HOUSE OF ASSEMBLY

Tuesday 22 March 1994

The SPEAKER (Hon. G.M. Gunn) took the Chair at 2 p.m. and read prayers.

GROTH, MR REGINALD, DEATH

The Hon. DEAN BROWN (Premier): I move:

That this House expresses its regret at the recent death of Mr Reg Groth, former member of the House of Assembly, and places on record its appreciation of his meritorious service, and that as a mark of respect to his memory the sitting of the House be suspended until the ringing of the bells.

I move this motion with very fond memories of Reg Groth. I was fortunate to serve three terms in this place with Reg Groth as the member for Salisbury. He entered the Parliament fairly late in life—I think at the age of 56. He had been president of the AWU and an organiser for that union for about 15 years, so he had a long service of dedication to the union movement in South Australia. I know the extent to which he was highly regarded and respected within the union movement, and then he developed that same respect within this Parliament.

I recall that Reg was always one of the quieter members. One did not hear a great deal about him. He made very effective speeches in the Parliament, but he always got on, did his job and tried to help his constituents. I think that is what he became particularly notable for. I should like to read to the House what the now Leader of the Opposition said about Reg Groth when he first entered this Parliament, having replaced him as the member for Salisbury. The Leader of the Opposition did his political apprenticeship with Reg Groth in his electoral office, so he probably knew Reg better than anyone else in the Parliament having worked so closely with him. The Leader of the Opposition, in his maiden speech to this House, said:

Reg Groth was dedicated in his approach to his constituency work and many in his constituency, regardless of their political affiliation, have placed their support on record and indicated to him their appreciation for the services that he gave. There are many on both sides of the House who have, since I entered it, indicated their opinion of Reg and the high regard in which they held him.

I am one of those who held Reg Groth in very high regard. I had the opportunity in late 1979 to be the Minister of Public Works at the same time that Reg, even though he was not a member of the Parliament, was still chairman of the Public Works Standing Committee. Firstly, Reg was a member of Parliament who had a very high regard for the Public Works Standing Committee, and that is one of the very reasons why this Government has decided to reintroduce the concept of a Public Works Standing Committee before the Parliament. I think that Reg, as chairman of that committee, epitomised what that committee was all about and the enormous benefit of that committee to the Parliament.

For about three or four months Reg sat as chairman of that committee as a former Labor member of Parliament with a new Liberal Minister of Public Works, and I have to say that Reg went out of his way to be effective and cooperative and to give me some very sound advice. I will always be grateful to Reg Groth for that, and particularly for the standard and the principles that he applied as a member of Parliament. It is therefore with great regret that we note the passing of a former member who was a very effective member of this Parliament for so many years and who gave very dedicated service to the people of South Australia and to the Parliament. To Reg's wife, Dorothy, and their four sons I express, on behalf of all South Australians, and particularly the Government, our sincere condolences at his passing.

The Hon. LYNN ARNOLD (Leader of the Opposition): I certainly do second this motion, and it is done with great sadness at the passing of my friend and mentor, Reg Groth. He has meant a lot to me in my life, as he has meant a lot to a great many other people in this State, not only through his work as a member of Parliament but earlier in his work as a union official, and prior to that as an ordinary person in the community who was filled with compassion for others and with wanting to do the best thing for his community.

Reg was born in 1914 and so this year was his eightieth year. The last time I saw Reg was on his eightieth birthday, when I took him a birthday cake to celebrate that occasion. He was obviously not well on that occasion but it was very warming to me to note that he could still relate to a number of events. I mentioned that the Parliament would be sitting within a few days of his birthday and his eyes lit up. I could see in his eyes that he was interested that the House was coming together, and he mouthed some words about the parliamentary session that we were about to embark on.

It ran in his blood to be somebody who was concerned for other people and it ran in his blood to be a politician in the very best sense of the word 'politician'. As I say, he was born in 1914 and spent his early years in Quorn. Those who know the Quorn area will know that there are still many who remember the name Groth, still speak of the Groths, and speak of Reg and his brother and other members of his family. I know from my visits in recent years that that memory still lives on very strongly in that area. In his early teen years he went to Western Australia and he had some interesting times there. I guess he also learnt some things about good and bad industrial relations.

He worked on a farm in Western Australia for a while and, after some months of working on the farm and never getting paid, discovered that that was not a very fruitful occupation to stay with and headed off and discovered that maybe there were occasions when people needed to be protected against unscrupulous employers. Maybe it was from experiences like that that he learnt some of the first of his union credentials. Later, he was to be a wool presser and he also worked in the railways and, during the Second World War, for example, he worked at the railways at Quorn, at which time many trains came across the nation and were marshalled in the Quorn railway yards. They were very busy marshalling yards at that time and Reg worked in that area.

His first membership in the union took place when he was 16. He joined the Australian Workers Union. It was a union that he would stay with throughout his life, and indeed throughout his time in Parliament he maintained his membership of that union. Not only was he an effective rank and file member of the union but he was also often a shop floor representative and he later became an organiser of the union between the late 1950s and 1970. From 1960 to 1969 he was vice-president of the union and in 1969-1970 became president of that union.

His work experience after leaving the railway yards at Quorn and after leaving the shearing sheds as a wool presser was later to include such experiences as working on trucks at Curdamulka, working on the Little Para Reservoir and also working for the Salisbury council as a truck driver. It was

during that period that he moved into the Salisbury area and developed a very strong affinity with that community. I do not exaggerate, and I know that the Premier by his own comments endorses what I am saying here, when I say that he is exceptionally well remembered by the people of Salisbury. The service that he did them as their member of Parliament certainly caps off that memory but it is also the time before he entered Parliament that is well remembered by so many in the Salisbury community.

While he was an effective carer and worker for other people and the disadvantaged, and he had that political element in his blood, I do not think he ever thought about going into State Parliament. It was almost literally a tap on the shoulder that saw him finally enter Parliament. After the 1968 election result, which saw a major redistribution in this State, a number of new seats were created as the Parliament expanded in size. Reg Groth was sitting in an AWU meeting one night, and somebody behind him tapped him on the shoulder and said, 'Reg, have you thought of running for one of those new seats in the State Parliament?' Reg had not thought about it. He went home and talked about the matter with his wife Dorothy, and finally a decision was made that he would stand for preselection. It is now history that he won preselection and went on to serve as the member for Salisbury.

I wonder whether, at the time, his family thought: maybe he will have a bit of a rest; maybe he will not work quite as hard as he was doing until then. He was always a 5 a.m. riser. He would get up and get the paper. If you wanted to ring Reg early in the morning, you had to do it before 6 a.m. because, if you did not, you missed him: he was out on the road, signing up members for the union and attending to the union duties of his members who had concerns that they wanted followed up. I suppose it could be said that, when Reg entered Parliament, Dorothy and the boys thought that they would see a bit more of him. Well, he brought exactly the same energy to his parliamentary representation as he did to his union work. While he no longer had to leave the house at 6 a.m., he was on duty 24 hours a day. As somebody whose family members are personal friends of the Groth family, I can say that many an evening meal was interrupted, when he was a member of this place, by phone calls from constituents. Reg would then suddenly leave the house to go out and visit the constituent in their home.

Reg Groth's parliamentary career was detailed by the Premier just a moment ago. He was on the Land Settlement Committee from July 1970 to June 1975, and from June 1975 he was on the Public Works Standing Committee, serving as its Chairman from December 1977 to late 1979. He very much enjoyed all his jobs in Parliament. He also took an active interest in fishing matters. He was a recreational fisher himself, and took an active part in the then Government's internal Party debates on the famed B class licence issue. In fact, my very first experience of the many interesting facets of fisheries was listening to Reg and his views about the B class licence debate.

Apart from being a very hard worker and a caring and compassionate man, Reg was a character. Everybody who knew him can remember aspects about Reg that bring a smile to their face and will do so for many years to come. Given that the movie was shown on Sunday night, it is perhaps fitting to say that in some ways he was not unlike an early version of Crocodile Dundee. Turning to some of the experiences he had in his early life, at one stage he worked on the cane fields in Queensland, and he used to fly down to the races in the southern States on the weekend with his pay-packet. He would win or lose at the races and then fly back to the cane fields for cutting the next week.

Reg also worked at the Little Para reservoir, and I am told that, since they stayed at the Little Para reservoir during the week, before going home on the weekends he would run a crown and anchor game on pay day. There was also the time he contracted mumps and decided that he would inflict his own cure on himself. He locked himself in his hotel room where he was staying, in the back blocks of Queensland, took bottles of Bundaberg rum with him, and drank them until he felt better: the mumps went and he later went on to have children, as is well known.

Reg was a dedicated unionist who believed very strongly in the union movement and in what it offers to protect the interests of workers in this State. He also believed that it was essential that people support their union, and he was ardent at signing people up. He would go to all sorts of lengths to do that. On one occasion he told me a story in respect of the Morgan-Whyalla pipeline whereby prospective members were running away from the union officials. Reg drove his Volkswagen up to one end, let off one of his colleagues, drove to the other end of the pipe which was still being constructed, and between them they walked down the pipe from each end and met the workers to be signed up in the middle of the pipe.

I am not quite sure how far they walked along the pipeline. In every sense of the word he was a real character, and for that reason alone I found him to be a wonderful person to know. I had the great fortune to know him not only as a friend but also to work with him. Previously I worked in the Education Department, and Reg offered me the chance to work as his personal assistant. I have always regarded that as being an apprenticeship to him, except that I did not get my indenture papers. I worked with him for 2½ years and my admiration for this wonderful human being grew even more, because I saw at close hand just how much trouble he went to for the constituents who came to him, regardless of the Party they supported. He worked for everybody in his district. I could see how much he wore their suffering and problems himself, because he internalised a lot of their worries.

I also learnt a lot about the political process. He did not rise to be a Cabinet member, but I certainly learnt a great deal of what I know about the political process, what is right and what should be done in that process from Reg Groth, his thoughts and practices. When he decided it was time for him to retire from politics he became an active supporter of my preselection. He was my patron. Jack Wright and Don Dunstan were other patrons of mine, and I have always appreciated the great work they did in helping me enter Parliament, but I attribute Reg as the person who suggested that I should run for that seat. Then, in some very difficult times, he gave me a lot of support and put his entire energies behind me to ensure that I was preselected for that seat. After I won preselection and then the election on 15 September 1979 he was there whenever I needed him to give advice or counsel, but he was never gratuitous about it. He was always just there if he was wanted. In fact, I often wanted to talk to him about various matters.

So, Reg Groth is the very best example of a politician that one can imagine. It is sad that he has now died. I will miss him, and my family will miss him. My condolences and those of my Party go to his wife Dorothy and to his four surviving children, Ray, Kevin, Rodney and Peter and their families, as they go through this very hard time. Reg certainly lives on

in our memories, and for many a year there will be a warm feeling, a wry smile at his character and an appreciation for what he has done for the people of South Australia. I second the motion.

The Hon. FRANK BLEVINS (Giles): I, too, support the motion. I had the great privilege of knowing Reg Groth for many years before we came into Parliament. In fact, we were both preselected on the same day in early 1969, which certainly makes me feel a little old. I was unsuccessful at that time, and it took me a little while to get into Parliament, but obviously eventually I did. Reg came in at the election following his preselection. He was all that everybody has said and more. It is easy to say that he was a union official until 1970, but those were the years of some monumental battles in the AWU, and Reg was right there in the thick of them. He was not fighting alone. He had a lot of comrades, and the then Deputy Premier and member for Adelaide (Hon. Jack Wright) was one of them in those battles. The late Hon. Jim Dunford, a member of another place, was also right there on the front line, along with an ex-senator, Don Cameron, and Alan Begg. All were ably served behind the scenes and advised by the former member for Hindmarsh, the Hon. Clyde Cameron.

They really were turbulent days. Reg Groth was one of those who were sacked at that time by the undemocratic people who ran that organisation, and for many months he lived off the generosity of his friends as he had no income at all. Those events culminated, as you would remember, Sir, in a famous court case, I think in 1966, out of which many reputations were enhanced, and many of the people involved went on to bigger and better things.

Reg was one of those people who really built this country, and there is no doubt about that: he built the trade union movement and assisted in establishing many of the conditions that we fight to hold today. He also built the Labor Party as part of that labour movement, so I was very proud to have known Reg Groth and to have served with him both in the trade union movement and in the Parliament. I was proud to have known him and proud to have worked with him and I, too, wish to have recorded my sympathies and to have them forwarded to his wife and four surviving children.

The Hon. M.D. RANN (Deputy Leader of the Opposition): I, too, would like to support the motion. As one of the members representing the Salisbury area, I soon came to know of the work of Reg Groth. As an adviser to Don Dunstan and Des Corcoran, when Reg Groth was Chairman of the Public Works Committee and the member for Salisbury, I knew he was someone with the best and most decent intentions towards working people. Later, as a candidate and as the member representing the Salisbury area, I had Reg's support in a whole range of ways. Whether connected with pensioner groups, sports clubs or directly with constituents, the name 'Reg Groth' is very fondly remembered. Certainly, many stories are told in Salisbury about Reg and all of them are about his decency, kindness and hard work on behalf of working people. I believe that Reg Groth will be remembered fondly as a member who served this Parliament, Salisbury and his constituents well; he served the Labor Party and the union movement well; and he served South Australia well. I want to support the motion.

The SPEAKER: I will ensure that the condolences expressed by members are passed on to the family of the late Mr Groth.

Motion carried by members standing in their places in silence.

[Sitting suspended from 2.23 to 2.30 p.m.]

MILK BOTTLES

A petition signed by 11 residents of South Australia requesting that the House urge the Government not to allow the use of plastic milk bottles was presented by Mr Becker.

Petition received.

TRADING HOURS

A petition signed by 117 residents of South Australia requesting that the House urge the Government not to allow the extension to the trading hours of shopping centres and supermarkets was presented by Mr Becker.

Petition received.

QUESTIONS

The SPEAKER: I direct that the 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 10, 15, 37, 41, 43, 67, 70, 77 and 81; and I direct that the following answers to questions without notice be distributed and printed in *Hansard*.

OLYMPIC DAM

In reply to **Hon. FRANK BLEVINS (Giles)** 15 February.

The Hon. D.C. WOTTON: The Environment Impact Statement in respect of this project was released in October of 1982. Experience of operating the dam in the formative years of the project led the joint venturers consultants to recommend certain changes in the operation of the tailings retention dam. The Company in making the changes to the operation of the system, was entitled under the Indenture which permits the joint venturers, to give the government notice in writing of such changes. The changes in the operational methods did not have the desired affect and the Company is now reviewing its approach and taking action to overcome the problem. The government, will continue to monitor the environmental impact of any modifications or extensions.

BEACH EROSION

In reply to **Mrs ROSENBERG (Kaurna)** 16 February.

The Hon. D.C. WOTTON: The Coastal Management Branch has been monitoring beach and seabed levels along Christies Beach in general since 1975. I have been assured that the loss of sand at Christies Beach particularly in the vicinity of the boat ramp is not related in any way to the dredging operation which is north of the Sewage Treatment Works and 600 metres offshore. The sand replenishment dredging operation uses the source of sand from O'Sullivan Beach because it is closer to the location at Brighton where it is required than the alternative source at North Haven. Furthermore, it tends to be better quality sand and easier to dredge. The sand source offshore of O'Sullivan Beach is located in greater than 9 metres of water and being so far offshore in deep water would not have any effect on the near shore coastal processes that influence the beach condition at Christies Beach.

There have been three dredging operations carried out in the area, being in 1989 with a trial of 300 cubic metres (about 1/2 a dredge load), in 1991 dredging 187 000 cubic metres and currently to dredge 174 000 cubic metres. Information provided by the Branch demonstrates that the beach level fluctuations are periodic with little long term loss of sand. In particular, for those two locations closer to the dredge site it can be seen that in 1983 sand levels were lower overall than in 1993. At the location nearest the boat ramp, and area of most concern, the onshore beach levels in 1993 were certainly close to the lowest on record, but offshore the seabed was higher than in 1977. These records are supported by observations from the public, notably, as reported in a letter from the Commodore of the Christies

Sailing Club in October 1989 where he states, 'In our opinion, over the last three to five years, over a metre of sand has gone from the beach. This has resulted in bedrock being exposed on both sides of the Esplanade ramp and at other places along the beach'. The boat ramp may be having some localised effect on beach levels. Redesign of the boat ramp may be necessary to overcome problems boat owners are experiencing launching boats. These variations could be modified by intervening with sand replenishment and or groynes, the effects of which are uncertain and would need some study. In any case the methods would be costly to enhance the recreational benefit of the beach. The issue of protection of the Christies Beach coastline has been raised by Noarlunga Council and this aspect will be investigated by the Coastal Management Branch to determine what action should be taken to advise the Coast Protection Board and Council.

PAPERS TABLED

The following papers were laid on the table:

By the Deputy Premier (Hon. S.J. Baker)—

Magistrates Court Act—Rules of Court—Civil—Personal Injuries Claim.
Summary Offences Act—
Dangerous Area Declarations Return—1 October to 31 December 1993.
Road Block Establishment Authorisations Return—1 October to 31 December 1993.
Proposed agreements between the Government and the Bank of South Australia—March 1994.

By the Treasurer (Hon. S.J. Baker)—

Electricity Trust of South Australia Superannuation Scheme—Actuarial Valuation of Fund Liabilities at 30 June 1993.
State Supply Act—Regulations—Forwood—Exempt Company.

By the Minister for Industrial Affairs (Hon. G.A. Ingerson)—

Industrial Relations Advisory Council—Report, 1993.
Workers Rehabilitation and Compensation Act—
Regulations—
Hearing Loss.
Assessment of Non-Economic Loss.

By the Minister for Industry, Manufacturing Small Business and Regional Development (Hon. J.W. Olsen)—

Ministerial statement—Women's Advisory Council.

By the Minister for Health (Hon. M.H. Armitage)—

Social Development Committee—Ministerial Response to Second Report, 'AIDS: Rights, Risks and Myths'.

By the Minister for Housing, Urban Development and Local Government Relations (Hon. J.K.G. Oswald)—

South Australian Local Government Grants Commission—Report, 1992-93.
Urban Land Trust Act—Regulations—Modbury Heights Land .
Planning Act—Crown Development Report—Victor Harbor Primary School.
Corporation By-laws—
Tea Tree Gully—
No. 1—Permits and Penalties.
No. 2—Streets and Public Places.
No. 3—Parklands and Reserves.
No. 4—Swimming Centres.
No. 5—Garbage.
No. 6—Dogs.
No. 7—Animals, Birds and Bees.
No. 8—Caravans.
No. 9—Flammable Undergrowth.

By the Minister for Primary Industries (Hon. D.S. Baker)—

Fisheries Act—Regulations—
General—Murray Cod—Fines.
Lakes and Coorong Fishery—Murray Cod.
River Fishery—Murray Cod.

By the Minister for the Environment and Natural Resources (Hon. D.C. Wotton)—

South Australian Waste Management Commission—Report, 1992-93.
Renmark Irrigation Trust Act—Regulations—General.

By the Minister for Employment, Training and Further Education (Hon. R.B. Such)—

Industrial and Commercial Training Act—Regulations—Electrical Tradesperson (Powerline).

GAMING MACHINES

The Hon. S.J. BAKER (Deputy Premier): I seek leave to make a ministerial statement.

Leave granted.

The Hon. S.J. BAKER: I wish to inform the House of the current situation in regard to the introduction of gaming machines to hotels and licensed clubs in South Australia. Hotel and club owners who have invested substantial sums in developing facilities to accommodate gaming machines are concerned about delays to forecast start-up dates.

I want to make it quite clear to the House that this State Government has never given a start-up date for the industry—and for good reason. This process is outside the control of the State Government. The control and supervision of the industry is vested in the Independent Gaming Corporation, an entity set up by the Hotel and Hospitality Industry Association of South Australia and the Licensed Clubs Association of South Australia.

The Independent Gaming Corporation lodged its application for the gaming machine monitor licence on 28 April 1993. Complete documentation, in particular personal information disclosures for persons in a position of authority, was not received by the Liquor Licensing Commissioner until July 1993. Police were then required to undertake lengthy but necessary probity checks in relation to the Independent Gaming Corporation's application. The extent of this process was largely due to the involvement of an American company, Video Lottery Consultants, which is supplying the central gaming machine computer monitoring system. Considerable time delays have been encountered in obtaining security clearances from the United States.

As part of the approval process, the Liquor Licensing Commissioner, which is the licensing and approval authority under the Gaming Machines Act, examined the corporate and financial structure of the Independent Gaming Corporation. The Commissioner also engaged the Defence Science Technology Organisation and the Techsearch organisation at the University of South Australia to examine the computer monitoring system proposed by the Independent Gaming Corporation.

The gaming machine monitor licence was granted to the Independent Gaming Corporation on 10 November 1993, subject to certain conditions. The Liquor Licensing Commissioner approved the gaming machine monitoring system on 7 December 1993, also subject to a number of conditions. The Independent Gaming Corporation has given an assurance that the monitoring system will be installed and ready to go by the end of April.

There are potential problems in relation to the monitoring system but the corporation has given assurances that these will not delay the introduction of gaming machines. The outstanding issues include:

- obtaining a US export permit for a component of the monitoring system;
- and finding a suitable service agent for the monitoring system.

The Independent Gaming Corporation's assurance that the monitoring system will be ready by the end of April assumes there will not be any major problems with the installation and testing of the monitoring system. To ensure the integrity of the monitoring system, the Liquor Licensing Commissioner has required that the installation and servicing of the system be carried out by someone other than the system's software supplier, Video Lottery Consultants.

Installation of the system is under way and is being overseen by the Defence Science and Technology Organisation of the Department of Defence which has been engaged by the Liquor Licensing Commissioner to scrutinise the acceptance testing of the central computer monitoring system. In the meantime, the Liquor Licensing Commissioner is waiting on the major gaming machine manufacturers to submit their machines and games for testing. Most manufacturers are expected to lodge their machines and games for testing within the next week or two. The testing will be given priority as soon as the games and machines are submitted.

Techsearch, which is establishing a test facility at the Levels campus, will test and evaluate the games and machines for the approval of the Commissioner. Once gaming machines are approved, hotel and club licensees will be able to select the machines and games of their choice. Orders must then be placed and filled, and the gaming machines installed and tested at the licensed premises. The process, from receipt of the manufacturers' games and machines for testing, will take about 12 weeks—provided there are no major problems with the machines submitted for testing and approval.

Hotel and club licensees will purchase the gaming machines through the State Supply Board. The State Supply Board's service agent, Bull H N, estimates that around 2 000 machines can be installed in approximately 80 to 100 venues in a four-week period, with other venues being brought on line on a daily basis from then on.

Clearly, the timetable for the introduction of gaming machines is dependent on many factors which are outside the control of the State Government. These factors include the Independent Gaming Corporation's successful installation and commissioning of the crucial monitoring system by the end of April, and the manufacturers' prompt lodgement of machines and games for testing.

The Independent Gaming Corporation has informed the Government that gaming machines will be operating in South Australia by the end of June 1994. That timetable is very much in their hands.

STATE BANK

The Hon. S.J. BAKER (Deputy Premier): I seek leave to make a ministerial statement.

Leave granted.

The Hon. S.J. BAKER: Mr Speaker, this statement concerns various issues associated with the corporatisation and restructuring of the State Bank. On 23 February, I introduced the State Bank (Corporatisation) Bill 1994 into this House. That Bill provides for the transfer of appropriate assets, liabilities and activities of the current State Bank to a new banking company, Bank of South Australia, to commence on 1 July 1994 and for the continued existence of the current statutory authority as a legal entity but with a new name, South Australia Asset Management Corporation.

I explained at that time that various staffing issues remained under discussion, especially with the Finance Sector Union, and that further amendments were likely to be introduced depending on the outcome of those discussions.

Since the introduction of the Bill, there have been two main developments. As regards the first, after consultation with me the bank's Chairman, John Frearson, unveiled the new management structure for Bank of South Australia. Bank SA will be headed by Mr Ted Johnson, as Managing Director, the same role he has with the existing State Bank.

The second main development has been the continuation of very intensive discussions between Steering Committee and Finance Sector Union representatives concerning various staffing issues, in particular, the position of those bank officers, of whom there are approximately 600, who are members of the State superannuation scheme.

Arising out of those discussions a set of detailed and, in my view, very reasonable proposals have been developed which have been endorsed by the State Bank board and myself. Union representatives have undertaken to put them to a meeting of their members this evening. These proposals, among other things, permit continued membership of the State scheme on an interim basis pending sale of the bank. They also permit the preservation of accrued pension benefits or the taking of a lump sum credit into the bank's own superannuation scheme.

The alternative to these carefully tailored and flexible arrangements is that membership of the State scheme automatically ends at 30 June this year when the bank ceases to be a statutory authority of the State. These proposals fulfil the commitments given to State Bank employees by the previous Government and the then Opposition before the last election in respect of maintaining accrued benefits to members of the State scheme.

As I previously foreshadowed, I plan to introduce further amendments to the Bill now before Parliament dealing with staffing issues, including the superannuation issue to which I have referred. The details of these amendments will be finalised in the light of the position taken by the union.

Members will have seen various media references, including on the front page of yesterday's *Advertiser*, to further reductions in staff in the bank. There is no doubt whatsoever that there will continue to be reductions in staffing in the bank which currently stands at just over 3 000 employees. It is not, however, my responsibility or intention to make predictions as to what exact level of redundancies might occur. This is a matter for detailed consideration by the bank and its board and for appropriate announcements by the bank after consultation with staff and the union.

Among the factors which are hard to predict is the extent to which reductions in staff will occur through natural attrition. Recent experience is that about 20 officers a month leave the bank's employ. Looking at the projected scale of the bank's restructuring over the next 18 months to two years, I do not see this experience incompatible with the task broadly being considered by the bank.

Indeed, the issue of staff reductions at the bank stems back to the days of the former Government—that same Government which cost South Australian taxpayers $3.15 billion in bank bail-outs, and the same former Government that watched the bank as its numbers dwindled from around 5 800 in February 1991 to 3 375 by June last year as it downsized its operations.

On the issue of staff entitlements, I note that at an 'urgent' meeting held on 17 February 1994, the union told State Bank members of the State scheme that '10 months ago' the then Premier Lynn Arnold told union representatives at a meeting that the rights and entitlements of members would be negotiated and that there was no undertaking that members' rights and entitlements would be protected.

I am mindful of the welfare of the bank's employees who are experiencing a time of great change within their own organisation. But it is an experience not dissimilar to that of tens of thousands of their counterparts in other commercial banks around the nation.

I will keep the Parliament closely advised on the matter of bank staffing as relevant decisions are taken by the bank. While on the subject of issues affecting staff, yesterday's *Advertiser* article also referred to a Federal tax concession in relation to redundancies. This article is not accurate. All that has happened is that the State Government has sought, and the Commonwealth Government has agreed to, the normal application of the tax law so that the cost of the redundancies will be deductible. This is no different than applies to any other bank or commercial organisation and no different from the position with respect to other ordinary operational expenses of the bank.

The suggestion in the *Advertiser* article that there is some connection between this matter and the level of general revenue grants to be payable to the State to be discussed at the forthcoming Premier's Conference is also incorrect. There is no connection—or more precisely there is no logical connection—between these two matters. Finally, I would stress that any changes to the bank are being effected with the interests of all South Australians in mind. At the end of the day we must have a bank that is competitive in terms of its cost structure when compared to other regional and national banks. At the moment it is not competitive, and that lack of competitiveness will have an adverse impact on the price the Government and the taxpayer can eventually hope to receive for the bank when it is sold. We must have a bank that is competitive, both in terms of service to customers and in terms of profits to its owners. If we do not achieve those goals, eventually we will have no bank at all. That is a price we cannot afford to pay.

QUESTION TIME

TIME ZONES

The Hon. LYNN ARNOLD (Leader of the Opposition): Can the Premier advise the House what is his current position in relation to the issue of South Australia moving to eastern standard time? Previous South Australian State Labor Governments have, since 1986, introduced Bills to move South Australians to eastern standard time. This was opposed on each occasion by the then Liberal Opposition. The now Minister for Industry, Manufacturing, Small Business and Regional Development is on record in the *Advertiser* of 19 November 1988 as opposing the move, as he believed that, and I quote:

> It would be disruptive to family life, communities and many businesses.

Perhaps, more importantly, the then Opposition Leader in the other place was quoted in the *Advertiser* on 30 October 1992 as saying:

> It is nonsense for Mr Gregory to suggest it is an economic imperative.

However, since gaining Government the Premier has made comments supportive of the move to eastern standard time, but his colleagues have been conspicuous by their silence on the issue.

The Hon. DEAN BROWN: Let us get the facts clear. I have not made any statement supportive of the change to eastern standard time. All I have indicated—and I spoke about this in a radio interview last Wednesday—is that certainly this matter has been raised with me a number of times over the past couple of weeks, and I will come back to the reason why the matter has been raised with me over the past couple of weeks. I indicated quite clearly on radio that certainly I would again look at the arguments as to why we might move to eastern standard time.

Most of the debate has centred around the fact that for the past couple of weeks, up until last weekend, five different time zones have applied within Australia. One time zone applied in New South Wales, Victoria, and I think, Tasmania; a different time zone (one hour behind) applied in Queensland; a different time zone again applied in South Australia, where we happened to be a half an hour ahead; and another time zone applied in Western Australia, which was up to two and a half hours behind South Australia. In other words, it is quite clear that no-one knew exactly what the time was in which State of Australia.

Considerable problems have been caused commercially, and particularly in the media, by the different time zones applying across Australia. Let us be realistic: it was the former Government that negotiated the time zone in question and put it in place. The former Government set the date for South Australia to revert from daylight saving to central standard time and this Government had no option but to accept that. Together with the other Premiers of Australia, I raised the need to have some uniformity as to when we move from daylight saving back to standard time.

