HOUSE OF ASSEMBLY

Tuesday 27 October 1992

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

PETITION

CHILD ABUSE

A petition signed by 336 residents of South Australia requesting that the House urge the Government to increase penalties for child sexual abuse offenders was presented by Mrs Kotz.

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 76, 102 and 109; and I direct that the following answers to questions asked during the Estimates Committees be distributed and printed in *Hansard*.

RURAL COUNSELLORS

In reply to Mr VENNING (Custance) 15 September.

The Hon LYNN ARNOLD: In 1992-93 the Department of Agriculture has budgeted $281 000 to support the operation of rural counselling services. It is estimated, that from this amount, up to $180 000 will be provided to the SA Rural Counselling Trust Fund from the Rural Industry Adjustment and Development Fund. The remainder of the $281 000 is comprised of .05 FTE salary for a rural counselling liaison officer ($21 000), an operating budget for that officer ($10 000), in-kind local support provided by the Department of Agriculture's regional staff and facilities ($50 000), and provision of an office within the dpartment's Waikerie ofice for the Riverland rural counsellor ($20 000).

Under the Commonwealth Government's Rural Counselling Program, the Commonwealth matches contributions from local sources, hence the impact in rural communities is double the amount contributed by the community and the State Government.

The SA Rural Counselling Trust Fund has had some success in attracting contributions from the corporate sector. Recently the ANZ Bank announced a $15 000 sponsorship to the trust fund. Together with ongoing support from SAFA ($70 000 provided for 1992-93), South Australian Farmers Federation [previously United Farmers and Stockowners] and the Commonwealth Bank, this will give the trust fund sufficient funds to be able to support rural counselling services until at least 30 December 1992. After that time funds will be transferred from the Rural Industry Adjustment and Development Fund to the SA Rural Counselling trust fund as required.

Moneys in the trust fund earn interest at the average 90 day bank bill rate, which also assists the fund. To date the trust fund has earned a total of $118 000 in interest received on contributions made to the trust fund since 1986-87.

Further contributions to the Trust fund from the Rural Industry Adjustment and Development Fund will be dependent on demand (such as the number of rural counselling services and rural counsellors in operation) and the amount of contributions the trust fund, and the rural counselling services themselves, can attract from other sources.

EGG INDUSTRY

In reply to Mr MEIER (Goyder) 15 September.

The Hon LYNN ARNOLD: Before answering the honourable member's question regarding the reconstituted egg industry, I would like to provide some background as to the series of events that have occurred in the deregulation of the egg industry:

- The South Australian Egg Board (SAEB) was established under the Marketing of Eggs Act 1941 and administered the Egg Industry Stabilisation Act 1973. Both Acts were repealed on 10 May 1992 and the SAEB abolished.
- The SAEB egg grading and pulping facilities were transferred to the South Australian Egg Co-operative which will lease the SAEB premises for nine years for approximately $74 000 a year. If the Co-operative wishes to buy the land and buildings the purchase price will be the Valuer-General's valuation of the land reduced by the aggregated rental payments made by the Co-operative up to the time of purchase.
- The Building Fund Levy of $293 000 was transferred to the Co-operative on the understanding that the Co-operative would refund the Building Levy to those producers who did not wish to become members.
- The agreed value of the pulp stocks held by the SAEB on 10 May 1992 will also be shared amongst producers in proportion to their quota holdings on the date of transfer.
- A Rural Industry Adjustment and Development Fund (RIADF) loan has been provided to the Co-operative on an interest only basis for five years.
- Funds have been advanced from Consolidated Account to fund SAEB staff separations ($650 000) and winding up costs ($100 000).
- The Co-operative purchased and paid for the plant and equipment for $200 000, packaging material for $88 260 and egg stocks for $80 000.

The South Australian Egg Co-operative has met all expenses owing to the Government at this time. The Government is not in a position to comment on the current financial situation of the SA Egg Co-operative given that it is a private sector organisation. Any questions regarding the Cooperative's financial position should be referred to the Chairman of the Co-operative.

The Auditor-General is in the final stages of completing the financial statements of the operations of the SAEB and, when completed, those statements will be made available to the Parliament together with the annual report of the Board. The final cost to Government of the deregulation of the egg industry will not be known until the financial affairs of the SAEB are finalised, including the issue of outstanding grower levies and other creditors. Once finalised, Cabinet will need to consider from where the total cost to Government for this deregulation exercise should be met.

TILAPIA

In reply to Mr LEWIS (Murray-Mallee) 15 September.

The Hon. S.M. LENEHAN: The Minister of Fisheries has advised that tilapia (particularly T. mossambica) is a recent fish in evolutionary terms, is more voracious and damaging to the environment than carp and does constitute a significant threat to the Murray-Darling system. Tilapia is best regarded in Australian terms as an 'aquatic rabbit'. It poses the same threat to Australia's major water courses as the rabbit has to terrestrial habitats. The seriousness of this issue cannot be underestimated. Introduction of this species into natural water courses in Ecuador have resulted in a loss of 106 of the 109 native species of fish found in a number of the natural water courses.

At present there is no contingency plan to deal with an escapement of tilapia into the Murray-Darling system. However, as the Member for Murray-Mallee correctly points out, tilapia is feral in Queensland and I understand that the Queensland authorities are undertaking an extensive education campaign to limit the spread of tilapia and have in some cases undertaken eradication programs. Nevertheless, it is the opinion of the Department of Fisheries that the threat posed to the Murray-Darling system by tilapia warrants the same commitment as did the myxomatosis research program. The long-term control of tilapia should be achieved through biological or genetic control. This type of program would be best addressed by CSIRO and the

Department of Fisheries through its involvement in the Murray-Darling Basin Commission is attempting to gain support for the necessary resources.

CHEMICAL RESIDUES

In reply to **Mr D.S. BAKER (Victoria)** 15 September.

The Hon. LYNN ARNOLD: In regard to chemical residues in agricultural produce, South Australia, like all other States, complies with the National standards laid down in the Food Standards Code by the National Food Authority (NFA). These standards for the various food commodities are based in general on recommendations made to the NFA by the National Health and Medical Research Council (NH&MRC) after due consideration of the toxicological data and use of the chemical in accordance with 'good agricultural practice'. (Good agricultural practice means, used according to the directions on the registered labels . . .).

On the global scene, International Standards are set by the Codex Alimentarius Commission, after considering the scientific data provided by the Joint Expert Committees, JECFA (for veterinary drugs, food additives & contaminants) and JMPR (for pesticides), established under WHO and FAO in the United Nations.

Currently, countries throughout the world have differing national standards, based on good agricultural practice within each individual country. They vary necessarily because of differing pests, diseases, climates and relative consumption of products between countries. There is however a global push toward harmonisation of residue standards. When GATT becomes a reality, Codex standards will be regarded as the international benchmarks and member countries wishing to have standards differing from Codex standards, will need to provide strong justification as to why.

At present, Australia's standards are more stringent than many other countries for some commodities; the same as many other countries for some commodities; and less stringent than some other countries for some commodities. (See attached tables for examples).

On the global scene, international trade is the important issue. To maintain our valuable export markets, our produce has to meet the national standards of our trading partners, hence the need for tight controls on our own export commodities.

On the domestic scene, human health and environmental contamination are the issues, and many groups are lobbying for stricter standards or even for the total abolition of chemicals in agricultural production. It should be noted that within the NFA legislation, there is a clause prohibiting the relaxation of any Australian standards just for the sake of parity with Codex Alimentarius. Consequently, the relaxation of any Australian standards would only be achieved where there was overwhelming evidence to justify the change.

COMPARISON OF AUSTRALIAN RESIDUE LIMITS TO THOSE OF MAJOR MARKETS

ITEM	Australian Standard (mg/kg)	Other Countries (mg/kg)	Comments
Antibacterial residues in meat	*Meat Residues* Chlortetracycline . . . 0.05 Oxytetracycline . . . . 0.25 Sulphadimidine . . . . 0.10 Penicillin-G 0.06	USA: as for Australia. Japan: nil tolerance to all antibacterial substances.	Exports of Australian meat to the sensitive Japanese market could be threatened by the detection of traces of antibacterial residues, well below acceptable levels to Australia and the USA.
Organochlorine residues in meat	DDT . . . . . 5.0 Dieldrin/Aldrin . . . . . 0.2 Lindane . . . . . 2.0 Heptachlor . . . . . 0.2 Chlordane 0.2	Australia and the USA adopt the CODEX standards.	Most markets currently adopt the CODEX standards.
HGPs in cattle	*Synthetic HGPs* Cattle—Zeranol . . . . 0.02 *Natural HGPs* No MRLs	EC—nil tolerance to synthetic and natural HGPs.	The EC demands that their beef imports are from animals which have never been treated with HGPs (synthetic or natural) in their lifetimes.
Arsenic and organochlorines in wool	Arsenic . . . . . 10.0 Organochlorines 3.0		The Australian Wool Board (AWB) has set limits of 10 mg/kg arsenic and 3.0 mg/kg organochlorines in wool. The limits were set by the AWC, based on their own research, and are implemented to ensure that Australian wool does not cause contamination to effluent water at overseas wool scouring plants.
Pesticides residues in horticultural produce	*See attached sheet for example.*		Australian MRLs are commonly set both higher and lower than the CODEX limit. This largely reflects 'good agricultural practice' in the use of the chemical in Australia. Except for wine and citrus exports, most South Australian produce is locally consumed.
Cadmium residues (Plants)	All 0.05	Usually no limit applicable. Denmark . . . . . 0.06-0.1 Hungary . . . . . 0.3 Netherlands . . . . 0.03-0.2 Switzerland 0.3	Several crops, including potatoes and wheat, are unable to satisfy the Australian MPC when grown on certain soils.

ITEM	Australian Standard (mg/kg)	Other Countries (mg/kg)	Comments
Cadmium residues (Animals)	Meat ..... 0.2 Kidney ..... 2.5 Liver 1.25	Usually no limit applicable. EC—sheep offal .... 1.0 Denmark .. (0.1, 1.0, 0.5) Hungary .. (0.5, 0.5, 0.5) Netherlands .. (0.05, 3, 1) (meat, kidney, liver)	The EC, a major export market for sheep offal, recently decreased their limit for cadmium in offal to 1.0 mg/kg, much stricter than the current Australian limits. For trade in sheep offal to continue, Australia must demonstrate to the EC that Australian produce satisfies the new EC limit.

Example of variation of residue limits for pesticides residues in horticultural produce.
Commodity: PEACHES

Pesticide	Australia	CODEX	New Zealand	USA	Japan	Singapore	Canada	EEC	Malaysia
Azinphos methyl	2.0	4.0	2.0	2.0	—	—	2.0	0.5	1.0
Carbaryl	10.0	10.0	3.0	10.0	1.0	3.0	10.0	3.0	—
Chlorothalonil	30.0	25.0	30.0	0.5	—	—	—	—	—
Dicofol	5.0	5.0	3.0	10.0	3.0	0.5	3.0	2.0	—
Endosulfan	2.0	2.0	2.0	2.0	—	0.5	2.0	1.0	0.5
Parathion	1.0	1.0	0.5	1.0	0.3	0.005	1.0	0.5	1.0
Parathion-methyl	1.0	0.2	0.5	—	—	—	—	0.2	0.2
Phosmet	1.0	10.0	10.0	10.0	—	—	10.0	—	1.0
Triforine	10.0	5.0	3.0	8.0	—	—	—	—	5.0
Vinclozolin	20.0	5.0	3.0	25.0	20.0	—	—	—	—

Note: (—) means that no MRL has been set by the country concerned or that there is a nil tolerance for the pesticide.
All values are expressed as mg/kg.

PAPERS TABLED

The following papers were laid on the table:

By the Premier (Hon. Lynn Arnold)—
Adelaide Entertainment Centre—Report, 1991-92.

By the Minister of Mineral Resources (Hon. Frank Blevins)—
Office of Energy Planning—Report, 1991-92.

By the Minister of Housing, Urban Development and Local Government Relations (Hon. G.J. Crafter)—
Legal Services Commission—Report, 1991-92.
South Australian Urban Land Trust—Report, 1991-92.

By the Minister of Recreation and Sport (Hon. G.J. Crafter)—
Bookmakers Licensing Board—Report, 1991-92.
SA Greyhound Racing Board—Report, 1991-92.
SA Harness Racing Board—Report, 1991-92.
Racecourses Development Board—Report, 1991-92.

By the Minister of Environment and Land Management (Hon. M.K. Mayes)—
Northern Cultural Trust—Report, 1991-92.
Commercial Tribunal Act 1982—Regulations—Transcript Fees.
Second-hand Motor Vehicles Act 1983—Regulations—Compensation Fund.

By the Minister of Emergency Services (Hon. M.K. Mayes)—
Commissioner of Police—Report, 1991-92.

By the Minister of Public Infrastructure (Hon. J.H.C. Klunder)—
Electricity Trust of South Australia—Report, 1991-92.
Engineering and Water Supply Department—Report, 1991-92.

By the Minister of Business and Regional Development (Hon. M.D. Rann)—
State Transport Authority—Report, 1991-92.

By the Minister of Health, Family and Community Services (Hon. M.J. Evans)—
Department for Family and Community Services—Report, 1991-92.

By the Minister of Primary Industries (Hon. T.R. Groom)—
Department of Agriculture—Report, 1991-92.
Soil Conservation Council—Report, 1991-92.
Veterinary Surgeons Board—Report, 1991-92.

CASINO

The Hon. FRANK BLEVINS (Deputy Premier): I seek leave to make a ministerial statement.

Leave granted.

The Hon. FRANK BLEVINS: Several questions were asked in the House last week about the involvement of Genting in the operation of the Adelaide Casino. The involvement of Genting came about as follows. Section 12 of the Casino Act requires the Casino Supervisory Authority to hold a public inquiry for the purpose of determining the premises in respect of which a casino licence should be issued. That inquiry commenced on 21 November 1983 and the authority's determination was made on 13 February 1984 in favour of the Adelaide Railway Station premises. Representatives of the media attended the public inquiry at various times and had access to all public documents including the transcript of proceedings.

One of the witnesses called in support of the proponents of the railway station site was a director of Genting Australia Pty Ltd. It was therefore apparent from the outset that an important role was envisaged for Genting in the operation of the Casino should the Adelaide Railway Station site be chosen. The Casino licence with the associated terms and conditions was approved by the Governor and issued to the Lotteries Commission on 28 June 1984. Section 16 (2) of the Casino Act requires the Lotteries Commission to appoint a suitable person who is approved by the Authority to establish and operate the Casino.

Following the determination of the premises and the issuing of the licence, a number of parties made representations to the commission expressing interest in operating the Casino. Clause 3 of the terms and conditions of the Casino licence requires the commission to investigate thoroughly the background and financial status of all persons and corporate bodies associated with the proposed operator. Since the commission did not have the capability to carry out these investigations independently, it secured the assistance of the Commissioner of Police and the Superintendent of Licensed Premises (now the Liquor Licensing Commissioner) to investigate those who were serious contenders.

On 7 March 1985, after some months of investigation, the commission submitted to the authority a proposal that AITCO Pty Ltd be the appointed operator. A critical, feature of that proposal was the involvement of Genting (South Australia) Pty Ltd and Genting Berhad to provide the necessary expertise in casino operation and management. The authority expressed concerns about the precise nature of the proposed arrangement between AITCO and Genting and in particular about whether AITCO would have the effective control over the operations of the Casino. It is important to note that those concerns did not extend to reservations about whether Genting was a suitable company to be involved in the management of the Casino. The authority was quite satisfied for Genting to provide expert advice and guidance. After further discussions with the interested parties, the technical and management services agreement between AITCO and Genting was amended to satisfy the authority that AITCO would be the effective operator of the Casino in accordance with the Casino Act and the terms and conditions of the licence. On 11 April 1985 the authority approved the appointment of AITCO as the operator of the Casino.

In October 1987 the former Leader of the Opposition referred to a decision by the New South Wales Government to reject a tender by Genting Berhad to operate the Darling Harbor casino and asked the former Premier to seek access to police reports in New South Wales and Western Australia which had influenced that decision. The matter was pursued by the former Premier and by the relevant authorities in this State, but no evidence came to light which was thought to justify action being taken against Genting or any of its officers.

The Hon. JENNIFER CASHMORE: On a point of order, Mr Speaker, I do not have a copy of the Minister's statement. I am certain what he is saying is important, but I simply cannot hear, because he is speaking so fast. I ask the Minister to speak so that the House can take on board the import of the statement.

The Hon. FRANK BLEVINS: The view has also been expressed that the management fee paid to Genting by AITCO is excessive. This is not a view shared by AITCO, which is the body which negotiated the fee and which has a direct commercial interest in the matter. Given AITCO's complete lack of any casino expertise, it was plain—

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: —at the outset of the arrangement that the contribution required from Genting would be little different from that required from them if they were the actual operator. The same would have been true of any experienced casino operator, and any such operator knowing the potential revenue to be derived from a casino would have wanted a very significant fee to provide the required services. It was an inevitable consequence of the long-term nature of the management agreement that, several years after its commencement, AITCO would have acquired such a level of expertise that the value of the services then required of Genting would have become much less than the ongoing fee payable to Genting.

The ongoing fee was, in practice, primarily a reward for the initial work in establishing the Casino. This covered a wide range of responsibilities, including: staffing the Casino with experienced and competent senior people, with up to 30 such persons required from overseas; training large numbers of local staff to operate the Casino; advising on the Casino layout; advising on the placement of gaming equipment; advising on the placement of surveillance equipment to prevent cheating; advising on security systems to prevent theft; advising on the types of games to be played; preparing a marketing program particularly to attract large overseas gamblers; and providing up-to-date advice on the latest developments in casinos overseas.

The Chairman of AITCO has commented on the comparison made in the recent report by the Casino Supervisory Authority of the fees payable to Genting for services provided to the Burswood and Adelaide casinos which appears to reflect badly on Adelaide. He points out that Genting was originally part owner and operator of the Burswood casino. In 1990 a Japanese company purchased Genting's interest in the Burswood casino and also bought out its management agreement for a very substantial amount. The residual fee payable to Genting is therefore only for ongoing services and is not comparable with the fee paid by the Adelaide Casino. If a comparable arrangement were to be struck with respect to the Adelaide Casino, Genting would no doubt demand a price sufficient to compensate for the loss of its expected future income.

The price would be comparable with that paid to buy it out of the Burswood management agreement and would leave AITCO in no better position than if the present arrangement continued.

The member for Hanson asked whether AITCO was notified in November 1991 that the Casino Supervisory Authority no longer required Genting to have its adviser resident in South Australia. In fact, the authority advised the Liquor Licensing Commissioner to this effect and

sent a copy of the advice to Mr Neil MacDonald, who was then Chief Executive of the Adelaide Casino. Negotiations took place between AITCO and Genting concerning the basis on which continuing advice might be made available to AITCO, and agreement was reached between the two parties. Arrangements have been made to seek the approval of the authority to the new agreement, but the matter was deferred when the authority commenced its inquiry into the current role of Genting.

The history of this matter has been set out at some length in order to demonstrate that Genting was, from the outset, the preferred adviser to the developers of the Adelaide Casino. The company and those associated with it were subjected to all the investigations provided for under the Casino Act and the terms and conditions of the Casino licence. The authorities established by the Parliament to scrutinise the operations of the Casino and those associated with it may at any time conduct such further investigations as they consider necessary. The Government considers it appropriate that they be left to carry out their appointed tasks and does not propose to set up a separate investigation.

JUVENILE OFFENDERS

The Hon. M.K. MAYES (Minister of Emergency Services): I seek leave to make a ministerial statement.

Leave granted.

The Hon. M.K. MAYES: In presenting to the House the 1991-92 annual report of the Police Commissioner, I would like to make a statement in relation to the report and to that of the Department for Family and Community Services, which will be tabled by my colleague the Minister of Health, Family and Community Services. I also take this opportunity to provide to the House information regarding the testing of speed cameras currently being undertaken by the Commissioner of Police.

First, however, I refer to the information on juvenile crime statistics and trends contained in the reports of the Police Commissioner and the Department for Family and Community Services, and I draw members' attention to the different methods employed in each of these reports of registering juvenile contact with criminal justice. The police data relates to apprehension statistics whereas the Department for Family and Community Services data refers to appearances before the Children's Court and Children's Aid Panels. Also, a juvenile may be apprehended by police but subsequently referred by a screening panel for a formal police caution. Such cases will appear in police apprehension statistics but not in Department for Family and Community Services court or panel appearances. Differences also arise because of different offence classifications used by each department and because of possible charge variations between initial apprehension and final court appearance. There is also an inevitable time lag between police apprehension and court or panel appearance, which results in some offenders being counted by each department in different time periods.

I point out these differences in order to advise members and the public that a fuller understanding of juvenile crime trends is made possible by examining the reports of both departments and understanding the basis upon which both sets of statistics are collected. I also point out that crime statistics produced entirely from the justice information system will be common between both departments in 1992-93, and there will therefore be a common system of offence categories.

It is important to place juvenile crime in perspective. The later juvenile years during the transition from childhood to adulthood have always reflected high levels of offending compared with other periods in people's life cycles. It is, however, significant that juvenile apprehensions have represented a declining proportion of all apprehensions over the past decade. For example, juveniles accounted for 69 per cent of all break and enter offences in 1981-82, but in 1991-92 the figure had declined to 45 per cent.

I turn now to the other statistics on crime provided in the Commissioner's report. The Commissioner's report shows a decrease in total offences recorded of 8.3 per cent, from 213 896 to 196 248. Particularly encouraging is the reduction in total larceny by 10.1 per cent, total property damage by 6.8 per cent, and drink driving and related offences by 8.4 per cent. Of concern is an increase of 7.9 per cent in offences against the person, including an increase of 33.5 per cent in the reporting of rape and attempted rape. Although this figure is of great concern, it is to be hoped that it reflects in part an increased willingness by victims to report sexual offences and a more sympathetic process for dealing with investigation of these crimes. I commend the annual report of the Police Commissioner to the House.

SPEED CAMERAS

I provide also for the information of the House preliminary information on the testing of speed cameras currently being undertaken by the Commissioner. Before so doing, I would like to correct an error of terminology made in my statement on speed cameras to the House last Thursday. At that time I advised the House that I would instruct rather than request the Commissioner in relation to speed camera infringement notices. I apologise to the House for that error, and I assure the House that the actual minute sent to the Commissioner was in the form of a request. I table that minute for the information of the House.

The report of the Police Commissioner on the reliability of speed cameras and on the procedural methods of their operation is not yet complete. I have been advised by the Commissioner that this report will cover the following points: detailed assessment of accuracy; information on safeguards built into the system of operation; information on warranty provided by the manufacturer in regard to accuracy; assessment of adjudication procedures; compliance with servicing of equipment; compliance with Standards Association guidelines for set up procedures; compliance with licensing requirements; history of speed camera complaints and faults; and training programs.

Bench testing of all speed cameras is currently being undertaken by the manufacturers AWA, with the oversight of the National Association of Testing

Authorities, following the discovery of an intermittent fault in one camera, identified as that used on Diagonal Road, Somerton Park on 16 September this year.

I do not have at this stage a final report on the frequency of error of that camera, but preliminary advice is that the error is both intermittent and highly infrequent. That advice confirms the Government's intention not to refund fines paid by motorists, except in exceptional circumstances. Motorists with unpaid expiation notices pre-dating 4.30 p.m. last Thursday who believe they have been incorrectly timed should follow the normal procedure of raising their concerns with the Police Prosecutions Branch.

The Commissioner has already announced some modifications to operating practices to ensure that the possibility of issuing incorrect infringement notices is minimised. Operators will now be instructed to sit behind the instrument to monitor traffic flow and observe the indicated traffic speed. In the event of an inconsistency or defect, they will be required to call a supervisor. The training programs in prosecution services will also be upgraded to deal more effectively with inquiries from the public concerning speed cameras. I am also advised that the Commissioner proposes to direct the return to service of each speed camera as he receives certificates of conformity, signed by AWA and the National Association of Testing Authorities. I will provide further information to the House as soon as it is made available to me.

The Hon. J.H.C. KLUNDER (Minister of Public Infrastructure): As Minister of Public Infrastructure—

There being a disturbance in the gallery:

The SPEAKER: Order! The Minister will resume his seat. The custom of the House is that injections from anywhere in the House, and certainly from the gallery, are out of order. I warn the gallery that, if there is any disruption at all—any noise or any interjection—the gallery will be cleared.

There being a disturbance in the gallery:

The SPEAKER: Order! The gallery will be cleared. The House stands suspended until the ringing of the bells.

[*Sitting suspended from 2.17 to 2.27 p.m.*]

PROBATION AND PAROLE

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety): I seek leave to make a ministerial statement.

Leave granted.

The Hon. R.J. GREGORY: During Question Time last Thursday the member for Bright asked whether I would confirm that due to budget cuts there are proposals to reduce the supervision of offenders on parole and probation. My answer to the honourable member at that time was that I would not confirm anything. The reason for my statement was that there was no basis for the honourable member's question. Once again, the honourable member has not done his homework properly.

There have not been any parole officer positions cut from budgets in recent years—nor are there any plans to cut their numbers. The community corrections program is well resourced in comparison to other States and the area has received a significant growth in funding in recent years. However, the department is concerned about the need for managing the increase in offender numbers within its overall budget. Given the increasing workload, the role of parole officers is being reviewed. In other words, the department is simply looking at ways of making its staff smarter and more efficient.

I assume that the member for Bright got his information from a departmental conference held in September this year. This meeting specifically dealt with issues and proposals to enable the department to manage its probation, parole, community service and fine option case loads more cost effectively. Part of this discussion centred on the administrative discharge of parolees and offenders under court supervision orders; it did not discuss early release from prison for fine defaulters or sentenced prisoners.

Administrative discharge is not new. It has been provided for by Parliament and over the years has been utilised by the Department of Correctional Services, where appropriate. It does not involve the complete discharge of the supervision order or bond, nor the offender's obligation to be of good behaviour for the duration of the order; only the supervision clause has been waived.

Once the staff consultation process has been finalised, it may be necessary for me to raise these issues with the Chairperson of the Parole Board and the judiciary through the Attorney-General.

QUESTION TIME

SPEED CAMERAS

The Hon. DEAN BROWN (Leader of the Opposition): My question is directed to the Minister of Emergency Services. Before his ministerial statement to this House last Thursday, did the Minister discuss with the Police Commissioner the road safety ramifications of removing all speed cameras, and had the Commissioner concurred with their removal before the ministerial statement was made?

The Hon. M.K. MAYES: Discussions had occurred between my office and the Commissioner's office in regard to the request that was coming from me, and the decision for the removal of speed cameras or any other speed detection device rested with the Commissioner. The Commissioner made that decision of his own volition.

Members interjecting:

The SPEAKER: Order! The member for Walsh.

VICTORIAN ECONOMY

The Hon. J.P. TRAINER (Walsh): I direct my question to the Premier. Will the economic statement that the Premier has said will be delivered in South Australia next year include measures similar to those that the Victorian Premier, Mr Kennett, has indicated will be included in the mini budget that he is scheduled to introduce tomorrow?

The Hon. LYNN ARNOLD: I thank the honourable member for his important question, given the matters

being canvassed which Jeff Kennett will be introducing in Victoria tomorrow. The answer is, 'No, we will not be introducing those sorts of measures.'

Mr S.J. BAKER: Mr Speaker, I rise on a point of order. As I believe the question was speculative, it should be ruled out of order.

The SPEAKER: As the House might have observed, there is a bit of activity in the House today. I missed the question and, to clear the air, we will have the question again. The honourable member for Walsh.

The Hon. J.P. TRAINER: Will the Premier's economic statement, which is due to be delivered next week, include measures similar to those that Mr Kennett is scheduled to introduce in Victoria?

The SPEAKER: I do not uphold the point of order. The Premier.

The Hon. LYNN ARNOLD: I am well aware that the Opposition is very embarrassed by the statements of their colleague in Victoria. They are embarrassed that this person has come out and made a number of commitments to the electorate before election day—a 'read his lips' kind of scenario—and come election day he just manages to rip up all the agreements he made. We will see the full impact this week, an impact that will be even worse than the press reports because, by Mr Kennett's own words, the weekend press reports of what he is going to bring down are not the full story of what he will be bringing down in his mini budget.

We know that there is to be a $100 State deficit levy put on all properties within the State. We know there is to be a doubling of motor registration fees, an increase in electricity, gas and water charges by 10 per cent, an increase in the cost of cigarettes by 56 per cent, public transport fares up by 10 per cent and then $300 million wiped off the education budget with the closing of 230 schools. We then note that there will be a $40 million cut in the health budget, representing a 2 per cent cut in that budget. The interesting thing is that at the moment the Opposition might be trying to say, 'That is not us, we would not do that—

An honourable member interjecting:

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

The Hon. LYNN ARNOLD: —and we would not operate as disreputably as Jeff Kennett has operated.' If we listen to the Leader's own words, again on the Keith Conlon show of 7 October this year, we find that he said on that occasion:

> There are enormous similarities between South Australia and Victoria.

Then, indicating how the South Australian electorate was buoyed up by Jeff Kennett's victory, he said that the Victorian election result had given them enormous heart.

The SPEAKER: The Premier is now definitely debating his response and I ask him to comply with Standing Orders, which require facts in the answer.

Members interjecting:

The SPEAKER: Order!

The Hon. LYNN ARNOLD: The economic statement that I will be delivering next year will discuss where South Australia goes in the future. It will discuss the programs that are needed in this State and it will pick up questions of the reform within the system that will be taken on and all the other issues that need to happen with the economic development plan.

Members interjecting:

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

The Hon. LYNN ARNOLD: I know that the Leader of the Opposition talks about the need for reform of policy, reforming Government itself and reducing the size and cost of Government. That is the point he raises in similarity with Victoria. That is what he says is happening in Victoria, and that is what he says he wants to happen in this State. I can tell members that we are not about to say to 230 schools in South Australia, 'You're gone; you're closed.' We are not about to say, 'We will be adding on a $100 per year State deficit levy.' We are not about to take 5 500 teachers from the payroll. That is how many they will take from the payroll in Victoria—5 500. We will not do that in this State.

I know it discomfits the Leader of the Opposition, because he has been the first to say with respect to what Jeff Kennett did in Victoria before the election, 'Me, too', and now he is embarrassed by what Jeff Kennett is doing post the election. The reality, post the election, is that Jeff Kennett has come out and said that they will cut Government expenditure. The Leader of the Opposition is saying that he wants to do that as well. Jeff Kennett is now giving him his marching orders, and I think he should come clean and repudiate what Jeff Kennett has come out with in Victoria.

MEMBERS OF PARLIAMENT

The Hon. B.C. EASTICK (Light): My question is directed to you, Sir. Will you investigate whether 'a declaration of all out war on the Parliament'—that is this Parliament—by representatives of 40 South Australian unions is an intimidation of members which, as a consequence, amounts to contempt of the Parliament? By tradition, this House adopts Erskine May for such rulings. At page 128, Erskine May identifies as a contempt 'any attempt to intimidate a member in his or her parliamentary conduct by threat'. Sir, you will be aware that union officials are threatening members and that widespread dislocation of South Australia's economy will be the result of any move by members of this Parliament to reduce workers compensation premiums.

The SPEAKER: As the House would know, the Chair is well aware also of threats being made on members. I will undertake an investigation. As a first comment, it seems very difficult to take action against 40 unions as a group, but I will take the matter in hand and investigate whether it constitutes a breach of privilege.

ECONOMY

Mr FERGUSON (Henley Beach): My question is directed to the Treasurer. There have been a number of comments that South Australia's economic position is similar or worse than Victoria's, and that South Australia should also impose—

Mr LEWIS: On a point of order, Sir, the placement of the verb and the preposition in the sentence begun by the honourable member clearly indicates that what he is saying is not in the form of a question. I ask you to rule accordingly, because explanations before questions are not permitted in this Chamber.

The SPEAKER: Order! Once again I was not listening for prepositions or whatever. I ask the honourable member to put the question again.

Mr FERGUSON: Will the Treasurer please outline some of the fundamental differences between the South Australian and Victorian economies?

Members interjecting:

The SPEAKER: Order! I rule the question in order. The honourable member for Henley Beach.

Mr FERGUSON: There have been a number of comments that South Australia's economic position is similar to or worse than Victoria's and that South Australia should also impose a State deficits levy as is planned in Victoria.

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: Thank you very much Mr Speaker, and I thank the member for Henley Beach for his question and also the member for Kavel for his obvious anticipation of the answer. The differences are very great, despite the nonsense that has been spoken by members opposite, particularly leading up to the Victorian election, of how Victoria was bankrupt, how South Australia was in an even worse position than Victoria and how it was doom and gloom everywhere.

Honourable members: Hear, hear!

The Hon. FRANK BLEVINS: Apparently, members opposite still think that is the case, because they are saying, 'Hear, hear' to that statement, so they still believe that. I will just give a few facts. When we talk about debt (and everybody likes to talk about debt these days; it has become very fashionable), we should note that net debt per head of population was $4 973 at June 1992, compared—

Mr S.J. Baker interjecting:

The SPEAKER: Order! The member for Mitcham will be a liability, shortly.

The Hon. FRANK BLEVINS: He has been a liability since he came in the joint, but we have always liked him on this side. That $4 973 per head of population in South Australia compares with Victoria's $7 104 per head—absolutely no comparison whatsoever. I point out that the net debt *per capita* here in South Australia is about the Australian average; that is certainly not the case in Victoria—a very significant difference. Also, the net interest payments on debt as a proportion of revenue in this State is 15.5 per cent and in Victoria it is 21.7 per cent, so again the difference is very great.

In addition, the taxation regime in South Australia is vastly different from that in Victoria, and the difference is even greater in relation to New South Wales. People think Victoria is having a bad time with taxes; wait until I mention what the rate is in New South Wales, which is a Liberal State. Based on the latest data, South Australia has well below the level of taxes in Victoria and New South Wales. The 1992 estimate in this State for taxes, fees and fines per person was $1 231. This compares with an already existing $1 460 in Victoria and $1 566 in New South Wales—over $300 per head per year more in New South Wales than in South Australia. It is quite clear that not only is South Australia in the middle of the Australian States as regards debt but it is second to bottom as regards taxes.

When we talk about levels of debt, levels of taxes and so on, we should note that this State is in a similar position with debt as it was in 1982. I cannot remember (and I have a reasonable memory) at any time in 1982 the Liberal Party saying that this State was on the verge of financial collapse, because we had a rate of debt of about 24 per cent of gross State product. In 1982 that was the rate—pretty much the same as it is today. Throughout the 1980s we took our rate of debt down quite significantly to about 16 per cent of GSP.

Members interjecting:

The Hon. FRANK BLEVINS: They are the figures; they are the facts.

