted.

Number of learning resources per student			
Large colleges (>5 000 students)			
SA DETAFE	5.0	5.2	7.0
CAEs	24.5	35.0	45.0
CoFHE	12.0	17.0	54.0
Small colleges (<5 000 students)			
SA DETAFE	4.0	4.0	7.5
CAEs	27.5	29.5	59.0
CoFHE	17.0	28.0	111.0
Number of students per library/LRC staff member			
	median	75 per centile	top of range
Large colleges (>5 000 students)			
SA DETAFE	1 005	938	911
CAEs	141	122	94
CoFHE	470	329	161

Small colleges (<5 000 students)			
SA DETAFE	1 214	1 017	765
CAEs	107	93	73
CoFHE	311	204	77

Library acquisitions expenditure per student ($ per student per annum)

	Median	75 per centile	top of range
Large colleges (>5 000 students)			
SA DETAFE	4	6	9
CAEs	81	99	147
CoFHE	18	28	68
Small colleges (<5 000 students)			
SA DETAFE	6	6	9
CAEs	95	171	322
CoFHE	20	34	156

The Hon. JENNIFER CASHMORE: This is a statistical analysis of learning resources, staff and per capita student expenditure in South Australian colleges of advanced education compared with Australian CAEs immediately before their amalgamation with universities—therefore, the figures deal with 1990 statistics—and British colleges of further and higher education (CoFHE). The statistics are based on monograph and audiovisual resources per individual student. The sources of the statistics are the South Australian and Queensland survey of 1991, the 1990 Australian Research Service library statistics and the British Colleges of Further and Higher Education guidelines. The British figures apply to colleges with greater than and fewer than 2 500 equivalent full-time students.

When these figures are analysed, it is clear that the state of TAFE libraries is a direct reflection of the lack of adequate resources for the vocational sector and the training sector. This goes back over a long period, but it cannot be allowed to continue. I say to the Minister that as budget submissions are being considered and as Federal Government funds are being made available over the next three years—an additional $720 million for the whole of Australia—the allocation of resources to learning resource centres, as they are called, must be increased.

To give the House some idea of the disparity between DETAFE colleges and CAEs in respect of learning resources per student—and we are talking about books, magazines, tapes and other things—I point out that South Australian colleges with more than 500 students have five such resources per student by comparison with the CAEs, where students have 24.5 and British colleges 12. The number of students per library staff member in South Australian DETAFE colleges is 1 005 compared with 141 for CAEs. In other words, there are 10 times more staff members in CAEs than in TAFE colleges. Library acquisition expenditure dollars per student per annum for large DETAFE colleges is $4 per annum per student for library resources, and for CAEs the figure is $81, which is 20 times the amount of money spent on those resources than on training. It is a disgrace—

The SPEAKER: Order! The honourable member's time has expired.

Mr HAMILTON (Albert Park): Today, I asked a question about an allotment in Bournemouth Avenue, Tennyson, and I was interested in the Minister's response in relation to the protection of the dunal area close to Coast Protection Board land in that part of Tennyson. Since I came into this Parliament in 1979 I have watched with a great deal of interest in terms not only of my role as a member of Parliament but personally the need to protect that Coast Protection Board land. Members may recall that some time ago I raised in this Parliament and in the media the encroachment by some Tennyson residents and in the Dune Crescent area and others upon Coast Protection Board land. This took some time to resolve.

I place on record my agreeable disposition towards the present Minister for the manner in which she handled that matter when she became Minister for Environment and Planning. As I said, that matter was resolved. I hasten to add that the Deputy Premier also played a very important role in the process. When he was the Minister for Environment and Planning, I requested that he should have that area delineated so that I could quite properly determine whether or not residents had been encroaching upon this dunal area. The Deputy Premier carried out that role and we quickly discovered that residents had not only encroached but had made lawns there, put in irrigation systems, swings, rockeries and so on. It is not unusual in Australia for people to do that, and hence my concern about this piece of land.

In Bournemouth Avenue, Tennyson, my appetite was whetted many years ago in relation to the matter that I have just addressed about encroachment because of a property that was built right out on the edge of the dunal area. I suggest that in years to come the owners of that property will be talking to the State Government—it does not matter of what political persuasion it is—because of the erosion that could take place. It may be only a matter of a couple of metres, but they will be asking the State Government and taxpayers to protect their property. I am not an ungenerous person, but, in my view, they have endangered their investment on this land by building right out to the edge of this dunal area and almost onto the beach. There was nothing that I could do as a local member because of the legislation at that time. The Minister, to her credit, today indicated what she was prepared to do. I welcome—

The Hon. D.C. Wotton interjecting:

Mr HAMILTON: Not anything that the interjector opposite has done, because he was the worst Minister in the Tonkin Government. The honourable member should not interject. If he wants to lead with his chin, he will get it knocked off—not physically. He was the worst Minister that we had in terms of environment and planning. The last two Ministers have done a commendable job. Indeed, I congratulate the Minister and my constituents for raising their concerns about this matter. It is not only for us, but for future generations.

If this Government had not acted, there would have been a cancerous blight on its reputation and the Labor Party. The previous Liberal Government did nothing for the electorate of Albert Park between 1979 and 1982. We might as well have been in Siberia for all it did for the electorate of Albert Park. I am not going to be persuaded by the stupidity of the member opposite. I congratulate the Minister on what she has done, and I know that my constituents will concur. I am happy to take them to see the Minister on any occasion to address the problem of Coast Protection Board land in my electorate.

Mr BRINDAL (Hayward): I noted on last night's television and the news of late that the Labour Party in England is making great play, in the lead-up to the general election, of the serious problem of homelessness which has characterised that country recently. I think that every member of this House would agree that such social problems, where they exist, are serious and need the attention of Governments, wherever they are in the world and wherever the problem is found.

However, I would suggest that the reason why this problem is featuring so prominently in television advertisements for the political campaign in that country is that it is visible and, unfortunately for us in this country, it is too often the case that we address only those things which are visible, which we find staring us in the face per the medium of the

nightly news and which are forcibly drawn to our attention by their being put literally under our noses. But, when a problem is not visible, it is often easier for us as legislators, and indeed for the Government, to forget about the problem and hope that it will go away.

In that context, I want seriously to address in the brief time available to me the problem of those people in our society who are differently disabled—those who are intellectually impaired, those who are physically disabled or those who might be brain injured or physically damaged as the result of a motor vehicle accident. It is the policy of this Government that people have the right to enjoy the maximum freedom available to them, and I do not think there would be any argument in this Chamber from either side of the House about that right. No matter what are a person's circumstances, in our society they should enjoy the right to the absolute maximum freedom they are capable of enjoying. To that end, this Government's policy of deinstitutionalisation is commendable. I do not think that anyone on this side of the House would argue that people should be locked away and, basically, denied more rights than they are given because of an intellectual impairment or physical disability.

We must applaud the fact that this Government has moved towards deinstitutionalisation. What worries me about this matter is the constant stream of people who are increasingly coming through my electorate office doors—and I am sure that members opposite are getting the same sort of representation—who say that, when these people are deinstitutionalised, they do not always get the level of support services that they need to sustain a decent lifestyle in normal society. I think that is a very serious problem, one which this House should address and one which the Minister who is at the table at present should bring to the attention of the Health Commission in particular.

We often find that people who are placed in Housing Trust houses are just not given support services. Indeed, a constituent of the member for Albert Park came to me in my capacity as shadow Minister of Housing and Construction with a problem about people who are intellectually impaired and living in that area. I am sure that, had they gone to the member for Albert Park, he would have sought to help them. It was not a slight on him that they came to me: they merely approached me for reasons which I am not quite sure of. Nevertheless, the problem—

Dr Armitage: You're so good.

Mr BRINDAL: I thank the member for Adelaide for saying I am so good, but I do not know that my reputation has spread to Albert Park yet. People who are deinstitutionalised need adequate support in terms of the teaching that is available within schools, if they are children, such voluntary services as Meals on Wheels and domiciliary care, and adequate public transport and community services.

In this House we have Ministers who will speak for youth and for Aborigines—for just about everything—but I note that—

Mr Holloway: And the aged.

Mr BRINDAL: Yes, and I thank the honourable member for that, but I note that there is no Minister responsible for the disabled. If we are going to—

The Hon. D.J. Hopgood interjecting:

Mr BRINDAL: The Minister says he is responsible but I do not recollect that that is one of his official titles. I am advocating that, in this House, there should be a Minister whose focus of responsibility is for the disabled, a Minister who can stand in this place, especially as these people move more and more into mainstream society, and speak for those who are intellectually and physically impaired.

Mrs HUTCHISON (Stuart): In the few minutes allotted to me today I want to raise a matter that was the subject of a demonstration on the steps of Parliament House today. This is an extremely important issue, and it is certainly extremely important for us as members of Parliament, and I refer to the issue of domestic violence. For a long time domestic violence was considered to be something that one did not speak about it. Often women and children were too frightened to talk about it because of the various implications: that they felt ashamed, that assistance would not be available for them or that they would not be believed. Now that the issue has been recognised that has been a giant step forward, but there is still a large number of steps that we need to take to ensure that this issue is kept to the forefront of our thinking. It is something we need to resolve so that we do not have any more unfortunate deaths such as that which occurred recently with a lady being shot by her husband whom she had recently divorced.

As a country member, very often I have women who come to see me who have been subjected to domestic violence within the home, and by women who are worried about their children because of the risk of sexual abuse of those children. We need to look at this issue and change our attitudes. That, I think, is the main issue before us at the moment, namely, to change attitudes. We need to look at the causes of domestic violence and we need to treat those causes. We need to make sure that we lock out any nurturing of those causes, so that people are not subjected to this in the home.

I shall now mention a few issues that arose back in about 1986 or 1987 when the National Status of Women group was looking at a national agenda for women around Australia. I was privileged to be part of those negotiations in the country areas of South Australia. One of the things which really brought home to me the feeling of complete isolation that some of these women experience was when in one of these country towns—and I will not name it, for obvious reasons—some ethnic women came along to those national agenda meetings, at which meetings they would not speak but asked to speak to me privately afterwards. Those women were actually the subject of domestic violence but were too frightened to speak out at the meetings for fear of repercussions from their husbands. They wanted separate meetings; they wanted to be sure, and were almost paranoid about this, that their husbands would not find out that we had actually had a meeting to discuss this matter.

One of the big problems that arises for these women, who are hundreds and hundreds of kilometres away from any centre that can assist them, is that they are left without any money. The women to whom I spoke could not get any money that would enable them to get away from the home and away from the husband who may have been abusing them and the children. That was a very real problem for those women in those areas. Further, they had been told that, should they try to get money and leave, the husband would come after them and would kill them and the children. So we can see why there has been a reluctance by those women to raise this matter or to try to get some assistance, where it is obvious that they need it. We must address this and we need to make sure that those women are not left feeling totally isolated and in fear of their lives.

This relates to one of the things that I find a bit difficult with restraint orders. Restraint orders are not always the answer to these problems, and very often it is too late for anything to occur to support the woman who has been threatened, because the police cannot act unless the woman has actually been physically abused or some attempt has been made to hurt either her or the children. So we really

need to have a good look at the matter of restraint orders. I appreciate the fact that the Government is currently looking at making restraint orders across boundaries enforceable, and I applaud that; but I think we need to look at the whole area of restraint orders to make sure that we are making orders which are able to be enforced and which indeed can assist the women concerned before something actually happens to them. It is always too late after the event, when someone may be dead.

Dr ARMITAGE (Adelaide): I am pleased to see that the Minister of Health is at the table, as I wish to address a couple of matters in relation to the health portfolio, particularly funding. I hope that some of the things I say will give the Minister heart and that he will take up the cudgels in the Cabinet room for a service which is on its knees. I say this in light of the recently released Economic and Finance Committee report which, as every member in this House knows, is the report of a bipartisan committee which comprises members from different Parties. That report painted a very gloomy picture indeed of where the hospitals—

Mr Quirke interjecting:

Dr ARMITAGE: Indeed. I did say 'different Parties'. The report relates to where the various hospitals will be going in the near future. I emphasise that one of the disconcerting features in that report was the indication that within the next 10 years $200 million will need to be spent on the Queen Elizabeth Hospital and the Royal Adelaide Hospital alone. They are but two of 190 units under the responsibility of the Health Commission. Admittedly, they are big units but, nevertheless, they are only two of 190 units. I remind members that the report indicated that the Health Commission—this gargantuan body—knows of only 90 per cent of its assets. During a recent radio discussion about this report, the Chief Executive Officer of the Royal Adelaide Hospital indicated, amongst other things, that because of lack of maintenance and thus the urgent need for maintenance on the hospital, cancer patients are being treated in substandard accommodation, and that large wings of the hospital are riddled with asbestos.

In response to some of the things to which I referred on that radio program and previously—for example, at the Queen Elizabeth Hospital, maggots from pidgeon manure are falling onto patients—the Minister stated (I cannot quote him exactly, as I was driving my car at the time) that the shadow Minister had mentioned this matter and that occasionally maggots were found in rubbish tins, or something like that.

The Hon. D.J. Hopgood interjecting:

Dr ARMITAGE: I ask the Minister to think of the constituents of Albert Park, Semaphore, Peake, Playford and Spence who utilise the Queen Elizabeth Hospital, to forget politics and to ask the hospital. I assure the Minister and the members for Albert Park, Playford and so on that my facts are correct. I am talking not about occasional maggots in rubbish tins but about the hospital that their patients utilise and its being in desperate need of maintenance. This is all against the background of hospitals being asked about the effect of a 5 per cent cut in their funding. The South Australian Health Commission cannot be listening to the hospitals, because the hospitals are telling me that they cannot accept further cuts to their budgets without cutting services.

I shall cite a letter I received from the Chief Executive Officer of the Queen Elizabeth Hospital, who indicates that between 13 and 24 April inclusive a number of out-patient clinics will be reduced. He states:

This is part of the hospital's strategy for achieving savings.

Amongst the clinics that will be sacrificed are the following: infectious diseases; psychiatric; anticoagulant; anxiety; endocrine; urology; neurosurgery; rheumatology; thoracic; anaesthetic; hypertension; and gastroenterology. Indeed, 372 hours of outpatient services are being sacrificed because of a lack of funding. During this period, 52 beds will be closed as well as three elective operating theatres. They are the facts. This matter must be addressed, because the constituents of the members for Semaphore, Albert Park, Spence, Mitchell and Peake, etc., are the ones who will suffer.

The DEPUTY SPEAKER: Order! The honourable member's time has expired. The member for Playford.

Mr QUIRKE (Playford): Yesterday I visited a number of primary schools in my electorate and last night I attended two meetings of school councils. One of the pleasing bits of information that I got from many teachers present at those meetings was that a lot of kids turned up at school this week with new shoes and clothes. When I inquired why this had happened at this particular time, the reply made me feel that I should put on the public record my compliments to the Federal Government for boosting the family allowance this month. The comments by those teachers to the effect that the money had been spent very well and wisely echoed through all the schools that I visited and, no doubt, if I were to visit a number of other schools in my electorate—as I will next Monday and on subsequent Mondays—the message would be the same.

The member for Albert Park mentioned a moment ago that some of the local businesses are no doubt very happy following this payment. He is probably correct, but I would prefer to spend the time allotted to me commenting on what the Federal Government has done in this instance and on the way in which this money has been targeted to people in need. In fact, the proof is quite clearly in the schools: kids who had worn out shoes and clothing are now, because of this particular measure, wearing new shoes and clothing and have the various things that are essential for a decent standard of living.

I hope that this is not just a flash in the pan and that the One Nation statement, of which this payment is part, will allow similar things to happen on a much more regular basis. The family allowance payment targeted low income earners who receive less than twice the average weekly wage for a family with two children. The need for this money by these families is absolutely essential. The income level of many of the constituents in my electorate is much lower than $30 500, which I understand is the average male annual wage. A typical case in my electorate involves a single income family. In fact, in many instances, both mother and father work, but between the two of them they bring in only about the average male weekly wage.

Consequently, I believe that the family allowance payment for these people not only is a good vehicle by which to target welfare and other payments to needy families but is essential. The proof of this could be seen quite clearly yesterday in the schools that I visited. I hope that the Federal Government will use this vehicle again in the very near future. I also believe that in general the family allowance needs to be increased. It is a very good means by which money can be put into the hands of the people who need it the most.

SITTINGS AND BUSINESS

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

That the time allotted for completion of the following Bills:
Industrial Relations (Declared Organisations) Amendment,
Workers Rehabilitation and Compensation (Miscellaneous) Amendment and
Real Property (Transfer of Allotments) Amendment
be until 6 p.m. on Thursday.

Motion carried.

STATUTES REPEAL (EGG INDUSTRY) BILL

At 3.41 p.m. the following recommendations of the conference were reported to the House:

As to Amendments Nos 1 and 2:

That the Legislative Council do not further insist on its amendments but make the following amendments in lieu thereof:

Clause 3, page 1, after line 20—Insert subclauses as follow:

(3) If the Minister leases the land comprised in Certificate of Title Register Book Volume 4001 Folio 234 to the cooperative the following provisions apply:

(a) the cooperative may, by notice in writing to the Minister, elect to purchase the land from the Minister at any time within nine years after the commencement of the lease;

(b) the price to be paid by the cooperative for the land will be the Valuer-General's valuation of the land as at the date of service on the Minister of the notice of election reduced by the aggregate of the rental payments made by the cooperative pursuant to the lease.

(4) In this section—

'the cooperative' means a body corporate the principal function, or one of the principal functions, of which is to assist egg producers in the marketing of eggs whether that function is carried out by the cooperative itself or by the cooperative through the instrumentality of another body corporate:

'the land' means the land comprised in Certificate of Title Register Book Volume 4001 Folio 234:

'rental payments' means payments by way of rent made in accordance with the lease but does not include a late payment of rent or any penalty or interest paid in respect of the late payment of rent:

And that the House of Assembly agree thereto.

SELECT COMMITTEE ON THE STATE GOVERNMENT INSURANCE COMMISSION BILL

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

That the time for bringing up the report of the select committee be extended until Thursday 9 April.

Motion carried.

INDUSTRIAL RELATIONS (DECLARED ORGANISATIONS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 19 March. Page 3434.)

Mr INGERSON (Bragg): The Opposition supports this amending Bill and in doing so notes, in particular, not only the Minister of Labour's involvement in bringing this Bill before the House but also his long-term interest in the care and working conditions of the disabled in this State. It is a point that the Opposition is very happy to concede, and I congratulate the Minister on introducing this legislation. There is no doubt that it is supporting Commonwealth legislation, which is attempting to recognise the abilities and needs of disabled workers in employment.

As many members on both sides of the House would be aware, there are difficulties for management and for workers in the workshops that we have strategically placed around the city, and those difficulties have been well known for a long time. Many members on both sides of the House have been part and parcel of attempting to improve standards but, at the same time, they have recognised the difficulties in terms of employment costs that would be created if there were a significant increase in the wages paid to these people.

Having said that, I think everyone recognises that there is a very significant difference in attitude to and treatment of disabled people in the workplace today. If they are able to carry out workplace tasks and complete them within a time frame similar to that of other workers, they should be compensated to exactly the same extent; there should not be the traditional difference that we have known in workshops. Given that, I think we also recognise that the great majority of people who work in sheltered workshops are unable to do the work at the rate or skill level of other workers performing the same tasks.

So, my major concern and that of the community is that the opportunities provided for disabled workers should not be reduced by any significant increase in costs to the workplace. It is my understanding that that is not the case and that it is not intended to be the case; it will not in any way be a follow-on inference from this legislation. However, it is an issue about which sheltered workshop people are concerned. However, I note in the Minister's second reading explanation a reference to wage rates being staged. In his reply I ask that the Minister explain to the Parliament what that arrangement is meant to be. The Opposition supports this very important Bill.

Mr BECKER (Hanson): This legislation follows on from activities undertaken by the Federal Government in 1987, with the establishment of the Disability Services Act. The State and Federal Governments have been active in looking at sheltered workshop employment in Australia, and that has involved looking at the impact on service providers, the working conditions and those who are involved. This legislation will complement the activities of the Commonwealth Government in that regard.

However, I see some problems involving amending section 89 of the Industrial Relations Act of South Australia 1972, because in defining 'disability' and the various types of disability one always encounters a grey area. In my 25 years involvement with the disabled in South Australia and having had the opportunity to visit various organisations overseas, I have found no-one who has convinced me or who has come up with a totally clear definition of 'disabled'. So, I appreciate the respective Governments' efforts in trying to cover all areas of physical impairment, whether intellectual, psychiatric or sensory, and so on.

I will not oppose the legislation, because I think that at some time we will have to tackle this issue. However, I place on the record a warning that we must watch this type of legislation very carefully; we have to be fully informed of what is intended and we must continually monitor the progress and development of the changes occurring in sheltered workshops. It is not easy, because members will see that in some areas, whilst the intentions are honourable, someone will be left out and someone could be severely hurt by trying to do the right thing. That is not the idea at all.

Some 3 000 are employed in this area in South Australia. It is a significant number, covering all age groups, from young teenagers to people whom one would classify as pensionable, being 65 years of age. Sheltered workshop

employment has given a tremendous amount of well-being to those fortunate enough to participate in it. It has given some people an opportunity to be occupied in a way that has never occurred before. It has given these people the opportunity to participate in meaningful employment while recognising their limiting disabilities, which they themselves may not recognise. At the same time, it honours the policy and the attitude of Governments of all political persuasions that disabled people should be given a fair go and should be treated as equally as possible. However, we cannot completely ignore the disabilities that some may have and their limitations.

It is wonderful to see the delight on the faces of those who are employed in sheltered workshops and to note their keeness and eagerness to get ready each morning to attend their place of employment. It is not getting up 30 or 60 minutes before they are due to go to their employment; sometimes they have to be restrained for a few hours before, because they value this opportunity of employment. Sheltered workshop employment has been a wonderful boon for severely disabled people. As I said, it has given them a wonderful opportunity.

Of course, the wages that they are paid have been the subject of severe criticism in this House during the 22 years that I have been here by various members of Parliament of both major political allegiances. I think that at times those wages have been unfairly criticised by people who did not understand what is involved in helping and placing disabled people in employment. It is a very difficult area. Those involved in assisting these people—the service providers, to use one of those fancy phrases that I do not like—those who are responsible for training and supervising the disabled, are not highly paid either. In fact, there is a need for some further assessment in that area. Those who are involved in sheltered workshops realise that the cost structure is so fine that the financing of the operation of going out and obtaining the contracts to keep these people gainfully employed to the best of their ability is not easy. In times of recession it is extremely difficult.

The operations of these organisations are very tight. They are heavily subsidised by the various organisations, associations and institutions that support the sheltered workshops. There will always need to be a considerable subsidy to provide this type of employment for the 3 000-plus people in this category in South Australia. In 1982 I was responsible for establishing an organisation called TAPS—Training and Placement Service. It was a subsidiary of the Epilepsy Association of South Australia which I founded in 1976. Unfortunately, that program lasted for only three years. It was fully funded by the Federal Government. It enabled us to employ seven people, some of them part-time, to assess, train and prepare for employment people with severe epilepsy.

In the three years that it was operational about 175 people were assisted. The course was for 12 weeks. They were assessed, asked what type of employment they sought and were then counselled as to the type of employment that would probably best suit them. During that period 75 people were placed in full-time meaningful employment. It was very difficult to place everybody in employment, particularly people with epilepsy. It is very difficult to get anybody a job anywhere at any time once a tick is placed against the little box that asks, 'Have you ever had a seizure, or do you have epilepsy?' There is that discrimination. However, it has just about gone today because of the work of that association not only in this State but nationally.