I initially spoke with the Premier of Victoria on this matter, pointing out the inconvenience it was causing, and he agreed with me. He expressed the view that he would like to see a return from daylight saving to standard time later in March rather than when he had moved early in March this year—one reason being that the Moomba Festival was imminent. I think he has again publicly endorsed that position since. Equally, the Premier of New South Wales now has also agreed that there should be uniformity. I have sent a letter to all Premiers seeking uniformity, and I will certainly be taking up this matter with them individually later this week so that we do have commonsense applying in relation to time zones across the whole of Australia.

SOUTH PACIFIC

Mr BRINDAL (Unley): Can the Premier advise the House whether he is aware of an export deal involving the Adelaide Festival Centre and its successfully staged and highly praised musical *South Pacific*?

The Hon. DEAN BROWN: I am aware that *South Pacific* has now been purchased by a production company in Hong Kong for 20 major performances there. This is great news for the arts community in South Australia, and particularly the Adelaide Festival Centre, which is a co-producer of *South Pacific*. *South Pacific* had a very successful season here in Adelaide, and then moved to Perth, Brisbane and Melbourne. It is currently in Sydney, where it is expected to run until

early June before going to Hong Kong. It is a tribute to the skills of the Adelaide Festival Centre that this production now has been exported internationally. I am also delighted that it has been done on the basis that we do not share the risk in respect of the performances. South Australia, through the Festival Centre, earns a management fee and also a share of any profits that may occur.

For those of us who happened to see *South Pacific* here in Adelaide, and I was one, we all appreciated the tremendous backdrop scenes which were produced in South Australia at the Festival Centre's Dry Creek scenic workshop. It is a tribute to the skills of the people out there and to the management skills and the production skills that have been put together in *South Pacific* that this show is now being exported. However, it is not the only show that is being exported. Another Adelaide Festival Centre production, *The King and I*, is to be exported to Washington next year. Whilst these are unusual exports, when we talk about exports from South Australia, it is a tribute to the arts management and community in South Australia that we are able to initiate world class events, stage them here in Adelaide and then export them to the rest of Australia and to the world.

HINDMARSH ISLAND BRIDGE

The Hon. LYNN ARNOLD (Leader of the Opposition): Does the Premier concede that a $5 toll tax for motorists using the bridge to be constructed to Hindmarsh Island will break his categorical pre-election pledge not to introduce any new taxes during the Government's first term of office?

Members interjecting:

The SPEAKER: Order!

The Hon. LYNN ARNOLD: During the election campaign, the Premier gave an undertaking not to increase existing taxes or introduce any new taxes during the Government's first term of office. This was restated by the Treasurer on 17 February.

Members interjecting:

The SPEAKER: Order!

The Hon. LYNN ARNOLD: On Tuesday 15 March the Minister for Transport announced that a new tax in the form of a $5 toll would be charged for visitors using the bridge to be built to Hindmarsh Island. The Minister admitted, however, that the Government did not know how much money would be raised, how the toll would be collected or who would collect it.

Members interjecting:

The SPEAKER: Order! The member for Custance and the member for Mitchell.

The Hon. DEAN BROWN: I am astounded that the Leader of the Opposition is game enough to even stand in the House and raise the issue of the Hindmarsh Island bridge.

Members interjecting:

The SPEAKER: Order!

The Hon. DEAN BROWN: I would have thought that he had a few more friends in his office who would not send him into the House with that sort of prepared question to fire across the Chamber. It is not a breach of my election undertaking. To start with, it will be a charge, not a tax. Secondly, it will be a charge that this State unfortunately has to pick up because of the incompetence of the previous Government.

Mr Speaker, can you imagine any Government going to Westpac Bank and, without any necessity whatsoever, exchanging letters which commit the South Australian Government to at least $12 million or more in terms of the construction of this bridge? People are asking why the former Labor Government, over four or five years, made those crucial decisions that require and in fact now bind the South Australian Government to building that bridge. The developer did not even ask for the bridge. It was the Government itself, the Ministers of the day, who initiated the need for the bridge. Why did the Premier of the day get in a plane and fly to Sydney to talk to the Managing Director of Westpac Bank Incorporated, and become personally involved in negotiating for that bridge? That raises some very interesting questions which still have not been answered publicly.

Why was the former Labor Government so hell-bent on this action? Having given that commitment to Westpac, it turned around and said, as some sort of public excuse for building the bridge, 'We have to raise some money towards the cost of the bridge.' The original planning approval was on the basis that the developer would pay for the entire cost of the bridge. The taxpayer was to pay nothing—the developer was to pay the full amount. What has happened? Under the agreement signed by the former Labor Government, the unfortunate South Australian taxpayer has to fund the bridge 100 per cent up front, which is an astounding situation considering the position it was in.

Having signed the exchange of letters with Westpac, the then Labor Government turned around and signed a tripartite agreement which was directly in conflict with the letters with Westpac. Under that agreement, the then Government said that it would levy on the landholders of the island for new developments after stage 1 a figure of about $350 million a year for the next 20 years plus any other development on the island.

A number of things come up. There are some legal questions as to the validity of that tripartite agreement, signed whilst the now Leader of the Opposition was Premier. He was party to that agreement fully. Also we had the then Government pushing ahead with this project when it had made and signed other agreements which it did not make public. I find it astounding that the then Premier was prepared to stand in this House, in this very spot, almost exactly 12 months ago, and talk about what a superb financial deal we were getting out of this tripartite agreement, and how the bridge itself was by far the best option. We now find that he deliberately withheld the fact that there was a commitment on the Government and a liability created to the extent of $12 million by the exchange of some letters which this House did not even know about at that stage.

Further, the Premier sat in his office and told a deputation I took to see him that the then Government had looked at all other options. Over recent months we have looked very vigorously for these other options that were claimed to have been fully investigated, but the fact is that, despite the statement that other options had been looked at, that was not the case. Therefore, this Government had no alternative, without exposing the South Australian taxpayer to multi-million dollar claims. Of course the most conservative estimate of $12 million came not just from Westpac—and it was suggested by a number of people that one can buy one's way out of a deal with Westpac—but by a whole range of other parties.

Questions have been raised in the media in respect of why we have not released the Sam Jacobs report. First, it was a legal report to the Crown Solicitor and automatically that has privilege but, more importantly, who would want to release a report that systematically set out every single financial

liability created by the former Government on the South Australian taxpayer so that people could simply pick up that evidence, take it along to a court and sue us? That is the reason the report has not been made public. We propose to impose a toll on the use of that bridge for a number of reasons: first, partly to pay for the bridge; and, secondly, to make sure that we can put in place some effective environmental management practices on Hindmarsh Island itself. As the local member I am concerned that the former Government went ahead with all these developments without giving any thought to the environmental aspects at all until a select committee of this Parliament, set up by the Liberal Party, forced the then Government to do so.

Therefore, it is appropriate that some environmental management procedures be put in place as quickly as possible with some finance behind them, to protect some of the sensitive areas near the river mouth. The Hindmarsh Island bridge is a very sorry saga indeed, and one that I would like to see put behind South Australians as quickly as possible, because it is a vivid reminder of the incompetent decision-making process of 11 years of Labor Government.

HOMESTART

Ms GREIG (Reynell): My question is directed to the Minister for Housing, Urban Development and Local Government Relations. Do any South Australians in the HomeStart loan program pay interest rates similar to those in New South Wales, where I understand some are still on 15.9 per cent, fixed for 10 years; and can South Australia expect difficulties similar to those experienced in the eastern States with this type of scheme? There have been many bad reports about home loan schemes in other States placing home buyers in all sorts of trouble. Many have been locked into high interest rates with repayments they simply cannot afford to make, and I was staggered to learn that some are still being charged at a rate of 15.9 per cent.

The Hon. J.K.G. OSWALD: The answer is 'No' to both questions, simply because the South Australian HomeStart scheme is quite different from those which exist interstate, particularly in New South Wales. I can reassure the public of South Australia of that fact. Too often we hear rumours floating around that suggest that, because the New South Wales scheme got into trouble, the South Australian scheme could also go the same way. The reason why it is very much different is that the HomeStart program here is based on a variable interest rate, whereby repayments are linked to the CPI. Because of this, interest rates move in line with market conditions, and I believe we end up with a much fairer system, whereby people are not locked into unrealistic interest rates. The rate is adjusted quarterly in line with movements in the CPI, and I am also pleased to say that HomeStart's variable interest rate has been consistently below the market rate since the scheme was launched 4½ years ago.

Members will recall that on 1 December I announced that the interest rate had fallen. I am also able to announce that effective from 1 April this year it will be reduced again to an all-time low of 8.5 per cent, which is now the cheapest rate in town. It augurs well for the housing industry that twice now since December the interest rate has fallen. If a purchaser had taken out a home loan of $70 000 in January 1990, the impact now would be an interest rate saving to that home purchaser of $4 000. That is a significant figure when we see interest rates starting to tumble down for those out there in the first home buyers market. The housing market is strong and buoyant at the moment and is another example of the confidence that has been running through the South Australian economy since December.

VULCAN BONAIRE

The Hon. M.D. RANN (Deputy Leader of the Opposition): Can the Minister for Industry, Manufacturing, Small Business and Regional Development advise the House what action the Government has taken to ensure the continued presence of a major employer, Vulcan Bonaire, in the northern suburbs? Vulcan Bonaire, formerly Bonaire Pyrox, is a major employer in my Salisbury electorate, with about 200 workers. Persistent rumours in the press recently indicated that the company could relocate its South Australian operations to Victoria. The company is on record as saying it cannot rule out changes in future, and recent press speculation has caused considerable disquiet amongst workers and their families in the northern suburbs. I understand that, following an amalgamation of the company's heating and cooling divisions, the company's parent company, Southcorp, is at this very moment reviewing operations and options which could result in either the expansion or the winding down of its South Australian operations. It has been put to me that urgent consideration should be given to a package designed to encourage Southcorp to upgrade and expand its division in Salisbury, rather than close it.

The Hon. J.W. OLSEN: The Government has taken a number of decisive actions in relation to Vulcan Bonaire. As the honourable member rightly points out, as a result of the merger of the two companies by Southcorp holdings it is currently undertaking a feasibility study as to where the plant will be located in the future: in either South Australia or Victoria. In early February, with the merger of the two companies, a new head of that division was appointed, Mr Kerestes. Upon his appointment I immediately sought to have discussions with him, which were held some six to seven weeks ago. I indicated to Mr Kerestes that the Government's priority was economic revival and the generation and creation of jobs in South Australia, and that we would be happy to have discussions with the company at any time to ensure the maintenance of jobs in the existing manufacturing facilities in South Australia, with a view to relocating the company's Victorian operation to South Australia.

The company is undertaking an extensive assessment to determine what is in the company's best interests. The company has given me an assurance that, prior to a final decision being made, it will again discuss with the South Australian Government the location of its manufacturing operation and that we will have an opportunity to put to the company a business incentive package to ensure the retention and growth of that company in South Australia. Whilst it is too early to say what the outcome of that might be, other than that certainly the resolve of the South Australian Government is paramount in this matter, I point out to the honourable member that we have had some success in recent times. We have seen not only the revival of the South Australian Brush Company, SABCO, with the relocation of its Victorian operations to South Australia and the creation of some 80 additional jobs as a result of that but also two weeks ago the Managing Director of that Victorian operation shifted and is now resident in South Australia.

So, we have already had one significant former South Australian company continue in this State and had the

Victorian operations located here. In addition to that, with an incentive package to ACI we ensured that it did not go offshore with its bottle manufacturing operation, and we have seen the $90 million commitment by ACI to a bottle manufacturing proposal in South Australia that will produce some 160 million wine bottles a year, with the creation of jobs in South Australia. That sort of discipline and incentive package that we have been able to put in place recently has been successful. We will continue along that path.

The honourable member can be assured that, from his constituents' point of view, in the matter of the factory located within his electorate and the maintenance of jobs in that operation, the Government will leave no stone unturned to ensure that we maintain that facility in South Australia and are able to attract the Victorian operation to South Australia. Our track record has been good so far and we intend that that continue. However, I point out to the House that one of the key factors in industry location is the cost of operating a business—the competitive environment in which it operates. We now have before the Parliament two pieces of legislation dealing with industrial relations and WorkCover and both are designed to put in place a competitive environment for the location and establishment of factories and facilities in South Australia and for the creation and generation of jobs in South Australia. I invite Labor Party members opposite to support that legislation, which will do more to contribute to the retention of jobs and that plant in South Australia than any decision or action of the former Government in the past 10 years.

STATE BANK EMPLOYEES

Mr CAUDELL (Mitchell): My question is directed to the Treasurer. Why is the Government seeking to alter the superannuation arrangements for about 600 State Bank employees under the old State superannuation scheme?

The Hon. S.J. BAKER: I thank the member for Mitchell for his question. The stance being taken by the Labor Opposition is a matter of great interest, considering the damage that the Labor Party has caused to South Australia. I must go back in time to just before the election when union officials came to see me to talk about the future of State superannuation employees. Union officials held fears that if commercial considerations prevailed the bank would be bankrupted and there would be no money left to pay out anything, including superannuation.

They were concerned that there be some preservation of the rights of members, and at that time I gave a clear assurance that the rights of members to receive a pension on the accrued benefits at that time would be preserved. A clear and unequivocal stance was taken at that time. In terms of the future for those people, we are certainly in the process of negotiating new arrangements, but it is absolutely unconscionable that we should have a State superannuation scheme being operated under the auspices of a new bank. I can tell the House that the new owners of the bank would not stand for it. The State Government would have liabilities that it could no longer control, and that is an important issue.

Also of concern—and it was pointed out by the Treasurer of the day (and it seems to have escaped the shadow Treasurer's understanding)—was the double dipping of redundancy payments by State Bank employees. There is double dipping and I will explain that at a later date.

The facts of life are that this scheme is the most expensive and outrageous in total terms of any instrumentality in Australia. The Treasurer of the day understood that. The scheme should have been cleared up in 1984. It should have been sorted out then: it should not have been left to this Government to sort out the mess, just like all the other messes that we are having to sort out now because of the incompetence and the sheer arrogance with which the former Labor Government operated, particularly during its last term of office.

As members with any financial knowledge would understand, if the potential liabilities that prevailed under that superannuation scheme were brought to account, the costs would be massive. In the sale of the bank, those liabilities would have to be brought to account, whether it be by due diligence prior to a float or by due diligence on behalf of the new managers or owners, should there be a trade sale. We are in the process of negotiating a fair and just settlement on those matters, and it does not assist the process of negotiation to have members of the Opposition trying to derail the process after all the damage that they have caused to the State Bank, to its employees, to the State finances and to the State economy.

Members interjecting:

The SPEAKER: Order!

THIRD ARTERIAL ROAD

Mr ATKINSON (Spence): I ask the Premier whether the Government still intends to start building a third arterial road to the southern suburbs next year and, if so, will he rule out its being a toll road?

The Hon. DEAN BROWN: Yes, we intend to go ahead and start work on that road as outlined during the election campaign. At present there are no proposals before the Government to make it a toll road.

Members interjecting:

The SPEAKER: Order!

STATE ECONOMY

Mr CONDOUS (Colton): My question is directed to the Treasurer. What impact will there be on the Government's economic recovery and debt reduction plans if the Government does not sell or is not able to sell the State Bank?

The Hon. S.J. BAKER: I thank the member for Colton for his question. We had an amazing statement by the Opposition spokesperson on Treasury matters that the State Bank legislation will be held up unless there is agreement to provide full pension benefits for State Bank employees. I thought the ALP had done enough damage to this State already. Members of the Opposition remind me of rogue elephants who have turned into hyenas; they have trampled our economy and the people of this State; they have trampled the finances of this State, yet they are still trying to do damage with their scavenging.

The former Premier revealed that there had been agreement struck by his Government that the bank had to be sold. Of course, if we do not sell the bank, the Federal Government will want its $647 million back. It will be extracted either by a one off payment or by a reduction in State grants. That is clear and unequivocal. If we do not get this legislation through this House and through another place, that would be the ramification, but it goes much further than that. The ALP Government did give some guarantees that the legislation would pass. It gave those guarantees to the Federal Government and it appears that it will renege on its word.

If we did not sell the bank, the debt position of this State with the $647 million being brought to account and having to be paid back to the Federal Government would dramatically deteriorate, as members opposite would realise. That may be their intention but it is not my intention. As to our international ratings, we know that under the previous Government we had an AAA rating until the events of the State Bank disaster visited us and now we have a AA rating with a negative outlook. The future of the bank would continue to decline with the uncertainty that prevails, and we would have a mass exodus of customers should that situation prevail. The bottom line is that, if the Opposition does not believe that the legislation should pass and if it is to hold up the legislation, the ultimate impact will be a cut to all services in South Australia or a dramatic increase in taxation. It will be on their heads.

Members interjecting:

The SPEAKER: Order!

STATE BANK EMPLOYEES

Mr QUIRKE (Playford): Does the Treasurer still intend to break his commitment to State Bank employees that membership of the old State superannuation scheme would continue for existing members with no loss of benefits? In October 1993 the former Treasurer wrote to the Finance Sector Union outlining the principles which would apply in respect of staffing conditions and benefits on the corporatisation and sale of the State Bank. The former Treasurer's letter stated:

> One superannuation matter which I understand is of particular concern to your union is the arrangement for current members of the SA superannuation fund [the old scheme, as it is known]. Firstly, I should say that there will be no changes in arrangements for former State Bank employees currently receiving pensions under the scheme. For existing contributors to the scheme, again our thinking is that the arrangements developed should be fair to those concerned. In this respect, membership of the old scheme would continue for existing members with no loss of benefits.

The current Treasurer wrote to the Finance Sector Union on 26 October in the following terms:

> Your letter of today's date raised the question as to whether all of the general principles on corporatisation and privatisation as outlined in the Treasurer's letter would apply under a Liberal Government. My earlier communication meant to cover all matters canvassed in the Treasurer's letter, and I hereby confirm that a Liberal Government would adopt the same principles.

What credence can be given to the Treasurer's word now? He has ratted again.

Members interjecting:

The SPEAKER: Order!

The Hon. S.J. BAKER: I am delighted with the question. Obviously, the member for Playford has either not listened to my ministerial statement or not listened to the answers to the previous two questions. I gave an undertaking: as I explained, I had discussions with the union at the time about the arrangements. Employees were concerned that they would not have any benefits left due to the state of the bank—the fact that taxpayers had already had to pay out $3 150 million and the bank was technically bankrupt.

An honourable member: It wasn't our fault.

The Hon. S.J. BAKER: The member for Giles says it was not the former Government's fault. Members opposite know whose fault it was.

Members interjecting:

The SPEAKER: Order!

The Hon. S.J. BAKER: The member for Giles was Treasurer at the time and he was party to the deals that took place; he was part of the smelly little deals that allowed some of our corporate raiders, our little friends like Marcus Clark, to leave and take their superannuation benefits and so on out of the bank and skip off to Melbourne. He was the Treasurer who allowed these members to escape justice. We were faced with the situation that, where criminal proceedings could have been brought against at least one or two of those members, the time for bringing those proceedings had elapsed, and it had elapsed deliberately. Not only did the former Government allow the bank to go down the drain, not only did it allow the massive losses but it was part of the whole deal, and it is important to clearly understand what role the former Government played.

I cite a letter sent by the former Treasurer, because it is germane to the whole issue that is being discussed right at the moment. It states:

> In respect to the retrenchment benefits, we do believe there is an anomaly at present where members 45 years and over may receive a pension (under the old State scheme) equivalent to their retirement pension plus a lump sum payment under the redeployment and redundancy agreement. Our preliminary thinking—

and this is all preliminary, of course, as the whole letter is written in preliminary terms; the former Treasurer had not even discussed it with his Party at that stage, so the undertaking was not worth the paper it was printed on—

> is that it would be fair for such members to be able to select one or the other but not both forms of compensation in the event of retrenchment.

That is exactly the issue we have been dealing with over the past three months because of the sheer incompetence of the previous Government; it allowed this highly advantageous scheme to remain. This issue should have been sorted out under the previous Government: it should not now be hanging around our necks.

SELLICKS HILL CAVES

Ms HURLEY (Napier): Will the Minister for Mines and Energy meet with the State Heritage Authority to seek a resolution of the dispute between the authority, the Government and his department over the future of the Sellicks Hill quarry? The Minister for the Environment and Natural Resources overturned a State Heritage Authority order to give the go ahead for Southern Quarries to destroy the Sellicks Hill cave and ignored the recommendations of the consultant engaged by the Department of Mines and Energy to provide advice on this matter.

The Hon. D.S. BAKER: I thank the honourable member for her question, but she is a little out of date. The dispute was settled by the Minister for the Environment and Natural Resources last week. He did a very good job in resolving that misunderstanding that took place, and the quarrying is now proceeding.

STATE BANK EMPLOYEES

Mr ROSSI (Lee): Will the Treasurer explain what is meant by the term 'double dipping' in relation to the debate about State Bank employees and redundancy agreements?

The Hon. S.J. BAKER: This is a matter I alluded to in answer to a previous question. As I said, it is an anomaly that has remained in the scheme since about 1984 that State Bank employees have a privileged position that no other employees

in the country have. Basically, they have available to them two redundancy arrangements.

Members interjecting:

The Hon. S.J. BAKER: In fact, the former Treasurer knew all about it. The two arrangements are that, after 25 years of service, a State Bank employee is entitled to 79 weeks redundancy pay: that same State Bank employee can take a pension under the redundancy arrangement as though he or she had retired at the age of 60. That was pointed out in the letter by the former Treasurer, and it is at the nub of the issue we are talking about here today.

We have actually done some sums on the impact of this double dipping. If only 150 employees—being those over 45 years of age in the State superannuation scheme—were made redundant tomorrow, the cost would be $60 million in pension and $12 million in redundancy payments. In total, for 150 people we would face a bill of $72 million. The former Treasurer knew that. The point that must be made is that, under the arrangement by the former Government to sell the bank—and every member of this House has heard the former Government say time and time again that it wanted a trade sale, as that is the way to maximise our return for the bank—

Members interjecting:

The Hon. S.J. BAKER: Yes, indeed, the member for Giles certainly did say that he wanted a trade sale. The only people in the market for a trade sale are one or other of the major banks and, in fact, the only one that could afford it right at the moment would be the National Bank (NAB). What members opposite and the former Government failed to reveal to the community is that, if NAB took over the operations in South Australia, we would have an absolute decimation of the whole of the branch network, because the National Bank already has a more than adequate network. We could lose 2 000 employees overnight by such an arrangement, which is being pushed by the former Premier and now Leader of the Opposition. The former Government said on a number of occasions that the policy was to trade sale the bank, and I point out that the liabilities in relation to the 150 people I have cited would be brought to account immediately. We would have a $72 million debt relating to those people alone, and the Government cannot believe that the taxpayers will wear that. The Government believes that the former Government should be more responsible than it has been to date; it should recognise the damage that it has caused to date and do something to repair that damage by allowing the legislation to proceed.

PUBLIC SECTOR COMPUTERS

Mr FOLEY (Hart): My question is directed to the Premier. Does the Government's policy that all computer terminals in the public sector be identical within two to five years, announced to senior Government officers on 10 March, have any connection with the agreement signed by the Liberal Party and IBM a matter of days prior to the last State election? I ask again that the Premier table a copy of the signed agreement.

The Hon. DEAN BROWN: First, I am not aware of the instruction that apparently has gone out about identical terminals. I think the honourable member is confusing the picture here. The objective is to have a network system throughout Government so that the computer terminals of Government can link in to each other. If that is what the honourable member is talking about, it is one of the objectives of the present Government.

Mr Foley interjecting:

The SPEAKER: Order! The member for Hart has asked his question.

The Hon. DEAN BROWN: I think that anyone who appreciates the benefits to be derived from a computer and data processing system within a large organisation like the Government would agree that there needs to be compatibility between those computer terminals and an effective networking system to link them together. That is what we are all about, so that we do not have a whole series of stand alone systems, as has been developed under the former Labor Government.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! I promise the Deputy Leader that he will not be here if he continues to interject. The honourable Premier.

The Hon. DEAN BROWN: If the honourable member has any doubts about the merits behind our system, I draw to his attention a letter that was sent by Mr Guerin to the former Premier, now Leader of the Opposition, dated 16 October 1992, complaining about the failure of the then Labor Government to organise its representation on an Information Technology Interim Board with the private sector. He says:

> I am sure you realise the damage that such situations are doing to the Government's credibility. That in turn is progressively eroding the State's ability to capitalise on limited opportunities for economic growth. The information utility is one of the very few projects which have genuine commercial prospects. It would be tragic if Government inability to perform were to lead to its demise.

We all know that it did fail and we all know that South Australia as a consequence has failed to develop a software development industry like other States of Australia. Western Australia, which was well behind South Australia in terms of new and high technology, particularly in the computer area, is now regarded as being ahead of South Australia in terms of data processing, and particularly software development. This Government is doing its very best, once again, to establish South Australia as the premier State when it comes to software development. Queensland over the past two years has been aggressively marketing itself as the State in which to set up if people want to get into software development. Again, the former Government missed that golden opportunity because of the failure of the information utility.

Between 1990 and 1993 the former Labor Government spent $2 million on a whole series of studies on how to bring together information technology within the Government and then to outsource it. It spent $2 million trying to carry out exactly what this Government is currently doing. If the honourable member would like some more appropriate quotations, I can give them to him at some other stage because I do not wish to take up Question Time now. I am only too happy to debate this matter with the honourable member, because there is very good information on file highlighting what the former Government was all about and how it failed to achieve those objectives because of bungling and indecision. Here is the head of the Premier's Department, the man also charged with responsibility for the MFP, Mr Guerin, talking about the former Government's bungling and indecisiveness and, as a result of that, the tragedy which was about to occur and did occur through being unable to attract significant computer technology companies to South Australia. This Government is about reversing and correcting those mistakes.

AMBULANCES

Ms HURLEY (Napier): Will the Minister for Emergency Services assure the House that this Government will continue to maintain ambulance stations at their existing level of professional services? Cutbacks in Victoria have reduced the number of highly trained paramedics and led to longer response times. As the Minister will probably be aware, last month there were claims by senior ambulance officers in Victoria that lives are being lost in that State because of these changes in their service.

The Hon. W.A. MATTHEW: Yes, I will give that assurance: we will maintain an ambulance service in South Australia.

ALDINGA POLICE STATION

Mr ATKINSON (Spence): Can the Minister for Emergency Services say whether the Police Department asked for a police station at Aldinga bigger than the Government was prepared to fund, whether disagreement between the Police Department and the Minister has held up the project and whether any police station will be built at Aldinga by June this year, as promised by the Liberal Party during the general election?

The Hon. W.A. MATTHEW: I thank the honourable member for his question. My colleagues and I have been sitting here listening to the crazy questions that have been asked by the Opposition today, and this probably tops the bill. They are clearly not keeping abreast of what is happening in Government, and this is a classic example. There is no disagreement between the Police Commissioner and me over Aldinga, and there never has been.

Mr Atkinson interjecting:

The Hon. W.A. MATTHEW: I think it is insulting for the honourable member to attribute statements like that to the member for Kaurna. The facts are that during the lead-up to the State election the unsuccessful candidate for Kaurna, rightly so, was pushing for a police station to be built at Aldinga—a station that would have had more officers than those presently at Christies Beach police station. All police working in the local area, including the senior management of the Police Force, believed that that proposal, forced on them by the outgoing Labor Government, was crazy. That proposal put forward by the outgoing Labor Government would never have eventuated. The Liberal Opposition at the time, through its Leader, now Premier, put forward a far more logical and rational approach for policing at Aldinga—a shopfront community police station covering the needs of the area and working interactively with the community as the first of a series of community police stations in South Australia to bring policing back to the community, to put police back on the beat working with the community, not building large centres from which to dispatch cars to distance police from the community.

That process, as I have detailed in this House before, is well under way. A schedule is shortly to be announced for Aldinga. It is our intention to have that police station open in either June or July 1994. SACON has undertaken negotiations with the owners of potential sites. It is our intention to open that police station with a shopfront, with police working with the community exactly in the manner that we undertook before the election.

Mr Atkinson interjecting:

The Hon. W.A. MATTHEW: The honourable member persistently interjects, 'What do the police want?' The Police Force has been very strongly supporting the policy that we have put forward. The Commissioner has already expressed publicly his delight at the new direction being taken by this Government.

Mr Atkinson interjecting:

The SPEAKER: Order! The member for Spence has asked his question. He will not ask a series of questions and the Minister will not respond to interjections. The Minister.

The Hon. W.A. MATTHEW: Thank you, Mr Speaker. What we will see at Aldinga is the first of a series of community police stations bringing the police back to the community in South Australia.

WORKCOVER

Mr BROKENSHIRE (Mawson): My question is directed to the Minister for Industrial Affairs. How many people have obtained jobs as a result of the Government's WorkCover levy subsidy scheme?

The Hon. G.A. INGERSON: In the first two months of the scheme, 328 workers have been employed as a result of the scheme—190 in the metropolitan area and 138 in the country. Some 140 have been school leavers and 188 have been long-term unemployed. The current subsidy required, which is a very significant figure of nearly $23 000, has been paid out already. The main industries that have been affected are manufacturing 94, wholesale and retail 74, construction 45, community services 45 and agriculture 23. I note that there have been more than 1 200 applications, which suggests that, whilst at this stage we have paid out on only 328, another 870 young people will be employed as a result of this scheme.

PUBLIC SECTOR COMPUTERS

Mr FOLEY (Hart): Did the Premier, or any member of the Liberal Party, promise IBM the contract to supply all Government computer terminals if it won government last December?

The Hon. DEAN BROWN: The answer is 'No.' What we have said is—

Members interjecting:

The SPEAKER: Order!