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: We will be working to bring, again, our debt level down. But it will not be done in the way in which the Liberal Governments in Victoria and New South Wales are doing it. I guarantee that, should the Liberals win the next election in this State, that is the way they will do it—and there is not one commentator here who does not know that.

SPEED CAMERAS

Mr MATTHEW (Bright): Will the Minister of Emergency Services assure the House that the Government will not request the Police Force to increase surveillance by speed detection devices when they are returned to South Australian roads in order to recoup the Government extra revenue lost while they were being tested, and will he request the Police Commissioner to ensure that, when the cameras are returned, they will be concentrated on 'black spots' on the State's roads?

Members interjecting:

The SPEAKER: Order! The Minister.

The Hon. M.K. MAYES: I am more than delighted to respond to the member for Bright's question, but he ought to look carefully at what he said in raising this question with me, because it contains some innuendos. I suggest that he look very carefully at what he is suggesting by way of his question. Let me say again—

An honourable member interjecting:

The Hon. M.K. MAYES: —without the assistance of the honourable member opposite, that the Police Commissioner decides where the cameras go and how they are applied, and he will continue to do so without the assistance of the honourable member opposite or me—and he will do it competently. I would be more than delighted to see the Commissioner implement them and, as I said in my ministerial statement, he intends, as the certificates are issued, to put them back into operation.

EDUCATION FEES

The Hon. D.J. HOPGOOD (Baudin): My question is directed to the Minister of Education, Employment and

Training. Has the Minister had an opportunity to monitor the impact of university fees on the educational opportunities for South Australians and, if so, is she in a position to indicate that impact to the House? While the possibility of a Liberal-National Coalition Government in this country seems to be receding daily, nonetheless a number of students are concerned about the possibility of an increase in fees for university and tertiary students arising from the various components of the Fightback package. Those people who have spoken to me about this matter are concerned about a compounding effect on existing fees.

The Hon. S.M. LENEHAN: I thank the honourable member for his question, because I believe that quite a few members of this House have been approached by university students and families of students who are still at school seeking clarification of the proposals put forward by Dr Hewson. Under the Federal Labor Government, since 1987 there has been an increase in the number of university places—in fact, in excess of 500 000 places in the past five years. This increase in university places has equated to about 12 medium-sized universities.

The Coalition would fundamentally change higher education through the imposition of up-front fees and the introduction of a voucher funding system. Dr Hewson has said that he would introduce a market economy for higher education, but a market already exists within the higher education system. In fact, this market responds to the demands of the real labour market and is not a false competition between and among tertiary institutions. So, I think that needs to be borne in mind.

Dr Kemp, the Federal Coalition's spokesperson on higher education, has described fees as one of the key elements of the Coalition's policies. He would allow universities to charge all students fees for all courses irrespective of whether or not they are Commonwealth universities. Under the proposal, all students could end up paying full up-front fees. I think it is interesting to note that the Industries Commission, in terms of ascertaining what the costs would be, has said that the costs for some of the higher market type courses, such as medicine and veterinary science, would be about $20 000 to $25 000 a year. The average fees for courses at universities would be about $12 000 a year.

This will have two effects. First, such a policy will destroy all principles of equity and equal access for students, irrespective of their parents' income or their own financial circumstances. Secondly, it would have the potential to skew courses that universities were offering because they would then be offering courses that would make more money for the institutions.

The Australian Union of College Academics says that the 'right' to pay university fees favours the rich and it has branded the Liberal policy as discriminatory and elitist. As I have done in this House for the past two weeks, I again challenge the Leader of the Opposition to tell the people of South Australia exactly where he stands in terms of whether he supports this discriminatory and elitist approach to the provision of higher education in this State and in this country.

SPEED CAMERAS

Mr MEIER (Goyder): I direct my question to the Minister of Emergency Services. To enable Parliament and the public to assess for how long the speed camera now found to be defective might have been giving wrong readings, will he establish whether this was the same camera that photographed a stobie pole travelling at 73 km/h on Port Road? If the Minister cannot give an immediate answer to this question, will he undertake to do so by tomorrow?

The Hon. M.K. MAYES: To some extent, this actually mocks the work that is being done by the Commissioner and the Police Department. The Commissioner is so good that he will probably have this matter investigated. However, I am sure I would rather have him devote his resources to ensuring that the machines that are currently being tested meet the requirements of the National Standards Association and the RAA. However, I will refer the matter to the Commissioner for his response.

TOURISM SURVEYS

Mr Hollaway (Mitchell): Will the Minister of Tourism inform the House of the results of a survey conducted in Queensland, which apparently described Brisbane as boring, and will he say what implications this has for South Australian tourism?

Members interjecting:

The Hon. M.D. RANN: I just heard someone say that we have already had this one. In fact, the survey that the Liberal Party talked about was done a year ago, but it was described as recent. This is one that has just hit the deck in Brisbane. The heading in the local Brisbane *Courier Mail* is 'Capital a yawn, say tourists. Transport too dear and city unsafe: Survey by James Wood, tourism reporter.' The article states:

> Tourists believe Brisbane is boring, desperately needs more attractions and lacks an identity. The city's public transport system is too expensive and the central business district requires upgraded security, according to the latest preliminary results from surveys of domestic and international visitors.

This was a survey done by the business consultancy firm Planning Collaborative, whose spokesman said:

> . . . The surveys revealed that Brisbane lacked an identity and needed a unique city attraction if it was to reach its tourism potential.

He goes on to talk about all the things that are bad about Brisbane. He states:

> Sydney has the Harbor Bridge, the Opera House and its beaches while Melbourne has the Yarra, its strong cultural element, nightclubs and shops, Brisbane lacks any unique features that give it a real identity—there's a dearth of worthwhile things to do here.

He said that none of those surveyed had any bright suggestions as to what would create the city's identity. Is it not interesting that no-one in the South Australian Liberal Party chose to highlight this survey? Instead, they chose to distort a survey done a year ago—at the end of last year—pretend it was recent and pretend that it showed that Adelaide was a bad place to be in an attempt to damage the tourism industry in this State. How significant that this has come up on the day when Ian McLachlan—Mr Zero Tariff and Mr GST—was in the gallery.

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

SPEED CAMERAS

Mr BRINDAL (Hayward): Will the Minister of Emergency Services investigate whether the same speed camera was responsible for a series of cases in which fines have been wrongly imposed on drivers? The following are but some examples previously referred to the Police Department which now require review with at least one speed camera having been identified as being defective. The examples are a man fined $215 for speeding at Elizabeth on a day when he did not leave his Mount Gambier home; a motor cycle clocked at 100 km/h on a highway at a time when it was being used on a farm; a surgeon booked for speeding when at the time he was actually operating in a theatre; a large tourist coach clocked at 98 km/h when it was in fact taking a tight bend at Lyndoch; and a taxi driver booked at 71 km/h when his passenger gave evidence that he was travelling at no more than 50 km/h.

When the Liberal Party has previously, and rightly, raised these issues, the Government has said that the Opposition was not interested in road safety and that the cameras are perfectly accurate.

The Hon. M.K. MAYES: I am more than happy to refer that matter to the Commissioner. Obviously, if we had more detail—

Members interjecting:

The SPEAKER: Order!

The Hon. M.K. MAYES: If the member for Hayward can provide the details, I shall be happy to pass them on. I can tell him now that the interim report from the Commissioner suggests that from the operation of this particular camera 669 infringement notices have been issued, and of those its best estimate is six errors, if that is what the honourable member is referring to in relation to the particular camera, post 16 September. However, I shall be more than happy, if the details can be provided to me, to forward them on to the Commissioner for a reply.

OYSTER INDUSTRY

Mrs HUTCHISON (Stuart): Can the Minister of Primary Industries advise the House of the current position regarding oyster aquaculture, particularly in the Ceduna area, and indicate how successful on both domestic and export markets that aquaculture is and whether any extensions of licences are being envisaged at this time?

The SPEAKER: Order! When the Minister and the Opposition have finished their conversation across the floor, I will call the Minister. The Minister of Primary Industries.

The Hon. T.R. GROOM: The oyster industry in South Australia is very well placed to secure market growth. The production increased during 1990-91 by about 200 per cent and again in 1991-92 the industry experienced a significant production increase of 100 per cent. The largest single producers are located in Murat Bay at Ceduna. There are 17 leases for oyster farming, and the adjacent Smoky Bay area has 12 leases approved.

Most oyster farms require about two to three years of development before the oysters are ready for the market. The majority of oyster farms on Eyre Peninsula were established during 1989-90 and have not been in a position to compete for market share until the present time. There are also other oyster farming areas at Streaky Bay, Coffin Bay and Franklin Harbor. As a result, the oyster industry in Ceduna is now a significant employer and has contributed to the economic well-being not only of Ceduna but of South Australia. Indeed, the oyster industry is now essentially based on Eyre Peninsula.

The industry has initiated a marketing campaign aimed at increasing market share in South Australia. South Australian oysters now comprise about 12 to 14 per cent of oysters sold in South Australia. There is now great potential to increase our share of the domestic market. There are a number of oyster growers in Ceduna supplying markets in Western Australia, and there are occasional shipments to the Northern Territory. There are difficulties with regard to interstate and overseas markets at present: the potential is undoubtedly there, but that will not be realised until such time as South Australia has in place a shellfish quality assurance program for South Australian waters to meet quarantine and health requirements.

Because of the present state of the industry and the success that it has had, the Department of Primary Industries has initiated the preliminary phase of such a program in consultation with the industry. It takes two years, and at the end of that time oyster production should be at a level to make export both interstate and overseas a very realistic probability.

With regard to the increases in licences, the major oyster growing areas are subject to management plans, and properly so. These have been set with limits on areas to be allocated for oyster farming. This is not likely to affect the growth of the industry as it is very much in its developmental years. It can reasonably be expected that as the existing leases become fully developed the South Australian industry will soon reach the same size as the Tasmanian industry and will be competitive with New South Wales. This is a good example of how rural industry is competing—

The Hon. Dean Brown interjecting:

The Hon. T.R. GROOM: Well, it is—it is competing in the current environment. New industries are developing, in this instance, based on Eyre Peninsula. Since 1989-90, in a short space of time, South Australia has become well placed as a result of that industry based on Eyre Peninsula, particularly in Ceduna, to secure market growth.

PINDARA DAM

The Hon. P.B. ARNOLD (Chaffey): My question is directed to the Minister of Environment and Land Management. Does the Minister share the significant anxieties held by the Murray-Darling Association that plans by New South Wales to increase the capacity of the Pindara dam in northern New South Wales from 37 500 megalitres to 312 000 megalitres could 'wreck the whole

system'? If so, what action will he take to protect the interests of all South Australians who depend on a healthy and adequate water supply from the Murray?

South Australia's water allocation under the Murray-Darling agreement is 1.85 million megalitres annually. However, dilution flows are essential in controlling salinity and algae blooms in the lower Darling and in the Murray River in South Australia. At a recent meeting of region 5 of the Murray-Darling Association which I attended, the Chairman, Mr Max Schmidt, said the Pindara dam project required a full investigation into its environmental, social and tourism effects before it was allowed to continue. Mr Schmidt also said the proposed enlargement, coupled with the new Cubbie Station dam in Queensland, which had the capacity to absorb the flow of tributaries into the Darling, could 'wreck the whole system'.

The Hon. M.K. MAYES: I thank the member for Chaffey for his question, which is an important one, and his concern is shared by residents in the Riverland, in areas along the river, and also by the citizens of this State who draw from the Murray. We are concerned about developments occurring up-river and this has been taken into account in negotiations. The advice I have in relation to the impact of the Pindara dam development is that it will have little impact downstream.

However, I share the honourable member's concern and, as a consequence of his raising the matter here, I will take it up with departmental heads to ensure that we get a thorough report so that we can inform the honourable member and the House. I shall be happy to arrange a private briefing for the honourable member to ensure that we actually canvass this issue thoroughly and can confirm the estimates and reports presented to members of the Murray-Darling Commission and ultimately to ensure that there is no increase in salinity and no reduction in water quality or quantity downstream in South Australia as a consequence of this development.

The Hon. P.B. Arnold interjecting:

The Hon. M.K. MAYES: And no increased algae, yes.

BEACH EROSION

Mr HAMILTON (Albert Park): My question is directed to the Minister of Environment and Land Management. What steps have been taken to ensure that residents of Tennyson and West Lakes Shore will be protected from further foreshore erosion in coming months? Residents in this area have made many representations to me about foreshore erosion and have indicated that a north-bound wave of foreshore erosion is causing much concern, because such erosion is as close as 20 metres from their properties.

The Hon. M.K. MAYES: I thank the member for Albert Park for his question, which obviously is of concern not only to his constituents but to all people who use Tennyson and West Lakes Shore for recreation and other purposes. This matter is important from the point of view of the whole profile of our beaches, particularly beaches in that location.

My colleague the former Minister for Environment and Planning and the Woodville council reached an agreement, and an allocation of $22 000 has been made from the Coast Protection Board to replenish the beach at West Lakes with about 13 000 cubic metres of sand. I hope that that resolves the situation. The council has awarded the contract to Threadgold Earthmovers Pty Ltd, and I think work on the replenishment of sands in that area commenced last week. As I understand it—and the honourable member may have even better information from local residents—there have been no hiccups in the process and it is all proceeding in accordance with plans.

STATE BANK

Mr S.J. BAKER (Mitcham): Will the Treasurer explain the State Bank's exposure to Guan Holdings and how this company lost the State Bank $74 million in New Zealand last financial year, and will he explain why Gumflower Pty Ltd, a wholly owned State Bank company controlled by Kabani, lost over $36 million last financial year? Both of those items were mentioned in the State Bank annual report but were not explained.

The Hon. FRANK BLEVINS: Well, Mr Speaker, I will obtain an explanation for the member for Mitcham.

HOUSING TRUST TENANTS

Mr De LAINE (Price): Will the Minister of Housing, Urban Development and Local Government Relations inform the House whether machinery is available to the Housing Trust to guard against trust tenants subletting their houses or units?

The Hon. G.J. CRAFTER: The simple answer to the question is that it is not legal for Housing Trust tenants to sublet their homes. That is a breach of the tenancy agreement, and the sanctions that flow from that are outlined in the standard tenancy agreement. However, the trust makes provisions for tenants to arrange for caretaking of their properties during extended periods of absence, for example, if people are on an extended holiday or require long-term hospitalisation, nursing home attendance, and so on, so that properties can be cared for during periods of such absences. Within its day-to-day activities, the trust polices the tenancy situation of its houses.

Since the restructure of the trust's services last year, 140 housing managers have been appointed with direct responsibility for about 500 properties each. This means that staff are in frequent contact with tenants in their homes and are more familiar with their individual circumstances than was possible prior to 1991 when the administration of the trust was in a different and hierarchical configuration. Where staff suspect a breach of tenancy, or where allegations are referred to the trust, specialist benefit review officers are able to investigate such matters. The trust provides annual assistance to about 42 000 households in the private rental market. The addresses of any properties for which assistance is sought can be cross-referenced with trust properties to determine whether the applicant is seeking to lease privately a trust property which contravenes the conditions of tenancy.

Any instance of subletting known to members should be referred to the trust so they can be investigated and matters put in order.

MENTAL HEALTH

Dr ARMITAGE (Adelaide): Will the Minister of Health, Family and Community Services immediately release a report commissioned by the South Australian Mental Health Service into the morale of mental health professionals at Hillcrest, and what action will he take to deter a significant number of psychiatrists from leaving Hillcrest, and probably the State, at a time when there is a critical shortage of specialists to cope with our mentally ill?

The recent first issue of the *Hillcrest Free Press* discloses that the South Australian Mental Health Service recently commissioned a report on the morale of doctors at Hillcrest and their concern about staff shortages at the hospital. An article in the magazine suggests that the report has been completed and that it makes 'good reading'. The same article states that more doctors are leaving Hillcrest in the near future—two registrars in a matter of weeks, five more psychiatrists, possibly two clinical directors, and more registrars by the end of the year.

The Hon. M.J. EVANS: I will examine that document and determine what can be done in terms of making it available, but obviously the issues which the member for Adelaide raises and which are referred to in the newsletter that he mentioned are very serious and the Health Commission, in particular the South Australian Mental Health Service, is actively pursuing those strategies at the moment. Quite clearly, we are in the transition phase in the delivery of mental health services in this State and in Australia as a whole. This was one of the topics that were discussed in part at the Health Ministers Conference last week. Quite clearly, Australia has to change its mental health service delivery attitude away from institutionalised based care out into the community, but the process of undertaking that transition is not easy. Beds will not be closed but progressively relocated from the Hillcrest institution out to the various acute hospitals throughout the State.

That is a very important part of the process, but it is equally important to ensure that there are adequate community based facilities to support these people. Indeed, a start on this has recently been able to be made with the announcement of appointments in Port Augusta and the Riverland. That was announced a few days ago. They are a small but very important part of the transition to a community based service, and I have every confidence that, once that service has been put fully in place and when the transfer of beds from the existing institutions has taken place and the funds are released by that process (and obviously that will take some time to achieve), that process will deliver a much better service for mental health in South Australia and as part of a national strategy than the retention of the existing system. I am aware, and I know that the Mental Health Service is aware, of the difficulties that will be faced in the transition period, and they are not to be understated. I understand that, and I certainly accept that we will have to work very hard and that the staff who are involved will also have to work very hard to ensure that patient care is fully maintained during that transition period as we gradually devolve resources to the community and as patients are able to pick up service delivery at the local level.

LINEAR PARK

Mr McKEE (Gilles): Will the Minister of Public Infrastructure indicate what action has been taken to ensure the safety of cyclists and other users of the Torrens River Linear Park path network? This matter has been raised in the House and in the media previously, and the former Minister of Water Resources indicated that action would be taken to review the situation.

The Hon. J.H.C. KLUNDER: I thank the honourable member for his question, and I can inform him that the Torrens River committee has recently completed a study of the existing pedestrian/bicycle path usage system within the linear park. The study addresses the question of safety of path users and makes a number of recommendations to improve those safety levels. They have been developed in conjunction with a number of organisations and community groups representing both cyclists and walkers. The study indicates that, since the path system was first introduced in 1981, the usage pattern has changed with a major conflict in path usage between the group of commuter cyclists, who often travel at considerable speed, and walkers, particularly older walkers. In short, the path system was designed for one type of usage and it is now being used for another.

This Friday I will be opening a short seminar to present the findings of the report to riverside councils, which are responsible for administration of the path network, and members of Parliament whose electorates adjoin or straddle the river and the Torrens River Linear Park, and a number of community groups have been invited to attend.

SPORTS, JUNIOR

Mr OSWALD (Morphett): Will the Minister of Recreation and Sport support the application made to him and the Minister of Education from the South Australian National Football League to reinstate interstate competition within the junior sports policy and, if not, why not? The SANFL has written to both Ministers pointing out that it believes that interstate competition is appropriate. However, it has been put to me by sports teachers that, if the league goes ahead and places teams in the competition without being organised through the State school system (SAPSASA) and without the agreement of the Ministers, it will mean the exclusion of State school children throughout the State and particularly in rural areas.

The Hon. G.J. CRAFTER: I am not sure whether the honourable member can draw the conclusions he draws from the correspondence, which I have not yet seen but, when I do, it will be given due consideration. I will take advice on it from the appropriate advisory bodies and

also from my colleague, the Minister of Education. There is a provision available to allow State sporting associations to engage in interstate competition at junior sports level. So, obviously, it is not a black and white situation, and whether the consequences to which the honourable member alludes are real or otherwise needs to be investigated.

However, I would have thought that it was in the interests of football, particularly, where there has been declining participation in junior involvement in that code in our community, to engage in policies that would see a much greater participation in the game by young people at an early age so that they could enjoy it and develop associated skills rather than to concentrate on an elite interstate competition.

The honourable member must decide what the priorities will be for the available resources. Presumably, the honourable member is seeking some public expenditure in order to promote the competition to which he refers. Those decisions should be taken on proper advice in accordance with the policies which have been formulated and which are well established and well accepted in our community. So, if the honourable member is seeking to find a backdoor way around the existing policy to gain some funding advantage for a group of young people to engage in an elite interstate competitive sport, that is not the proper way to deal with an issue of such importance.

PORT PIRIE HIGH SCHOOL

Mrs HUTCHISON (Stuart): Will the Minister of Education, Employment and Training say what is being done to alleviate the concerns of the Port Pirie High School council about some of its school buildings, and will she indicate what effect any considerations would have on the amalgamation process of the two senior secondary schools at Port Pirie?

The Hon. S.M. LENEHAN: The honourable member has indicated her concern about this matter to me, and I thank her for raising it in the Parliament on behalf of her constituents. The concerns of the Port Pirie High School council have been recognised by the Education Department and will be addressed as part of the developments involving the amalgamation of the two secondary schools in Port Pirie. In addition addressing these issues through this process, an application for Commonwealth funds for the refurbishment of older secondary school buildings and facilities to enable them to cater better for students has been made on behalf of the Port Pirie High School.

The amalgamation proposal is progressing through the consultative process involving the school council chairpersons, representatives of the Institute of Teachers, school principals and the Education Department. A working party is currently being chaired by Mr Craig Wilson, the Chief Executive Officer of the Port Pirie local council. Both school councils have agreed to continue their discussions and negotiations for change in 1994. However, I would like to inform the honourable member and the House that there will be no changes to the schools in 1993, although I understand there will be close working relations in terms of maintaining close curriculum links during 1993 while the working party is developing its proposals.

MURRAY, THE COD

Mr D.S. BAKER (Victoria): Will the Minister of Primary Industries confirm the tragic death of high profile fish 'Murray, the Cod' while in the care of Fisheries Department officers? Murray was first caught and tagged by prominent riverland fisherman Mr Barry Jennings on 16 September 1979. At that time, Murray weighed just 4.9 kilograms. When the Fisheries Department asked Mr Jennings for a large, live fish for display at the Adelaide Show, he said, 'I'll see if I can catch Murray again.' So, on 2 September 1992, Murray was recaptured by Mr Jennings and subsequently passed onto the Fisheries Department to be exhibited at the Adelaide Show. By this time Murray had matured to a strapping 38 kilograms.

I have been told that the understanding with the department was that, after being displayed at the Show—where Murray attracted thousands of cod lovers—he was to be returned to his River Murray home. My informant was shattered, however, to learn that Murray had become another unnecessary victim of Fisheries Department mismanagement. I understand that Murray died from lack of oxygen—

The SPEAKER: Order! The member for Victoria is well aware that demonstrations in the Chamber are out of order. I draw his attention to that.

Mr D.S. BAKER: —when supply to the water was turned off by an over-zealous fisheries officer who was leaving Murray for the night. I urge the Minister to treat Murray's death as fishy and not to dismiss it as codswallop.

The Hon. T.R. GROOM: Unfortunately, I was not invited to the funeral, and I did not know that it took place. However, apart from that, it is a very serious matter, notwithstanding the very colourful way in which the honourable member has introduced the topic. I do not know anything about it. There is great public concern when something of this nature happens. I can well understand why the honourable member grieves over it and why he raised it in the House.

Had I known about it—if the honourable member had given me prior warning—I would have obtained the relevant information and would have been able to give a reply. However, as I am not aware of the circumstances and as I do understand the honourable member's concern, I will obtain information and report to the House.

The SPEAKER: Order! Is the Chair to understand that there will be a full scale investigation?

Members interjecting:

MURRAY RIVER

The Hon. D.J. HOPGOOD (Baudin): My question, which is not totally unrelated the previous one, is directed to the Minister of Public Infrastructure. On the evidence currently available to the Minister's department, will we have what I think in the trade is known as a 'free flowing' river when the Murray peaks at the beginning of

December? What impact will that have on the weirs and, more specifically, the locks of the Murray—

Members interjecting:

The SPEAKER: Order! There is too much noise.

The Hon. D.J. HOPGOOD: —and are steps being taken to advise the tourist industry as to any disruption of its activities because of the abnormally high level of the river?

The Hon. J.H.C. KLUNDER: I thank the honourable member for his question. Having been a Minister of Water Resources himself in the past, he probably knows the answer better than I do, but I will very pleased to get him a full report on the matter.

URBAN LAND TRUST

The Hon. D.C. WOTTON (Heysen): I direct my question to the Minister of Housing and Urban Development. As a result of his Government's administration of the Urban Land Trust, why has the availability of land for urban development in South Australia been restricted with a resultant increase of over 250 per cent in the price of land over the past 10 years and, in turn, a significant increase in the cost of housing, and what action is being taken to reverse this situation?

The Hon. G.J. CRAFTER: I thank the honourable member for his question and I will certainly obtain a more detailed response. I understand there has been one vocal critic of the supply of land. Obviously, that person has also contacted the honourable member, who has seen fit to advocate on that person's behalf in this place.

As I understand the situation, around this country from time to time there is either under-supply or over-supply of land in this form for the purposes of the building industry. It is difficult to predict that supply and demand situation. I also understand that here in South Australia the industry generally has been very supportive of the role that the Urban Land Trust has played in the provision of land and, indeed, in the affordability of the land that has been available.

I understand that the planning model developed in this State over a long period has proven to be very successful. It has been done in conjunction with the industry that it serves, and that relationship has been very valuable over the years. If it has got out of kilter at some stage, I will obtain a report and advise the honourable member accordingly.

ABORIGINAL RECREATION AND SPORT

Mr De LAINE (Price): Can the Minister of Recreation and Sport inform the House whether any strategies are in place to encourage the development of sporting and recreational opportunities for the Aboriginal community in South Australia?

The Hon. G.J. CRAFTER: I thank the honourable member for his interest in this area. I know that it is of considerable interest to him, given his own sporting background and the needs of his electorate and knowing how much access to sporting activities is appreciated by his Aboriginal constituents.

In late 1991 a task force was set up to investigate and make recommendations for the advancement of Aboriginal sport in South Australia. The task force, which has representatives from the South Australian Aboriginal Sports and Recreation Association, State Aboriginal Affairs and the Department of Recreation and Sport, has identified an urgent and strong need for the development of Aboriginal recreation and sporting activities. Following recommendations from the task force, the development of a five-year strategic plan was approved. That plan will devise an implementation program to increase opportunities for Aboriginal athletes to be involved in South Australian Sports Institute programs and to participate in community sport and recreation. The strategic plan is presently being developed and will be forwarded to me for approval in the near future.

An Aboriginal unit, which is being established in the Department of Recreation and Sport, will employ three staff in the area of sport development, recreation development and policy and planning. These positions will be filled also in the near future. I believe that this unit will pave the way for further development in sporting and recreational opportunities for this section of our community.

As with other minority groups in our community, special consideration has to be given to the social, economic, cultural and racist barriers that the Aboriginal community has to overcome in order to access recreational and sporting opportunities which we take for granted.

Sport is recognised internationally as a focus for national and cultural identity. Through sport and the attainment of sporting excellence many oppressed and minority groups have been able to establish a high profile within their own country and in the international arena. Australians, and in particular Australian Aborigines, are great lovers of sport. Role models and the outstanding contributions of many Aborigines are paramount to attracting other young Aboriginal people to continue with or participate in their favourite sport. The sporting environment is ideal for the development of self-esteem and cultural identity.

The Aboriginal unit within the Department of Recreation and Sport will work with all State sporting and recreational organisations to implement these strategies to ensure that barriers to Aboriginal participation in sport and recreational activities are minimised wherever possible.

FISHERIES DEPARTMENT

Mr S.G. EVANS (Davenport): My question is directed to the Minister of Environment and Land Management and is supplementary to the question asked by the member for Victoria. Will the Minister release the report on the sensory perception of fish? The report was originally established for a committee to look at the sensory perception of fish. It was set up because people were concerned about the pain that fish may suffer at the hands of human beings. We have an example of Murray passing because of that. When will the Minister release that report that was completed about eight years ago?

Ministers along the way have refused to release it in the past. Will this Minister now release that report?

The Hon. M.K. MAYES: I have to admit that I have been caught on the hop. I shall have to go back to my department with the question from the honourable member. I will investigate it and report back to him.

UNITED ARAB EMIRATES

Mrs HUTCHISON (Stuart): I direct my question to the Minister of Primary Industries. What are the future prospects for economic trade and technical cooperation following the visit last week by a delegation of agricultural specialists from the United Arab Emirates?

The Hon. T.R. GROOM: I thank the honourable member for her question. Last week I met a visiting delegation of agricultural specialists from the United Arab Emirates with the specific purpose of exploring opportunities for economic, trade and technical cooperation. This visit follows the signing of an official agreement between South Australia and the United Arab Emirates in May 1991, I think by the Premier as Minister of Agriculture at that time, to encourage technical and economic cooperation specifically in areas such as land and water resource management, livestock production, irrigation technology, horticultural production, agricultural mechanisation and education.

The delegation's visit to South Australia has been an extremely positive step for South Australia and I was most pleased to receive the delegation, with the object on my part of encouraging the promotion of trade and exchange between South Australia and the United Arab Emirates. The three-person delegation comprised Mr Rashid Mohammed Khalfan, Director of the United Arab Emirates Agricultural Department, Mohammed Saleh Rashid, Chief of the Irrigation Section, and Mohammed Rashed, an agricultural engineer. They were looking closely at what South Australia had to offer in the areas that I have outlined.

Their South Australian program was quite comprehensive and included visits to some of our top fruit production areas in the Adelaide Hills and Loxton, a look at land and water management sites, including the Bolivar water treatment facility where effluent re-use is being channelled for hardwood irrigation and other projects, irrigation technology in the Riverland, with visits to major South Australian irrigation areas and a look at systems and products manufacturers such as Hardie Irrigation and Philmac Wingfield Irrigation Equipment.

The delegation visited Roseworthy Agricultural College and the Northfield Research Centre's horticultural post harvest technology unit. Trading relationships, as members know, take time to evolve. The visit has been the consolidation of arrangements entered into by the Premier, as then Minister of Agriculture, in May 1991, with the United Arab Emirates. I am sure that trading benefits will be gained by both regions, and I am equally confident that new business and development opportunities will be opened up as a consequence of these exchanges both for South Australia and the United Arab Emirates.

GRIEVANCE DEBATE

The SPEAKER: The proposal is that the House note grievances.

The Hon. DEAN BROWN (Leader of the Opposition): I wish to speak briefly about the release of the first report of the Royal Commission into the State Bank. It was revealed yesterday by the Attorney-General that the report will be available to the Governor and the Goverment on Friday 13 November. The Attorney-General further revealed that it is the Government's intention to table the report in Parliament on the following Tuesday, Wednesday or Thursday, at which point the report will be made public.

That is totally unsatisfactory because the report should be made available to the public on the day that the Government receives it. I argue further that it should be made available within one hour of the Government's receiving it. I go back to the argument used by the Attorney-General as to why the report should not be released. He said it would need parliamentary privilege. The Liberal Party has taken legal advice on this matter. The Royal Commissions Act states:

> The Commissioner has in relation to the exercise of his functions as Commissioner the same protection and immunities as a judge of the Supreme Court.

Therefore, the release of that report does not require the protection of Parliament. Furthermore, let us look at a few recent examples of royal commissions in South Australia. First, there was the Royal Commission into Prisons back in the early 1980s. That report was released when Parliament was not even sitting.

There was the report into the dismissal of the Police Commissioner in the late 1970s; that report also was released when Parliament was not sitting and, even though it dealt with a subject very close to defamation of a person, the public release of that report still did not require the protection of Parliament. I point out this fact because it is important that the Government, whose accountability is under examination by the Royal Commissioner, does not have the opportunity to sit on the report for four or five days, to carefully analyse each part of it and prepare a series of media releases that will give an entirely false perception as to what the report is saying and, furthermore, even enable the possibility of selective leaks from the report, whether in substance or by innuendo to the public through the media.

It would be most unfortunate if the public should get a false perception through the selective reading of the report by the Government and its releasing details on a selective basis. The report should be released so as not to give a false impression to the public about what it contains. Therefore, the Opposition is quite within its rights to require—and I believe the public deserves at the very least—the immediate release of this first report.

There will be two subsequent reports: the Auditor-General's report and the second royal commission report. Those reports will be dealing with whether or not legal action should be taken against any persons in respect of negligence or any other activity, criminal or otherwise, involving the State Bank and financial losses. Therefore,

there is not the same sensitivity about the release of the first report, which will deal purely with the relationship between the State Government and the directors and management of the State Bank.

I am sure, Mr Speaker, that as a member who wants to uphold the highest credibility and accountability in this State you would support me in calling for the immediate release of this royal commission report. I support you in indicating that this Government should be held fully accountable and that if this Parliament has been misled the Government should go, because its whole reputation relies on this report.

If in any way this Government through one or more Ministers has been found to be negligent, has been found to have neglected its duties to this Parliament over a two-year period when questions were raised, then the whole Government must be accountable. For 20 months these Ministers sat on the benches opposite listening to question after question but did not even push their Treasurer to make sure that there was a full and complete investigation, and over that period, due to the fiddling of these Ministers and the then Premier, South Australia lost about $3 000 million.

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

Mr HAMILTON (Albert Park): On 20 October I received representations from a woman greatly concerned about fund-raising. This woman worked for an organisation and expressed concern about the activities of professional collectors. All members in this place will be aware of advertisements taken out by some charities to protect their interests, and I refer to Charity Direct, whose advertisements we have all seen on television. I am aware that the Minister, the Deputy Premier, called for a report on this matter and I support that proposal, particularly as I understand in some cases no accounting standard applies, so that we do not see the auditing of books and do not know what percentage, if any, is taken out by the organisation.

It has been rumoured to me by a number of reliable sources that from 95 per cent down to 5 per cent is taken off the amount collected as commission. If that is the case, it is absolutely outrageous that people can take money from people who give funds in the belief that they will help others who are in dire straits.

There would be very few of us in this place who have not been approached over the years by a professional collector. Since being made aware of this, when people knock on my door the first question I ask is, 'Are you getting paid?' If they say, 'Yes', I refuse to make any contribution, no matter what the charity. For too long charities have not submitted returns, which means there is no public accountability. As I have indicated, there is no scrutinising of the accounts of some charities to determine what has taken place and how the money is spent. There have been rumours that in some cases the money is spent so that organisers can drive around in a big, flash car, or that money is taken out for some form of junket.

There have been many rumours in the community over many years about what happens with the money collected for some of these charities. It is important that all charitable organisations with professional collectors are made accountable and that they publish a report that is available to the public so the public can scrutinise these charities and work out the percentage that collectors, administrators and others involved in the organisation rake off the top, because it does happen. I believe that some of these 'charities' should not be allowed to continue.