The point is that in those three years we proved that more people could be placed in employment by using a vocational training program that was unique to Australia. It was the first of its kind in Australia. It was a program that I brought back from America in 1981. It was interesting and successful. We placed more people in employment in those three years than the Federal Dept of Labour or Social Security had been able to assist in any previous period. The most that they could place was about seven. We increased almost tenfold the opportunity for people with epilepsy to obtain worthwhile employment. The program cost about $130 000 a year. By the third year it was cost effective because the people who were being employed were contributing to taxation. Therefore, they were providing taxes to cover the wages that the Federal Government was paying to the people who were preparing others for that program.

That is only one small example of the work that was and is being done in this country. Unfortunately, the Epilepsy Association of South Australia lost that program. The Federal Government changed the rules. It wanted the association to contribute 25 per cent of the cost, but it was not able to do so. It is not a large, wealthy, fund-raising organisation that employs people for that purpose. That program has been transferred to another State. A lot of interest was created in the success of the program. In this area the competition is intense. As soon as somebody brings forward a successful program, the battle is to retain it. Of course, the battle is for the Government to provide the money knowing that it is being well spent. That was our difficulty and the sadness of the whole problem. One of our kindred organisations in the Eastern States made a better offer to the Federal Government and took the program away from us. But at least somebody somewhere in this country is getting the benefit from that program.

The jealousy amongst organisations in the area of assisting the disabled is unbelievable at all levels, particularly when finance is involved. We should take the opportunity during this debate to place on record the excellent service that is being provided by all the sheltered workshops in South Australia—not only in the metropolitan area, but in the country. Many organisations are successfully assisting the disabled. The three major organisations in the metropolitan area are Minda, the Phoenix Society and Bedford Industries. Bedford Industries annually recognises the people whom they train. I think that over many years the Premier has been present on the occasions when successful trainees have been recognised.

If my memory serves me correctly, General Motors-Holden's has been one of the major sponsors of the awards that recognise these trainees. Bedford has been very successful in training disabled people and gradually integrating them into the work force, many in full-time employment. Such has been the success of Bedford's programs. The same is true of the Phoenix Society. However, it depends on the level of disability of the trainees that these organisations have. For example, Minda has a variety of people with disabilities, some with quite severe disabilities. The intenseness of the training program and of the supervision that is required makes it much harder for an organisation like Minda to place a large percentage of people in employment.

I believe that the boards of these organisations would dearly love to be able to say that each year they can place a certain number of people in employment, but it is just not achieveable or possible. We must be realistic in that regard. That is why I make the plea to the House, the Parliament, the Government, and the major Parties: be very careful in this area. It is very easy to say that we will improve their working conditions, but their working conditions are not that bad. They are not that good, but they have improved dramatically over the past 15 years since I

have taken a greater interest in this area. I refer to all sheltered workshops—I am not singling out any particular one. However, if we place too heavy a demand by regulation and by Government controls in order that every dollar that is consumed improves something, or to make these organisations do something, it will then be a job, and I would rather see more people employed in sheltered workshops at present.

Let us voluntarily look at the working conditions. As I said, they are not too bad—in fact, they are pretty good nowadays. Everyone is very careful and mindful of the Government's strict health, welfare and safety requirements, and quite rightly so, and I support that every time. The unions have been involved and have had meetings with sheltered workshop employees. I can well remember my lad being quite enthused that he had attended a meeting and a conference organised by the unions in South Australia. He informed me that he was the shop steward at one stage.

The Hon. R.J. Gregory: Just like his father.

Mr BECKER: Yes, I know. He follows in his father's footsteps to some degree, but I must restrain his enthusiasm at times, because you never know. People can get carried away, but I keep reminding him that, if he wants a $100 a week pay increase, whose job is he going to take away? But that is beside the point. The most important aspect is that these people have been given a chance in life which they would not normally have. We are very fortunate in this country that we can do that, and we are very fortunate that in this State we can provide assistance, guidance and help to ensure that our sheltered workshops can encourage and train as many people as is physically possible.

Whilst I do not want to see the number of disabled people grow, I would like to see the percentage of them grow as far as their obtaining help through the sheltered workshop system is concerned. If we can protect them by legislation and, as the Minister has promised, through regulation, certain exemptions under the Industrial Code will protect these people, and I take that on good faith from the Minister. I believe that he will ensure that that will be done, and I hope that future Governments will continue that guarantee. I would rather have seen it written into the legislation, but certainly the role, the worth and the benefit of sheltered workshops in South Australia has been immense. I hope that it will continue in that way, and that we will continue to ensure that these people are given recognition, protection, assistance and encouragement. If every year one, two or 10 people can be placed in full-time employment somewhere, I believe that is a bonus for society.

Mr FERGUSON (Henley Beach): I, too, would like to commend the Minister of Labour for the legislation that is before us. Indeed, it is a flow-on from Federal legislation, but I am sure that, if the present Minister had not tackled this with enthusiasm or had not taken the steps which he has taken, this legislation would not be before the Parliament now, although it would certainly be before it at a later time. I know that the Minister has taken a personal interest in this matter, and I congratulate him for bringing this legislation before us.

In my previous experience in the industrial field, I was for some time the Secretary of the Printing and Kindred Industries Union, which had a Federal award that provided for handicapped workers. Those provisions were at least 30 years old, and when, for industrial reasons, it became necessary for us to register in the State court, it became very difficult, in fact impossible, to provide coverage for handicapped workers under State awards, because the then Industrial Code—as it was called in those days—did not have provisions for handicapped workers.

I see this as being a step forward. I agree with the member for Hanson that it is almost impossible to give a blanket coverage for, for example, percentages of wages that must be paid to handicapped people. In my view, the only way to go is to assess them on a case by case basis, and that is what happened in relation to the Federal award in the printing industry. At that time, the Secretary and the employers' representative had to assess the abilities of the person concerned. They then fixed a percentage of the appropriate award wage, be it 30 per cent, 40 per cent or whatever, and the matter was reassessed some time down the track—and it is usually after two years.

There have been unusual occasions when I have had to argue that somebody with a disability ought to be paid a full wage, and there are cases where people with a disability are an advantage—not a disadvantage—to their employer. For example, some of the young ladies in the printing industry were deaf, but they had exceptional skills as far as bookbinding was concerned, which I might say is not an easy trade. The fact that they were deaf meant that, generally speaking, they did not engage in conversations with other employees, so their productivity was much higher. They were also able to be put near noisy machinery, and their output was as good as—if not better than—those who surrounded them. Therefore, so far as some disabilities are concerned, one can argue that the person concerned ought to receive a full wage rather than a depleted one.

Many young people were engaged in the printing industry at places such as Bedford Industries, and I agree with the member for Hanson that, generally speaking, the instructors in these sheltered workshops are not well paid. This was one of the difficulties that I had as a union official in trying to provide a decent living wage for instructors in these areas. I hope that the situation has improved somewhat. One of the difficulties that I found—and I am sure that this will present itself yet again in relation to youngsters working in sheltered workshops and the like—related to the Federal Department of Social Security, which reduces their wages. Once their wage reaches a certain level, their benefits are reduced accordingly.

I have no complaints about the conditions, but this was a great problem when trying to provide decent wages for the youngsters working in the industry. I hope that the Commonwealth is prepared to look at this, if it has not already done so, to see whether there is some way in which we can overcome this impasse to provide a reasonable wage to the young people—and they are mainly youngsters—who work in sheltered workshops, particularly in sections of the printing industry. Some of the monotonous work that some print shops did not want to do outside has been taken up by this type of industry, and even though, generally speaking, the work is not highly skilled, nonetheless I believe that these people deserve decent wages.

I am sure that the fears that the member for Hanson has put to us in relation to union activity with these people are not justified because I do not think any union official is going to go over the top to such an extent as to provide a situation where these people will not be able to get work because of the way in which wages have been forced up. I believe that it is a matter of negotiation, and I think this sensitive area will indeed be handled sensitively. I have no wish to prolong the debate: I simply congratulate the Minister once again on this move and I hope that the Bill has a rapid passage through Parliament.

Mr LEWIS (Murray-Mallee): Ditto to the last sentence of the member for Henley Beach—for no reason other than

that I wish to ensure that the House understands my concern about aspects of the way that this legislation is administered, and for no other reason do I rise to speak on the measure at this time. Too often we find Government agencies, when given monopolies, do what this agency has done, and that is to make the way in which they deal with claims and inquiries from members of the general public fit their own convenience in dealing with them as their primary consideration rather than that of the welfare of the people for whom they were designed and set up to serve.

In this instance, it was to be the welfare of the members of the work force that was to be protected by the introduction and extension of WorkCover as we know it. But it has not happened. Too many staff who work for WorkCover are simply advised to tell lies when inquiries about which they are not certain are made—or at least that is the way it has been for a long time, and that is not good enough. When members of the general public make inquiries, whether they are employers or employees, they are entitled to know the truth, and I know that the Minister would agree with that. It is not good enough for members of any Government instrumentality to tell members of the general public things that are not exact and concise. In circumstances where that happens it invariably leads to embarrassment and, in the process of doing so, leaves those members of the general public with the mistaken impression that they do not matter and that the Government's bureaux will continue regardless of the outcome, that they will continue to do as they please.

In those circumstances, not only do the members of the agency involved find themselves discredited but also we as members of Parliament and indeed the Ministers in the Government are subject to the kinds of criticisms which none of us need and which we could all do without. What we need to remember is that, when anyone expresses concerns of these kinds, something must be done to address them. In this instance concern has been expressed that union intervention could see award wages introduced in sheltered workshops which would act against the best interests of disabled people.

Whilst the member for Henley Beach seeks to reassure us about those aspects of the intention, it is not for him to tell us what the Government is thinking, if the Government has been thinking at all. It is more a matter for the Minister to make it plain in law that in fact that can never happen. It would be quite improper for any ultimate system to result in such an iniquitous consequence for those people, who need to work for the sake of their self-esteem in doing something useful in the world. Furthermore, it enables their families to enjoy the benefits which come from the gratification. Furthermore, an individual who is participating in that sort of work can get.

We note that the Minister has agreed that, by regulation, he will prohibit award wages being written into any agreement involving sheltered workshops, and we are grateful for that. We would seek to have him put that absolutely and utterly plainly on the record. With those few remarks, I commend the Bill to the House.

Mr HAMILTON (Albert Park): I, too, do not want to delay the House for too long. However, I want to lend my support also to this legislation. I commend the Minister for his involvement and commitment to this Bill. It is very important for those of us who are for all intents and purposes physically and mentally complete to be able to look after those who are less fortunate than ourselves. Anyone who has been through a sheltered workshop and seen the people there working, be they teenagers or adults, and many of them without a great deal of supervision, cannot help but be impressed, and it is a delight to see. My experience is that they indeed work, they rarely complain and they gain a lot of enjoyment out of it.

Over the years I have been involved with a number of people in my electorate, as indeed would many other members of Parliament, people who, quite properly, are looking for some type of assistance for a child with disabilities. Their first and foremost thought is to ensure that their child, or in some cases teenager or adult, is looked after and is secure, and this is particularly relevant when a parent is getting on in years and when they are concerned about what will happen to their child when they pass on. It is a major concern of those parents to ensure that their child is placed in an environment where he or she is looked after very well.

In my own family circle, a nephew of mine was born deaf and my brother had many difficulties in having to bring his son to Adelaide from the country. This caused the family a lot of disruption and at that time he had very little assistance at all. However, later, assistance was provided and it was a delight to see the opportunities that were provided to my nephew in relation to his gaining employment. I urge anyone who has not visited a sheltered workshop to do so, because in many ways it is very sobering to go through and see what management is doing and to see what protections are given to disabled people and the enjoyment that they get out of work. The member for Hanson indicated the eagerness of many of these disabled people, and this includes some of the mentally disabled, to get to work and to undertake what I consider to be very meaningful tasks.

Nevertheless, they get enjoyment out of it. From my observations, they are, and feel that they are, playing an important role in the community. It is important not only to them but indeed to their parents; the child, or in some cases the adult person, is not simply sitting around home perhaps causing problems for the parent because they are bored and have little to do. I do not wish to delay the House. I congratulate the Minister and wish the Bill a speedy passage.

The Hon. T.H. HEMMINGS (Napier): I will speak briefly in this debate. Sometimes Governments of any political persuasion can be criticised for not putting into practice the philosophy to which they adhere. It would be fair to say that the Party to which I belong has perhaps a better record in looking after the disadvantaged in our community, but I also accept that some criticism could be levelled at this Government for not covering the people to which this legislation relates. We can mouth words of sympathy, we can try to get disadvantaged people out into the workforce, and we can try to make employers at both the State and public level pick up their responsibilities. It follows that those workers should be given the same rights as others. That is all I wish to say: I put on the record that I congratulate the Minister for, in effect, encompassing and embracing those workers so that they have the same rights and privileges under the statute as do some of the healthier workers in the work force. I place on record my support for the Bill, my congratulations to the Minister and my wish that the legislation gets the speedy passage that it deserves.

The Hon. R.J. GREGORY (Minister of Labour): I thank those members who have congratulated the Government on this innovative reform of the industrial relations legislation. It is not often that I, as Minister, have introduced amendments to the Act and been congratulated by the Opposition.

I thank them for that applause and accolade. We are talking about amendments to the Act to facilitate the registration of industrial agreements to ensure that people who work in sheltered workshops and people with impairments working outside sheltered workshops have the protections and privileges that any other worker in South Australia expects and takes for granted.

Indeed, I place on record my thanks to the numerous people who manage organisations that provide care and assistance to people with impairments. Through a long period of negotiation and discussion between officers of the Department of Labour, the United Trades and Labor Council, ACROD and various other organisations, agreement has been reached to ensure that the working conditions that apply to any other citizens in South Australia apply to people with impairments. The only exception relates to how much they will be paid. Anyone who has dealt with people in sheltered workshops would realise that they receive an invalid pension as well as additional funds for going to work of up to $20 a week, this sum being determined by the organisation.

I pay special tribute to officers of what was the Australian Timber Workers Union—it has merged with another union and I cannot recall the name, which is rather long. Officers of that organisation, through a lot of hard work in the Mount Gambier Heritage Industries, have been able to come up with an agreement to ensure that people in sheltered workshops get enhanced wages more than I have ever seen previously. The management of that organisation and the union have demonstrated that, when a lot of thought is put into it, people with impairments can and do perform as well as anybody else in our community. That matter was considered last week at a special sitting of the Industrial Commission in Mount Gambier. The amendments will facilitate those agreements.

I also place on the record that our Government in this financial year has been able to employ 11 people with physical disabilities and four people with intellectual impairments. One of those people is a female receptionist who works in a very important department. The CEO meets the woman quite often and does not see her as a person with an impairment. She has been there for so long that he sees her as another member of the work force. That indicates that, when integration of those people into the work force is planned properly and when the people around them are trained, they can perform useful and satisfying work.

My reward is knowing that people who in the past have not been well treated by our society are being treated exactly the same as everyone else. That is the milestone. We are leading Australia in this field. Like any other South Australian, I know that, when we decide that we want to do something, we seem to do it better than anyone else. We do things well. One only has to look at a number of facilities, and I refer in particular to West Lakes. Nowhere else in Australia has anything like that been done. In dealing with people with impairments, we are better than anyone else at this stage. We should keep up our game on this as my view is that we should always stay in front.

Bill read a second time and taken through its remaining stages.

WORKERS REHABILITATION AND COMPENSATION (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 19 March. Page 3436.)

Mr INGERSON (Bragg): I wish to make some very important comments on this Bill. A select committee has been considering this issue for some two years. It is disappointing that the interim report of the select committee, which was presented to the Parliament the past two weeks, refers to significant changes that I proposed to the Act and does not reflect the concerns expressed by members of the community to the select committee in relation to workers compensation in this State.

The issues placed before the select committee should be put on the record because, as I said, at this stage there has been no report by the select committee, and that is very disappointing. Many groups, employer organisations and individuals, including the UTLC, believe that the legislation needs to be tightened significantly, and that penalties for fraud and malingering should be totally revamped and strengthened. While employers and employees often comment on the difficulties regarding fraud and malingering, there never seems to be a great deal of information or evidence in support of their claims. This is a major issue, and has been raised on many occasions, but the select committee has not received a great deal of evidence to support the arguments put forward by many groups.

The second matter referred to by many groups was accidents that occur when a person is travelling to and from work. Almost every submission put before the select committee commented on what people believe to be a ridiculous position. We believe that change is required, and I will propose amendments to that effect. The 'deemed worker' clause drew significant comment. That clause covers a significant number of subcontractors, and there is no doubt that, particularly in the building industry, a large number of individuals do not want to be covered by this Act and are quite happy either to come under awards or to take out their own sickness and accident insurance. One such group, of which the Minister is well aware, is the Wall Tilers Association; under the award agreed to by the union and the employers, these piece workers are required to take out private insurance. However, that issue is before the WorkCover Board at present, because those subcontractors believe, as I believe, that double dipping is occurring, as under the award a payment for workers compensation is to be made. The clause covering deemed workers was raised with the select committee for change.

The definition of 'remuneration' attracted widespread comment, particularly as it relates to long service leave and redundancy payments. At the end of a period of employment, whether redundancy is involved or whether the employee resigns and receives a long service payment, the levy rate as calculated includes those long service and redundancy payments. Most employers argue, and I believe reasonably, that, once a person leaves employment that sort of payment should not be included in calculations to determine future levy payments.

The principle of 'return to work', which is a primary objective of the Workers Rehabilitation and Compensation Act, has not been adequately defined or carried out by the WorkCover Corporation, according to many employers and employees. It seems quite odd that both employers and employees are asking for a much clearer definition of 'return to work' and more committment by the corporation to getting people back to their normal work relationship with their employer. The general principle behind the 'return to work' concept is of major concern to many people, given the comments made to the select committee.

The definition of 'partial deemed total', to which I will refer later in relation to the second year review, is another major area of concern, not only as it relates to the second

year review but also in light of the proposition that a person who is partially injured should be deemed to be totally injured for the whole of the two year period. That issue was referred to by many employers but not by employees, because obviously they are the benefactors.

It is believed that the injury should be work related, and I believe there should be a change of emphasis in relation to stress. Both the Bill and our amendments address that issue, and I will spend some time later talking about stress in particular. The definitions of other injuries that are not clearly related to work need legislative change. That matter has been raised in many instances by employer groups and others who made representations to the committee.

The areas of common law and lump sum payments have been identified as major and growing issues in the whole area of workers compensation. In their report in December, the actuaries referred in particular to the growing concern about the effect of lump sum payments and common law claims, which are not only escalating in cost but also occurring much earlier in the claims procedure than was the case in previous years.

There have been many comments about the staff of WorkCover. Although Mr Lew Owens, the General Manager, has made some significant changes, there are continuing concerns that staff are disinterested, inefficient and too bureaucratic, and that the claims function is too slow. Such comments have been continuing for two or three years, yet today we hear about those same problems to which employers drew attention when they first made their submissions nearly two years ago. There is concern about the significant increase in staff numbers in the corporation, yet, as I have said, apparently there still seems to be inefficient organisation. There is a resistance by WorkCover to recognise that many injuries occur out of work and a belief that it is not prepared to discuss or accept the role of employers or to recognise some of their concerns.

The cost of this insurance in South Australia is significantly higher—some 25 per cent—than the average in Australia. In many instances there is a perception that that is due to administration costs. From discussions with the General Manager and from examining the annual report, one can see that the cost is equivalent to about 11 per cent of collected levies, which is about the national average or a little below, but there is still a very strong perception in the community about the inefficiency of this organisation. The processing and administration of claims is still a significant issue in terms of delay, and many employers complain that after claims have been lodged it is often weeks before they are involved in the process of the employees in question returning to work. They believe that this important area of claims administration needs to be tightened up.

There is criticism of the fraud review follow-up and, of course, there are concerns about appeals and reviews. Some changes to the appeals and review system are recommended in this Bill and those changes will go some way towards speeding up that process. However, in the next 12 months the select committee intends to examine this whole system and recommend major changes to the Parliament. There is no doubt that the original concept of trying to remove the legal profession and thus speeding up this appeals and review system has failed. I am not recommending that we should automatically go back to the adversarial process, but there is no doubt that significant change needs to occur. If we are to include the legal profession in the system—which I think we should—extensive streamlining, guidelines and measures for tightening up this area are necessary.

Employers are arguing that in many cases they are having difficulty in convincing the WorkCover Corporation that they disagree with the claim motive and that the injury did not occur at work. That is a major single issue for the employers, because if workers compensation is to work efficiently there needs to be a reasonable relationship between the employers, employees and the corporation. The argument as to whether someone was injured at work, on the way to work, or at football or tennis has not been properly addressed by the corporation.

Many small employers are having difficulty in finding alternative work for injured employees, and the corporation has not examined the matter in terms of its relationship with the whole workers compensation process. Representations to the select committee show that there is no doubt that exempt employers—those employers principally outside the scheme—are able to manage the return to work process considerably better than the smaller employers and those other employers within the workers compensation scheme. That in itself highlights the need for the WorkCover Corporation to play a much bigger and more important role in ensuring that this whole process involving employers, employees and the disability that has occurred, in order to achieve better results. It is important that disabled and injured workers get back to work as soon as possible and it is important that the employers are very much part of that process and to ensure that employees are not made to feel that they have been significantly disadvantaged.

The bonus penalty scheme is an absolute disaster as far as small employers are concerned, because one single claim can automatically double their levy rate. The bonus penalty scheme is totally opposite to any general insurance actuarial scheme. In an actuarial scheme the general risk goes right across the employers in the State, and one single accident does not double the premium. On the other hand, this scheme is purely and simply a user-pays scheme and it may double the premium very quickly. As we all know, in many small businesses the accidents that occur are strictly just that—accidents, in the sense that they did not occur because of bad management. However, as a result of those accidents the penalty becomes so significant and the employer has to manage the rest of the staff in such a way that adequate employment cannot be created to cover that loss. In addition, because of the small size of the operation, the employer cannot bring a person back to work through rehabilitation processes.

The levy classification system is a major concern with many small businesses being in the wrong classification, and they cannot get out of that classification because of the intransigence of the WorkCover Corporation system. That is causing great difficulty for small businesses in this State compared to their competitors interstate. Unfortunately, many employers still do not support the early return to work principles as much as they should. A major reason for that is the difficulty of communication between the WorkCover Corporation and employers. As many members know, it took nearly two years before the corporation and the Government recognised that one of the biggest problems in the scheme was that there was no communication between the employer, the employee and WorkCover.

That situation has gradually improved but, because the rate has not been rapid, we still have this remaining problem of small business, in particular, not being prepared to support completely these return to work principles. Some of the obligations under this legislation are very broad. However, again, small business, which needs to get on with the job of employment, making money and existing, does not have adequate communication links. These very complicated systems are not explained to small business.

The next area of major concern in the submissions that have come before the select committee relates to the benefits area, and I want to spend some time discussing the submissions to the select committee on this issue. Some of the benefit changes are reflected in the amendments that we will move in Committee. However, at this stage, I will detail some of those issues. Many businesses put forward the concept that only the award rate should be paid as the basis of compensation and that there should be no overtime or shift allowances in a basic workers compensation scheme. That principle has been supported by almost all the major employer organisations and, interestingly, also by many individuals who see that the cost of compensation should be at a very basic rate and that it should reflect not the rises and falls, which occur in business as the seasons change and as the general trading conditions change, but a base rate that goes right through the system.