The Hon. DEAN BROWN: —that we want to sit down with a major supplier and producer in the information technology area and, as part of the out-sourcing of some of the Government work, make sure at the same time, as a condition of that, that we can establish a major software development industry and a computing out-sourcing centre, not just for the Government but a major computing out-sourcing centre catering to the rest of Australia and quite possibly to overseas centres. By that means companies in countries such as China may then decide to do their data processing in Adelaide simply through a telephone line.

I do not know whether the honourable member realises it but Ireland is an excellent model in this regard. I understand that if you receive a parking infringement notice or some sort of road traffic fine in Los Angeles it is actually processed in Ireland. And why? Because some very specific out-sourcing technology has been attracted to Ireland. The big problem is that the former Government just sat there, without using its computer purchasing power to ensure that we could substantially build up the high technology industry in this State and,

as a result, we have missed out on numerous software development opportunities in South Australia.

Instead, the former Government decided it would go it alone, almost as if it could go out and create every software package it wanted for its own use. It is a bit like saying the Government wants to buy a couple of cars today and it will allow the Government departments concerned to design and manufacture the cars they want, regardless of the fact that the Government could go down the street and buy the cars out of a showroom and save probably millions and millions of dollars in the process.

That is what we are about. I am astounded that the honourable member—who has just recently come into this House, having worked as personal assistant to the former Premier—seems to have no concept of what this Government is doing in this area but, more importantly, of what his own Government should have been doing and the advice it should have been heeding. There is plenty of evidence on record and, as I said, I am only too willing to debate at length—

Mr Foley interjecting:

The SPEAKER: Order! I warn the member for Hart.

The Hon. DEAN BROWN: —some of the advice given to the Administration of which the member for Hart was one of the key members.

DEFENCE CONTRACTS

Mr BASS (Florey): Following recent reports about final tenderers being announced for the P3-C Orion contract and other opportunities in the defence field, can the Minister for Industry, Manufacturing, Small Business and Regional Development tell the House what these defence contracts mean in investment terms for South Australia?

The Hon. J.W. OLSEN: The P3-C Orion contract is an extremely important contract for South Australia. The three preferred tenderers are now proceeding through the final stage of resubmitting their bids to the Federal Government for assessment. I will be having discussions with the Federal Minister for Defence this week to further South Australia's claim. In addition, we have pursued with the individual tenderers a review of the incentive package put forward by the former Government (and endorsed by this Government) to see whether there are ways in which we can maximise South Australia's involvement in the P3-C Orion contract, that is, to get the majority of the work located in South Australia *viz-a-viz* Victoria or New South Wales. Those discussions are progressing in a very fruitful way.

Everybody knows about the contribution of the wine industry to South Australia, but very few South Australians know the full extent of the contribution of the defence industry to this State. The Economic Development Authority prepared a report on the economic impact of defence industries and related activity to the South Australian economy, and it is an interesting report. For example, it notes that in 1993 there was some $246 million worth of expenditure on defence projects, combined with expenditure on defence installations, such as the Defence Science Technology Organisation, of $124 million on wages and salaries and $243 million on materials, supplies and consumables.

This accounts for something like 2.5 per cent of gross State product, so the defence and related industries are a very important part of the South Australian economy. The strong science and engineering skills of local industry and the State's industrial relations record have led to a high number of defence projects being located in South Australia. Of course, the high profile one is the submarine project. The State has been recognised as a centre for excellence in the area of defence, and that in effect will underpin our future success at winning significant contracts. Other significant projects mentioned in the report include the P3-C refurbishment; the Jindalee Operational Radar Network; NINOX, light armoured vehicles; small arms replacement; the Parakeet digital field communication system; and Project AUSTACCS, which have a combined value of some $2 billion.

Most of the companies included in the report commented that a significant share of their business was non-defence related. This is important for industry generally in South Australia, indicating that companies involved in defence projects are now winning business of a commercial nature. It was pleasing to note that a number of defence subcontractors believed that they had achieved a greater level of commercial success because of high quality standards required in defence related works and projects.

In summary, the defence industry has grown to be a very important component of the South Australian economy, representing—as I mentioned—2½ per cent of gross State product. It has an enormous impact on other commercial and industry related activities within the South Australian economy. It is a significant employer; it is a niche market that is positioning South Australia as a good place in terms of industrial relations record/high-tech development projects that will stand us in good stead for the development of that industry and the development of the South Australian economy in a niche market way.

GRIEVANCE DEBATE

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

Members interjecting:

The SPEAKER: Order!

Mr FOLEY (Hart): I want to talk briefly today about an issue that has concerned many members of this House, and that is the quality of advice provided to the Government of the day by the State Bank of South Australia. Late last month the State Bank announced its new logo, which was to be the Sturt pea, and that immediately caused a reaction from the CPS Credit Union (another financial institution in this State) which claimed that the State Bank had indeed poached its logo.

That issue was raised in this House—an appropriate forum within which to raise concerns about the use of the logo—and the response from the Treasurer was that it was all okay: the State Bank had done its homework; it had discussed the issue with the CPS Credit Union, and there was no problem with the State Bank taking on that logo. Indeed, the Treasurer said—reading, I take it, from a briefing from the State Bank—that senior officers of the bank had discussed the issue with officers of the CPS Credit Union and there was no misunderstanding between the two institutions: in fact, CPS was quite happy for the bank to use the logo.

The point I am making is not a criticism of the Treasurer, because it took the Treasurer's intervention to resolve the

issue. What we had was a case where the State Bank, with its typical arrogance in the way it treats this Parliament in the information it provides, simply gave the Treasurer a briefing that clearly did not represent the situation as it occurred. Indeed, the State Bank itself put out a letter of 7 March, as follows:

> From 1 July, to mark the bank's new status, its name will be changed to the Bank of South Australia Limited, to be known as Bank SA, and it will adopt a new and very South Australian logo, a contemporary depiction of our State's floral emblem, the Sturt desert pea.

A few days later, in the *Advertiser*, the following article appeared:

> Bank backs down in row over flower logo. The State Bank has made a partial backdown in its bid to use the Sturt desert pea as its corporate logo. The bank has agreed to restrict the use of the logo to identifying its branches and not to use it in any advertising or promotional material. Yesterday the bank agreed to no longer refer to its logo as the desert pea, and CPS withdrew its objections.

This occurred because the issue was raised in the State Parliament and it was raised publicly by CPS Credit Union. The Treasurer, and I can understand why, read a briefing paper from the State Bank, and it was inaccurate. It was misleading and set up the Treasurer because he had to leave this Chamber and obviously intervene with the bank. I suspect the Treasurer would have been somewhat angry because, as this article says:

> The Treasurer, Mr Stephen Baker, who intervened to resolve the issue, said the State Bank still could use its stylised logo but only if it was derived from the desert pea. It will not use the desert pea name as part of its advertising and promotion.

That followed the Treasurer's intervention. The Treasurer had to go back to the State Bank and say, 'You gave me the wrong briefing. You misled me. Indeed, I gave inaccurate information to the Parliament.' My colleagues may not agree, but I do not hold the Treasurer responsible for that this time, but in future the Treasurer will no doubt have to scrutinise the advice he gets from the State Bank, as the former Government had to do, because the State Bank is clearly continuing with its arrogant and dismissive way in dealing with this Parliament. As someone who has had some limited experience in dealing with the bank and has received some fairly poor advice from time to time, I will not sit in this Chamber and allow poor and shoddy advice to be provided to this place. I am no doubt privately joined in that view by the Treasurer.

Members interjecting:

Mr FOLEY: I was only around with the bank in the past 12 months, and we are the ones who put it on the agenda to sell it.

Members interjecting:

Mr FOLEY: Only in the past 12 months.

The ACTING SPEAKER (Mr Bass): Order!

Mr FOLEY: The point is that the State Bank has again failed to adequately provide this House with a briefing in respect of the issue. The Treasurer has learned a very quick lesson, and that is that when you receive a briefing paper from the State Bank on any issue, as trivial as it may appear, check it thoroughly before you stand up in this House and read from it. I say to the management and directors of the State Bank: provide this House with accurate information.

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

Mr ANDREW (Chaffey): I draw the attention of members of this House to a very real concern raised with me about 10 days ago by some very concerned staff and parents from a high school in my electorate. It relates to the production and distribution of Streetwise comics. Some members may have seen mention of this in the weekend press. Because I did not get the opportunity to raise this issue before the House rose last Thursday week, I would like to relate briefly the background of the situation and update the concern.

The comics are provided by Streetwise Comics of South Australia as part of a safe sex program in conjunction with support from Foundation SA and the South Australian Health Commission. They appear to be available to high schools throughout the State at the discretion of the appropriate teacher. The current publication under investigation is entitled 'What's going around?' The concern, which I support, is based in two areas: first, the content of the comic; and, secondly, the funding in respect of whether and how the sponsors of the publication assess their support for this publication. Whilst I certainly would be regarded as conservative and not libertarian, I believe that I have been liberated somewhat at least. In addition, I certainly support and condone fair and reasonable sex and health education in our schools, and I am led to believe and understand that this is happening effectively and appropriately.

I refer to the possibility of this comic's being distributed to 13 year olds in our high schools, whereby they would be exposed to explicit depiction, although in cartoon form, of homosexual acts and the inference through the narrative in the comic that this is the norm and is condoned by a large proportion of the community. I believe that this is unreasonable and has certainly passed over the moral threshold. Also there is the vivid use of the relevant four letter word which begins with 'F', and I agree with my concerned electors that this type of language is totally inappropriate.

I accept and understand that such material is available in local newsagents. However, it is one thing for it to be available there and quite another for such material to be pushed through our schools and presumably with the sanction and support of our school system.

Mr Brindal: The member for Spence approves—

Mr ANDREW: Well, I will provide a copy to him and hopefully he will take the liberty to assess it. Because I did not get the opportunity previously, I have proceeded to address this matter on behalf of my concerned constituents. I have written to both Foundation SA and the South Australian Health Commission asking, first, what criteria they used to establish their support for Streetwise comics and how much they contributed and, secondly, how such material was sanctioned or approved by these organisations. I am delighted and pleased that Foundation SA has decided to go public on the issue and take it seriously. I can assure my concerned electors that I am continuing to make inquiries on the matter at all levels. It is important that the public is made aware of what is being presented to our youth so they can also monitor and assess the situation for themselves and make their own judgments, and then make their concerns known so that we as their elected representatives take the appropriate action.

Ms HURLEY (Napier): I welcome this chance to respond to the flippant response by the Minister for Emergency Services to my serious question about the ambulance service and the concerns that are circulating within the service and the community. The Minister's response to my question about maintaining ambulance services was that an ambulance service will be maintained in this State. That is a totally inadequate response, and it almost leads one to believe

that the Minister is not aware of the level of paramedical training and sophisticated equipment that is used by the ambulance service these days.

The ambulance service has seen fairly dramatic changes in recent times, particularly with regard to the role of its volunteers. The service is currently in the process of welding itself into a professional body, providing an increasing level of service to the community. There are some concerns that this may be jeopardised in the near future by the actions of this Government.

Perhaps the Minister is not aware of what happened in Victoria, so I will quote from an article by the medical reporter in the *Age* of 16 February. It states:

> Cut backs to ambulance crews and changes to emergency procedures contributed to the deaths of four young people in Melbourne in the past few days, senior officers of the metropolitan ambulance service told the *Age* yesterday. The officers say the deaths, caused by an alleged assault, a drowning, an asthma attack and heart failure, could have been avoided. They blamed the deaths in part on recent changes to emergency procedures that have cut the number of available highly trained paramedics and lengthened response times.

The article refers to one particular incident, as follows:

> The initial response crew tried to keep her alive but she needed to be administered vital drugs by a paramedic.

That is the situation in Victoria, and there is concern here in South Australia that we might arrive at something similar. I sought an assurance from the Minister that the Government would continue to maintain ambulance stations and their services at least at the existing level, but that assurance was not given. He spoke about an ambulance service in South Australia. That simply is not good enough. Ambulances meet critical needs at critical times for people, and the question needs to be addressed seriously—not given a flippant response. I am amazed that the Minister does not treat this more seriously. I think that the people in the ambulance service who need to maintain a high standard of morale and degree of training would be disappointed at the level of interest the Minister shows in this, and I would call on him to take a greater interest in the ambulance service and in what is happening in that service, particularly the degree of paramedical training.

Those few critical minutes between being called out by an ambulance and arriving at a hospital can make all the difference between life and death, as was described in the case in Victoria, with asthma attacks and heart failure patients in particular. It is important that the level of services not be reduced. There is some concern within the ambulance service that volunteers might be reintroduced. I can sympathise with the volunteers, but I can assure the House that there is no way that volunteers can reach the level of training and professionalism achieved by ambulance officers, who work at their job day in and day out.

Mr Brindal interjecting:

The SPEAKER: Order!

Ms HURLEY: The professional people doing a professional job and receiving on-the-job and other training are better able to deal with those instant—

Members interjecting:

Ms HURLEY: There is some need for volunteers, particularly in country regions, and I applaud the work they have done, but in critical periods professional people are able to respond instantly and accurately and receive on-the-job training for the constantly changing techniques and equipment that are used in treatment today.

Mr ASHENDEN (Wright): I want to take the opportunity this afternoon to address myself to some issues in education. The first point I would like to make is that, as I have indicated to the House before, I have 22 schools in my electorate. I have now made contact with all of them and by the end of next week I will have visited each and every one of them at least once. I want to put on the record how impressed I have been by the standard of education in the schools and the professionalism of the teachers who are involved in those schools in providing that education. At this stage I would like specifically to refer to the Golden Grove High School, which invited me to be the key speaker at the induction of its Student Representative Council. I want to put on the record here and now how impressed I was with that school.

That school comprises over 1 060 students, and during the period of the induction ceremony, which went for over half an hour, I was absolutely impressed by the standard of self-discipline that those students exhibited. It is no coincidence that the students did that: it is a reflection of the training that has been provided within that school. At the conclusion of the ceremony I told the Principal that I only wished that those people who are so critical of the State education system could have been present at the ceremony to see just how impressive it was and the level of behaviour of those students.

Additionally, two different groups of students who attend the school provided musical items at two points in the ceremony. Again, the standard of those musical interludes was absolutely impressive. They were of two totally different types, but they were really impressive. I left that school with the feeling that it is obvious that the State education system really is in good hands. I must say also that the gesture from the Chairperson of the SRC in making a small presentation to me was greatly appreciated, and the way she spoke was absolutely impressive.

Having said that and made the point as to how impressed I am with the schools, teachers and students within my electorate, I now raise an issue that has been brought to my attention by a parent within my electorate. It is this sort of thing that is so unfortunate, because this is what causes some people to feel that the State education system is in some ways letting them down. The note I received states:

> I am a concerned mother of an eight year old girl who's suffering from nightmares wholly and solely from her poetry book that is school issued for all Grade 4s. Enclosed are the two most gruesome poems from the book, *A Second Poetry Book*.

I will read one of the poems to members, and I would like them to tell me whether they would like their eight year old child to have this as a subject in their school. The poem is entitled 'The Ghoul', and it reads as follows:

> The gruesome ghoul, the grisly ghoul,
> without the slightest noise
> waits patiently beside the school
> to feast on girls and boys.
>
> He lunges fiercely through the air
> as they come out to play,
> then grabs a couple by the hair
> and drags them far away.
>
> He cracks their bones and snaps their backs
> and squeezes out their lungs,
> he chews their thumbs like candy snacks
> and pulls apart their tongues.
>
> He slices their stomachs and bites their hearts
> and tears their flesh to shreds,
> he swallows their toes like toasted tarts
> and gobbles down their heads.

Fingers, elbows, hands and knees
and arms and legs and feet—
he eats them with delight and ease,
for every part's a treat.

And when the gruesome, grisly ghoul
has nothing left to chew,
he hurries to another school
and waits. . . perhaps for you.

That is what is going out to Year 4s in some schools. Here is a verse from another poem:

The girls scream out and shout
from this girl eating bat.
I usually catch a small one
because her legs are fat.

If that is not in breach of discrimination legislation in this State I would be staggered. Why is it necessary to put this rubbish before Year 4s?

Members interjecting:

Mr ASHENDEN: I have taken up this matter with the Minister, I can assure you. All I can do is ask teachers why they place this sort of material before their students. Members opposite think it is a huge joke. I have a parent whose eight year old daughter now suffers nightmares, all associated with this poem. It is these silly issues that reflect so badly on our schools.

Mr QUIRKE (Playford): The question is whether or not the kid started having the nightmares before she met the member for Wright or after. The question that I asked in this place on the last occasion on which we sat (and it is appropriate that the Minister concerned is in the Chamber at the moment) related to an article that appeared in a *Hills* Messenger newspaper. In that article it was alleged—

Mr Caudell interjecting:

Mr QUIRKE: I assure the member for Fawlty that I can read. The article alleges that the member for Fisher, the Minister who is now in the Chamber, had some disagreements with his colleague Mr Wotton, the Minister for Family and Community Services, over the funding of neighbourhood houses. I apologise for the fact that I read one edition but not the subsequent edition of that newspaper which contained an apology to the Minister. It was in very fine print and I would probably not have seen it in any case. However, it put the record straight, so I place that apology on the public record on that matter.

What I really want to talk about today are some of the questions and answers in respect of State Bank superannuation. Public servants in this State had better take note of what happened here today, and they had better take note of the way in which the Treasurer and this Government are proceeding. The Treasurer said that a lot of money was involved in superannuation—superannuation which was guaranteed and of which even he was a member until he came into this place. There are a number of people here who would have wished him to stay or go back to the Public Service—I suggest that would raise the IQ of both institutions.

In essence, what the Treasurer said today was that, because of the cost of superannuation, the Government was going to change the arrangements which people had put in train and about which they had no choice. They had been required compulsorily to put those arrangements in train about 30 or 40 years ago in relation to the State Bank or the former Savings Bank of South Australia.

Further, 598 people in the State Bank are involved. I remind the House that both before and after the election this side of politics made a commitment, and we will keep the commitment, that those superannuation provisions would be honoured. In fact, we will move amendments to ensure that that will be the case not only for State Bank workers but for those workers who will no doubt follow them to the auction block, that is, workers in SGIC and others who will doubtless get caught up under the same provisions.

In Question Time the Treasurer claimed that the cost to the taxpayer would be too great to honour the promises that he made as recently as October last year. The Treasurer said he would not get enough money from the sale of the State Bank if the Government honoured its word from October last year. That needs to be noted by members and by the 25 000 or 26 000 State Government workers in the various organisations who are members of the old State superannuation scheme. Basically, the Treasurer said that his word is not worth anything and that what he said in October last year will not count, because it will cost too much money.

It did not take the Government too long to work out that a public float of the State Bank would be popular. At the end of the day, the Government will be sorry for it. It has decided to float the State Bank, but it will receive only 65 or 70 per cent of what the Government would have obtained from a trade sale, but I have said that here before. Now the Government is attempting to float the bank and make superannuated workers pay the price difference. That is what the Government is about and we will not let that happen without comment.

Mrs ROSENBERG (Kaurna): My grievance relates to Telecom's recent decision to charge for phone directories supplied outside the areas in which people live. I refer to the Telecom press release as follows:

Freight and handling fee for out of area Telecom directories. From 14 March 1994 a small handling and postage fee will be charged for the provision of out of area telephone directories (telephone directories outside of a customer's home book area) throughout South Australia and Northern Territory. The fee is being introduced progressively in all States during February/March.

I will not bore the House with the reasons outlined in the press release, because I am sure members have read it. The key issues were that Telecom is committed to an environmental management plan, with which I have absolutely no argument; no freight or handling fee has been put in place to this time, but that has placed an unnecessary demand on books; and Telecom wants to reduce unnecessary transport and wastage of books in terms of the books now being delivered to post offices but not being used.

The normal process is that telephone books are supplied to Australia Post and agencies for nothing and that people living in any area code can go to a post office and pick up any book of their choice. For instance, in the electorate of Kaurna, half the electorate is in the 08 area and half in the 085 area. I have spoken to other members on this side of the House who find the same situation applying in their electorates, particularly in the near city seats.

Mr Atkinson interjecting:

Mrs ROSENBERG: You can ask questions in Question Time. A problem also exists in country areas, that is, areas which do not border the 08 areas. I do not believe much consideration has been given to those areas in Telecom's decision. If a person lives in the 085 area of Kaurna, it is automatic that most of the businesses in the area are within the 08 zone. If people are doing business in the electorate, they will want constant contact with the 08 area of Kaurna.

The cost of out of area books is to be $5.80. People can attend a post office in an 08 or 085 area and request on an order form a copy of an out of area book at a cost of $5.80.

I have checked with the local Aldinga Beach post office, which has confirmed that on average it has 1 610 white telephone books for the 08 area and 710 copies of the yellow pages picked up from the post office. The 710 copies of the yellow pages is particularly important, because that reflects the amount of business done between the 08 and the 085 areas. I can speak from experience of post offices only within Kaurna, but there are many far country areas where people will need to be doing business with the city. The people in those areas have been ignored.

I have raised this grievance today to put on record that I have contacted Telecom, which has indicated that, if people within the 085 area are prepared to go to a post office in the 08 area, they can obtain an 08 area book free. If people can make a trip to any Telecom office in South Australia, they will be provided with a free book of their choice. I wish to put the position on the record, and I hope it will be picked up in the media that people do not have to pay the $5.80. If people are desperate for books covering codes outside their area, they can go to a post office within that area code or to Telecom and pick up a book for nothing.

SITTINGS AND BUSINESS

The Hon. S.J. BAKER (Deputy Premier): I move:

That the time allotted for completion of the following Bills:
Statutes Repeal (Incorporation of Ministers),
Administrative Arrangements,
WorkCover Corporation,
Workers Rehabilitation and Compensation (Administration) Amendment and
Occupational Health, Safety and Welfare (Administration) Amendment

be until 6 p.m. on Thursday 24 March.

Motion carried.

STATUTES REPEAL (INCORPORATION OF MINISTERS) BILL

Adjourned debate on second reading.

(Continued from 22 February. Page 184.)

Mr ATKINSON (Spence): I remain in awe of the Government's mandate obtained from the people of South Australia on 11 December last; although the Deputy Premier has not said so, I suppose he claims a mandate for this Bill also, as he does for all the other Bills his Government introduces to the House. Perhaps it was mentioned by the Premier in his Thebarton Town Hall speech, although I do not know, as I was not there; perhaps the Attorney-General whispered its provisions from the front row during that performance, rather as the priest recites prayers silently during the singing of a hymn; or perhaps it was on the fourth page of the member for Lee's election leaflets or on the page 10 spill of the *Gawler Bunyip's* interview with the member for Light. The sources of the Government's mandate are as numerous as those of the Amazon. I am obedient to the will of the Deputy Premier and his mandate, as always. I should like to ask some questions in Committee.

The Hon. S.J. BAKER (Deputy Premier): I can hardly compliment the honourable member for his contribution to the debate. He has not actually addressed the substance of the Bill and he has failed to point out that, again, we are trying to fix up a mess created by the former Government. This is one of the matters that adds to the long list of failures. This is a minor matter, as members would appreciate. When the Government changed the ministries, it failed to change the Minister of Agriculture Incorporation Act 1952. So administrative decisions were still vested with that ministry even though the title had disappeared. This is just a cleaning up mechanism, and I thank the honourable member for his support.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

Mr ATKINSON: I understand that this clause will make this Bill retrospective to the date on which the bodies corporate were to be abolished by notice in the *Government Gazette*, namely, October 1992: what I cannot understand is the need for retrospectivity other than for the sake of neatness. What undesirable consequences would there be if the Bill were not retrospective in its operation?

The Hon. S.J. BAKER: I thank the honourable member for his question. I am not aware of the unwanted consequences that may arise. I can only presume that, if an administrative decision was made that affected the areas we are considering, that is, principally agriculture and lands, under the responsibility vested by the respective Acts, it might come under challenge. It is neatness, as the honourable member suggests, but I also believe that it was probably done with a degree of conservatism to ensure that there are no unwanted consequences. I cannot answer the honourable member's question directly but, if he wishes me to pursue the matter, I shall certainly do so.

Mr ATKINSON: This is the second retrospective Bill that the Attorney-General of the new Government has put to the Parliament in this session, the first being the Acts Interpretation (Commencement Proclamations) Amendment Bill. In my opinion, this is evidence of sloppy work by the Attorney and a casual approach to the rule of law. Perhaps the Attorney ought to take more time over his Bills. Does the Deputy Premier agree that retrospective Bills are undesirable and, if so, why does he regard them as undesirable?

The Hon. S.J. BAKER: I am fascinated by the line of questioning. The retrospectivity is to clean up a mess that was created by the former Government. I thought that was excuse enough to have the matter sorted out and tidied up, so that it does not remain on the statute book in its present form. I think that is good enough reason; obviously the Attorney in another place thought it was good enough reason and, indeed, the former Attorney felt exactly the same way, because he agreed. I do not know that the member for Spence has such a fundamental understanding of the law that he can disagree with such notable gentlemen who are well versed in the law. The fact that it passed without comment in another place is testament to the fact that it had to happen. Occasionally, a Bill has to be retrospective to clean up the mess of the past.

Clause passed.

Remaining clauses (3 to 5) and title passed.

Bill read a third time and passed.

ADMINISTRATIVE ARRANGEMENTS BILL

Adjourned debate on second reading.

(Continued from 22 February. Page 184.)

Mr ATKINSON (Spence): The Opposition has considered the Bill carefully and supports it. However, I would like to ask some questions in Committee.

The Hon. S.J. BAKER (Deputy Premier): I thank the honourable member for his cursory examination of the Bill.

Bill read a second time.

In Committee.

Clauses 1 to 6 passed.

Clause 7—'Body corporate constituted of Minister.'

Mr ATKINSON: Incorporation is a legal fiction. Receiving corporate status has been a privilege and an advantage throughout our legal history. What is the need for incorporation of Ministers and why is it so lightly given and taken away by this Bill? It is so lightly treated that it can be granted and dissolved by proclamation in the *Government Gazette*, that is, without reference to Parliament.

The Hon. S.J. BAKER: I thank the honourable member for his question. The second reading explanation states that the provision allows for greater flexibility in the administration of Acts and powers than has previously prevailed. It has the support of the Government and the former Government through the former Attorney-General. It is my understanding that the incorporation that we are talking about has a connotation that is different from that applying to matters examined under the Corporations Act, that is, the Federal law, but if the honourable member should require further information I would be more than happy to ask that that question be addressed. I do not have a ready answer: I can only say that we are imparting powers, ensuring that we do not have administrative problems created by lack of attention to detail by Government in terms of changing the arrangements.

This matter comes about as a result of the October 1992 changes. As members who were in the House at the time will recognise, in October 1992 there was a wholesale reshuffling of Government, which did not help it to succeed at the following election, but it went through the process. It is important to understand, for those who were not here at the time, that two Independents rose to ministerial status in that reshuffle. We could only wonder why those members achieved that status. Of course, it was to preserve the Government's position and to bring those members into the fold to ensure that the Government could have a run up to the election which was not in any way deflected by the antics of two Independent Labor members of Parliament.

This Bill provides a sweeping power for the Government to change the arrangements. As the honourable member will recognise, I have been vested with more responsibilities, and they will be by proclamation as a result of the Governor's signature on the documents. It should not come as a surprise to the honourable member that we should be protecting the Government and making it as easy as possible to effect these changes.

The Governor is finally responsible for signing off those documents, and it is important that those documents are accurate, whereas the previous ones were not. Again, reflecting on the October 1992 situation, those members who were present at the time will recall that chaos prevailed. Nobody knew who was responsible for which functions. We have the capacity under this Bill to change those administrative arrangements. Of course, there will be a schedule associated with each area of ministerial responsibility, and parts of that schedule will be changed according to the changes in ministerial responsibilities. There will be one or two changes relating to my portfolio, which will be notified in the *Gazette*, as a result of agreement by Cabinet and by the signature of the Governor.

As to the meaning of incorporation, this terminology suits the occasion, and it may have something to do with the Public Corporations Act and, therefore, the vesting of powers under that Act. I will not try to surmise any more, but if the honourable member wishes to have an answer I am certainly prepared to give one.

Clause passed.

Clause 8 passed.

Clause 9—'Delegation of functions and powers by a Minister.'

Mr ATKINSON: Subclause (3) provides that a Minister who has delegated a function, power or duty to another Minister is still free to carry out that function power or duty. If that is so, how can we know who is the relevant Minister? How can we have responsible government if we do not know which Minister is accountable for what?

The Hon. S.J. BAKER: I point out that this again is the problem of October 1992 revisited.

Mr Atkinson: It is not.

The Hon. S.J. BAKER: Indeed it is. If there is a mistake at the time of proclamation, this does not in any way negate the decisions of Government. It is a cover all to ensure that the Government can operate effectively even if the transfer of powers has been incomplete. I see no dilemma with this provision.

Mr ATKINSON: Unlike the Deputy Premier, I see the dilemma that this provision allows a kind of tag-team wrestle in which all the players can be in the ring at once. If one Minister has delegated his power to another Minister, so that another Minister can exercise his or her power, yet the original Minister under subclause (3) can still exercise the power, who is the Minister?

The Hon. S.J. BAKER: I believe that I have just answered that question.

Clause passed.

Remaining clauses (10 and 11), schedule and title passed.

Bill read a third time and passed.

WORKCOVER CORPORATION BILL

Adjourned debate on second reading.

(Continued from 8 March. Page 306.)

The Hon. S.J. BAKER (Deputy Premier): Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Mr CLARKE (Ross Smith): The Opposition is totally opposed to all three Bills introduced by the Government with respect to WorkCover and the Occupational Health and Safety Commission. Our opposition is based not on some warped piece of ideology embraced by the former Government but on facts and, more importantly, our belief in the dignity of workers, particularly those who, through no fault of their own, are injured as a result of their employment and the consequential financial and human costs that flow from such injury.