Mr Venning interjecting:

Mr HAMILTON: Because of the seriousness of the matter, I will ignore the interjection of my good friend the member for Custance. He and I both know that there are unprincipled people out in the community who go around rattling cans at people's front doors. Who knows whether or not these cans are sealed. In many cases receipts are not given for the money collected at the door. I do not mind giving, and I believe that every member in this House over the years would have given generously to many charities, where they have been requested by direct mail to their office or by soliciting in some form at their door, or in some other manner. I look forward to the report that will come down from the Government in relation to this matter because, quite frankly, the need for public accountability with respect to these charities is important and, at the same time—

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

Mr MATTHEW (Bright): On 21 October in this Parliament I asked the Minister of Correctional Services a question about an incident at the Northfield prison complex in which four women prisoners allegedly slashed themselves, two so badly that they had to be hospitalised. On that occasion I also asked the Minister to reveal the results of investigations into these incidents, and the Minister appropriately said that he was waiting for a report and would advise the details to the House when they were available. At this time, I await with interest to hear the details contained in the Minister's report.

Also, on that day I issued a statement indicating that at least two of the women concerned were remandees, and that information has been further verified. However, I am further advised that at least one of the remaining two women was serving a prison sentence for murder, and she allegedly slashed herself due to depression over her sentence. With that additional information available, I therefore look forward to the Minister's including in his investigations some sort of analysis as to whether the actions of the person convicted of murder may have led to copycat incidents by the two remandees who slashed themselves.

In the time remaining during this grievance debate I turn my attention to the Police Commissioner's report that was tabled in this place today by the Minister of Emergency Services. That report, whilst containing some limited good news, should still be of concern to all South Australians. The fact is that, whilst the Government has been in total disarray over the most unfortunate handling of the speed camera issue by the present accident-prone Minister of Emergency Services, a far greater problem is facing South Australia, and that problem concerns the serious crime statistics revealed in the report tabled today in the House.

From reading that report, we find that violent crime has increased in our State by 207 per cent in the past 10

years, and 8.5 per cent over the past 12 months. Rapes and attempted rapes have increased by an alarming 293 per cent in the past 10 years, or 33 per cent in the past 12 months. Also, we have seen serious assaults increase by 147 per cent in the past 10 years or 5.5 per cent in the past 12 months. After quoting those figures, it is interesting to reflect back on the statement made by the then Premier during the 1989 ALP election speech, when he said:

> South Australia is widely regarded as a safe place in which to live and work. Our new crime policies reflect community concern about all offences, particularly those involving violence, drug trafficking, organised crime, house breaking and vandalism.

Indeed, the new crime policies do not seem to be having too much effect against our violent crime because there is no doubt that the crime spiral continues, and it is a most distressing situation in which we find our violent crime statistics in our State at present.

As I said, there is some good news in the report, and it is important also to highlight that. The Commissioner has highlighted an 8.5 per cent reduction across all crime categories in the past 12 months but, regrettably, most of the reduction has occurred in the more minor areas of crime, including motor vehicle theft, which has decreased by 15.9 per cent; break and enter, which has decreased by 15 per cent, and larceny offences, which have decreased by 10.1 per cent. However, there is small consolation in those figures because, once again, looking across the 10-year period—the 10-year period of Labor Government in this State—we find that those same areas of crime have increased dramatically. During that period, despite last year's reduction, motor vehicle theft is still up by a staggering 128 per cent; break and enter offences are still up by 85 per cent; and larceny is still up by 10 per cent. Further, we have seen robbery offences increase by 277 per cent in the past 10 years.

It is interesting to note also that white collar crime—false pretences, fraud, forgery and misappropriation—has increased in recent times to the extent that it is up by 3 per cent in the past 12 months. In the past 10 years, white collar crime has increased by 117 per cent. Having highlighted those figures, the fact that obviously remains is that the State Labor Government's commitment to curb serious crime—

The SPEAKER: Order!

Mr MATTHEW: —has not been answered.

The SPEAKER: The honourable member's time has expired. The honourable member will not talk over the Chair.

The Hon. T.H. HEMMINGS (Napier): Ten minutes ago I was astounded to hear the Leader of the Opposition repeat a statement he made on the *7.30 Report* last night dealing with the State Bank royal commission, where he said:

> For full and proper public accountability, the report must be published on the day it is received by Government, in fact, within one hour, and only on that basis will we (the Opposition) and the public be willing to accept the findings.

I find that incredible. The royal commissioner, who received his commission in March 1991, spent 180 days hearing evidence. Now, the Leader of the Opposition is in effect bordering on contempt by saying that the findings are unacceptable if they are not released within one hour of being received by the Government. He said nothing at all about this Government but referred only to the findings of the royal commissioner. The Leader of the Opposition said, 'If I don't get it within one hour, it is all foul play and we will not accept it, and nor will the public.' Does this somehow render invalid the work of the royal commissioner over the past 18 months or so? Do we have to go back and do it all over again—and that would cost the taxpayers another $20 million—or is he being irresponsible and mischievous (and I suggest he is) by trying to plant a seed of doubt in the mind of the public so that this unfortunate event can become a political tool for the Liberals leading up to the next State election?

As I say, the Commissioner received his commission in March 1991. The Government is saying that in fairness it requires a modest time to consider the report and that the findings will be of no consequence in the scheme of things if there is this short time frame. What is wrong with that? If we read the letter that the Leader of the Opposition sent to the Premier (and I happen to have a copy—somehow it was delivered to my home the other day, perhaps from a fair-minded Liberal), we see that in part it states:

> As well as the issue of fairness to members of Parliament—

that refers to the delivery within one hour—

> we also believe it is necessary to release the report immediately it is given to the Government so that there can be no selective leaking of sections of the report aimed at conditioning the public's perception of the findings of the Royal Commissioner.

I find that to be a direct reflection on the Premier and on this Government. If we go back through history, we find that this Government set up the royal commission. I believe that it is the Leader of the Opposition protesting too much, because we all know that, as far as the State Bank and the royal commission are concerned, it has been one series of selective leaks by the Liberal Party to an ever willing media that is prepared to listen.

I find it acceptable, although a bit painful, that the Government has paid for a Queen's Counsel to represent the Leader of the Opposition at the royal commission, but I find it rather hard to believe that taxpayer-funded officers who are employed by the Liberal Party have spent the past 18 months at the royal commission (and they are paid by the taxpayers of this State) giving out leaks to the media. And here we have the effrontery of the Leader of the Opposition who dares to accuse this Government, because it will hold the report for one week—

Members interjecting:

The SPEAKER: Order! The honourable member will resume his seat. The Deputy Leader has been warned three times.

Mr Brindal interjecting:

The SPEAKER: Order! The member for Hayward had best be careful, as well.

The Hon. T.H. HEMMINGS: I always find it rather distasteful that every time I am on my feet members opposite keep taking points of order or even incurring your wrath, Sir, so I cannot make my point. Perhaps, the reason they do it is that they do not like the truth, because if anyone does selective leaking it is the Liberal Party. In fact, members of the Liberal Party make up the leaks if it suits them.

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

Mr MEIER (Goyder): Almost three weeks ago I highlighted the current situation as it exists on Wardang Island. On that occasion I highlighted the wastage and ruination that has occurred to a formerly attractive and potentially vibrant tourist attraction. Since that time, the police and others have been onto the island, and the police report has in fact substantiated what I reported in this House and to the public at large. Today it saddens me that I have to highlight another case of wilful damage, this time at the nearby township of Point Pearce. I have visited Point Pearce from time to time during the past 10 years and, whilst I have observed damage there before, wilful damage to houses and property has now reached what I regard as plague proportions at Point Pearce. The vandalism must be stopped; it has gone too far.

As an example, a seven year old cream brick tiled roof house was recently vandalised in broad daylight. Much of the tiled roof was smashed by being thrown from the roof onto the pavement below. The clothesline at the back was twisted and broken, the large tank was pushed off its stand and, when I observed it, it lay on its side. Some houses had fires lit in them to help the destruction. The destruction inside has to be seen to be believed. Washbasins, shower screens, toilets and walls have been smashed to pieces. Some residents have told me that they are fed up with the vandalism. They want to see some pride restored to their community, and I believe the community as a whole is fed up with the vandalism which has continued over many years and which recently reached plague proportions.

I believe much of the house damage has never been reported to police. Given that little or no rent is paid by many of the residents occupying houses at Point Pearce, it means that replacement of damaged houses will be at taxpayers' expense. At a time when this State and this country are in deep recession, I for one, and I believe and hope all people, would want to ensure that full accountability is made of any damage of any cost to the taxpayer.

I believe that both State and Federal Governments must wear much of the blame. Governments tend to satisfy their conscience by pouring money into Aboriginal towns such as Point Pearce, but they ignore the social and emotional needs of the community. So often they simply seek to wash their hands of responsibility. In some cases vandalism has extended over a long period. A once beautiful old residence has had walls smashed, floorboards destroyed and much of the ceiling ripped out. The former kindergarten, now used as a women's shelter, was once a beautiful building. The walls of a large corrugated iron shed are slowly being removed and are tending to disappear. A full investigation into the vandalism and destruction in the town and the reasons behind it is needed.

As a first step I will be asking the Economic and Finance Committee to initiate an investigation while it is undertaking its inquiry of Wardang Island, and it can make a decision on what further investigations will be appropriate as a result of its inquiries. In addition, I have written to the State and Federal Ministers for Aboriginal affairs, the Federal Minister being the Hon. Robert Tickner, pointing out the destruction and seeking their urgent help to address the problems. For too long problems such as the one I have just highlighted have been ignored. That can no longer be the case. Members of this Parliament must ensure that there is accountability. The people of this State expect it, and the people of this nation expect it.

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

Mr QUIRKE (Playford): My comments this afternoon involve a particular situation in my electorate and also that of the Premier. In fact, I suspect the events I am about to detail have caught many people out in that area and, for that matter, other areas of South Australia. A person has spoken to the Premier and me about a particular investment that he was encouraged to enter into about 20 months ago. About two years ago the real estate industry promoted negative gearing as a sensible way forward for investments. It did so at that time on the basis that residential property and commercial property had seen quite considerable rises in value and would be expected to do the same over the next 10 to 12 years. We have all seen what has happened with the commercial property situation.

A flattening of price increases in residential property has taken place over the past 18 months, and a number of investors who entered into negative gearing prospects in South Australia and other States have made nothing in terms of capital gain on the property in which they invested. In this instance, this person bought a house in my electorate 18 months ago at a cost of $85 000. He took out a loan of $100 000 because he was encouraged by the real estate people who set up this deal to create a buffer up front so that the initial payments could be made. The present value of the property is $75 000. One may well ask whether 18 months ago it was sensible to have paid $85 000, but housing prices in general have not moved very far in the past 18 months: in fact, in some areas they have gone down. This person owns his own home, which is currently valued at about $65 000, and he has a $12 000—

There being a disturbance in the Speaker's gallery:

The SPEAKER: Regarding the display from the gallery, if the visitor keeps it up, I will have to have him removed. It is not allowed under the Standing Orders of the Parliament. If he displays it again, he will be removed. The member for Playford.

Mr QUIRKE: The mortgage on this house is $12 000, so he has considerable equity, and that was used to achieve the loan to buy the negatively geared home in my electorate. This person believes he was badly advised at the outset of this investment. A letter to him from the Professionals of 21 January 1991 states:

> You will see that we expect a marked increase in the price of real estate over the next two years . . . One of the side effects that benefit investors in our local area is that . . . the growth rate in Salisbury and Elizabeth will be forced upward.

This letter was followed by an invitation to this person and others to attend a VIP seminar in March 1991. The invitation states, in part:

> . . . to expand the system and offer the same opportunities for creative wealth and tax reduction to others. You are therefore invited to bring a friend or friends.

At the seminar, papers were given out and they stated:

> What makes you wealthy, reduces your tax, requires no deposit and little or no cost to you? The answer is negative

gearing. Low or no risk; can be highly geared; capital growth 12 per cent compounded over 100 years in Australia; income from a growing rental market; and tax deductions unlimited.

The reality is that, at this stage, the income base upon which this whole enterprise was started has become very much more insecure.

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

ANIMAL AND PLANT CONTROL (AGRICULTURAL PROTECTION AND OTHER PURPOSES) (IMMUNITY FROM LIABILITY) AMENDMENT BILL

Returned from the Legislative Council without amendment.

POLICE SUPERANNUATION (MISCELLANEOUS) AMENDMENT BILL

Returned from the Legislative Council without amendment.

SITTINGS AND BUSINESS

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety): I move:

That the time allocated for completion of the following Bills:
Appropriation,
Workers Rehabilitation and Compensation (Miscellaneous) Amendment,
Waterworks (Residential Rating) Amendment,
Friendly Societies (Miscellaneous) Amendment,
Statutes Amendment (Public Actuary),
Construction Industry Long Service Leave (Miscellaneous) Amendment,
Expiation of Offences (Divisional Fees) Amendment,
Statutes Amendment (Expiation of Offences),
Summary Procedure (Summary Protection Orders) Amendment,
Criminal Law Consolidation (Application of Criminal Law) Amendment and
Commercial Arbitration (Uniform Provisions) Amendment
be until 6 p.m. on Thursday 29 October.

Motion carried.

NATIONAL PARKS AND WILDLIFE (EMU FARMING) AMENDMENT BILL

The Hon. M.K. MAYES (Minister of Environment and Land Management) obtained leave and introduced a Bill for an Act to amend the National Parks and Wildlife Act 1972 and to make related amendments to the Wilderness Protection Act 1992. Read a first time.

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

The National Parks and Wildlife Act is the principal piece of legislation for nature conservation in South Australia. Amendments to the Act were undertaken in 1988, whereby certain changes such as the establishment of the regional reserve category were made. Debate on those amendments indicated a number of further amendments which desirably should be made to this legislation.

A number of the amendments in the Act are of a machinery nature and in effect provide for the smoother operation of the legislation. However, other matters are of much greater consequence and I have outlined these as follows.

First, it is intended that the Act should recognise Aboriginal culture and traditional affiliation with land. The Act itself makes no mention of either Aboriginal people or Aboriginal land. Both Aborigines and their lands contain considerable information relating to nature conservation and Government believes it important that they receive recognition. The amendments propose an arrangement whereby the responsible Minister can delegate ministerial authority to an Aboriginal board of management to allow such a board to manage a reserve under the provisions of this Act. Provision is also made in the amendments for the granting of a reserve or a portion of a reserve to an Aboriginal body if such granting is recommended in the plan of management and where the Aboriginal body represents the traditional owners of the land.

Secondly, the statutory authority provided for under the legislation, the Reserves Advisory Committee, has had its name changed to the Parks and Wildlife Advisory Committee. Its membership has been expanded to provide much greater representation from the community for those parts of the community which have an interest in the administration of this legislation.

Thirdly, the Act recognises the existence and exceptionally good work done by consultative committees around the State. These consultative committees have been active since the early 1980s and have provided very valuable community input into the management of our reserve system. We believe the time has come for these committees to receive legislative recognition and to have a firmly established role providing local and community input in the administration of reserves and management of wildlife.

Fourthly, the definition of the five reserve categories has been improved and objectives of management have been set out by schedule for the particular reserve types. This is to provide the opportunity for clear differentiation between the management of way a recreation park compared with the management of a conservation park.

Fifthly, the planning process under the legislation has been upgraded. The Bill contains provisions whereby the responsible Minister must formally propose that a plan of management be prepared for a reserve within two years of its constitution. Opportunity will be given to the public to make submissions on what should be contained within the draft plan before it is prepared. It will also be a requirement for the responsible Minister to have regard for the provisions of any development plan that applies in relation to the area where the reserve is situated. Once the draft management plan is prepared, a three month consultative process is provided for. As happened previously, the draft plan is then referred to the Parks and Wildlife Advisory Committee for comments which it must provide on the particular plan within a three month period. The plan will then be referred back to me for formal adoption.

Sixthly, following public debate in relation to the development at Wilpena, provision is contained in the Bill to confirm recognition that the comprehensive park planning process detailed in the Act stands in its own right and should not be confused with the planning process in the Planning Act (shortly to be replaced by the Development Act).

Seventhly, those parts of the Act dealing with prospecting and mining, including the provisions for regional reserves are being consolidated into one part. Objects of management for regional reserves are being clarified as an indication to the mining industry as to the multiple use aspects of the Act and this Bill. The mining industry will be represented on the Advisory Committee to give me access to a broader basis of advice and provide increased opportunities for the mining industry to contribute to reserve management. The Bill contains provisions

that where a plan of management has been adopted for a reserve where a simultaneous proclamation applies or for a reserve which is a regional reserve, exploration and mining activities must be exercised in accordance with the contents of the plan of management. Certain qualifications are included within these provisions, for example, if constituted as a reserve, then those rights can be exercised without the management plan provisions applying to them.

Eighthly, the Bill contains amendments to provide for the control and administration of the taking of native plants. This is particularly relevant to the harvesting of native seed. The Government certainly wishes to encourage the use of native seed for the regeneration of native vegetation around the State. However, it wishes to make sure that the taking of seed is undertaken within an agreed framework, so that the seed sources of the State are not damaged or reduced to the extent whereby ongoing harvesting of those resources cannot take place.

Ninthly, in relation to both native plants and protected animals, the Act contains provisions for the taking of certain species for commercial purposes. These provisions are particularly designed for species such as emus, kangaroos and broombush.

Finally, there has been considerable discussion on the need for adequate protection and financial penalties to deter people from taking and harming marine mammals. I particularly refer to species such as whales, dolphins and sea lions. The Bill contains amendments which will also have consequences for the fisheries legislation whereby a common penalty between the two pieces of legislation will be $30 000 for the taking, harming or possession of any species of marine mammal.

I believe South Australia is fortunate to have such a comprehensive reserves network providing for a range of activities, coupled with a nationally recognised system for management of protected wildlife species. The amendments contained in this Bill reinforce these community assets, whilst giving recognition to opportunities for revenue from some where appropriate. They will serve to place even greater value on these national resources and the need for their careful management and protection.

The provisions of the Bill are as follows:

Clauses 1 and 2 are formal.

Clause 3 defines terms used in the amending provisions.

Clause 4 amends section 11 of the principal Act. The sources of money comprising the Wildlife Conservation Fund are expanded and the purposes for which the fund can be applied are also increased.

Clause 5 inserts new section 12a which provides for Aboriginal boards of management.

Clause 6 replaces the provisions establishing the Reserves Advisory Committee with provisions that establish and make provision for the Parks and Wildlife Advisory Committee. The functions of the new committee embrace and add to functions of the Reserves Advisory Committee.

Clause 7 provides for the establishment of the consultative committee.

Clause 8 amends section 22 of the principal Act. Under section 22 (1) *(b)* of the Act a warden who suspects that an offence has been committed may direct a person to stop a vehicle to search it. A warden may, however wish to stop a vehicle to question people in it. Paragraph *(b)* inserted by this clause enables this to be done. New paragraph *(ba)* retains the other elements of the existing paragraph.

Clause 9 inserts new sections 22a and 22b. Section 22a is identical to section 16 of the Wilderness Protection Act 1992. Section 22b provides for the methods by which directions can be given by a warden under the Act.

Clause 10 amends section 23 of the Act to bring it into line with section 17 of the Wilderness Protection Act 1992. The amendments also provide power to take a blood sample for analysis from an animal that has been seized. This will be useful in establishing whether the animal has been bred in captivity or has been taken illegally from the wild. Power to carry out procedures to determine the sex of an animal are also included.

Clause 11 replaces the basis on which national parks are constituted by proclamation.

Clause 12 replaces the basis on which conservation parks are constituted by proclamation.

Clause 13 amends section 31 of the principal Act. The purpose of this amendment is to avoid the need for a resolution of both Houses of Parliament where a game reserve is to be upgraded to a national park, a conservation park or a regional reserve.

Clause 14 replaces the basis on which game reserves are constituted by proclamation.

Clause 15 replaces the basis on which recreation parks are constituted by proclamation.

Clause 16 replaces the basis on which regional reserves are constituted. The clause also includes an amendment to avoid the need for a resolution of both Houses of Parliament where a regional reserve is to be upgraded to a national park or a conservation park.

Clause 17 inserts new section 34b into the principal Act.

This section enables the ownership of land constituted as a reserve to be granted or transferred to a body corporate that represents the traditional owners of the land. The grant or transfer of title, however, does not affect the functions, powers and duties of the Minister, Chief Executive Officer or Director under the Act.

Clause 18 makes a consequential change to section 35 of the principal Act.

Clause 19 makes a consequential change to section 36 of the principal Act.

Clause 20 amends section 37 of the principal Act.

Clause 21 replaces section 38 of the principal Act with a section that corresponds to section 31 of the Wilderness Protection Act 1992. Subsection (7) is a new provision that makes it clear that where mining is allowed in a reserve the plan of management is subject to the rights of the tenement holder.

Clause 22 inserts a provision that makes it clear that the Planning Act 1982 does not apply in relation to reserves.

Clause 23 amends section 40 of the principal Act.

Clause 24 amends section 40a of the principal Act. Paragraph *(a)* clarifies the meaning of subsection (1). Paragraph *(b)* inserts a new subsection that makes it clear that the plan of management for a regional reserve is subject to an agreement entered into under section 40a.

Clause 25 amends section 41 of the principal Act.

Clause 26 amends section 41a of the principal Act.

Clause 27 inserts a new provision into the principal Act which will enable the application of provisions of the Act to land that is intended for inclusion in the reserves system but that has not yet been constituted as a reserve. The provision does not apply if a mining tenement is in existence over the land.

Clause 28 inserts a section that provides for the granting of easements over reserves.

Clause 29 amends the definition of 'owner' in section 44 of the principal Act to include a Crown lessee.

Clause 30 amends section 45f of the principal Act. Paragraph *(a)* makes it clear that a Development Trust's functions include management as well as development of a reserve. Paragraph *(b)* enables a trust to charge for facilities and services provided by the trust.

Clause 31 amends section 45i of the principal Act.

Clause 32 amends section 45j of the principal Act to provide that money paid to a trust for the provision of facilities or services must be paid into the General Reserves Trust Fund.

Clause 33 amends section 49 of the principal Act to provide for the taking of native plants for commercial purposes.

Clause 34 increases penalties for taking marine mammals.

Clause 35 inserts section 51a. This section will enable farmers or other primary producers who are losing crops to large numbers of protected animals to destroy the animals in a restricted area over a limited period.

Clause 36 makes a number of amendments to section 52 of the principal Act. After the amendment a notice declaring an open season will be published in a newspaper instead of in the *Gazette*. In the future an open season may apply in a regional reserve if the proclamation constituting the reserve provides for open seasons. A notice declaring an open season can require that persons hunting pursuant to the notice have passed an animal identification test and carry a certificate to that effect.

Clause 37 provides for the taking of animals for commercial purposes.

Clause 38 removes section 58 (9) from the principal Act. This subsection was originally included to ensure that the section was not declared to be invalid because it restricted interstate trade. This is no longer a problem because of recent interpretation of section 92 of the Constitution by the High Court.

Clause 39 amends section 59 of the principal Act to include native plants in the export/import provisions. Section 92 provisions are removed and definitions of 'to export' and 'to import' are included.

Clause 40 increases penalties in relation to marine mammals.

Clause 41 provides for royalties to be paid to the Wildlife Conservation Fund and that royalty is payable on plants as well as animals and eggs.

Clause 42 makes consequential changes to section 62.

Clause 43 replaces section 68. The new provision adds the offence of undertaking an activity that is likely to be detrimental to the welfare of a protected animal after being directed not to do so by a warden and undertaking an activity contrary to regulations. These offences are not committed, however, if the activity is undertaken pursuant to a permit granted by the Minister or pursuant to some other lawful authority. The penalties are increased to the same level as penalties for unlawful taking or possession of animals.

Clause 44 removes the definitions from section 68c of the principal Act. These definitions have been moved to section 5 of the Act.

Clause 45 sets out the grounds on which the Minister can refuse to grant a permit under section 69 of the Act.

Clause 46 makes a minor addition to section 72 of the principal Act.

Clause 47 inserts a section providing for information in relation to land donated for the purposes of reserves.

Clause 48 adds an evidentiary provision to section 75 of the principal Act.

Clause 49 inserts a general defence provision into the principal Act.

Clause 50 replaces section 76 of the principal Act to take account of recent changes in the courts system.

Clause 51 provides for penalties to be paid into the Wildlife Conservation Fund.

Clause 52 replaces subsection (2a) of section 80 to enable amendments to a schedule to be effected by replacing the schedule.

Clause 53 inserts schedules 1 and 2 of the principal Act.

Schedule 1 to the Bill changes references to the Minister of Mines and Energy in the principal Act to Minister of Mineral Resources and changes references to the Minister of Lands to Minister of Environment and Land Management.

Schedule 2 to the Bill makes related amendments to the Wilderness Protection Act 1992. The amendments bring that Act into line with amendments made to the National Parks and Wildlife Act 1972 by the Bill.

Mr **OSWALD** secured the adjournment of the debate.

WORKERS REHABILITATION AND COMPENSATION (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 15 October. Page 871.)

Mr INGERSON (Deputy Leader of the Opposition): I rise to put forward the Liberal Party's response to this tragic Bill. It is tragic, because this is the second time that a watered down version of a select committee Bill has been put before this House. I find it quite incredible that the Government has not been able to recognise that, if this whole scheme is to have a reasonable funding base and if two of the major issues concerned in that funding base are not brought before this Parliament and corrected, the existing position of almost $100 million of unfunded liability will develop into a long-term problem when the economy turns around.

There is no doubt that the existing scheme was set up with good intentions in 1986, but history has shown that several areas are now out of control. The two major areas on which I will spend some time this afternoon—

There being a disturbance in the Speaker's gallery:

Mr LEWIS: Mr Deputy Speaker—

The DEPUTY SPEAKER: Order! The member for Murray-Mallee.

Mr LEWIS: I spy a stranger in the gallery and I draw your attention to the behaviour—

There being a disturbance in the gallery:

The DEPUTY SPEAKER: Order! I ask that the gallery be cleared. The House will adjourn until the ringing of the bells.

[*Sitting suspended from 4.11 to 4.13 p.m.*]

Mr INGERSON: This afternoon I want to put on the record the process that the Opposition believes is essential to turn this fund around and to ensure that we end up with a workers compensation scheme in this State that is managed in such a way that it achieves three things. First, it should ensure that the benefits that are paid are reasonable and are in line with what the general community would expect them to be. Secondly, the system should be affordable as far as the employers are concerned. Thirdly, we should have a system—

There being a disturbance in the Speaker's gallery:

The DEPUTY SPEAKER: Order! I ask the honourable member to resume his seat. If there are any more—

There being a disturbance in the Speaker's gallery:

The DEPUTY SPEAKER: Order! The gallery will be completely cleared. The House will adjourn until the ringing of the bells.

[*Sitting suspended from 4.14 to 4.17 p.m.*]

Mr INGERSON: It is pity that those opposite see a need to get stuck into their own kind. It is a pity that the member for Napier sees that to be an important part of his message. However, the Opposition has identified three important issues. First, the benefits must be in line with community expectations; in other words, they must be fair and reasonable. Secondly, the fund should be economically viable in that the employers who meet the cost of the accident, and rightly so, have a fair and reasonable levy rate to pay. Thirdly and finally, the fund itself, whether it be managed as the existing monopoly or using the private sector model, should be fully funded. We do not believe that any of those three points has been met by the existing scheme and, consequently, we will move further amendments in Committee.

One of the disappointments that I have felt in this place relates to our taking the time and effort to set up select committees, which take reams and reams of information, spend hours looking at and honestly digesting it and then finally sit down and agree on certain positions. In this case, we agreed there should be amendments to the provisions relating to stress, the second year review process and taxation claims on either fund that would benefit not only the fund but also, and just as importantly, the injured worker.

The only two issues that have been taken up by the Government are, first, the stress problem—and a very weak definition has been applied—and, secondly, the

taxation review process. It has been put to me by several Federal Parliamentarians and by members of the Federal Court that the chances of the taxation principle remaining in the long term is highly unlikely because they are political statements; they require the Federal Government to pick up its share of some of the social security benefits for the long-term injured. It has been put to me that the Federal Government is unlikely to do that in the long term, so these benefits, whilst they have a positive effect in the short term and are supported by us, are unlikely to result in long-term benefits for the scheme. We end up with one area, which is a very watered down definition of stress, watered down because of the involvement of and pressure put upon the Government by the union movement.

I want to spend a short time on the problems that stress is creating for the scheme and for the Government and local government sectors. The local government sector, being an exempt employer, has real problems which are pertinent to this debate. The Government and private sectors are also pertinent. It is interesting to note that stress in the Government sector is a far more significant problem than in the other two areas but, as I said, problems still exist in those areas. In this respect it is important to reiterate to Parliament the comments of the Auditor-General in his report this year on the workers compensation scheme.

It is noted that over the five years from 1988 to 1992 stress claims have increased from 284 to 548 a year, the total number of claims being 2 283. Those claims represent 7.2 per cent of all claims and a pay-out of $42.57 million. That is for a total cost of 35 per cent of claims paid. The concern about stress claims is twofold: first, it is an ever-increasing rate in the Government sector and, secondly, the average amount per claim is significantly higher than for any other claims. The Auditor-General states that the average cost per claim for stress in the Government sector is $18 600, whereas for motor vehicles it is only $4 600, for machine or object it is only $1 200, falls represent $3 200 and over exertion—that is a very interesting one—is $3 500.

The problem with stress claims is not only the increasing numbers, but the very significant cost. That is brought about by the definition and the fact that stress is probably one of the most difficult medical areas to diagnose and pinpoint. It is absolutely certain that stress in normal life, whether one is at work or not, is a major contributing factor to the stress of a person overall. What appears to be happening in the Government and private sectors is that the review officers, the medicos, everybody involved in the system, are now putting more emphasis on stress as a claimable matter and that is costing the scheme very significant sums.

The select committee recognised the difficulties in this area. We spent some time arguing whether we should have a specific code, as recommended to us by Professor McFarlane from the University of Adelaide. He proposed that we should use an American code which clearly sets out all the medical conditions that would give any possible similar definition to stress and that they should be written into the legislation. Unfortunately, the select committee did not accept that proposal—I believe that it should have done—and it chose to go down a path that defined stress as predominantly involving problems at work.

The select committee decided that discipline and general working controls placed upon the worker by the employer should be excluded. That is a good thing, because it recognises that there are many instances in which discipline, change of award conditions and matters of that type, which are purely and simply employer/employee relationships, should be eliminated from this definition. The problem with doing that in the way in which it is proposed in this Bill is that, if we accept that those conditions are not claimable, in essence all others are. That is the legal and medical advice that we have been given. All we have done by redefining stress is tighten up the employment factors, but to leave Pandora's box wide open.

The Local Government Association, in its report to me in the past couple of days, has clearly said that it is concerned about the problem of stress. It says that it is one of the biggest rising concerns that it has. It is concerned that the definition of stress is in itself undefined with no medical meaning. It considers that it is open to far greater interpretation by the general medical profession. It considers that the word 'stress' should be totally eliminated and that wording similar to that in the Commonwealth legislation should be adopted. The select committee looked at that, but, when it came to the vote, we were not able to put in the Commonwealth wording. However, there is the option to tighten it up in line with the Commonwealth rule.

One of the major concerns in this area for local government, which has been put to me very strongly in recent days, is that there seems to be a group of doctors who are saying that a person defined as suffering from stress who is able to claim under that definition from WorkCover should no longer be seen by rehabilitation officers, claims officers, or anybody, for up to eight weeks. Therefore, we have a prolongation or the whole problem of the cost of stress. There seems to be a medical protection developing in this area, and that is of concern to local government. They have brought it up specifically as an issue and requested that we try to tighten up this whole area. In their submission they say that over the past two years stress claims have jumped 400 per cent, so they have a significant concern about it.

We have all heard many of the stories about the problems in the private sector. One of the major issues now coming before WorkCover relates to review officers deeming almost every claim to be at the 100 per cent level. There have been two recent decisions by review officers. The decision by Mr Le Poidevin, in essence, overturned a medical comment that the person was able to return to work. The review officer, because of the definition in the third schedule, has now deemed it to be 100 per cent claimable. That is a major problem because it sets a precedent. It means that almost any arguable stress position by the employee can rely on that case as a precedent and consequently escalate the cost of stress claims.

That issue was brought to my attention by the corporation, because it is concerned about these sorts of decisions that are occurring in the review process. It is also interesting to note that Mr Owens, Chief Executive Officer, WorkCover, in a recent presentation to a national

conference said he believed that the Commonwealth employee scheme, COMCARE, should be incorporated into this Act. He made special reference to disciplinary action, promotion, transfer of benefit and so on. He also said that the recent legislative changes made in Maine, USA, seemed to be a reasonable approach. Those changes include the following:

Mental injury resulting from work-related stress does not arise out of or in the course of employment unless it is demonstrated by clear and convincing evidence that:

(A) First, the work stress was extraordinary and unusual in comparison to the pressure and tensions experienced by the average worker; and

(B) The work stress and not some other source of stress was the predominant cause of the mental injury.

The amount of work stress shall be measured by objective standards and actual events rather than any misconceptions by the employee.

That is a strong option put forward by the WorkCover Chief Executive Officer. Probably the most interesting comment made recently about stress was that of Mr Ian Sinclair, the man heralded by the Labor Government as one of the world experts on workers compensation. He was heralded as the manager of a scheme which has significant value for South Australia and a scheme which would be copied.

What did he say about stress? He said, 'We do not have to worry about stress in our scheme because, unless it is traumatic, unless trauma is involved, no stress is allowed.' That is a deliberate and positive attempt to deal with this absolute nonsense which, in most instances, is being created outside the work place and dragged into it on an even worse scale than RSI ever was and causing massive costs to the scheme. Mr Sinclair, the much heralded expert from Canada, said that stress should not even be considered as part of workers compensation schemes unless trauma was involved.

Mr Brindal: Did he say that?

Mr INGERSON: Of course he did. The Government does not understand that, but it was an important issue raised by Mr Sinclair. It looks like it has woken up the Minister, so it must have been pretty important. The whole area of stress can be cleaned up if there is a positive and forceful definition that aligns stress with work situations, and we will be moving amendments in Committee to do exactly that. Those amendments will recognise stress as being a condition predominantly created at work. We are not at this stage going as far as Mr Sinclair, because I do not have his exact wording, but when I obtain it it will encompass one of the most important provisions that we will be seeking to include in the Act next time it is amended.

The next issue I want to deal with is the second year review. We spent much time on the select committee looking at the need for a good and reasonable review process and in the near future important recommendations will be brought to Parliament on the review process itself and other related issues, but as part of the whole review process there is a need at some time to recognise that total and permanent incapacity and partial incapacity are two different issues requiring different rates of continuing benefits.

The current Act says that that should be done in the second year review. In the select committee we recognised and supported that. Unfortunately, after we made our recommendation to Parliament there was the James case, which went before the Supreme Court, and out of that case came a development making workers compensation a permanent, lifelong social security benefit, so long as one is in the scheme. We now have an open-ended social security system, but that was never intended. In fact, Minister Blevins, when he brought this Bill in, was specific in saying that, if the wordings put before Parliament were not correct, he would have them changed as soon as possible because the Government's intention then was to make sure that we had a good second year process. We intend in Committee to move amendments to the second year review provisions, because we need to recognise the change resulting from the Zelling case.