In many instances they have argued that there is a significant increase in benefits for some workers when they become injured. Because of the anomalies in the structure, in many instances people are earning more by being off work through injury than when they are at work. The employers think that is unfair and unrealistic. That comes about because of seasonal conditions.

Many examples have been put before the House, but probably the most obvious one relates to workers in the South Australian Brewing Company. During the Christmas period, because of seasonal changes and requirements for beer by the community, significant overtime is paid at that time. If someone is injured at that time, the benefits, because of the system, could carry through the year, particularly during the winter months when the salary would be significantly lower. Someone who was injured at that time and off work for perhaps six months would be getting paid $200 or $300 more per week than a person in employment. Those conditions need to be changed. There has been a strong recommendation by the employer groups that we should go back to base-rate award conditions.

The maximum benefit under this scheme has been criticised by many groups. In South Australia the maximum benefit is about $1 200 per week, whereas in New South Wales and Victoria it is about $560 per week. Employers in South Australia could be required to pay benefits almost twice as high as the maximum in any other State. The Premier has argued on many occasions that we need to be competitive, yet this scheme has benefit levels significantly higher than in any other State. A strong argument has been put forward by employer groups that there should be a reduction to 80 per cent after two months and to 70 per cent after 12 months. That principle is being followed through by us in our amendments to the Bill, to which I will come later.

There is an argument that there should be closer control of benefits for partially incapacitated workers, especially those deemed totally incapacitated. Members will recognise that in the first two years of injury, if the injury partially incapacitates the worker, under this legislation the person concerned will be deemed to be totally incapacitated, whether it is 10, 20, 80 per cent or whatever. In the first two years of the scheme there is a significant cost in terms of this deemed total incapacity. A strong argument has been put forward by employers that there should be better control and monitoring. At the moment, the Act does not monitor that group of injured workers anywhere near as well as it should.

There were some strong arguments that occupational health and safety needed to be improved, particularly in the small business area. As shadow Minister responsible for industry, visiting and investigating the workplaces in small businesses, I have noted a significant number which are very frightening and concerning. That position has been the same for the past four years. In my view, the inspectorate, for which the Minister is responsible, is not carrying out its responsibilities for ensuring that the workplaces in some of these small businesses are brought up to standard. It has been put to me that the reduction in the number of inspectors in the Department of Labour is of major concern. I believe that this issue needs to be followed through and investigated.

The Minister and the Government rightly see occupational health and safety as a very important issue. The Minister has on many occasions in this House said that one of his major concerns, as it relates to the Opposition, is that we do not seem to be as concerned about occupational health and safety as the Government. That is absolute nonsense. We believe that there should be more rigid control and investigation of this issue. This major issue has been brought before the select committee and we believe that it needs further investigation.

When the Government introduced the workers compensation legislation in 1986 there was a significant heralding of the value of rehabilitation and how it was going to be the new guiding light and panacea for the scheme. The reality is that most of the rehabilitation providers have ended up with more Mercedes Benz, Jaguars and other imported cars than any other single group of individuals. Yet the principal system of rehabilitation is no better now than it was five years ago. The problem—and the Minister is well aware of it—is that there has not been proper management and control of the whole rehabilitation system. Millions of dollars has been paid out in this rehabilitation process, but it has not been used to the best effect; that is, making sure that we properly rehabilitate injured workers be getting them fit and back to work as soon as possible.

It is in the rehabilitation area that the most outspoken criticism has come before the select committee in terms of change. In our amendments we shall be proposing significant changes which we believe will tighten up and improve the whole process of rehabilitation. It is a very important part of the scheme, but a part in which costs have blown out significantly and have not been managed anywhere near as well as they should have been.

The next area on which many people have commented in relation to the scheme involves the doctors. One of the major problems with workers compensation is that the first point of contact for the injured person is with the family doctor. In many instances there is an obvious conflict between what is required in terms of getting a person back to work quickly and the fact that the general practitioner is the family doctor. This issue has been discussed by the select committee and reported to it on many occasions. It seems to me and to many in the medical profession that one of the simplest ways to overcome that is for specialist review panels to be involved in the system much earlier than they are now. That is still recognising that the general practitioner has a very important role to play in workers compensation. However, when a person is out of work for more than a month, the need to have a special review as quickly as possible is very important.

There is no doubt that many claimants know which doctor to approach in this town if they want a week off, and many claimants know that, if they cannot get the result they want from their first doctor, they can very quickly move on and get a certificate from another doctor. The system must be tightened up so that the WorkCover Corporation itself is able to monitor it and very quickly and

clearly identify any problem areas. There is no doubt that the medical advisory panels must be expanded—and that major issue was put to the select committee by many people.

In all inquiries into operations such as WorkCover there is the argument of over-servicing and overcharging as far as claims are concerned. Recently the Act was amended to enable the WorkCover Corporation to negotiate with the medical, physiotherapy and other professions for a reasonable rate of pay in terms of charging. It is my belief that that amendment will, in the long term, be very important in controlling some of what appears to be overcharging. I was involved in introducing that amendment, and there have been some hiccups in a couple of areas. I think that WorkCover is aware of them and, hopefully, we will be able to make sure that those new amendments allow all the professions to apply reasonable charging processes.

Those general concerns were put before the select committee, but they are not covered in the interim report. As I said at the beginning of my contribution, the most disappointing thing about the select committee has been the slowness in reporting major issues to the House. The interim report, which was tabled two or three weeks ago, deals with a Bill which makes some significant changes to the Act and which I brought before the Parliament. Predominantly they were Government led amendments but, apart from that, there has been no fundamental reporting to this Parliament. Since I have this opportunity to talk to the Bill, I thought that those issues, which have been expressed in many of the submissions to the select committee, should be put on the public record.

Mr S.G. EVANS: Mr Deputy Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Mr INGERSON: It is pleasing to see so many members come back into the House to listen to this very important debate. I would like to put before the House one particular employer group's proposals for change to bring together all the comments that I have made in relation to the changes that have been proposed. It made the following comments:

We propose the following changes:

- eliminate overtime from 'average weekly earnings'.
- weekly benefits to be: 100 per cent for three months, 90 per cent nine months, 70 per cent thereafter.
- more stringent requirements on payments to partially incapacitated workers, especially 'partial deemed total'.
- exclude travel accidents.
- limit the maximum payment to South Australian average weekly earnings.
- define 'return-to-work' as resumption of gainful employment.
- abolish common law actions.

Those changes, which were put before the select committee, really highlight the concerns that still exist in the community about this whole workers compensation scheme.

The Bill that I took to the select committee resulted from the Government negotiating through WorkCover with the employers and the unions. The Bill wandered around the community for some six months, at a time when the WorkCover unfunded liability was potentially blowing out by some $12 million a month. WorkCover suggested in one of its internal documents that, if the blow-out continued, by the end of 1992 the potential unfunded liability would be $259 million. Those estimates were put forward by the WorkCover Corporation board. The estimates were not dreamed up by me or by any other member of the Opposition. There was a document in the public arena which was clearly a board document, and which was agreed to and supported, and it was hoped that it would not happen.

Fortunately for all of us, particularly as far as WorkCover is concerned, two major things have occurred in the past 12 months: first, we have had an unfortunate recession resulting in a 27 per cent reduction in claims (and a very significant reduction in the number of individual claims); and, secondly, because of the Government decision to increase the average levy rate, an increase of $50 million was taken out of the employers' pockets and placed in the pocket of WorkCover. Those two factors were the principal reason that the unfunded liability ceased and was reduced from $150 million to $130 million at the end of December.

It has nothing to do with any magic change of direction by the Government or the promises that the Premier made to employers that, by the end of this term, the workers compensation levy rate in this State would be competitive with all other States—it has nothing to do with that. Due to a tragedy in our economy—that is, the recession—there has been a loss of some 20 000 jobs and, consequently, a significant reduction in the number of claims. The other factor is that employers funded the deficit that was likely to occur. With that in mind, we introduced into this Parliament a Bill that looked at four very significant issues. The first issue was the need to do something about the stress claims.

There is no doubt that stress had become one of the potential blow-out costs for the scheme. There was a need to look at the second year review and, in discussions with the WorkCover board and through its representation, it advised me and consequently the select committee that any changes in the second year review would reduce the unfunded liability in the order of $80 million to $120 million—a one-off reduction which would be very significant. The change in the stress definition would reduce the claims level by some $20 million, and the introduction of some taxation measures recommended by the WorkCover board would reduce the long-term unfunded liability by a further $80 million. The changes that I brought before the Parliament were to reduce the long-term unfunded liabilities of the corporation by some $200 million. They were very important and significant changes to assist in respect of the general direction in which the scheme was going.

In the amendments that I put to the House there was significant involvement of the WorkCover board. Whilst I did not have any personal contact with the board, there were many documents and papers that have now been made available to the WorkCover select committee that showed that the board itself was concerned with a second year review process and that it needed some significant changes so that it could manage the problems of second year review. We also had a situation where there was a court case, which the WorkCover board lost, in relation to the second year review process, and it was then appealed. If the WorkCover board should lose that case, it will require very significant changes to legislation, along a line similar to the amendment that I put before the House.

The Bill, after the second reading, was referred to the select committee, and the committee investigated all the issues that were related to my Bill, but more importantly expanded some other areas and brought back a reference Bill to this House. In dealing with the issues that were related to that Bill, it is important to talk about stress initially and I shall then make some comments about the second year review, and some other points that were made by the select committee. One of the things that the select committee did was to request of interstate authorities details of the sorts of problems that were occurring in relation to stress. One of the statements made, after all that information was compiled was:

The replies indicate an increasing trend in the numbers and proportion of claims attributed to stress, with particularly marked increases in 1990-91.

There would appear to be a higher incidence of stress related claims in South Australia (approaching 1 per cent of the total) compared with other States that supplied usable information.

It stated that, given the different ways in which monetary values were reported in the replies, no valid comparisons could be made between the States in terms of monetary position, but the paper went on to say:

The WorkCover (SA) reply, does, however, indicate that stress claims constitute a higher proportion of the monetary value compared with the number of claims.

So, whilst the number of claims is high—although not as high when compared with banks and other institutions—the concern is that the cost of stress claims is significantly higher than all other claims. In answer to another question, the conclusion was:

'Community services' consistently appears as a category attracting a high percentage of stress claims.

That relates more specifically to Government instrumentalities than to the private sector. Probably what is the most important answer that we received was that from the Accident Compensation Commission in Victoria. In response to our detailed questioning, it made the following points:

The proportion of stress claims has increased every year from 1.6 per cent in 1985-86 to over 3 per cent in 1990-91. Stress claims averaged more than double the payment of other claims. Medical, rehabilitation, hospital and legal costs are considerably more for stress claims. Stress claims are longer in duration (132 days compared with 70 days). Stress claims are concentrated within the public sector, particularly in education, community services and health.

That is reflected in the Auditor-General's Report here in South Australia. It continued:

Stress claims have continued to increase relative to other claims. Stress related claims may have a significant non-work component; that is, it is difficult to separate home stress from work stress. There is no agreed method of determining lump sum payments for stress cases. Finally, there is some evidence that stress injuries are under reported in the private sector or inappropriately reported as a physical injury.

So there is concern with the development of stress cases, not only in South Australia but also interstate. One of the other reference papers that was done for the select committee concerned the stress claims in State Government departments in South Australia versus those in relation to employers registered with WorkCover. Was there any comparative difference between being employed in a State Government department and those covered by WorkCover or the work corporation scheme? In the Government area, the number of days lost in 1988-89 was 380; in 1989-90, 363 days were lost, while in 1990-91 it was 334. So there is a downward trend in the number of lost days. The costs to date are: $7 743 in 1988-89 and $3 994 in 1990-91—again, a trend downwards.

In relation to remuneration, the approximate cost to Government was $2.89 million in 1988-89. However, even though the number of claims have come down significantly, the cost for 1990-91 is now up to $3.15 million. When comparing that with the non-exempt employers, those covered by WorkCover, one sees that the number of days lost per claim in 1988-89 was 103, compared with 380 in the Government sector, and 240 in 1990-91, compared with 334 in the Government sector. The difference, though, is that there has been a significant increase in the number of days lost in the non-exempt area, or that covered by WorkCover, compared with the Government sector. The remuneration total was significantly higher in the year 1990 than for the year 1988-89. This report comments:

On inspection of the number of claims per $ million remuneration of Government versus WorkCover registered employers, it is evident that Government has experienced a higher incidence in claims (per $ million remuneration) of stress resulting in days lost than WorkCover registered employers.

It goes on to say that that is reducing over time, and that is reflected in the report. However, in 1988-89 the exempts were experiencing 7.7 times the incidence of stress, compared with WorkCover employers, and in 1990 the exempts were experiencing 3.3 times the incidence of stress than were WorkCover employers. When talking about exempts, I am talking about Government exempts, not the other group of private individuals. So, what we see is that, clearly, the number of stress claims and their cost in the Government sector is today almost three times higher than in the private sector.

Two of the most interesting people that came before us during the course of the select committee hearings were Dr John Clayer and Professor McFarlane. In their discussions with the committee two major issues came out. First of all, that stress is almost impossible to define in the way we have attempted to define it in this legislation and that the only way to do it is to use either one of two codes—the English code or the American code, which clearly sets out mental disorders and illnesses and defines clearly the position with the mental disorder or whatever.

Unfortunately, the select committee was not prepared to accept the advice of, in particular, Professor MacFarlane in that we should go down the line of being more specific in defining stress. In fact, the select committee accepted that the lawyers found it too hard. What worries me about that is that, because lawyers find it too hard (and they are the ones who end up in court arguing the stress claims), we are taking it out of the hands of the people who know, that is, the doctors and psychiatrists who should decide whether a person has a specific mental disorder. We are allowing lawyers to define what stress should or should not be under workers compensation. I believe that was an unfortunate decision of the select committee, but as an individual I was well and truly outvoted. Unfortunately there is no strict medical definition of 'stress' in the amendments to be moved by either the Opposition or the Government.

In time we will recognise clearly that that needs to occur and that, irrespective of what advice we might get, we will need to become far more specific in respect of the definition of 'stress'. I am sure that in my time in this Parliament we will see more definitions—

The Hon. H. Allison interjecting:

Mr INGERSON: That's right. We will need to become more specific in that area, as both psychiatrists told us that there is a strong component of both out of work stress and in work stress. Not too many professionals can define what is work related and what is not. Unfortunately, this area highlights the difficulties we have in this workers compensation area, it would have been better if we had gone down that line. We had significant comment from employers in this area, and one in particular made the following comment:

The Act is currently deficient in terms of treatment of stress related disabilities and is alarmingly open to abuse. The recent decision of *Rubert v WorkCover*, the Aldersgate Nursing Home, has highlighted the need for urgent legislative amendment to avoid further abuse of the system. In that decision the Supreme Court highlighted the unsatisfactory nature of the current legislation and, when the veneer of judicial protocol has been removed, the court has indicated that an amendment to the Act is required.

Basically in that case the court was saying under the current definitions it would have to find in favour of the employee, but in reality it should never have got to this stage. As a consequence the select committee had a look at it and came up with some important changes. Unfortunately, the Government in bringing it before the House has decided that it was a bit too hard and that some workers may not get through under that defintion, so it has been opened up again. So, we have gone from the position put to us by the

two professional psychiatrists to a position now which we, the lay people, have decided is a bit too hard and requires a more reasonable approach.

Significant professional papers on stress were put before the select committee, and almost every one of them said clearly that this was a very difficult area, that we needed more precise definition and that we should place WorkCover in a position of having to make judgmental decisions when it does not have people qualified to do that. That issue applies more so in this area than probably in any other. There were several other parts to the Bill that I introduced into the Parliament and subsequently had referred to the select committee. The interim report of the select committee sets out clearly most of these positions. The other major area of concern was the second year review process. We picked up the recommendations of the WorkCover board.

I believe that the recommendations of the WorkCover board were supported by the Government, but backflips by the Government are a fundamental and regular occurrence when it comes to workers compensation, and particularly when it comes to having to make difficult decisions. Employer groups placed plenty of evidence before the select committee to the effect that the second year review process seeds to be changed. The major areas of concern related to the fact that WorkCover believed that, under the Act and following the second year review, it was able to make some very difficult but important decisions in relation to the state of employment and to the state of partial incapacity of an employed person. WorkCover made many decisions, and one in particular went to court and was tested. WorkCover lost the case and it was then appealed.

I find it absolutely incredible that we have a legal system that hears an appeal case prior to Christmas—back in October or early November—and we still do not have a result. It is an indictment on the Government and on our judicial system that we do not have sufficient people available to work through all of the processes of law that are required. It is no criticism of the judge or the individual concerned, but purely and simply of the process in that we do not have enough judges who are capable of making these sorts of decisions and completing these appeals in a more reasonable time. The appeal system ought to be reasonably quick—that should be fundamental to any judicial system. In this instance the cost of the scheme is astronomical. Because of the delays in the appeal mechanism created by the legal system, WorkCover may be (and nobody really knows) having significant cost blow-outs. That is something that the Government ought to look at and do something about.

WorkCover believes that the Act enables it to carry out the review. The select committee was advised that this was incorrect and that changes needed to be made to clarify the position and to put the second year review process into the mould into which it was decided it should be put in 1986. It is of interest to note some of the comments made by Minister Blevins in 1986. When asked about the second year review, he said:

> Another significant area of cost is the unlimited 'partial deemed total' provision in Victoria compared to South Australia's proposal for three years' cover. This is somewhat complex and one of my advisers can go through it with the honourable member later, if he wishes. It is a very significant cost difference. For the benefit of honourable members, 'partial deemed total' arises where a worker is partially incapacitated but because no work is available at a point in time, the worker is deemed total; that is to say, the worker is paid as if he was totally incapacitated . . . The Victorian scheme is open-ended.

That was a fascinating comment in 1986. The fundamental problem we have today is that the South Australian scheme is open-ended. In 1986 the Minister promised that, if there were any problems, the Government would resolve the situation immediately but, here we are in 1992, some six years later, and we still cannot get the Government up to the barrier. The select committee, on which the Government has only two members, tried to get it up to the barrier and recommended significant changes to this Parliament, but before the ink was even dry the Government had slipped out from underneath and brought in its own Bill. Six years after Minister Blevins said that, if there were any errors, he would put forward a system that would not be as open-ended as that in Victoria, the same Government is still ducking and weaving. It does not have the intestinal fortitude to recognise that this is a massive problem in terms of the cost of the scheme. Mr Blevins said further in 1986:

> It is not totally open ended at all. It is quite clear that there is a limit of three years.

As members would know, that three-year provision was amended in the other House to two years; a second year review now applies. Mr Blevins went on to say:

> In Victoria it is the case, but it is not the case here. We have taken advice on it over and above our own advice to ensure that the provision is as tight as it can be, because it would be a very serious financial drain on the corporation if the partial deemed total was open ended on 85 per cent. That is the Victorian system and not our system.

What an amazing statement by the Minister in 1986, and six years later we still have the same scheme. The Government could have hidden behind the select committee and blamed the terrible member for Bragg, the member for Elizabeth and the Hon. Mr Gilfillan in the other place, saying, 'Those members out-voted us on the committee.' But that was not the case. The Minister, thus the Government, voted to include in the Bill the second year review provision. What happened? Before the ink was dry on the interim report containing the select committee's recommendations, the Government went to water. Within 10 minutes of the tabling of the select committee interim report, which contained recommendations for a Bill, the Minister slid in his little draft Bill. Where was the second year review? Gone forever. I wonder why? I wonder whether it is possible that his union mates said, 'Minister Gregory, you'd better not bring this in.' I wonder whether that is the case?

If we looked at the evidence before the select committee, we would have to say that that is exactly what happened, because the union representatives, in representing the employees, argued that, beyond any doubt there was no justification to amend to the second year review: there was no fundamental argument that there was a blowout in cost, because of the second year review, and no-one was having difficulty with the second year review. In effect, the union representatives claimed that the employers, the Opposition and, in particular, the WorkCover board, had got it all wrong: everyone else had got it wrong except the Government and the unions. They were the only ones who believed that the continuing unfunded liability of $80 million was not a problem.

I find it quite staggering that a Minister of the Crown could put his signature to a select committee report, vote in favour of it and bring it back to the Parliament but, before the ink was dry say, 'Here is another Bill that does not contain that provision, because my union mates won't let me include it.' What an incredible position! Yet, this Government says that it is interested in getting down the cost of WorkCover, that it wants to make sure South Australia is competitive, that it is honest and that it wants to support the WorkCover board. The WorkCover board wants this change; it recommended the change in the first instance and currently it is before the courts trying to defend its position under the old Act. It is trying to defend the position

which Mr Blevins said he would fix if it ever occurred. He said that in 1986 when questioned on this single, fundamental issue.

At that time, the Opposition was not being clever by pointing out that there was a problem. Given the advice that we received from legal counsel in this State, we asked the Minister: 'If it is open-ended, what are you going to do about it?' The Minister put up his hand and said, 'I know what I'm going to do about it. I will not let this blow-out occur; I will fix it up.' In the meantime, his union mates have seen it as the greatest loophole of all time—and away she goes. Regarding this magnificent open ended system, they say, 'Let's keep on running through the door and, if anyone tries to stop us, let's get stuck into them and say that they are conservatives, that they don't care about the injured worker or about any of these problems, and that all they want to do is to get the cost down.' That is absolute nonsense!

This change was proposed not by the Liberal Party but by the WorkCover board, which consisted of representatives of the unions and employers and which at one stage was chaired by the Minister's chief assistant. So, there was no excuse for the Government or for the unions not to know far sooner than the Opposition what was going on as far as the board was concerned, because the Government's mates were members of the board. The Minister knew even before the board had made a decision what was likely to occur.

The select committee had evidence to show that this change ought to occur in the best interests not of the employers but of the scheme. The most important thing about the workers compensation scheme in this State is that it survives because, if it falls over, the injured workers will lose: the employers will not lose, because they will take up the next scheme. The people who will lose are the injured workers. If we as a Parliament cannot guarantee a long-running scheme which is fair and which looks after all people who are injured in South Australia, we will have a major problem in this State.

Yet, as I said, at the very first opportunity after the select committee had looked at changes in this area, the Government slipped away and disappeared. Just to show members how fair the select committee was, I point out that the unions argued that a unique group of people who are defined in technical terms as the 'odd lot'—that is those people who are injured and who, because of their skill level, are not able to get reasonable work—should be included in the second year review. What did the select committee do? It did not ignore it: it actually took notice of what the union movement suggested because its argument was valid, and it had a court case to back the argument. The select committee, I might add, voted six to nil on that issue. The fascinating thing, of course, is that that six to nil vote included the Minister and a member of the Labor Party in the Upper House. So, it was not a divided vote, with the conservative Liberals and those terrible Independents putting their hand up and saying how terrible the scheme was: every member of the select committee voted in favour of implementing changes relating to the 'odd lot' and the second year review.

That change involves only $80 million. If one says that quickly, it does not sound like very much. However, that sum is half the current unfunded liability that the actuaries say WorkCover has. The current unfunded liability is about $160 million, so this $80 million saving from the one-off change would reduce that liability on a one-off basis and would reduce it every year from now on by an estimated $20 million—a little throwaway of $20 million every year from now on if the change in the second year review were made.

As I said, this review process was supported by Minister Blevins in 1986. At that time, Minister Blevins guaranteed that, if it went wrong, he would fix it up. The only problem was that he handed it over to Minister Gregory and now it has gone to water. That is the tragedy of the select committee. It makes one wonder why we bother to establish select committees and why we are serious about being part of this change. It also makes me wonder why any private member in future would bother to refer a Bill to a select committee to have an issue looked at honestly. It really is a joke when a select committee spends so much time and takes so much evidence in favour of a change but nothing happens. That is particularly true when we look at the select committee recommendations.