When the then State Labor Government introduced WorkCover in 1986, it was done only after a very full and frank exchange of views between all interested parties in workers compensation had taken place, stretching back some years. It was introduced at a time when insurance premiums charged by private insurers for workers compensation for many manufacturing concerns exceeded 20 per cent of payroll.

Members interjecting:

Mr CLARKE: Not only manufacturing industry demanded Government action. In the five years leading up to the establishment of WorkCover, costs increased by a staggering 24 per cent per annum. Since the introduction of WorkCover, costs have dropped by more than 5 per cent per annum in real terms. The source of that information is the WorkCover report of April 1993.

I enjoy the interjections from my friends opposite, but what they hate to hear are facts, and that is what has been sadly lacking. The problem we have with members opposite is that they do not want to hear the facts. The Minister, when he was Opposition spokesperson on industrial relations, was conspicuous by his absence in terms of presenting any facts to the people and to the Parliament of South Australia. Trade unions were concerned at the costly and adversarial nature of the then workers compensation legislation. It was a system that had outlived its time.

Injured workers received compensation only after waiting many months or years for final settlement but were then forgotten about, with no effective means of rehabilitation available to them. Interestingly, Mr Acting Speaker, private insurers were also keen on opting out of workers compensation as they found the business unprofitable. They were not and they are not now geared up to care for long-term injured workers. For the trade union movement, the acceptance of WorkCover in 1986 meant that it had to wrestle with its collective conscience on the issue of forsaking an injured worker's rights to sue at common law. I pause there for a moment. Of all the groups in our society it has only been workers who have given up their rights to sue at common law.

Mr Cummins: Because of your Party.

Mr CLARKE: WorkCover was accepted only after a very great deal of debate within the Labor Party and the trade union movement.

Mr Cummins: You didn't want to go to an election.

Mr CLARKE: These were great issues of profound importance and, at the end of the day, the collective view of the trade union movement was to forsake those common law claims against negligent employers for loss of income in favour of a comprehensive system of workers compensation, based on 100 per cent income maintenance for the first 12 months and faster decision making on claims, coupled with an effective strategy on rehabilitation of injured workers and preventive strategies being developed through the establishment of a separate statutory body known as the Occupational Health and Safety Commission.

Mr Brindal: Screw the people.

Mr CLARKE: That interjection is very interesting from the member for Unley: 'screw the people'. The Government wants to take away the rights that we earned in 1986 and not give us back common law at the same time. Very rich, indeed, from the member for Unley. Of particular importance to all Parties was the establishment of the boards of management of both WorkCover and the Health and Safety Commission on a tripartite basis. Each of the social partners were equally represented on those policy and decision making boards, where each of the major players had a vested interest in ensuring the organisation's success and in representing their respective constituencies.

Mr Lewis: What about the public?

Mr CLARKE: The Labor Party is not ashamed to say that South Australia has the best workers compensation scheme in Australia, including the best benefits in Australia, and a scheme which could only have been introduced by a Labor Government because of our commitment to workers and their families. We do not have any shame; we do not deny that we have the best scheme in Australia. This miserable State Liberal Government wants to—

Members interjecting:

The ACTING SPEAKER (Mr Bass): Order! The member for Mitchell and the member for Unley have said enough.

Mr CLARKE: —govern on the basis of the lowest common denominator. In the centenary year of women's suffrage and their right to stand for Parliament—the first in the world—and in the State which led the nation in making laws on such matters as consumer protection, environmental protection, electoral reform, Aboriginal land rights, and laws relating to the outlawing of discrimination in a whole range of important areas to name but a few—

Mr BRINDAL: I rise on a point of order, Sir. I ask for your ruling on relevance. What have Aboriginal land rights and a whole lot of other things to do with the Bill we are discussing?

The ACTING SPEAKER: I presume the honourable member will link up what he is saying with the actual Bill.

Mr CLARKE: Absolutely, Mr Acting Speaker, and with your past background in the trade union movement you will only too readily appreciate the points that I am about to make. This meek, insipid, profoundly disappointing State Liberal Government is terrified at being at the cutting edge of real reform, being content only to be among the also-rans and ne'er-do-wells when it comes to advancing the interests of the ordinary men and women of our community. The Minister and his Government deliberately continue to mislead the public and the Parliament by referring to the comparative cost differentials of the WorkCover scheme as between South Australia and other States.

They constantly chant that South Australia has the highest WorkCover rates in the nation and this is a disincentive to employment. As the Minister should know, investors want to know what the actual labour costs, including oncosts, are in each State. Unfortunately, the Minister, when in Opposition, was too successful in his own Goebbels-like propaganda, and some employers actually believed him that South Australia was not a good State in which to invest. The facts are simple, and I would appreciate the Minister's attention, because he might learn something.

According to the latest figures from the Australian Bureau of Statistics detailing Aboriginal labour costs per employee, as at 30 June 1992 the Australian average labour costs per employee in the private sector totalled $28 949. In South Australia the average labour cost was $26 762. Labour oncosts include superannuation, payroll tax, workers compensation, annual leave, sick leave, leave loading, termination payments and fringe benefits. The Australian average of these oncosts is $6 817 per employee; the South Australian average is $6 110 per employee. The two States that are South Australia's main competitors in manufacturing, namely, Victoria and New South Wales, are very interest-

ing—the States that the Minister has so often used in terms of advancing reasons why South Australia should reduce its benefits to the lowest common denominator.

The total average cost per employee in the New South Wales private sector is $30 930 versus South Australia's average figure of $26 762. The comparison of labour oncosts in New South Wales is $7 476.

Mr CAUDELL: I rise on a point of order, Sir. I draw your attention to the relevance of the arguments that the member for Ross Smith is advancing in this debate. I draw attention to the fact that he is referring to wage costs throughout the different States, which has no relevance to WorkCover. As we all appreciate, costs associated with the work place are dependent on the cost of living in those States and therefore have no relevance to WorkCover costs.

The SPEAKER: I remind the member for Mitchell that he is not allowed to make a speech on a point of order. There is no point of order. The honourable member for Ross Smith.

Mr CLARKE: The comparison of oncosts as between New South Wales and South Australia is very important. In New South Wales the amount of oncosts per employee is $7 476 versus $6 110 in our own State. In Victoria the total average cost is $29 975 per employee versus the South Australian figure of $26 762; and with respect to oncosts per employee in Victoria the figure is $7 545 versus $6 110 in our State. If we look at the average labour costs, combining both the public and private sectors, we have an Australian average of $30 995, of which the oncosts amount to $7 869. In South Australia, combining both the public and private sectors, the average employee labour costs are $29 402, and oncosts amount to $7 357. In New South Wales, the average is $32 628, of which labour costs—

Mr Brindal interjecting:

The ACTING SPEAKER: Order! The member for Unley will have sufficient time to make his comments. I ask him to please resist interjecting.

Mr CLARKE: I appreciate that the member for Unley has difficulty in listening to the facts. He is not noted for his ability to understand. In New South Wales, the average cost per public and private employee, as at 30 June 1992, was $32 628, of which oncosts amounted to $8 429. In Victoria, the average cost per employee, public and private, was $31 829, with oncosts of $8 560. There is a huge and significant difference between New South Wales, Victoria and South Australia, and yet we are still able to do that with the best workers compensation scheme in Australia.

For the sake of completeness, I will read the figures for the other States into the record because no-one on the other side has bothered to do it. Based on his second reading explanation, if the Minister were an advocate before any industrial tribunal, it would be all over bar the shouting, because he did not provide one fact. I refer to the public and private sectors, and I will use them as a comparison. I will not go through them all separately, as the figures are available in the library if anyone would care to read them—

Mr Caudell interjecting:

Mr CLARKE: As at 30 June 1992. They are the latest figures that are available.

The ACTING SPEAKER: Order! I will not have a debate between members. The member for Ross Smith has the call. The member for Mitchell will kindly stop interjecting.

Mr CLARKE: In Queensland, the total average costs are lower than in South Australia, with $27 505, and the oncosts amount to $6 270 per employee. In Western Australia, another State that is often touted before us by the Government, the average labour cost per employee is $30 225, with oncosts of $7 346. In Tasmania, the total cost is $26 917, of which $6 366 are oncosts. In the Northern Territory, the average cost per employee is $30 094, with $7 491 being oncosts. Finally, with respect to the Australian Capital Territory, the total labour costs are $33 455, and oncosts amount to $7 727.

In his second reading explanation, the Minister failed to mention that in those States where the workers compensation levy rate is lower than in South Australia—for example New South Wales, with 1.8 per cent—the injured worker is denied any income maintenance after six months off work and is forced to subsist on social security benefits.

However, the Minister did allude to the intention of the Government to try to bring down the average levy rate in South Australia to 1.8 per cent. He also flagged further Government legislative initiatives in the August session of Parliament. The interesting point is that in February the Minister did not have the guts to say that in August he will introduce legislation to totally gut WorkCover and throw injured workers onto the scrap heap after six months or, at the very best, 12 months, because, Mr Minister, you know that you cannot get the levy rate down to 1.8 per cent unless you adopt the same draconian measures as the New South Wales and Victorian Governments.

Mr BRINDAL: I rise on a point of order, Mr Acting Speaker. Standing Orders clearly provide that all remarks must be directed through the Chair and that reference to a Minister must be by his or her title. I ask you, Sir, to instruct the member for Ross Smith on proper etiquette.

The ACTING SPEAKER: I accept the point of order. I remind the member for Ross Smith to address his remarks through the Chair and to address Ministers by their correct title.

Mr CLARKE: At no time in any of the speeches that the Minister has made in this place—whether in Opposition or Government—has he made any reference to the fact that in States such as Victoria and New South Wales an injured worker is kicked off income maintenance after six months. Virtually every Federal and State award in those States contain top up provisions whereby an injured worker denied income maintenance through the effluxion of time under the relevant WorkCover legislation receives the balance between the social security payment and the award rate of pay which is borne by the individual employer. What the Minister does not mention in his second reading explanation is that in Victoria an employer has to meet the first $378 of medical expenses of an employee who is injured, and that is not the case in South Australia.

In drawing these comparisons I am trying to bring to the attention of the public and members of this House that, when the Minister talks about average levy rates and the hours in South Australia being the highest in the nation, and making us uncompetitive for industry, jobs and the like, he is not comparing apples with apples. It is a deliberate distortion on his part to cover up his and the Government's true agenda, which is to gut WorkCover and reduce us to third world status. What is absolutely critical, as I said earlier—and this is based on interstate levy comparisons—is that, whilst South Australia has a higher levy rate than other States, it is not because those States have a better managed or more efficient scheme. They are able to have a cheaper rate because they shift the cost burden onto injured workers and from them onto the Federal social security system and the taxpayer.

The extent of this transferred employer liability to the Australian taxpayer is enormous. According to the latest figures (1990-91), the extent of that transfer of employer liability totals a massive $1 066.4 million. That is what happens. The employers shift their responsibility for safe work practices and the care of injured workers onto State and Federal taxpayers. I will break down the transfer of employer liability, which amounts to some $1 066 million, to a State by State comparison. For the year 1990-91, in New South Wales it amounted to $445.3 million; Victoria, $174.6 million; Queensland, $272.6 million; Western Australia, $130.3 million; Tasmania, $24.5 million; Northern Territory, $6.4 million; Australian Capital Territory, $12.7 million; and in South Australia, nil. We pay our own way. In this State employers are required to meet their full share of the burden with respect to injured workers under their care.

They are not discarded onto the social security system and hence paid out of Federal funds. This cost transfer from employers to the taxpayer has not gone unnoticed, and is part of the Industry Commission's inquiry into workers compensation arrangements in Australia. According to the Department of Social Security, the cost to Federal revenues from the States dumping injured workers onto the social security system is in excess of $200 million per annum. That is a reference from the Department of Social Security submission to the Industry Commission's inquiry into workers compensation in Australia, dated April 1993.

Members interjecting:

Mr CLARKE: I appreciate the interjections from members opposite, because this is probably the first time in their lives that they have actually heard some facts on this issue. The facts are unpalatable to them because they force them to confront their own twisted and distorted views of WorkCover, of injured workers and of their great perception that only people who want to rort the system ever claim compensation. It is all very well for members opposite to say that, because, as we all know, when they carry the Minister's Bill by weight of numbers, whether it be later today or tomorrow, they will all be protected, 24 hours a day as MPs, but not their constituents, who have to travel to or from work and who are injured. They have one rule for the governed and another for the rulers.

Members interjecting:

The ACTING SPEAKER: Order!

Mr BRINDAL: I rise on a point of order, Mr Acting Speaker. I think the member for Ross Smith has seriously misrepresented all members of this House in contending that we are covered by WorkCover; we are not, and I ask him to withdraw that misrepresentation.

The ACTING SPEAKER: The honourable member has a right to speak in the debate. There is no point of order.

Mr Caudell: You still told a lie.

Mr CLARKE: I would ask for a withdrawal of the member for Mitchell's remark, Mr Acting Speaker.

The ACTING SPEAKER: I did not hear what the honourable member said; I would ask the member for Ross Smith to repeat it.

Mr CLARKE: He called me a liar, Sir.

The ACTING SPEAKER: If the member did so, it is unparliamentary language, and I ask him to withdraw it.

Mr CAUDELL: Which particular word did he not like, Sir: the word 'told' or the word 'lie'?

The ACTING SPEAKER: I ask the member for Mitchell to withdraw the inference that the member for Ross Smith is a liar.

Mr CAUDELL: I withdraw the inference, Mr Acting Speaker.

The ACTING SPEAKER: No, I do not accept that. I am telling the member for Mitchell to withdraw the inference or the word that the member for Ross Smith is a liar.

Mr CAUDELL: I withdraw the word or the inference that the member for Ross Smith is a liar.

Mr CLARKE: Thank you, Mr Acting Speaker. I am quite happy to debate that point. What I said, if the Minister and members opposite would listen, was that members of Parliament will be unaffected and will maintain their 24 hour coverage. In his explanation the Minister referred to the Government's objective to reduce the WorkCover average levy to 1.8 per cent.

Members interjecting:

Mr CLARKE: Please do.

The ACTING SPEAKER: Order! I do not want a conversation across the House. The member for Ross Smith has the call; I suggest he speak through the Chair.

Mr CLARKE: Thank you, Mr Acting Speaker. I have already said that in the autumn session of Parliament the Government intends to introduce further legislation which can only mean a massive reduction in benefits for injured workers. That was not said prior to the State election; its policy was full of glib, transparently thin, feel-good rhetoric, and the Government certainly has no mandate for this legislation. Listening to and reading the Minister's second reading explanation, one would get the impression that WorkCover has been a financial disaster; however, the exact opposite is true.

WorkCover is now fully funded; as at 31 December 1993 it had a surplus of $22.5 million, and the reference is the WorkCover Corporation quarterly performance report of December 1993, of which the Minister has a copy. The unfunded liability figures are based on actuaries, who are notoriously very conservative, making estimates regarding claim costs over a period of up to 50 years. This makes it extremely difficult to treat their estimates as hard numbers; nonetheless, the very important point is that the trend line over the past three years is up towards full funding. All that has been achieved in a little over seven years, without slashing benefits to injured workers.

Over the years the board and management of WorkCover have introduced a number of initiatives which have reduced the levy rate through programs such as bonuses and penalties and the safety achievers bonus scheme. This latter project is directed towards medium sized to large employers, who account for 40 per cent of WorkCover claim costs. Employers who develop a systematic approach to workplace health and safety and who meet a range of performance standards, including a 15 per cent reduction in compensation claim costs over the previous year, are eligible to receive up to a 20 per cent reduction in levies.

These initiatives are working, and what is required of the Government is that it stop peddling the lies about WorkCover and report the facts. If we are unable to win new enterprises to South Australia because of the WorkCover levy rates, that is because of the deliberate misinformation that has been bandied around over the years by the Liberal Party and its employer mates, who for their own political purposes used every opportunity to knock WorkCover just as they knocked the Grand Prix, causing South Australia to lose that event to Victoria. Without going into detail at this juncture on each of the clauses of the Bill (and I will have a great deal more to say about them in Committee)—

Members interjecting:

Mr CLARKE: Yes, you will have to earn your crust; you will have to stay here as long as is necessary to make sure this matter is fully ventilated. I can assure members of that.

Mr Brindal interjecting:

Mr CLARKE: Yes, thank you, Herr Himmler!

Mr BRINDAL: I rise on a point of order, Mr Acting Speaker. I object to being called 'Herr Himmler' and I ask the honourable member to withdraw.

Mr CLARKE: I withdraw, Sir.

The ACTING SPEAKER: I thank the member for Ross Smith but, before he continues, I would not know what he called the member for Unley, because of the noise from both sides of the House. I have had enough. I will warn the next member who interjects unnecessarily.

Mr BRINDAL: I rise on a point of order, Mr Acting Speaker. I objected to being called Herr Himmler and I asked the honourable member to withdraw, and I ask you, Sir, to rule on that point of order.

The ACTING SPEAKER: If the honourable member had been listening, he would have heard the member for Ross Smith withdraw.

Mr CLARKE: I will not deal with all the clauses in detail, as I will have ample opportunity to do that during the Committee stage, but there are a few very quick points I want to make now, as part of my second reading contribution. There are a number of important points. In this Bill the Minister seeks to reduce the number of members on the WorkCover board from 14 to 7. The Opposition does not have any objections *per se* to a reduction in the number on the WorkCover board from 14 to 7; it is rather the composition of the board that gives us concern.

Indeed, in 1986 we would have been delighted to have had a smaller board but, because employer organisations were so fragmented and each wanted a guernsey for itself, we had to expand the board to 14 members so all the organisations could be represented and parade themselves before their membership, justifying their own existence. The principle of going from 14 to seven members of the board is not one with which we have any objection *per se*. The existing board is a truly tripartite board, and that was an important consideration at the time WorkCover came into being, because the trade union movement forsook rights with respect to common law claims for negligence because we believed that as part of the total package we would have part ownership of the WorkCover scheme through equal representation on the board. We believed it would not be token representation such as that suggested by the Minister—only one-seventh—but equal partners working together for the common good.

That aspect caused us a great deal of angst and we will not support the change either here or in another place, because it upsets the very basis of the tripartite board providing proper consultation where injured workers can properly have a say in the government of an organisation that deals with the day-to-day livelihood of so many injured workers. Also, I am concerned because the Minister has not said who will fill the remaining positions on the board. We have token union representation on the board and there is to be one former employer representative. It is the Opposition's view that the remaining five positions will be drawn from the employer mates of the Liberal Party, particularly those who kicked into their election campaign slush fund. In the Liberal Party's—

The Hon. G.A. INGERSON: Mr Acting Speaker, I rise on a point of order. I ask the member for Ross Smith to withdraw his statement, because it is not true.

The ACTING SPEAKER (Mr Bass): I do not consider it unparliamentary but it would be appropriate if the member for Ross Smith did withdraw that comment.

Mr CLARKE: Mr Acting Speaker, the difficulty is that the Minister has not announced what class of person or organisation will be represented on the board: what he has just said to the House may or may not be true, and there is no way of gauging that.

The Hon. G.A. INGERSON: Mr Acting Speaker, I rise on a further point of order. Any inference that I or any member on this side would be involved with slush funds and that we would pick people to be on the board as a result of such activity is inaccurate and untrue. I ask the honourable member opposite to withdraw that.

The ACTING SPEAKER: I tend to agree with the Minister and I ask the member for Ross Smith to withdraw those comments.

Mr CLARKE: In deference to you, Mr Acting Speaker, I withdraw those comments. However, what is of concern to the Opposition is that in its policy released before the last election the Liberal Party said that the board should also consist of persons with experience in human resource management, management and finance, insurance administration, and investment. That was outlined in the Liberal Party's program, and from our point of view the make-up of the board will be so substantially changed that the ethos and values of employers will permeate that organisation to the detriment of injured workers.

Also, we are fundamentally opposed to the dismantling of the Occupational Health and Safety Commission, and that issue will be debated in more substance later in the week; I will have more to say about it then. However, I want it recorded now that we are opposed totally to the removal of the separate status of the Occupational Health and Safety Commission. I do not believe that anyone in South Australia, whether they be an employer or an employee representative, whether they be on the Government or the Opposition side, could say that the commission has done other than a magnificent job. The work it has done has been recognised nationally by Worksafe Australia as being at the cutting edge of preventive policies with respect to injuries at the work place.

The Opposition's fear is that, if the Government guts the commission and incorporates it with WorkCover, as the Minister intends, it will be the compensation arm of WorkCover that will drive the organisation and the specialist preventive skills that have been built up over the years through occupational health and safety will be lost over time.

We are also strongly opposed to the concept that WorkCover can contract out its work to the private sector. Nothing is more doomed to failure, in our view, than the reintroduction of private insurers. The single insurer concept is absolutely fundamental to the WorkCover scheme. To abandon the economics of scale and the ability to cross subsidise the economic interests of the State and the centralisation of intelligence and record keeping that flows from the single insurer is madness driven by ideology and not by any sense of rational thinking. Between 1986 and 1989, SGIC handled the claims for WorkCover. That was a disaster from every point of view. The difficulty is this: insurers, whether they be private or Government in the form of SGIC, are not equipped to handle long-term injured workers. They are just a simple claims processing facility but, where a claim extends for more than six months, extensive rehabilitation of workers might be involved including job redesign and so forth and it

is an impossibility for private insurers to be able to handle that work adequately.

Notwithstanding the position here in South Australia with regard to SGIC, we need look only at Victoria in the early 1980s when the then Labor Government was forced by the Victorian Upper House under the Workcare scheme to contract out claims handling to several private insurers. It was an unmitigated financial disaster for the State and, more importantly, it was an unmitigated financial disaster for the thousands of injured workers who could not get satisfaction through that system. I will deal with those matters in greater detail in Committee. In conclusion—

Mr Brindal: Go and have a cup of tea.

Mr CLARKE: The member for Unley should stay here as long as he can and learn something. As he has an incredible capacity for being thick headed, if he stays here long enough something will probably sink in. In future debates over forthcoming days we will deal with journey accidents, stress claims and a whole range of other retrograde steps that the Government intends to try to inflict on workers in South Australia. As to this Bill, I reiterate that the Opposition is totally opposed to it. It will oppose it every step of the way both here and in another place because—

Mr BRINDAL: Mr Acting Speaker, I rise on a point of order. I direct your attention to Standing Order 120, whereby reference to debates in another place is out of order. It is out of order to either refer to debate in another place or to any measure impending in that House. It is the second time the honourable member has done that.

The ACTING SPEAKER: The point of order is upheld. I remind the member for Ross Smith that Standing Orders do not allow for reference to debate in another place.

Mr CLARKE: Thank you, Mr Acting Speaker. I conclude on the point that I made earlier: we in the Labor Party are not ashamed of WorkCover. We are not ashamed of having the best system in Australia that looks after workers the best in Australia, and only under a Labor Government could such legislation be conceived. When we get back into government—should this legislation happen to pass—we will bring back the best scheme in Australia in the interest of all injured workers.

Mr LEGGETT (Hanson): I support the WorkCover legislation introduced by the Minister for Industrial Affairs, including the Administrative Arrangements Bill and the WorkCover Corporation Bill. I have a deep interest in this issue, because for many years I was involved at administration level in education and I have seen first hand genuine cases of WorkCover claims, particularly in the area of stress and accidental injury. Unfortunately, I have also seen the system very much abused and that is why the existing WorkCover legislation needs a complete overhaul. How can the former Government be critical, as indeed the member for Ross Smith is, of moderate reform? I stress the word 'moderate': the former Government which was in power for 11 years lost control totally in the area of WorkCover.

It is all very well for members opposite to look at the future and say what they will do when they get back in in 25, 35 or 40 years, or whatever the case may be, but the fact is that they destroyed the scheme while they were in government over the past 11 years. There was scant respect for small business, which is the very backbone of this State. Comments in the *Advertiser* by Mr Lindsay Thompson, the head of the South Australian Employers Chamber of Commerce and Industry, are very clear regarding the Brown Government's WorkCover reform, and I am sure the member for Ross Smith would have read this. In the article Mr Thompson says:

> Either move ahead with meaningful but moderate reform or we entrench our position as a backwater State—afraid to take any tough decisions.

And that is exactly the scenario that occurred during the past 11 years. Again, I emphasise the words 'moderate reform'. Moderate means: to be restrained, temperate, not extreme, to control. I wish the member for Spence was here. I have it all together. We must move ahead with meaningful reform. When asked by the media to compare this Government's proposed changes to WorkCover with the changes brought about by the Kennett Government in Victoria—with which the member for Ross Smith would always like to link us—Mr Thompson said, 'It was as different as chalk is from cheese.' No comparison can be made whatsoever, yet the member for Ross Smith 'muffled' publicly about a week ago that the Brown Government was planning to 'gut'—I know all sorts of definitions for the word 'gut' too—WorkCover and that, as a Government, we are following the lead of the Kennett Government in Victoria.

Look at the shadow Minister for all parts over there: he has so many parts he does not know quite which way to turn. In fact, the other day he looked so bent up with all his shadow portfolios that I thought he had his braces done up to his fly button. Then he stood up and showed me I was wrong.

I applaud the tough decisions made by the Minister for Industrial Affairs and I applaud his challenge to the unions and their puppet, the Labor Party, because that is exactly what it is. They are mounting a destructive campaign against this proposed legislation. Included in the changes are provisions for new enterprise agreements as an alternative to union awards and for employees to be able to form enterprise agreements.

Mr CLARKE: I rise on a point of order, Mr Acting Speaker. I believe the member for Hanson is a couple of weeks early. I thought we were dealing with the WorkCover legislation.

Mr LEGGETT: I will lead to that in a moment.

The ACTING SPEAKER: I do not accept there is a point of order. The member for Hanson.

Mr LEGGETT: The legislation also calls for an end to compulsory unionism and for protection for employees who choose whether or not to join a union, and to me that is totally democratic. This proposed legislation rightly calls for the restructuring of the Industrial Relations Court and the Industrial Relations Commission. It also proposes the banning of secondary boycotts when a second union goes on strike in sympathy with the original strike. The changes also give the employers the discretion to deduct union membership fees from employees' salaries.

As the Minister said in the *Advertiser* on 13 March in response to criticism of his industrial relations Bill and its amendments, no-one here is a loser; unions still have rights, but they have no special rights, no militant stranglehold and no monopoly. Under this legislation workers in the State system no longer have to be in a union, and that is called freedom of choice.

Mr CLARKE: I rise on a point of order. I do not know whether or not I am obtuse, Mr Acting Speaker, but I am still trying to find the relevance of the closed shop, compulsory unionism and the like to WorkCover.

The ACTING SPEAKER: Earlier in this debate I gave the member for Ross Smith some latitude and I give the

member for Hanson the same latitude, but I remind him that we are debating the WorkCover legislation.

Mr LEGGETT: I have read many examples demonstrating the problems or unusual outcomes with journey claims, stress claims, and claims relating to injuries occurring outside the normal working hours. I know that this is an extremely sensitive issue and I intend to talk about these three areas and then move on to a situation which occurred in the South-East and which is of particular concern to me. I deal now with the farcical waste of taxpayers' money when it comes to WorkCover claims and I mention the following examples. First, in the Department of Correctional Services a prison officer, who had a history of stress claims and who had a second job running with a security firm with the approval of his employer, was frequently absent from work over a 14 month period. The prison authorities decided not to allow the worker to continue in the second job and would not provide reasons for the decision. The worker ceased work and he both lodged and won a stress claim.

The second example is a little less complicated. It involves a barmaid employed by the Evins and Tower Hotel who stayed behind to do some drinking after work with friends and acquaintances. Several hours later she obviously overbalanced, fell and fractured her wrist. The review officer determined that the worker was covered because she was at her place of employment after concluding work for the day.

The third example involves a worker who was on his way to work and who became embroiled in a fight, sustaining a cracked rib. The review officer found that the worker was on a journey to work and therefore was in the course of employment. All these were treated as legitimate claims. I could point to many more examples but time does not permit that.

I draw members' attention to a WorkCover claim which occurred in January 1994 in the South-East of South Australia and which involved a friend of mine of over 35 years who is a very honest man and who is self-employed. He had one employee, who sustained a very minor burn while removing a radiator cap. I have the documented evidence of this case here. The employee went straight to the doctor who admitted the patient for overnight observation in hospital, even though she did not really need to stay in hospital. The employer paid for the two days sick leave, and the employee wanted to pay both the medical and hospital bills. The hospital rang the employer to say that the bills could not be paid as they had to be passed onto WorkCover.

The employer duly received an account, which should have been in the vicinity of $150 to $200 but which was $1 865. Upon checking with the hospital, the employer was told that it was entitled to charge that amount 'under the scheduled fee'. Incidentally, the account reads, 'non-extensive burns without operating room procedure'. This employer is as honest as the day is long and has been in business for a long time in a one or two-man business, and when he contacted WorkCover he was told that his levy would increase probably by about 27 per cent. I have in my possession the hospital account if anyone wishes to see it. The whole situation is totally outrageous.

Australia is a great country; South Australia is a wonderful State but, sadly, this example is one of many thousands. There was a case recently where a man in the southern area cut his finger and, as a result, received $14 000 because the injury came under the WorkCover legislation. How dare the unions endeavour to stop WorkCover legislation which will end this monopoly and the exploitation of the small business person. We must remedy that situation, which has been brought about by militant unions.

In summary, we need to re-emphasise the key changes outlined by the Minister in his media release of 21 March: first, to tighten the stress provisions to ensure that only stress caused by employment is compensated (I think that is very important, practical and common sense); secondly, to eliminate compensation for injuries caused by voluntary consumption of drugs or alcohol; thirdly, to eliminate compensation for most leisure time accidents, especially those occurring outside the workplace (I have already given three or four examples); fourthly, to eliminate compensation for most journey accidents to and from work (that is a very important area where there has been so much mismanagement of money); and, fifthly, to replace the existing WorkCover Board with a smaller management board and two advisory committees.