There are three other major issues to which I refer. We believe there is sufficient evidence before the select committee and sufficient concern in the community about the overall benefit level to indicate that it ought to be reduced. We will be moving amendments that recognise what I believe are fair and reasonable reductions yet retaining a level that I believe will be acceptable to the community at large in terms of cost. They are not extreme benefits similar to those brought down in New South Wales, and they are not as extravagant as some of the other areas in Europe and America. They are middle-range benefits that we believe should be introduced.

The other issue of significance is the removal of journey accidents. We intend to make sure that provisions covering accidents occurring on the way to and from work are removed entirely from the scheme. This should not be a major concern to anyone in this Parliament because the compulsory third party injury scheme covers all vehicles travelling to and from work and, if there are any instances where single person accidents are not covered under that compulsory scheme, we should amend the Act to make sure that they are covered. It is ridiculous to have employers paying for accidents occurring on the way to and from work when more than 90 per cent of the accidents claimable at the moment, according to the advice I have been given, are ordinary touring accidents that would occur in the community in any case.

The fact that one happens to drive to work is secondary. The cost of such accidents would be picked up by the compulsory third party scheme and would remove a large component of costs from the workers compensation scheme. I am aware that there is a *quid pro quo* in that there is a transfer of funds at the moment within the two schemes, but the reality is that there is a net cost to the workers compensation scheme, and we do not believe there should be. However, obviously genuine accidents occur at work—it may involve the driver of a brewery truck—and obviously that is included. Anything out of the workplace should be right out of the scheme, and there should be no need for this fund to carry that cost.

Thirdly, we believe that superannuation levy payments should be removed from the definition of 'remuneration'. We have argued this case before. The Bill removes it from the payment to employees, and we believe that it should be removed as well in setting up the levy payments. In saying that, I recognise that that is a cost to the fund, and there will need to be either an increase in the levy or some other compensation to recognise that the

superannuation levy payment is removed from the definition of 'remuneration'.

Apart from one small area that relates to the Mining and Quarrying Occupational Health and Safety Committee being brought under the control of the Minister, the rest of the issues in this Bill were, in essence, recommended and supported by the select committee and, as a consequence, are supported by the Opposition. We believe that the only matters contained in the Bill that need to be changed are with respect to the areas of stress, the lack of a second year review, benefits, journey accidents and superannuation. We will move appropriate amendments during the Committee stage.

I also wish to place on record how the Opposition believes that this whole scheme should be run. There is no doubt that the whole concept of a monopoly organisation has created a major problem for this scheme. All monopolies that have been set up in our society that are Government run—and most that are privately run—fall down in the areas of efficiency, cost and delivery of services. It is our belief that the only way we will change this system is to move away from the monopoly model to a model that re-involves the private sector.

The obvious thing to do is to go totally private and remove all Government involvement in this whole exercise. However, that is not accepted in South Australia, and I do not believe it is accepted in Australia in terms of returning to a total private sector option. What is acceptable is the New South Wales model in which a Government policy unit is set up specifically to look at certain areas of control, administration, the collection of statistics and the monitoring of claims performance and funds, and having the private sector involved with the claims procedures and perhaps the investment of funds. That model, which has been successfully implemented in New South Wales, is a model that this Government should be looking at. It is a model that most definitely we prefer to the monopoly situation.

The other important issue in this area is that the WorkCover Board itself is not a strict management board. As everyone knows, it is an ineffective tripartite board that continually separates into factional groups. If there is one continual criticism that comes from almost every person with whom we speak who has dealings with the WorkCover Corporation, it is the ineffectiveness of its board. We need a board structure that is able to manage the corporation and ensure that Government policy is carried out without this tripartite exercise. It has not worked, and it needs significant change. This is predominantly a Committee Bill, and I will take up some of these issues in more detail during the Committee stage.

Mr OLSEN (Kavel): I rise to support the amendments and the thrust of the remarks of the Deputy Leader. I do so with a background and backdrop to the reality in the marketplace. The simple fact is that South Australia has some 56 000 small business operators employing 48.7 per cent of the private sector work force in South Australia, a very significant and important part of this State's economy. Yet, if one looks at the national statistics released recently, in the financial year 1991-92 small business and individual bankruptcies numbered 17 857. If we are to tackle in any meaningful way the high levels of unemployment, in both this State and this country, we need to recognise that the engine room of the economy, which is small business, has to be given the capacity to grow and expand.

Over the course of the past eight years, with the exception of the current period, high interest rates for some five years impacted upon the liquidity and cash flow of small businesses. For five years those interest rates bordered on between 20 and 23 per cent. Small business operators, many of whom invested their life savings or mortgaged their home to establish their small business enterprise, as a result of those high interest rate policies consistently sapped all the liquidity and available cash in those business enterprises. The net effect was that they reduced employment opportunities or, where they could seek additional turnover, they simply sought not to increase staff or not to chase additional turnover, simply because the cost and the trouble was not worth their proceeding down that path.

WorkCover is a cost factor in any business operation. Let us compare other statistics as a background and backdrop to my remarks as they impact upon the small business sector. The number of unemployed persons in South Australia over the year to September 1992 increased by 9.6 per cent. In Victoria, the increase was only 2.5 per cent. For the June quarter 1991 to the June quarter 1992, South Australia had a decline in job vacancies of 6.7 per cent, whilst Victoria had an increase, a plus, of 52.6 per cent. With respect to new capital fixed expenditure for the March quarter 1991 to the March quarter 1992 for all industries, South Australia had a reduction of 25.3 per cent compared with 21.3 per cent in Victoria. That is a further indication that there is simply not the liquidity and cash available in those businesses. In addition, they are simply not prepared to gamble and invest those further dollars in new fixed capital expenditure.

With respect to retail turnover for the year June 1991 to June 1992, we had a reduction of minus .6 per cent in South Australia compared with plus 4.5 per cent in Victoria. I use the comparison with Victoria because most people think that Victoria is the basket case. The simple fact is that, when we start to look at some of the statistics, it is fairly clear that South Australia is edging out Victoria as the economic basket case in this country. Further to that backdrop of the impact and plight of small business, and its importance to the economy of South Australia, I well recall the former Premier, in one of his policy speeches, talking about the engine room of the economy, how important small business was, and how the Bannon Labor Government would ensure that small business was given a fair go.

What we have seen is a series of taxes, charges and impacts upon small business that have simply eroded their capacity; and, not only that, it has also driven away any sort of incentive, motivation or encouragement for small business to really get up there and give it a go. The Arthur D. Little report is an indictment of this Government's administration for 10 years. It talks about the lost decade, and it is a lost decade. When we look at the comments such as those about business profitability, we see that the State is not conducive to profitability and growth. Without profitability in businesses we do not

have growth, and without growth we do not have employment opportunities or an expanding economy. The report looked at the lack of venture capital in South Australia. It also looked at the need for South Australia to send a signal to the rest of the nation and other countries that a new climate conducive to business is being created in South Australia, and that means looking at all oncosts of business operations, of which WorkCover is but one.

The report talks about strengthening the business climate in South Australia. There is a wide consensus in business circles that South Australia does not offer a climate conducive to profits and growth. It looks at microeconomic reform. The continuation of microeconomic reform and the restructuring and streamlining of Government service activities are necessary to keep down the cost to industry and to increase the attractiveness of South Australia as an investment location. It goes on to talk about South Australia in the international marketplace as follows:

> Furthermore, any comparison with other Australian States is no longer so relevant. Under the twin pressures of globalisation and tariff reform, South Australia can no longer look for growth by competing with other States for a share of Australia's finite flow of inward investment. The State's domestic market has shifted from being Australia to being at least the Asia Pacific region, if not the world. This brings the State's industry into direct competition with countries which are going to be more price competitive than South Australia can be for the foreseeable future.

The report goes on to talk about labour rates and a number of other areas. As it relates to labour rates and international competitiveness, conditions and standards are set in South Australia that I would not want to see dismantled, but what we have to do is recognise that to compete not only on the domestic market but also on international markets, and the South-East Asia/Pacific region in particular, we have to ensure that the cost structure of operating businesses in this State and this country means that we are able to access those international markets.

We have the second highest electricity tariffs of any State in Australia, and our WorkCover costs are higher than those of the other major States in Australia. They are disincentives to investment in South Australia. If a manufacturer is going to upgrade his factory, he will look at the costs here in South Australia and compare them with those that apply interstate and, of course, the main markets are on the eastern seaboard of this country. The simple fact is that the economic imperative will force him to look at locating his business not in a State like South Australia but on the eastern seaboard, back where the main population base of this country is located. That is what the Arthur D. Little report talks about—making South Australia once again a climate conducive to business investment.

I for one, and I know many of my colleagues and I guess anybody in South Australia, would not want any worker in any area not to have a degree of protection and support in respect of being injured in the workplace. That is a fundamental right and principle that ought to be provided to everybody. However, there are rorts in the system, and in my view there are professions that are taking an unreasonable share of the cost of operation of this scheme and, in some respects, that is to the detriment of the workers. I would go on to say that there needs to be some restructuring of this scheme to bring down its cost structure.

I was very heartened by Premier Arnold's early comments as Premier when he said that one of his first endeavours after getting a Coalition Government together (which he achieved) would be to tackle the next big issue—WorkCover reform—to bring down the costs of WorkCover for businesses in South Australia. He well saw as Minister of Industry, Trade and Technology the importance of accessing the international marketplace from South Australia and that, if our exports are to access those markets, we need to look at the cost structure of operating in South Australia. That is why he put it high on the agenda when he became Premier. I must admit that when I saw that statement I was particularly encouraged by it, not only as a politician and member for Kavel—

The Hon. Jennifer Cashmore: We were impressed.

Mr OLSEN: I was impressed by that statement, not only as a politician and member for Kavel and representing those constituents but also as a small business operator—one of those people who each month have to write out a cheque for WorkCover and for a whole range of other costs.

An honourable member interjecting:

Mr OLSEN: If you look at the pecuniary interest register, Mr Deputy Speaker, you will see what small business I am involved in. It is a small business which was established by my father in 1945 in a small country town and which has all these seasonal pressures applied to it. One was the high interest regime of the Keating Government, for which he should never be excused in this country; and he should not be excused for what he did to individuals who ran those small businesses, the people and lives he destroyed as a result of those policies, the people he put permanently out of work and the small businesses he destroyed as a result of those policies. Since that time when my father established that business, in the experience of paying those costs on a monthly basis, one gets to understand the importance of those costs and how they impact on small businesses, and on creating jobs for people in those small business operations.

The amendments seek to reduce the cost structure of WorkCover. As I said, I was impressed by Premier Arnold's endeavours but, once again, we had South Terrace telling North Terrace what it would do. Democracy is supposed to reside in this building, and it ought to be the will of this building and the members of Parliament in it that determine the final form the legislation should take. It was clear that the Premier was thwarted in his endeavours, and I think that is a sad situation.

However, I am encouraged by the public comments of the Speaker (Hon. Norm Peterson) who I understand has said that, at a minimum, he is prepared to support the recommendations of the select committee of this Parliament. Bringing the premium base down for WorkCover is a substantial step in the right direction in terms of reducing its costs. If we start bringing down the premium base for WorkCover, we can start reducing some of those monthly costs to business operators in South Australia. That can free up capital within those businesses, giving them the capacity to grow, to expand

and, hopefully, to employ. In the meantime, some of our manufacturing industries in particular have gone through serious contraction in the past decade as a result of not being internationally competitive and the lack of restructuring of the cost base of those business enterprises.

If we take any signpost from the Little report, it ought to be that we restructure WorkCover. We ought to be restructuring costs on business. If we take the signpost of the small business community and the pressures that have applied to it, we ought to accept the signpost of change to WorkCover in respect of its cost structure and so on. If we look at the high levels of unemployment in the community at the moment, we see that we have a responsibility to all those who are unemployed to reduce the cost of business enterprises in South Australia and to give them job opportunities for the future. However, we must not remove the fundamental right of support for those who are genuinely injured in the workplace. We must support them so they can get back into the workplace at the earliest possible opportunity. There is a balance between those two, and the simple fact is that that balance is skewed and has been for some time. The amendments before the House at least redress that imbalance, and I commend them to the House.

The Hon. JENNIFER CASHMORE (Coles): I do not recall having spoken on workers compensation legislation for many years. I have, however, spoken whenever there has been an opportunity to speak on an issue of occupational health and safety. So, members on both sides of the House will know that I have a longstanding personal interest in occupational safety and a profound commitment to ensuring the prevention of injury, illness and stress in the workplace.

In addressing this amending Bill, I would like to go back to what I consider to be the first principles when one is considering workers compensation legislation. The first of those principles in my opinion should be that such legislation should provide reasonable financial security for those injured in the course of their work. Secondly, the legislation should aim to rehabilitate those who have been injured or who have suffered an illness and enable them to return to work at the earliest possible opportunity. Thirdly, any scheme designed to administer workers compensation should be administered efficiently. I echo the sentiments of the lead speaker, the Deputy Leader, on this matter: in my opinion, the best to achieve such efficiency is to ensure competition in the operation of workers compensation legislation.

The fourth principle is that workers compensation should be affordable. As the member for Kavel has just said, if a State, an industry or an individual employer cannot afford workers compensation, however desirable it might be in principle and in practice, that is self-defeating in terms of the ultimate goal of a healthy, stable and employed work force. If workers compensation is contributing substantially to levels of unemployment, as the Opposition believes, I do not consider that that workers compensation scheme is fulfilling its goals.

The fifth principle is that, in my opinion, no statutory law dealing with workers compensation should deny all possibility of the right of access by a worker to common law if that worker has received injuries that cause extraordinary pain, suffering and disability that cannot be compensated in the normal way. I believe very deeply that people should have the ultimate right of access to common law if the degree of their suffering is such that the normal compensation procedures are not sufficient to provide restitution. In denying people access to common law, we are denying them access to part of our legal heritage which is inherent in our sense of justice, and it is not something that should be done away with lightly, in my opinion.

Having made those brief introductory remarks, I want to say that I am participating in this debate simply because many of my constituents are suffering severely as a result of the present Workers Compensation Act. I could hardly count the number of letters in my files from small employers who have been absolutely hit for six by increases in their premiums—and it must be borne in mind that my electorate does not contain a huge number of small businesses but is primarily residential. The reason for this is that the bonus penalty provisions in the Act have an entirely disproportionate impact on small employers where there is one injury in a given year. If an employer has only six employees and if there is one injury, that employer pays the price for that one injury for a long time.

In some cases in my electorate, premiums have increased by 50 per cent and even up to 100 per cent, from 3 or 4 per cent to 6 or 8 per cent—a burden that businesses simply cannot sustain. So, although the amendments proposed in this Bill go some way towards alleviating an unsatisfactory situation, they do not go far enough. I certainly support moves to reduce benefits in line with previously stated positions of the Liberal Party—namely, the removal of overtime and accelerated weekly benefit reduction—and I believe that journey accidents should be removed from the provisions of the Act and that superannuation levy payments should be removed from the definition of 'remuneration'. I believe that those provisions are not so much luxuries that we cannot afford—although they could well be described as such—but they cannot be justified in the first place. Even if they could be afforded, I do not believe they are part of a package that is reasonable and just in all the circumstances.

I conclude simply by stressing the importance of some degree of access to common law, although I recognise that untrammelled access, which was the case in years long past, was one of the reasons that led to the enactment of the Act that we are now amending, because it led to excessive costs. What I am talking about is not the kind of injury that pushes up costs by virtue of increased payments over a very long period. The courts award major compensation not for injuries such as that but for injuries that deprive people permanently of their entire quality of life and their capacity to live in the future as they had lived prior to the accident. There is no provision to revamp the whole system, but the Liberal Party believes that the measures proposed are inadequate and that we should have a thorough examination of alternatives that permit competition. Finally, I believe that I am expressing the view of every member—

Mr McKee interjecting:

The Hon. JENNIFER CASHMORE: I have, as a matter of fact. I have been injured in the course of my

duties as a member of Parliament. I think I would be expressing the views of all members, irrespective of their attitude to this legislation, when I express my deep sense of offence at the manner in which the proceedings of this House were disrupted more than once today by those who are seeking to intimidate members in pursuit of their duty as members of Parliament in considering this legislation. What happened in the gallery during Question Time with the intervention of members presumably of a building union—I judge by their dress; I do not know precisely which union was represented—was quite unconscionable.

The Speaker's handling of that matter was exemplary, and members should be conscious of the fact that that kind of conduct should be exposed for what it is, resisted and dealt with as it has been, and it should serve as a warning to the public that this Parliament is a supreme court, it is the paramount court, and it cannot and must not be intimidated in the course of pursuing its duties.

Mr HERON (Peake): I will not take up too much time, because I have spoken before on this subject, but I must put back on the record a few points that I think some members of this House are forgetting. It was back in the mid-1980s when representatives of the trade union movement went to the then Minister of Labour (I think the Hon. Jack Wright) saying that they had problems with the workers compensation scheme. At the same time, the employer groups—the Chamber of Commerce and Industry and the Employers' Federation—did the same.

The Hon. Jack Wright started the move to look at introducing a new Act to overcome the problems that both the workers and the employers saw, for the benefit of all. That was handed to the next Minister of Labour (who, I think, was the Hon. Frank Blevins), who continued to work with the trade union movement and the employer organisations to try to institute a system that would be suitable for both employer and employee. Eventually, we reached the present Minister who has the coverage of this Act, and he, as well as the previous Ministers, did a great deal of work with all organisations in relation to WorkCover and the new Act.

I do not need to remind members that the previous Act was a horrendous piece of paper that did not suit anyone. With my involvement on the workers' side, I was inundated by members complaining about the problems they had run into with the system that was then available to them under the Workers Compensation Act. There were lawyers arguing with employers, unions arguing with employers and unions arguing with everyone, because it was not a very good system.

The present system is a big step forward, but we ran into some hiccups, some of which have taken quite a few years to overcome; WorkCover, the trade union movement and the employers, through the WorkCover Board, are attempting to overcome those problems. I must say that I have been disappointed, because it has taken a long time to overcome these hiccups, and the one that still worries me a little—

An honourable member interjecting:

Mr HERON: —is not the honourable member over there with the big mouth; he never worries me at all. The problem I have had with WorkCover relates to rehabilitation.

The Hon. T.H. Hemmings interjecting:

Mr HERON: He never worries me: yahoos never worry me. The rehabilitation area still needs looking at, because it contains many hiccups. I will not go back too far, because we now have the WorkCover process getting closer to the mark. I admit that members of the Opposition are saying that there are problems with it, and I still say that there are problems from the workers' side, but the three speakers who have contributed to this debate today have not mentioned what we are talking about: we are talking about compensation for injured workers—that is all. The member for Kavel very eloquently put the argument for the employers and referred to the taxes and charges on business, the investment in South Australia, the assistance to our exports, the costs to WorkCover and the reduction of businesses.

Let us get back to what it is all about—the injured workers. I think that the member for Kavel said that we should have a fair system; I think we are all looking for a fair system. But let us be fair to the injured worker, because that is the person who needs the assistance. I am not saying that employers have to be screwed just to cover that, but the system must be fair to ensure that injured workers are treated justly.

The member for Coles quite rightly mentioned that one of the key issues is occupational health and safety. If we can get all employers and unions working together to make our workplaces safe and accident free, we will not have this problem. Occupational health and safety is the key to this matter. We will not have workers injured in the workplace, we will not have the employers screaming, we will not have the unions screaming and we will not be arguing about how much money will be changing hands.

That is where the emphasis must be: not on the question of whether we can reduce the levies or whatever. Let us look after the worker and let us get a fair system going in which we can all work together. We know that the employers are out there screaming one way and that the union organisations are screaming another way. This is the place where we should fix it so that the matter is put to bed once and for all: in the event that workers are hurt at work, they will be reasonably compensated.

We do not want the holdups that we had in the last system. The member for Bragg was virtually saying that we should privatise the system. That was the mess we had before. We had that horrible mess where we had all the insurance companies arguing, we had all the lawyers putting in their two bob's worth, we had everyone ripping everyone else off, and who was being hurt even more? It was the already injured worker himself. So we do not want to go back to a system in which there is that arguing between insurance companies and lawyers, because any money that is going out should be going to the actual worker himself. In closing, I say that, if we concentrate on the matter of safety in the workplace, we will avoid the sort of argument that we are having here today. Let us hope that very few people get injured on work sites in the future.

Mr S.J. BAKER (Mitcham): I suppose the most interesting part of this debate is that we will now perhaps

get to the point where we reduce the costs of the system to a more affordable level. All I can say is, 'I told you so, I told you so, I told you so.' Members who were here at the time would remember that my original contribution, which lasted some 3½ hours, was on the problems that—

The Hon. T.H. Hemmings: Very forgettable!

Mr S.J. BAKER: Well, I can inform the honourable member that no-one forgot on my side, and I am reminded about it, in both a positive and negative sense. It should be clear to this House that some very big mistakes were made by this Government at the time when it gave the best benefits in the world. I note that the Minister slept through the contributions, so I presume that he will not be able to respond to the contributions made by the Deputy Leader and the member for Kavel. They were very worthy contributions; they succinctly pointed to the difficulties faced by employers—some of the longer-term problems in relation to areas which are less able to be proved than others. For example, there is the issue of stress and we have already discussed RSI and back injuries, which are very difficult to detect.

Importantly, when this workers compensation scheme was set up it was not affordable and it is less affordable now. As I said at the outset, without amendment this scheme provides the best benefits in the world. There is no other country that provides the benefits we see in this Act. I have looked at numerous schemes. Members will have noted that during that 3½ hour contribution I quoted a number of those schemes, and I have come across a few more since then. My original observations have been reinforced.

If we took a world average on what benefits are being paid under workers compensation it would be something like: 80 per cent of the average weekly earnings of the employee, instead of 100 per cent; an insistence on a return to work and on a proper and full assessment, and not a dragging on of the assessment period; and a limitation on any further payouts under common law and lump sum payments. That is the average world situation; you can give and take between the countries.

In this scheme we have had a level of benefits that is far greater than those interstate or in the rest of world with which we are trying to compete. I made that point at the time and I have kept making that point since. I have some sense of *deja vu* about this because there is no doubt that certain elements in the employer organisations supported the changes that were introduced by this Government, on the basis that the maximum levy that was to be applied was 4.5 per cent. At the time I said to those employers that the 4.5 per cent could not be afforded because their real rate (what they were paying the insurance companies) was over 10 per cent and that the level of benefits under the proposed scheme was greater than occurred under the old common law scheme. They said, 'The Government of the day said we need to be competitive with interstate.'

We know the maximum levy has risen to 7.5 per cent. We know that under the bonus and penalty scheme that is operating it is conceivable that employers will pay 15 per cent if they are particularly injury prone. I am not saying that that is wrong, I am only referring to that as an example of the duplicity of this Government when it knew at the outset that the 4.5 per cent maximum was unsustainable. I have always believed that high risk injury industries should pay their way.

In many outdoor activities such as forestry or construction the number and severity of accidents, by definition almost, will be greater than for those people who are more sedentary and who perhaps do an office job. That is recognised: every country understands that quite clearly and it is written into their premium levels. But, of course, the Government seduced many South Australian employers into believing that the maximum premium was to be 4.5 per cent. Once in the scheme, though, the home truths became evident: that the scheme could not afford that level of subsidy.

Mr Brindal: You told them that when the first Bill came in.

Mr S.J. BAKER: Yes, I did, when the Bill was first introduced.

The DEPUTY SPEAKER: Order! If the member for Hayward interjects again out of his place I will have to take action. This is the second time I have spoken to him this afternoon.

Mr S.J. BAKER: So the scheme was launched with a great deal of fabrication and a great deal of untruths, and perhaps, at least from the Government's point of view, some belief that it could actually make the scheme float, despite the example that was used at the time—the Ontario scheme which was in debt to the tune of some billions of dollars. The other scheme being quoted was the New Zealand scheme, and that was sinking in Auckland harbour at the time. They were the two benchmarks that were used for the scheme that we have today. Therefore, it is no wonder that the scheme is delivering premiums that are making us uncompetitive.

I note the comments of members opposite. We are talking about people, their future and their capacity to survive when they are injured. So there is a great deal of sensitivity on this subject. However, let us clearly understand one fundamental point. How can South Australia afford to pay above tote odds on the rest of the world? If members opposite will grasp that fact they will understand that there is a need for reform, and reform in a hurry. We have some very important amendments, and they have been more than adequately canvassed by my colleague, the Deputy Leader.

I commend the contribution by the member for Kavel who talked about the impact on small business. We all have small businesses in our areas. I have some small businesses such as wrecking yards and building companies, many of which are paying very high premiums because they have workers who are at risk of injury. They went from a system of insurance to a workers compensation scheme, for which they had been promised lower premiums, but they are now paying two or three times the level that was promised originally.

I point to an example that was provided in relation to local government. Everybody understands that councils run their own workers compensation schemes. It has been pointed out that many of the people who have been taken on these unemployment schemes are accident prone. The suggestion is that they should be trained better and longer in order to get better results. Deep down we all know that a large contribution to those injuries is the mentality of the people concerned. I should like to cite an example associated with a scheme in my area. We could never pin

this character down, but he took the scheme for an absolute ride. There are some genuine cases, and there is a need for more training and for better supervision, but we find that, when those jobs are available (they run for only six months), a person will naturally say towards the end, 'How am I going to sustain my income and ensure that I get a reasonable amount of pay?' Human nature being what it is, we found one very notable case. This chap just did not turn up, and he did not provide a doctor's certificate. He screamed when he did not get his weekly pay and then he claimed workers compensation.

There are others who are injured close to the end of a contract. We have seen it happening on building sites. How many members can remember the REMM building site? In the space of about three months—the Minister may be able to correct me if I am wrong—about 60 claims were filed near the end of particular segments of that contract. I was told about it and other members were told about it. Suddenly many people were becoming injured. There is a fallibility in human nature, and some people are out to rip off the system. Unless there are safeguards in the system it will continue to cost this State dearly.

I have said on a number of occasions that the Act requires that the scheme be fully funded. I would also like to bring up the subject of full funding. I have said on a number of occasions that the Act requires that the scheme be fully funded. When we were dealing with those amendments in the original debate it was not possible to put in the Bill 'the scheme should be fully funded' because there were a number of connotations as to whether that meant present liabilities or future liabilities. We decided on a set of words with which I was comfortable. They said clearly to me: when the board is assessing its position and setting its rates it must ensure that the income from those rates is sufficient to meet all current and future liabilities.

I wrote to the manager of WorkCover and said, 'This scheme is not fully funded. You are giving benefits; you are decreasing levies before they have been earnt. The scheme is still in liability. The scheme still owes money. You cannot reduce the premiums until such time as the scheme is fully funded.' I received a reply along the lines of, 'Well, we have had a lawyer interpret that particular section and we do not believe that that means what you say it means.' So, what has happened is that under pressure from the Government—because the employer groups are getting very anxious about their very high workers compensation premiums—the WorkCover Corporation has deemed it appropriate not to fully fund the scheme as is clearly indicated in the debates in this Parliament and is required by this Parliament.

I know that the Minister will want the weights put on again to reduce the rates set by the board so that the employers become less agitated about the costs to their businesses. It is a huge cost; it is a cost not only in terms of dollars and cents when you simply cannot afford it, as has been explained by the Deputy Leader, the member for Kavel and the member for Coles. There is also a huge loss of productivity. There have been numerous complaints, as members would realise. When I was shadow Minister of Industrial Relations, I got a drawer full of complaints. Those complaints are pretty common: complaints against the Government; complaints against WorkCover.

The Hon. J.C. Bannon interjecting:

Mr S.J. BAKER: The former Premier, the member for Ross Smith, has nothing to smile about. He has a royal commission report coming out, and I would say that his contribution in allowing the legislation to go through in the form that it did at the time is a reflection again on the quality of his Government over that period. I do not think the member for Ross Smith should smile and joke about the fact that I had a drawer full of complaints against the WorkCover Corporation. What was interesting about most of those complaints was that the most simple of injuries were taking an extraordinarily long time to be fixed. I quote the case of a person who was working in the timber yard of a hardware establishment. That person actually cut the top off his finger. He put his finger in the wrong place at the wrong time. The guard was there but he put his finger in. It was an unfortunate accident.

Under normal circumstances that person would have been to the doctor; the wound would have been sutured; they would have put a sleeve over it; and that person would have been back to work perhaps the next day. It was not a serious injury. He did not lose his whole finger; he lost the top of it. Three weeks later, after being to a rehabilitation counsellor, that person turned up at work and said, 'But the rehabilitation counsellor said I cannot go back to work. I wanted to go back but they said, "No, you have to stop work; you have to relax; you have to rest. We have to reassess your case."' So, $3 000 later that person went back to work.

That was a symptom of the system. It is a symptom that remains within the system because you have people with vested interests who earn more money by keeping people out of going back to work than getting them back to work. It still remains but I know the current manager has made great inroads. It was not my intention to speak long on this Bill. I do commend the effort made by the select committee and the Deputy Leader to bring some rationality into the WorkCover area.

I will wait with bated breath because, even if we pass an Act of Parliament—and we can remember what happened previously with such Bills—there is no guarantee that the Government will proclaim it. We saw the antics of the Minister last time when he jumped ship at the last moment. I will wait with bated breath to see what happens. I commend the Bill to the House. Any other proposed amendments will be dealt with on their merits when they arrive and I will be interested to see what they contain, but we have to continue to get better. We have to reduce the cost and we cannot have industries paying 10 and 15 per cent for workers compensation when the rest of Australia is paying perhaps half of that amount. I commend the Bill to the House.

Mr HAMILTON (Albert Park): It was with difficulty that I sat here and listened to the waffling of the member for Mitcham about costs.

Members interjecting:

Mr HAMILTON: I ask him to contain himself: I listened to him in silence and perhaps he will have the manners to do the same thing himself. The member for Mitcham talked about the costs to industry and the huge loss in productivity. One thing I learned from my years

on the shop floor and as a worker is that it is easy to apportion blame to the worker in particular. I listened with great attention to what members opposite said about reducing costs, but we did not hear a great deal about worker safety. I draw the attention of members opposite to an article that appeared in the *Sunday Mail* of 15 September 1991. The article deals with prosperity and safety, and it may be that the member for Mitcham might want to listen for his own edification. The article is as follows:

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 under-estimate 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 reforms . . . $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 . . .

I have listened over my 14 years in this place to the apportionment of blame mainly towards workers when members opposite talk about industrial accidents and where people are injured and killed on the job.

We have someone from an industry, such as I just described, pointing out that the reduction in accidents as a consequence of proper safety measures on the job could lead to massive microeconomic reform and cost saving to industry and indeed to the community at large. I have not heard members opposite talk about this aspect. They did not address that aspect. It is sad because like every member in this House I know that some people will rort the system, be it a worker, manager or someone else. There is always that type of person in the community who will rort a system, but that does not mean that we can use the analogy of the rotten apple syndrome as an argument for everyone being tarred with the same brush. From my experience in the work force and in dealing with people, that is not the case. Someone will always want to rort the system.

I come back to what Mr Ric Charlton said about a direct link between good safety management and good business management. If you have decent safety provisions or vigilant officers on the job who are prepared to look at safety measures on the shop floor and in the workplace, it will reduce the cost to industry, to small business people and, equally important, reduce the number of accidents, trauma and loss of life to workers. One of the questions that I ask of all members in this place is whether, as members of Parliament, they would accept the situation that we are talking of here. I listened to the member for Coles talk about being injured. Like many others, I also have been injured.

I remember falling down the steps from the first floor because of inadequate safety in this place, and as a consequence strips were put across the stairs. As members of Parliament we are not covered by workers compensation, but if we were covered would any one of us in this place cop a reduction of 30 per cent in our salaries and wages? Of course we would not. Yet, some of the hypocrites in this place are asking workers to cop a 30 per cent reduction in their wages. As silvertails in this place not one of us can say we are poorly off because we are not—not one of us—yet we are asking workers in this State to cop a 30 per cent reduction in their take-home pay. Members should go out and talk to these people. I do: I knock on doors and talk to blokes in the pubs. I ask them how they would cop it. They say, 'Listen, Hamilton, how would you like to cop a 20 to 30 per cent reduction in your salary?'

I have been there, like many others on this side of the House. In 1968 when I came down from the country workers in those days were copping only 85 per cent of their base salary when on compensation. Mugs like me had to run around on the shop floor and take up collections so that they could take home a decent wage to their wife and kids, yet we hear this cry from members opposite about small business. Small business is important to this State and country, but let us not apportion all the blame for bankruptcies on small business people.

I will now read from an article about bankruptcy that appeared in the *Advertiser* of 30 May. It 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 refers to the main reason for bankruptcy as follows:

Non-business bankruptcies, excessive use of credit, liabilities on guarantees, unemployment, gambling, ill-health, adverse litigation and domestic discord.

Yet, one could be forgiven, after listening to members opposite, for thinking that all the problems associated with bankruptcy are related to the working class people of this State. That is all nonsense. To go even further, I have spoken with the management of two major shopping centres in the western suburbs who have told me how people have come in with a superannuation pay-out or a large amount of money and say to the management, 'I want to start up a business.' 'What business would you like?' they are asked, in reply to which they say, 'I do not know—any business.' They have no business acumen at all, despite the fact that the State Government set up a Small Business Corporation on South Terrace where people could go to obtain advice. But no, again this is apportioned to the workers. If an employer goes bust because he knows nothing about cash flows or lines that will not be sold easily in his store, the workers are held responsible for those deficiencies in their business practice and business acumen.

It really galls me when I listen to members opposite who skirt around the issue of industrial safety, and we know that they do. I have illustrated here today that if we addressed the cause of the problems with respect to safety, as Ric Charlton said, billions of dollars could be saved in this country. However, what we are hearing today is the end result of industrial accidents—industrial

deaths—instead of members addressing the problem on the shop floor.

In some of the magazines that are published, such as *Worksafe*, issues that are being addressed in this day and age on worker safety include such things as drivers' fatigue, in relation to which long hours are a major factor. They refer to safety work as a boost for coal productivity. Other techniques are to be used on the shop floor. Reference is also made to backs and noise being under the spotlight, as well as to the research that is going on to try to reduce the cost of industrial accidents.

When we hear people talk about industrial disputation in this country, rarely do we hear them say that more time is lost in this country through industrial accidents than through industrial disputation. Rarely do the media jump up and down about the cause of industrial compensation as against industrial disputation. Members on this side of the House over many years have addressed these problems.

Noise is another factor that impacts upon people's health. I have heard conservative people, particularly in the past, saying, 'These blokes have a hearing problem; all they want is workers compensation.' If they have a back injury, they say, 'It is the old European problem; there is nothing really wrong with them. They just want to claim workers compensation.' Mr Deputy Speaker, both you and I know that there are thousands out there, some who suffer in silence and some who are ridiculed because they are prepared to seek compensation.