WorkCover recommended a clause which provides, in essence, a scheme to reduce the amount of tax paid. It will consequently knock the Federal Government on the head and get a few dollars back into the scheme. We are all prepared to support that; I supported it, and so did the Minister. Members might wonder why that provision was not taken out of the Bill: it is because the Minister's union mates want it in. It would save $80 million as well. I wonder why they are against one saving of $80 million and not against another. It is quite fascinating when one is asked to address the question whether the second year review process should ensure that people who are not playing the game at the end of that second year are properly reviewed. If that is what the Act provided initially and if it cannot be followed through, why would one suddenly put one's hand out and say, 'We will take the Commonwealth off and knock a million dollars off in tax.' It is a funny system we have.

It seems to me that it is good enough to knock the off a few tax dollars but it is not okay to do the right thing and review the position of workers at the end of two years to see whether they can go back into the work force and be taken out of the workers compensation scheme. We should not do that because it happens to be right. That is a major issue for this Parliament as it is for the Government, which in the past few months has not worried at all about ethics; it has put up its hands and gone down what it sees as the most politically opportune path instead of doing what the select committee recommended. It wanted to ensure that we achieved an improved workers compensation Act.

The select committee recommended other changes and I will talk about them in Committee. However, the other major change recommended by the select committee related to stress. The select committee recommended that stress claims should be principally work related. That seems pretty fundamental to most people. Secondly, it recommended that workers should not be able to make a stress claim if they have been counselled and if their general work practices have been questioned; in other words, if a worker is not doing his or her job and suddenly becomes stressed because of that, they should not be able to make a claim. There was fundamental agreement in the committee: interestingly, the vote was six to nil; there were no problems with the Minister.

However, what happened? The Bill was watered down. Suddenly, the six to nil vote—before the ink had dried—had changed to nil to six the other way. It is simple; it was too darned hard, because the Minister's union mates were, again, a bit uptight.

What would be the cost saving if the committee's recommendations on stress were implemented? According to our report and research, $35 million would be saved if all stress claims were eliminated. That is a quick $35 million—

not too bad. However, the day before the ink had dried, it was changed. The saving is now probably about $10 million to $15 million. We have knocked a quick $20 million off because the Minister's union mates do not like it. That is another issue we would like to look at. In relation to the second year review. The select committee stated:

> The corporation estimated that if benefits were reduced by 25 per cent to 30 per cent, the impact of the outstanding liabilities would be about $80 million, and a further 10 per cent benefit reduction would save a further $40 million in addition to this amount. The introduction of lump sum awards involves a saving in the taxation component of benefits paid that is estimated to have a maximum $80 million in outstanding liabilities.

The committee goes on to state:

> The combined effects of the second year review and lump sum changes would be a one-off effect on liabilities of about $120 million to $150 million.

If one says it quickly, it is not very much. However, one of those components was knocked out overnight and it disappeared.

In respect of stress-related claims there is $4 million per year as well as the $35 million that has been mentioned before. The overall change in levy was between .4 and .55 per cent predicted. That means that, with an average levy then of 3.8 per cent, we were talking of getting down to about 3.2 per cent. They are significant changes affecting employers in this State.

We have the worst recession in my lifetime. I have been in business in this State for about 26 years and it is the most difficult period that I have experienced as an employer. It is also the most difficult period for all other groups. I am in the pharmaceutical industry, which does not vary very much because people are continually ill. That is unfortunate for the community, but that is the reality. If one asks other retailers how things are going or what is the one major issue that concerns them on a daily basis, the answer is simple: it is the cost of WorkCover, the problems of managing claims, the difficulty and intransigence of WorkCover staff. That is the single major problem in the small business sector today.

Premier Bannon promised nearly 12 months ago that there would be significant changes to the scheme. He said that he hoped that the select committee would bring forward some significant improvements. It did: as I said earlier, and I shall keep on saying, before the ink was dry $80 million was taken out of our recommendation by the Government. Those difficulties will continue for employers in this State as long as we have a Government that is not prepared to look at the major changes that are required.

The Hon. Legh Davis and I, in part of the interim report, made a minority statement. We commented on the problems of benefit levels and the difficulties with journey accidents being included in the old workers compensation scheme. At that time we signalled our belief that further amendments should be made to the Bill when it came before Parliament. We do not expect the support for some of these changes that we hoped we would get for the select committee report. I understand that the union movement and some employers believe that benefit levels are not the problem; it is the way in which the workplace is managed. I accept there are a few who argue that, but by far the majority of employers believe that the benefit system under this scheme is excessive and should be changed. I seek leave to have inserted in *Hansard* a document in relation to weekly benefits.

The SPEAKER: Is it purely statistical?

Mr INGERSON: Yes.

Leave granted.

State	Weekly Benefit	Average Levy Rate	Funding Status
South Australia	First 12 months—100% Notional Weekly Earning (maximum $1 133.80) Some overtime included After 12 months—80% Notional Weekly Earnings	Current 3.8% From July 92 3.5%	82% Fully funded
Victoria	First 12 months—80% of pre-injury Average Weekly Earnings (Maximum $550)* Overtime not included After 12 months—reduces to 60% if level of impairment is less than 15%, otherwise remains the same. (Maximum $550)	Approx. 3.0%	Deficit $2.4 billion Approx. 60%
New South Wales	First 26 weeks—Workers award rate (maximum $604.10)* Overtime excluded. After 26 weeks—Worker $192.10 Dependant spouse $50.70 First child $36.20 Second child $80.90 Third child $134.10 Fourth child $188.50 + $54.40 for any additional child After 34 weeks—Where partial incapacity benefits are the difference between the award rate and assessed earning capacity (subject to above maximums).	Current 1.8% Projected 2.0%	Fully funded with surplus $1 billion
Queensland	First 39 weeks—Award rate Overtime excluded After 39 weeks—Prescribed rate $271.20 Dependant spouse $ 54.20 Dependant (child) $ 27.10 Maximum for permanent impairment $71 310**	Approx 1.4%	Fully funded
Western Australia	—Award rate (maximum $84 678)		
Northern Territory	First 26 weeks—Normal weekly earnings, overtime and shift penalties not included After 26 weeks—70% of lost earnings capacity (maximum $578.97)*		

State	Weekly Benefit	Average Levy Rate	Funding Status
Tasmania	—Ordinary time rate or average weekly earnings whichever is the greater (maximum $88 409.20)		
Comcare	First 45 weeks—Normal weekly earnings, including overtime After 45 weeks—total incapacity 75% normal weekly earnings If return to work less than 25% normal hours—80% weekly earnings If return to work between 25% and 50% normal hours—85% weekly earnings If return to work between 50% and 75% normal hours—90% weekly earnings If return to work between 75% and 100% normal hours—95% weekly earnings If 90% normal weekly earnings is less than statutory comp i.e. $234.52* + $38.05 for dependant spouse and each child then this must be paid as a minimum.	1.68%	Fully funded

** Total compensation payable $67 870 including weekly payments
* 1. Maximum amounts referred to above current as at July 1991—not updated for 1992.
2. Average Levy Rate and Funding Status not available for Western Australia, Northern Territory and Tasmania as these schemes are operated through multiple insurers.

Mr INGERSON: This document, which was produced for the select committee, highlights the benefit structure of workers compensation schemes around Australia. It shows that in South Australia, for the first 12 months, 100 per cent of the notional weekly earnings is paid. In Victoria, for the first 12 months, it is 80 per cent. In New South Wales, it is a maximum of $604, overtime is included, and it is equivalent to 80 per cent. In Queensland it is the award wage for the first 39 weeks. In the Northern Territory it is normal weekly earnings for the first 26 weeks. In Tasmania it is the ordinary rate for the first year. South Australia has the highest level of first year rate. That is when the changes really start to occur. In all other States there is a significant drop from that 12-month point onwards. South Australia ends up with by far the highest average weekly benefit of all States.

It has been put to me that whilst the percentage is the highest, because our award wages and overtime rates are on average less than in other States, it can be argued that the amount paid out per employee is less. That is the case. However, our turnover, general production and everything else is less, and so is the percentage figure right through the system, but the weekly benefits in South Australia are the highest in Australia. Indeed, it has been put to me that they are the highest in the world. There is no question but that the weekly benefit is an area that needs to be looked at. In Committee we shall be proposing amendments that these weekly benefits be reduced. That will go some way towards reducing the cost of the scheme and consequently giving it more opportunity to have a long-term advantage.

A research document has been produced on our behalf. It shows that the economic price effect on return to work of reducing income benefits is of the order of 3 per cent to 4 per cent. That is a significant reduction which we believe should be implemented. We shall be asking the Parliament later to look at that.

In looking at weekly benefits, there is no doubt that the overtime component is significant. This component is not available in some other States. It is in some of the States, but in by far the majority of States it is not included. In consequence, there is a strong argument that the basis should be purely and simply the award rate or a notional rate, and we shall be arguing that case in Committee.

There is one other very important area that we believe should be removed from this whole structure, and that relates to journey accidents. It is absolute nonsense to say that if a person reverses out of a driveway into a vehicle on the road and suffers whiplash, that should be part and parcel of the payment under the workers compensation scheme. That is why we have a compulsory third party bodily accident scheme for motor vehicles. That insurance component, which rightly should be paid, should be part and parcel of the third party compensation scheme and should not be lumped in with the cost of employment. We want to make sure that we have a compensation scheme that genuinely looks after those who are injured at work. The criterion is: injured at work. It is not injured getting to work, waltzing off to a squash game at lunchtime or on the way home: it is injured nowhere else but at work. That is what this scheme should be all about: no frills—just a straightforward scheme in which injured workers are covered.

We are not saying that anyone genuinely injured on our roads, whether going to or from work, should not be covered, because they are in any case. The minute they get into a motor vehicle they are and should be covered.

An honourable member interjecting:

Mr INGERSON: If they are not in a motor vehicle and our third party system does not cover them, we ought to fix it up. Do not bring in these side issues as a red herring. Let us get back to the real issue, which is workers at work.

Debate adjourned.

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

STATUTES REPEAL (EGG INDUSTRY) BILL

The Legislative Council intimated that it agreed to the recommendations of the conference.

Consideration in Committee of the recommendations of the conference.

The Hon. LYNN ARNOLD: I move:

That the recommendations of the conference be agreed to.

I would like to indicate my appreciation to members of this place who represented this Chamber in the conference: my colleagues the members for Stuart and Price and the members for Chaffey and Eyre. I appreciate the work that they did in helping resolve this matter with those members from the Upper House whom I named earlier in the day.

In accepting the recommendations of the conference, I want to make the following statement, which really arises out of those discussions, and it allows to be put on the public record some assurances which the egg industry believes it would like to receive and which I am happy to give. In relation to the $340 000 collected from growers by the South Australian Egg Board as part of a building levy, I intend to honour my commitment that those funds so collected are

to be considered quarantined off from other levy payments made by growers over the years. Furthermore, this particular amount will be offered back to those growers not proposing to join the new cooperative, in proportion to their contributions. Of course, by that I mean that their share of the $340 000, and no more, will be given back to those not in the cooperative, less any administrative costs in processing those amounts. For those growers proposing to join the cooperative, the amounts contributed by them to that building levy will be transferred directly to the new cooperative.

In relation to another matter about which I was asked with respect to the assistance available to those growers who are viable in the longer term, subject to Federal and State agreements on rural assistance, the Rural Finance and Development Division of the Department of Agriculture will sympathetically consider applications from growers for assistance, with outstanding levy payments and also with equalisation of the pulp asset to be taken over by the proposed cooperative. The point must be made that, to be eligible for assistance, growers must meet the long-term viability criteria of the RFDD. Of course, if they did not meet those criteria, under existing Federal and State arrangements they would not be eligible for assistance under the Rural Assistance Scheme.

I am advised that the pulp asset presently held by the board is in the order of 150 tonnes, and it is estimated that that would therefore attract a value of $75 000. What is being proposed is not that there be a payment to the non-participating growers (in other words, those growers who do not participate in the cooperative) of a share of that $75 000 or thereabouts, because that money has not been received in hand. However, in the arrangements to be made with the new cooperative, it will be put in place that, at such time as that pulp is converted to cash, the non-participating growers will be eligible to receive their proportion of the benefit of the cash that that pulp generates. So that will not be a burden on new cooperatives, because they will not have to pay that until they actually receive funds in hand.

The assurances that I give are in addition to the stated intention of the amendments coming out of the conference that the Government is prepared to accept that at least payments made by the cooperative up to a period of nine years shall be treated as capital payments in the event that the cooperative elects to purchase the assets of the South Australian Egg Board before the expiration of that nine-year period. Therefore, I believe that those assurances are what are being sought and will achieve the support of the egg industry. I look forward to a productive future for the egg industry in South Australia, assisted as it will now be with the cooperative soon to be established.

The Hon. P.B. ARNOLD: The Opposition supports the recommendations of the conference. I think it is fair to say that what has been achieved here is possibly the best that we could hope to have achieved. It is an important industry, and what we on this side were concerned about during the passage of this legislation was that those egg producers not wishing to continue on within the new proposed cooperative should not be disadvantaged or not completely lose the contributions which they have made to the industry over a period. I believe that what has been achieved through the amendment that we have before us this evening will facilitate a satisfactory conclusion.

In relation to the provision in the amendment which enables the contributions made in the form of rent to the Government to be classified as capital repayments, if the decision is taken by the remaining members of the cooperative that the rent that has been paid will be converted into capital, that is certainly a big improvement on the original provision. Therefore the Opposition supports the recommendations.

Motion carried.

SURVEY BILL

The Legislative Council intimated that it had agreed to the consequential amendment made by the House of Assembly.

WORKERS REHABILITATION AND COMPENSATION (MISCELLANEOUS) BILL

Second reading debate resumed.

(Continued from page 3962.)

Mr INGERSON (Bragg): The select committee tabled an interim report, including a recommended amendment Bill, in Parliament in March 1992. The amendment Bill was agreed to by the Chairman of the committee and by the Minister of Labour (Hon. Bob Gregory). The two Liberal members, myself and the Hon. Legh Davis, made a minority report. The other three members supported the legislation that was recommended to the Parliament. The Minister, quite remarkably, introduced the Government Bill which contained three major variations to the select committee's Bill. First, it severely watered down the definition of stress. Secondly, it refused to accept the changes in relation to the second year review. Thirdly, placed in it was a new clause giving WorkCover the power to impose a supplementary levy on exempt employers.

Before the dinner break I referred to the two positions adopted by the Minister, first in supporting the select committee's Bill—with the voting being six nil in favour of that Bill—and then before the ink was even dry making these very significant changes to the select committee Bill. It was a background that could be lined up only with the support of the union movement and with the support of the Bannon Cabinet as well. The workers compensation average premium in this State is currently 3.8 and is easily the highest in Australia. The recommendation of the board to come down to 3.5 per cent is a sham. It has been created purely and simply by the recession and it has been created by the extra $50 million that the employers of South Australia paid into the scheme last year because of a levy increase by the Government.

The concern that the Opposition has is that there is no legitimate supporting back-up to these changes in the levy rate, and it is very concerning that the Government should have gone ahead and done that without making the very significant amendments that the committee recommended. It should not be forgotten that the reduced rate of 3.5 per cent is still significantly higher than the 3.2 per cent rate that applied in mid-July last year. The increase in average levy rate, from 3.2 to 3.8, contributed an extra $55 million in premiums paid in the year 1990-91. The actuarial mid-year review of the WorkCover scheme indicated that an average annual levy rate of 3.4 per cent of current wages would meet the requirement of full funding. However, they noted that there were unexplained increases in overall lump sum payments, 120 per cent higher than appeared in the six months previous. There was also a sharp increase in common law benefits. These are two very significant issues that the Government and the select committee have not looked at. However, they are very important issues because

they both have the potential to blow out significantly the cost of this scheme.

The claim numbers in the first half of 1992 are 22 per cent lower than for the same period in 1991. Average payments per claim for the same period are 17 per cent lower, after adjusting for inflation. WorkCover is now funded to 83 per cent, with the aim of being fully funded by mid-1995. The reduction in claims, however, could reflect the shedding of 25 000 full-time jobs in South Australia over the past 12 months, a reduction of five per cent of the full-time labour force. I believe that any economic recovery is likely to reverse the trend in these claim numbers, and also any blow-out of these two major concerns of lump sum payments and common law claims is a very worrying trend. Those trends were identified in the Tillinghast report, the actuaries, in a report that they put before the select committee recently.

WorkCover has estimated that the select committee's proposals, if adopted, would have reduced the average levy rate by between .4 and .55 per cent, made up as follows: stress .05 per cent, second year reviews .25 per cent and lump sum provisions of between .1 and .25 per cent. The Government Bill, however, cancels out the generated savings, with amendments to stress and claims of the second year review and thus the savings of .3 per cent have been forfeited because the Government Bill has refused to accept the recommendations of the select committee. As I said, the Minister did an absolute back flip between the time of tabling the select committee's report and bringing in the Government Bill. In summary, the Government Bill reduces average levy rates by only .1 to .25 per cent, and this is minuscule compared with the amount that the levy rate has risen during 1991-92. The Liberal Party amendment seeks to introduce a tightened definition of stress and second year review recommendation.

It is also recommended that journey accidents should be removed from the ambit of WorkCover, and this would result in a reduction of the average levy of .1 per cent. Benefit levels should be reduced from 100 per cent in the first 12 months and 80 per cent thereafter to 100 per cent in the first three months, 85 per cent in the next nine months and 75 per cent thereafter. This would result in a reduction of another .15 per cent in the levy rate. So, the adoption of the select committee recommendations in relation to stress and the second year review and the exclusion of journey accidents and the reduction of benefit levels would see .6 per cent sliced off levy rates. This would give the potential to reduce average premium rates payable from 3.5 per cent in mid-1992 to 2.9 per cent, a cut of some 17 per cent.

Those are the sorts of changes that are required to bring WorkCover some way towards being competitive on the national scene. It is absolutely critical for the industry and particularly for small business in our State that we have these significant changes. It is important that the bonus penalty scheme be reassessed and changed so that small business operators, the people who are going to generate a growth in jobs in this State, have an opportunity to expand as we come out of this very difficult recessionary time. This will be best implemented if the Liberal Party's recommendations are introduced.

Mr FERGUSON (Henley Beach): My time in this place now stretches back over 10 years, and during that time there has never been a debate on workers compensation where the Liberal Party has not come up with an attitude of reducing workers' rights. It has not let us down on this occasion, either. The package that it has produced on this occasion, kept secret until this afternoon, has now been unveiled. It represents the greatest attack on workers compensation rights that this State has seen in 25 years.

Mr Meier interjecting:

Mr FERGUSON: 'What nonsense' says the member opposite. The trouble with members opposite is that they have never been on a factory floor. They have never seen workers when they have been injured. They have never seen anyone lying on the floor bleeding or anyone suffering from a heart attack because of the stress put on them so far as the workplace is concerned. All they are worried about is making sure that those people who have already got money continue to get richer. That is all we have with these propositions now in front of us. The journey provisions that have come under attack this afternoon and tonight have been a right for South Australian workers for more than 25 years. These propositions were first introduced by the Walsh Government, by the then Minister of Labour (Hon. Frank Kneebone) in another place. Workers have enjoyed these provisions for 25 years.

The proposition members opposite are putting up will wipe out those benefits—benefits that our people have enjoyed for more than 25 years. I find this quite incredible. Up until now the Liberal Party has talked about these propositions and what it would like to see taken away from workers, but it has never actually put them up. This is the first time that members opposite have come out from underneath and attacked workers and put on the table what they will do to workers in South Australia. I would have thought that, had the member for Bragg been prepared to unveil before today the propositions that he has now unveiled to the Parliament, the galleries would be full because people out in the work force do not want to see the clock turned back 25 years in the way these propositions are being put to us now.

The member for Bragg criticised the bonus and penalty scheme. The bonus and penalty scheme in my view has had a lot to do with the reduction that we are now seeing in premiums. Despite the doom and gloom put before us in the debate so far, premiums in South Australia are actually going down. The member for Bragg said that the reduction in premiums has been caused by the recession, but he gave no evidence to support that. I contend that the bonus and penalty scheme introduced by this Government, which awards those employers who are prepared to look after their workers and penalise the employers who are not, is one of the reasons why the number of claims are going down so far as WorkCover is concerned. We never saw any alternative from the Liberals as to what they would do in relation to the bonus and penalty scheme. The only thing that I can suggest that they are prepared to do is abolish it and go back to the old system which would allow employers to have their workers injured without taking any care of them whatsoever, provided the rest of the system paid.

The member for Newland may shake her head but I can tell her that, until this new scheme came into operation, employers could not care less about the number of employees being injured in the workplace. All they knew was that workers would be taken care of under this system. The proposition that the award rate be paid and that no overtime and penalty rates be taken into consideration so far as weekly payments is concerned is one of the most immoral propositions that I have seen. I was a union official for 16 years and many times I was called down to a factory at the behest of an employer with the request that I force or somehow convince employees to work overtime. One of the conditions of the contract of employment was that employees work a reasonable amount of overtime. Furthermore,

included in many awards, and certainly in many Federal awards, is the provision that employees work a reasonable amount of overtime. That clause was inserted when we won the 40 hour week.

Employers, so far as their expenses are concerned, would prefer employees to work overtime than to put on more employees because the costs make it cheaper to work employees over time than put on another employee. Not only that, it keeps the workers happy because they are able to earn more money. If an employer insists that his employees work overtime, and if that is part and parcel of the contract of employment or the award conditions, when an employee is injured, quite often because of the lack of consideration of the employer, he should receive overtime and not be penalised when he is off injured. I cannot see the morality or the logic of the proposition being put to us by the Liberal Party.

The maximum benefit in South Australia also came under criticism as it is as high as $1 250. If an employer contracts an employee at a certain rate of pay and that employee is injured when working for the employer, I cannot for the life of me see in all fairness why he should be penalised because he has been injured. What is the logic or morality behind that? To make a comparison between South Australia and what is happening in other States does not in my estimation provide a convincing argument as to why we should lower the maximum benefit. The Liberal Party has at last come out and said (it has implied it before) that it is prepared in the first 12 months to reduce benefits for an employee to 70 per cent of the award wage—not of his take home pay, but of his award wage. Where is the fairness or equity in that? For somebody to be reduced to 70 per cent of the award wage when they are off work due to injury is unfair.

The partiality of the disability section concerns me. You, Sir, were in industry during the Playford era and you would have seen workers classified as 40 per cent, 50 per cent, 60 per cent or 75 per cent disability. Sir, you and I know that those employees never work again even though their disability is not 100 per cent. If they have a disablity of 75 per cent, one may as well call it 100 per cent because they never find work, particularly in the case of back injuries. I have seen workers with back injuries classified as 40 per cent, but they could not lift a cigarette paper off the floor. They never return to work. To return to the 'good old days' where partial disability was recognised would mean a return to condemning people for not being able to work for the rest of their life and paying them only a pittance. That is what the Liberal Party proposes under its amendments.

Rehabilitation came under attack. The cost of rehabilitation is an issue. Under the old workers compensation legislation very little money was spent on rehabilitation, and very little effort was put into it. We now have a system—as least we have a system—where a start has been made so far as rehabilitation is concerned, and the idea is to get workers back to work. It has been more successful under WorkCover than it was under the old workers compensation system. In my view, the money has been well spent, because we have been able to get a percentage of the work force back into the workplace, and that is certainly better than the previous situation.