I note that the member for Ross Smith complained about that. I see that as being perfectly reasonable and practical. That committee will report to the Minister on WorkCover and health and safety issues. The last proposal is to empower the WorkCover Board to introduce private insurers to manage parts of the WorkCover scheme or allow employers to manage claims.

I believe that this legislation is vital to South Australia's recovery and future; it is vital to small business employers and employees for whom I have a great deal of respect and feeling; and it is vital for the effective operation of all businesses. I strongly support this Bill.

The Hon. LYNN ARNOLD (Leader of the Opposition): I indicate my opposition to this legislation. We had a lot of rhetoric in the last speech about the interests of those who are injured in the workplace, especially in the honourable member's closing comments.

We have a WorkCover system in South Australia that I believe is world class. That point was made earlier by the member for Ross Smith. It is a system that provides a fair deal for a worker injured in the workplace, and it is a system of which we can be proud. Indeed. we on this side are proud of that system, not ashamed of it. What we have before us is a Bill which attempts to say that we should be ashamed of this system and somehow embarrassed about the achievements of the WorkCover Corporation and the WorkCover system of this State.

Many comparisons can be made. For example, others have much cheaper systems than we have. I noticed that the Minister, in his second reading explanation, referred on a couple of occasions at least not only to national competitiveness but to international competitiveness. There are many situations in which I have to acknowledge that we do not mind being more expensive than some other parts of the world. Frankly, the total absence of any fair system for workers compensation in many countries is not something about which those countries should be proud. We should not be undermining our system in order to get down to those comparable levels. The fact that not only many third world countries but many of the so-called dragons have workers compensation systems which are cheaper than ours is no defence for changes to our system. We have a system that provides a better deal than they get, and so it should be. What we want to look at is whether the system is being run as cost effectively and efficiently as possible, but not at the expense of taking away what we have achieved for the legitimate protection of workers injured in the workplace.

There have been changes to WorkCover. I suggest that Liberal members have overlooked the fact that there have been changes to the WorkCover system over the years and those changes have given us cost efficiencies while keeping the very essence of a good and fair system for injured workers in this State. We know that that system has worked because we have seen the ministerial statement about the WorkCover Corporation report to 31 December 1993. The report indicates that the present system that we have in this State, not amended by the legislation put forward by the Government, was able to achieve two things: maintain the standard of fair compensation for workers in this State and at the same time do it with an operating surplus of $18 million. That operating surplus of $18 million was in excess of budget forecasts by about $35 million. There is an old saying, a bit of a cliche, 'If it's not broken, don't bother fixing it.'

We saw improvements in the WorkCover system over the past two years in terms of operational efficiencies and they brought us to the situation that the Minister was able to report here. In 1991, the then Premier indicated that WorkCover levies were out of kilter with other levies within Australia and that efforts would be made to see whether those levies could be brought down. Indeed, that is precisely what happened. At the time he was speaking, WorkCover levies in this State were 3.9 per cent on average. When we left office, those rates had come down to less than 2.9 per cent—a significant reduction in WorkCover rates in this State.

Those changes cannot be denied, because they actually took place. They brought us into a better comparative situation with other States in Australia. An interesting point to look at is what happens in other States, because there has been some fudgy working on figures by the Minister and others in terms of comparing State with State. On the face of it, Victoria has a lower levy rate than South Australia. I think the rate there is supposed to be 2.5 per cent and in New South Wales it is 1.8 per cent. I will come back to some comments that Premier Kennett made to me last year on WorkCover.

Before getting to that, let us accept that they post their rate as 2.5 per cent. However, what is not pointed out by the Minister and the Government is that Victorian employers pay the first $378 of medical expenses in terms of their workers compensation claims. That has to be added to the actual costs of running their compensation system. Another point that I have made time and again, both before the election and again this evening, is that in New South Wales there is a compensatory system of make-up pay in the payments schedules to make up for the fact that employees in that State do not get adequate cover under their workers compensation system.

It is quite unreasonable to take out one element of the total cost to the employer of workers compensation in that State and not take into account another element that is costing dollars and taking money out of the finances of those companies; a situation that does not apply in this State.

There is the other element that we need to look at. The Minister makes the point that we want to be as competitive as possible in this State; to reduce the actual cost. In fact, we do have lower costs in this State. If we take all the costs that employers have to face we can see just how significant a differential we have in South Australia. Average labour costs for the private sector in this State are lower than the Australian average. That is irrefutable. The cost for Australia is $28 949; for South Australia it is $26 762—a differential of over $2 000. Taking into account all the costs that are to be considered, it costs that much less to employ somebody in South Australia, taking into account all the costs that are to be considered: the wages, the Workcover premiums and the payroll tax that have to be paid, as well as all the other charges such as superannuation and so on that have to be taken into account. What do we find? We find that we are cheaper in this State. We are already competitive in this State.

Mr Caudell interjecting:

The Hon. LYNN ARNOLD: These are the figures. Let us look at the situation in relation to payroll tax. I hope the honourable member will consider the situation of payroll tax when he gets to his feet to speak on this matter. Payroll tax rates in South Australia are less than all the other manufacturing States in this country. We have the second lowest rate of payroll tax. That is irrefutable. That point has been well known, because South Australia under my administration and under the former Labor Government was the only State Government in Australia to actually reduce the rate of payroll tax, a point not given any credit by members opposite, of course. In that situation that has brought us to the stage where, if you take all the costs together, we have lower costs for employing workers in this State. Members opposite do not want to take any such economic good news as they see it but they want to take other costs such as this and put the burden of those on the backs of workers, by taking away benefits to them under this scheme, by making this scheme less fair for them and making it harder for them. I now refer to the goal of Jeff Kennett in Victoria when I met with him. This was in 1992.

Mr Tiernan interjecting:

The Hon. LYNN ARNOLD: Well, Jeff Kennett is pathetic; I agree with the member for Torrens. In 1992, not long after he had become Premier, I happened to meet with him and discuss certain issues. One of the points he made to me was that he wanted to get his Workcare levies down. He made the point, with pride, that he wanted to get his rates, which were then 2.8 per cent—now about 2.5 per cent—down after four years to 1.8 per cent. He was going to gut his system and take away benefits for employees. To get the cost down to 1.8 per cent it would be a Workcover scheme in name only and not give decent quality protection for the worker injured in the workplace.

I ask the question: what happens if tomorrow Jeff Kennett says, 'Look, we have decided to finish with all this nonsense. We have decided that we are not even going to bother with that last vestige of support for workers injured in the workplace. We will abolish it.' Will we have the Minister come back into this House and say, 'I have to inform members that we now are no longer competitive with other States and it is important that we be competitive, so what we will do is simply follow on the lead and take another swathe of support away for workers injured in the workplace.'

There is surely a limit beyond which we will not go. Surely all members of this House would accept that point. What if one Government in Australia did make such a change? Would they believe that we would have to make that change too, given that we already have an advantage on the cost of employing labour in this State? Would they say, 'No, we must blindly follow that path too'? I think, as they come up to speak at the various stages of the debate, that they would be wise to answer that question; whether they believe that that is something we should do in this State just because someone else has set that particular agenda.

The Bill that is before us makes a number of changes. It is part of a package of Bills and I am certain we will be discussing these matters at great length. One of the things it

looks at is the current board of Workcover and it proposes the replacement of that board. It proposes that the present make up of the board, of joint numbers of employer and union representatives plus a chair and a rehabilitation representative, should be replaced with one that has one employer representative, one union representative, plus a rehabilitation representative and an insurance industry representative, and the rest will be drawn in the way of a company board.

I would suggest that it does not take too much stretching of the imagination to work out that if this legislation passes through both Houses most of the people who are appointed to this corporation will have very strong links with employer organisations in this State and not with union organisations. I would very much like to be wrong on that; I would very much like members opposite to say, 'You're getting it wrong. Your prediction is absolutely false; there will be a fair representation of expertise. There will be people who have a union type background and those who have an employer organisation type background.'

Unions are, in many cases, because of their size, large organisations that have to handle large sums of money. They have to be good financial organisations, using their members' subscription fees well; they have to handle those fees well so that they can provide the services their members want, as cost effectively as possible. So, people with a union type background are accustomed to dealing with large organisations and in fact have substantial expertise in running organisations. In fact, the point is also made by the very experience of the WorkCover Corporation itself.

I have talked about the surplus that the Workcover Corporation has made, but one of the reasons it has done so well financially is that it has had a very good investment record. Its investments have given a very good rate of return. The Minister may mumble under his breath but the reality is that it has had a good rate of return on its investments.

The Hon. G.A. Ingerson: Who made the appointments? Who employed them?

The Hon. LYNN ARNOLD: The Minister makes the point that this has nothing to do with the board, but the reality is that it has much to do with the board. The board has been involved in the investment policies of the WorkCover Corporation and, as I understand it, has been involved in the investment committee (or whatever it is called) in the WorkCover Corporation in terms of determining how it invests its moneys. The result has been very impressive, indeed—much more impressive than other organisations of its type in other States of Australia; much more impressive than other organisations doing other sorts of work that have large sums of money to invest. Who was it done by? It was done by an organisation that had union as well as organisational reps on the board.

Another point made by the Minister, in his apparent defence for making changes to the structure of the board, is that board members must have been at each other's throats all the time; that these divisions between the union members and the employer representatives on that board must have been a regular bear pit; that members of the board cowered in fear at who would be physically attacking whom at the next meeting. The reality is that the board has operated successfully.

The Hon. G.A. Ingerson interjecting:

The Hon. LYNN ARNOLD: Listen to your own words—'operating surplus of almost $18 million, exceeding budget forecasts of $35 million'. They are the Minister's words. Most of the decisions of the WorkCover Board have been unanimous; in other words, they are not decisions made in the bear pit; they are not decisions in the spirit of acrimony, with one side forcing numbers upon another side but, in fact, decisions made, for the most part, unanimously. Conflict has been, as I understand it, minimal and consensus has generally operated.

We know that the Kennett thesis is not to have things operate by consensus. The Kennett theory is to ensure that you be as divisive and as aggressive as possible because that somehow suits the kind of political machismo that makes him and his Party feel better. We now see that situation being attempted to be forced on South Australia. Other members who speak in this debate tonight will mention the various matters raised in the Minister's second reading explanation: I hope that each and every one of them will have the courage to say where they stand on the right of a worker to receive fair compensation when injured in the course of work. That is not a point that should be discarded.

Following that question, Mr Acting Speaker, I then ask members, especially those who have been here longer than just the past few months, to refer back to their constituents who have come to see them about WorkCover matters. I am a local member of Parliament; I have been in Parliament a long time, and I have had people come to me about compensation matters over many years, ever since I first entered Parliament. They tell me the other side of the equation; they tell me how it is from their point of view. I may think that some of the cases that have been brought to me do not have the greatest substance, but it is my obligation to follow through with their inquiries as far as I can. I have had many cases of workers who have come to see me as their local member telling me stories of being injured in the workplace, and they had a hard time of it until changes were made to the system and WorkCover was introduced. I can tell members from going back over my files for many years—

An honourable member interjecting:

The Hon. LYNN ARNOLD: You haven't been in this place for many years so you don't know what it was like before. These people have come to see me saying that they have been—

Members interjecting:

The ACTING SPEAKER (Mr Bass): If the member for Ross Smith and the member for Mitchell wish to have a discussion amongst themselves, I will arrange it so that they can do so for the rest of the night. They are both warned.

The Hon. LYNN ARNOLD: I compare the nature of the worries and concerns that real life people on the street who have been injured in the workplace have brought to me as their local member before the introduction of WorkCover and afterwards. There have still been concerns afterwards: that is true. I have followed those through and they have often resulted in the growing thought that there needed to be some administrative changes in the WorkCover process and the corporation itself. I am pleased to say that the WorkCover Corporation has examined those issues over the years and made changes. Administrative efficiency always needs to be pursued further.

One of the things that concerns me is that many members opposite are deaf when they hear the concerns of those people injured in the workplace. Some members represent areas in which they may never have a constituent coming to their electorate office on a workers compensation issue, yet decisions are about to be made by such members in this House tonight. The key issue is to maintain a decent system of compensation for injured workers in this State. We have

such a system. It is not a broken system; it is not a system that needs this type of fixing.

Mr TIERNAN (Torrens): I am amazed that someone who, as he said, has been in Government for so long—that is, the Leader of the Opposition—can be so inaccurate in his presentation. By the way, unions represent only approximately 40 per cent of the work force; a further 60 per cent require representation. If unions are so skilled in looking after a lot of money, how can we explain the use of $250 000 of the South Australian Institute of Teachers' fees to pay for the election campaign for 11 December? That certainly could not be considered good use of union money—$250 000! Is that looking after its members? I wonder.

An honourable member: A lot of teachers objected.

Mr TIERNAN: Certainly. One of the reasons I support this Bill strongly is that I do so with a considerable number of years of experience in industry, commerce and the public sector, not hidden and cocooned in this House of debate as the Leader of the Opposition has been. Our policy is to change some of the problems within WorkCover. The member for Ross Smith put forward the argument that, because it is cheaper, according to his figures which are quite rubbery, that justifies supporting people who are rorting and taking advantage of the system. The member for Ross Smith stood in this place and said that he has been a paid union official for 20 years. He then turned around and proudly informed us that members of his union, particularly the women, are the most underpaid, and that there is so much abuse of the system. He stood here and boasted that he did such a lousy job of looking after their interests. Shame on him.

Some of the areas that we will look at changing in this Bill are long overdue. Most members have referred only to the costs. There is one particular action that is going on. The member for Ross Smith should have been looking after the majority of his members and making sure that they were not taking advantage of this system, which he says is so great. He should not have been allowing his members to rort the system; he should have been looking after the majority of the people and making sure that they did not take advantage of it.

Every time somebody who should not be paid is paid out of this workers compensation system, that is taking away more payment from the genuine cases. I have the courage to stand in this House and answer the Leader of the Opposition and say that a worker who has been injured at work through no fault of their own should receive fair compensation and rehabilitation. I have no problem in saying that. I am quite proud to say it. That is the way it should be in South Australia. That does not mean that we should endorse, just because of some figures, a system that will allow people to take advantage of it and rort it.

One area where they are taking advantage, and I have several examples, is the area of journeys to and from work. Let me quote a few examples. I have some from my own area and some from across the State. A worker drove his car home after work and parked it in the street outside his house. After getting out of his car, he tripped and fell in the gutter, injuring himself. This is after he got home.

An honourable member: Was he sober?

Mr TIERNAN: I don't know. This case is No. 407-92, and I quote that number in anticipation of the member for Ross Smith, who will say 'fictitious figures, fabrication,' using the words of the Deputy Opposition Leader. The fact is that the worker was entitled to compensation, because he had not passed the boundary of his house.

In another case the worker lived approximately four kilometres from his place of employment, and the journey home normally took 10 to 15 minutes. After finishing work, the worker rode his motor cycle to the motor cycle shop where he purchased some handlebars; then he travelled back again; then he diverted on his way home to the deli to buy some X-Lotto tickets; then he continued home to his residence. Before reaching home, he was injured in a collision with a car. He had travelled almost three times his normal distance and almost five times the amount of time it takes, yet the review officer found that the worker was covered on his journey home. The first deviation was disregarded because the worker had completed it, whilst the second deviation was disregarded because it was not substantial. So they go on.

Mr Scalzi: Did he win X-Lotto?

Mr TIERNAN: No, he did not win X-Lotto, but he won the compensation award. That is not to say it is the worker's fault. It is the system that allows this and encourages it to happen.

Mr Brindal: How many deviations can you have?

Mr TIERNAN: I do not know. How many deviates are there? I do not take this matter lightly, because I think it is serious, and it should not be taken lightly. I object to people who do become frivolous about this subject. It is totally unfair to the whole system of society, particularly to those honest employees who need to be protected should there be injury and the requirement of compensation. The employers who should be protected, who do the right thing, should not be allowed to be taken advantage of in this system that allows people to claim for journeys to and from work, including visits to the pub, and I have quite a few examples of them. I will not bore members with too many of these actual cases. I have quite a few of them. Thanks to my personal research officer, Simon Cope, I have heaps of them from my own district of Torrens, and I will read some of them into the record.

Take a local painting company, for example, which has several problems with the WorkCover system. It is a small company, and when it is considered that three people from the one company are on workers compensation that company is in trouble. On a Monday morning, one of the employees of the company failed to take direction from the supervisor and failed to take direction from the safety officer of the site to wear a safety helmet. The employer's supervisor gave the strict instruction, 'Get your safety helmet on.' The safety officer said, quite rightly, 'Get your damn safety helmet on.' He told him where to stick his safety helmet, and I am sure members do not need much imagination to know what he said. He threw it in the corner, and said, 'I am not working for you twits any more,' and off he went. This was 8.30 on a Monday morning.

The employee returned to the headquarters of the company, became involved in a shouting match, demanded to be paid out, and said that he would not work for them again. He was paid out at 9.30 a.m., and off he went. That was his final payment, including leave loading.

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

REAL PROPERTY (MISCELLANEOUS) AMENDMENT BILL

Received from the Legislative Council and read a first time.

CORRECTIONAL SERVICES (PRISONERS' GOODS) AMENDMENT BILL

Returned from the Legislative Council without amendment.

WORKCOVER CORPORATION BILL

Adjourned debate on second reading (resumed on motion).

Mr TIERNAN: The following Monday the employer received a WorkCover claim for a back injury sustained by the employee at 9 a.m. the previous Monday, when he had left the job at 8.30 a.m. After a long argument with a WorkCover review officer, the claim was approved and paid. By way of another example, in my area I have a medium to large manufacturing plant. One of the major problems that the manager brought to my attention, particularly when my research officer Simon Cope went to visit him—

Mr Atkinson: Put your badge on your lapel.

Mr TIERNAN: Which badge; my Irish badge?

The SPEAKER: Order! The member for Torrens has the floor.

Mr TIERNAN: I don't mind, Sir. It distracts them. It is about the level of their interest in the area of workers compensation. If that is the level of their interest, it is no wonder they are having problems. The trouble is, when an employee has an injury, a suspected injury or even no injury and they want time off, they will visit several medical practitioners until they find one who will give them the certificate or letter that they want. This happens quite often. I thought it involved just the large manufacturing area but, when I worked in the industry and commerce area, it was one of our major problems. Those employees who wanted to root the system or rort the system (they are one and the same, as the honourable member opposite would understand in his area of business) would visit several medical practitioners until they found one who was sympathetic.

A couple of local shop stewards endorsed a recommendation put forward by the employers in my electorate because they are fed up with their being taken advantage of by the few people who take liberties with the system. The recommendation is that the doctors appointed to WorkCover should be paid a fixed salary rather than on a *pro rata* basis, as this would help eliminate any extension of an employee's time away from the workplace through injury brought about by their trying to find an appropriate medical practitioner. Also, it would certainly be perceived as being more fair and just if the practitioners were salary-paid for this job of adjudicating work-related injuries.

Another example of the repetitive claims that no-one wants to do anything about involves the owner of a local business who employs between 100 and 110 employees. In a period of 3½ years, one worker had six claims. The first claim was six days off for a knee injury, and guess which day of the week he reported it. You need only one guess: Monday. Lo and behold, he happens to be a local sports identity. What happened next? He had 27 days off for his left eye lid; 10 days off for his right shoulder; and 10 days off for a strained back. Then he had 320 days off. Guess what for? Not major surgery but a sprained thumb. It must have been his left one. The total cost involved was $16 000.

This employee was even seen playing cricket one week after sustaining the sprained right thumb, yet this continued for 320 days and, even though he was reported as playing cricket, there was no investigation into the matter. That is not a good system. I have just a few other examples. The owner of a hotel discovered that an employee on WorkCover benefits sustained a back injury while working in the hotel. This employee was a long-term unemployed person and was hired at an another business under JobStart. Even the JobStart program could not register that this person was already on workers compensation. There was something wrong with the system; the person was double dipping, and I think we heard about double dipping earlier today. Then, one week later, a WorkCover officer visited the employer and informed him that as he had gone out of business and sold the hotel he no longer needed to employ this person on WorkCover, because the former employee was incapacitated and unable to work. But, lo and behold, in the next hotel where the employer operated his business, the review officer visited him and told him that he had to re-employ the person on WorkCover yet again in his new hotel. So, the problem followed him around to different businesses. There must be something wrong when that can happen.

An employee at a local laboratory sustained a back injury. It seems that it is difficult to prove that some back injuries exist. This person was given 12 months off for a back injury caused after he pulled a small object out of a water recess pump in the laboratory equipment. Then, another four months later he was given time off after he tripped over an object in the laboratory. The problem was that there was considerable suspicion about how the second injury happened because, as usual, nobody saw it. In my own experience as a senior manager in the Public Service, we saw a WorkCover claim totally disproved. The person said that something fell off a cupboard and hit them on the top of the head, and they had a sore neck and dizziness for the next three months. Unfortunately for that person, during that time we discovered that the person had taken a cruise on a ship and had won a prize for being the best rock'n roll dancer. They won it for jitterbugging, and people of my age group will know what that means. You cannot do that with a sore neck or sore anything else. An investigation was conducted, but the claim was only reduced by 20 per cent instead of being disallowed.

There is another major problem with people who are part-time workers, in response to an industry's demands, as in the hotel industry. When they are awarded workers compensation they receive full payment—not equivalent to the proportion of their part-time work but full payment. The industry considers this most unfair. One of the recommendations made by the employers in the electorate of Torrens was that there should be one administrative body, and I asked them what they meant by that. All the operators who had to look after workers compensation claims had too many problems with all the paperwork, discussions and negotiations with different organisations. There should be one administrative body to cover all aspects of WorkCover, rehabilitation and so on, and that is something that the Bill will address.

Another problem is claims for a secondary disability. A percentage value should be placed on the amount of work-related activity, instead of accepting it for full compensation. People with work injuries may also have sports injuries. Unfortunately, if people know how to work the system, at the moment they can obtain full compensation against an employer for any work-related injury, even though a sports injury may have contributed to the problem.

By way of revision, the intention of the Bill is to restrict journey time accidents, to make sure they are genuine journey claims and are not fabricated, such as trips down to the pub

on the way home, and to ensure that WorkCover compensation continues to seek full recovery for damages and injuries incurred in vehicle accidents from the third party insurer. In other words, if you are medically insured you cannot claim from two insurers. If you have life insurance for injury, you cannot claim for both. People in motor vehicle accidents are automatically covered by third party insurance.

One of the final points I want to make is that employers are currently of the perception and practice that they are greatly disadvantaged by the current board of 14 members. They do not seem to have any control over things they have to pay for which are totally out of their work place. That should change. With a new board we will have better representation, instead of the union dominating only 40 per cent of the work force. We will be able to get representation from the other 60 per cent as well as from the employers.

Finally, I want to ask the Leader of the Opposition and the member for Ross Smith to answer this question: could they please explain why they are supporting people who, by their actions, are rorting the system and directly hurting their union members who are genuinely injured? I cannot understand why the member for Ross Smith wants to support these people who are taking advantage of his members. He should be looking after his members, not hurting them. I would also like to know why they are supporting the extra costs that these people cause by directly taking jobs away from their members. There is no doubt that WorkCover has directly affected the job opportunities in South Australia.

I am amazed that the member for Ross Smith and the Deputy Leader of the Opposition would support that system. By way of example of how it relates to jobs, since this discount for the WorkCover levy, 328 jobs (190 in the metropolitan area and 138 in the country area) have been created. I am quite sure that country people would be delighted. One of the great things about this, because discounts are being provided, is that when we tidy up the systems that are being abused we will see another 1 200 applications.

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

Mr ANDREW (Chaffey): I applaud and welcome the introduction of this Bill. The WorkCover Corporation Bill 1994 is part of the current three-Bill package and, together with the foreshadowed Industrial Relations Bill, is a fundamental—

Mr Clarke interjecting:

Mr ANDREW: I will come to those constituents shortly—election reform which the Government and I believe is the cornerstone for turning this State's economy around and, indeed, the cornerstone for providing accountable and efficient Government management. These reforms will also be the essential ingredient for giving our businesses a competitive edge to enable them to improve their profitability.

This Bill and the associated Workers Rehabilitation and Compensation (Administration) Amendment Bill and the Occupational Health, Safety and Welfare (Administration) Amendment Bill are also of particular significance to my electorate of Chaffey for two main reasons, and I would like to enlarge on them. First, not just during the six week campaign period but over the many months leading up to the election as a preselected candidate, I would have to say that, when campaigning throughout the whole electorate, whether when speaking to small or large business people or to employers in general, the conversation almost without exception finished up back at business cost, Government impediments and particularly and specifically the problems of WorkCover.

Invariably, the impediment to putting on extra staff was the cost and operation of WorkCover, and that was continually reiterated to me during that campaign period. Not only were such businesses impressed with our broad thrust to revamp the WorkCover operation, but also the local business sector is eager for the legislation to pass, eager for the Government to get on with the job, and eager to get on with the job with the mandate that it was given.

The second area of interest to the electorate of Chaffey arises because the electorate is labour intensive, whether it be labour intensive in the horticultural production business arena, in the local manufacturing arena or in the tourist arena. It is because of this relevance that electorates such as Chaffey stand to gain significantly from a revamp of the WorkCover operation and the associated administration of rehabilitation and compensation.

In particular, to June 1992, which is the latest period for which I could get figures from the WorkCover Corporation, the Riverland had about 2 900 employer locations registered with WorkCover. We had about one employer location for every 7¼ electors. However, the significance of that figure within the State as a whole to June 1992 shows that South Australia at that time had about 68 400 registered employer work locations. This means that on a pro rata basis the electorate of Chaffey has almost twice the number of registered WorkCover locations than the State average per electorate.

This form of statistical comparison indicates clearly the impact of WorkCover operations to the region and, more importantly, how the Riverland stands to benefit from improved changes to WorkCover. Although statistics are difficult to obtain for different permutations, for comparison for the five year period to June 1992 (again, the most recent period for which I could obtain statistics, but this time only to 19 June, when WorkCover's coding structure changed), the average per annum number of employee locations that had a claim or claims was 6.6 per cent for South Australia as a whole, and for my electorate of Chaffey the average number of employee locations that had claims was only 5.2 per cent.

While it is difficult to put a dollar value on such claims because of the ongoing claims involved, it does put into perspective that the region has a better than average claims record and proportionately has a higher number of work places registered.

Members interjecting:

Mr ANDREW: It indicates to the member for Ross Smith that we are an efficient and productive area and, because of that, we stand to gain more from the benefits we are proposing. Because of this, I have been approached by employers in Chaffey to highlight how the WorkCover operation must be overhauled. Their examples illustrate why they support the Government's target of reducing the average levy rate to about 1.8 per cent over the next 1½ to two years, and that will make the South Australian scheme nationally competitive.

Some employers in my electorate would like their examples highlighted so that members opposite and their colleagues in another place can appreciate the value and need for such changes. Therefore, I choose to mention a spectrum of examples from my electorate and, while they are interrelated with the operation of rehabilitation and compensation and they could also be used to illustrate our cause for subsequent

Bills, I choose to illustrate them now to indicate the broad impact of why we must pass these Bills as soon as possible.

I refer to three or four relevant Riverland case studies, one of which relates to a council worker who used one of the council's brush cutters in his yard one weekend. Apparently the employee had been at a barbecue for a short time before and had consumed at least a couple of alcoholic drinks. As well as its being outside normal working hours, the employee had not obtained permission from the council to use the equipment and, whilst using the brush cutter, the employee cut a finger severing a tendon. He subsequently claimed compensation and the appeals tribunal decided in favour of the employee. How unreasonable!

In relation to a stress claim, workers compensation was paid to a casual employee of a fruit exporting company who claimed that she was scared of heights after working as a supervisor in a factory. Occasionally as part of her job the woman had to climb a ladder and walk on a platform above employees. She claimed that she did not have a fear of heights before she undertook the job and that she now has a great fear of heights. The tribunal found in her favour and she was awarded compensation. She remains employed by the company, but the employer has been forced to find another task for her at ground level.

Mr Clarke interjecting:

The ACTING SPEAKER: Order!

Mr ANDREW: Another case study involves a local financial planner who employed a middle-aged woman early last year after being approached by WorkCover officers. In this case, the woman was involved in a rehabilitation program. She had two teenage children and asked that she be required to work only on a part-time basis because of other commitments, and this was granted out of kind cooperation. In nine months the woman spent 14 weeks off work; the first time was for surgery and the second time was for a holiday in Spain. She offered her resignation for the holiday but the employer decided to hold the job so that her future would be secure. We do have reasonable employers in the Riverland, bearing in mind the glances from some members opposite.

Earlier this year one of the employer's clients telephoned him stating that the employer's secretary had given his name to an Amway distributor. The woman concerned was heavily involved in Amway. After consulting professionals, the employer, who had personal client details on more than 2 500 Riverland people, decided that that act was a breach of confidentiality which, under the legislation, could result in instant dismissal; he therefore decided to ask for her resignation rather than sack her. At the time she was very apologetic, understandably, and she immediately handed in her resignation. However, three weeks later—and this is the type of amazing situation that we have to appreciate from an employer's point of view—the employer received a summons to appear in court on an unfair dismissal charge, the woman having lodged an unfair dismissal claim with WorkCover in Adelaide and with WorkCover's condonation. The employer has yet to go to court, and understandably is shocked, to say the least, by the turn of events. He vows that he will never again employ anyone or cooperate with WorkCover on the basis of assisting with a rehabilitation program. Incidentally, the woman's husband is also on WorkCover benefits.

I refer to another Riverland case in which, again, the policy, the philosophy and the politics of the WorkCover operation have overridden the logic of fair play and more reasonable outcomes. The case, which began in about 1987 and which is still ongoing, involved an orange picker. As an aside, I want to assure the House that, despite some perceptions of or insinuations made about fruit pickers, the vast majority with whom I have been associated were determined to make an effort and were reasonable workers. In this case, the worker concerned had been picking oranges for the employer for at least three months.