I welcome the opportunity to address a comment made by the member for Mitcham, as reported in *Hansard* of 7 April (page 3966). He said:

> The fact is 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—

Then I interjected. That is the mentality of some members opposite: they expect workers to carry injuries. What a danger for a worker to carry an injury on the job! I speak from experience: in the railway industry, a worker could have industrial deafness or wax in his or her ear and might not be able to hear the locomotive driver whistling up for the guard or a particular signal to point out dangers. I suggest that members opposite really would not appreciate that sort of situation any more than they would realise some of the dangers of truckies working long hours. Truckies carry injuries that they should not carry but, because of the stigmas that are attached to workers who have had injuries, they are ridiculed.

It disappoints me enormously to see this whole debate centred around the workers, their injuries and the cost to the community. But we have not expanded on it: there has not been any lateral thinking about the reasons for these industries. We have not heard from members opposite; they have skirted around the issue. I concede that the member for Coles briefly touched on it, but she went on to talk about the cost to the industry. What about the cost to the family? What about the cost to the employee who is injured on the job, the traumas associated with those disabilities and trying to get a job in the community in this economic climate?

Only yesterday, a chap whom I know very well (whose christian name is Bob and whose surname starts with 'M') came into my office. He wanted to give up all claim to WorkCover so that he could get back on the job, because he wanted to hold his head high in the community. He did not want to be tagged as a couch potato or a dole bludger—tags that have been put on these workers in the community by conservative forces. Let them deny that. Couch potatoes! How degrading, how debasing they are when in this Parliament, in workers compensation debates, they refer to workers as couch potatoes or dole bludgers. In my view it is insulting and puerile.

I am the first one, as I have indicated, to say to the Parliament that in the past some people came to me when I was a union official, and I told them, 'Don't try to pull the wool over our eyes because you won't get it through.' It happens in every walk of life. But the worker should not be tagged for all the ills of this economy. As I indicated to members opposite, in his response, Mr Ric Charlton said:

> The cost of poor safety was comparable with the benefits that might be achieved by microeconomic reform; $1.7 billion from communication reform; $1.4 billion from electricity reform; and $10 billion from transport reform.

It is unacceptable that people are killed or maimed in industrial operations, because all accidents can be avoided if people take the right action. The debate should be turned around into the work place, onto the shop floor and into management looking at these issues rather than directing attacks and trying to reduce the privileges and benefits of workers to which, in my opinion, they are justifiably entitled.

Mr LEWIS (Murray-Mallee): It is unacceptable for people to be killed and maimed at work. In so far as that statement concurs completely in what the member for Albert Park said, I am in total agreement, but virtually everything else he said was really either contradictory of what he was otherwise saying or more related to an outmoded view of the workplace and the relationship between the people who are paid to do work and those who have the responsibility of allocating the work and ensuring that they get paid. I am talking about what members opposite too often call the class struggle. There is no such thing in this country. The kinds of people who brought their bigotry with them when they migrated here, some of whom have even found their way into this Parliament, do not have relevance in this society.

Mr QUIRKE: On a point of order, Mr Deputy Speaker, I take that remark of the member for Murray-Mallee as a slur on every member of this House who was not born in Australia, and I ask him to withdraw.

The DEPUTY SPEAKER: I understand what the honourable member is saying, but I cannot rule that the remark is unparliamentary. I will be listening very carefully and, if there is any specific slight on any member, I will ask the member for Murray-Mallee to withdraw, but at this point I cannot accept that his remarks are unparliamentary. The member for Murray-Mallee.

Mr LEWIS: Thank you, Mr Deputy Speaker. It is not my intention to be offensive to anybody who does not hold a view of the kind to which I am drawing the attention of members, that view being that there are those

who are born to wealth and inherited wealth who will be the bosses (so-called) and the masters of society and those who are born to the lowly status of a worker, who will continue to be so-called workers for the rest of their lives. In this country there are people who work and people who do not. Of those who work, most were not born to privilege. Indeed, most of those who are now employers were not born to privilege, and I put myself in that category.

Although I have previously been a worker, I have also been an employer, and the businesses I have owned and currently own employ people. I have had absolutely no different view of the necessity for safety in the workplace regardless of what time it was in my life that I contemplated that question, namely, safety in the workplace. That is to say, regardless of whether I was either working for someone else for a salary or wage or working for myself and having others working for me in the business I was running, it has never occurred to me that there ought to be a different view, and anyone who imagines that there is a different view is crazy. It is not part of an Australian outlook to hold a different view about safety in the workplace, dependent upon whether one is paying or receiving wages. It is just un-Australian.

Having made that point quite strongly, from where I stand, anyway, let me declare that I have an interest. It is not only because I am a member of the Liberal Party but also because I guess I have a maimed left wing, and therefore it is appropriate that, having a stronger right wing (some people might say), I belong to the Liberal Party. I was injured at work, not only in the obvious place—my left arm and hand—but in other parts as well and, that being the case, I understand what it feels like just at that moment in time, while the recovery is taking place and then to live with it for the rest of one's life.

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

Mr LEWIS: I have made plain to the Chamber that I consider it unacceptable for people to be killed or maimed at work. I have also made plain to the Chamber that, in my opinion, it does not behove any of us to say that we are here to represent the interests of any secular group. We are here to represent not the interests of employers or employees: we are here to represent the best interests of the people of South Australia. Every day we pray that, with the guidance of divine providence, we will do that. It ill behoves any of us to see this debate in terms of one against the other: it is not. Our future health, welfare and prosperity depend upon our getting it right as a community.

I need to make plain that, in part, this legislation completely ignores, as it were, the lot of one million Australians, many of whom live in South Australia. They are the unemployed—and this legislation ignores their lot. Why is it relevant to consider that in this debate? If we do not consider that, we are ignoring the fundamental reason why this country has got itself into difficulties. Each job in this country costs a certain amount. Those costs are not related only to the wages or cash that is put into the pay packet or the bank account every week. Other costs are added to the cash that is credited to a particular employee, and part of those costs are related to this legislation—that is why I raise this matter.

The cost of each job in this country is too high at present, because of our inefficiencies in producing what we set out to produce. My argument is not just that it is too high *per se* but that the unit output cost in Australia is too high in comparison with our OECD trading partners and, in particular, with others in the region in which we naturally have our economic future—the region in which we are located geographically. That makes sense for two reasons. If we do not belong in that region, we are committing ourselves to a waste of energy resources and the cost of transporting the things we make and do well to other markets further afield than those in our immediate vicinity. That is crazy. We would do much better if we focused upon our marketing efforts on immediate neighbours and, moreover, recognised that we have to attract their investment interest in our economy, because we have not been able to find either the wit or the will to save the money that is necessary to capitalise the expansion of jobs in this country.

Before a job can be created in this country, capital must be invested. But we do not have the savings. Indeed, in this country and particularly in this State, we do not have any savings—we have debts *per capita.* We are not in credit: we are in debit. Therefore, we must appeal to other sources of capital, the most likely of which are in our immediate geographical region. We will find that capital in the economies of the tigers of Asia. If they do not see us as a State in a nation in which they can invest, we will not get that capital and we will not solve our unemployment problems. We could have the best will in the world and the most comprehensive and generous provisions in workers compensation through WorkCover for the few people who remain in jobs in 20 years time, but the rest of the population could be stark motherless broke, out of work and seeking employment in jobs which do not exist if we ignore the necessity to attract and retain capital and invest it in jobs in this country.

It is not as if it is a matter of trade, of commodities. These days, it will take only a millisecond to transfer money from one economy in one constitutional jurisdiction to another. Today we have modems and other electronic communication devices, such as fax machines, and any company anywhere can now transfer millions of dollars for what is broadly referred to as intellectual property, such as a consultant's report, and no-one has to see it. The company can simply say, 'We obtained this advice from such and such a company in such and such a country and paid so many millions of dollars for it,' and that is a legitimate payment that cannot be questioned by the taxation commissioners in either jurisdiction, nor can it be questioned by the Governments of either jurisdiction unless, of course, the Governments want to embark on a further expansion of their Public Service to the detriment of the economy they are supposed to be serving.

If it is to the detriment of the economy, it will be to the detriment of the workers, the people who seek to be employed there, and it will be to the detriment of the people who provide the capital in the enterprises that exist there already, because it will reduce the size of the marketplace by increasing unemployment and reducing the ability of the local citizens to consume locally produced articles.

I wish now to turn from that aspect of my concern about the cost of jobs and how that unfairly impacts on those who are not employed; to the reasons why I find the present WorkCover arrangements unpalatable, to say the least. It is very unfortunate that we find ourselves contemplating the establishment of a monopoly, not only in the collection of premiums and the determination of benefits, as it were, to the injured, through legislation administered by that single corporation, but now also with the corporation's contemplation of dispensing with what has been the competitive provision of rehabilitation counselling services and medical treatment.

The WorkCover management plan is to bring all that in-house and employ salaried rehabilitation counsellors, and to employ even medical officers and paramedical officers in the process, to treat the injured worker. That worries me enormously. It is not that I doubt the sincerity of the people who propose it, nor do I doubt the wisdom and sincerity of those who would seek to deliver a service through that new framework which they see as a desirable goal; it is just that I know from personal experience that, wherever you establish a monopoly, invariably, you end up with institutionalised corruption emerging.

You make it possible for rorts and for scams, and they are two different types of things. If there are rorts, we all know that the end result will be that the cost of the premiums must go up or else the unfunded liability blows out. Whether it is funded or unfunded, or a combination of both, the liability will blow out. Let me make it plain: I see it as unfunded within the present structure, but that is immaterial. In my experience, it is not possible to have an organisation involved in commercial decisions (providing services to a community as a monopoly) without accepting that the monopoly will fail in its duty somewhere when the people it employs capture its goals and its functions and turn it into whatever they want it to be, because the line of command, the hierarchy, is at once a line of command and a career path.

So, no-one will offend those above them. They will all be self-seeking and no-one above will seek to disturb the organisational function below him day to day, year to year and decade to decade. That, of course, was the problem of the model of the Soviets that recently brought down the structure of the USSR and Eastern Europe after 80 years, or five generations. It cannot work. There has to be external competition, however uncomfortable, and the more that competition is aimed at producing efficiencies and innovation in the delivery of service the better off we will be, because the greater will be the opportunity to observe how best to glean from the other existing organisational structures the techniques of addressing the problems within the subject organisation. This does not apply uniquely to WorkCover: it applies to any organisation. It is part of the study of organisations. Members opposite ought at least to take heed of that much.

If we therefore consider that, whilst WorkCover sees as one of its corporate missions and goals something along the lines of minimising the impact of work-related injuries on workers, employers and the community by providing compensation, rehabilitation and prevention services—and that is admirable—it is not necessary to give it a monopoly for this purpose. Its first goal is to provide an injury management service which effectively returns disabled workers to work. In addition, it seeks to fund the scheme through a cost effective levy collection and investment service, to determine disputes on a just and equitable basis in the shortest possible time, to minimise the incidence and severity of work-related injury, to anticipate and respond in a timely manner to changes in the external environment which impact on the legislation and the scheme, to manage the corporation in a strategic and financially responsible manner and to provide a productive working environment which reflects our values. All of that is well and good, commendable and agreed. But, the fact is that a monopoly simply cannot deliver on several of those goals, if not all of them. Sooner or later the organisation fails to serve the interests and needs of the people whom it was set up to serve and it becomes more an institution serving the needs of those working in it.

Of course, we know that at present there is a service profile of about 57 000 employers, and that is about 70 per cent of South Australia's work force. According to the best information available to me, there are 75 000 locations. Already 200 claims are made each day. Looking at those claims, I want to provide some information to the House. At present over 80 per cent of the claims are worth less than $1 000 in total cost. That is interesting in that as a proportion of costs it is about 5 per cent. Then, 12 per cent of the claims are in the $1 000 to $10 000 range, and the costs are about 15 per cent. About 4 or 5 per cent of the claims are in the $10 000 to $100 000 range, with a total cost of around 60 per cent. Then, in the range over $100 000 the figure is less than 1 per cent, but that costs 20 per cent. That is understandable, as it involves the seriously injured.

However, the big worry is the range between $10 000 and $100 000, where we can see the problem we are dealing with and where the rorts can occur—where people fake it and stay off work longer than necessary, claiming money not only for the treatment and rehabilitation of injury but also as wages in the meantime. There is no incentive to get back to work. If the only rehabilitation service provided is that provided by WorkCover there will be insufficient check on the people working in that organisation in a self-audit context to keep them working honestly. One has only to look at the delivery of services from Government agencies and compare them with subsidised non-government agencies in the welfare sector elsewhere to see the truth of what I am saying in that regard.

There are a good many other aspects of the whole thing that have worried me, and I refer here particularly to MAVIS, which I think is an ill-advised concept that I do not believe can succeed. It worries me right now, in the short run, because it is only supposed to run for six months as a trial. It will become a mess. Who will look after those clients who are on MAVIS at the time when the six months is up, if we decide not to continue? Are we to assume that, if we do continue after six months, the decision is already made and that WorkCover will continue to expand under the umbrella of the MAVIS scheme to take in all employees from that point forward? What happens to the employees who are already working as rehabilitation counsellors for the other companies? The Minister has some questions to answer.

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

The Hon. B.C. EASTICK (Light): I reject outright the suggestion that I have heard flow from the other side that members on this side have no compassion for workers or the injuries sustained by workers. I have certainly never known a member of a Liberal Opposition to reject a legitimate amendment to the Act which guarantees a proper and compassionate approach to the injuries that are sustained by a worker and to the benefits which flow to allow that worker's family to benefit by way of a weekly wage and, in those circumstances where it is required, adequate compensation. I hope there is no further comment of that nature injected into this whole discussion.

I now refer in part to the history directly associated with the Bill that we are debating tonight. We had the circumstance where it was borne out of conflict within the ranks of its own masters, the members of the Labor Party, where, very clearly, some of those members recognised the flaws which were to be inbuilt into the legislation and, as a result, suffered in the stakes for ministerial consideration. Their position has been vindicated by the passage of events which shows the flaws and concerns very clearly, and an outright realisation of the deficiencies and inefficiencies built into the system. Many attempts have been made to correct a number of those issues.

Indeed, we have the fact of a select committee of the two Houses, having made decisions on this matter, which, whilst recognised by the Chairman of that select committee, were subsequently withdrawn in total and replaced with the measures that were brought eventually to the House. That is a circumstance which I find quite despicable—one which was forced upon the Minister from outside sources, mainly based on South Terrace, Adelaide (but I do not want to develop that).

What I want to do is point out that, regrettably, the handling of the measure from day one has been fraught with a number of major calamities, the first and foremost of which was that the activity directly associated with the Bill was given to SGIC. Its incapacity to put into place the necessary administration, staff and understanding of the issues was to be a tragedy for not only the workers but also the employers, and has been directly responsible for a lot of the distrust which has grown up between the two parties—not political Parties, but the employer and the employee—and the difficulties that have arisen. That was resolved by WorkCover taking over its own administration, and there have been major improvements since that time.

I appreciate the liaison that the General Manager has made available to members of Parliament when they lodge inquiries on behalf of constituents and the relative speed with which answers are provided to a number of the queries. However, even the answers which are provided do not come even close on many occasions to a proper examination and understanding of the issues that have been directed to their attention.

It is a tragedy that many of the in-built costs of the scheme, which reflect upon every employer and detract from the benefit that can flow to the employee, are not being addressed by this measure. I suspect that all members—I certainly know this from a number to whom I have spoken on both sides of the fence—are aware of the number of occasions on which small business people have had a claim lodged against them and are still receiving information from WorkCover some years later, or certainly 18 months later and beyond. However, I want to contain it within the 18 months to two years period. In some cases the injured worker has never had the final medical examination. The injured worker orchestrates to be out of the State, away in the country or anywhere but where the medical examination which they have been directed to undertake is to be held on a given day.

I can show members in this place, and the world at large, letters that I have received from small business people in which the information given to them progressively by WorkCover is that client A missed their medical examination, which was being demanded or requested of them so that they could have their position reassessed, because they did not present themselves to the medical officer. They sent a late note saying that they were at Mount Gambier when they ought to have been in Adelaide or that they were interstate on holiday at the time that they ought to have been before the medical examination.

I can take members to a large number of small businesses in the Barossa Valley/Gawler area that have suffered from that problem. It is reflected in their levy and in the annual report that they receive from WorkCover that the person who was employed 18 months to two years before is still a mark against their claims, yet they have been passed by initial medical support to go back to work. However, they did not go back to work or they reported for work and said that they were not able to undertake the work that was given to them, went off, are still being paid and are refusing to line up to the specialist medical appointments that have been arranged for them. In many cases the employer is receiving accounts from the specialist for broken appointments and in some cases the accounts for the medical examination, a report of which does not go forward for up to six to eight weeks, by which time the employee has disappeared into the ether, so to speak, and cannot be located for another three to four months, yet remains as a charge against that employer.

I can relate to members a case in which an employer has recognised within the first couple of days that an employee is foxing, is looking for an excuse to be laid off with an injury, or is seeking medical support claiming that they are unable to work. When reported on to WorkCover nought has been done about it and, by the time that WorkCover eventually gets around to assessing the position—and I am prepared to admit that much of this stems from the original SGIC arrangement—the period of time and the cost directly fed back to the employer has become quite excessive.

Not all employers or employees are lilywhite in this matter, and I have no hesitation in saying that I would want WorkCover to take on any employer that is caught out in seeking to bypass responsibility. But I believe it has to be even-handed, and when it takes on the employer, then it ought also to take on the employee who has a history of dodging the issues and who has not been playing the game. I want further to make mention of a number of the programs which have been directed to the

attention of injured employees. They have been directed to contact the rehabilitation service which has, for four to 10 weeks, failed to return calls or failed to get in touch with them to commence the rehabilitation. Several of my constituents have been able to give me documentation which shows that problem.

We have a circumstance where a number of the people who are and have been supplying rehabilitation services have known that they are on a good thing and have been milking the cow; there is no argument about that; there is a great deal of evidence. To those organisations that are playing the game and are genuinely trying to obtain rehabilitation I say 'Congratulations'. But there have been a number in the swim that have been rorting the system against the background of being too busy, or not being able to make contact with an employee. There has been a variety of excuses all of which are suspect when they are checked out.

These problems are there. They are not addressed by the benefits that do flow from a number of the measures which are in the Bill which is before us and other measures which I know are going to improve that. But none of them answer a number of these circumstances which are a costly charge against the whole WorkCover system. I would have expected that the select committee which reported once to this House would take heed of advice that was given to it during the course of its previous examination and sought to find answers and additional information relative to a number of these rorts I have alluded to.

They are there; they affect people in all walks of life, in the sense of their business undertaking. There is certainly a problem reported to me frequently from people in the rural sector who take on casual work more frequently than they take on permanent work. It has happened in respect of shearers, and certainly in respect of the harvest workers, particularly those who are associated with grape picking in the Barossa Valley. Such people can fall foul of a heavy bucket of grapes five minutes after they start. Their finger can get in the way of secateurs handled by someone else, and the damage can be done without their ever having approached the grapevine. One questions just exactly what is going on.

We are aware that there are those people who will mutilate themselves in a minor way but build it up as something quite major so that they do not have to work and they then become a charge against the poor, unsuspecting person that gave them the opportunity to take on work. I am often asked why so many aged people—wives, aunts, uncles, cousins, whatever—are employed in the vineyards in the Barossa Valley when so many young people are out of work. I can give a simple answer to that: the aunts, uncles and grandmas get in there and do the job. The young people who are directed by the CES to undertake those positions either turn up late or turn up and fill the first six buckets and then say that they cannot carry on and do not come back the following day and want to be paid out, in fact, by lunchtime on the first day that they arrive. The CES is aware of that and anyone who is associated with the vineyard industry is fully appreciative of it and many of those vineyard owners do not even bother to offer to young people the opportunity to take on work because their work experience from them has been so poor and the ongoing charges directly associated with the WorkCover system, which does not sort out nor sift out these people who are rorting the system, creates a further burden for them in the levy they pay and the rate they pay per annum.

What I have had to say has been on a broad field of endeavour in relation to work activity. It is not an attempt in any way to take away the responsibility that every employer I know feels and offers to genuine workers who are not out to rort the system, but it is directed particularly to that large number of people who will rort the system and who are bringing the whole WorkCover situation and associated costs into great disrepute.

Mr MATTHEW (Bright): It is indeed appropriate that we are finally getting a Bill that proposes amendments to the WorkCover legislation. I am sure that you, Mr Speaker, and all other members of Parliament would agree that these amendments are long overdue. WorkCover has been something of a controversial topic in our State for some time and I am aware, having been elected to this place in 1989, that a continual stream of employers have come to my office to express concern about the way they have had to deal with WorkCover and the way in which it has added to the impost of costs they face.

The fact remains that in South Australia at present we have the highest WorkCover premiums of any State and that is unacceptable. Combined with FID and BAD taxes it adds to the most unattractive environment in this country in which to establish a business and thereby create an environment where people can become gainfully employed. I am pleased that at last the Government has seen fit to introduce amendments to WorkCover in an attempt to reduce its impost on our community and employers. Removal of this impost will ensure that they have one less impediment in their path in employing people again and trying to restore our State to full employment.

Regrettably, the Bill does not go far enough and you of all people, Mr Speaker, are fully aware that the Bill does not go far enough. The Opposition is particularly pleased to see that the member for Semaphore has taken a strong interest in the WorkCover legislation and has publicly advised that amendments will be put to the Parliament to improve the WorkCover system now serving the State.

In its present form the Bill seeks to tighten up the general operation of the WorkCover scheme. In particular, it covers eight main issues, those being: limiting eligibility of stress claims; tightening payment of benefits to claimants pending review; employers making direct payments of income maintenance to claimants; a new system of capital loss payments to workers who have been on benefits for more than two years; the exclusion of superannuation for the purposes of calculating benefits; the exclusion of damage to a motor vehicle from compensation for property damage; costs before review authorities; and bringing the mining and quarrying occupational health and safety committee under the control and direction of the Minister of Labour Relations and Occupational Health and Safety. Regrettably, the Bill does not cover the full recommendations of the bipartisan select committee inquiring into WorkCover. That is most unfortunate,

because members of the House would reasonably expect that, when any bipartisan committee of the Parliament put forward recommendations after appropriate deliberation and consultation, those recommendations would be delivered in legislation for the benefit of the State.

My colleagues, particularly the Deputy Leader, have already outlined during the course of this debate that the Opposition will be putting forward some amendments to reflect the findings and recommendations of the Joint Committee on WorkCover. Turning first to stress claims, considerable concern exists over the subjective nature of stress claims, which means that this scheme is particularly vulnerable in this area and appropriate concern exists that the cost of stress claims could escalate in future. I note that amendments in this Bill seek to exclude claims that arise from reasonable disciplinary or administrative action. However, the Bill waters down the definition of 'stress' as proposed by the Joint Committee on WorkCover and has no reference to the second year review process, which must be included within the broad coverage of the Bill.

Turning to benefits pending review, the legislation provides that, where a worker seeks a review of a decision to discontinue weekly payments, that decision has no effect until the review officer's decision is finalised. In other words, weekly payments generally continue during the review process. Although the corporation does not have the right to recover amounts overpaid, if the review officer subsequently confirms a decision of the corporation, in practice that is extremely difficult given that in most cases the worker would have spent the money, understandably, on normal living expenses.

Furthermore, in the event of recovery by the corporation it is understood that the worker has no retrospective entitlement to Social Security benefits for the recovery period. Obviously that would be of concern to all members. The proposed amendment provides for the continuation of payments only where the worker applies for a review within one month of receiving notice of a decision, and a further limitation of the amendment is that payments would continue up to the first hearing by the review officer. These recommendations are generally in line with those put forward by the select committee and indeed are sensible changes to the legislation.

I refer to the payment of income maintenance by employers. The legislation currently provides that the corporation or exempt employer is liable to make all payments of compensation to which a person becomes entitled. The amendment maintains this liability but introduces a compulsion on employers to make direct payments of income maintenance to incapacitated workers unless they are specifically exempted from this requirement. An employer who does not make a direct payment is entitled to be reimbursed by the corporation, and the amendment provides that regulations may also set out circumstances in which an employer may also be entitled to interest on the reimbursement. I note that that amendment is in line with the recommendations of the joint committee, and again that is appropriate.

Turning to long-term payments, the Bill provides an alternative form of compensation for workers who have been on benefits for two or more years, whereby the corporation has the discretion to either continue weekly payments as income replacement or pay an amount or amounts representing the workers assessed permanent loss of earning capacity. That, too, is in line with a recommendation put forward by the joint committee and it is appropriate that it be supported, as indeed is the exclusion of superannuation, something for which Opposition members have been pushing for some time. The amendments before the House on this Bill propose that contributions to superannuation schemes paid or payable by employers are excluded from the calculation of a worker's average weekly earnings. That is a most reasonable amendment and should have been included in the legislation in the first place. It did not need the wisdom of hindsight to determine the inappropriateness of that situation as it occurred.

At this juncture it is appropriate to reflect on many of the reasons for this legislation being before us. I opened by saying that my office has received numerous complaints from concerned employers and employees about the WorkCover scheme. One of the best examples I have witnessed in the past two years arose back in October 1990—two years ago—when a concrete pumping operator came to my office to express concern about escalating WorkCover premiums he faced. At the time my constituent approached me he had just received a letter advising that his WorkCover levy had gone up to 8.675 per cent. Indeed, it is much higher now, but at that stage it was a considerable impost.

He had been attempting to negotiate it down to at least 7.5 per cent. The Minister would be well aware that, if my constituent was paying above the normal WorkCover levy, some claim must have been made against his company by an injured worker, and indeed there was a claim. It is important to reflect on the nature of claims that have occurred in order to force premiums to that level. In this case, a worker was injured on 2 September 1988 and recovery action was pending. It was likely that that recovery action was going to be successful but, notwithstanding that, under the WorkCover scheme, which is effectively a no fault scheme, workers incurring disabilities arising from their employment must be compensated. However, no consideration is given to the responsibility, or lack of responsibility, by the employer in contributing towards the injury in the first place. This employer was being penalised by high WorkCover premiums because his employee sustained injury in an accident that was attributable to another company. I believe that ultimately costs were awarded against that company but, in the meantime, my constituent was penalised.

At the time he approached me, this concrete pumping operator had 20 employees. He sat down with me and we looked at his WorkCover bill. He looked at his pay-roll tax bill and said, 'The way business is operating in this State with these imposts, I cannot afford to retain my work force and pay these fees.' At the end of the day, in order to meet Government fees, one employee had to go. That employee had to go because of WorkCover hikes and pay-roll tax, but that WorkCover ingredient was there. It is not acceptable for any person to be placed in a situation where they lose their job because of hikes in Government charges and, most notably on this occasion, WorkCover fees. Many other cases have been quoted by members concerning these problems.

For that reason we had the controversy surrounding the introduction of this Bill. There was further controversy back in June this year, of which I hope members would still be aware, concerning the announcement in the *Advertiser* on 11 June 1992 that a WorkCover Board member, Mr Bill Dawson, had resigned from the WorkCover Board in absolute frustration. During my working life I was privileged to be an employee of Mr Dawson. After graduating from university, I was taken on by Myer (SA) Stores in a position known in those days as a graduate trainee. I was put through the management training program and worked as a buying manager with Myer (SA) Stores.

I was privileged to be employed under the guidance of Bill Dawson, and I came to know him as an experienced company director, a man who was fair and treated his employees extremely well, and encouraged them to develop their skills. So, my attention was drawn to this article in the *Advertiser* when I saw that Mr Dawson was expressing his frustration over the WorkCover system. It is important to look at some of the claims attributed to Mr Dawson on that occasion. In part, the *Advertiser* article states:

> Mr Bill Dawson, the Chamber of Commerce representative on the 14-member board, informed board Chairman Mr Les Wright of his resignation yesterday. He said later he was 'totally frustrated' with the Government's 'inability' to implement changes to WorkCover. Mr Dawson, a board member for the past two years, accused the Premier, Mr Bannon, of absolutely and totally disregarding recommendations from the parliamentary select committee on WorkCover. The committee recommended a package of changes, including tighter controls on stress claims, excluding superannuation in the calculation of employer levies and benefits, strengthening WorkCover's two-year review power and allowing lump sum payments for permanent loss of earning capacity after two years.

It is pleasing that, after the resignation of a prominent and dedicated citizen such as Bill Dawson, this Parliament finds itself in a position where, thankfully, some of these amendments that the Government previously refused to entertain are now, because of business and community pressure, before us again. The article continues:

> Mr Dawson said his frustration had come to a head after employer members of the board had tried to set up a meeting with Mr Bannon over continuing problems with WorkCover.
>
> 'On four separate occasions over the past fortnight I rang the Premier's office but was told he would not meet with us because he was already aware of WorkCover's problems,' Mr Dawson said.
>
> 'It was the last straw. The Premier's promise to deliver a scheme with competitive levies by mid-1993 is absolute pie in the sky without legislative change. What we have is an open-ended long-term pension scheme in which WorkCover has almost no ability to reject claims.'

It is also appropriate to mention the qualifications of the gentleman who is making these statements because, as well as being a former Managing Director of Myer (SA) Stores, Mr Dawson is a director of Laubman and Pank and Harris Scarfe, and Chairman of Arrow Limited South Australia. That gentleman, who held those positions at that time, has extensive experience in business in this State, in building businesses and in creating jobs. When someone of that character is complaining about a system, it is important that they are listened to. I was disappointed to witness the debacle that occurred in this House today—people expressing frustration over WorkCover from the gallery and seeing that cleared. It is unfortunate to see that in our State.

It is unfortunate to see the type of headlines that appeared on the front page of the paper, namely, 'Threats by bloody-minded unionists to go out on strike'. It is important that the amendments that are before us in this legislation and the extra amendments that have been put forward by the member for Semaphore and the Opposition are deliberated upon by this House. It is important that they are all taken into account and debated appropriately. It is important, too, that the recommendations of the Joint Committee on WorkCover are heeded. I repeat: those recommendations are put forward by a bipartisan committee, and the Government makes a mockery of such a committee if it does not heed its advice.

If the parliamentary process is to be one where members of Parliament can work together in a bipartisan way and come up with recommendations to put before a Parliament, those recommendations, having been deliberated in that way, should be adhered to. There is no doubt that the union bovver boys who control the preselections of the ALP have had a considerable influence over WorkCover for some time. But at the end of the day, the chickens come home to roost, because now unemployment in this State has escalated to the extent that this Government has no choice at all but to listen to the employers of this State and to listen to citizens such as Bill Dawson who have had a considerable influence in developing businesses in this State to try to get employment going again. Bloody-minded threats put forward by the trade union movement in this State to go out on strike if changes are made by the Parliament to WorkCover are absolute nonsense.

It is important that this impediment to employment and growth is taken away and that this scheme is brought back on the rails so that, indeed, it can ultimately be an effective workers compensation scheme in this State. Despite the statements made by members of the Government in this Parliament, we do not yet have an effective workers compensation scheme in this State. We are working toward it through these amendments. Additional amendments will carry it closer toward that, and we may then have a scheme of which we can start to be proud.

WorkCover does not have a proud history. The Government has continuously defended it over the past few years, and the very fact that it has now been forced to put amendments before us today is in itself an admission of failure and an admission that the protests and the disclaimers that they put up to Opposition points in the past have not been appropriate. I look forward to this Bill being passed in an amended form so that it can assist businesses to bring down their costs, and I challenge Government members to support the amendments that are put forward in this Parliament toward making WorkCover a better and perhaps more manageable scheme to free up enterprise in this State and move toward employment again.

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety): When the member for Bragg quoted the manager of the Alberta scheme, a Mr Sinclair, who was recently here in South

Australia, he was using Mr Sinclair's statements to demonstrate that we should not have stress as a compensable injury in the Workers Compensation Act in this State. He used Mr Sinclair's name time and time again to demonstrate that, but one of the things the member for Bragg did not do was then refer to the other comments that Mr Sinclair made. Those comments were similar to this: WorkCover's levy costs are declining against rising world levy costs; workers compensation unfunded liabilities are rising, yet WorkCover's funded liability is decreasing, and in 1992 it fell by 28 per cent; WorkCover fraud identification and control are amongst the best in the industry; and overall private insurers and self insurers face rising costs and operating losses, while WorkCover faces a decline in operating profits.

We must appreciate that during the whole of this process, all the time that WorkCover has been in operation, it has been subject to the most intense scrutiny by some of the most ill-informed people I have ever come across in my life. Mr Sinclair also made the point that the investment of the WorkCover scheme again are the best in the world. That was from a person quoted by the member for Bragg as an authority on why stress should not be in the Act. I could accept the advice of members opposite when they quote other authorities if they quoted them fully and not just selectively in part. It is very important that one should take the whole of it into account and not just parts of it, particularly that little bit that suits oneself.

The member for Bragg also made some reference to the application of section 35 and how it ought to be amended. I would like to make quite clear to this House that in the six years that the WorkCover scheme has been operating a number of things have happened for the betterment of the people of South Australia. It may be true to say that for the first two or three years of the operation of the scheme some workers were not treated as well as they could have been by the rehabilitation providers, by the medical profession, by the employers and perhaps in some cases by their unions. However, the reality is that up to six years ago there was no rehabilitation for injured workers in South Australia—none whatsoever. It was a matter of 'Pay them up and get them through the gate as quickly as possible—give them a small amount of money in a lump sum and say, "There you are, we've done that," then wash our hands of them and that is it—forever consigned to the scrap heap.'

What does this scheme do? It has rehabilitation as its central focus, and that has to be done properly. We all know that when we started some people had no idea how to go about it, but I can tell the House that the WorkCover board has seen that something should be done; it has had studies conducted, it has had consultants look at it and it has instituted a number of measures. Tonight we have heard one honourable member refer to one of those measures with scathing remarks, but it is successful; people are getting back to work.

I can recall announcing in this House about a person who had the best part of his right hand severed. When they got him out of the woodworking machine, all that was holding that part of his hand to his arm was some skin. Yet, that man had his arm sewn back on with microsurgery and was able to regain considerable but not absolute use of it, and the scheme established by WorkCover had that person working in another endeavour in a different field of work for which he had been retrained.

There were the essential ingredients to this: there was a scheme that provided for rehabilitation; there was the desire of the board to ensure reduced costs and that this person would get back into the work force; there was the desire of the person who wanted to go back; and there was the employer who, through initial financial inducements, was prepared to take on that employee for a short initial period of time.

Contrast that with the scene of an accident I went to at an Engineering and Water Supply Department factory at Kent Town, where one of the apprentice members of our union had lost the same part of his right hand in an accident. The most seriously injured person in that accident was the one working behind him. He collapsed because he saw blood spurting out of the artery in the injured man's arm and suffered a severely fractured skull. That lad got $25 000: he was put out and that was the end of it, his life being ruined. There was no training and no rehabilitation; no-one cared once they got that initial amount of money for him. So, that has been the change, and it has been a change for the better.