This afternoon a very thinly veiled attack was made on the local general practitioner. I trust the local general practitioner far better than the Opposition. I remember the old days of the industrial clinics. If someone was injured at work, they were forced by the employer to go to an industrial clinic where they were given a glass of water and a couple of aspirin and sent back to work. It was not until the Dunstan Government's amendments following the Walsh Government's amendments that a worker was allowed to see his own general practitioner. The lot of people in the workplace as far as workers compensation accidents were concerned was improved immeasurably when they were able to see their own general practitioner. I would not like to see the right of a worker to see a general practitioner interfered with, which is apparently what the Liberal Party wants to do.

I have a personal position on the two year review. I cannot for the life of me see why a worker who has been injured at work and after two years is unable to return to work should be condemned to a life of poverty. I cannot see why after two years the Liberal Party would want to make sure that such a worker would live in total poverty for the rest of his life. If it is the fault of the employer and the system that a worker has been injured and cannot return to work, I believe it is our duty to ensure that that person is looked after, if necessary, for the rest of his life. It may be argued that the Commonwealth Government is ducking out of its responsibility, and that may be so but, if it is, the Commonwealth Government and not the worker should be penalised. Under the Liberal Party proposal the person who will cop it in the neck for being injured at work is the worker, who will be condemned to a life of poverty. I find that abhorrent and very hard to take.

The Liberal Party's proposal as far as stress is concerned will mean the end of any claim being made for stress because no court will be able to determine whether the stress was substantially caused by the work that the person was doing. I do not care how many test cases there are, not one court will be able to determine for all time a claim based on the Liberal Party's amendment. How could anyone who attaches themselves to the labour movement agree to an attack on the stress claims of workers in this type of situation? The Liberal proposal will cause further delay in the determination of stress claims, because they will have to be heard by a medical panel. How could a general practitioner determine whether or not stress was substantially caused by work? If this amendment is carried, in my view most stress claims will be knocked back by WorkCover. As a result, there will be further delay leading to further applications for review and lawyers will be provided with yet another WorkCover goldmine, because these matters will continue to be tested in the courts.

There will not be any significant savings in the scheme. The number of stress claims is reducing rather than increasing—and that was conceded by the member for Bragg in his contribution. Not only are they reducing, they now represent less than 1 per cent of the total number of claims. The magical saving referred to by the member for Bragg is absolute peanuts; it will not make one scrap of difference to the scheme, but it will ensure that no stress claim will succeed in the future.

Imagine a worker who is actually suffering from stress and who goes to see his general practitioner. The general practitioner will say, 'I don't know whether I can give you a certificate because I don't know whether your stress has been substantially caused by work; I cannot judge. Maybe I will give you a certificate; maybe I won't.' If he does not, the employee is in real strife. If the matter goes to WorkCover, it will be automatically rejected and it will go on to review. The best way to treat stress is to treat it immediately. If an employee was not under stress when he first made the claim, he certainly would be under stress by the time the claim was rejected.

I do not have time to follow this matter all the way through, but I resent the member for Bragg's union bashing.

He could not help himself: he had to say nasty things about the unions. After all, unions only look after their employees. I will tackle many of these matters during the Committee stage when I will have an opportunity to say more about them, but I hope that none of the Opposition's amendments are carried. We have seen the greatest attack upon workers compensation for the past 25 years by a very conservative group of people, and I hope that it does not succeed.

Mr S.J. BAKER (Deputy Leader of the Opposition): The member for Henley Beach was consistent in his praise of WorkCover and his denigration of the Opposition. That is about all we can say in respect of the member for Henley Beach's contribution. When he said that all the Opposition is worried about is money, I got a little excited about his lack of understanding of exactly what is going on in the real business world. Businesses are falling over day by day because they cannot pay their bills. They cannot afford WorkCover or the high interest rates of the Federal Labor Government. They cannot afford the largesse of the State Government and the State taxes that are imposed upon them.

It is all right for the member for Henley Beach to say, 'Let's keep the ship going.' The ship happens to be sinking under its own weight because no-one is taking the necessary decisions. Of course people will be affected, but if the Labor Government had been honest in the first place as far as this scheme is concerned we would not be debating this Bill tonight. If the scheme had been properly implemented, we would only be reviewing it at the edges and not the fundamentals. It is no good for any person if they do not have a job. The unemployment rate in South Australia is 11.5 per cent and it will go higher; we will break the 12 per cent mark very shortly. That is not a prospect that any of us would wish on our employees. The prospect of an unemployment rate of 35, 40, 45 or 50 per cent amongst our young people is not one that we would visit upon them.

However, it happens to be a product of the way in which we conduct our business in this State. It is a product of the economic times we face and the need to rationalise our priorities. We must consider how we can assist businesses to prosper rather than allowing them to sink under the weight of economic difficulty and of State imposed difficulty. One of the great impositions on businesses, and on employees themselves—and that is what we must stress—is WorkCover. For all of the good ideas and good feelings that members opposite may have, for all their oneness with the workers which is claimed by members on the other side of politics, the facts of life are that, unless our businesses start to pick up and unless we assist those businesses to improve their performance, the prospect of people having jobs will continue to diminish. Unless we approach WorkCover with that idea in mind, we are sunk from the start.

I note that the select committee has made a number of recommendations. It is all very well for the member for Henley Beach to cry wolf, and it is all very well to blame the Opposition, but he knows deep down, as does the UTLC, that certain changes had to take place: we all know that. What members opposite want is a scapegoat; they want to blame the big, bad Liberals for all the terrible things that are about to happen. Some of the things that will happen will be tough, and they will be tougher than they would have been had this Act been put together properly. If the member for Henley Beach or any other member on the other side wants to talk about money in the sense that it is necessary for us to survive and for businesses to go ahead—if they do not have money and profit, we can give workers away—

Mr Hamilton interjecting:

The SPEAKER: Order!

Mr S.J. BAKER: If the member for Albert Park had done any studies at all and if he had looked at what is happening in the rest of the world, he would have found some very interesting parallels. Let us have a sense of history here for a change. Let us have a sense of where we are in the wider international community when we look at WorkCover. For goodness sake, South Australia is not an island; it cannot separate itself from the rest of the world and say, 'You can all go and hang; we can do it ourselves. We will do it our way.' That is the sort of suggestion that is being made by the member for Albert Park. Of course, it is a ludicrous suggestion, and I suggest that he look at some of the schemes in place in some of the countries to which he might well have paid homage in the past. He might be unpleasantly surprised about his stance on this Bill, because it is out of kilter with world practice. I said that at the outset, and I say it again now.

Where are we five years down the track? I commend the General Manager of WorkCover, Mr Lew Owens, for his efforts in actually attempting to put WorkCover on a professional basis. Prior to that, we had no hope; prior to that, there were no checks and balances, the computer systems were not working, and people were not being paid. The scheme was in chaos, and the big winners were those people ripping off the system.

Let us look at the money count, if that is the determinant. We know that until about 12 months ago the liabilities were increasing at a significant rate. In fact, it was estimated that the long-term liabilities of the fund would increase, in net terms, to about $450 million. The latest estimate is that there will be a $150 million shortfall in the long term liabilities of the fund. That is a product of one thing and one thing only: the recession. Everyone in this House recognises that; it is no secret. The fact is that there are people out there who want to hold onto their job. There are people who may well be carrying injuries in order to hold onto their job—to take up the point raised by the member for Henley Beach and the member for Albert Park, when people believe they have something to work for, they may well say, 'I will carry an injury or sickness in order to hang onto my job.' In order, perhaps, to assist—

Mr Hamilton: That is absolutely outrageous.

Mr S.J. BAKER: I am just telling the member for Albert Park what happens in desperate circumstances. We know from the statistics the number of firms which have had to lay off employees or which have had to face the bankruptcy court because of factors I have previously mentioned. So, it does no good to say that we live in a perfect world and we should accept that what we have in WorkCover is the ultimate benefit to everyone in the system, because that is not true.

To determine why WorkCover still flounders—and it is looking better on the books only because of the economic circumstances that prevail and not necessarily because the underlying problems have been sorted out—we really have to look at the philosophy behind the Act. We know, for example, that, irrespective of how people may feel about 100 per cent recompense for an injured worker, that is a direct incentive to some employees to remain within the WorkCover system and to continue to collect compensation payments.

I said in a very long debate in this House before the Workers Rehabilitation and Compensation Act was proclaimed that I had looked at the workers compensation schemes in a number of countries; all those countries came to the conclusion that they could not provide 100 per cent

compensation. Even the Swedes said, 'You are nuts; you are crazy, It simply cannot be sustained. There is every incentive for people to rort the system. You have to create a delicate balance that provides for proper and just compensation at the same time as acting as some disincentive for those people who wish to rip off the system.'

Everyone knows of cases where people are taking advantage of the system. One good thing we can say is that WorkCover itself is getting better at finding them out. That is not to say that some people are not still trying. The other positive element, of course, is that people now believe that their job is very precious and that their economic future depends on their reliability and capacity to continue to perform. When members opposite talk about injury in the workplace, there is always an attitude that it is the employer's fault.

Mr Hamilton: We have never said that.

Mr S.J. BAKER: Not much! It is always said that it is the employer's fault. I can remember that, in the debate on the original legislation when we were debating imprisonment of employers, the honourable member's support for that proposition was very strident. There was no possibility of my misinterpreting his comments at that time. What we have to realise is that every member in this House agrees that, as a principle, if employees are injured at work, they shall be compensated. Everyone has recognised that principle, even though on many occasions the injury has nothing whatsoever to do with the employer.

There is deemed to be a responsibility on behalf of the employer. That employer, through WorkCover premiums, pays insurance to cover himself against the claim of a person whom we have deemed as of right to be compensable. There are no arguments. However, we should recognise that employers can be the victims of mishaps, of bad practices on the part of employees and of a whole range of things which are outside his or her control.

I ask members opposite to temper their dislike for employers and to stop bashing them as they have been wont to do for so long. They are used to saying that employers are bad and that they are out there to rip off the poor employees. But they should take one step back for a change and look at it in terms of where we are going. We depend on small business and on people being employed. Therefore, if we can get that across to members opposite, we can address ourselves to what we should do with WorkCover. Obviously, the benefits are too high in the situation that we have been outlining. They are out of kilter with the situation in the rest of the world, and I have made that statement on a number of occasions. What adjustments need to be made must be addressed by the Parliament.

As all members will recognise, despite the good efforts of 90 per cent of employees, we know that 5 or 10 per cent out there would wish to take advantage of the system. Because WorkCover at its inception was so bad at finding such people, they acted like the rotten apple in the barrel. Employers would talk to me incessantly about the problems being caused because these people were being rewarded for their mischief—for their fraud—and WorkCover did not have the capacity to locate them and say, 'Hang on. We believe you are ripping off the system.' WorkCover had a lot of problems to start with and many of those fundamental problems remain, so in certain workplaces there was the view that one could tap into the system without recourse or any penalty being paid.

The fining system that is applied by WorkCover is draconian. I have a letter from a person who has written to the Premier saying, 'I am closing down my firm. I have just been charged 100 per cent premium for failing to pay the total amount required on time, and I have been warned that if I do not smarten up I shall have a 200 per cent penalty.' Irrespective of how members opposite might feel about this situation, I should like them to ask themselves what penalty is paid for all other transgressions relating to late payment. How much time does the Taxation Department allow? How does the small business person get on if he has not received a cheque from a debtor? He does not have recourse to 100 per cent or 200 per cent penalties, yet that is used as a bludgeoning stick by WorkCover.

I have talked to WorkCover about a handful of doctors in South Australia who play fancy free with the system. I understand that action is under way, and I should like to think that there will be some prosecutions so that we can run the flag up the flagpole and show that we will not tolerate doctors who deliberately involve themselves in overservicing. I know that the medical profession as a group is totally opposed to any in the profession using WorkCover as a gross revenue earner from what could only be classed as fraudulent practice.

There has to be greater scrutiny, but that does not extend to people who are genuine. As the Minister will know, with WorkCover's new zeal some of the innocents get caught up with some of the guilty. Again, as the Minister will know, some doctors around town are really tough with genuine cases. They do not even look at them. They walk through the door and say, 'You look fit enough to work. Off you go.' They do not examine people at all. I have heard of a number of such cases. WorkCover and SGIC work out who the tough doctors are, so we have the disgraceful situation of decent, honourable, law-abiding citizens getting lined up. I should have thought that we could get a panel of doctors or some scheme which provides fairness so that we cut out the ratbags who rip off the system and cut out those doctors in the employ of WorkCover or SGIC who seem to be there for the sole purpose of ensuring that everybody is fit and well when they are not.

I am pleased that sanity is to prevail in the way that we view WorkCover. I do not need to ask members to go back to my original contribution. All the things that I predicted at that time have come true, even though it took me a fairly long time to tell the House about the things that might go wrong with WorkCover. I pay credit to the contribution made by my colleague the member for Bragg, because he has outlined exactly where we are. We have to look at ways of making WorkCover work for both employees and employers; we have to make it competitive with our interstate counterparts; we have to ensure that it does not act as an incentive for people to bludge on the system; and we have to ensure that it is fair to the people who use it. However, we cannot do that while some of the provisions in the Act remain. We shall be changing some of those provisions with this legislation, but there is more work to be done. There is more self-analysis to be done by WorkCover, there is far more in-depth research to be done and there is a need to look at some of the overseas experiences so that we can achieve the best workers compensation scheme in Australia.

Mr GROOM (Hartley): I have a number of concerns with regard to this legislation. I am concerned that this Bill will not provide a long-term solution and that it may act as a patchwork measure. The Parliament cannot ignore the complaints of the community from both employees and employers. Indeed, not a week goes past when I do not receive a complaint of some form from either an employee or an employer about the working of WorkCover.

WorkCover must be made to work in the interests of working people, whom it should benefit and protect, and it must not be an onerous burden on employers such that it becomes a disincentive to employment or re-employment of once injured workers. Also, workers should not be made to suffer because of the past legislative failures of this Parliament.

Whether we like it or not, WorkCover is judged in the community partly by its unfunded liability. I understand that its unfunded liability has reached as high as $200 million on estimates and that presently it hovers around $150 million. An unfunded liability in reality is not a fiction. The higher the unfunded liability, the more the levies must increase because the liability comes on stream. Otherwise the liability could go on *ad infinitum*. I have heard it said that the unfunded liability is something of a fiction. It is not. It comes on stream and at some point must be funded by higher levies or reduced benefits.

I have always supported the provision of lump sums for income lost by injured workers because, for a percentage of employees, rehabilitation will come to an end, and rehabilitation and retraining will not solve their problems. There comes a point where these employees want to opt out of the system because nothing in rehabilitation will assist them, and the system itself becomes something of a nightmare when they cannot opt out of it. I know from my experience in this field that part of the solution to the inability of workers to obtain a proper lump sum in relation to income loss has actually been to arrange settlements outside the scheme in the form of an agreement not to institute proceedings under WorkCover by way of weekly income claims in return for a lump sum. Therefore, lump sums have started to come in, in a *de facto* sense.

My concern in relation to lump sums is that, in reality, the Parliament is legislating for tax evasion, because the effect of the lump sum provision is to deduct income tax from a capitalised lump sum, and I understand that it is estimated that this is expected to reduce the unfunded liability by something like $40 million to $80 million. To rely on a tax evasion or tax avoidance device and for this measure to actually legislate for it is quite clearly fraught with danger. I know that it is said that some interstate decisions support this type of capitalisation, but I cannot see that the Commonwealth Government will stand idly by and allow what is nothing more than a tax evasion scheme to the tune of something like $40 million to $80 million to occur before its very eyes, notwithstanding, certainly in the interim, that the capitalised lump sums will have an immediate impact on reducing the unfunded liability of WorkCover. It will be up to the Commonwealth Government as to whether it takes action in the High Court or elsewhere to recoup the loss of income tax that it would suffer as a consequence of this scheme, but it will provide an immediate measure of relief. However, in the long term I cannot see that the Commonwealth Government will stand by and allow an evasion of this nature to take effect.

One of the failings of the scheme from its inception was that it did not obtain proper support from the Commonwealth Government because, under the old scheme, when working people got a lump sum, that lump sum settlement was of such a nature that they could also claim social security. So the social security system provided the income maintenance, albeit at a very inadequate level. When there was no contribution from the Commonwealth Government in the 1986 legislation, it meant effectively that what was previously the liability of the Department of Social Security was passed on to employers and, as a consequence of that, the levies commenced to increase at a greater rate than was foreseen by the 1986 and 1987 legislation.

Be that as it may, certainly in the short term the lump sums will work and will have a dramatic effect on the unfunded liability, because you will be able to assess that a number of workers who have been there for something like three years—and I know plenty of them, because they come to see me regularly, and they cannot get out of the scheme—will opt out and will be paid out by way of lump sum, and that must have the immediate effect of shrinking the liability of WorkCover so that it will provide an immediate measure of relief. For that reason alone, as a part solution perhaps, a short-term solution, it ought to be supported, because there is simply no support from the Commonwealth Government for this scheme, and it has left employers to effectively carry the burden that was once borne by the Commonwealth social security system. The capitalised lump sums themselves are simply fraught with danger, and I fear that it will not be an effective long-term solution.

I have some concerns about the issue of stress. There is no question that some people view stress as a potential area of abuse. When one judges whether stress claims are decreasing, it is no good looking at last year or the year before: you must look at the stress claims before WorkCover's inception. I know that on the Public Accounts Committee, when we examined certain Government departments, there was a dramatic increase in the number of stress claims once WorkCover commenced, and that really is the way in which stress claims should now be viewed: not over the past couple of years, but in the context of the commencement of WorkCover. I do not believe that the public wants to fund rorts of any kind, but the solution to stress is really very difficult because, once you start to try to segment out injuries, the medical and legal professions will simply find other labels. Because stress is not defined, if you start to import terms such as 'substantially' or 'predominantly', it is true that you will get litigation surrounding these very terms.

Mr Ferguson interjecting:

Mr GROOM: The honourable member should always remind himself that, when you have an interaction of people's rights, people will want representation, whether they be advocates or lawyers, and I will not support legislation that denies people the right to representation of their choice. I believe that is a fundamental right and, whether you put the label 'lawyers' or 'advocates', it is a right which people should have and which should be respected. But, where you have a dynamic situation involving rights, people want to have representation of their choice, and it is an entitlement of working people that should never be forgotten by this Parliament.

It is very difficult to really legislate for stress, because the medical and legal professions will be quite ingenious about the way they simply get around labels. If you start to try to segment out injuries and to define 'stress', a new label of 'nervous disorder' will spring up, simply because then you avoid the shackles put on in trying to define 'stress'. It may well be that stress is simply a fad and claims will diminish with time in any event. When I come into this Parliament I feel quite stressed out when I have to deal with a few people. It may well be that it is simply a passing fad. It may well be in reality responsibility of the courts, because they are required to assess the medical evidence.

I think there is the responsibility on the courts to tighten up. Stress should not be an injury that is distinguished from other types of injuries. It should not be segmented out but, at the same time, I have no doubt that the public and shop floor employees see stress as a potential area of abuse. I do

not think that working people want to see it abused, and the public most certainly does not want to fund rorts of any kind. However, in the final analysis it is extremely difficult to define and segment out, and the courts should be quite vigilant about it.

The alterations in relation to stress flow from the decision in Rubbert's case, where someone who was properly disciplined by her employer received compensation simply because she got an illness or a disorder of the mind arising out of that disciplinary action, and she went off on compensation and was successful. I think the amendment quite sensibly deals with Rubbert's case, and it is an example of something for which I do not think the legislation was ever contemplated. One area that concerns me always is in relation to workers' rights, and I have said that it is a fundamental right for working people to have representation of their choice. In relation to capitalised lump sums, which as I have said I think is fraught with danger, 42a (10) provides:

> The following decisions of the corporation are not reviewable:
> *(a)* a decision of the corporation to make an assessment under this section (but the actual assessment is reviewable).

I know that WorkCover would probably be somewhat concerned to widen the lump sum availability. It might be seen to lead to something of a run on funds. WorkCover might seek to use the section to discriminate the availability of lump sums. In my view, that would be an improper operation of the provision and would be to the detriment of workers. Therefore, I will be moving amendments to widen workers' rights in relation to this aspect. I believe that a decision of the corporation to make an assessment should be reviewable, otherwise bureaucratic and unfair decisions will creep into the system as to which workers can obtain a capitalised sum and which workers cannot. You will have purely economic decisions being made in the interests of WorkCover and not in the best interests of working people themselves.

As I said, lump sums will have an immediate effect, and it may well be that WorkCover needs a further period of time to bring itself into balance. If these measures fail and WorkCover is not brought into kilter, I can see that premiums will continue to rise and pressure will be exerted to reduce workers' benefits. I have grave concerns that if WorkCover is not made to work, if it is not a success—but it is here now and it is in the interests of South Australians that it is made to work—and fails to provide a long-term solution, at the end of the day the pressure will be on to reduce workers' benefits. In comparison with the old Act, at the end of the day workers will have had their entitlements reduced, with a loss of common law rights.

I know that the Minister is awaiting a decision of the courts in relation to section 35 and probably will want to review the legislation further in the light of that decision. I want to make it plain that I do not think that workers should suffer in terms of their entitlements as a consequence of the bureaucratic failings of the system. I believe that lump sums should properly have been in the Act right from its inception, because as a matter of practicality there is a percentage of employees who simply reach a point where they need to opt out of the system and get on with their lives and not be further caught up in this treadmill of going to doctors, specialists and pharmacies, with all the attendant expenses, going through a system that exacerbates their condition rather than making it better. In any rehabilitation system we need not only a willingness on the part of those involved in that system to want to genuinely attempt rehabilitation but also jobs in the community. Rehabilitation cannot succeed without jobs.

I know from constituents that I have seen, from both Hartley and Napier electorates, that many people have been on WorkCover for some considerable time and have reached the point where rehabilitation will simply not be successful, and WorkCover is not spending the money to retrain them. The only way out for those people, out of what has become after three years something of a nightmare situation, is to opt for a lump sum of some form. At the end of the day it does not matter to the worker where the income tax goes—because it is not going to go to the worker.

As a short term solution I have no doubt that this legislation will bring down the unfunded liability. I know that the actuaries will wait for some 12 months before they will allow it, at least in their reports, to impact on the system, but the fact of the matter is that, as a matter of practicality, from the moment this legislation passes the unfunded liability will be reduced. Out in the community WorkCover is partly judged, whether rightly or wrongly, on the extent of its unfunded liability. So, with those comments and with the foreshadowed amendment, I propose to support the Minister's legislation.

Mr MEIER (Goyder): It is a great shame that the Workers Rehabilitation and Compensation (Miscellaneous) Bill does not go far enough in amending the principal Act. Members have heard an outstanding contribution from the member for Bragg, who detailed many of the key problems that face WorkCover today. He detailed the aspects of the history of WorkCover and he has identified the many areas where change needs to be addressed. Unfortunately, in many cases those changes are not addressed in this Bill. It is hoped that members on both sides of the House will recognise that the amendments foreshadowed by the Opposition will address many of the problems. We hope that they will be supported by Government members.

I do not want to go over all of what the member for Bragg has so ably put forward. I urge all members to read his contribution, if they were not present to hear it, and to take all the aspects that he raised into account. We must remember that South Australia currently has average premiums of 3.8 per cent. That is to go down to 3.5 per cent, on average, from 1 July. We compare this with the figure relating to Victoria, whose WorkCover scheme is in a mess. They have a lot lower rate than we do, at 3.3 per cent. In New South Wales it is 1.8 per cent. They have had to tackle this problem head on, and they are showing how it can be done.