It occurred during a pleasant time of the year, spring time, the peak of the season, and there was to be plenty of ongoing work. The employer had taken on the employee on the understanding that it was to be a casual position, clearly identifying that the employment would be for about three months. At the start of the last week, the employer gave fair and reasonable notice to the employee, and I would like members to bear in mind that such notice was not required: it could legally have been given on the last day. What do we find? We find that a WorkCover claim was lodged by the employee on the basis of a back injury—a jarred back—which has generated into a case of six figures for costs and claims.

Some members will find these circumstances interesting, if not amazing. The employee jarred his back while driving a tractor over a rock on the property when returning the tractor to the orchard, after delivering to the depot the final bin of oranges that the employee would have picked to conclude his employment contract on the Friday afternoon. There was an appeal by the employer, and in this case I believe that the appeal was rejected on the basis of its format; the format was wrong. How can employers and employees, industry in general and the community have faith and confidence in a system where such examples just scratch the surface in revealing the rorts of the operation of the scheme?

The restructuring of the board of WorkCover will in itself have a major impact on the efficiency and the mode of operation of WorkCover. By a reduction of the number of members of the board from 14 to seven and by making appointments on the basis of skill, professional expertise and merit, it will as intended be a business management board, one that will inherently by example and necessarily by direction increase the efficiency of the WorkCover operation. No longer will the board have—or should it have—a policy or quasi-political role or structure. Such policy direction will come from the advisory committees, and their determinations will be sanctioned and approved appropriately by the Minister of the elected Government of the day.

I applaud the need for change under this Bill, the need to refine and to adapt to a method of operation in which employers and industry no longer feel that they are being prejudiced because they have been forced either disproportionately or unfairly to wear the cost of a system that has generally favoured the employee, or to wear the cost of the operation of a system of which the efficiency historically could be questioned and criticised and in which the determination to address and counter the rorts has certainly not been without valid criticism.

I accept that some of these failings were not necessarily the fault of the WorkCover Corporation or its employees but were the result of the inherent legislative structure created by the previous Government, inherent because the board was required to operate via philosophical policy lines and so was not permitted the freedom to operate objectively or to operate on a fully commercial business priority and, as a result, not only did industry and employers pay the price for this uncompetitive option but ultimately all South Australians, including employers, have been, in reality, by default paying this price for WorkCover's inefficiency and uncompetitiveness, and for

its lack of accountability for the rorts operating within the system.

On the business side of the coin, this has meant that South Australia's businesses have been less competitive and profitable and, on the employee side, the future and the benefits to those who have been genuinely injured at work would have been put under threat. Quite clearly we as a State, given our current inherited debt and inherent debt burden, can no longer afford such a business handicap as a scheme which has the highest levy rate in Australia and which, even with an average rate of only 1 per cent greater than the comparable national schemes, represents, as we all know now (but which needs repeating), an added cost to South Australian industry of over $90 million annually.

We cannot hide from the current priority of the need to be nationally and internationally competitive and, if we want more jobs for South Australia and if we want the economy to grow, we must be competitive, and the current WorkCover impediments are without doubt a significant handicap to this. What is also so sad about this debacle of the operation of WorkCover in the past six or seven years is that, because of what some employees have been able to obtain from WorkCover—and I refer to the rorts and abuses that were condoned—it has produced an unrealistic expectation—

Members interjecting:

The ACTING SPEAKER (Mr Bass): Order! The member for Ross Smith.

Mr ANDREW: —from some other employees that such is condoned and is to be matched and even bettered. That is why we must introduce these reforms, so that employees can have fair and reasonable expectations of what can be delivered, so that employers can have confidence in the system, so that we have a system that is accountable, efficient and affordable, so that the State can have another area of competitive advantage and, overall, so that the community knows there will be in operation a system that fairly combines the required balance of social, industrial and economic principles.

Mr ASHENDEN (Wright): It is with pleasure that I support this the first of three Bills being introduced by the Government in relation to Workcover. I have seen first hand the impact that the current Workcover legislation and operations have on employers. Not only have I seen them first hand, but because of my position I have been provided with a tremendous amount of information from other employers in relation to the problems that they have experienced with the Workcover Corporation as it presently exists and the rorting of the system that goes on. It is incredible that most of the information I obtained in relation to rorting of the system by employees came from employees themselves. Employees who came to me said, 'I think this stinks. Here we are trying to do an honest day's work while so and so. . . ', and then the story would start. It occurred time and time again. In fact, I would say that in 90 per cent of the situations outlined to me where the system was being rorted the information and advice was brought to me by other employees who were angry at what was going on.

This Bill, the first of three, is designed to alter the structure of the corporation itself. It is here that we have desperately needed changes being introduced by this Government. The current board of 14 persons is totally unworkable, not only because of the way in which it is structured but also because of the number of people on that board. A board of 14 persons is ridiculous: it is as simple as that, and to have it structured in such a way is even more ridiculous. All you will have is continual argument between the various factions on that board, because of the basis of their appointment. What hope could any organisation have of obtaining leadership when the board itself could show no leadership because of the way in which it was structured?

The new board will be a board that will manage the organisation: that is desperately needed. There will still be representation of the employers and the employees, but fortunately that representation will be reduced to one person on each side and the remainder of the board will be made up of persons who will be there to ensure that the business of the Workcover Corporation is undertaken in the manner in which it should be. For a change, it will now be operated on commercial lines rather than on political lines which were so frequently causing the problems under the previous structure.

To say that the previous board was one which was fractured, as the Minister said in his explanation, is really an understatement. Time and time again we saw divisions on the board which were reflected in the operations of the Workcover Corporation—again, because of the total lack of leadership that came from that board.

I think it is well accepted that in any organisation the board will always have a major impact on the operations of that organisation. An organisation does not help when it sits back and says, 'For goodness sake, that board, which is supposed to be leading us, is giving us no leadership and it has more problems than we have.'

It is crucial that the WorkCover Board should be restructured along the lines outlined in the Bill. Let us face it, this is a huge organisation because of the sheer volume of the turnover. As the Minister pointed out, it has $779 million worth of assets, income of $280 million per year, administrative costs of $44 million per year and claims of $261 million per year. What sort of organisation did we have heading that structure? We had a board that really could not lead a group in silent prayer. From what I can understand, most of the board members were not very silent but were continually at each other's throats.

It is proposed to vary the functions and powers of the corporation, and that is well and truly overdue. In the past the board and WorkCover have been a rule unto themselves. The previous Minister completely whitewashed himself, washed his hands, and said, 'Let them go.' As a well-known United States President once said, 'The buck stops here.' I am delighted that this Minister has the courage to say, 'I will take responsibility for the philosophic leadership of the whole structure. I will make decisions as to the way in which I want the WorkCover operations to be directed.' In other words, the Minister will not be able to say, 'It's nothing to do with me; it's the board that is running WorkCover.' It is in this House and with the Minister that the power should rightly rest.

Another thing that the Bill will do, which is important, is bring the Workers Compensation Act and workers rehabilitation functions together. I have always regarded it as a huge anomaly that in the past we have had the unions bleating that employers should be doing more about rehabilitation and providing safe workplaces, yet their Government—let us make no mistake about whose Government the previous Government was—was intent on keeping those two functions totally separated. What a disaster that has led to! This Bill is correcting an anomaly (that is well overdue) and bringing those two functions together.

In my previous employment I found this was one area where employers and employees invariably agreed. Both

groups wanted safe working places, practices, return to work provisions, and so on. Yet, under the old structure, we had the two key players not only totally separated but under no ministerial control.

In future, policy direction will come from the Minister and, therefore, the Government. The restructured corporation will now have direction and leadership shown to it, and the new board will be required not to set policy but to ensure that policy is being followed correctly.

The Bill will facilitate a whole range of desperately needed changes bringing WorkCover and rehabilitation together, putting control where it should rest, which is with the Government through its Minister, and ensuring that changes are made so that the board and the corporation will have no doubt about the direction that they are required to follow.

This Bill does not stand alone: two other Bills will be introduced in support of this one. However, this administrative change to set up these structural alterations in the way in which the corporation is operated, the way in which responsibility rests and the way in which the business of WorkCover and rehabilitation will be conducted will now be turned right around.

As a result, subsequent Bills will bring in other changes which, again, are desperately needed within the workplace. The Bills will make quite clear that the health and safety of workers is the responsibility of both the employer and the employee. In the past there were some mouthings that this was what it was supposed to be all about, but I can assure the House that there was nothing more frustrating than the way in which we, as an employer, would frequently run into situations where the existing set up within the WorkCover Corporation made us feel that we were bashing our heads against a brick wall.

Before members opposite decide that they want to get critical, let me make it quite clear that as an employer's representative in the human resources area if a person was genuinely injured at work I would do everything I could to help that person, and so would my employers. I held the position of Group Human Resources Manager in a couple of organisations. If the injury was genuine no-one was more concerned or more keen to work with that employee to ensure, first, that the employee received all their just payments, secondly, that all possible rehabilitation was undertaken to ensure that the employee was reinstated in the workplace as quickly as possible and, thirdly, that we investigate thoroughly the cause of the injury so that all possible and practical steps were taken to ensure that the problem was removed.

It is very hard to put a figure on the genuine cases but the majority of cases reported to my department were genuine. It is unfortunate that frequently there were cases which came before my department and which came before other employers—and I want to stress that I am talking not just about my immediate previous employer but about other employers as well—that we would know were not genuine. We would put to WorkCover the reasons why we thought the claim being made was not genuine. The frustration that we ran into as employers was that we got virtually no assistance from the case officers. There were a number of reasons for that. One was that they were overworked because of the number of cases they had brought before them, many of which were not genuine and which, unfortunately, had been encouraged by unions. That is the galling part, that the employees would say, 'Look, this guy is really not a genuine case.' Yet we had case after case being actively supported and encouraged by the union. Is it any wonder we became so frustrated at the situation we continually ran into.

The Bills now before the House will provide at least a level playing field so that the employers will be listened to in situations of the type to which I have just referred. I will go into further detail later in this debate and in other debates, where I can be quite specific about some of the situations that we ran into. For example, we have been talking about rorts. I notice that the member for Ross Smith is not here, but he kept saying to previous speakers, 'Come on, tell us about the rorts.' I have been made aware of one situation by a group of teachers. A teacher on the staff went on stress leave. This teacher had been in the school for only a short period of time, she was young and obviously wanted to go overseas. She had very little to put up with—and this is obviously why stress has been given attention in these Bills—but within a very short time she went out on stress leave. The next that the teachers knew about this teacher was when they received a letter from her from London telling the staff how much she was enjoying her holiday there. How was she being paid while she was having her holiday in London? She was on workers compensation for stress.

Mr Brindal interjecting:

Mr ASHENDEN: That is a very good question. Perhaps she took her rehabilitation councillor with her; but let us give her the benefit of the doubt. Perhaps she paid for that so that she could be genuinely rehabilitated. The member for Ross Smith interjected earlier saying, 'Tell us what you think your constituents think.' I can tell members opposite that, in situations where employees are rorting the system, there are none so angry about it and opposed to it as their fellow employees. There are other situations in which employers suffer, and I will talk about those costs in more detail later. When these claims are accepted, it is argued that it does not cost the employer anything, it costs WorkCover. But where does WorkCover get its money from? WorkCover gets its money from the premiums that it charges employers. Whenever a claim goes forward, what happens to the employer's premiums? We have something called the bonus and penalty allowance. The frequency and size of claims affect the bonus penalty situation, so that in the end the employer is forced to pay.

There are other situations that are frustrating for employers. For example, an employee was required to service motor vehicles. The employer frequently told this employee about the importance of cleaning grease or spilt oil off the floor; in fact, he counselled and counselled and counselled. At one stage, some grease was dropped on the cement floor of the service bay. The employer asked the employee to clean up the grease, but the employee did not do so. The next thing we know is that the employee slipped on that grease that he was told to pick up, and there is a workers compensation claim. In situations such as that, employers become extremely frustrated. They try to do the right thing, but again the employer suffers.

As I have said, the current system is absolutely full of inefficiencies; therefore, opportunities for abuse are legion. In future debates I will detail some of those specific situations that have arisen. I would like to touch briefly on two areas which I am delighted to see this Bill will act on: that is, journey accidents and accidents that occur when, for example, an employee is out of the workplace, perhaps at lunch. I will not go into specific details now, but I want to take this opportunity to ask members opposite—and I hope that one

of them will answer this question in their contribution—why should an employer be responsible for the safety of his or her employees when they are not on his work premises and when, therefore, the employer has absolutely no power to control the environment which those people are in?

Why should an employer have to pay for an employee who goes shopping at lunchtime—and this is a specific example, it is not theoretical—and falls down some stairs in a retail store? In my opinion, either the employee was negligent and did not take enough care in descending the stairs or the owner of the premises was negligent because the stairs were in an unsafe condition. Either way, what does that have to do with the employer? This employee fell and injured herself and immediately lodged a claim against the employer. The claim was accepted by WorkCover, as it was obliged to under existing legislation. I issue this challenge to members opposite. Why should the employer have to bear the cost of the penalty? In this case, there was another claim and another cost; therefore, the bonus penalty situation worsened. Why should the employer have to bear that cost?

Similarly, I refer to journey accidents: again, the environment is completely out of the control of the employer. Again I ask: why should the employer be required to be responsible for an employee in a situation which he or she cannot control? I am looking forward not to emotive arguments; I just want substantive arguments as to why an employer should be responsible. I am the first to accept that in the workplace the employer is, of course, responsible together with the employee for the employee's safety, but it is a two-way street.

The employee has a responsibility to ensure that he or she only undertakes safe work practices, and the employer has a responsibility to ensure that a workplace is such that the work practices can be undertaken safely. I have no quarrel when an injury occurs at work, although I have a bit of a problem with the example I gave earlier concerning the chap injured in the service bay of the service station, where he had not picked up the grease. Perhaps contributory negligence would not be a bad thing, but I agree that the employer must ensure that the workplace provided is a safe one. However, the employer having done that, and having ensured that the staff are trained, there will always be the situation where a genuine injury will occur.

Again, I make the point that if there is a genuine injury, through no fault of the employer or employee, obviously that employee deserves compensation, protection and assistance during the period of rehabilitation. The important thing is that these Bills, despite what members opposite say, still provide protection to those people.

As there is only a short time left, I want to make the point that members opposite are their own worst enemies. The member for Ross Smith has said that members of Parliament are hypocrites because the legislation we are debating will not affect us. The point is that members of Parliament, as we all know, are not covered by the WorkCover legislation. I had a constituent ring me earlier this afternoon saying, 'What are you MPs up to?'. When I explained it was a lot of rubbish, that MPs are not under WorkCover, he said, 'It just goes to show what the Opposition is like. If they cannot tell the truth there, there is no way I can believe them with the rest.' They are their own worst enemies. Until they can argue substantively and accurately, I am afraid that this House and the public at large will continue to see them for what they are.

The Hon. M.D. RANN (Deputy Leader of the Opposition): The legislation we are debating over the next few days, weeks and months, about workers compensation and industrial relations, I believe represents the most systematic attack on workers and their families since the 1940s. After decades of landmark, as well as incremental, legislative reforms, designed to improve the lot of workers, sometimes in major ways, sometimes bit by bit, some by Labor Governments, some by Liberal Governments, we are now seeing a new Government absolutely adamant on turning the clock back. As we move towards the end of the century, we have a Government that has chosen to look backwards, not forwards.

This Bill is not about reform: it is about revenge. It is not about changing gear or even changing direction: it is about going into reverse. It is a very cynical exercise. The Premier, his hapless Minister, and some key friends in the business and media, are attempting to gloss other the stark realities of their real purpose and the real impact of this and other legislation. But the truth is that the workplace rules will change for the worse for hundreds of thousands of South Australian wage earners. Ultimately, this legislation is not about payouts to workers: it is about payoffs to mates. Those who contributed large amounts of money and assistance to the Liberal campaign are about to receive their benefits with the real premium, and it is a lump sum attack on working people, and a wholesale attack on their representatives in the union movement.

If we listen to the Government, this Bill is supposed to be of an innocuous nature, a technical Bill. That is what we are being told. It is supposed to be about merely administrative changes, name changes and board responsibilities. What it is really about is power and mates, Liberal mates. Instead of shared responsibilities, this Bill represents the end of industrial relations consensus, the end to tripartism, the end to bipartism, the end of industrial relations commonsense. At present there is a board with equal numbers of union representatives and employer representatives, six each at present, plus a rehabilitation expert and a board member chosen by the presiding officer. Under this Bill, there will be only one union representative.

This Minister will insist and argue that there will be only one employer representative, but if this Bill is passed the Minister will have the power to appoint five other board members from unspecified backgrounds. What we would see is a lopsided board whose members will have an employer bias and who will share the Government's commitment to cutting injured workers' benefits and making it harder and more difficult for injured workers to gain assistance and compensation.

South Australia has enjoyed by far the best level of industrial peace of any State in Australia for many decades. This advantage cannot be taken for granted. It is an industrial peace, a consensus that has been hard won. It is the result of a deliberate policy of involvement, of positive engagement of both employers and workers in our industrial and our employment future. What we have achieved is the result of a recognition by successive Governments of different political persuasions and by the broader community that shareholders, managers and workers all make a massive investment and contribution to industrial enterprises, to employment, to wealth generation and to economic development in this State. We regard workers as investors, as shareholders, because they make an investment of their life, their skills and their energies. This Liberal Government—

unlike its predecessor—wants to actively diminish the role of workers in the development of our State. It sees workers as inferior and unions as an obstacle to progress rather than as an ally. It is a bitter and blinkered view which ignores reality in the workplace and also ignores trends internationally.

So what we are talking about tonight is historic not as a reform but as the end to consensus. It will be fascinating to see which mates will be looked after with board appointments. Already there is talk of some Liberal Party hacks being financially rewarded with a board spot. I certainly hope that the Minister tonight will confirm or deny whether a former Liberal Party member of Parliament has been promised a sinecure on the new board, even before the legislation has been debated, let alone passed. I am prepared to give my learned friend the benefit of the doubt, but I want him, during Committee, to say who they have speaking to about board appointments even before this legislation has gone through this House or been dealt with by the Upper House.

The Government will no doubt argue that in this Bill the corporation's powers are broadly similar to its present powers, but this again is misleading. The Bill explicitly expands the corporation's ability to delegate any function or power to any person or body, plus a further power to appoint agents or engage contractors to assist with or carry out its functions on the corporation's behalf. We all know what that means: at the moment only other agencies of the Crown such as the State Government Insurance Commission can be delegated with this function. Of course, that in itself did not work out when it was tried in the late 1980s. What this Bill seeks to do is give private insurance companies the chance not just to get their snouts but their trotters in the WorkCover trough; it is back-door privatisation.

The single insurer concept lies at the very heart of WorkCover, and this Bill seeks to ringbark the single insurer concept, which was essential to provide the economies of scale, the ability to cross-subsidise in the economic interests of the State, and the centralisation of intelligence and record keeping that was meant to flow on from that. Back-door privatisation by jobbing out to private insurers will not be in the interests of injured workers, employers, the community or the taxpayer. As a statutory authority, WorkCover must be charged with the responsibility on behalf of the State of insuring that injured workers and their families do not receive less than they are entitled to, just as it has a responsibility to ensure that people are not unfairly receiving more than they are entitled to and thereby jeopardising the scheme.

I ask you, Mr Speaker, and the Minister: will a private insurance company franchised by WorkCover and by this Government really go out and bust a gut to ensure that injured workers do not get short-changed? From the evidence around this country, the answer is, 'Of course not'. It did not work when SGIC was given the job of processing claims and collecting levies, and the reasons why the SGIC experiment was unsuccessful need close examination. It is obviously very difficult to structure arrangements in such a way as to provide incentives for the other party to do a conscientious job on a delegated basis as the principal party would do itself. If the arrangements are structured on a fee for service basis, as was the case at one stage under WorkCare in Victoria, the agent has every incentive to maximise services and no incentive to maximise efficiency or ensure fairness to both its principal and its principal clients—injured workers. But, if structured on a commission basis, there is an incentive to maximise the value of the claim with a minimum of service offered. If it is structured on a reverse commission basis, with higher payments offered for lower cost outcomes, sharp practice is encouraged. There were many examples of this when private insurers were involved before 1987.

It is very difficult indeed to accept that agency arrangements of the type being pushed by this Bill with a pool of private insurance companies would be more successful than those that were proven difficult and ultimately unsuccessful—those arrangements entered into by WorkCover with SGIC. The Minister has not given this Parliament, the unions or the community any real information about the structure of the arrangements proposed. I understand that a great deal of work has been done internally by the Minister's office and his department in collaboration with private insurers. It is essential that the Minister tells us tonight what he has in mind before he asks this House to vote on the matter. Otherwise, he is asking us to vote on good faith; he is saying, 'Okay, just rely on us; don't you worry about that'. Any experience with this Minister in the past, in a range of areas, including as the Premier's hapless correspondence clerk on royal invitations, proves that he is unreliable.

It is essential that during the Committee stage the Minister tells us what he has in mind. There was a great deal of complaint tonight from the member for Wright, who seemed to be dealing with tomorrow's Bill rather than tonight's, so I was a bit confused when listening to him. He seemed to be talking about tomorrow's Bill but, because I am kind and recognise that he has been out of this House for some years following a rather solid defeat, I did not take a point of order. In fact, the member for Wright raised the question of the position in relation to MPs. I am surprised that he raised it, because the member for Ross Smith argued that the same rights and benefits should apply to MPs and workers in the work force. It is about justice.

Tomorrow, we will debate complementary legislation aimed at removing, reducing and undermining the rights of injured workers. This Bill and tomorrow's are only the first inch of the bayonet in terms of what this Government has in store for workers, injured and otherwise. Already the Minister is talking about further industrial legislation and further WorkCover legislation later this year, and we know what will happen there. The clear evidence from the Government's associates across the States in Western Australia and in Victoria is that if this legislation passes we will see further callous and inhumane attacks on injured workers in this State.

The Liberals and their backers have a taste for blood. We will see injured workers threatened and harassed; we will see a Government that will actively reduce benefits and work against the proper return-to-work arrangements that are essential if we are really committed to rehabilitation. We will see legislative and administrative action aimed at forcing workers on to social security, out of compensation, out of rehabilitation, out in the streets and on social security.

Instead of rehabilitation and support, we will see this Government enter into an adversarial approach to injured workers. It will cause massive financial hardship to many genuinely injured South Australian workers; it will cause stress to families; and it will undermine personal dignity. That is what this Government is about—make no mistake about it!

This Bill is not innocuous: it is about a change in power; it is about an end to consensus; and it is about the end of industrial relations, commonsense and consultation in this

State. This is a day not of historic reform but of shame; it is about turning the clocks back by decades, and members opposite know it! It is about looking after their mates, and it is about fixing up their mates with a few board appointments which will come later.

Mr BRINDAL (Unley): Sir, there is an ancient Anglican prayer which says, 'Lord, now let us thou thy servant depart in peace for mine eyes have seen thy salvation.' I am reminded of that when I hear the member for Ramsay speak. There have been few more powerful contributions made in this Chamber in recent months than that just concluded by the member for Ramsay: a very impressive performance. I am only sorry that it is 8.30 at night, because that sort of performance deserves to be put on at 3.30 in the afternoon. It was a TV newsman's dream. It was absolutely perfect to be cut, polished and edited and put in all the newsrooms of this country. That is all it was: a selection of seven second grabs. The rhetoric was beautiful. He talked about revenge; he talked about putting the clock back; he even got in the good agrarian things such as pigs with snouts and trotters in the trough. He talked about ring-barking. He talked about throwing people out in the street. He talked about everything.

This Chamber is not big enough for the member for Ramsay. He belongs in a crystal chamber across the sea, one that is constantly hooked in to the media where he can perform at his leisure all day. I am sorry, but Jimmy Swaggart had better shift over: the member for Ramsay is on his way! Today we have heard a lot about this Bill from those opposite, led by the member for Ross Smith, all of them saying that this Bill is insidious, it gets stuck into workers, and it does things (as the member for Ramsay said) such as turning back the clock. Indeed, the Leader of the Opposition came in and talked about members who have been here 100 days, and challenged members on the Government side to say that they supported genuinely injured workers who needed compensation and rehabilitation to get back on their feet and get to work. I am sure every one of my colleagues will, if they speak during this debate, say that this Party is committed 100 per cent to genuinely injured workers, to their rehabilitation and to their rightful compensation for injuries sustained in the workplace. No Liberal will argue that point.

Mr Clarke interjecting:

The SPEAKER: Order! The member for Ross Smith has conducted himself in a more appropriate manner today. I do not want him to spoil that good record.

Mr BRINDAL: The Leader of the Opposition spoke about the 100-day members, and counselled them with his wisdom, being more learned because of his time in the House. I believe, like him, you do learn in this place and, the longer you are here, hopefully the more that you do learn. However, if there is some failing as a result of being in this House for only 100 days—and I do not know how they suddenly become more experienced, because only time can give them that experience—I would ask the Opposition why it put a member with 100 days experience in charge of a Bill which it says is so important. If Government members cannot consider the Bill properly because of their inexperience, how can the member opposite who is leading this Bill for the Opposition, and who has been here exactly the same time as the member he criticises, be any better?

The Hon. Frank Blevins interjecting:

Mr BRINDAL: Mr Speaker, I acknowledge—and I know I should not—the interjection that the member for Ross Smith knows the second most about this legislation on the Opposition benches, and that the interjector is the one who knows most about it. If he is the one who knows most about it and, if this Bill is so important to the Opposition, why is the second best person leading the orchestra and not the first violin? Believe me, in four years in this place I have learnt that the member who claims to know most about the Bill plays a sweeter violin than the member who is trying to lead this debate.

Members interjecting:

The SPEAKER: Order! The member for Unley has the call.

Mr BRINDAL: Undoubtedly, this Bill is important for the Labor Party. It is a Bill on which in many ways its Party is constructed and on which its Party can and should be expected to make a strong stance. Therefore, it disappoints me thus far that the Opposition has contributed so few speakers to this debate. I expected speaker after speaker. I know that they can only get to a grand total of nine, and that must be disappointing for the Opposition, but they have yet to make much more than half that total, yet most members of the Opposition could have spoken.

I hope that we will not reach the stage tonight when members of the Opposition claim that they are gagged because the guillotine has been brought down when they have a perfect right to use alternative speakers. If the Opposition wanted every member on its side to speak, it could have put them up alternatively and got them to speak. I therefore hope we will not see the Opposition going to the media and saying, 'All our speakers were not allowed to speak because the guillotine was brought down.'

An honourable member interjecting:

Mr BRINDAL: I will try not to speak for 20 minutes if it means we will have the pleasure of hearing the honourable member contribute to the debate. Much has been made of the previous Government's record and the contribution by the member for Ross Smith. Much was made of the advances under the previous Government, its record and where the previous Government stood on this matter. I am sure that both old and new members of this Parliament know that the former Government's record on WorkCover was little short of a disaster.

It is true to say now that the Minister has to make fewer changes than he otherwise would have had to make because the former Government was forced to reform what was an absolutely disastrous piece of legislation during its own course. During the former Government's last term this legislation was radically reformed by the former Government, and that Government was forced to do so by one or more of the Independent members who at least had enough sense to know that WorkCover was a disaster heading for a catastrophe.

I get tired of hearing from members opposite how they support this, that and something else. The Leader of the Opposition spoke about the people who come through his office and the genuine cases that come to him involving WorkCover. I assure the Leader of the Opposition that I have the same sort of cases come through my door, just as I am sure every member of this Parliament has. Whether we as Liberal members sit on the Government benches or Labor members sit on the Opposition benches, I am sure that everyone of us tries to help those electors who come to us for help, especially when they are genuine cases. I would say that no member opposite would seek to do less than his or her best, and I would say that no member on this side would seek to do less than his or her best, and for the Labor Party

constantly to pretend that it stands for all that is good and right, that they are supporters of the downtrodden and the workers and supporters of every cause that is going in this State is to me—

Mr Clarke interjecting:

The ACTING SPEAKER (Mr Venning): Order! The member for Ross Smith has already been warned today.

Mr BRINDAL: —nonsensical. You know people by the calibre of their actions, and while the member for Ross Smith is prattling on I ask him to examine what the succession of previous Labor Governments at both State and Federal level has done. We have seen the development of the biggest gulf in the history of this country between the 'haves' and the 'have-nots'. We have seen unemployment exploding out of control, and we have seen people such as Neville Wran stand up and say, 'What is the point of being the boy from Balmain unless you can escape from Balmain?'

That is symptomatic of a Party which says it supports the downtrodden, the workers and the genuinely needy because that is what gets it into office whenever it can get into office but which truly has very little regard for the people whom it seeks to serve. That is one lesson that the past State election should have taught the Labor party. Although I am no mathematician, I can work out that if anyone deserted the Labor Party it was those voters from its own heartland. There must have been many trade union—

An honourable member: And still deserting them.

Mr BRINDAL: That is correct; there must have been a lot of trade union members in this State who very deliberately put the number one in their box on the ballot-paper against Liberal candidates and, if that does not tell the Party opposite that the community has heard more than enough hollow rhetoric over the past two decades and that the Party opposite should either be what it says it is or that it should shut up, it is very slow to learn its lessons. I strongly suspect that it will remain in Opposition for at least two decades in this State.

Members interjecting:

Mr BRINDAL: Members opposite say they are here for the workers and that they are here for the genuine cases. I have news for them: I stand here for the workers and I stand here for the genuine cases, and I give that assurance in relation to all other members on this side of the House. Members opposite have no monopoly on care and no monopoly on compassion, and I am sick and tired of hearing them pretend they have. We on this side of the House care enough—

Members interjecting:

The ACTING SPEAKER: Order! The member for Ross Smith is out of order.