We should think about why this has happened and why members opposite suddenly are referring to WorkCover as a Government cost. It is not a Government cost: it is an insurance cost. If they did not have WorkCover, they would be at the tender mercies of insurance companies and they would treat this as insurance. They would be paying their premiums not monthly in arrears but annually in advance, and they would not even bother about injuries. They would not care; they would see them as a cost. All I can say is that before 1986 the cost of WorkCover escalated rapidly over a couple of years, so rapidly that employers were threatening to leave this State unless something was done.

Costs have been reduced considerably. For the first time, many employers in this State now understand the real costs of the people who are injured in their workplaces, and for the first time they are doing something about that cost. In the past fortnight I have spoken with two major employers, one of whom employs over 600 people and the other I think over 3 000. The one who employs over 600 advised me that until five years ago his board had never bothered to talk about injuries or the cost of workers compensation: that was something that was handled by the nurse who looked after safety. The safety nurse looked after occupational health and safety and workers compensation costs. The company had a person to handle that, so it did not bother, but it does now. It now has one of the lowest costs and injury rates in its type of industry. I have been privileged to see that employer's record of the past two or three years, and it is a credit to the company and to its board. It has brought down its costs. If we asked that manager about productivity, he would tell us that these things go hand in hand: if the number of injuries goes up, so do costs, and productivity comes down. It is as simple as that; they are linked together.

The employer of 3 000 odd did not bother about these things until about 18 months ago. It was just a cost which the company paid and about which it grizzled. It did not

like it. But one day at a board meeting the general manager was taken to task and the company had to do something about it. I was advised in writing yesterday that in the past 18 months that company has reduced its injury rate by 31.2 per cent. That is what WorkCover did for that company: it brought down its injury rate.

People grizzle about the cost. We are all experienced people; we all own motor cars and have comprehensive insurance, and we all know that, if we have an accident and it is our fault, we will lose our no claim bonus. We also know that, to get back that full no claim bonus, we have to go for a period of time without having another accident. As I said, WorkCover is an insurance scheme. It is not a Government method of getting money out of people: it is an insurance scheme to ensure that, when people are injured at work, they are paid, they are mended and they are given access to medical treatment and rehabilitation, and that the costs are kept down. In the past three years, we have seen a reduction in the injury rate from 59 000 to 41 000 per annum.

The good news is that in July and August of this year the injury rates being reported to WorkCover have dropped another 10 to 15 per cent as compared with the same time last year, and that trend is continuing. Claims have been made here tonight that the Government ought to get out of this insurance scheme and leave it to private industry. How short can memories be? Six years ago the employing community wanted to get out of the insurance industry, and it does not now want it back.

Obviously, the minds of members opposite are so closed that they cannot understand that very simple fact. The insurance companies were ruining employers, with increases in premiums in some cases of 25 per cent per annum. That was what was happening at that time. We need to take into account only what was happening with the insurance companies themselves. In 1978, when we started an inquiry into the rehabilitation and compensation of persons injured at work, something like 54 insurance companies were operating in Australia. When we finished in 1979 or early 1980, 52 were operating in this State. In 1986 when we introduced this scheme, there were 32. When the negotiations for the implementation of this scheme started, there were 34. They were going out of business so quickly it was not funny and, each time they went out of business, it was because they were broke, and someone else had to pick up their mess. That is the competition they talk about. That is what happened to that. The employers did not want it.

I want to say something about the board. There were many arguments about the effectiveness of the board, but I would not say that a board that is directing a company which has seen considerable improvements in the past three financial years has been ineffective. I would not say that a board which has hold of something brand new, something that has never operated here before, which goes through a period of loss making, if you like, and which then turns around all these losses and gets the trends back in the right direction is ineffective.

I would say that, despite the problems that might arise from workers representatives and employers representatives being equal in number—plus two experts on that board—what they have been doing is very good for South Australia. They have introduced a rehabilitation scheme that is now starting to work very well. Costs are coming down and the injury rates are coming down, and one cannot say that it is just caused by the depression—or the recession. It is caused by a number of factors.

Certainly, there is the effect of the recession and the effect of people who are not starting in industry because there are not the job opportunities. However, when we remove those from the number, there is an unexplained number of reductions, and we must remember that in Victoria and New South Wales the reductions are not as great. In Canada, which is facing similar economic problems to those in Australia, the figure is going up. Ours is coming down faster than anyone else's, so something must be going right in this State, and I think I know what it is—it is the bonus penalty scheme. For the first time, employers are confronted with the real costs of injuries in the workplace. It is the team inspections that are taking place between the WorkCover organisation and the Department of Labour, with inspectors inspecting the poor performers in occupational health and safety, issuing prohibition notices and default notices, and giving advice. All those things are having an effect.

The other point is that we actually know where it is happening: before WorkCover, nobody knew. I repeat the story of the employer who had a 300 per cent injury rate. When confronted and told that it was unacceptable, he denied that and said that his industry was a dangerous one and that everyone had that sort of injury rate. When it was pointed out that that was not so, he was astounded. A great deal of work was done with that person and, as a result of that work, he got his rate down to 67 per cent and thought that he had done a good job. When told that it was still unacceptable, he was very depressed. However, I know that work has been done with that gentleman, and it is happening.

Let us contrast that with what is happening now. An employer at Glynde, when confronted by an insurance agent in October about an unacceptably high level of injury in his workplace, said, 'We have only lost 24 joints so far this year. What are you grizzling about?' They are things off the end of people's fingers, not bits of meat bought down at the butcher shop. Under WorkCover that person would have been detected much sooner.

The member for Kavel made a great impassioned plea here tonight on behalf of small business and quoted at great length from the A.D. Little Report, which he used as an authoritative statement on why we should reduce WorkCover costs. I want to read the part he could not find in that report. I was astounded he could not find it because I believe he was taught to read when he went to school. The report states:

> The WorkCover scheme is South Australia's approach to rehabilitating and compensating workers who suffer work-related injury or disease.
>
> First established in 1987 to replace the old workers compensation system, WorkCover has attracted considerable criticism due to the perception of high costs.
>
> In the context of this study, it is unlikely that WorkCover will have significantly influenced the development of the local business climate. Looking ahead, however, perceived differences in insurance costs between States may promote relocation by industry, or deter prospective firms from locating here. As a proportion of total costs, however, WorkCover is a small part of a firm's overall expenditure. The fact that it has attracted so

much attention is a function of perception and what is seen as the discretionary nature of another Government impost.

What that report is saying is that WorkCover is not the great cost that the Liberals and some employers make it out to be. The reality is simply that in general employment the cost differential between New South Wales and Victoria is between $3 000 and $3 500 higher than South Australia. In the vehicle manufacturing area the cost differential is between $5 600 and $6 000 higher than South Australia. With WorkCover it is not that great and that argument is one that needs to be laid to rest.

The member for Coles referred to efficiency by competition. I thought I made it quite clear that when we had competition in this area it was inefficient; it did not deliver; it did not ensure that people were rehabilitated and did not help people who were injured. That argument also needs to be laid to rest. The honourable member also complained about the penalties and bonuses. That in itself is bringing home to employers the true costs. I think that when employers are confronted with these costs and find that they are unacceptably high they will then do something about it, and they are starting to do that. If we interfere with the bonus and penalties schemes we will see a collapse of incentive in the area of safety. After all is said and done, if people are not being injured the costs are not incurred.

One of the more astounding claims the honourable member made relates to the denial of access to common law. In 1978-79, when the tripartite committee was looking at workers compensation, one in 19 people injured at that time had access to the common law. Most of those people received very small sums that were dissipated within the first two or three years of payment; it was no longer available to them. I want to contrast that with a person injured at work today. I know of an individual injured as a result of a car accident. Although he will never work again, he has been able to get around and to do a number of things. That person would have had access to the common law and would have been lucky to get more than $80 000 or $90 000.

It will cost the scheme $1.25 million. What we are doing is ensuring that that person is properly looked after, and we are delivering that at a lower cost than we were ever able to deliver it under the old scheme, because we have got rid of a lot of the high cost add-ons that never went near the worker. As members know, when you take out a common law claim, after the costs and legal fees have been deducted, the worker gets precious little.

Having listened to the member for Mitcham's remarks, I was reminded very much of one of the pull-down menus on a program on my home computer: if you press the right number and push 'Enter' it says, 'Ditto all pages'. The member for Mitcham should have done that with his speech; I have heard it so many times before on WorkCover that it is not funny. It is nothing new. This man was in a time warp. All he could do was refer to the past.

One of the things I found unconscionable was his suggestion that the people involved in unemployment schemes are accident prone and unintelligent. What he is more or less saying is that a certain class of people are not intelligent and are just there waiting for an accident to happen and that, consequently, somebody else or the Government should pay for their workers compensation, or perhaps they should not be employed at all. I find that a despicable comment to make.

What the member for Mitcham fails to appreciate is that when people go to work for the first time, or particularly if they have not been working for some time, they are at high risk of injury. If the member for Mitcham left this place and were lucky enough to find a job somewhere, he would also be at high risk in the first three months, at some risk for another three months and then the risk would start to level out because he would be used to the workplace and would have some understanding of what was happening.

The only way that that high risk can be eliminated is if there is induction and people are properly trained in the use of the equipment they are to use in the workplace. Many accidents in the workplace occur because of ignorance and because people are not properly trained. Their supervisors do not recognise potential hazards and are not taught to think that perhaps somebody might be injured: they do not think about it. I found the member for Mitcham's speech incredible to listen to.

The member for Murray-Mallee talked about privilege, indicating more or less that most of the people who come into this place and who are on this side of the House do not come from a privileged background. I say to the member for Murray-Mallee that I regard myself as very privileged. I was privileged to be born into a family who earned an income and brought up their children in a very loving and caring relationship. We had access to an extended family that taught us a number of values in life, and one was to stand up and fight for your rights and not to kowtow to other people, particularly the boss.

I made it quite clear to the boss that if what he wanted to do was take you on, belittle you and take away your dignity as a worker he had some problems. That was the privilege I had—the privilege that as a person I was special. I think that that privilege, which I value very highly, has been passed on to our children. I know that many members in the House regard themselves as being privileged because of what they have been able to do within the families they were born into. We did not have to be born into wealth to have privilege.

What really annoys me about that is that the member for Murray-Mallee was born into a family of eight sons. My information is that they were all very well educated and that their mother and father were only working people and put a lot of effort into that, and I would have thought he understood what privilege meant. He was very privileged to be born into that family, just as I was privileged to be born into mine. The member for Murray-Mallee went on about rehabilitation and complained about rehabilitation coming back into WorkCover. He said that competition and rehabilitation would make it more efficient.

I just wonder where he has been for the past six years; he certainly could not have understood anything about rehabilitation, because he has again brought out his tired, shopworn theories on competition and is giving them another run. It is a bit like getting out a vintage car and giving it a run; that is what he has done. The reality is that rehabilitation on competition from contracted providers has not worked at all. The only way that it can work is with the constant supervision that WorkCover is

giving. They have not said that all the rehabilitations will be done by contracted providers.

I remember the statements made by the Canadian national Government after they set up Petro Canada. Mr Speaker, you may be aware that the Liberal Government established that organisation at the time of the oil boom so that the Government could have some control over what the Seven Sisters, as they were known, were doing in the oil world. For the first time they understood what the oil companies were doing with transfer pricing; they had a window into the industry. That is what is happening here with WorkCover. They now have a window into the industry of rehabilitation. They know what is happening and they can set the standards. They now know if any of the rehabilitation providers are having a lend of them because they have people out there doing the same thing. I know that is working, because fewer people are going through the second year review—because they are being rehabilitated and are going back into work.

The member for Light, as did other members, referred to the signing of a select committee report. I have been disappointed at the way that Opposition members have carried on about this. They know the make-up of that select committee was equal numbers from the Assembly and the Upper House. There were two Independents, two members of the Liberal Party and two members of the Labor Party. They know, but they will not admit it—perhaps their memories are faulty—that there was a vote in respect of certain matters that went 4:2. They also know that in the Assembly minority reports cannot be filed. For them to stand up and carry on the way they did about that select committee was to mislead and misrepresent the facts of the matter. They never let the facts stand in the way of a good story.

Reference was made to rorts. What amazes me is that when Opposition members talk about rorts, it is about everybody else rorting the system; but when they write to me as the Minister with some responsibility for WorkCover they seem to forget that. On the one hand, they are grizzling about rorts, but every person on behalf of whom they write to me is not rorting the system, so it must be somebody else. However, I have yet to find them advise a select committee of any reports or to refer any to the WorkCover fraud prevention unit.

I should add that in the past 12 months the activities of the fraud prevention unit have saved WorkCover in excess of $2 million. That is made up of recoveries of money from people who have inappropriately acquired it through misrepresentation. There have been a number of prosecutions and people have been convicted and fined and there has been recovery of money in those cases. The other aspect is that, when they get on to something and they refer people back for medical examinations, these people suddenly go back to work. In effect, they are carrying out preventive work in that there is this recovery of money and people are behaving correctly.

We need to understand that this is an insurance scheme; it is not Government charges. The costs in comparison to all the other total costs that are operating against South Australia are very small. We have a very good financial advantage in respect of people in other States. The amendments that we are suggesting to this Bill, which I think are fair and credible, will assist in the operation of the fund, reduce the liability and ensure that people are properly and adequately compensated.

The Hon. FRANK BLEVINS (Deputy Premier): I move:

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

Motion carried.

The Hon. FRANK BLEVINS: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Bill read a second time.

Mr BLACKER (Flinders): I move:

That it be an instruction to the Committee of the whole House on the Bill that it have power to consider new clauses relating to lump sum compensation, employers' liability at common law and the provision of information by the corporation.

Members would know that the purpose of this motion is to facilitate the ability of every member of this House to participate in the debate. I ask the House to give it due consideration.

Motion carried.

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

Mr INGERSON: In subclause (2), what is the purpose of 'Section 3 will be taken to have come into operation at 4 p.m. on 30 September 1987'?

The Hon. R.J. GREGORY: That was when the scheme started.

Mr INGERSON: Whilst I understand that was when the scheme started, will the Minister explain why the corporation would like this particular reference to go back to the start of the scheme?

The Hon. R.J. GREGORY: I would have thought that the member for Bragg understood this, as it was discussed during the select committee stage and when this was last before the House: however, that is in respect of superannuation. The matter has been gazetted by regulation, but it is felt that an amendment of the Act will make it more permanent and more credible.

Clause passed.

New clause 2a—'Interpretation.'

Mr INGERSON: I move:

Insert new clause as follows:

2a. Section 3 of the principal Act is amended—

(a) by striking out from subsection (1) the definition of 'journey';

(b) by striking out from the definition of 'unrepresentative disability' in subsection (1) 'a journey, attendance or temporary absence' and substituting 'an attendance';

and

(c) by striking out from subsection (4) 'or a journey between the worker's residence and the place of pick-up (whether to or from the place of pick-up)'.

This amendment enables us to alter the definitions for 'journey', and 'unrepresentative disability' in respect of a journey accident. The third amendment also removes a reference to a journey, in particular. As there are several consequential amendments, I would like this new clause to be taken as a test case. It is the Opposition's view that journey accidents when workers go to and from work should not be covered by this scheme. As a consequence, I am moving the amendments. In my second reading

presentation I indicated that there were a significant number of injuries and journey accidents that we believe should not be involved in this scheme and should be covered by the third party compulsory insurance scheme. I recognise that there is a transference of money between the two schemes, but I understand that there is still a considerable sum outstanding that should be paid. This amendment should be taken as a test case.

The Hon. R.J. GREGORY: The Government opposes the amendment. Journey accidents have been included for some time, even under the old Act, and one has to appreciate that WorkCover is proficient in recovering costs from the third party motor vehicle scheme to offset claims. If my memory is correct, I may have been asked a question about this in the Estimates Committee. At present the cost recovery is between 65 and 70 per cent and it could go as high as 75 per cent when the current year claims work their way through. It is not a high impost on the scheme. There is also compensation for people who are injured travelling to and from work and, as I say, it has been there for a long period and I think it ought to stay.

Mr D.S. BAKER: Can the Minister tell us what the journey accident component of WorkCover is in relation to the overall WorkCover levy?

The Hon. R.J. GREGORY: My advice is that it is 2 per cent of the total claims cost.

Mr D.S. BAKER: That may be factual, but how does that quantify in the average levy of 3.6 per cent? What is the percentage of that? What does it do to overall percentages in respect of workers compensation?

The Hon. R.J. GREGORY: My advice is that it is about 1.8 per cent of 3.5 per cent.

New clause negatived.

Clause 3—'Average weekly earnings.'

Mr INGERSON: I move:

Page 1, lines 20 and 21—Leave out all words in these lines after 'amended by' in line 20 and substitute 'striking out paragraph *(a)* of subsection (8) and substituting the following paragraphs:

(a) any component of the worker's earnings attributable to overtime will be disregarded;'.

This amendment refers to overtime. We have argued in this place before, and will continue to argue, that the base workers' award rate or base working agreed rate ought to be the 100 per cent level at which we start payment of benefits. We have argued for some time that, because overtime is a very variable exercise from worker to worker and from job place to job place, the scheme should be based on a general 100 per cent of the agreed or award rate. In essence the amendment will remove all overtime from calculation of weekly benefits.

The Hon. R.J. GREGORY: The previous argument was with respect to overtime and the conditions on overtime. We believe that they are adequate and do not see a need to change them at all. Consequently, the Government does not agree with the amendment.

The Committee divided on the amendment:

Ayes (23)—H. Allison, M.H. Armitage, P.B. Arnold, D.S. Baker, S.J. Baker, H. Becker, P.D. Blacker, M.K. Brindal, D.C. Brown, J.L. Cashmore, B.C. Eastick, S.G. Evans, G.M. Gunn, G.A. Ingerson (teller), D.C. Kotz, I.P. Lewis, W.A. Matthew, E.J. Meier, J.W. Olsen, J.K.G. Oswald, R.B. Such, I.H. Venning, D.C. Wotton.

Noes (23)—L.M.F. Arnold, M.J. Atkinson, J.C. Bannon, F.T. Blevins, G.J. Crafter, M.R. De Laine, M.J. Evans, R.J. Gregory (teller), T.R. Groom, K.C. Hamilton, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, J.H.C. Klunder, S.M. Lenehan, C.D.T. McKee, M.K. Mayes, N.T. Peterson, J.A. Quirke, M.D. Rann, J.P. Trainer.

The CHAIRMAN: There being 23 Ayes and 23 Noes, I cast my vote for the Noes.

Amendment thus negatived; clause passed.

Clause 4—'Compensation of disabilities.'

Mr INGERSON: I move:

Page 2, line 4—Leave out 'contributed to' and substitute 'was a substantial cause of'.

This is a very important and significant amendment. As I said in my second reading contribution, stress is probably one of the biggest single problems for the scheme at the moment. The payment for stress in the Government sector seems to be out of control. In the private sector, a very small number of claims—about 1.5 per cent—require a cost of 4.5 per cent to be paid out. In other words, nearly three times the amount in representative costs are going out in stress claims in the private sector, and the figure is seven times that cost in the Government sector. As I said earlier, the average claim in the Government sector is $18 600.

With respect to motor vehicle accidents under this scheme, the average pay-out figure is of the order of $3 500. With respect to stress claims, there is the potential for massive pay-outs in this scheme with seemingly little control. Even though doctors are arguing that a person has the ability to return to work, in recent decisions the trend has been for review officers to argue that, because of the definition in the schedule, 100 per cent should be paid out on stress claims. So, precedents are being set within the system that will result in massive pay-outs in this area.

So, we are arguing that, if stress is to be included in the scheme—and there are questions about whether it should be—it should be a substantial cause relating to work. As I said earlier, the much quoted Ian Sinclair, who has been over here from Canada talking about stress, made one point about it: on all occasions that he was asked he said clearly that stress should not be in any workers compensation system unless it was specifically related to trauma. Canada has deliberately removed stress from its scheme by using that type of definition. We will not go that far, because we believe that this clause may enable management to manage the stress claims. If it cannot, the Parliament can be guaranteed that in a very short time we will bring the legislation back to this Parliament to have it amended further and tightened up. This is a select committee amendment.

The Hon. R.J. GREGORY: I thank the member for Bragg for reminding me of the comments of Mr Sinclair from Canada. What he did not do, when he was bucketing the scheme earlier this evening, was remind members of all the other marvellous things Mr Sinclair said about the scheme, such as how it was performing the best, how its costs were reducing, how the accident rates were reducing and not increasing, how fraud prevention was working and how the investment was better than that

of any other scheme. Members opposite tend to see only the negative side of it.

This side of the Committee is of the view that the amendments on stress contained in the Bill are adequate; they overcome the problems that the member was talking about. We do not believe that a whole new field of legal endeavour should be opened up for someone to demonstrate what 'substantial' means, because it is a fairly imprecise word. Consequently, we do not support the amendment.

Mr S.J. BAKER: I have looked at a number of schemes across the world, as the Minister would appreciate. Every administrator of a workers compensation scheme to whom I have talked has said the same thing about stress, because it is something that I asked about particularly, given that there seemed to be a rising trend in this direction in Australia. The conclusion drawn from various studies is that much of the stress is home-related, a social environment relationship rather than work-related; in fact, people said that about 90 per cent of this type of stress contributed to the problems that occur at work. Obviously, on occasions an overwhelming problem is created in the work environment, but more often than not it is complicated by problems at home.

Of the jurisdictions that I have looked at, the overwhelming impression has been that stress must be handled very sensitively and it should not—and this is without qualification—appear in workers compensation legislation. This is a much milder form than I would put in the legislation personally but, due to the fact that a number of measures are being put in place in other areas to reduce stress and the fact that this Parliament will not remove stress as a compensable injury or disease, there is a level of conservatism in the way this amendment has been put forward. I support the amendment.

The Committee divided on the amendment:

Ayes (24)—H. Allison, M.H. Armitage, P.B. Arnold, D.S. Baker, S.J. Baker, H. Becker, P.D. Blacker, M.K. Brindal, D.C. Brown, J.L. Cashmore, B.C. Eastick, S.G. Evans, G.M. Gunn, G.A. Ingerson (teller), D.C. Kotz, I.P. Lewis, W.A. Matthew, E.J. Meier, J.W. Olsen, J.K.G. Oswald, N.T. Peterson, R.B. Such, I.H. Venning, D.C. Wotton.

Noes (22)—L.M.F. Arnold, M.J. Atkinson, J.C. Bannon, F.T. Blevins, G.J. Crafter, M.R. De Laine, M.J. Evans, R.J. Gregory (teller), T.R. Groom, K.C. Hamilton, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, J.H.C. Klunder, S.M. Lenehan, C.D.T. McKee, M.K. Mayes, J.A. Quirke, M.D. Rann, J.P. Trainer.

Majority of 2 for the Ayes.

Amendment thus carried; clause as amended passed.

Clause 5 passed.

Clause 6—'Weekly payments.'

Mr INGERSON: I move:

Page 2, after line 25—

Insert new paragraphs as follows:

(ab) by striking out from subsection (1) *(a)* 'one year' and substituting 'three months';

This amendment is the first of a series of amendments which significantly reduce benefits. We are dealing with paragraph *(ab)*. There are several other consequential amendments to go through, so we are testing the waters by dealing with this provision. The Opposition's view concerning one of the most important issues involving long-term funding of this scheme is that overall payments of weekly benefits will be reduced. We propose that benefits be reduced so that 100 per cent will be paid for the first three months, 80 per cent for the next 12 months, and after 12 months 75 per cent will be paid. That reduction is very significant, and favourable in dollar terms.

Clearly, it is the Opposition's view that this amendment is still well in excess of the situation under the New South Wales system, which has one of the lowest benefit levels in the country. New South Wales has a very significant scheme in terms of funding, and there have been significant increases in other benefits relative to weekly benefits. Under this scheme, as under the New South Wales and Victorian schemes, many people who are severely injured at work are not adequately covered. Because we have luxurious payments of weekly benefits, those who are genuinely seriously injured at work must accept significantly less. A significant reduction in weekly payments would make a marked difference to the scheme and bring back to real terms the cost of a worker being off work.

The Hon. R.J. GREGORY: The Government is opposed to the amendment, as it was when it was first introduced. During the response to the second reading debate, I made quite clear that injury rates would be reduced for a number of reasons, one of which is that employers, for the first time, have been confronted by the actual cost of people being injured in their workplace. They have had to face up to that fact and not been able to walk away from it. When they receive information from WorkCover, some employers are appalled. I recall an employer coming to my office with a WorkCover print-out on which his name appeared three or four times. I made quite clear to him that, if he fixed up his act and introduced different work systems so that people could not be injured, his workers compensation costs would not be so high.

The Deputy Leader referred to the front end costs of the scheme, but they do not represent the high cost part of the scheme. They represent the groups of people who are off work for short periods of time. This amendment would penalise those people who have been injured and relieve employers of that cost burden, so that they would not have to worry any more about costs; they could return to the good old days when someone else had to worry about it; and they would not worry or care about people being injured. The only real and effective way in which we can reduce costs is to cut out injuries. That is the better way to do it.

Members opposite are saying tonight that they think a level of injury is acceptable. In their second reading speech, the member for Light and other members opposite said that they did not want to be seen as heartless, and that they were caring and considerate. I believe that, but their actions do not speak as loudly as some of the words they utter. On the one hand, they say they are caring and considerate yet, on the other hand, they want to rip the rug out from under people and leave them nowhere to stand.

Mr INGERSON: We have heard all this before. It is the usual diatribe that comes from the Minister. The Minister said that weekly payments are not a very

important part of the scheme, but in the actuary's report I understand that they comprise about 50 per cent of the cost of the scheme. If that is not important, I would like to know what is. In relation to short-term injuries, as the Minister would know, if the scheme cuts out at three months a large number of injuries will not be affected in any way by this amendment.

So, if we are to argue about facts, let us state the facts and argue about them. It is my view and that of the Opposition that we need to recognise that in South Australia we cannot have a Rolls Royce scheme with a Volkswagen income, and that is the proposition in relation to the existing scheme. If we totally and properly fund this scheme, we need, first, to reduce the number of claims at a massive rate. As the Minister would be aware, this scheme has already seen a massive drop in the number of claims, but that massive drop is not likely to be repeated as the economy turns around. The Minister is well aware of that, as is anyone involved in compensation.

The Minister continually argues that we are not interested in safety. That is absolute nonsense. I know and he knows that the safety record of any company, and the way it manages its operations and staff, is the most important single issue in the continuation of any company. If we do not have safe workplaces, we will not have people working in them, and everyone knows that. The reality is that very few people do not recognise that any scheme, be it this or the occupational health and safety regulations, will not pick up those who want to break the rules. Ninety-five per cent of businesses in this community want to play the game. They want a fair compensation scheme and they want to be able to afford it. This amendment will not disadvantage any short-termers, because the majority of injuries and the payment for them, as the Minister knows, involves periods of less than three months, and this provision caters for 100 per cent up to three months.

The Committee divided on the amendment:

Ayes (23)—H. Allison, M.H. Armitage, P.B. Arnold, D.S. Baker, S.J. Baker, H. Becker, P.D. Blacker, M.K. Brindal, D.C. Brown, J.L. Cashmore, B.C. Eastick, S.G. Evans, G.M. Gunn, G.A. Ingerson (teller), D.C. Kotz, I.P. Lewis, W.A. Matthew, E.J. Meier, J.W. Olsen, J.K.G. Oswald, R.B. Such, I.H. Venning, D.C. Wotton.

Noes (23)—L.M.F. Arnold, M.J. Atkinson, J.C. Bannon, F.T. Blevins, G.J. Crafter, M.R. De Laine, M.J. Evans, R.J. Gregory (teller), T.R. Groom, K.C. Hamilton, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, J.H.C. Klunder, S.M. Lenehan, C.D.T. McKee, M.K. Mayes, N.T. Peterson, J.A. Quirke, M.D. Rann, J.P. Trainer.

The CHAIRMAN: There are 23 Ayes and 23 Noes. My vote goes to the Noes. The amendment is therefore negatived.

Amendment thus negatived.

Mr INGERSON: I move:

Insert new paragraph as follows:

(ac) by striking out from subsection (1) *(a)* (ii) 'is earning or could earn in suitable employment' and substitute 'is earning (in any employment) or could earn in suitable employment (whichever is the greater)'.

This is the first of a series of amendments relating to the second year review. In the select committee, there was considerable discussion about the need, first, to bring back the original intention of the Act and, secondly, to ensure that a court decision which had been made in recent days was corrected, again in line with the original intention of the Act. When Minister Blevins introduced the legislation in 1986, there was considerable debate about whether, at the end of two years, WorkCover would be able to look at the claim and decide whether the claimant should continue on the existing payment rate or whether reasons had developed why the claim should be reduced.

The principal reason is that in the first two years of any claim people who are partially incapacitated are treated as though they are totally incapacitated. The purpose of the second year review was to establish that if people were partially incapacitated and were capable of doing some work, say, equivalent to 60 per cent of their pay, that should be recognised at the end of the second year and consequently the payment should drop to 40 per cent of the claimant rate. In this instance it would be 80 per cent, so it would end up being 40 per cent of the 80 per cent.

The major reason for the select committee's examination of this principle was that the General Manager of WorkCover had said in evidence before the committee, 'If the second year review is not changed, the WorkCover system is bankrupt.' It could not have been put any more succinctly than that, and it came from a person who knows more about the scheme than any other person in this State. He put that in evidence and repeated it when questioned and on several other occasions. The General Manager of WorkCover made it very clear to the committee that was his view. I know that his view is supported by the board, because the board has also made public pronouncements to the effect that the scheme needed a second year review process to ensure that it was properly functioning.

As the Committee will be aware, there was a more recent case in which Justice Zelling ruled very clearly that the second year review, as defined in the Act, was virtually null and void. In other words, Justice Zelling said that all benefits past the second year would remain at whatever rate they had been running at up to that point. It means that we have a social security scheme for life. In other words, once someone has gone past the first 12 months and their benefits are reduced to 80 per cent, they are now and will remain on 80 per cent benefits for life. Therefore, we have a total social security scheme and, instead of the Commonwealth paying it, the employers of South Australia are now paying it.

The scheme was not intended to be designed in that way. Going back to 1986, on legal advice that I had at that time, I asked the Minister, 'Are you positive that this scheme will allow the review at the end of two years?' The Minister said, 'Yes, it will, but if it does not I will make sure that it does, because the Government's intention is to have a proper review process in this scheme. The Government does not want a scheme that will be an open ended social security scheme paid for by the employers of South Australia.' Those are not my words; they are the words of Minister Blevins, the architect of this Act. It was very clear that that was the

intention. So the select committee went through this whole process and recommended that a proper review system be put into the Act.

This amendment recognises the select committee's recommendation. It means that WorkCover will have a proper second year review process that will remove all probability of its being a long-term social security scheme paid for by employers in South Australia. I ask the Committee to support the amendment.

The Hon. R.J. GREGORY: The Government is opposed to this amendment. I have made that quite clear before and I do so again now. Time has shown that the effect sought to be removed by this amendment has not been as great as the member for Bragg indicates.

An honourable member interjecting:

The Hon. R.J. GREGORY: We are seeing better rehabilitation provided by WorkCover, we are seeing a greater return to work, and we are seeing fewer people reaching the second year review. The comments and interjections of members opposite indicate they do not keep up with the times. The Government does not see this as a necessary amendment.

Mr INGERSON: I find that statement quite amazing, because the Minister knows that the only reason the scheme has become more successful over the past two years is that claims have dropped by 27 per cent; that is the only reason.

Mr S.J. Baker: It's because of the recession.

Mr INGERSON: Why have claims dropped? They have dropped because of the recession, and in their report the actuaries say that they cannot measure the amount due to the recession but they believe the recession has had a very significant effect on the result. I accept that there have been some management changes that have improved the scheme, but go out and ask the people involved in the real world—instead of staying in cuckoo land—whether there are difficulties with this second year review process. Ask the employers and the employees whether there is any difficulty in not knowing where you stand under this particular scheme and you will find that it is a huge problem for the scheme not only in a monetary sense but also a management sense for all people concerned.

The Opposition believes that this second year review is the most fundamental and critical issue in relation to the continuation of this scheme. I say once more: Lew Owens said that if this scheme and this second year review is not fixed the whole scheme is bankrupt. Having had a discussion with him in recent weeks, I know he still has the same view.

The Hon. R.J. GREGORY: None are so deaf as those who do not want to hear. Members opposite keep parroting on about a reduction of injuries being caused solely by the current recession. Perhaps we can argue about what the words 'significant' and 'substantial' mean because, as I understand it, the actuaries have said that about half of the reduction in injuries can be traced back to the recession.

Mr Ingerson interjecting:

The Hon. R.J. GREGORY: The other half is as a result of measures being undertaken by WorkCover. Members opposite do not want to hear that in the past three years injuries have been reduced from 59 000 down to 41 000; they do not want to hear that in July/August of this year there has been a 10 to 15 per cent reduction in the injury rate compared to the same period last year. If that trend continues we will see a further significant reduction in injuries. They do not want to hear about that at all. They do not want to hear about the lesser number of people going on to second review; they do not want to hear about the better management of injured people so that fewer are going through to that stage; they do not want to hear about rehabilitation. All they want to do is say, 'Go and ask the employers and employees who are affected by it.' I will go and ask the employers and employees affected by it and, if we put in what the Opposition wants, go and ask the people concerned how they would like to be on 30 per cent of 80 per cent. Ask them that! I know what the answer would be. It would not be the smiles that the member for Bragg indicates.

Mr INGERSON: In relation to the issue of the second year review, the actuary report states:

> The main effects of the legislation—
>
> the legislation that was aborted in 1991, which included the second year review—
>
> would be a reduction in the average provision required for weekly benefits and ancillary costs through the proposed section 42 *(a)* provisions and the removal of the partial deemed total assumption for unemployed claimants. The resulting estimate—
>
> the estimate for the total liabilities—
>
> is $693 million . . . which is $50 million less than our best estimate.

In other words, the actuaries are saying clearly that the stress claim, the second year review and the taxation removal would reduce it by about $50 million. That package includes the necessary second year review. It answers my case and I ask the Committee to support it.

Mr S.J. BAKER: I support the Deputy Leader's comments. It was clearly understood when the legislation passed and I remember the battles we had. The Minister was sleeping somewhere I think when the former Minister was battling it out with myself and a number of other members. At that time it was clear that there were a number of items which we believed were in the Act and which were meant to be sustained by the WorkCover Corporation. There was to be full funding, and I mentioned that in the second reading. Another point that I thought was clear in the Act was that there would be a second year review.