In looking at those differences in rates, namely, from 3.8 per cent here to 1.8 per cent in New South Wales, we can well appreciate and recognise why employers, when seeking to set up new establishments, are looking with eager eyes to New South Wales rather than to South Australia. As a South Australian I would hope that we can reverse that trend. We are the central State. In the past we had the ability to attract many industries here, but under this Government we have seen so many industries disappear from South Australia. We have to do everything in our power to reverse the trend.

Therefore, if our WorkCover premiums are one of the obstacles before us, let us set about changing that. Although the measures in the WorkCover legislation are perhaps unequalled in others parts of Australia, and indeed in most parts of the world, we have to be realistic and ask ourselves whether we can afford such payments. Unfortunately, the answer comes back very clearly, no. I guess it is a little bit like the 17.5 per cent leave loading which was brought in many years ago. That came in for the purpose of certain sections of the industry but it was applied to all sections.

Many people at the time thought they would get a 17.5 per cent pay cut for that pay period but instead they found they were getting a 17.5 per cent loading, an increase for doing nothing during that leave period. This country is now finding that it cannot afford that and, of course, many moves are being made to not apply that 17.5 per cent.

I notice that in the past six months there have been considerable increases in the overall lump sum payments—some 120 per cent higher than for the previous six month period to 31 December 1991. There has always been a sharp increase in common law benefits. Claim numbers for the first half of 1991-92 are 22 per cent lower than for the same period in 1990-91. I applaud that fact. Likewise, average payments per claim for the same period are 17 per cent lower, after adjusting for inflation, and WorkCover is now funded to 83 per cent, with the aim that it be fully funded by mid 1995. That is positive news, and I am pleased to see that occurring. However, one has to ask the question: is it perhaps that the reduction in claim numbers is reflecting the shedding of some 25 000 full-time jobs in South Australia over the past 12 months? It may be that that is a key reason why we are getting less WorkCover claims. One would hope, therefore, that when the economic recovery starts to come there will not be a reversal in the trend that we have seen in the past six months.

Any blow-out in lump sum payments, as we have just seen, is cause for concern, as the common law claims. I particularly want to address the aspect of stress. We have heard contributions in this area from members opposite, but an article in the *Advertiser* of 28 March this year highlighted a couple of classic cases relating to stress and showed how the system has been abused. If we as Parliamentarians or if members of the Government do not do something to address this issue, as the Opposition amendments attempt to address it, we are kidding ourselves and putting South Australia back behind the rest of the competitors in this nation.

In that *Advertiser* article of 28 March, the first case referred to an employer who received a sexual harassment complaint from a 19-year-old female employee against the organisation's accountant. The employer in this case tells the accountant of the complaint and investigates the matter, as required by law, with the union being invited to participate. However, it was found that there was insufficient evidence to sack the accountant and therefore risk an unfair dismissal claim, but the findings indicated that counselling of the accountant was warranted. The complainant, realising that she would have to continue working with the man, resigned. Within 48 hours of the counselling, the accountant lodged a stress claim. He has never returned to work and three years later is still believed to be on stress leave.

The cost of his claim as at January 1992 was $113 000. It was understood that the man also has sued WorkCover after being involved in a car accident on his way to meet WorkCover officials. Meanwhile, according to the *Advertiser* article, the female employee goes off on stress leave and 18 months later she has still not returned. Several other cases are cited and the article summarises by saying that WorkCover imposes a $64 000 a year penalty on the employer. There is no way that the State can afford this sort of tax as it is quite clear in the case of the accountant that that person should have been punished. In fact, he has walked off with a nice little WorkCover amount of money and the employer has had to pay.

The second case related to a female factory worker going on stress leave last May after losing an election to a union conciliation committee. She also says she could not get on with her supervisor and two co-workers. She returned to full-time work last December but in March this year WorkCover ruled that it was a recurrence of previous stress and the employer was not penalised (thank goodness!). The employer offers the woman use of a company car to travel to and from Adelaide for visits to her psychiatrist. She declines and uses her private car for the 260 kilometre round trip and claims on WorkCover. The claim so far has cost WorkCover $23 000. It is quite clear that these sorts of sham have to be stamped out, and the Opposition amendments seek to do just that.

Genuine stress claims can still be considered, but far too many stress claims are not genuine and are taking WorkCover and the people of this State for a ride. More importantly, they are taking employers for a ride. I hope that the Minister will keep in mind employers as well as employees because, if employers can be encouraged they will be able to employ more employees and, surely, with the current 11.5 per cent unemployment and some 85 000 people unemployed we should be doing everything possible to get people back into the work force. If WorkCover is one of the big problems for employers, let us tackle the problem and make sure that employers get a fair go, which in turn will lead to a fair go for employees.

Mr SUCH (Fisher): In speaking to this Bill I will make some comments on the present legislation and reflect on good and bad aspects of it as well as on suggested changes. The emphasis in the present legislation is on injury prevention, rehabilitation and a return to work, a retention of the worker's benefits as if no injury had occurred and the removal, to a large degree at least, of the adversarial relationship between worker and employer following an injury. Hence the intent of the current legislation has been to provide incentives to employers to create a safe work environment and return staff to the work force. It is also designed to cater for all aspects of the injured worker's life and not just be limited to the work situation. That has led to some good aspects and good results and I will elaborate on them before getting on to some of the not so good results.

The track record aspect of premium setting has encouraged employers to give priority to the creation of a safe work environment with a positive implication with respect to their capacity to meet requirements of the Occupational Health and Safety Act. This has led to fewer injuries at work and a more motivated and productive work force. It has led to a reduction in recruiting, orientation and training costs for new staff to replace workers who in the past would have been paid out. It has also meant that there has been individual responsibility for the rehabilitation process and general health maintenance has been reinforced. The individual is also less likely to become a drain on the social services system for an extended period. However, the implementation and interpretation of the present Act has led to some undesirable results and I will mention them briefly.

The first is a lack of material incentive for an early return to work because the worker may not be penalised in any way for the first year off work and there is no material incentive for him or her to make special efforts to get back within this period. The material incentive starts only in the second year off work when benefits are reduced to 80 per cent of average weekly earnings. A second disadvantage or negative aspect of the current legislation is that third party motor vehicle bodily injury legislation is overridden and costs are effectively passed on to the employer. The employer is made financially responsible for considerable costs related to an environment over which he or she has little—or in fact no—control.

The definition of 'work related stress', it can be argued, is open to loose interpretation. Currently a work environment which makes even a small contribution to an individual's stress level is held to be totally responsible for injury coming about as a result of stress overload. That is another negative aspect of the current legislation. A further difficulty is the lack of training for medical practitioners. The current interpretation of the legislation assumes that any medical practitioner is competent to judge the relevance of any work environment to any injury and also the relevance of any rehabilitation program to any environment. This leads to inappropriate treatment in a number of cases, which not only fails to identify the true cause of an injury but also constrains the rehabilitation process.

The review process, as currently administered, reinforces to some extent the adversarial relationship between injured worker and employer which the Act set out to do away with. That is, irrespective of who 'wins' that review, the work environment for both employer and employee is inevitably degraded.

The final negative aspect relates to the arrangements for a change of rehabilitation provider and the treating medical practitioner, which are far too liberal. The injured worker has an absolute right, without explanation to WorkCover or any other authority, to change his or her rehabilitation provider or treating medical practitioner at any stage of the process from injury to full rehabilitation. This leads to expensive delays in the process that are often due to an individual acting on poor advice with no checks and balances. They are some of the negative aspects, and I have already highlighted some of the positive aspects.

In conclusion, I will mention briefly some of the aspects that need to be addressed by way of change to the legislation. The first one relates to an adjustment in weekly earnings. This figure needs to be adjusted so that there is a material incentive to return to work. No-one is suggesting an unfair or inappropriate return to work, but at the moment there is little incentive to return to work early even if that is appropriate.

The legislation should not override third party bodily injury provisions in respect of motor vehicle accidents. As mentioned by the previous speaker, the criteria in respect of stress claims need to be changed to ensure that such claims are related in a significant way to the work situation. The training and registration of medical practitioners should define not only the duties of the treating medical practitioner but also what makes such a person competent to assess work-related injuries and a specific rehabilitation environment under the Act. Provision should be made for the training of medical practitioners and a register should be prepared listing all practitioners who have satisfied the training requirement. Only those practitioners should be eligible to make determinations relating to the Act. A practitioner not so listed would need to refer patients on.

Legal training of review officers would help to overcome the adversarial aspects of what must remain as a basic appeal mechanism. A legally qualified review officer would be better able to concentrate on the conciliation aspects while still observing the spirit of the Act. Lack of legal training for review officers can lead to legal representatives for each side slugging it out.

The final recommendation relates to reasons for change of rehabilitation provider and/or treating medical practitioner being specified in the Act. Although the Act should retain the workers' rights to choose their own medical practitioner and rehabilitation provider, it should constrain the current right to change at will without giving a reason to WorkCover. They are, I believe, the essential changes required in this legislation. I trust that the outcome of our deliberations will result in legislation that is fair and reasonable to both employee and employer and responsible in the context of the community and one that does not encourage or support employers or employees who do not do the right thing. I indicate support for the Bill with appropriate amendments.

Mr HAMILTON (Albert Park): When I stand up in this House to talk about industrial Bills I often despair at the attitude of members opposite. In the 25-odd years that I have been in the trade union movement and then a member of this place I do not believe the Opposition's attitude has changed at all. If it has changed, it has changed for the worse. Tonight, we had a demonstration by a number of members opposite of their attitude towards workers injured on the job.

I point out that we have heard very little criticism from the Opposition in respect of employers, doctors and the like, many of whom are supporters of the conservative Opposition. I hasten to add that as State President of the Australian Railways Union and an international delegate I was critical of those people who attempted to rort the system; so, I want to lay that to rest. The member for Goyder said that the member for Bragg made an outstanding contribution. That may be so for members opposite, those silvertails who have never had to talk to people in hospital who have been injured to find out the sorts of difficulties with which past union officials and members of their family have had to contend following an industrial accident. I will return to that later.

Let me now look at what the member for Bragg proposed tonight. As I understand, his proposals were that workers compensation should be reduced to 80 per cent for the first 12 months and 70 per cent thereafter; award rates should be reduced; and overtime penalties for weekly payments should be abolished together with workers compensation payments for injuries sustained to and from work. Nothing has changed a great deal. When I came to the city from the country in 1968 I had to go around Mile End as a railway guard collecting money from my workmates for colleagues who were injured. We had to take up sufficient money because in those days they received only 85 per cent of their award rate of pay—a 15 per cent reduction on the money that they brought in for their family as a consequence of an accident.

In most cases the accident was the fault of the employer who did not provide adequate safety precautions on the job for employees. What are the Liberal Party and its supporters saying to those people who, for example, lost both of their legs in a shunting accident? I recall vividly a young man from Balaklava who at 21 years of age with one child and another on the way lost both his legs. In that sort of instance, the Liberal Party says, 'Tough. Get up on what is left of your legs and get out there and try to get a job.' Is this what it is all about? Is this what we are looking at for those disadvantaged people in our community who, through no fault of their own, will be disadvantaged by the amendments proposed by members opposite? That is absolutely outrageous!

Equally outrageous and ludicrous is the proposition put forward tonight by the Deputy Leader of the Opposition. I nearly fell over when I heard what he said. In effect, he said that workers are actively encouraged to carry injuries so that they can retain their job. That is outrageous; absolutely ludicrous. He is saying that workers should carry injuries so that they can retain their job. The Deputy Leader of the Opposition is saying that people who work, for

instance, in the industry in which I worked, and who are not 100 per cent fit, who cannot hear properly, who have a disability with a leg or who are crook with the flu, or who cannot keep awake properly, should be prepared to carry an injury in order to retain their job. That is absolutely outrageous—

Mr Heron: And immoral.

Mr HAMILTON: —and immoral, as my colleague suggests. What about the other alternatives? What about the truckie who is ill and driving along the road? 'Hang on to your job, sport. You go to work crook. It doesn't matter if you run off the road and kill someone. That's tough. You're lucky to have a job.' What about the families who send their loved ones off to work knowing that they are going to work to hang on to their job despite the fact that they are crook? This is what we are getting from members opposite, but little have we heard tonight about their mates.

The member for Goyder said, 'It is a cost we cannot afford. The cost to the community is bankrupting businesses.' That is what we heard. I was particularly interested in that comment. An article headed 'Drivers risk bankruptcy' in the *Advertiser* of 30 May 1991 states:

Drivers without third party property insurance make up the biggest group of people going bankrupt, the South Australian Financial Counsellors' Association says.

The article goes on to talk about the main reasons for bankruptcy, as follows:

Non-business bankruptcies:

1. Excessive use of credit.
2. Liabilities on guarantees.
3. Unemployment.
4. Gambling.
5. Ill-health.
6. Adverse litigation.
7. Domestic discord.

That is in the non-business bankruptcy area. Let us look at business bankruptcies, which are caused by lack of capital, lack of business ability, failure to keep proper records, economic conditions, seasonal conditions and so on. The article states that the main cause of business bankruptcies was a lack of capital, followed by a lack of business ability and a failure to keep proper books.

We hear from members opposite that it is the fault of the workers. I will come back to the issue of prosperity and safety links in a moment. Members opposite want to blame it on the workers; when all else fails blame it on the workers. I can remember talking to the manager of a big shopping centre in the western suburbs of Adelaide about 10 years ago. He told me that it was not unusual for people to come to him and say, 'Bill, I want to open up a shop in your centre.' He told me that he asked them what sort of business they wanted to start. They replied that they did not know. He asked them how much money they had and they would reply that they had superannuation or an insurance payout. They had no business acumen and no understanding of how a business runs, cash flows, or turnover. However, once again we hear members of the Opposition—and particularly those in the Upper House—saying that it is the workers' fault when business fails. That is why the State Government set up the Small Business Corporation—to help those people.

I know I am side tracking and I really want to get on to the issue of prosperity and safety, which are linked. An article in the *Sunday Mail* of 15 September 1991 states that prosperity and safety are linked. The article states:

The cost of poor industrial safety is comparable with potential benefits of microeconomic reform, a key Australian industrialist claims. Mr Ric Charlton, Chairman and Chief Executive Officer of Shell Australia Ltd, said that there was a direct link between good safety management and good business management.

In an address to the Australian Institute of Petroleum, Mr Charlton said: 'Companies with high safety standards are almost invariably those with high operational standards which are led by managers who are active and aware, and fully accountable for results.' Mr Charlton, who is chairman of the Australian Petroleum Exploration Association, said workers compensation claims in 1989-90 topped $4.7 billion. 'That figure is an underestimate of the true economic costs, to say nothing of the costs from human suffering that industrial accidents bring,' he said.

'Better safety management, naturally, would reduce these costs. In addition since better safety management very often implies more efficient production, the nation will obtain a second safety dividend from higher productivity.' Mr Charlton said the cost of poor safety was comparable with the benefits that might be achieved by microeconomic reform—

members should note some of these figures—

$1.7 billion from communications reform, $1.4 billion from electricity reform and $10 billion from transport reform. It is unacceptable for people to be killed or maimed in industrial operations, because all accidents can be avoided if people take the right action,' he said.

We have heard little tonight from members opposite about the incidence of industrial accidents and the number injured here in South Australia. Last year one in eight employees was injured. Members should think about that. If we had that incidence of injury on the road there would be such an outcry in the community that we would have thousands of people, not just out in front of Parliament but down King William Street, which would be chock-a-block full of workers and business people, demonstrating. However, we have not heard anything from members opposite about the 75 000 workers injured on the job last year. That is outrageous.

People do not know, and we deal with the issue of workplace injuries in our electorate offices all the time. We then hear the Deputy Leader of the Opposition saying that workers should be grateful they have a job, even if it means that they have to carry an injury or a disability on the job, and even it if means that they may be a danger to their workmates.

An honourable member interjecting:

Mr HAMILTON: Indeed; I was coming to that very point. I challenge the Deputy Leader of the Opposition about these cuts. The real test for me is how I would feel about such a cut. I ask myself whether I would cop it, and I ask the Deputy Leader of the Opposition whether he, as a member of Parliament, would be prepared to tolerate that sort of cut? Would he wear it? Of course he would not wear it, and neither would the member for Bragg. Let them put themselves in that position. Would a member of Parliament or anyone else in this place want to cop a 25 per cent to 30 per cent reduction in their salary after 12 months? Of course they would not and they sit here like pompous asses pontificating on what is right for the workers.

They would not have a clue. They read prepared speeches and do not fully understand what they are reading. They read for about five minutes or seven minutes and then sit down not having understood what it is all about. They have not had to go to hospital and see workers with their arms and legs chopped off. They have not had to explain to widows why we do not have proper industrial safety here in this State. Very few members opposite—perhaps one or two—have had to do that. Members on this side have had to do that for years in the industries in which they have worked. Members opposite have the gall to say, 'Let the workers cop the reduction—the cuts.'

If employers do not know their responsibilities they should not be in business—ignorance of the law is no excuse in relation to industrial safety on the job. Assistance is available to employers should they seek it. Again, I refer to the Small Business Corporation, which was set up by this Government to assist people when they want to go into business.

They can go to the Minister's office or to any member of Parliament to get information about starting a business. They can find out what are their obligations as an employer to protect their employees. It is in their own interests. That is why the bonus and penalty scheme is good: the employer who is genuinely concerned about his or her employees will ensure that there are decent safety provisions at the workplace. However, as I have said, so often it sickens me and I wonder why I stand up in this place and talk about these Bills. I can remember the first function I attended as a member of Parliament on 4 October 1979. I attended the opening of the Alfreda Rehabilitation Centre at Royal Park.

An honourable member interjecting:

Mr HAMILTON: I thank the honourable member opposite for his interjection.

An honourable member interjecting:

Mr HAMILTON: No, he was not; that was 1982. The then newly elected Premier carried away with the euphoria of being elected Premier of this State—

An honourable member: David who?

Mr HAMILTON: It was David Tonkin. He opened a workshop that was the baby of the previous Labor Government. It was a workshop for the rehabilitation of workers. He was asked by a doctor about a hydrotherapy pool to rehabilitate workers—amputees and the like. What was the response? I remember it vividly and I shall never forget it, because it typifies the attitude of members opposite—the conservatives. His response was, 'I have learnt three new words since becoming Premier. The first two are "How much?" and the third is "No."' A number of the distinguished guests—doctors, physiotherapists, the lot—gasped and said, 'You have to be joking.' That was then reflected by the then Minister of Labour (Hon. Dean Brown) in his attack upon the workers from 1979 to 1982. Nothing has changed.

What have we heard in this place about the reorganisation, rebuilding and upgrading of Alfreda? Again, on the Public Works Standing Committee there were members who opposed the upgrading of that facility for the rehabilitation of workers. They were members opposite and from the Upper House. They were opposed to it. What did they want to do? They wanted any money that comes from that area to be collected by their mates in private industry. I go on record as supporting the annexe to the Queen Elizabeth Hospital, the Alfreda Rehabilitation Centre, for the wonderful job it does and will do in future. I went past yesterday and saw some of the buildings being demolished to make way for the new centre. I applaud those people at Alfreda who have done a remarkable job over many years of struggling and pushing hard to try to look after people who have been injured, particularly people from the western suburbs. The money that will return as a consequence of the rehabilitation will be ploughed back into that centre.

Last but not least, I can recall my colleague on the front bench, the Minister of Labour, being asked what action was being taken by the Department of Labour regarding employers who, because of their claims record, are paying a penalty rate to WorkCover. This was not so long ago. The Minister, in part, said:

> During the past 12 months or so, the department has conducted 120 audits in workplaces across a range of industries. It was noted during audits that in many cases the companies in question had been making serious efforts to improve their safety performance. The audits extended these efforts. Nonetheless, inspectors found it necessary to issue notices to roughly 20 per cent of the companies audited; 62 improvement notices and 10 prohibition notices were issued.

That is an illustration of the problems. Again, I talk about injuries. One in every eight workers in this State was injured last year—

The SPEAKER: Order! The honourable member's time has expired.

Mr BECKER (Hanson): I applaud my colleague the member for Bragg. I thought that he gave a very well researched exposé of our attitude to WorkCover and its impact on employers and employees. The member for Bragg deserves credit for tackling this problem head on, and so do my colleagues. I will not go over the ground that has already been covered. The member for Albert Park, as well as others on the Government side, would know that they are not the only ones who have experienced difficulties in looking after and caring for the welfare of employees in this State.

More than 30 years ago, when some of the first vicious armed hold-ups of banks took place in Australia, as local president, I had the unfortunate opportunity of meeting a person who was wounded during an armed hold-up in Brisbane. The association at national level, supported by my State association, did everything possible to have that employee's employer accept liability and responsibility for the horrendous injury that he suffered. He was shot in the chest during the armed hold-up. The circumstances were that there was a knock on the door after the bank closed, he went to open the door, the armed robber tried to force his way into the bank and during a scuffle the pistol went off and that young bank officer was shot. The psychological damage that was caused to him could never be repaired and what it did to him and to his family or the rest of the staff in that bank could not possibly be assessed in dollar terms.

The member for Albert Park ought to be reminded that some of us have had to counsel staff, even our own staff, after they have been victims of an armed hold-up, an attempted hold-up or harassment by desperate people wanting favours from the bank. During my period of office, I had the difficult job of counselling these people, assessing the situation and taking the cases to the employers concerned. That was a long time ago in relation to this legislation and the history and struggle for a fair deal for workers in this country.

Since the State has virtually decided to control or nationalise workers compensation, as we have always known it, through WorkCover, whilst several exemptions have been granted to various types of employers, there has been a long, hard battle to try to find an equitable system. It does not matter which scheme we use to begin with: as the process comes down, somebody gets hurt. Many employers in South Australia have been hurt financially. Many employers, small business people, have come to me complaining about difficulties that they have encountered in meeting the high premiums that are sought by WorkCover. Many of them claim that they are worse off. Many claim that the penalties that have been levied are nothing short of victimisation.

I have had many opportunities to speak to the management of WorkCover on behalf of these constituents—sometimes with success and at other times with very little success. It is a very awkward and difficult area. Certainly, some employers do not provide sufficient protection and safety for their employees: we will always get the odd rogue employer. The Minister during his term of office has done a considerable amount of good in trying to rectify the situation in that respect. On the other hand, we still get tremendous conflicts between the medical practitioner and the employer. Where legal people are involved in representing employees, tremendous cost is involved which is not directly associated with the injuries suffered by the worker.

The on-costs of solicitors, medical people and rehabilitation organisations are absolutely horrendous. I believe that the situation is out of control. The allegations that have been made to me by some of the rehabilitation organisations with regard to the charges made for simple services, such as photocopies of documents, telephone calls made on behalf of clients and so on, are horrendous. I believe that we need an urgent investigation into the costs of supervising the payments charged by these organisations. There is a lot that needs to be looked at in this regard. I want to place on record two incidents, because the last time that we debated WorkCover we were looking at various issues.

I cited a tragic case that came to my attention concerning one of my constituents who died an hour or so after finishing work. He was under a considerable amount of stress. It was never proved, because he was a Government employee. In another case, there is a conflict between the employee, the medical practitioner and the employer, Mayne Nickless. Mayne Nickless wrote to a Dr Jennings, who is well known to most of us, on 16 March 1992 and stated:

We are in receipt of your medical certificate dated 4 March 1992 for the above worker. We find it difficult to accept that you are prepared to write a certificate for a period in excess of six months and will be taking this matter up with the WorkCover Corporation. Mayne Nickless Limited (Armaguard) is exempt from the provisions of the current WorkCover Act and administers its own claims.