Mr BRINDAL: On this side of the House we care enough about South Australia and the future of South Australia that the Minister seeks to introduce legislation which creates an environment in which the genuine person—the person who is genuinely injured in the course of their work—gets real compensation and is properly treated. We want a South Australia where profit is not a dirty word; we want a South Australia in which the economic climate is such that people will be employed and not left on some social security scrap heap, which I suggest suits the Party opposite because it believes that people on the social security scrap heap are captive voters. We stand here for the workers, for genuine progress in this State and for no less and, if the Party opposite cannot see that the Minister is attempting through this legislation to create a better South Australia in which those who are genuinely injured in the course of their work receive just compensation and rehabilitation, I suggest that they go out and re-read the Bill or have some lessons in reading and comprehension, because they do not understand the Bill that I have read.

There is need for reform of WorkCover, and some of my colleagues have covered that. The member for Ross Smith interjected a few minutes ago and he said, 'What about stress for firemen and police officers?' I acknowledge that is a very valid point.

Mr Clarke interjecting:

The Hon. Frank Blevins: Firefighters—don't be sexist. They are firefighters.

Mr BRINDAL: The Minister acknowledges that that is a valid point, and I heard him saying on radio this morning that that was a matter he had considered and on which he had received advice and, having gone through the consultation process, they were not now sure whether the advice stood up. The Minister said that he was taking further advice on that matter and, if the situation arose in which those people who worked in genuinely stressful employment were stressed because of their employment, he would see that it was changed.

And I have news for the member—

Mr Clarke interjecting:

The ACTING SPEAKER: Order! The member for Ross Smith is out of order. And he knows that.

Mr BRINDAL: I have news for the member for Ross Smith. If the Minister who is handling this Bill did not see that it was done, I can guarantee that the Minister for Emergency Services would see that it was done, because he is not about to have the members of his Police Force or his fire brigade put in a position where they went out on stress that was genuinely involved in their work.

Mr Clarke interjecting:

The ACTING SPEAKER: Order!

Mr BRINDAL: I truly wish the member for Ross Smith knew as much about this Bill as he thinks he knows about the Liberal Party's internal politics but, like—

Mr Clarke interjecting:

The ACTING SPEAKER: Order! The member for Ross Smith will please stop interjecting, and the member for Unley will please stop reacting to him.

Mr BRINDAL: Sir, I am sorry.

Members interjecting:

Mr BRINDAL: As the Minister says, the honourable member knows very little about very many subjects. There are things that need reforming in WorkCover. I know of a personal case—although I do not wish to divulge the name because the person is a friend—involving someone who went off on stress leave from teaching for 18 months. His stress leave directly resulted from a marital break-up in which, because it was a *de facto* relationship, he was sued at common law.

While I am no doctor, he and I in conversations calculated that the degree of stress caused by teaching was probably about 10 per cent (and he had a genuine problem), if you are being extremely generous, and the degree of stress caused by his marital situation was 90 per cent. Those people, in the context of the legislation as it existed and as it currently can be interpreted to exist, caused that problem.

The Hon. Frank Blevins interjecting:

Mr BRINDAL: The honourable member opposite interjects that that is the Bill that is coming tomorrow. This is a parcel of Bills, and they are all completely interrelated. You cannot really see them in isolation. I suggest to the

honourable member opposite, who is a former Deputy Premier of South Australia, that perhaps that was the Labor Party's problem: members opposite kept seeing everything like a fly with a prismatic eye. The fly does not see a complete picture: it sees 100 little pictures. I suggest to the former Deputy Premier that that is his problem: he sees everything as 100 separate pictures and never as an integrated picture. It is a pity that he does not understand logic; it is a pity that he does not understand the scope and breadth—

Members interjecting:

The ACTING SPEAKER: Order! The Standing Orders say that interjections are out of order. The member for Unley.

The Hon. Frank Blevins: Standing Orders also say you're supposed to stick to the Bill.

The ACTING SPEAKER: The honourable member can raise a point of order if he wants to. The member for Unley.

Mr BRINDAL: It is a pity that he does not understand the scope and breadth of the parcel of Bills that this Minister is bringing into this House. It is, therefore, very difficult to relate to one Bill: one must refer to the parcel of Bills and the concept. The Minister is to be commended on this Bill. As I just said, the Minister is to be especially commended because, when asked about the problem that may confront emergency service workers, he did not renege or cover up. He said this is a problem that needs looking at, and I am looking at it.

I put to the member for Ross Smith and to the former Deputy Premier that, if their frontbench had been half as honest and half as willing to discuss matters and to change when they made a mistake, this State would be in a lot less trouble than it currently finds itself in. The Minister would not be standing in the House tonight having to repair the bodgie and botched up job which was forced on us by a Minister for Labour who is no longer in this place and who did not even know what he was talking about when he was asked questions. This stuff-up is not the fault of this Minister. This Minister is repairing a stuff-up for which the Labor Party is solely, completely and irreversibly responsible. The best they can say is 'bleat'—that we might put on the board some competent people who we happen to know are competent. The minute people are competent, the minute we appoint them, by definition they are our mates. I am very happy to have those people called our mates because, if our mates are the intelligent doers in South Australia, I would rather they were. I would not like to be called one of their mates because, by definition, they are the fools—

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

The Hon. FRANK BLEVINS (Giles): Where is the member for Norwood? I wanted to hear the member for Norwood sliming his way through selling out workers.

The ACTING SPEAKER: The member for Giles has the call.

The Hon. G.A. Ingerson: The honourable member should be heard or sit down.

The ACTING SPEAKER: Order!

The Hon. FRANK BLEVINS: Mr Acting Speaker, we have a Minister who is here on charity.

Mr Bass interjecting:

The ACTING SPEAKER: Order! The member for Florey.

The Hon. FRANK BLEVINS: He could not hold his position as Deputy Leader. He was knocked off at midnight because he was a complete and utter clown. The same member stands up here and suggests that—

The ACTING SPEAKER: Order! There is a point of order. The honourable member will resume his seat.

Mr CUMMINS: The honourable member is passing personal reflections on the Minister. He is breaching Standing Order 127.

The ACTING SPEAKER: The Minister is able to defend himself. I will not uphold the point of order, but I will ask the honourable member to get on with the subject of the debate.

The Hon. FRANK BLEVINS: I oppose this Bill and I will attempt to speak only to this Bill. There will be two more Bills which will give the member for Unley, if he has any interest in the topic, a chance to speak on some of the things he mentioned. As you would be aware, Sir, being the Acting Speaker, 99 per cent of what the honourable member said was purely outside the scope of the Bill.

Mr Cummins: Speak up; I cannot hear you.

The Hon. FRANK BLEVINS: That is your problem.

Mr Cummins interjecting:

The Hon. FRANK BLEVINS: You never could anyway. I remember the member for Norwood was sliming around the left in the Labor Party.

Mr Clarke: Looking for pre-selection.

The Hon. FRANK BLEVINS: Was he ever! He was saying how much he was a friend of the workers. I was one of the people, I am proud to say, who would have nothing to do with him. He looked to me like a typical rank opportunist and I was subsequently proved correct.

Members interjecting:

The ACTING SPEAKER: Order! The honourable member will return to the subject of the Bill.

The Hon. FRANK BLEVINS: Certainly, Sir, but, if interjections are allowed, I think it is very rude not to respond.

Members interjecting:

The ACTING SPEAKER: Interjections are out of order, as the honourable member knows.

The Hon. FRANK BLEVINS: I agree with that, Sir, but while you permit them I have no alternative but to respond to them. What this Bill is attempting to do is, in effect, to reverse the system of workers compensation in this State. It brings in private insurance companies; it reconstructs the Workcover Board so that it is no longer essentially a tripartite board. The fundamentals of the Workcover scheme were that it be run principally by representatives of employers and employees with some Government assistance and that there be a single insurer. This Bill does away with both those principles. In effect, it is a radical change to the way workers compensation operates in this State. I think we have to spend a minute looking at the way it operated previously and what we have changed.

The previous system was expensive for an awful lot of employers. It was certainly outdated as a concept. Modern workers compensation schemes throughout the world do not rely on a fault principle. In a nutshell, it paid workers to be as sick as possible for as long as possible in order to gain some benefit from the system.

I think that all those things from both the employer's and employee's point of view were highly undesirable, and the system obviously had to change. The biggest advocates for change, apart from myself and my predecessor, the Hon. Jack Wright, as well as the Hon. Bob Gregory, when he was Secretary of the United Trades and Labor Council, were the employers. The Chamber of Commerce and Industry was my strongest ally in overthrowing the previous system of having private insurance companies and particularly lawyers

involved in the system. The employers wanted to toss out the insurance companies and the lawyers because essentially they were parasites on the workers compensation system.

It was very pleasing to have the Chamber of Commerce and Industry so much on side. I will say no more about the Employers Federation, that mickey mouse mob. One of the best things to happen in the past few months is that it has been absorbed into the Chamber of Commerce and Industry, but that is by the by. However, it was good to have the Chamber of Commerce and Industry so much on side, and I salute those people because they had insurance companies as part of their membership. It took a certain amount of courage and desperation for them to tell their insurance affiliates that they did not want them in workers compensation; they had a role to play in other areas of insurance, but not in workers compensation. The lawyers got fat off workers compensation. If ever the word 'parasites' is applicable and appropriate, it is to lawyers in workers compensation.

Premiums were going through the roof particularly for small manufacturing business and small rural business. Some rural shearing contractors, for example, were paying up to 16 per cent and more of payroll and they could not exist. I concede that in monetary terms the previous system was cheaper for some areas of industry, principally service industries, and the change to the system was deliberate so that there was a certain amount of cross-subsidy.

The effect of the change was to reduce workers compensation premiums significantly for the productive sectors of our economy: manufacturing, rural, mining and other sectors. It was deliberately more expensive, and it was constructed in that way, for service industries—retail, hotels, hospitality, and so on. Without the wealth-producing sectors of our economy, there is nothing to distribute through the service sectors. That was the whole idea. The fact is that the hotel and retail industries complained about the increases, but I told them it was deliberate—it was not an accident, it was not a by-product of the system; it was deliberate. They were cross-subsidising the wealth-creating sectors of the industry, and that was the way the scheme was designed. There would be some amelioration of that, because as the employers in the service industries got a record within the system over a few years the better employers would have quite considerable reductions in the premiums through the system of bonuses and penalties. It was constructed in that way not just with the agreement of the employers, but because the employers were desperate for this change.

Again, some of the benefit principles were agreed by the employers. We had to construct a lower-cost scheme compared to our eastern competitors, particularly Victoria, which is our largest competitor in manufacturing industry, and New South Wales to a great extent although to a lesser extent than Victoria. We had to construct a system in which premiums were lower than in those two States taken overall. We achieved that, but not in such a way as to create a claim for make-up pay as they have extensively in New South Wales, where workers compensation premiums appear to be lower because of the system of make-up pay, some provided by awards, some by agreement and some beaten out of employers through industrial action.

The employers in this State did not want that. They wanted the benefits pitched sufficiently high to prevent those kinds of claims. Remember, we are talking about the mid-1980s, when in a considerable number of industries in this State the ability and strength of workers to beat out of employers make-up pay was quite extensive. I can tell you—and there is no question about it—that they would have done it. That is more the New South Wales system; the employers did not want it and neither did I. When I introduced this legislation I had many problems with some sections of the trade union movement who thought we were giving away too much; for example, in the area of common law. I cannot remember whether the member for Ross Smith was one of them but I had quite extensive opposition within the trade union movement on the issue of common law.

Those unions, by and large, handed over their workers compensation cases to lawyers. The unions did not argue their own cases and, of course, the lawyers had a vested interest in remaining involved in workers compensation cases. A number of legal firms in Adelaide made their fortunes out of workers compensation. I thought it was quite wrong. I had to argue out the issues with the trade union movement and, fortunately, the wiser and more sensible heads prevailed and I finished with sufficient support to push the measure through.

There is no doubt that the courts and the tribunals have taken workers compensation in this State further than was envisaged by the Parliament; there is no question about that. I do not defend that. We had the kafuffle last year over workers compensation when the former Speaker took a particular view. I was not terribly concerned about the changes that were made: the arguments for those changes were fairly slight in the scheme of things and the arguments against them were also fairly slight. In the main, what it did in some areas was bring the workers compensation scheme back to where this Parliament thought it was.

Those industrial lawyers who took some of the wackier cases to court and to the various tribunals were very short-sighted, because the danger was that they would win. None of us can predict or see into the minds of courts and tribunals, and some of the decisions brought down, as far as I was concerned, were absolutely inexplicable. I cannot understand how the courts and tribunals managed to read the legislation in the way that they did. Smooth-talking lawyers and, I suppose, people who sit on tribunals and admire an eloquent argument, no matter how facile or fanciful, come down on the side of some of these incredible cases.

I would have no objection—although it will be debated in further Bills that come before the Parliament this week—if the Parliament attempts—and I doubt that it will be successful—to knock out some of those excesses awarded by the courts for reasons best known to themselves and inexplicable to the rest of us. I would not defend those things and I have no intention of so doing. That is not what we are doing. This Bill changes, in a fundamental way, the nature of workers compensation. Why are we doing it? The ideology has been mentioned by the member for Ross Smith. By interjection I joked that next to myself he knew more about workers compensation than anybody in the Parliament. That is not true; he knows far more about it than I do.

Mr Lewis interjecting:

The Hon. FRANK BLEVINS: I am retiring, so I can afford to be generous. The essential reason it is being changed from such a fundamental thing in such a fundamental way is, as I said, ideology, to give the troops opposite something to cheer about. There is a certain amount of spite. I do not think there is any doubt about that, the whole thing is spiteful. To condemn a whole area of workers compensation because some half-whacked fruitcake of a lawyer takes a case that no-one in their right mind would take and because some equally half-whacked tribunal agrees with it, to use that

as an excuse for wiping out significant benefits to injured workers is, I think, absolutely spiteful. The hatred of workers throughout this ideology and spite comes through. Everything that has been said by members opposite demonstrates that they have a hatred for workers, and they are advised by people who have made a living out of hating workers.

What concerns me is some of the statements about WorkCover premiums coming down to 1.8 per cent of payroll. I think that will have some implications that members opposite will probably regret in the not too distant future if they attempt to do that because, in spite of all the examples that have been given over the past few weeks and the sport that the Minister at the table and other members have had with the cases that have been built around someone climbing a tree to pick fruit and falling down during a picnic, if they fix all those things up they will not get much of an argument from me, but they will not get down to 1.8 per cent of payroll. They are trivia. They make good copy. They give their mean-minded troops a laugh. Okay, let us eliminate them all. If they are all eliminated premiums will be barely touched at all, because they represent a tiny percentage of the cost of workers compensation.

So the real message in this Bill and the two Bills to follow is to restructure the system in a fundamental way to enable a significant reduction in benefits to sick and injured workers. That is the long-term agenda. Why? This was mentioned by the member for Ross Smith. Overall, workers in this State cost less than workers in any other State. From ABS statistics it will be seen that wages in this State are the lowest in Australia, lower even than Tasmania. Oncosts in this State are lower than in Tasmania. The cost of living and employing in this State is lower than anywhere else in Australia. What have workers done to warrant this, particularly the sick and injured ones?

There is something that concerns me in a personal sense. I do not like to be personal in the Chamber, but I have to mention the member for Florey. I do not know what goes on in his Party room, I may well be doing him an injustice, but the member for Florey is a former trade union official who has lined up with other trade union officials at no personal benefit. I have never yet met a rich trade union official. They work hard and long and for very little money, but they do it to gain justified benefits for their members. I have never met a police officer who was overpaid or whose benefits were too great, and neither has the member for Florey. What the member for Florey is doing—and, as I say, I will apologise if in the Party room he has done something else—is sitting here and assisting a bunch of people who hate workers, whose whole *raison d'etre* is to hate workers, to reduce benefits to the people who have paid his wages for years and years. Whatever the member for Florey has got has come from fellow police officers.

How does he thank them? He thanks them by assisting these anti-working class people in reducing the benefits for sick and injured police officers. I hope the member for Florey is proud of himself. He not only does that, but he laughs while he does it. He thinks it is clever. I oppose this Bill. I will be opposing the two subsequent Bills. I will be going into more detail in the Committee stage. I oppose the second reading.

Mr LEWIS (Ridley): Mr Acting Speaker, it is sad that, for the sake of rhetoric and Labor Party unity and solidarity with their mates at Trades Hall, members opposite have to visit on this House, and through it in the past on this State, such a mess as now makes it necessary for us to remedy the situation through this legislation. It is sad because they did not have the guts to recognise the wider public interest which should have held sway over their parochial political interests. It is sad because they are bound in their commitment to the union organisations through Trades Hall and the Party to which they belong, that if they dared to say anything realistic and honest, against what they are told they must say and do, they would find themselves disendorsed. They would find themselves smartly out of this place.

None of them has the guts to admit that, yet they have imposed their sleazy arrangement on our State of South Australia. They expect all of us to swallow the argument that they have done it for the greater benefit of all people here. Well, they have certainly done it to the detriment of those who cannot find employment now in South Australia in greater numbers than in any other State. There are similar causes for the wider problem of unemployment related to that tie between members of Parliament endorsed by the Labor Party and the trade union movement, because that is what has caused some of the other underlying problems in the national economy. But for the member for Giles to expect me to believe what he has been saying, like the member for Ross Smith to also expect me to believe what he said, stretches their perception of my capacity, or the limits their minds have imposed on me, beyond belief.

It gives me no pleasure to have to acknowledge that what we have might be what they believe is a wish list for Utopia that now needs repair. It gives me no pleasure at all, but the fact is, if we want this State to recover, and if we want our children and our long term unemployed to have real prospects of jobs, these fundamental reforms have to be undertaken, and it is not to the detriment of anybody. At present, the price that is paid for these maladministered, sloppy arrangements which they have with their union mates is the large measure of unemployment caused by the high cost to the employer. There are those people who would work and want jobs but cannot get a job because the places where they could have a job simply cannot afford the cost of each job. The people who pay the wages and the on costs when they tally up what that means to the output cost of each unit of production, it is too high for them to be able to expand production of whatever it is they are producing, and take up the unemployed people who wait for a job in vain.

So I commend the Minister for what he is doing in reforming the structure of the board with this and other legislation which is on the Notice Paper but to which I shall not refer other than to make the observation that it is almost as though the debate were cognate. I will stick with this legislation and acknowledge that the Minister has taken a very responsible stand in the analysis he has done and the conclusion he has come to in bringing before us this legislation. The Minister, like the Liberal Party, is prepared to accept the responsibility for the policy that is to be implemented by the Government. That is more than the Labor Party seems to have been prepared to do.

The board is to be reduced from the crazy tripartite arrangement that we have had (crazy in the sense that it ignored completely the public interest) and it established forever the unhealthy relationship between the trade union movement, the Government and the adversaries of the trade union movement thus created, namely, the people who give jobs—the employers—to the people who want jobs. It will be a much more streamlined body to oversee the administration of Government policy. It will consist not of 14 but

seven people. So, the Minister wins points on that basis. The board will simply administer the policy and, through its delegated authority established by this legislation, given to it by the Minister, watch over the bureaucratic function which has to be there to do the nuts and bolts work. No-one on this side of the House is arguing that protection against unscrupulous employers and against the unfortunate consequence of work-related injury is unnecessary.

In the process of protecting people in the work force, we ensure, too, that not only those individuals but any other people who may be dependent on them as members of their families have a secure future and that we will be attain that at a cost which we can afford. Let me explain by analogy. I am sure that we would all like to drive a Rolls Royce or a Mercedes, though we all know—

An honourable member: Some on the other side do.

Mr LEWIS: Yes, indeed, some on the other side do; some of their mates certainly do. But we all know that we cannot do so since the resources are not there for us all to be able to call up the effort that has to be made to assemble such an automobile. It costs more in time of work, expense of equipment and cost of other resources, raw materials, to make such motor cars, and that is why they are sold at higher prices. By the same argument, we cannot afford the current structure of WorkCover which we now seek to amend; it is beyond our means. The consequence of the higher cost of it is the disproportionately higher rate of unemployment in South Australia. Employers come to this State only if they cannot find a more competitive environment in which to establish their production cycle elsewhere, whether interstate or off-shore.

So we lose, we do not win; those people seeking employment lose, they do not win; and those people who have jobs lose, they do not win. Their burden of indirect taxation has to be higher, to finance the deficit of the WorkCover fund. That arose through the crazy arrangements for the board of 14, which was constantly arguing about the philosophical basis for its own existence and not getting on with the job of analysing the inappropriate administrative decisions that were being made by the bureau which ran the WorkCover scheme. That is where many of the cost problems came from.

From this point in the debate I could add to the considerable number of examples which have been provided by other members from this side of the Chamber of the abuses, excesses and rorts in the existing system, but I will not, because that will only take further time to illustrate a point already well illustrated by others. I could talk about it as it affects rural industries, as it affects whether farm work is involved in sowing or harvesting crops or preparing vines and fruit trees for harvesting in turn, about shearing, about road workers, or about people involved in office jobs who take trips interstate before they go home and expect South Australia's WorkCover to provide them with compensation for injuries which they claim occurred on their way home but which in fact occurred outside South Australia. All this is foisted upon us. The cost of each job is increased to the person or firm providing that job every time a claim is made on the proceeds of the premiums paid into that central fund. So, there is no need for me to go through my files and bring a stack of them in here and gabble them off into the record for the sake of illustrating a point. I know that my case is already well illustrated in that regard by my colleagues. I simply want to move on further in the debate and point out that what we will obtain is now a simpler, more competitive environment for all firms in South Australia. I want to go on from there and state quite simply that we will be able to improve the cost of rehabilitation by these changed arrangements we now put in place.

The cost of rehabilitation has not been reduced by WorkCover to this point expanding its in-house rehabilitation services. It has expanded on a case by case basis ever since WorkCover decided to involve itself in case rehabilitation management, because it took away the people who had the professional skills to help the injured person who was off work in their psychological as well as physical recovery, counselling them along the way in the treatment they required, the kinds of responses they could expect from that treatment and the benefits they would derive if they focused their mind upon doing what was required.

If the counsellor becomes focused upon pushing the person back into the work force as quickly as possible, regardless, then the worker becomes suspicious. They subconsciously and instinctively recognise that the so-called counsellor is not really interested in their physical or psychological health but more interested in getting them through the books and out of the way for the sake of the so-called case counsellor management records and their own personal career advancement, because they have done the bidding of their bureaucratic bosses within the structure of that organisation.

So again I commend the Minister. These changes to the administrative procedures will enable greater emphasis to be placed on the private enterprise function of rehabilitation counselling. There are well trained rehabilitation counsellors specifically trained for the purpose. Just as we have specifically trained physiotherapists, occupational therapists and the like, we also have a profession of rehabilitation counsellors. They ought to be charged with the responsibility of doing their work within the framework of a competitive professional environment, just as there is a competitive professional environment for physiotherapists, occupational therapists and the like.

As a result, we will reduce the cost of operating this system of protecting workers from injury and rehabilitating those who are injured in the course of their work. We will achieve this by making it more administratively efficient and by making the delivery of the service to the injured person more caring, more appropriately focused and more efficient in terms of the dollars spent on them and therefore the cost-effectiveness of the counselling process.

For that reason I add my remarks in support of the legislation to those made by the Minister and my colleagues so that the record can show, and that members of the Opposition can better understand, that the entire purpose of these amendments is for the enhancement of the expansion of prosperity in South Australia and not, as the Deputy Leader of the Opposition said, for payout to mates instead of payment to injured workers. He got it wrong. Even though he would want people in the work force to believe what he said, it is like much of what he has otherwise done and said since he first became associated with this place: it is a total fabrication. It is not based on fact but on his prejudiced view of how he would like the world to be for the sake of his political convenience rather than how the world is for the sake of everybody's overall convenience and prosperity.

The Hon. G.A. INGERSON (Minister for Industrial Affairs): I move:

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

Motion carried.

Mr BROKENSHIRE (Mawson): I commend the Minister for Industrial Affairs for introducing such a comprehensive and well planned Bill. It is a sad day, though, when you are out in your electorate talking to people and listening to what they have to say, and you see the utter confusion that members on the other side have put before those constituents. The Government's role is to create laws that will protect the people of South Australia and enhance the State. I suggest that, instead of those opposite introducing WorkCover in the way they did when in Government, if they had merely amended some of the legislation in order to protect employees from unscrupulous employers, a lot more people would be working today and South Australia would be in much better shape. But they chose not to do that because, as on other occasions, they saw WorkCover as another cash cow—an opportunity to create a monopoly that would generate megabucks for them to disburse in a willy-nilly way throughout South Australia.

The employers did not support the way in which WorkCover was finally implemented. In fact, employers knew when the former Government finally brought in that plan that it would be devastating for employment. The former Government wanted a cash cow because it did not have the expertise or ability to enhance the State and create jobs.

An honourable member interjecting:

Mr BROKENSHIRE: The honourable member opposite is a clear example of someone in that category. This Bill will help create jobs once again in South Australia. As a former employer I know how damaging the high WorkCover levy rates were. When one coupled that levy with many of the other taxes and charges applied in South Australia over the past 10 years, it made it nearly impossible to employ anyone. Much of the time the massive WorkCover levies and other taxes and charges tended to push people out into the dole queues.

Earlier today we heard the Leader of the Opposition claim that South Australia has low taxes and charges. The Leader should have another look at the position, because he would see that our taxes and charges in general, and the WorkCover levy in particular, recorded the highest increases of any State in Australia, even though some of them did come down a little at the end of that 10 year period. WorkCover and other costs have clearly contributed to job losses and have been negatives on the cost efficiency of South Australia with respect to the other States.

One had only to listen to what the Minister said today to realise that those are the facts. This Government showed initiative by reducing WorkCover levies and creating a climate whereby people would employ again. The Minister was able to indicate that in only 100 days 328 more workers have been employed as a result of the incentive offered by the Government whereby it will pick up the levy for the first 12 months in respect of people who left school last year or who have been unemployed long term.

To give the House an example of what a problem WorkCover has been, last year a person who wanted to start a new business approached me. It took him about seven intensive days to find out what sort of licences and permits he had to obtain. When he finally got to WorkCover he was asked what sort of business he wanted to start. It was a consultancy to the surveying and planning industry but, because WorkCover could not find a category for him, it slotted him into the nearest pigeon hole and started his levy at 4.8 per cent. What sort of incentive is that for someone to start a business and create jobs?

I emphasise, as I said earlier, that the Opposition, particularly the member for Ross Smith in his comments in the media of late, and to a lesser extent the UTLC, which at the moment seems to be more responsible than the Opposition in many ways, have gone out of their way to mislead and scare the general public. They have got away from the true issues, instead of coming along and supporting us in what they must realise deep down is an opportunity to protect workers. That is what the legislation should have always been about, while at the same time allowing employers to get on with the job of enhancing and developing the State.

As the Minister said recently, if we are unable to get the legislation through the Parliament, it is clearly evident that there will be another levy increase from the massive average of 2.86 per cent now applying to as much as 3.15 per cent. This would add up to another $25 million a year. The member for Ross Smith should listen to this if he is really interested in creating jobs. If the Opposition does not assist us with the Bill, another $25 million a year will have to come from employers to fund these increased levies, and all that will do is take more people out of work. Surely it is about time we got together and looked at the big picture, which is to get South Australians back to work. This is a responsible and fair Bill. It streamlines the board which, as has been said, will be reduced from an unworkable 14 members to seven. Can members imagine trying to get consensus among 14 members of a board? All such a large board does is create inefficiency.

Mr Clarke interjecting:

Mr BROKENSHIRE: Private industry boards do not appoint members just because they are creating jobs for their mates, either; those boards consist of people who want to see profits and development within that private industry. That is the difference and that is what we are coming to, because at the end of the day they are the job creators. The fact is that a seven person board will be lean and efficient and, most importantly, it will be accountable, and that is something that most of us know was clearly not the case with the former 14 member board. That is why we saw budget after budget propping up an inefficient, incompetent WorkCover system.

I commend the Minister on the fact that this WorkCover Corporation Bill will allow an umbrella situation whereby the private sector will once again be able to get involved in sharing the load. Surely it is much better for everybody if no monopoly is involved and if an opportunity exists for an employer, subject to meeting the criteria that are clearly laid down in this Bill, in order to protect people, to get a quote and to try to offset the sorts of levies which we have now with other insurance policies and which add up to a lot of money, and thereby allow for some negotiation when that company or small business obtains a quotation for its insurance policies. So, I commend the Minister on that point.

Another important aspect is the fact that this Bill will establish, in its transitional provisions, a mechanism for the transfer of staff from the Occupational Health and Safety Commission to the Industrial Affairs Department, the WorkCover Corporation or to any other administrative unit in the Public Service. In other words, it allows some streamlining; it takes away the higgledy-piggledy inefficient way in which the WorkCover system has operated in the past.

We hear the Opposition talking about safety and fairness in the workplace. This policy is all about safety in the workplace. The Government's first priority is to prevent workplace injuries to the greatest extent possible. Surely it is

far better to have in place a proactive policy and Bill that will protect people from injury rather than trying to rehabilitate them after the injury has occurred. An extra $2 million per year will be committed from WorkCover funds for this purpose. We all know that the former Government did not give proper priority to prevention programs: rather, it was preoccupied with rehabilitation and compensation. If we can reduce WorkCover levies by 1 per cent over the next two years or thereabouts, it will allow employers to inject approximately $90 million more into investment and job creation in South Australia for South Australians, and surely, at the end of the day, that is the way we must head.

Since becoming a member of Parliament—and I am sure other members in this House would back me up—I have come to realise that without doubt the biggest problems we have had in our electoral offices have been clearly associated with WorkCover. In most cases, and in fact in my electorate without exception, the problems relate to complaints about inefficiencies and the lack of assistance to workers in rehabilitating them and letting them get back on with the job. I refer to the example of a gentleman who was involved in the transport industry and who unfortunately was victimised by some of his fellow workers, whereby they continued to put pornography in his office, which behaviour caused him stress.