To not go through the process of looking at the people in the system in a structured and formal fashion to be sure, first, that the treatment is appropriate and, secondly, that the person has the capability of getting another job and, thirdly, that the person is not going to remain in the system at the employer's expense for many years was fundamental to the scheme. It is fundamental to any scheme that talks about lump sum payouts because, if we leave people there who do not deserve to be paid because there is no review, then of course we will have a scheme which is out of control and which cannot be managed in current circumstances.

I remember a unionist who, at the time they were using cameras to check fraud claims, said, 'If anyone checks on my members like this, I will go and thump them.' They were words to that effect. This is the typical sort of mentality that we have from the Minister, that there should be no review because everyone in the system is doing the right thing by the system. We know that that is not true. We know the system cannot survive. We know

that as soon as one person finds out that it is easy to get away with something then the rotten apple is in the barrel and the whole barrel is affected.

The legislation should be amended properly and this Parliament was told that the scheme would work properly. It is only because of the court case when WorkCover Corporation was overruled that we found that the law was insufficient. The Minister knows that. He was previously acting on the assumption that second year reviews were appropriate and competent. For the Minister to say, 'Look, my union mates want to go and bash anyone who reviews anyone,' is not tolerable. Undertakings were given to the House. It was one of the issues that was debated extensively at the time and it is up to the Minister to uphold the wishes of the House. This matter is of extreme importance.

The Hon. R.J. GREGORY: The member for Mitcham is well known for parading his prejudices in this place, and he has done it again tonight. First, he said that there is no second year review.

Mr S.J. Baker interjecting:

The Hon. R.J. GREGORY: He did, and there is.

Mr S.J. Baker interjecting:

The Hon. R.J. GREGORY: He seems to forget that; very conveniently he has a poor memory and claims that there is no second year review. When prompted, he says, 'Yes, there is.' On that basis, he ought to cop the fact that there is.

Mr S.J. Baker interjecting:

The CHAIRMAN: Order! I ask the member for Mitcham to come to order. This debate will be conducted in the correct way. The member for Mitcham will have the opportunity to reply if he so wishes. In the meantime, I ask him to have the courtesy to listen in silence and in that way we will get through with an orderly debate. The honourable Minister.

Mr D.S. Baker: The Bronwyn Bishop of South Australia!

The CHAIRMAN: Has the member for Victoria some disagreement with the Chair? The member for Victoria has the opportunity to disagree with the Chair if he so desires. If he wishes to take that opportunity, now is the time.

Mr Hamilton: He's got no guts.

The CHAIRMAN: I do not need any interjections.

Mr S.J. BAKER: I rise on a point of order, Mr Chairman. You have taken to task the member for Victoria for an interjection that you felt was aimed personally, and it was not. One of your colleagues, a member opposite, also interjected yet you took no action against him.

The CHAIRMAN: I do not uphold the point of order. I will conduct the Committee in the way that I think fit. I do not need advice. If any member of the Opposition wants to challenge the Chair, he has the opportunity to do so. In the meantime, it will be done in the way that the Chair wishes it to be done. The honourable Minister.

The Hon. R.J. GREGORY: A number of measures have been introduced by the board to ensure that people are not getting into the area of being subject to a second year review. There has been a reduction in injuries. It is one of the good-news stories to come out of WorkCover. I will canvass some of the issues that have been most effective. We have a scheme called RISE, an acronym which describes the re-employment incentive scheme for employers where they are offered a subsidy so that very severely injured employees can get back into the workplace, get work hardening and continue in that workplace. The preliminary studies, involving a very limited number of the first people who participated in that, have shown that one or two people did not continue after the subsidy ceased. The actions of those employers are being examined by the WorkCover board. A couple of employers were not able to continue operating a business. The remaining large number of people are continuing in employment after nine months or more on the scheme.

It indicates that incentives exist to keep people in employment. Members opposite need the mentality to understand that you no longer pay them up and get them out of the door as quickly as you can so that you don't have to look at them. The aim of it is that employers who operate dangerous workshops where people are severely injured suffer fairly serious penalties. When they are confronted with those high costs, they have a rethink of their attitude towards workplace safety. That is one of the major incentives in this area and is one of the reasons for the reduction in the injury rate. A long-term claim unit focuses on those people so that they can create a climate and situation so that people who are unfortunate enough to suffer such injuries can get back to work.

Mr D.S. BAKER: I was also present, along with the member for Mitcham and the Deputy Leader, at those very long debates in 1986 when assurances were given by the Hon. Frank Blevins about second year reviews. The questioning went on for about three days on that very point. Will the Minister tell me what discussions he has had with Lew Owens on second year reviews? What are Lew Owens' views—after all, he is in charge of WorkCover, and doing a very good job—on second year reviews?

The Hon. R.J. GREGORY: I suggest that the member for Victoria write to the board.

Members interjecting:

The CHAIRMAN: Order!

The Committee divided on the amendment:

Ayes (23)—H. Allison, M.H. Armitage, P.B. Arnold, D.S. Baker, S.J. Baker, H. Becker, P.D. Blacker, M.K. Brindal, D.C. Brown, J.L. Cashmore, B.C. Eastick, S.G. Evans, G.M. Gunn, G.A. Ingerson (teller), D.C. Kotz, I.P. Lewis, W.A. Matthew, E.J. Meier, J.W. Olsen, J.K.G. Oswald, R.B. Such, I.H. Venning, D.C. Wotton.

Noes (23)—L.M.F. Arnold, M.J. Atkinson, J.C. Bannon, F.T. Blevins, G.J. Crafter, M.R. De Laine, M.J. Evans, R.J. Gregory (teller), T.R. Groom, K.C. Hamilton, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, J.H.C. Klunder, S.M. Lenehan, C.D.T. McKee, M.K. Mayes, N.T. Peterson, J.A. Quirke, M.D. Rann, J.P. Trainer.

The CHAIRMAN: There are 23 Ayes and 23 Noes. I cast my vote for the Noes.

Amendment thus negatived.

Mr INGERSON: The balance of the amendments in my name to clause 6 are consequential.

Clause passed.

Clauses 7 to 9 passed.

Clause 10—'Insertion of new division.'

Mr INGERSON: The amendment to page 4, line 22 and all other amendments to clause 10 under my name are consequential.

The Hon. N.T. PETERSON: I move:

Page 5, line 22—Leave out subsection (8).

I have only two interests in moving my amendments to the Government's Bill, and they are: first, to assist the economic recovery of South Australia and to help in the creation of jobs for the unemployed; and, secondly, to protect injured workers by maintaining an excellent workers compensation scheme, which otherwise would be gutted if these changes are not made. The changes I propose will make the scheme fully funded and reduce levy rates to a level well below those pre-WorkCover and only slightly above interstate rates. They will mean that WorkCover can continue to provide the best benefits to workers in Australia but at a realistic cost to employers. The changes I now propose relate to: capital loss payments after two years; lump sum non-economic loss; lump sum payable on death; common law; and employers making direct payments of compensation.

These changes would bring the Government's Bill in line with the proposed changes which have been discussed over the past month with interested parties by the Chief Executive Officer of WorkCover, Mr Lew Owens, and which I understand have the general acceptance of employer associations and unions which agree that some changes are necessary if the scheme is to survive.

The effect of this package of amendments, combined with the Government's Bill, can have the WorkCover scheme fully funded immediately. The estimate of WorkCover's consultant actuary of the effect of these changes is that, as at 31 December 1992, the estimated liabilities would be $675 million, and the assets $678 million. The scheme would be fully funded by the new year. That would be an outstanding result, given that it could be achieved without disturbing the findings of the Supreme Court in relation to the second year review issue which was raised earlier. This means that the underlying philosophy of the scheme, to support disabled workers until they can return to work (or until retirement, if they are unable to return to work), can be preserved.

As a result of the change in the funding status of the scheme, the required annual levy collection would be reduced from the present $260 million to approximately $215 million—a reduction of $45 million which can be passed onto employers by a levy reduction from an average rate of 3.5 per cent at present to 2.8 per cent, effective from January 1993, subject to board approval. The integrity of the scheme can be preserved, and the costs reduced to be competitive with other States. Workers' entitlements will be preserved and, in the case of severely incapacitated workers, actually increased. No-one can object to these outcomes; they are for the good of South Australia, its workers and employers. I call on all members to support these amendments for the good of the State. It is time we politicians showed the people of the State that we can take the initiative and lead the State out of recession. These amendments will help lift the pessimism and gloom and start South Australia on the road to recovery.

I propose only two minor changes to this provision of the Government Bill: first, the removal of the proposed limitation that no payment be made under the section after the death of a worker. This will ensure the worker's estate benefits from any payment that has been assessed but not paid at the date of the worker's death. Secondly, in line with the select committee proposal on this issue, I propose that the decision of the corporation to make or not to make an assessment of loss of earning capacity should not be reviewable. This is necessary to ensure that the corporation maintains control of the application of the lump sum provision rather than putting it in the hands of the review officers or the tribunal. With those few remarks I urge the Committee to support my amendment.

The Hon. R.J. GREGORY: I indicate that the Government supports the amendment, because it has the effect of removing from the Government's Bill the provision that no payment will be made under this section after the death of the worker. It will allow lump sums for the loss of earning capacity under the new division to be paid after the death of a worker where an assessment has been made prior to the worker's death. The Government believes this is consistent with such capital loss payments being different from the kind of compensation income loss, and the amendment is therefore accepted.

Amendment carried.

The Hon. N.T. PETERSON: I move:

Page 5, after line 28—Insert—

(aa) a decision of the corporation to make or not to make an assessment under this section (but an assessment is reviewable);.

The Hon. R.J. GREGORY: I indicate that the Government opposes the amendment.

Amendment carried; clause as amended passed.

New clause 10a—'Lump sum compensation.'

The Hon. N.T. PETERSON: I move:

Page 7, after line 7—Insert new clause as follows:

Amendment of s.43—Lump sum compensation

10a. Section 43 of the principal Act is amended—

(a) by striking out subsections (3), (4) and (5);

(b) by striking out from subsection (6) 'this section' and substituting 'subsection (2)';

(c) by inserting after 'by way of lump sum' in subsection (7) 'under subsection (2)';

(d) by inserting after subsection 7 the following subsection:

(7a) If the amount of compensation to which a worker is entitled under subsection (2) is greater than 55 per cent of the prescribed sum, the worker is entitled to a supplementary benefit equivalent to 1.5 times the amount by which that amount exceeds 55 per cent of the prescribed sum.;

and

(e) by striking out from the definition of 'the prescribed sum' in subsection (11) '$60 000' and substituting '$62 000'.

This is one of the most important elements of my proposal and will result in significant savings to the scheme. It needs to be stated that these lump sums are paid over and above the ongoing income maintenance that is paid under section 35; my amendments leave these income benefits intact. The non-economic lump sum changes I propose will make this area much fairer for injured workers, and provide higher sums for the severely incapacitated—those whom we really have to look after in this scheme. First, I propose that the third schedule be extended to include those specific disabilities that were added by regulation in June 1992. Secondly, I propose that the schedule be amended to include a provision that any disabilities not specifically identified in the schedule be compensated on the basis of an assessment of the permanent loss of total bodily function, expressed as a percentage, to be applied to the prescribed sum. There are several accepted methods of assessing loss of bodily function, and an appropriate method would be set by regulation.

Thirdly, I propose to increase the current 1992 prescribed sum by about $3 000 to the 1986 original $2 000, indexed to today's values, to provide additional compensation to injured workers to offset the removal of the common law provision. These changes would make the current section 43 (3), which relates to disabilities not on the schedule, unnecessary as all permanent disabilities would be compensated via the third schedule. This would remove a very contentious and costly aspect of the scheme, which currently requires a subjective assessment of the impact of the disability on the worker's normal life. This would remove a major area of litigation and save the associated legal costs. It would bring the compensation back to being related to a medical assessment of the extent of the disability, rather than how convincingly or creatively the worker or his or her representative (the lawyer) can argue the impact on the worker's normal life.

I further propose that the amount of compensation should be increased for the pain and suffering and other non-economic factors in the case of serious disabilities. Rather than just adding to the level of compensation for specific disabilities such as paraplegia or quadriplegia, I propose that there be a sliding scale of increased or supplementary payments for those with disabilities that result in third schedule assessments of more than 55 per cent of the prescribed sum.

A scale of 1.5 times the amount that exceeds 55 per cent would mean that a person with a 100 per cent assessment, such as paraplegia, quadriplegia, total blindness or loss of both legs, etc., would receive 167.5 per cent of the prescribed sum. On current figures, that would be about $155 000 instead of the current $89 000. The combination of these changes would result in more equitable compensation for non-economic loss. I propose that the changes be applied to all future determinations in relation to non-economic loss made by the corporation from the date of proclamation of these amendments but that determinations already made not be affected.

The Hon. R.J. GREGORY: The Government opposes the new clause. In the past two or three years, the operation of the fund has improved, and at this stage the provision is not necessary.

Mr INGERSON: As the member for Semaphore would be aware, we received his amendments only this morning. We are concerned about some aspects of them, but we do not want to let the opportunity pass of allowing major reforms. Unlike the Government and the Premier, we will not duck our responsibilities. We have had little time to consider the amendments, but we intend to make sure that they stay alive and we will support them in Committee. I make it clear to the Committee that, over the next eight to 10 days, we want to look at this area of lump sum payments and, in particular, at the proposal to remove common law.

It is a pity that these two significant changes were not referred to the select committee. That is no reflection on the member for Semaphore, because these amendments have emerged from an arrangement that was entered into between Mr Owens, General Manager of the WorkCover Corporation, and I believe the Government. Some two or three weeks ago, Mr Owens was sent to the Chamber of Commerce and Industry, the Employers Federation and the union movement to discuss these issues. For obvious reasons, the employers were supportive of the general package, which consisted of about two-thirds of the committee's recommendations together with these two specific recommendations concerning lump sum payments and common law. Employers are interested in these recommendations, because they want to reduce the cost of the scheme to make it more competitive, and they also recognise that we have to have a scheme with reasonable benefits for those who are genuinely injured.

I have been a member of the select committee for two years and I do not know of one single instance in which unions have put forward any positive changes to this scheme. Whether the positive proposals for change came from the Government, employers or the Opposition, the union movement has been totally intransigent in wanting to make sure that this scheme will survive in the future. The union movement's only concern is to maximise the benefits, and to hell with who pays or with whether the scheme is fundamentally flawed or financial. I think that has been the single most disappointing attitude in this whole debate on WorkCover reform. I reiterate that we are concerned about these two areas. We wish to have time to consider them and, as a consequence, in order that they remain in the Bill and we are able to discuss them in another place, we intend to support the issue.

The Hon. N.T. PETERSON: As the Committee well knows, I undertook to bring in the select committee Bill as a *fait accompli*. However, when I began discussing this matter with WorkCover and other parties, I found that the select committee Bill of its own was not satisfactory. At that time, I was made aware of other proposals that may have been, as stated by the Deputy Leader, spread around and discussed. However, I felt that this was an opportunity to bring it before Parliament. It was a combination of discussions with the United Trades and Labor Council representatives. I had three or four meetings with five of its representatives and, yes, they

were difficult, but one finds people difficult all the time when one is trying to change a way of life.

True, I spoke to WorkCover, and only this morning I spoke with a group of nurses who have particular problems, which I will relate later. It is an amalgamation of these ideas. I am only a boy from the Port: I am not smart enough to put together a piece of legislation like this on my own. Surely, the secret is to use the abilities and the skills that are around us and to use the people who wish to have a constructive and positive input into this legislation. That is what I have tried to do. I feel that this legislation is well worth consideration by this Parliament, and by that I mean both Houses. That is why it is here.

Mr INGERSON: One point that is very critical at this stage is that the costings that were put together by the actuary in relation to the Owens Bill, I understand, are of the order of $90 million. I point out to the Committee that the suggested recommendations and amendments from the Liberal Opposition involve approximately $90 million. So, the Committee and everyone are aware that the two packages, coming from two separate directions, would end up with exactly the same result, and the introduction of the second year review, the introduction of the new stress clause that has now passed this House, the reduction in benefits and all the other select committee recommendations—which is the Liberal package—will achieve exactly the same as this package, which includes two-thirds of the select committee changes to lump sum payments and the removal of common law.

We do not dispute the new package that is now before us but it is very important that the public recognise that two packages are available, each of which would achieve exactly the same end point in terms of fully funding but which come at it from a different direction. I prefer the Liberal package, but I reiterate that we will support this, because we believe that it needs further investigation. At my first opportunity before the select committee (which I think is this week), I will ask it at least to investigate these two issues.

Mr BRINDAL: I have listened very carefully to the member for Semaphore. In these matters, we are often guided by our leaders and in this case, particularly, by the words of the Deputy Leader. However, I commend the member for Semaphore. As I understand it, he said that he has consulted with WorkCover, the employers and a cross-section of the unions. The package he has come up with seems to me at first reading to be very innovative and clever. I therefore ask why the Government has not introduced this amendment.

The Hon. B.C. EASTICK: It is refreshing to find someone from the other side of the Chamber who has the integrity to listen to what the world is saying and do something positive about it. I congratulate the member for Semaphore for giving the Parliament the opportunity to advance its knowledge of some quite vital issues.

New clause inserted.

The Hon. N.T. PETERSON: I move:

Page 7, line 9—

(a) insert after 'equal to' in subsection (1) *(b)* (i) '1.675 times';

(b) insert after 'by subtracting from' in subsection (1) *(c)* (i) (A) 'an amount equal to 1.675 times';

(c) insert after 'by subtracting from' in subsection (4a) 'an amount equal to 1.675 times';

and

(d) [the remainder of clause 11 becomes paragraph (d)].

To ensure consistency with the proposals just outlined an amendment should be made to the lump sum compensation payable on death to increase it to 167.5 per cent of the prescribed sum.

Amendment carried; clause as amended passed.

Clause 12 passed.

Clause 13—'Incidence of liability.'

The Hon. N.T. PETERSON: I move:

Page 8, lines 8 to 10—Leave out subsection (8h) and substitute—

(8h) If—

(a) an employee makes a payment pursuant to subsection (8h);

and

(b) the employer applies, in a manner and form determined by the corporation, for reimbursement within three months after the payment is made,

the employer is entitled to reimbursement by the corporation and, if the regulations so provide, interest at the prescribed rate.

(8i) An employer may make payments of compensation on behalf of the corporation in anticipation of a claim for compensation being subsequently made to the corporation and determined in the worker's favour.

(8j) An employer is entitled to be reimbursed by the corporation for a payment made under subsection (8i) if and only if—

(a) the claim is made within three months after the date of the payment;

and

(b) the claim is determined in the worker's favour,

(but the extent of the reimbursement cannot exceed the amount to which the worker is entitled on the claim).

I support the Government's proposal to require employers to make direct payments to workers and then to seek reimbursement. I proposed to add that the employer must seek reimbursement from the corporation within three months of making the weekly payments to the worker or any other payment on behalf of the worker. This will ensure that the bonus penalty system is not undermined by employers delaying seeking reimbursement until after the relevant period for assessment of bonus penalty has been passed. It will also assist in presenting an accurate assessment of the liabilities of the scheme at any given time by removing the need to estimate outstanding employer reimbursements. This is in the employers' interests, anyway, as it ensures that they receive payment from the corporation at the earliest opportunity.

Mr INGERSON: I have had discussions with two employer associations, and in principle they support this argument. They believe that it is not unreasonable that the corporation is aware of the liability within a three-month period. Generally there is support, as I understand it, from the employer associations.

Amendment carried; clause as amended passed.

New clause 14a—'Limitation of employer's liability.'

The Hon. N.T. PETERSON: I move:

Page 8, after line 15—Insert new clause as follows:

14a. Section 54 of the principal Act is amended—

(a) by striking out paragraph (b) of subsection (1);
(b) by inserting after 'compensable disability' in subsection (3) '(being a disability that arises out of the use of a motor vehicle and gives rise to a liability of a kind referred to in subsection (2));
(c) by striking out subsection (4)';
and
(d) by striking out from subsection (8) the definition of 'prescribed sum'.

I propose that as part of the package of reform to a lump sum compensation for an uneconomic loss that the current limited right of a worker to sue the employer at common law be removed. The provisions already outlined will ensure that seriously disabled workers will receive, as a statutory benefit, greater compensation than they could currently receive given the present cap of 1.4 times the prescribed sum. Removal of common law claims is in line with the original recommendation of the Byrne committee to determine compensation according to the needs of workers rather than the causes of their disabilities.

This is consistent with the philosophy of a no-fault scheme. Furthermore, there is no punitive effect upon the employer because of the insurance against liability at common law or otherwise provided to employers by WorkCover under section 105 of the Act. Finally, common law claims are a very expensive and legalistic matter for the corporation, with approximately 40 per cent of the total costs of common law claims being paid to lawyers not, as they should be, to the injured worker.

Mr INGERSON: Again, the Liberal Opposition has some significant concerns about the removal of common law as such. We believe that there are many instances where common law could and should be part of the scheme. However, we will support the new clause, again with the proviso that it is our intention to have this area thoroughly investigated in the next week or so. The common law is principally a right of the employee. This is a very significant change in concept with regard to this scheme and we would like to make sure, before we vote on it in another place, that we have properly considered this matter.

The Hon. R.J. GREGORY: The Government is opposed to this measure. It reduces and removes the residual right to sue at common law for non-economic loss. We oppose it principally on the basis that the scheme's funding has improved in the past several years. Cost reductions have been real, and those reductions, in our view, would be sufficient to meet the unfunded liabilities and to reduce levy rates to bring about proper competition with other States and at the same time to provide an adequate and beneficial compensation scheme.

New clause inserted.

Clause 15 passed.

New clause 15a—'Preliminary.'

Mr INGERSON: I move:

Page 8, after line 33—Insert new clause as follows:

15a. Section 65 of the principal Act is amended by striking out from subsection (1) the definition of 'remuneration' and substituting the following definition:

'remuneration' includes payments made to or for the benefit of a worker which by determination of the corporation constitute remuneration but does not include—

(a) any contribution paid or payable by an employer to a superannuation scheme for the benefit of a worker;
(b) any amount paid or payable to a worker as severance, retrenchment or redundancy pay on the termination of employment, except to the extent (if any) that the amount is attributable to unpaid wages, or to any annual leave or long service leave entitlement;
or
(c) any other amounts determined by the corporation not to constitute remuneration.

This new clause removes superannuation from the definition of 'remuneration'. As I said in my second reading speech, this issue is of major concern to employers. They believe that, in calculating the levy, superannuation payments should be removed. I recognise that there may be some changes in the formula for calculating the levy because of this new clause but, as we have previously removed superannuation entitlements from the benefits side, it seems only fair and reasonable that we should remove them from the calculation of the levy in the definition of 'remuneration'.

The Hon. R.J. GREGORY: The Government is opposed to this new clause. I should indicate that, the last time it was before the Committee, we opposed it, and we opposed it principally because it is well known that some employers pad out wages by doing it another way and giving people money in their hand. Consequently, it can be a way of avoiding remuneration. That is why we are opposed to it. We think this is an appropriate way to measure what employers are paying.

Mr INGERSON: As usual, we get this sly backhander from the Minister with a reference that suggests that all employers are dishonest. That is what the Minister was saying: no more or less than that. I object to that, and I believe that employers would also object to it. The Minister has very little evidence, if any, to show that employers are paying cash benefits in relation to superannuation. There is a requirement in law under all awards now that superannuation be paid into funds.

The suggestion that employers are doing something illegal and underhand is not acceptable. I believe that this provision would simplify and put into its right perspective the true remuneration calculation in terms of the average levy rate. As I said earlier, it may require some adjustment to the formula. If it is good enough to remove it from the benefits side in relation to employees, surely it is fair and reasonable—if we are going to have this so-called tripartite agreement—that it be removed from the definition of 'remuneration' on the other side.

New clause negatived.

Clause 16 passed.

Clause 17 negatived.

New clause 17a—'Employer information.'

The Hon. N.T. PETERSON: I move:

Page 9, after line 9—Insert new clause as follows:

Insertion of s. 112a

17a. The principal Act is amended by inserting after section 112 the following section:

Employer information

112a. The corporation may, as it thinks fit, disclose the following information in relation to any employer registered under this Act:

(a) the number of claims in respect of compensable disabilities made by the employer's workers in a particular period;

(b) the cost of claims in respect of compensable disabilities suffered by the employer's workers in a particular period;

(c) the nature of compensable disabilities suffered by the employer's workers;

(d) details of any remission of levy granted to the employer, or any supplementary levy imposed on the employer, under section 67.

Earlier this afternoon, I spoke to members of the Australian Nursing Federation who were very disturbed about their inability to get information about employers who took no notice of their work record. There are four questions to which the Australian Nursing Federation cannot get answers for. The federation has tried, and it would like me to put them on the record: it is my pleasure to do that. Those questions, which relate to injuries to nurses and in relation to which they feel deeply aggrieved, are as follows:

1. What reports does the Minister receive on the severity, time lost, cost of injuries to nurses and the number of repeat offences by employers in the health industry?

2. What steps has he taken to compel employers to prevent injuries?

3. What amendments are proposed to further ensure that those employers who are not complying with both the Occupational Health and Safety Workers Act and the Workers Compensation and Rehabilitation Act are appropriately penalised?

4. What analysis is done on the quality of rehabilitation programs for long-term injured workers to ensure that they are not simply pensioned off with or without meaningful work?

I believe that employers with bad records should be exposed, and it is my great pleasure to move this new clause, which will allow those records to be made public.

Mr INGERSON: We want to have a further look at this amendment. One of the significant issues before the select committee was information transfer and confidentiality. This provision would free up information that the employer may be withholding for any purpose. I do not believe that some of these claims stand up, but the honourable member opposite does. I have signalled to the Committee and the honourable member opposite that exactly the reverse of this situation is also true as far as the employers are concerned.

There are many occasions when employers cannot get information from WorkCover Corporation to enable them to be part of the rehabilitation and return to work process. In supporting the amendment, with the same reservations that I outlined earlier, I signal that we will move an amendment in another place which recognises the need for greater reform of procedures whereby employers may obtain information from WorkCover files in respect of their employees.

This major issue has been discussed at length in the select committee and I will not pre-empt its possible future decisions. Although it is a major issue, it is a two-sided one. Information should flow to enable workers and employers to achieve the best possible rehabilitation and return to work process possible.

The Hon. R.J. GREGORY: The Government supports this specific amendment, which allows the release of information by the corporation if it so chooses, and those employers with a good record of occupational health and safety and a low level of injuries will be pleased to be able to have that information made public. However, those employers who do not have good records would not want it made public. One is reminded that there have been previous amendments to the Act in respect of the disclosure of information to employer associations.

I can recall when the associations indicated elsewhere than to the select committee that they would like access to the information but, when they received it, they did not do anything with it because they did not want to embarrass their members. They did not want to apply peer pressure. The only means available has been through bonuses and penalties: dollars and cents do work in that area.

This is another measure that will go a long way towards ensuring that poor employers, with high injury rates, who do not bother with rehabilitation, will be further exposed. Apart from having a high cost, because of the penalties, the public odium of being publicised and other people knowing about their poor performances would make the owners and directors of those organisations look at themselves and ensure that their work practices are changed.

Mr INGERSON: It is obvious from the Minister's comments that information can be used not only for the stated intention, that is, to transfer information but, as the Minister has put on the record, to bludgeon employers who may incur the wrath of WorkCover, the Government or anyone else.

Let me put on the record that, if this is going to happen in respect of employers, it is about time we identified all the employees in the public arena who are rorting the system. Are we to have a *quid pro quo*? It was my understanding that the member for Semaphore was referring to a genuine transfer of information and not a belting exercise in relation to any employer.

The Minister is fully aware that he has my support and the support of the Liberal Opposition in using any means to make sure that people with bad work practices, bad occupational health and safety practices, are pulled into line, so there was no necessity in my view to put the knife in again and twist it. That was not the intention of the member for Semaphore.

The Hon. R.J. GREGORY: We have a situation where the member for Bragg is concerned that poor employers will be confronted by people angry enough to say, 'Do something about it.' He says that that is 'bludgeoning'. I indicated to him that there are a number of things happening in this area; the bonus and penalty scheme is one of them.

Mr Ingerson interjecting:

The Hon. R.J. GREGORY: There he goes interjecting: why did your mother not teach you some manners?

Mr Ingerson interjecting:

The Hon. R.J. GREGORY: I will refer to that in a minute. In the past employers have said, 'Give us the

information and we will talk to our members.' They were not prepared to do that. Let us get around to the rorts. Members opposite constantly talk about rorts by workers. When the joint committee was gathering information, it specifically wrote to all members of Parliament asking them to give evidence to the committee of so-called rorts. We did not get one example. Members were unable to give one indication of such. They have talked about rorts here and been told to take it to the police if they think it is fraud, but they have been unable to do that. The corporation itself has been picking up information as to those who have been behaving inappropriately; the people concerned have been prosecuted, and other action has been taken to ensure that inappropriate payments are not made.

While on this subject, I point out that 26 medical practitioners have been reported to the medical authorities for inappropriate work practices with regard to the Workcover Board. It is all right for members opposite to go around bagging workers, but they have never been able to put up one example.

Mr INGERSON: I never cease to be amazed at the bias that comes from the Minister opposite, particularly at his continual reflection on members on this side on issues that are simply not relevant. He knows and should remember (sometimes I wonder whether he can) that it was I who moved that medical fees be subject to some control in this place as there was a general feeling not only among the Liberal Opposition but in the community at large that it was unrealistic and unreasonable for the medical profession to charge more for treating people under workers compensation than if they were being treated in general private practice. The Minister would be aware that I, like all members on this side, am not prepared to tolerate rorting of the system.

The Minister is also aware that we will continue to bring forward arguments and situations that we believe are unrealistic. I cite an example; it is a disgrace and shows how bad the system is. A 16-year-old lad who was playing football was badly injured and broke his ankle. Six years later at work the same lad went over on his ankle, and he is now on compensation. The employer does not pay for it but the scheme does because it is a secondary disability. That is absolute nonsense, because a WorkCover report states that the injury that that young person received from football has been properly treated and he is capable of working. Yet, the scheme pays for that.

In my view that is rorting, but it is legal and part of the system because the system is stupid. No-one who has had an injury playing football should be able to claim that injury as a secondary disability at work. It is absolute nonsense but part of the mad hatter socialist dream that has gone mad. It is a rort, not in the sense that it is illegal but it is a stupid aspect of this system. There are hundreds of examples like that where, through this compensation scheme, employers in this State are paying for injuries for which they should not be paying.

The Minister knows that, and I know that. I will substantiate that example and lay it on the table, because it is under review at the moment. But there are many other secondary disability injuries which are covered by the scheme, as I said earlier, but which are totally outside the employer/employee relationship. I am concerned that this amendment is one sided. It is related to employers and transfer of information, and in my view there should be a corresponding clause that recognises that the employees' information, if the employer cannot get it, should also be made more freely available.

The Hon. R.J. GREGORY: Do I understand the member for Bragg to be saying that a young person at the age of 16 injured himself playing football and that seven years later he was still playing football with the same injury, or was he saying that seven years later he injured his foot at work and consequently, as a result of that injury, was eligible for workers compensation? The Act makes it quite clear that there are provisions for an injury that may be an aggravation of an old one. It is also very clear in the Act—

Mr Ingerson interjecting:

The CHAIRMAN: I would ask the Deputy Leader to save his interjections and put them all together when he has the opportunity to speak. We would like this debate to continue in an orderly way. The honourable Minister.

The Hon. R.J. GREGORY: The Act makes it quite clear that, if it is an aggravation of an old injury, it is compensable. If the member for Bragg is so aggrieved about that, why does he not move an amendment removing it? He is not game to do that, because he is saying that, if you have a previous injury, you cannot get further compensation on it. That is what he is on about.

Mr Ingerson interjecting:

The Hon. R.J. GREGORY: Because you don't know what you are talking about.

Mr Ingerson interjecting:

The Hon. R.J. GREGORY: No, you have not. It is very clear that the Act is designed so that, when there is an aggravation of an injury, it does not affect the employer's bonus and penalty scheme. It was made quite clear when the tripartite committee was looking at it that those things should not be taken into account when determining the levy for the industry itself. It was to be borne generally by the scheme. I want to make this final comment. If that person is fraudulently claiming on WorkCover, and it is subsequently proven to be so, I have no problem with the person being dealt with in the appropriate way—no problem at all—but I will not sit here and listen to this nonsense about aggravated injuries not being eligible for compensation.

The Hon. N.T. PETERSON: I raised the issue of the four questions from the Australian Nursing Federation and read them into the record because they genuinely have a problem in getting information. However, we ended up talking about football injuries. That is not really where we started. The idea of writing these in is to set an example of the problems that this group of workers is having. They cannot get the information and, as I said before, I believe that any employers not meeting their obligations should be revealed and exposed—and that is why I have proposed this clause, and I commend it to the Committee.

New clause inserted.

New clause 17b—'Substitution of third schedule.'

The Hon. N.T. PETERSON: I move:

Page 9, after new clause 17a—Insert new clause as follows:

17b. The third schedule of the principal Act is repealed and the following schedule is substituted:

THIRD SCHEDULE
LUMP SUM COMPENSATION

Nature of the Disability	Percentage of the prescribed sum payable
Total and incurable loss of intellectual capacity resulting from damage to the brain	100
Total and incurable paralysis of the limbs	100
Loss of Vision—	
Total loss of sight of both eyes	100
Total loss of sight of one eye	50
Total loss of sight of one eye, the vision in the other eye being less than 6/60 Snellens type with correction or absent	100
Hearing Loss—	
Total loss of hearing	75
Speech Loss—	
Total loss of the power of speech	75
Sensory Loss—	
Total loss of senses of taste and smell	50
Total loss of sense of taste	25
Total loss of sense of smell	25
Arm Injuries—	
Loss of arm at or above elbow	90
Loss of arm below elbow	80
Hand Injuries—	
Loss of both hands	100
Loss of thumb	35
Loss of forefinger	25
Loss of middle finger	20
Loss of ring finger	20
Loss of little finger	14
Total loss of movement of joint of thumb	15
Loss of distal phalanx of thumb	17
Loss of portion of terminal segment of thumb involving one-third of its flexor surface without loss of distal phalanx	15
Loss of distal phalanx of forefinger	11
Loss of distal phalanx of other fingers	9
Leg Injuries—	
Loss of leg at or above knee	90
Loss of leg below knee	80
Foot Injuries—	
Loss of both feet	100
Loss of foot and hand	100
Loss of foot	75
Loss of great toe	25
Loss of any other toe	10
Loss of two phalanges of any other toe	8
Loss of phalanx of great toe	11
Loss of phalanx of any other toe	7
Loss of genital organs	70
Permanent loss of the capacity to engage in sexual intercourse	70
Total impairment of the neck and cervical spine	80
Total impairment of the upper back and thoracic spine	50
Total impairment of the lower back and lumbar spine	80
Loss of all teeth	20
Total impairment of the ventilatory function	90
Total impairment of shoulder	50
Total impairment of wrist	25
Total impairment of hip	45
Total impairment of ankle	30
Disfigurement— A percentage of the prescribed sum (not exceeding 70 per cent) proportionate to the extent, severity and likely duration of the disfigurement.	
Impairment of a physical or sensory faculty not mentioned above— A percentage of the prescribed sum equivalent to the percentage loss of total bodily function represented by the impairment.	