Mr . . . has received considerable attention in relation to an injury which occurred on 20 August 1990, and every attempt has been made to rehabilitate him. Numerous positions have been offered, and his cooperation appears to have been minimal.

Your certificate indicates that Mr . . . was injured in 1987. No claim under the old legislation or the WorkCover Act has been received in relation to any 1987 injury. Accordingly, we have denied liability to Mr . . . and will not be paying any accounts tendered in relation to the alleged 1987 injury. Please render any future accounts regarding this injury to Mr . . . direct. Yours sincerely, R. P. Johnson, Workers Compensation Manager, South Australia and Northern Territory.

That attitude of Mayne Nickless does not surprise me. There is considerable dispute also in the case of a person who was injured at the Grand Prix just over 15 months ago. The medical practitioner, Dr Reece Jennings, replied to the Workers Compensation Manager of Mayne Nickless on 20 March 1992 regarding Mr . . . (and we will not mention the person's name). The letter states:

In the matter of your letter of the 16th instant, Mr . . . is not a rehabilitable prospect, and there is no possibility whatever of him returning to work until such time as his claim is settled. The matter has been allowed to drift on for a ludicrous extent of time. As he has a legal adviser who would be expected to act in his best interest, the appropriate remedy lies in the court. He was issued with a medical certificate for six months because it appears that I may be the only person who can see the reality of the situation. I will not be a party to issuing Mr . . .—or anyone else—brief certificates to ensure he comes back to see me at regular intervals just so that another fee can be raised against WorkCover. In reviewing the long and tedious history of Mr . . .'s dispute, it is clear that he has seen many medical practitioners and has had the benefit of ancillary consults and services. He continues to complain of pain.

How does anyone prove that he is not in pain? Pain is subjective. It cannot be measured as, say, blood pressure, pulmonary function or cerebral activity. An experienced medical practitioner is able to judge the truthfulness or otherwise of many patients: in Mr . . .'s case, I must say that, to me, he seems quite genuine, and I do not feel that he is malingering. He does have supportive documentation from some competent and respected specialists, and no-one could ignore these. It reflects on the intelligence of the people involved in managing his claim that these letters with which he has already been provided have been totally ignored and that the futile pursuit of the rehabilitation will-o'-the-wisp continues.

Really, the only way that you could prove that he was a malingerer would be to put a clandestine film unit on him for a few weeks. I presume that you have already done that. Even then you would be wasting your time, and I will cite the recent case of a patient of this practice who engaged in a long, deliberate, fraudulent course of conduct. This person faked an accident at work; he was able to secure repeated fraudulent certificates; he worked while on compensation. He threatened rehabilitation workers and Commonwealth Social Security staff with 'hit-men' if they attempted to interfere with his payments. He was filmed working and playing normally. His medical practitioner wrote to WorkCover and his employer and advised that he was deliberately malingering and engaging in criminal deception.

The upshot of all this was the court awarded him an enormous sum of damages and costs. He has now gone off to Reggio Calabria, no doubt to organise importation of his next crop. You must surely know that neither employers nor doctors win these arguments. After this futile attempt to interest WorkCover in a case of criminal deception, I gave up.

Two attempts were made to have Mr . . . evaluated at the Flinders Medical Centre Pain Clinic. After a second review of his documents, they declined to see him on the grounds that most of his notes were at the Royal Adelaide Hospital. This hardly mattered, because there is a six month wait for initial appointments. What do sick people do in the meantime? He does have an appointment at the Royal Adelaide Hospital Pain Clinic.

May I conclude by reiterating that I feel it is in your best interests to expedite a settlement of Mr . . .'s case without involving him in further struggles with the compensation tentacles. There are too many people with a vested financial interest in the current rehabilitation farce. Before WorkCover, it was the experience of this practice over many years that injured workers spent less time away from work and got better quicker. Now the whole scheme is costing the community more and taking longer to rehabilitate the injured. Huge bureaucracies have been set up to handle rehabilitation with no appreciable improvement to the workman's long-term prospects. A few years ago lawyers, doctors and sometimes the injured worker did reasonably well out of compensation. Now a vast army of quasi-medical parasites are able to fatten themselves on the compensation corpse, but they make sure that when anything goes wrong the doctors always get the blame.

One last word. You say that 'we find it difficult to accept that you are prepared to write a certificate . . . and will be taking this matter up with the WorkCover Corporation.' I hope you do that. You are simply trying to threaten and intimidate me. I would like to assure you that I am not bluffed by or frightened of anyone or anything, least of all persons of your insignificant ilk. Yours faithfully, Dr Reece Jennings.

That case will continue, but who is to be believed? Is the medical practitioner acting in the best interests of his client or is he acting in the best interests of the whole system, or is the employer again trying to crush the worker by having him run all over the place?

The WorkCover system has developed into a farce. It is simply not good enough. The workers have not benefited by what has happened and by what is occurring in this State. On the other hand, I have received correspondence from a person who complained to me that, three years ago, because of his religious beliefs, his high moral standards and his personal attitude towards pornography, he complained to his employer that the pornographic photographs that were attached to the wall by his fellow work mates in the area where he worked affected him; 18 months ago the stress of being annoyed by his fellow workers by the further pinning to the wall of all types of pornographic photographs upset him so much that he went off on stress leave. He has been subjected to a string of psychiatric tests, examinations and harassment by the medical bureaucracy, but one thing comes through: the employer will not make any attempt whatsoever to have those pornographic photographs removed from the workplace.

The Minister is on record as supporting him in wanting to provide a better and a safe working environment for the worker. But at the same time, surely anybody who wants to work is entitled to do so in an environment where they are not harassed or annoyed by the display on a wall of pornographic photographs. I believe that, in this case, it involved almost the whole of a wall. The employer is a large national company, and the workers have deliberately set out to annoy and intimidate this person. The pinning up on the wall of pornographic photographs is childish and

idiotic and, when a worker complains, surely somebody in authority could say to the management of that company that the workers should behave in a rational manner. This person has now been on WorkCover for 18 months.

Mentally, this person is stressed. It has affected his personal life, his family life. But who cares? Who is doing anything about it? I shall have to write to the chairman of the board of this company and ask him to take some action, because obviously nobody really cares. So there we have the farcical situation in relation to WorkCover. Are we looking at legislation? Are we trying to do something for the benefit of the worker, as the Government makes out it wants to do? Are we trying to do something that appeases the employers so that we can create employment in this State? Are we really setting out to make it a safe and pleasant work environment or are we just fooling around at the edges and not solving the problem? That is the challenge I give the Minister and the Government. If anyone should be tackling the problem it is the members of the current Government. I believe that they have failed, and failed dismally. So there is only one solution, that is, for my political Party to follow this issue through. This type of legislation can be dealt with in Committee. Therefore, at this stage I support the second reading.

Mr ATKINSON (Spence): On the eve of WorkCover's introduction the then Minister of Labour, Jack Wright, told an Adelaide seminar that total private sector premiums for workers compensation in 1981 had amounted to $68 481 959. For 1982 this had increased 51 per cent to $103 532 567. He added that the number of claims was up 12 per cent on 1979 and that the increase in disputed claims and appealed decisions was even bigger. It was a system for lawyers, he noted. Jack Wright was saying that the growth in claims payouts and premiums was almost in an exponential phase. If this continued the economy could not afford to compensate injured workers.

The model for WorkCover was the Byrne committee recommendations. These were: a sole insurer; payment of premiums to that insurer by all employers; limited but prudential reserves to provide working capital; adjustment of premiums based on the safety record of employers; and rehabilitation as the main aim of the scheme. Jack Wright said that workers should surrender their right to common law claims for employer negligence, arguing that all injured workers should benefit, not just a fortunate few. The unions reluctantly agreed. Unionists made the sacrifice to allow the WorkCover scheme to be born. Their leaders realised that premiums would otherwise go on rising as payouts increased and that this would hurt employers and, in the end, workers.

Union leaders put the economic interests of the State ahead of their sectional interests. This was how WorkCover was conceived. Will we be able to recognise it after the changes proposed by the Government, the Opposition and the member for Hartley? The saving grace of the Government's proposed changes is that they are necessary, it is claimed, to preserve WorkCover Corporation. WorkCover is a labour reform. It goes back to the roots of the Australian Labor Party. Our first fighting platform in the 1890s sought a universal and fair workers compensation system. All the changes before us derogate from that principle. WorkCover is adjusting its premiums to achieve limited and prudential reserves. WorkCover has just given some employers rebates on their levies. It has not given the workers an increase in their benefits.

This Bill and the amendments diminish those benefits. What the labour movement wants is protection for workers. WorkCover now does this. Members opposite talk about rorts. Rorts can always be found in a compensation system; the question is: does the system work? The answer is that for injured workers it does. Our task is not to change laws that work. It is to make good laws and to extend laws on a good principle. Not all employers are in the WorkCover scheme. Some 40 per cent of employers are exempt. This proportion is growing. The Byrne committee recommended that all employers had to be members to make the system work. Exempts should be roped in. From the unions' point of view the existence of exempt employers is a rort. Exempt employers leave WorkCover with all the basket case employers.

I suggest that if all employers were in the scheme then the employers now in WorkCover would not be complaining as much about their premiums and many workers now dumped by their exempt employers would get their due. Most of the premium rises have been caused by employers who are not complying with safety standards. A minority of about 10 per cent are responsible for an excessive number of claims and costs. The targeting by WorkCover of the worst 100 employers has helped—but not much. Penalties are needed, not diluted worker entitlements. In truth, the amendments moved by the Opposition are an attack on the principles of the Act. The amendments are subtly worded but far-reaching in their effect. These amendments are not in the interests of workers. Some employers may cheer these amendments but a reckoning will come in a society made poorer by these changes.

Mr BLACKER (Flinders): I wish to add a few thoughts to this debate. I was somewhat concerned at the manner in which the member for Albert Park carried on and made allegations that all employers were at fault. He did try to correct that, but let us face facts: his comments were quite deliberately and directly pointed at employers as a total group and, as such, I challenge those remarks somewhat. He drew a parallel about a double amputee. I can speak with some heartfelt feeling about that because at the time when I was involved in an accident I was a member of a family partnership, in 1970, and in those days it was illegal and impossible to have a workers compensation arrangement to cover self-employed persons who were members of a family partnership.

I was involved in what was considered to be a fairly major accident but at law I was unable to be covered by any form of workers compensation and therefore the expense was carried totally personally. The effect of that was that I had to lie in hospital for six months or so wondering what my future would be. I therefore sympathise with every employee who is injured at work, in the knowledge and understanding of what goes through a person's mind about how they will carry on their life in future. It is not an easy place to be. So, I would say that a form of workers compensation is not only desirable but essential, to pick up and assist those people who are injured in the workplace. In that context, I take issue with what the member for Albert Park said and I would say to him that he cannot categorise all members of this House into one area. I do not believe that he was right in saying that of Opposition members as such.

It is essential that people who are injured in the workplace be assisted. There is no question about that and that principle must be defended. I am not arguing about that; I am saying that there must be some rationale in the overall debate, because industry and individuals can no longer afford the high cost of employment, part of which is attributable to WorkCover.

Many jobs now have been lost because of the add on costs of employment. We could argue all night about which

costs should be removed or reduced, but somewhere along the line we as a Parliament and a State must address the fact that the cost of labour by comparison with the return for that labour is too high. It is not possible for employers to justify employing additional employees, because of the add on costs. That is a generalisation, but this matter is difficult to debate with specifics. We would all know that we should get some rationale back into the debate. The 17.5 per cent loading has great disadvantages and should be removed: we all know that. We have heard tonight quite a spirited debate about the retention of this loading. We could all look back with some regret, as my understanding is that the 17.5 per cent loading was in fact offered by employers when originally introduced. It was offered as a trade-off package to circumvent an additional wage rate at that time. The 17.5 per cent leave loading was offered by employers at the time.

The Hon. R.J. Gregory interjecting:

Mr BLACKER: If the Minister was involved in the negotiating, I am not questioning but stating what I believe to be the case.

The Hon. R.J. Gregory interjecting:

The SPEAKER: Order!

Mr BLACKER: Well, the Minister might be able to belittle me and some of the comments I make, but the reality is that job opportunities for our young people and other people in this State are diminishing by the day. We know for a fact that just about every industry has reduced employment numbers as far as possible. Employment opportunities in rural areas on Eyre Peninsula in the past 25 years have dropped by 2 000 which, ironically, is about the number of unemployed people on Eyre Peninsula at the moment. We must address that issue. We can no longer continue down an ideological track to seek all of the benefits without getting a cost benefit return.

How one assesses labour varies with every profession—there is no doubt about that. Every one in the workplace is able to give of his or her best and each way they work contributes differently to those work opportunities. For argument's sake, I have been involved in employing individuals within the rural industry. These people are not necessarily academically qualified but are certainly very good farm managers. They have certainly been very good farm employees and, hopefully, I have been a reasonably good employer. With that employment has come a sense of responsibility and an endeavour on behalf of the employees to work to the conditions available within that employment. Rural employment, unfortunately, can carry with it quite severe risks because tractor driving on slopes or in new ground where stumps and holes can be found is hazardous. Therefore, it requires a skill and ability on the part of the operators not only to steer a tractor around the paddock but to show some judgment in what they are doing. It is very easy for accidents to occur in that sort of environment.

Also in agriculture we have machinery operation and plant maintenance. All of these things have potential risks, but in the time that my family has been employing people—certainly in the 25 years that I have been employing people—we have only ever had one accident. I will relate that accident to the House as it poses part of the problem with which we are now dealing in relation to WorkCover. The accident occurred in a shearing shed two years ago. The shedhand, who was a very good employee, had worked for me previously and I would gladly have him back again. He stepped onto the wool table and onto the wool press and jumped into it. It is not a normal course of events and certainly no direction was given by the employer or shed manager at the time. Of his own volition the employee stepped onto the wool table and into the wool press. He believed that it was full of wool. Unfortunately, there were only four fleeces in the press, so he dropped heavily into the press, hit his back very hard on the way down and we thought that we had a very serious accident on our hands.

It caused me a great deal of stress and we had to get an ambulance. Needless to say, he was taken to hospital and given appropriate X-rays. Then came the matter of WorkCover. First, the employee did not want us to report the accident because he would have to say that he had had a claim before and it would therefore prejudice his work opportunities. Obviously that was wrong, and I persuaded the lad by saying that by law we had to report the accident, as we did. I said to the lad that I would give him a letter recommending him for employment to anyone if it was a problem to him. Having done that, we rang the WorkCover people and said that the shedhand rate at that time was $85 a day. Although we shear for only three days of the year, we were prepared to pay $85 a day for five days and then hand over to WorkCover. We were not allowed to do that because somebody had determined that that was not his average weekly earnings because some of the time he was working as a shedhand, sometimes as a shearer and sometimes he was on the dole. Therefore, it was determined that it was not his average weekly earnings and we were prevented from paying the five times $85.

Subsequently my wife negotiated with WorkCover for three months. She would have made a dozen or more telephone calls. We wanted to get the matter settled. It was $1 006 worth of expenses and as a result of that we wanted the matter settled and finished. Eventually WorkCover rang back and told us to pay the five times $85. We were previously told not to pay it but were then told to do so. We paid it happily, even with a change of direction. Then came the problem. Because we had one full-time employee involved in general farmhand management duties, the penalty applied because of that one accident means that we will pay between $2 500 and $3 000 extra penalties—the only accident of a compensatable nature we have ever had, I understand, on the Blacker farm, which dates back to 1926. Because of that one accident the $1 006 actual charges will be paid for 2.5 times because of the penalties and increase in rates by WorkCover. It raises another question, namely, whether there should be two rates in that sort of employment, one for a permanent farmhand and a second rate for shearing.

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.

Mr BLACKER: The actual example that occurred—and most employers would probably be able to find a similar example—highlights the need for further explanation or assessment of the varying types of employment that occur. At that time, we sheared for three days in July, two in March and one in September in order to accommodate lambing. Under those circumstances, we did not believe that WorkCover was insuring us: all it was doing was delaying the payment of a sum two and a half times the actual amount of which we had paid. Obviously, that is an over simplified view, because if the accident had been far more serious and required compensation following, say, the loss of a limb the expenses would have been far greater.

Whilst these anomalies occur there will be loss of confidence in the system and additional expense, and it will certainly discourage employers from employing workers if they can possibly do without them. That is partly why rural people have got into problems with the expenditure of

massive amounts of capital on tractors, headers and other machinery: the cost of labour was such that it was deemed to be more beneficial to buy bigger and better equipment rather than engage labour. Perhaps that attitudinal change needs to be addressed.

Mention has been made of workers' rights. I repeat: I have absolutely no qualms about the fact that a worker has the right to be able to work in a place of safe employment, and every endeavour should be made to provide such a workplace. I believe it is necessary that the risk of the actions of the employer and the employee should be assessed on an individual basis. Therefore, if the employer is at fault, the penalty is put on to the employer; if the employee is at fault, he shares in that risk and therefore in the penalty. I think it is time that we started looking at a shared risk policy. This means that if, for instance, the WorkCover levy was 4 per cent, 2 per cent would be paid by the employer and 2 per cent by the employee, and that would be registered on the employee's payment slip. In the very first instance, that could be compensated for by a 2 per cent increase in salary.

If an accident occurred and it was the fault of the employer, the employer would be penalised by an increase in penalty, but if the employee was at fault his responsibility would be reflected in his share of the risk component. I believe that is fair from the point of view that there is a responsibility in the workplace in which all people, whether employer or employee, should become involved. If that responsibility were shared, I am sure that workplace accidents would reduce at a far greater rate. I put forward those points in the belief that they will probably be a little controversial, but I am sure that employers who would like to employ extra workers would give greater consideration to doing so if a responsible approach were seen to be taken by all sides of the work force.

Mr HERON (Peake): I will not take up much time of the House, but I would like to put a few points on the record. I remember in the early 1980s during my involvement with the trade union movement having discussions about the problems that most unions had with the old Act. The Minister of Labour (Bob Gregory) in his former job as Secretary of the United Trades and Labor Council was very much aware in those days of the problems. The then Minister (Jack Wright) pushed very hard to amend the legislation in order to protect workers who were not getting their just rights when injured at work. Some of the accidents that happened on some of our work sites in those days were horrendous, and employers were not under any obligation to fix up the problem areas on those sites.

In one instance, an injured worker was climbing down from a ladder. He mistook the bottom rung, stepped off four steps too high, landed very heavily and bruised both heels. The worker was taken to the company doctor who put a bit of methylated spirits on the heels and tried to send him back to work. He was taken to the doctor by taxi because he could not walk. The doctor called a taxi and sent the worker back to work, but he had to be assisted from the taxi onto the job site. The worker was sent back because the doctor was being paid by the employer to ensure that all workers returned to work as soon as possible. That worker returned to his job much too soon. The trade union movement on that work site then approached the management and forced it to overrule the doctor's order.

I remember another case of a woman in a nursing home who was electrocuted when cleaning around an electrical switch. She was tossed across the room and hit the wall on the other side. She was taken to hospital where her arm eventually finished up twice its normal size. The woman eventually lost her left arm just below the elbow. Because at that stage we did not have a very strong Occupational Health and Safety Act the woman received very little compensation for her loss.

The present Minister and the then Labour Minister, Jack Wright, introduced the Workers Rehabilitation and Compensation Act and the Occupational Health, Safety and Welfare Act, which the trade union movement fully supported because both of these areas needed to be looked into seriously. Under the old Workers Compensation Act, when a worker was injured, because insurance companies were involved, three or four medical opinions were obtained. A lawyer would then say whether or not there was a case. The matter would finish up in the Industrial Court and the case would drag on while the poor, suffering worker was still trying to work out which doctor was right and which doctor was wrong, which lawyer was right and whether the court was right or wrong.

Eventually, we got to the stage where the new WorkCover arrangements were introduced. The trade union movement was not 100 per cent happy with many of the provisions in the new Act, but it knew that they were better than the old Act, so it went along with them. It was not very keen on the taking away of certain lump sum payments to which workers were entitled under the old Act, but it eventually agreed on that matter with the then Minister.

Another good point in the new Bill related to rehabilitation provisions that were not contained in the old Act. I personally think that was one of the greatest moves that we had seen: injured workers could now be rehabilitated and sent back to work. However, I am not 100 per cent happy with this section of the Act. I think this scheme should be looked at further because in certain instances it can break down. We heard from the Deputy Leader of the Opposition that it is always the employer's fault. There are good employers and there are bad employers, and I want to give an instance of a good employer.

The CIG company is in my electorate. I can remember about 15 years ago when oxy-acetylene bottles were tossed on trucks and rolled around factory floors. If one visited the factory at Thebarton one would see about half of the workers with a finger missing because of the way those bottles were handled. That company could see the difficulty it had with workers compensation, so it set about rectifying the problems associated with handling the bottles in the factories and when loading them on and off trucks. It might have cost that company a lot of money to rectify that problem; but anyone who visits that factory and sees the way that the gas bottles are now handled is amazed. That is what I am saying: there are companies that take the initiative to eliminate accidents in the workplace. So, if employers want to reduce their WorkCover levy payments, they could spend a few dollars and rectify the problems on their work sites and they would not be screaming so much about the levy payments.

I refer again to doctors in workplaces. In my union days I came across many companies that employed their own doctors, mainly because the trade union movement pushed for that. We said that a doctor or nurse should be on-site because some of the equipment was not up to scratch, and with over 1 000 employees it would be very hard to have ambulances attending. In some instances that was a mistake on the part of the trade union because, as I said before, some of those doctors were employed to put those workers straight back on to the line quickly. They would wipe down the cut, or whatever it was, put on a bandaid and put the worker straight back on the line. When people fainted they

got an Aspro and were put straight back on the line again. Of course, those doctors were being compensated by the employer for the lowest amount of lost time that they could produce in the factory. We now see those problems being overcome in a lot of places by some of the good employers, who rectify the problems on the job site so that they do not need to have a full-time doctor or nurse.

Employers should closely read the Occupational Health, Safety and Welfare Act, which was proclaimed just after the Workers Rehabilitation and Compensation Act, and really do their homework on that, especially in relation to a work committee that inspects every dangerous working site and eliminates all the injuries. Many employers are fully implementing that measure and are reducing their workers compensation costs because they are very much aware that there is no value in having an employee on workers compensation. If employers want to reduce their levy they should do their homework on their job site and the levy will come down. As we have heard other speakers say—including members opposite—no one wants any worker to be hurt. As the member for Albert Park said, we want to get the figures down. There are too many injuries on the work site compared to those that occur on the road. Of course, there are also many deaths each year.

People also work in some very hard industries—that is, industries that are more vulnerable than others, such as the building industry. Some years ago a constituent of mine fell off the first floor of a building and he is now crippled. He will never work again and he is about 32 or 35 years old. He received a reasonable payout, but at that age that does not mean anything if one is a cripple. No amount of money can compensate someone who is crippled as a result of an injury at work because, perhaps, the scaffolding was not up to scratch.

I support the Bill. In some areas I do not agree that we have gone far enough. I particularly note what the member for Spence said. I have always been very disappointed with the legislation in relation to exempt employers. If all employers were covered by the scheme maybe we would not be in the trouble we are in today. Some of the exempt employers are playing on this; they are having a ball while other employers are paying for them.

Mr Groom: It is 40 per cent of the work force.

Mr HERON: As the member for Hartley said, 40 per cent of the work force is affected. That is one area with which I do not agree. I also think we should be doing some work in relation to rehabilitation. I know that the WorkCover scheme is suffering some hiccups, but the introduction of this legislation was a major move. It is on an upward trend at the moment, but we have to get behind it to ensure that we reduce the incidence of injury in our workplaces.

Mr VENNING (Custance): I rise to raise briefly my concerns about the present WorkCover scheme. As a rural person and a farmer I am aware that our industries are very much affected by and very aware of what has been happening in the past three or four years with the WorkCover scheme. I do not want to knock it completely, but I think at this stage we need to speak about the reality of what is happening. The WorkCover scheme is one of the most serious barriers to efficient employment in South Australia. It is an impediment to the employer/employee relationship, and we often hear arguments about who and what was responsible.

The old workers compensation scheme worked pretty well. I know it had its shortcomings; it probably needed to be upgraded. However, I think we have gone from one extreme to the other—from a scheme that needed tidying up to a scheme that is gone completely over the top. The old workers compensation scheme was in private hands and it worked very well because there was much more accountability—not only for the worker but also for the boss and the companies involved. It was felt that people were responsible.

Today the system is rorted—not by many but by enough to make the scheme unworkable. There are two levels of charging in the medical scene, both by the practitioners and by the institutions. We have all heard examples. There was the case of a person who cut his finger with a chainsaw. When that person had the finger attended to, he was asked, 'Is this a WorkCover claim or is it private?' We all know that, if it is a WorkCover claim, the sky is the limit; the price is ridiculous. When the person had the stitches removed, I think the bill (for the removal of three stitches) was $160. If he had been treated as a private patient, the bill would have been about $30. That happens time and again because no one is responsible; the Government is paying. It seems acceptable to rip off the Government; no one is responsible. That is part of the reason why we are in this position.

Whenever one inquires about costs, the WorkCover payment is the whopper. Farmers were originally conned into the current WorkCover scheme because of the very low premiums—some as low as 2.5 per cent. At the time the UF&S supported the scheme and it got off to a reasonable start. It was not very long before we saw the premiums rising very sharply. The average premium was about 4.5 per cent or 5 per cent. If anyone had an accident, the levy rapidly rose to about 8 per cent.

As the member for Flinders previously said, one could pay $2 500 or $3 000 over the top if one made a claim. As a result, we have seen people try very hard not to cover the claims or not to claim at all because it is an ongoing cost. The cost is higher when there are two claims. WorkCover is an add-on cost to employment in this country. I mentioned that when speaking on a private member's Bill some days ago. It is still going on. It is an add-on cost to production and to the general efficiency of our country.

We need to return to a simple sickness and accident scheme such as I believe they have in the United States and many other countries of the world. It is taken out by the employee, but funded by additional payment from the boss, whether by bonus or enterprise bargaining agreement. As the member for Flinders said, they could share that premium, because then there would be some incentive by both sides to ensure that the scheme worked. Then the policy is owned by the employee. He or she benefits from the good work record, they are seen to do the right thing and not rort the system, as is prevalent today.

I see the Minister writing profusely. I admit that in the workplace some bosses are not model employers. Some workplaces are dangerous. Not all bosses do the right thing, but why should one workplace make it hard for the lot? That is happening now. Government-run enterprises have difficulty with accountability, that is, no-one is directly responsible. We must put it back to the individuals and to a private enterprise organisation.

Many constituents have come to me with legitimate and serious claims. In one instance a man was blown off a truck. One might say that it was an act of God. This person was putting a tarpaulin on a truck and he was blown off. He suffered very serious injuries and the air ambulance had to come and pick him up. There were many difficulties. First, it was said that he was rorting the system. How could it be a rort when the air ambulance had to come to get him? We eventually solved this problem. Unfortunately the genuine

claimant is paying the price for a system that has been rorted.

Another case involved an employee who had worked for the same boss, a farmer, for 30 years. A tandem hitch fell on the employee. I know how it can happen, because it has happened to me. As the member for Flinders would know, a tandem hitch is a big horseshoe arrangement which has a habit of falling over in transport position if there is no machine hooked on to it. It is well documented now, but in those early days we were not aware that it would happen. This chap was seriously injured, but he worked on for eight years with this problem until he simply could not go on. His doctor said, 'No. You have proved your point; you cannot work on.' For two years after that the employer paid the employee out of loyalty while WorkCover tried to sort it out. Why does a member of Parliament have to get involved and come along as the heavy to solve these problems? That distresses me. This was obviously not a rort. Why did they have to call on the local member to solve a problem like that? I think that case has now been solved quite happily.

As I said, this is an impediment to employment in South Australia, as is the 17.5 per cent leave loading. The previous speaker referred to that. This is an ongoing situation. I remind members that the Hon. Clyde Cameron, who invented this 17.5 per cent scheme, is adamant that it should go. Also, penalty rates and payroll tax are linked with WorkCover. It is an impediment to jobs and to industry. As an agriculturist and exporter, this problem is manifest in our inefficiency. We have heard a thousand times that Australian farmers are the most efficient in the world. This is one thing that they do not need. It is a modern-day problem and the Government is going part of the way to solving it in this Bill. I encourage the Government to look at this again.

I do not want to be accused of being a worker basher. I have employees with whom I work and I try to provide the safest possible workplace. I know the problems with accidents; they will always happen, irrespective of what we do, because of the unforeseen. We can do all the planning that we like: we can put a guard on a machine to keep an employee's fingers out of the belt, but sometimes they can get their fingers jammed between the guard and the belt. Therefore, what one tried to guard against was actually the cause of the accident. These things do happen.

The member for Flinders talked about the shared risk policy. I think it is a very good idea. If we are responsible, we are going to be more accountable. If workers could pay half of the premium (say, 2 per cent of the 4 per cent total), that would be a commendable move. If something did go wrong and the boss was at fault, I think he could pick up the total tab there.

I have always had difficulty with stress. I really do wonder whether anyone can give me a definition of stress. I am sure that many members of this place could claim for stress, particularly with all these late night sittings and the hours we keep and the time that you have to sit there, Sir, listening to our speeches. I have difficulty in measuring compensable stress. I believe that this key area has been rorted and the whole system is paying for it. I do know of a genuine case. A person is absolutely beside himself because of the problems into which he has got himself, whether in the workplace or whatever. Who is the judge? When is stress bad enough to be claimable? We all have different degrees of stress. We all live with it. There are good and bad employees, as we have heard, but we cannot penalise the lot because of people who are rorting the system.

WorkCover is causing changes in our community and industry. I should like to highlight one small case. Many landowners who had only a few sheep nowadays do not have any. Why? Because the extra cost of WorkCover for shearers has made it unprofitable for the cereal grower to run a few sheep. The Minister may smile, but that is true in my own case. I ran probably 100 to 150 sheep. The costs of getting shearers in are putting my WorkCover premiums up from about 5 per cent to 7.5 per cent. It is not worth it, so we do not have the sheep. These are the sorts of things that happen. Several other grain growers are in that position. We now buy from the butcher. These are the sorts of things that we sacrifice because the WorkCover premiums have a great bearing on what we do with our farm practices.

As I said, accidents will always happen and we need to look after people. I commend the Government for looking at the problem of WorkCover, but I would urge it to review the whole WorkCover scene shortly and bring forward a system that will help both the worker and the employer and get people back to work in South Australia.

The Hon. R.J. GREGORY (Minister of Labour): I have been pleased to listen to the contributions by members on both sides of the House. I shall not reply in detail to the member for Bragg's *tour de force* through the workings of the select committee. The member for Bragg has from time to time made comments in the press and in this House about the slow workings of the select committee. I am not going to tell tales, but one of the reasons why it has taken a long time is that the member for Bragg and his colleagues from other places have had great difficulty in coming to some of the meetings.

Mr Ingerson: That is not true.

The Hon. R.J. GREGORY: He says that is not true. My advice is that many of the meetings were cancelled because of the inability of members to attend—members from the other side. I can remember one meeting when we were talking about this and you did not have time to come to it.

Mr Ingerson: Once.

The Hon. R.J. GREGORY: Many times you were unable to attend. It is all right to go around bucketing people on this, but you should look in your own backyard. The member for Bragg talked about several matters, one being overtime. I notice that in one amendment he proposes the total deletion of overtime from the amount that people should receive. I hope that, when Liberal members write to me as Minister complaining about the poor amounts of money that their constituents are getting as a result of compensation being reduced because overtime was taken into account and removed from the total amount, they will tell those constituents that the Liberal Party wants the total amount reduced and taken away entirely.

I hope that they have the ability and fortitude to do that. I would have thought that the overtime provisions which were enacted in 1991 and which were assented to in March of that year would have overcome most of the problems that the member for Bragg talked about. The member for Bragg told the House that he has been calling on small businesses, in his function as the shadow Minister of Small Business, and he referred to a reduction in the number of Department of Labour inspectors. I do not know who told him that. I have been advised that, whilst I have been the Minister there has been a 50 per cent increase.

Mr Ingerson: That came from other departments.

The Hon. R.J. GREGORY: There has been a 50 per cent increase, from 24 to 36—and that was before the Department of Mines people came over. For the benefit of the member for Bragg—who I am pleased is not now dispensing

medicine, because it is obvious that he cannot count—I point out that only seven came over, so that does not account for the increase from 24 to 36. I do not know. I am just telling him these things: he can go away and dispute them if he likes, but that has been the fact.

In very tight economic circumstances, this Government put extra people into the field to train employers in the manual handling of regulations and codes of practice in the workplace. It is well known that back injuries are the most difficult to overcome and treat, and there is a very simple reason for that. Any of us over the age of 50 who has engaged in manual labour would have damaged our back at one time or another. If we were all to walk down the street, people would say that there was nothing wrong with us because we can still walk and talk. But if we suffered an injury to our hand and if we had removed from that arm a percentage in proportion to the disability to the back, there would be so many of us with one arm that something would be done about it.

That is precisely what this Government did. It introduced more inspectors and trainers in that area, and that is starting to have an effect. To their credit, the employers argued with people on the Occupational Health and Safety Board for a delay in the introduction of those regulations so that the employers could be made aware of their effect and so that their cooperation could be sought. It had a two-fold effect: first, supervisors and people working in industry were trained so that, when they were lifting and doing other things involving their backs, they did not damage their backs; and, secondly and more importantly, the tasks that caused the injury were redesigned. Some members opposite said that employers were purchasing modern equipment in order to do away with workers.

I just point out to our friends from the farming community that my father has been in this country for nearly 69 or 70 years; coming here as a Barwell boy. He tells me that, when he worked in the Mid-North, the children of a farmer wanted their father to buy one of the very early Caterpillar tractors. The father would have none of it. He had been out all day sowing grain with his team of horses—and the members for Custance and Flinders would recall that, if teams of horses were used, one team was used in the morning and one in the afternoon. Those two children came home from the Saddleworth High School, changed their clothes, went next door and borrowed their neighbour's tractor; before tea time they had put more grain into the ground than their father had put in all day. I must admit that their father was a pretty smart bloke, and we can guess what he did the next day—he bought a tractor.

That story illustrates that this issue has nothing to do with how many people are employed and the cost of employment: it has to do with efficiency, and I would have thought that members opposite who believe in the basic theory of Adam Smith regarding capitalism would accept that, when new, innovative ways of doing things come along, we use them. We purchase the plant and equipment, irrespective of what labour costs. I would say that, even given the cost of labour before 1927 or 1928, that farmer bought the tractor not because of the cost of labour but because of the efficiency of putting grain into the ground. We all know that plant and equipment is bought because of its efficient use and, if that plant and equipment is not bought, even if nothing is paid in wages, people do not survive, because they are not able to keep up. It is the greatest furphy I have ever heard.

Jobs are disappearing today: they will never be done again. To say that we should keep those jobs is a mistake on the part of the people who talk about it, because they want to keep that industry as a museum piece, and we are not into that. In Australia we want industry that can compete on the world market and, if we hop off at any time, we will become like Burma or Albania—countries that go bankrupt and have nothing worth keeping. We must accept that things are changing; things have changed. The members for Custance and Flinders and I drive around in reasonably modern motor cars. I suppose we could have a look at the photograph in the foyer of the horse and sulky in front of Parliament House and be pleased to go back to those days. I suppose that when the member for Light retires he will say, 'Yes, I will go around and look at your horse', but the member for Custance would not come to Adelaide as often as he does if he travelled on the train: it would take him all day to get here and all day to get back.

Modern medicine and the motor car are the most innovative things that have happened in terms of the general health of the people of South Australia. I can recall my grandfather telling me that it took him all day to drive a trolley and five horses from the Port of Adelaide to a warehouse in the city and back again. He would go home at 9 o'clock at night after cleaning the horses. He did not bother to learn to drive a motor car, but the people who took over his job did four or five trips a day, and that is what we call efficiency. Anyone who says that we get replaced labour and this new efficiency only because of the high cost of labour is having a lend of themselves and is trying to mislead other people.

The member for Bragg referred to rehabilitation. I do not think that anyone involved in workers compensation in South Australia is entirely happy with the area of rehabilitation but, if we think about it, it has been nearly six years since the rehabilitation element came into effect. The Act was passed in 1986, and rehabilitation before then was nonexistent. There was a bit around. The Commonwealth operated a centre at St Margaret's Hospital, and a small centre was operated on Port Road. The number of people who were rehabilitated was nil. The employers had no responsibility towards rehabilitation; the workers compensation legislation provided no responsibility for rehabilitation either, and I can tell the House that there was none. There was a deliberate attitude by employers at the time that, if people suffered a workers compensation injury, they became unemployable.

We have gone through a cultural change. Since the introduction of that Act, we have had to change the culture—from having no rehabilitation to the provision of rehabilitation. People in WorkCover will say that in the first year or two the rehabilitation effort in WorkCover was not good enough. Some mistakes were made, but I will say this for WorkCover: it did not sit around on its hands or wring its hands and say, 'This is awful.' It has been doing something about it.

First of all they had a consultant prepare a report of what they could do and how they could overcome the problems. They have changed the emphasis of rehabilitation. They have changed the emphasis on the contracts entered into with the rehabilitation providers. They are now examining what they will do as an organisation in respect of rehabilitation. We are trying to do in six years what some other countries have taken 60 years to do. What we are doing is a thousand times better than anything that has been done before, though. All we hear in this House from members opposite are references to one or two failures, which are paraded around like an icon. The Opposition gets these icons out and waves them around the crowd and says, 'Have a look at this!' However, they do not refer to the 70 000 people a year who are treated by WorkCover. Sure, in any

system we can find someone for whom it does not work out too well. With 70 000 people being treated we can always find someone whose file is left somewhere or where the right decision is not made at the right time.

We then get around to the matter of cost. This is the part that really gets to me. For the first time employers in this State are facing up to the reality of injuries in the workplace. Again tonight we heard it being postulated that workers and employers should share the cost of insurance and we would thus share responsibility for injuries in the workplace. We need to go back a couple of steps and think about where we are. If one wants to increase the chance of getting injured or killed at work one should go and work on a farm. Most farms in this State employ very few people, if any at all, and if they do employ them it is occasional employment. So, most of the people who work on the farms are self employed. Also, they work long hours and in isolated places. They do not have the chance for social intercourse. It is very difficult to get around and run courses. I know that when officers of the Department of Labour attend the Paskeville Field Day it is mostly females who attend the department's booth to obtain information.

Mr Venning: I went there.

The Hon. R.J. GREGORY: I am very pleased that the member for Custance went there. However, there are always many females who go along—wives, daughters and possibly girl friends. They go there to get information because they themselves are concerned. As a member of this Government I have taken particular interest in this area because of the social suffering created when the male of an owner operated farm is injured and possibly cannot work any more. The whole lifestyle of that family is destroyed because the farm has to be sold. We remember the tragedy of a couple of days ago when a father and son died when the auger that they were using hit a high power powerline. One of the aspects of safety on the job is avoiding accidents. I am not going to prejudge this, but my comment would be: what in the hell were they doing with something that they had to move around under a powerline? Either one does not have the powerline there or one does not have the equipment there. It is as simple as that.

A problem that we have in the marine area is that more people drown in the Murray River than in the open sea, and I think this is because they think that it is still water, fresh water, not very wide and possibly not very deep. They think it is not very dangerous, but they do seem to drown there. These are the perceptions that people have. I have a dream that, in occupational health and safety, the farming community will come to accept responsibility—like they accept responsibility for everything else. On the farm, farmers have a responsibility in relation to safety. We must reduce these accidents and realise that in certain circumstances accidents will happen. As the member for Custance says, accidents will happen and so what we then must do is set about designing accidents out of the work processes.

I spent some 18 months building a four stage, 60 spot weld machine at Holdens. With an apprentice and another tradesman we built it from a set of drawings. It was a big thing and we dragged it around into the press weld shop and had other bits of conveyors put on the end of it and then a contractor sent along a drilling/reaming machine, which we set up at the end of it. I then had to make a table. I thought I had made a pretty good job of the table, according to the drawing, and I set it up and we worked it very well—until they sent along the operators. This operator turns up and he was a rather portly sort of man, who would make the member for Light look skinny. He had difficulty in reaching over and getting to where he had to go. He had been there for only five minutes and his back started to hurt. His supervisor came along and said something to my supervisor, and then my supervisor said, 'Get the oxy-torch and cut this out.' I said, 'What for? Go and get a skinny operator.' Well, of course, what happened five minutes later was that I was with the oxy-torch mucking up this beaut table that I had made. I went off and got a bit of plastic tubing and cut it and put it in and bolted it down so that it would not damage his overalls.

The point was that they wanted the operator to be able to do that process without bending his back so that it would not hurt. What they were doing was ensuring, even back before 1968, that the person was operating and working in a safe way, without causing any injury. If he had had to bend his back what would have happened was that over two or three years this bloke would have finished up with a pretty crook back through that constant bending. This is foresight. Would anyone seriously suggest that with manual handling we should take all the cranes off the back of, say, the brick trucks that we see moving around Adelaide? Should all the forklift trucks be taken off the back of them and the bricks loaded and unloaded by hand?

The sort of foresight and thinking in relation to these practices has eliminated a whole lot of places where injuries can happen. Mind you, less people are working in that industry now, but people are not being injured as much. We must accept that there will be a change and employers must accept that they have that final responsibility. No employer can duck that responsibility. They must take responsibility in every other area. They say that they can fix up safety if we make them responsible for it. I think that there has to be a rethink amongst some people as to how we do this.

There has been a great hue and cry about bonus and penalty. This gets back to the acceptance of responsibility in the workplace. For the first time employers are starting to understand what the costs of injuries are. There is an industry in this State that, because of its arrangement with the Commonwealth Government and its funding, can get its costs totally refunded. They also have a high level of injuries in the industry and most of the people in it are now copping a penalty. They went along to their employer association and said, 'Look, can you go and see WorkCover and get them to fix up this penalty so that it is part of our rate?' The employer association said that it could not do that because the total maximum they could charge was 7.5 and that they were on that already. They said that the 11.5, or whatever it is, was their penalty and that they were going to have to pay that. So what was their next word to that employer organisation? It was, 'Hell, we had better do something about safety. Can you organise some safety training for us?'

The implication was simply this: if they could have arranged a deal with the Commonwealth to reimburse them for the penalty they would not have bothered with the safety training. What was happening in that industry was that every year young women were injuring their backs. I also have another dream that perhaps that industry will not injure young women by damaging their backs. Those injuries to those women do not just affect their backs; it affects the whole of their life, when they have children and as they get older. It affects the quality of their lives.

The member for Bragg said that that is just one industry. The member for Peake, in his reference to CIG, talked about how its attitude to safety had changed. I was there on one occasion celebrating a million person hours of work without a lost time accident. I was there with other notable people and the manager, and we were shuffling around to

find a place to have our lunch. The manager went to grab a couple of chairs and from out of the queue for the barbecue a voice said, 'Hey, Remo, you can leave them alone; we're sitting there.' Remo happened to be the manager of the place; he managed an operation of 200 employees. I was speaking to that person later and he was simply a fork truck driver.

That exchange illustrated why that company was able to achieve a million person hours of work without a lost time accident. It demonstrated that the relationship between the fork truck driver, who is not a highly paid person in the industry, and the general manager of 200 people was such that the driver had the confidence to say to the manager, 'Leave that chair alone', and the manager apologised to him. Safety meant that each respected the other's position in the plant. Sir, as you would know from working in industry, in very few places would workers be game to tick off the general manager; they know what would happen the next day. They are the places at which we have worked and where the number of accidents has been high.

I refer to the member for Mitcham. I thought to myself, 'What's new?'. He could have got up and said that he was referring to *Hansard*, page such and such of March 1991—ditto. *Hansard* could reprint the speech, change a couple of figures and it would be all right as it was—exactly the same. He has not learnt a thing in that period.

I refer now to capital payments. In regard to the lump sum, we are attempting to get the Commonwealth to share some of the burden in this area. We are all aware that, under our compensation scheme, the Commonwealth Government has been relieved of a considerable amount of money in social service payments. The traffic accident fund in Victoria initiated this action, and it has been tested in the High Court. My advice is that the amendments in the Bill, if challenged in the High Court, will stand up; if they stand up, there will be lump sum payments, but there will be a number of them and they will compensate for loss of capital. There will be not just one payment but a series of payments over time. It means that each person receiving payments will have to be judged separately, and payments will be made. I have also given undertakings that I will instruct the board that, if the scheme fails because of High Court action by the Taxation Department, those workers are not to be left in a disadvantaged position.

The member for Goyder talked about stress. Given his comments, one would think that he has not read the Bill or the amendments that I have just distributed because of an oversight when we were drafting the Bill. One of the problems with stress is simply this: all of us in our life have come across people who at work or at home have not been able to handle a situation and have had a nervous breakdown. We are in a situation where people at work suffer from stress. The member for Hanson cited a person who worked in a bank and a shop. One only has to talk to people who have been involved in a hold-up situation: those people will say that, every time someone who looks much like the person who held them up comes into their work premises, they start to go to pieces. They start to shake and sweat—they suffer from stress. We have to find that fine path whereby genuine people are compensated and those who are allegedly onto a rort (and I have my own personal views on some cases I have heard about) are denied access to compensation. We have to go through that fine path. I do not believe that we need to do what was advocated by the member for Bragg, namely, to eliminate stress claims altogether. We need that provision, and I believe that the Bill will handle that situation.

The other furphy I want to destroy is that the 100 per cent payment stops people from going back to work. If that argument were true, nobody would go back to work for two years. The amazing thing is that tens of thousands of people go back to work in fewer than five days. The real costs of the scheme are tied up with the people with long-term injuries. In evidence to the committee in 1991 and to the tripartite committee that inquired into the rehabilitation of persons injured at work in 1979, the Insurance Council representative, who I think would have some knowledge of return to work rates, said on both occasions (and from 1979 to 1991 is a span of 12 years) that 100 per cent payment of wages does not cause people to stay away from work; they stay away from work for other reasons, not because of the 100 per cent payment. He made that quite clear.

Mr Ingerson interjecting:

The Hon. R.J. GREGORY: The member for Fisher. I think that I have dealt with most of the matters that have been raised by members in opposition to this Bill. The Bill that the Government presented to this Parliament will overcome a number of the anomalies that have arisen over time. I am confident that it will do that. I am also confident in the ability of the current General Manager of WorkCover and that of his employees to be self-critical, to examine what they are doing and to be willing to admit that what they were doing in the past was not quite right so that the innovative changes that have taken place will reap further reductions.

Bill read a second time.

In committee.

Clause 1—'Short title'.

The Hon. R.J. GREGORY: I propose that we report progress.

Progress reported; committee to sit again.

ADJOURNMENT

At 11 p.m. the House adjourned until Wednesday 8 April at 2 p.m.