1. For the purposes of this table, a limb or other member will be taken to be lost if it is rendered permanently and wholly useless, and a finger will be taken to be lost if two joints are severed from the hand or rendered permanently and wholly useless.

2. Where a disability consists of the permanent loss of a proportion (but not all) of the full efficient use of a physical or sensory faculty, a worker is entitled to a percentage of the compensation payable for total loss of the faculty equal to the percentage of full efficient use lost by the worker.

3. For the purpose of determining the extent of a loss of full efficient use of a physical or sensory faculty, the extent to which the loss, or the effect of the loss, may be reduced or limited by an external removable aid or appliance will be disregarded.

4. The percentage loss of total bodily function represented by a particular impairment of a physical or sensory faculty is to be determined in accordance with professionally accepted principles approved by regulation.

5. Where a worker is entitled to compensation in respect of two or more disabilities to which the table applies, the worker's entitlement will be determined in accordance with principles prescribed by the regulations (but the total entitlement cannot exceed 100 per cent of the prescribed sum).

6. In this schedule—

'impairment' in relation to a physical or sensory faculty, means the loss of the faculty, the loss of its use, or the damage to or malfunction of the faculty;

'physical or sensory faculty' includes any part of the body.

This new clause is consequential and is additional to the section 43 amendment.

New clause inserted.

Clause 18 passed.

Clause 19—'Transitional provisions.'

The Hon. N.T. PETERSON: I move:

Page 9, lines 19 to 29—Leave out this clause and substitute:

Application of amendments

19. (1) Subject to this section, the amendments affecting entitlement to, or quantum of, compensation for disabilities apply in relation to—

(a) a disability occurring on or after the commencement of this Act;

or

(b) a disability occurring before the commencement of this Act in relation to which—

(i) no claim for compensation had been made under this Act as at the commencement of this Act; or

(ii) a claim for compensation had been made under this Act but the claim had not been determined by the corporation or the exempt employer.

(2) The amendments made by sections 3, 5, 6, 10 and 11 apply whether the entitlement to compensation arose before or after the commencement of this Act.

(3) The amendments made by section 4 have no retrospective effect.

(4) A liability at common law for non-economic loss or solatium that arose before the commencement of this Act is not extinguished, on the commencement of this Act, by the amendments to section 54 of the principal Act, but, if an action is not commenced in a court to enforce the liability before the date falling 12 months after the cause of action arose or six months after the commencement of this Act (whichever is the later) the liability is then extinguished.

(5) The period prescribed by subsection (4) cannot be extended.

This amendment is transitional and consequential.

Amendment carried.

The CHAIRMAN: I take it that the Deputy Leader does not want to proceed with his amendment to clause 19?

Mr INGERSON: No, it is consequential, Mr Chairman.

Clause as amended passed.

Title passed.

Bill read a third time and passed.

CONSTRUCTION INDUSTRY LONG SERVICE LEAVE (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 15 October. Page 869.)

Mr INGERSON (Deputy Leader of the Opposition): The Opposition has three major concerns regarding this Bill. First, we are concerned that many smaller electrical and plumbing businesses have been caught up in it without intent. For example, I refer to a small electrical business in Murray Bridge which does maintenance and repair work on a contractual basis within the township of Murray Bridge and the surrounding district. It has had permanent and casual workers involved in its business for a long period and found out only in the past 12 to 18 months that it has a back-payment because it now comes under the so-called ambit of this Bill. We believe that there should be a distinction between the construction industry—which initially this Bill was set up to cover—and the private building sector. As a consequence of that, I will move an amendment to remove from the definition, 'alterations, maintenance and repair' areas of the building work so that this will be a construction long service leave Bill, as was intended originally, in my view.

The second area of concern we have relates to the involvement of foremen now within this ambit. It has been put to us by the Chamber of Commerce and by the Engineering Employers Association that the involvement of foremen in this definition, when most foremen are outside the traditional award arrangements, is an extension that should not occur. On the other hand, I understand that the Master Builders Association, which has a representative on this industry board, is supportive of the need for foremen to be included, because it sees some difficulties for them not having any ongoing coverage in this area as they get promoted through the system. So, we have both sides of the argument put by employer associations. It is our view that foremen should not be included as a matter of principle, because they are salaried staff in most instances.

Our other concern is in relation to ministerial control. This is a private fund that is run with private money, and all the moneys in it have come from employers paying in on behalf of employees. There is no Government involvement in it, as I understand it. We see this again as a role of Government putting its tentacles into money that is a private fund. It is very similar to the superannuation fund. It has a different name—the Long Service Leave Fund. We do not believe that Governments should have involvement in these funds in any form. I accept that the department has an involvement in the management of the fund in terms of employees, and that is a fact of life, but that does not mean that the Minister, whoever it is (and that is no reflection at all on this Minister), should have control or potential control over (in this case) $24 million, and we believe that that the Government's amendment in this area is wrong and consequently we will oppose it. All other areas that are put forward in this amending Bill are supported by the Liberal Opposition. I will move amendments in Committee.

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety): I would like to make a few responses to the member for Bragg. When the electrical contractors and electrical workers were brought into this scheme, they were brought in after lengthy negotiations between the employer and employee organisations. They knew exactly what was happening and exactly what was the definition. I am well aware of the problems with this organisation at Murray Bridge. I understand that it is a family company, and it does run into problems when it employs people, because those people do not want to pay into the scheme. They have an employee at the moment—an apprentice—and the last time they had some problems they had another apprentice.

They now have another apprentice. That apprentice is entitled to have payments made on his or her behalf into the long service leave fund. Whether this organisation will keep those people, I do not know, but it was very clearly canvassed by the employer and employee organisations at that time. If we were to take maintenance out of this, as the member for Bragg wants us to do, at some stage we could halve the eligibility of people to the fund, and we would be denying long service leave to a group of workers who are entitled to be protected and provided for by this Act.

It is the same in relation to a foreman. One only has to have some knowledge of the building industry to know that not all foremen are always employed by contractors. One will find that from time to time employers will hire people as foremen—as supervisors—and these people do not follow the employers; they follow the jobs. So, to exclude those people would be to deny another group of people access to the scheme. People do not always work as foremen in the building industry. They may have a classification of work on a particular job and on the next job they may be a supervisor; they follow the industry around. What is happening is that because they are seen to get a bit of promotion they will be denied long service leave.

I find it a bit strange that because foremen are not covered by an award they should not be involved. If the Liberal Party's industrial relations policy is implemented, on that argument no-one would be entitled to long service leave because the Opposition does not want awards. I think there ought to be some consistency. As regards

ministerial control, I recall argument in this place some years ago about the Act of Parliament that created the State Bank. I remember that the Liberal Party wanted to keep the tentacles of Government as far away as possible from the operations of the bank. Of course, as soon as it suited the Liberal Party, it bagged someone. Because what it wanted was implemented and people's hands were kept away from the tiller and we then had the fiasco of the board running amok, it was convenient to blame the politicians. If Ministers are not prepared to behave responsibly they soon come undone. I make the point that there is not $24 million in the fund; the last time I looked, it was hitting the $26 million mark; so the fund is healthy.

Ministers who are responsible for Acts of Parliament ought to be able to have that power of direction and control. It is no different from any other organisation. I have made quite clear to the board that, if I were to undertake a course of action contrary to the best interests of the fund, that would soon become public and would be part of the public arena. If a Minister behaved irresponsibly in that area, he would soon come undone. I will not be a Minister who, when confronted by a board that is not behaving properly, has to wear the odium that that misbehaviour brings. I believe this is a partnership where the Minister and the board work in the best interests of people, but I do not believe in abdicating the authority and role which I as a Minister have and which I swore to uphold and carry out faithfully and equitably.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

Mr INGERSON: I move:

Page 1 after line 30—Insert new paragraph as follows:

(ba) by striking out 'alteration, maintenance, repair or' from paragraph *(c)* of the definition of 'building work' in subsection (1);.

This amendment removes anyone involved in the functions of alteration, maintenance or repair from the collection of levies under this Bill. Many small businesses that are not specifically involved in the construction industry are involved in the repair and maintenance of small houses and farms. I mentioned one example in my second reading speech, but there are many examples of people who have been unintentionally caught up.

The Hon. R.J. GREGORY: There are contractors involved in this area who contract to do any sort of work. In any one week they might do some maintenance, work on a construction site, do a bit more maintenance, and so on. The member for Bragg is suggesting that we want to deny long service leave to a group of workers who work for employers with that sort of work load, that if an enterprising electrical contractor contracted work all over the place it could mean that in one week workers might have to make contributions for one or two days or one week in a month, and that would create an awful mess. However, the reality is that these champions of the working class who say they believe in fairness and equity for everyone are now going to say to a particular group of workers, 'We will deny you long service leave.'

That is the effect of that Act, and it is the only area where they could possibly get it, because they are working in the construction industry. That is why it was like that. The employers agreed to it, as did the unions. Why, then, change it because of difficulties one employer is having as a result of refusing to accept a fact of life that other employers are accepting? In the time in which they have been grizzling about this, 62 other electrical contractors have participated in this fund without a complaint.

Mr S.J. BAKER: As I have said on previous occasions, the Minister is full of rubbish. We have a number of people who participate in the construction industry whose main line of business is not construction, and the Minister knows that. We can look at electrical stores that provide an electrical service by providing wiring to premises. Because of the stupidity we have here, if an employee does some small renovation-type electrical work on a site that is completely constructed, perhaps putting in an electrical switch, he is caught by the legislation.

I know that the Minister does not want to listen, but the whole idea of the fund originally was to enable portability. As the Minister would well recognise, there are some huge anomalies. The fund is in surplus to an extraordinary degree, which is brought about by a number of factors. One is that many people do not stay in the construction industry for a long time, so they naturally do not qualify for long service leave under the seven year minimum rule. People might perform in the construction industry and in other industries because of the services they supply, which are cross industry, so they must make provision for the times when they are working in other industries.

I will not comment about whether the construction industry long service leave fund is a good idea. All I am saying is that, in many circumstances, it is inappropriate. It is different if you have a fully dedicated construction firm. If that is the rule, let the rule prevail. But we are not talking about that in some of these other circumstances: we are talking about people who provide a service which may be used in a construction context but which often is not, which gets caught on odd occasions, and which causes severe financial embarrassment in the process.

I have had some cases, and I know that the Minister has one at the moment, in which the people are right. They are not involving themselves in construction as their main line of work, yet they are being pinged by the stupidity that we have under this rule that, if it is vaguely related to the industry, and the employee appears on a site, that person must be catered for by payment into the fund. That is wrong in principle. I can guarantee that it will be changed when we get into government. I should have thought that it would be in the Minister's best interests to tidy this up now, otherwise there might be less palatable changes when we do get into government.

Mr LEWIS: This clause and this Bill are designed to screw employers such as the Munros of Murray Bridge,

who beat the Minister and his stooges in the courts recently because they insisted, wrongly, that the Munros should pay retrospectively into the long service leave fund. The Minister sent out some union thugs at Murray Bridge to work the Munros over. Even though I pleaded with the office of the Minister to take reasoned consideration of the situation, he refused, as did the union. Union members were abusive on and off by whatever means of communication was available to them as the inclination took them.

The firm in question was indeed involved in electrical wiring, but the work it did was fix-wiring the pumps out on the edge of the river up to more than a kilometre away from the mains. It installed in those meter boxes the necessary electrical wiring to enable those pumps to be operated by automatic switching for the purpose for which they were installed, whether it be drainage pumps or irrigation pumps. It also installed wiring for chicken sheds and controlled atmosphere houses for the production of flowers and other plants, like cucumbers and beans. The firm principally provided a service to the rural industries. It did not work in the construction industry *per se*; it did not work on building sites; and it had nothing to do with brickies, chippies or anyone else in the construction industry. Yet, the union went out there and said, 'Listen fellow [or any other minor pleasantries to which they could lay their tongue] you have to pay.' The inspector and the Minister's department said the same thing. The Minister was intransigent, as were his department, his office and the union, even though I showed them—as did the firm in question—that it had already paid the money for the long service leave into a fund. They insisted that the firm pay it again.

I told the Munros: 'There is only one way to fix these boys, that is to screw them, take them to court.' They did that, and they won. That is what this Bill and, in particular, this clause are about. The Minister cannot cop it sweet; neither can the Government. The problem is that this Government does not know where to draw the line. That firm of electrical contractors and the people it employed from time to time were not, have never been and never will be involved in the construction industry. Yet, this Minister, this Government and all the thugs in the union movement who back them up insisted that it had to pay. The Government has now brought in a Bill containing this clause to make such people pay. I think that, like its attitude to most of the problems of this State, simply stinks.

The Committee divided on the amendment:

Ayes (23)—H. Allison, M.H. Armitage, P.B. Arnold, D.S. Baker, S.J. Baker, H. Becker, P.D. Blacker, M.K. Brindal, D.C. Brown, J.L. Cashmore, B.C. Eastick, S.G. Evans, G.M. Gunn, G.A. Ingerson (teller), D.C. Kotz, I.P. Lewis, W.A. Matthew, E.J. Meier, J.W. Olsen, J.K.G. Oswald, R.B. Such, I.H. Venning, D.C. Wotton.

Noes (23)—L.M.F. Arnold, M.J. Atkinson, J.C. Bannon, F.T. Blevins, G.J. Crafter, M.R. De Laine, M.J. Evans, R.J. Gregory (teller), T.R. Groom, K.C. Hamilton, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, J.H.C. Klunder, S.M. Lenehan, C.D.T. McKee, M.K. Mayes, N.T. Peterson, J.A. Quirke, M.D. Rann, J.P. Trainer.

The CHAIRMAN: There being 23 Ayes and 23 Noes, I give my casting vote for the Noes.

Amendment thus negatived.

Mr INGERSON: I move:

Page 2, lines 1 and 2—Leave out paragraph *(c)*.

This amendment removes foremen from this long service leave award. As I explained in my second reading speech, we see this as a salaried position and do not believe that it should be part of the scheme.

The Hon. R.J. GREGORY: As I indicated in my second reading speech, these foremen, or supervisors I think is the preferred term, are on one particular job as a supervisor or for part of the job as a worker and then as a supervisor. It is not equitable to remove them from the scheme, particularly as the principal employer organisation in this area, the Master Builders Association, as mentioned by the member for Bragg, does not want that to happen. It has been there for some time, and it is appropriate to ensure that people are supervised in this area. We should remember that these people do not follow the employer. They are people who go from job to job, and the honourable member is effectively removing another class of worker from the coverage of this Act. He is trying to say that because they supervise they should not be eligible for long service leave. It is quite appropriate for them to receive it.

Amendment negatived; clause passed.

Clauses 4 and 5 passed.

Clause 6—'Weekly payments.'

Mr INGERSON: This clause is of major concern to the Liberal Opposition. We see no reason at all why the Government should have its fingers in the pie of a very significant sum. Some $24 million is in this fund, and —

An honourable member interjecting:

Mr INGERSON: I am sorry, I apologise; $26 million is in this fund, and I do not believe that Ministers of any persuasion should be in control of and have personal involvement in private sector funds.

Mr Lewis interjecting:

Mr INGERSON: If the Government was personally involved in contributing to this fund, I could understand it, but it seems to me to be another example of Government wanting to get involved in private sector funds and we, as a matter of principle, oppose this clause.

The Hon. R.J. GREGORY: There was an interjection from the member for Murray-Mallee about the funds being used to renovate Trades Hall. I want to make quite clear that, by that, he said that I, as a Minister, would use those funds to renovate Trades Hall: that I would take the funds that are not meant for that and renovate Trades Hall. If I did have control of it, the Act would not allow me to do that. I resent that sort of comment from the member for Murray-Mallee and I expect an apology from him.

Mr D.S. Baker interjecting:

The Hon. R.J. GREGORY: The member for Victoria is saying exactly the same thing. All I can say to the

member for Victoria is that, if he has any courage at all, he should get out there and say it to the press.

Mr D.S. Baker interjecting:

The Hon. R.J. GREGORY: You do that, because I do not think you have the courage.

Mr S.J. Baker interjecting:

The Hon. R.J. GREGORY: You have not. I resent that sort of remark from members opposite. Let us get back to this question of the Minister having control and direction of funds. I believe that when there are Acts of Parliament, and funds are involved the Minister ought to have that. I can recall the arguments put forward by members opposite in respect of the State Bank. They believe that the Government should have no say at all in it. But what happened when the board started to run amok? Then, it is the Government's responsibility. I have the view that the Minister has ultimate responsibility in this area, whether we like it or not. If something does happen with this fund it will come back to the Minister.

Mr Ingerson interjecting:

The Hon. R.J. GREGORY: Private enterprise funds. Let me make it clear: these funds are there for workers who have accumulated the right to long service leave. They would not have been able to get those funds in any other way. I am of the view that it is appropriate for the Minister to have this power. If, as the member for Bragg suggests, the Minister was to direct the board inappropriately on how the funds ought to be used or whatever the board might do, remembering that the board consists of representatives of employer and employee organisations, I do not think the Minister could get away with any inappropriate action.

At the same time, the Minister is responsible for it, and I think the Minister ought to have actual responsibility and not just *de facto* responsibility, as at the moment. Members opposite should not suggest that the Minister would get up to mischief and inappropriately use it.

Mr LEWIS: Not for a moment would I imagine the Minister capable of being able to divert funds from this fund directly to the renovation of Trades Hall. Let me reassure the Committee and the Minister that that is not the way in which I imagine it would happen at all. It could happen that funds would be lent to SAFA which could, by whatever intermediary it chose, make funds available on debenture to the UTLC, say, for that purpose either through an intermediary or directly and thereby do the job that is necessary down there.

Indeed, my statement was as a figure of speech, to represent the kinds of ways by illustration in which this Government seeks to apply funds that have been collected by its quangos for its own political purposes. This Government by its own determination uses funds not only from quangos but from wherever else it can get them by coercion to be invested in ways which suit its agenda.

There is no question about that; whether the Minister knows about it or not, I have no evidence. But I can tell the Committee that I have evidence that the Government does these things. I discovered the circuitous route taken by the Government in one of the defeasance arrangements involving several million dollars. I discovered that in a bank talking to some people whom I had known years ago in UNESCO FAO and that bank was not in any European country but in a third world country.

It was the head office of that banking operation, and the deal was done through there because the superannuation fund from a European country's Public Service had invested money with that bank, and that bank had been used as the broker to take out that defeasance in South Australia as a third world beneficiary, with tax benefits to it.

Members interjecting:

Mr LEWIS: It is the same principle that has been involved, so I put nothing past this Government and the people who advise it. If the Minister is not aware of it, then one day he had better come half way around the world with me and I will introduce him to the people and I will show him the documents, not the copies but the originals. If the Minister resents my statement, as far as this fund is concerned and the way in which the apparatchiks of the Labor Party will devise means to suit the ends of their political Party to invest them, I resent that on behalf of every South Australian, because it is crooked and absolutely shonky. It is a scam. It is disgusting. It is the sort of thing that one reads about sometimes as going on in countries such as Uganda or the Philippines, the way it was.

It is not the kind of thing that you expect to find happening to your own State, especially in circumstances where you are a member of Parliament in that State and someone from a third world country tells you of the borrowing practices of the members who sit in government on the opposite side of the Chamber. It shocks your socks to discover that it is happening, and I suspect that the member for Albert Park, who laughs, would be as shocked as I am and have been to discover what is going on. He takes it for granted, I suggest, without knowing the full circumstances and truth of what has been happening. He takes for granted that it is all above board, but I can tell him that it is not.

I resent also being lumped in with anyone and everyone else on the question of the State Bank. I made the point at the time that it ought not to get involved outside this State in extracurricula, entrepreneurial activities. If it had stuck to its knitting in South Australia, we would have had the growth and the benefit of that $3 million in this State. Instead, it has been squandered and lost overseas and outside this State—

Mr Atkinson interjecting:

The CHAIRMAN: Order!

Mr LEWIS: It would have done a great deal more. I thank you, Sir, for the latitude in allowing me to answer the ridiculous response of the Minister. He should have known better what is going on in the Government of which he is a part.

The Committee divided on the clause:

Ayes (23)—L.M.F. Arnold, M.J. Atkinson, J.C. Bannon, F.T. Blevins, G.J. Crafter, M.R. De Laine, M.J. Evans, R.J. Gregory (teller), T.R. Groom, K.C. Hamilton, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, J.H.C. Klunder, S.M. Lenehan,

C.D.T. McKee, M.K. Mayes, N.T. Peterson, J.A. Quirke, M.D. Rann, J.P. Trainer.

Noes (23)—H. Allison, M.H. Armitage, P.B. Arnold, D.S. Baker, S.J. Baker, H. Becker, P.D. Blacker, M.K. Brindal, D.C. Brown, J.L. Cashmore, B.C. Eastick, S.G. Evans, G.M. Gunn, G.A. Ingerson (teller), D.C. Kotz, I.P. Lewis, W.A. Matthew, E.J. Meier, J.W. Olsen, J.K.G. Oswald, R.B. Such, I.H. Venning, D.C. Wotton.

The CHAIRMAN: There being an equal number of votes, I give my casting vote to the Ayes.

Clause thus passed.

Remaining clauses (7 to 19) and title passed.

Bill read a third time and passed.

WATERWORKS (RESIDENTIAL RATING) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 15 October. Page 872.)

The Hon. D.C. WOTTON (Heysen): Once again we have quite an incredible situation in commencing to debate a piece of legislation at 20 minutes to midnight. 'Water rate back down: switch to user-pays system' is how the *Advertiser* addressed the situation in which we now find ourselves.

Mr Atkinson: Aren't you happy?

The Hon. D.C. WOTTON: I am happy. I am delighted that at last, after a very long period, the Government has decided to see the light as far as water rates are concerned. The *Advertiser* stated:

> The State Government is to abolish its wealth-based water rating system in a major backdown which will phase out the controversial impost from July.

On the same day in its editorial, under the heading 'Lenehan sees the light on water rates', it states:

> There was never any need for the State Government to engage the costly services of a former Labor stalwart and Dunstan Government Minister, Mr Hugh Hudson, now based in Canberra as a consultant, to tell it what it needed to know about water rating. There was no need for the Water Resources Minister, Ms Lenehan, to defend stridently the indefensible proposal Mr Hudson came up with, nor to spend thousands of dollars on a public relations campaign to try to sell it to an angry public. And there was no need to go back to Mr Hudson and ask him if he would mind accepting another lucrative consultancy to modify the first silly proposal that had infuriated the public, embarrassed the Minister, destroyed morale within the Engineering and Water Supply Department and generally inflicted unnecessary and expensive confusion all around.

The editorial continues:

> There was a need to recognise what Ms Lenehan has now seen with a blinding flash of clarity, 18 months after everyone else: South Australia needed a simpler, cheaper, fairer water rating system which still emphasised the virtue of conservation. Well, now we have it.

I could not agree more with that *Advertiser* editorial of 25 September. What an incredible debacle, what an incredible situation the Government has led us through regarding water rates. The Bannon Government's new water rating system, which was introduced some 18 months ago, has been an absolute debacle. It passed through Parliament with the support of the Australian Democrats, who praised it at the time of its introduction. But the Liberal Party consistently opposed the legislation because originally it was retrospective, because we believed that there was no justification for charging consumers twice for the same water and, most importantly, because it imposed an iniquitous property tax without any connection to the amount of water consumed.

We can look back at the times that we brought to the attention of the Government in this place and publicly our concern about the legislation's retrospectivity. It took a majority of the full bench of the Supreme Court back in November, nearly 12 months ago, to find that a consumer who paid excess water rates in 1990-91, to use the words of acting Justice Zelling, may find some of that water for which he had already been rated being brought into calculation in fixing his liability for the next year.

Mr S.J. Baker: That's double taxation.

The Hon. D.C. WOTTON: It is double taxation, as my colleague the member for Mitcham says. Lots of interesting statements were made during that court case. Acting Justice Zelling also went on to say that the sultans of Turkey were said to be addicted to levying the same tax all told twice or more, and that, if the Parliament of this State sees fit to follow their example, that is no concern of the courts. It was certainly a concern of the people of South Australia. The Full Court also found that the—

The Hon. T.H. HEMMINGS: I rise on a point of order, Mr Speaker.

The SPEAKER: Order! There is a point of order. The member for Heysen will resume his seat.

The Hon. T.H. HEMMINGS: The contribution so far by the member for Heysen relates to a Bill which now has been repealed as a result of the Bill that we are now discussing, so his remarks are not relevant.

Members interjecting:

The SPEAKER: Order! The member for Heysen.

The Hon. D.C. WOTTON: Government members will do anything to hide the embarrassment—

The SPEAKER: Order! The member for Heysen will connect his remarks to the Bill.

The Hon. D.C. WOTTON: Government members will do anything to hide the embarrassment—

The SPEAKER: Order! The member for Heysen is not deliberately ignoring a direction from the Chair, surely.

The Hon. D.C. WOTTON: No, Mr Speaker, but they have been totally embarrassed about this whole situation, and you can see from the way they carry on that they have been embarrassed. As I was saying before I was rudely interrupted, the Full Court also found that the access rate of the system was, to quote in part, 'at least a wealth tax'. That meant that consumers with property values over originally $117 000 and more recently $140 000 were paying through their water rates a tax on their property that had no connection whatsoever to the cost of supplying the water or to the amount of water used.

It has been a very sad situation, I would suggest, for the Engineering and Water Supply Department, a

department for which I have considerable respect and which I believe the majority of South Australians would respect. It has always been regarded as a department which has had a very firm direction and which has served the people of South Australia well. It continues to do so, but the embarrassment that has been caused to officers of that department and the extra work that has been brought to the officers of that department in having to bring in special people to answer angry phone calls, angry inquiries and angry concerns on the part of the community has caused concern to that department as well and it should have caused concern to the Government, but I doubt that it has.

As I have said on so many occasions, if the then Minister had only listened to her department instead of listening to one of her ex-Labor colleagues and ex-Labor Minister, Mr Hudson, the Government would have been a lot better off, the E&WS would have been a lot better off, and certainly the people of South Australia would have been a lot better off. Throughout this situation I have been concerned that people, families and older people have been paying more as a result of this system while at the same time the Government has been fleecing the E&WS—creaming out of the E&WS the money that has been going into general revenue.

Last year for the first time we saw some $11.6 million coming out of the E&WS to go into Government coffers; this year we learnt that it had been increased from $11.6 million to some $18.9 million, and why? To help pay for the financial failures of the Government in so many areas. In the meantime, it has been further increasing the burden on water consumers. The system that we are now doing away with has unfairly penalised families, older people, Housing Trust tenants, private tenants—all who are being forced to pay large water bills, despite—

Mr S.G. Evans: The member for Napier most probably got a benefit from it, and that is why he supported it.

The Hon. D.C. WOTTON: Perhaps it might be the case; the member for Napier might have received a benefit from the Bill and that may be why he supported it.

The SPEAKER: Order! The member for Heysen will resume his seat. The member for Napier.

Members interjecting:

The SPEAKER: Order!

The Hon. T.H. HEMMINGS: The member for Heysen—

Members interjecting:

The SPEAKER: Order! The member for Napier will make his point of order to the Chair.

The Hon. T.H. HEMMINGS: The member for Heysen has reflected on me, in effect saying that my support for this piece of legislation or the previous piece of legislation is because I had a vested interest. In effect, this is saying that I have a conflict of interest. I take that as a reflection on me and I ask the member for Heysen to withdraw. I am serious, Sir.

The SPEAKER: Order! You may be serious; however, I heard what the honourable member said. He said 'may' and he did not accuse. It is a term that I do not think makes a direct accusation against the member. Again, I remind the member for Heysen to come back to the subject of the Bill.

The Hon. D.C. WOTTON: I am very pleased to come back to the subject of the Bill. On numerous occasions, the previous Minister indicated that under the system that she introduced the majority of people would be better off. Recently, both inside and outside this place I have challenged the Minister to produce statistics to indicate that that is the case, but not once has the Minister been able to do that. There has been a tremendous amount of rhetoric from the Minister over some 18 months but not once has she been able to make her figures stand up.

The cost of the water rating system to the people of South Australia did not result only from an increased water bill. Surely members opposite would be aware of the vast number of people who have made representations about that particular concern of their constituents. Not only that, there was also the matter of the cost paid by the taxpayer to Mr Hudson, in the first instance, to bring down this new and disastrous system. On top of that, a further $60 000 at least was spent—and on a number of occasions I have challenged that amount—to try and have a public relations company explain to the people what it was all about and convince the people that it was a good system. What amazed me was that the company that the Government picked was a very reputable one, but I would have to say that it failed dismally in this project because it had to deal with such a tragic matter of trying to get the message across to the people of South Australia.

So, there was the original expenditure on Mr Hudson, a further $60 000 was paid to the public relations firm to try and convince people that it was a good system, and then, to add salt to the wound, recently Mr Hudson has been paid a further consultancy fee to review his own system.

Mr Lewis: He's done real well out of it.

The Hon. D.C. WOTTON: I am not 100 per cent certain of what Mr Hudson has been paid—

The SPEAKER: I can assure the honourable member that the Chair is not quite sure either: there is no reference whatsoever in this Bill to a review or Mr Hudson, and I would like the member for Heysen to link his remarks to the Bill.

The Hon. D.C. WOTTON: Yes, Mr Speaker; but I would like to know how much Mr Hudson has been paid. However, I shall speak to the Bill. I think that generally the Bill before the House is acceptable, although the Opposition has some concerns about it, and it will really be a matter of waiting for a while after the new system is introduced. We realise that it will be some time before it is put in place, but we will need to wait until the new system is installed before we can be absolutely sure that it is correct.

I have some concerns, although this has to some extent gone down the track the Opposition would have taken, in line with the Hunter Valley user pays system, for example. As Opposition spokesman, I have spent much time talking to people connected with the Hunter Valley

board, and I know that that board has recently been having discussions with the present Government—and I am absolutely delighted about that.

Mr S.J. Baker interjecting:

The Hon. D.C. WOTTON: As the member for Mitcham has said, for a very long time we have been asking the Government to listen to the Hunter Valley board and to listen to anyone—

Mr Lewis: Except Hugh Hudson.

The Hon. D.C. WOTTON: As the member for Murray-Mallee says, everyone except Mr Hudson. They listen to Mr Hudson far too much. It is not my intention to talk about Mr Hudson, although it is my hope that Mr Hudson will never, ever be invited again to bring out a water rates system in this State. The Bill before the House introduces two distinct rates: the first is a basic water supply rate which, at this stage, will be $120 to cover the first 136 kilolitres and, as we all know, that covers the cost of infrastructure and is the basic fee.

Secondly, we have the consumption charge, an additional charge currently 88c per kilolitre above 136 kilolitres, and that is perfectly acceptable to the Opposition because that is the user-pays principle, one that the Opposition supports. We then reach a situation where, over 700 kilolitres, people will be asked to pay a further 20c per kilolitre for consumption. That will come in from January 1994. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

The Hon. J.H.C. KLUNDER (Minister of Public Infrastructure): I move:

That Standing Orders be so far suspended as to enable the House to sit beyond midnight.

A division on the motion was called for:

While the division bells were ringing:

Mr LEWIS: During the course of this division the time has passed midnight and the House should therefore adjourn. Is that not the requirement of the Standing Orders?

The SPEAKER: As a division is in progress the Standing Order does not come into effect until that business is dealt with.

The House divided on the motion:

Ayes (23)—L.M.F. Arnold, M.J. Atkinson, J.C. Bannon, F.T. Blevins, J.L. Cashmore, G.J. Crafter, M.R. De Laine, M.J. Evans, D.M. Ferguson, R.J. Gregory, T.R. Groom, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, J.H.C. Klunder (teller), S.M. Lenehan, C.D.T. McKee, M.K. Mayes, J.A. Quirke, M.D. Rann, J.P. Trainer.

Noes (10)—M.H. Armitage, S.J. Baker, H. Becker, P.D. Blacker, S.G. Evans, G.A. Ingerson, I.P. Lewis (teller), W.A. Matthew, E.J. Meier, D.C. Wotton.

Majority of 13 for the Ayes.

The SPEAKER: There are 23 Ayes and 10 Noes, a majority of 13 for the Ayes. However, the motion lapses for want of an absolute majority.

ADJOURNMENT

At 12.7 a.m. the House adjourned until Wednesday 28 October at 2 p.m.

HOUSE OF ASSEMBLY

Tuesday 27 October

QUESTIONS ON NOTICE

ENTERTAINMENT CENTRE

76. **Mr BECKER (Hanson):** How many corporate boxes have been sold at the Adelaide Entertainment Centre and how many remain unsold?

The Hon. M.K. MAYES: The reply is as follows:

1. 31 corporate boxes sold.
2. Four corporate boxes unsold.

SCIENCE PARK

102. **The Hon. D.C. BROWN (Alexandra):** What percentage of Science Park is occupied?

The Hon. M.D. RANN: The reply is as follows:

1. Science Park Adelaide—Stage 1 ..... 24.0 per cent
2. Mark Oliphant Building ..... 26.6 per cent

Details

1. Science Park Adelaide covers an area of 29.7 ha. Of this, approximately 12 ha has been set aside as reserve in the form of buffer zones, road reserves and a riparian park which encompasses the Sturt River. This leaves an area of 17.76 ha available for sale or lease to companies meeting the park's occupancy criteria. To date, only the first stage has been completed, leaving a further two stages yet to be undertaken. The timing of any further development will be dictated by demand. Stage 1 provides an area of approximately 8 ha for development, within which two projects have been completed: Sizzler Restaurant and the corporation's multi-tenant facility, the Mark Oliphant Building, occupying allotments of .153 ha and 1.45 ha respectively. This represents an occupancy rate for Stage 1 of 24 per cent.

2. The Mark Oliphant Building, which was completed in April 1991, provides a net lettable area of 544 m^2. As at 30 June 1992, 11 companies were established within the building, employing a total of 65 people. These companies occupy an area of 1 450 m^2, giving an occupancy rate of 26.6 per cent.

TOTALIZATOR AGENCY BOARD

109. **Mr GUNN (Eyre):** Is it the intention of the TAB to construct a new headquarters and, if so, where?

The Hon. G.J. CRAFTER: TAB has sought approval, in accordance with the Racing Act, to borrow funds to construct a new headquarters building. It is proposed that the building be constructed on TAB property at 58-76 Franklin Street. The TAB application has not yet been approved by Government. Further investigations have been requested to be undertaken in light of possible changes to the board's overall requirements.