Instead of this person's having a short time off work to overcome the stress and the trauma, and at the same time the employer sorting out the problem with the other employees, he had something like seven case managers in an 18 month period; two or three psychologists examined him, and that did nothing other than make it more difficult for him to come to terms with his problem; and today, at about 55 years of age, two years since he was employed in that job, this man has very little hope of ever getting back to work. This is costing WorkCover 80 per cent of his salary for probably the rest of his working life until he is eligible for a pension.

Another was a gentleman who came to me with a simple knee injury. He was working night shift in a factory, climbed on some boxes and twisted his knee. He reported the injury and went off to the doctor. All he wanted was about three weeks to get over the knee injury, but what happened? He was also given a case manager and a rehabilitation manager, and he went from one case manager to another and then to another, and by the end of this—although it is not over yet and it has been going on for nine months—he had three rehabilitation officers and massive trauma within his family because his children and his wife could not understand why he could not be deemed fit enough to get back into the workplace.

But other situations then arise. Victimisation comes in with his work mates, who reckon that he is squibbing out. Employers get frustrated, and he now has another problem on his hands—all because there was no streamlining and no genuine effort made to address the problems of WorkCover and related injuries and to get people back as quickly as possible into the work force.

Mr Clarke: None of your amendments do anything about that.

Mr BROKENSHIRE: They do. You should read them. You have not read any of the amendments: all you have done is blabbed to the media what you think the amendments are, and you have delighted in doing that because you do not have the ability to sit down and read what you should be reading. In conclusion, although I would like to bring this up when we have another opportunity, we now have a situation where we will look after employees properly (something that was not done before), streamline things, give employers the opportunity to have a reduction in their rates so they can spend the money where they should, and get on with getting South Australia going again.

You have only to look at what has happened in Victoria and New South Wales and to see the excellent results they have there to see that, unless South Australia takes on the approach that is currently being offered by this Government, we will continue to go further behind. I commend this Bill to the House.

Mr VENNING (Custance): I welcome this Bill as a very sensible move to help restore South Australia's competitiveness. The moves are basically and mainly commonsense, particularly that of the reduction of the board from an unwieldy 14 to seven members. That is a very good move. Also, having direct reporting to the Minister is a move which is long overdue and which will enable policy discussions to occur at a much higher level. It is making safety the joint responsibility of employers and employees and giving workers a stake in workplace safety. The situation in the past has been far from that.

It is in the workers' interest as much as in that of the employer to have the workplace safe. I totally disagree with members opposite. I am definitely not a hater of workers, as the member for Giles alleged earlier. I take offence to that, because we all need each other in this place and in life. I came from a situation where I worked with my employees and we shared the work together. I know you suffer accidents at all times, and I always believe in a fair go. Workers who are genuinely injured or maimed in the workplace should expect to be assisted by their employers. Those safeguards need to be there.

I am the first to admit that that needs to happen. However, what we have seen in the past is a total rort of the situation. I welcome the complete change in emphasis that this Government has brought in with this Bill. Economies in our workers compensation scheme are vital to South Australia, and with our levy average at 2.8 per cent at the moment it is clearly 1 per cent (or $90 million a year) too high. It is higher than comparable schemes around Australia. I suggest that a 1.8 per cent rate would make South Australia nationally and internationally competitive.

The WorkCover Board has advised that, unless steps are taken to make these savings, levies will have to rise an average of 3.15 per cent which, all members would agree, is totally unacceptable. To be fully funded, an extra 3.15 per cent would be needed. I think that would have been inevitable if we had not made these changes. I know the previous Government was thinking along those lines. That would mean an extra $25 million a year which South Australian employers would have to find. I hope that members on both sides would agree that that is not tenable.

The removal of journey and free time accidents is logical and fair. I really mean that. I believe that workers who are genuinely injured in the workplace deserve to be protected, but the employer has no control over journeys to and from work or other activities, so why should he or she be responsible? As the member for Giles and the member for Ross Smith said, these accidents account for a very small percentage, so why should we worry about them? Employers have no control over safety matters for an employee away from the work place, so why should they be responsible?

As we know, the area of stress claims has involved rorts. I am a person who seems to thrive on stress: I live with it all

the time. At times I think I ought to go out on stress leave, particularly in this job: it would not be very hard to prove stress, particularly with the haranguing and harassing of members opposite. I could not imagine a more stressful situation. Stress has to be excluded or tightened up to remove the abuses and rorts. We know that, when a person falls short at the work place and is confronted by the boss who says, 'I will have to change your employment', they immediately go out on stress. It happens often in departmental situations.

I refer now to alcohol and drug related injuries. This Bill brings South Australia into line with the rest of Australia and ensures that workers have a stake in their own safety. Why should the employer have responsibility for members of the work force who come to work under the influence of drugs or alcohol? The worker ought to know that, if he or she comes to work in that condition, they will get no benefits.

This is a most important Bill. The Brown Liberal Government has a strong and powerful mandate for this measure. Members of the Opposition know that what we are doing is absolutely necessary. I know that most members of the Opposition agree. They have been mouthing these platitudes today because they feel they have to be loyal to their union bosses and union affiliates. I know that deep down they realise that what we are doing is absolutely necessary to maintain the work force. Any sort of work force in South Australia, any sort of industry and any sort of industry competitiveness has to have this measure to bring this State to heal. The member for Giles said that a few 'cranky lawyers' have taken this measure out of kilter. It is far greater than that. The WorkCover Act has been so loose, wide and encompassing that it has been begging to be rorted.

The member for Torrens earlier today said that it is almost a bit of an art form for workers to go around the medical system to find a cooperative MD who will write out the relevant chit. The situation that the previous Government brought in has almost been abuse *par excellence*. The honest workers of this State—and 95 per cent of them are honest—have nothing to fear from this Bill. They have all to gain because they will not have to carry the extra load of their rorting workmates. Industry has all to gain because workers compensation is a massive disincentive to employment in South Australia. I know what this is all about, because I have been an employer. I know what it is to make these payments and to have a claim. It is no wonder that we are seeing the claim level down. That is because if there is a claim the payments go up so high. However, that is a debate that we will have tomorrow.

Farmers, who can and will employ so many more South Australians, are feeling the WorkCover sting because it is a huge impediment, particularly if there has been a claim or if someone is shearing. On our farm we had only 50 or 60 sheep because we are grain growers. However, we worked out that it did not pay to have any sheep because it meant that we had to employ shearers and, if we had shearers on the property, up went our payments. Guess what! No shearers and no sheep.

It is amazing how decisions in this place can affect what happens in the workplace and in fields in far flung areas. This is what silly, ill-informed laws passed by this Parliament in recent years can do. Rest assured, our farmers can employ many more people, particularly young people, because there are jobs on farms. We have been saying, 'If you employ these people, we will whack these extra imposts on you.'

This Bill will lift the veil off employment opportunities in this State. I commend the Minister for having the courage to introduce a Bill like this. If it can be modified and the cost curtailed, rural employment will improve, particularly among young people. This is a timely, important and vital Bill to improve the lot of South Australians. I commend the Bill to the House and the Minister for bringing it in.

Mr FOLEY (Hart): I do not intend to speak for long tonight, but there are a few points—

Members interjecting:

Mr FOLEY: I will learn what opening statements not to lead with, and that is one I had better make a note of. I am sure that members on my left will sit in silence now that they have had their bit of fun.

This is an important Bill because of what it attempts to do, which is to deprive workers of a very necessary and important scheme. The costs of employing labour in this State have always been lower than in other States. The Government has put forward the notion that we shall see a reduction in the WorkCover levy and that that will be the automatic trigger to some economic boom in this State. We have heard the Premier say that our automotive industry will see a resurgence of investment if the WorkCover levy is reduced. The major employers in the automotive industry are self-insured and do not participate in the WorkCover scheme, so that is a furphy from that point of view.

Let us look at actual labour costs in this State, competitive labour costs and what that means to the competitive position of South Australia. According to the latest figures from the Australian Bureau of Statistics detailing average labour costs per employee, the Australian average for the private sector was a total of $28 949 and for South Australia the average was $26 762. We already have a significant cost competitiveness built into our total labour costs. When we look at the on-costs, which include superannuation, payroll tax, workers compensation, annual leave, sick leave, loading, termination payments, fringe benefits tax and so on, we see that the Australian average is $6 817 per employee and in South Australia it is $6 110 per employee.

It is important that those statistics are placed yet again on the record. Some members say that they have heard them already. Well, they are hearing them again. We already have in this State an in-built competitive advantage when it comes to labour costs. We saw WorkCover rates reduce in this State under the former Government to somewhere in the order of 2.8 per cent. That rate is lower than in Western Australia, where I think it is in excess of 3 per cent.

It is very easy for members to sit here and debate isolated incidents where they may have some facts on a rort, but there are some 60 000 WorkCover claims per year. The reality is that, yes, in any system you will have the occasional rort. You had it under the former system; you have it, unfortunately, under the present system; and you have it in every walk of life when it comes to business. Needless to say, Mr Acting Speaker, there may have even been the odd occasion when politicians in this country have rorted the system. The reality is that you cannot build a perfect system. Private insurers, before the WorkCover scheme was put into place, had the same problem.

WorkCover was established because private insurers and the employers wanted it. They were sick and tired of being ripped off by private insurance companies in this State, and they were sick and tired of being ripped off by the extremely high premiums they were paying. They wanted a universal system that brought down the levy and their costs. I intend to read from the remarks, made during the debate of February

1986, by the then Leader of the Opposition in this House when referring to the Workers Rehabilitation and Compensation Bill. This is what the former Leader and the current member for Kavel said:

> The industrial relations policy that the Premier released on behalf of the Labor Party at the last election included the following statement:'The reform of the workers compensation system by the Bannon Government will be one of the most important social reforms of this decade.' This is one statement the Government has made about workers compensation with which the Liberal Party agrees. This is a vital Bill. It is a vital Bill for workers, vital for business.

What has changed?

Mr Caudell: He's not the Leader of the Opposition.

Mr FOLEY: Much to his disappointment. Much to our disappointment, too, I might add. The reality is that the Liberal Party was under pressure earlier in the last decade to support the introduction of a workers rehabilitation scheme because business wanted it. Any scheme you have in place must be managed as well as it possibly can, but it can never be managed to an extent where there are no cases of abuse. I do not condone that: there should be no abuse of any system. However, members opposite—and, may I add, members slightly to my left and behind me—know that systems are rorted occasionally, but you do not throw the system out.

Mr Tiernan interjecting:

The ACTING SPEAKER: Order! The member for Torrens has had the opportunity to speak.

Mr FOLEY: Thank you for your protection, Mr Acting Speaker. The workers of this State should not be sold out because the Government wants to do the easy thing and go after the individual. The Minister for Health, when sitting in Opposition, would cite examples of patients who were not able to access the health system. He was able to produce cases X and Y because it was an easy argument; it simplified and glorified the argument. Government members have done the same thing tonight. Really, you must have a little more substance than that. I would like members opposite—

Mr Andrew interjecting:

Mr FOLEY: What the honourable member is telling me and what members opposite would like me to believe is that unemployment in this State would be dramatically reduced rapidly overnight or within a very short time span if the levy was brought down by half a per cent. Is that what members opposite are saying?

An honourable member interjecting:

Mr FOLEY: Members opposite and I know that it will take more than that to bring employment back into this country. They cannot convince the workers of this country that they should pay a disproportionate share to bring about an upswing in the economy. The economy is improving, not because members opposite have waved some magical wand but because of policies put in place by the Federal Labor Government. Members opposite are trying to put forward a simplistic argument: let us screw the worker, let us give the worker fewer benefits so that we can bring the percentage on WorkCover down in the belief that somehow we will magically see this huge surge in employment.

Mr Quirke: Why isn't Bangladesh booming? That's what I want to know.

Mr FOLEY: Exactly. It doesn't have a WorkCover scheme.

Members interjecting:

The ACTING SPEAKER: Order!

Mr FOLEY: I come back to the point that we already have more than a 10 per cent inbuilt advantage in our labour costs in this State. We have a cheaper unit labour cost in this State than has our major manufacturing competitor, Victoria. We have a cheaper unit labour cost than has New South Wales or any other State in this country.

Mr Evans interjecting:

Mr FOLEY: Because it is more complex than that. I am happy to give him a lesson on economics and industry policy after the House adjourns. In fact, I am happy to give any member some education. I have had a little bit of experience in business.

An honourable member interjecting:

Mr FOLEY: Well, a damn sight more than most members.

Members interjecting:

The ACTING SPEAKER: Order! The member for Hart has the call. This is a debate—not a conversation across the Chamber. The member for Hart.

Mr FOLEY: I for one will observe your ruling, Mr Acting Speaker, even if members of your own Party choose to flaunt it. I will conclude on that note. It is late, and I do not want continually to dominate the debate in the House as I have been doing for the past 10 minutes. I will have mercy on members opposite; I do not want to show them up with the contribution I am making tonight. In all seriousness, many members opposite occupy marginal suburban seats.

I can understand country members having a view on WorkCover—'Slash and burn; go back to my country constituency and sell that to my constituents.' But what about members opposite who have been fortunate enough to earn a seat in this House but who, unfortunately, occupy predominantly Labor seats? What do they think their constituents will say when they bring about a reduction in WorkCover? How will they answer the letters? There are not many Labor electors in the Minister's electorate, but the member for Reynell, the member for Torrens and the member for Elder occupy traditional Labor seats. There are a lot of workers in those seats—trade unionists, as well as people who cannot fend for themselves, who need the protection of the WorkCover system.

I say to the member for Reynell that many of her workers drive a long way to work, all the way into the city. The chance that they will have an accident is probably greater than for most people living in inner city electorates. The member for Bragg's constituents can be home from the city in five minutes. The member for Reynell's constituents take 45 minutes to get home. How will she explain to them that her Party will eliminate their right to claim workers compensation? I pose that question as a challenge. The honourable member needs to think that one through because those people will ask that question. The honourable member has simply fallen for the easy rhetoric: if the WorkCover rate is brought down the rate of employment will go up. I have news for her. The WorkCover rate came down over the past 14 or 15 months, but unfortunately unemployment went up because of the cycle we were in and the reality of the recession.

We are now out of recession. The Australian economy is booming and the South Australian economy will follow suit, as through the lag effect it takes longer to recover than the rest of the country. Of course, we will have the Government claiming the credit for that, but we all know it is the former Labor Government and the present Keating Labor Government that can claim credit for it.

The Hon. G.A. Ingerson interjecting:

Mr FOLEY: That is true, Minister; you know that and I know that as well. I appeal to members opposite to think very carefully about this. Do not pander to the interest groups of their natural business constituency that is saying 'Reduce the levy'. This is a Cliff Walsh line; this is the guy on their great audit commission: drop all the charges, drop all the taxes, drop everything to business and lump it on the worker, lump a tax on the household. We all know Professor Cliff Walsh's answer. He reckons that we should lump a $700 or $800 tax on every household in the State to pay for some of the State Bank debt; lump it on the taxpayer. What members opposite are saying is that sick workers should not get benefits, a sick worker has to be screwed. Well, that is not on.

An honourable member: And they will be getting jobs.

Mr FOLEY: I hope that they do get jobs, but they will not get some miracle job because the Government has dropped the WorkCover rate. The WorkCover cost is an important element of the whole labour cost of a company, granted; I have no argument with that. But it is not the huge percentage that members opposite are trying to portray to the people of South Australia. It is an important element, but it will not make some radical overnight huge reduction in labour costs that will generate employment anywhere near the magnitude of what members opposite are trying to portray.

Maybe the Minister can explain why business wanted WorkCover in the first place, when they were paying some 40 to 50 per cent more in premiums. There were rorts under the private system. Private insurers were not experts. They were not able to eliminate abuse of a system. But let us not forget the fact that there are systems in place to assess claims. Employer and employee representatives are on that tribunal. They oversee all claims. There are mechanisms in place, and it is important that that be recognised. I sometimes wonder what else business wants in this country. I sometimes have to ask the question.

Mr Caudell: Profit.

Mr FOLEY: Exactly. They want profit. Companies in Australia are presently posting record profits. There is a record profitability level in this country. The Federal Government has dropped company tax down to 33 per cent.

Mr QUIRKE: On a point of order, Mr Speaker, I really would protest most strongly at the member for Mitchell who is spending all his time constantly interrupting and interjecting. In fact, he is trying to hide behind other members here so you cannot see his disgraceful conduct.

The SPEAKER: Order! Could I suggest to members that interjections are not necessary. It is more difficult with the manner in which the Opposition benches are situated so close to Government benches on my left. I therefore ask members not to continue to interject.

Mr CAUDELL: On a point of order, Mr Speaker, I take offence at the comments of the member for Playford. I have only just come back into the House. I have only been in here for the past 15 minutes. I have not been interjecting to a great extent on the member for Hart. As a matter of fact, he has been asking questions of members on both sides of the House, and they have been answering them. The member for Playford has only just turned up in this House. I take offence at his remarks.

The SPEAKER: Order! That is not a point of order. I, like the honourable member, have just resumed the Chair. All interjections are out of order, wherever they come from. The Chair this evening has been most tolerant because this is an important debate. Therefore, the Chair will deal firmly with any further interjections. The honourable member for Hart.

Mr FOLEY: I was making the point that I do not know what more business needs in this State to invest or to create jobs. They certainly have one huge benefit from the Federal Labor Government, namely, company tax at 33 per cent, which is one of the most competitive tax rates in the whole of the OECD. That is certainly very competitive with our major trading partners in South-East Asia. What was Dr Hewson wanting at the last Federal election? He wanted 42 per cent plus a 15 per cent GST. I wish the Minister, the member for Bragg, and some of his colleagues were a bit more vocal when Dr Hewson wanted to put 15 per cent on every business input, 15 per cent on everything across the board.

The SPEAKER: Order! This is a wide-ranging debate, but I ask the honourable member to come back to the Bill before the Chair.

Mr FOLEY: Mr Speaker, the point I am making is that we have seen a massive reduction in impost on business. During the life of the Federal Labor Government we have seen company tax dramatically reduced. So costs have come tumbling down, but we are not seeing the investment in jobs. So do not come in here telling me that a penalty on the worker, a penalty on the trade unionist or a penalty on Mr and Mrs average is what is needed to boost investment in this country. It is not. We have seen a massive reduction in all levels of business costs, both by the previous State Labor Government and certainly by the Federal Labor Government. Enough is enough. It is time businesses invested. Members opposite should not come in here with this silly argument that a minor reduction in the WorkCover levy will create an overnight boom in employment, because it will not be that factor. For the Premier to suggest we will see some great boom in the automotive industry because of WorkCover is false.

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

Mr BASS (Florey): I was not going to speak on this legislation, although I support it. But earlier the member for Giles made a very cowardly and personal attack upon me and made some comments about something which he knows nothing about, that is, the Police Department. I would like it put on record that I support the legislation. I am aware of what the legislation is going to do. I have heard all the verbal diatribe from the other side of the House, and I would like it on record that I commend the Minister and I support the legislation.

The Hon. G.A. INGERSON (Minister for Industrial Affairs): I want to make a few comments on the contributions from both sides of the House. There were some excellent contributions from members on the Government side. They are totally on the ball, totally non-biased and put forward some very significant and important contributions to the debate. They were progressive contributions and recognised that any reductions in costs for business in this State must help business to be competitive in any environment. I was fascinated when I heard the member for Ross Smith talking about the differences in on-costs in this State compared to those of other States. It is pretty fundamental that if you have a lower wage level as your base rate you will have lower on-costs. I would have thought that he would have been able to work out a long time ago that we want to improve the on-cost problem in this State. On-costs are what business is all about; not about the cost of wages and the contribution to

the individual. What we are concerned about is the cost after we pay the individuals. The labour costs in this State are very important to all—

Members interjecting:

The Hon. G.A. INGERSON: Listen, you lunatic, why don't you behave yourself and listen for a change? One of the biggest problems with the member for Ross Smith is that he comes into this place as a rejected unionist. The only reason he has a seat in this place is because nobody else in the union movement wanted to have him around. They were all happy to get rid of him into a safe seat in this place.

An honourable member interjecting:

The Hon. G.A. INGERSON: Of course it is a promotion for him; it is a marvellous promotion, but they have got rid of some baggage. That is what it is all about: they wanted to get rid of the member for Ross Smith into this place because they knew he was harmless, but they knew that in here, in an Opposition like this, he would cause fewer problems for everybody in the community. His performance tonight is an example of why he is in this place, because the union movement, which has experts in this area, wanted to get rid of this gentleman and put him into this environment.

I would like to take up some of the comments he talked about. He talked about the actuarial position as of December 1993. The principal reason why I came into this House and put on record the position of the actuarial report in 1993 was that clearly it would show the base that we were left with by the Labor Party but, more importantly, it would show this Parliament and every South Australian how the Labor Party and the previous Minister lied to all South Australians. That is why I put it on the record: I was aware when I put it down that a change in the claim numbers had started to occur—a change in claim numbers which six months ago as the shadow Minister I heralded in this Parliament and which the previous Minister said was not occurring.

The fact is that the WorkCover Board was told at its last meeting that, unless these changes are made, it will have to recommend an increase in the average levy rate to 3.15 per cent, because there has been a blow-out of about $25 million in costs over the past six months. That is the position I spoke about six months ago.

An honourable member interjecting:

The Hon. G.A. INGERSON: The honourable member knows that before the election the previous Government, the previous Minister and his mates who used to sit on this side deliberately covered up the truth of WorkCover and the corporation. It is an absolute disgrace; they deliberately covered up a blow-out in claims. Recently I have been talking to some of the unionists, who are now prepared to say to me privately that they were aware of this change over the period of time that the previous Government was covering it up. That is why I put down the base figure the other day, because we will be able to judge all the claim increases that occur over the next six months against what the previous Government lied about and told the community of South Australia.

We will be able to see, as these true claim figures come through, what has been held back, and it will come through in the books as it always does. Anyone who has been involved in business knows that if anyone fiddles the books eventually it comes to the surface, and in this case it has come to the surface a lot more quickly than people expected. The member for Ross Smith quoted what he said were the actuarial figures of December 1993. Let us just wait to see what really happened because of the stupidity, incompetence and inability of the previous Government to recognise the problems with the scheme.

I now turn to the member for Giles. I was in this place in 1986 and for 2½ days I sat through the biggest single piece of social change or social engineering legislation that has ever been before this Parliament—the WorkCover Corporation Bill. What was it all about? It was about giving workers unlimited benefits for their whole life. It did not matter whether they could return to work. If they wanted to, they could push out the two year review, and they had a pension scheme for life. For the first time in Australia we had a compensation scheme for life. It was social engineering; it had nothing to do with workers compensation. It was about extending this scheme into a pension scheme. It was not supported by the employers at the time.

Mr Clarke interjecting:

The Hon. G.A. INGERSON: The pension scheme was not. The member will see that in 1986 the employers opposed the pension scheme all the way through. The employers supported getting rid of an open-ended private insurance scheme. They did not support an open-ended pension scheme which has ended up costing our State an absolute fortune. The cost to employment in this State and the reduced ability of employers to invest and to employ people has been horrendous because of that open-ended scheme.

Let me make another comment about the contribution by the member for Giles, the member who engineered this social change and is proud of the fact. During the 1986 debate I received advice from a QC (and I reported it to the House) that the two year review would be a disaster for the scheme. In the House at that time the member for Giles said, 'If you are proved right I will change the legislation because I believe it would then be wrong, but I don't think you are right.' That same situation exists in 1994, and it is because of that that we have the longest single tail in any workers compensation scheme in Australia and in the world—and this is because of a blue created by the member for Giles, this hero of social engineering. It is one of the worst tails in any workers compensation scheme in Australia. He promised that he would fix it, and that still has not happened.

We talk about setting up a social engineering exercise: the whole scheme today is out of balance. All schemes have to be fair. There has to be an equal opportunity for the employers to get reasonable levy rates and, on the other side, there have to be reasonable benefits for the employees. This scheme has Rolls Royce type benefits for employees and a ridiculously high rate for employers.

I point out to members opposite that a 1 per cent reduction in the average levy rate will reduce the cost of compensation in this State by $90 million. Now, the member for Ross Smith is pretty good at mathematics. He would know that if we divided $90 million by $30 000, which is the average wage that he is talking about, we would find that it is close to 30 000 jobs.

Mr Clarke: It is $26 000.

The Hon. G.A. INGERSON: I was giving you the benefit of the doubt by saying 30 000 jobs. If I divide the $90 million by $26 000, it is 35 000 jobs—not in just one year, but in every single year, if we get it down to 1.8 per cent. It is $90 million worth of savings for the community year after year, so that more people can get jobs. I thought, more than anything else, that the member for Ross Smith would be about jobs, but I know now what he was all about: he was about union membership and looking after his numbers; he was not interested in jobs. He was interested in how much

was paid in union dues. He was interested in getting union members, not about jobs. What about jobs? Why do we not have jobs as the No 1 issue?

This Government is all about reducing business costs so that more people can be employed. It wants wages to go up; it wants to make sure that the economy can afford higher wages, better conditions and more jobs. That is what this Bill is all about, as is our industrial relations Bill. Everything that we are doing on this side is to create more jobs. We are not worrying about the number of union members, because that should be decided as a matter of choice. The member for Ross Smith was more interested in numbers and union dues than he was about jobs, and that is one of the major problems.

I was fascinated to hear it said that there is no problem with the board. There would not be one member in this place who has not had a complaint from someone about the way the union movement and union members manipulated that board. Indeed, the General Manager said to me prior to my becoming Minister that his biggest single problem was that, when the corporation identified issues of policy that needed to be changed, he could not get them through the board because they were vetoed by South Terrace. He could never get those changes through.

I ought to remind the House that the Chairman of the board happened to be the previous Minister of Labour's personal assistant. He was Chairman of the board, and every decision vetoed by the union movement was also vetoed by the Minister. Every policy issue that would have saved dollars for the corporation and improved the lot of workers and employers was vetoed by the Minister's office every single time. We are changing this for one reason. The corporation has $750 million in assets and an income of $240 million a year, so a professional board is required and not a tripartite group of people, including unionists who have never been employed. They have been on the take all their life; and they have been taking from their own union members. The business people on the board were getting vetoed every time. We need a management group who will run a multi-million dollar business.

Mr Clarke: And do your dirty work.

The Hon. G.A. INGERSON: And let me tell you—

Mr Clarke: And do your dirty work.

The SPEAKER: Order! The Chair has been most tolerant. I give the member for Ross Smith a warning that I will not fail to carry out Standing Orders.

The Hon. G.A. INGERSON: Mr Speaker, I am sorry I got carried away. A multi-million dollar organisation requires professional management that does not have to worry about policy issues but can just get on with the job of managing. That is what it is all about, and we will make sure that every person on the board is professionally appointed. I can tell the member opposite that he will be surprised by the performance of the board within 12 months. It will make the previous board look like a mickey mouse show, because it will be a performance-based board and, if any member of the board does not perform, he or she will not be there in 12 months.

I can give that guarantee to the honourable member opposite. Members on this side are about achieving performance. Mickey mouse operators will no longer be able to put up their hand and bless decisions from South Terrace. The game and the rules have changed. We are now in the business of getting South Australia moving again, getting jobs for our kids and making it all move. I was certainly fascinated when the member for Giles talked about ideology.

What a comment coming from the man who socially engineered the most incredible open-ended scheme for workers in the world. It has been described as the most amazing hand-out gravy train for workers in the world—and that has been said not by me but by experts interstate; people who are quite independent have sat down and said that it is the most open-ended gravy train in the world. That scheme was engineered by the member for Giles, who thought he was doing a fabulous job. He designed a scheme that was worse than that of Victoria. Relative to Victoria, half way through the scheme we were worse off.

Members opposite say that the scheme has turned around. Do members opposite know why it has turned around? I will explain it to them because they would not understand. Three years ago 50 000 claims were made a year. That figure is currently down to 35 000 claims a year, but it cannot stay at that level. The only reason it is unfunded is because the number of claims has dropped: it has nothing to do with the scheme. The minute the claims turn around, and they are already doing so—and that has nothing to do with this Government; it started to occur when the former Government was in power—it will go through the roof again. That is what it is all about: it is about the claims. If we look at history, we find that during a recession the number of claims drops, and when we come out of a recession the number of claims rises. What would members opposite do if they were still in Government and it went through the roof? Would they put up their hand and say, 'That unfunded period was nothing to do with us; we suddenly have the claims again.' That is exactly the reason—

Mr Clarke interjecting:

The Hon. G.A. INGERSON: Better health and safety! That is nonsense. The claims are what it is all about. I support the second reading.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—'Continuation of corporation.'

Mr CLARKE: The Opposition does not intend to take a great deal of time with respect to clause 4. Whilst 'WorkCover Corporation' will be the body's new name, there seems to be a lack of emphasis with respect to rehabilitation. The current name, Workers Rehabilitation and Compensation Corporation, gives an emphasis on rehabilitation. It was a name deliberately chosen for the Act in 1986 to stress that WorkCover was not to be simply a compensation body but that its objective was to rehabilitate injured workers and get them back into the work force as quickly as possible.

The Hon. G.A. INGERSON: The reason for the change of name is that we propose to amalgamate the corporation with the Occupational Health and Safety Commission, and it would be a bit crazy to call it the 'Workers Rehabilitation, Occupational Health and Safety and Compensation Corporation'. So we have decided to simplify the name to WorkCover Corporation. There is no reflection in respect of rehabilitation. That part of it will continue, as will our emphasis on occupational health and safety. It is really a simplification, and that is all.

Clause passed.

Clause 5—'Constitution of board of management.'

Mr CLARKE: The Opposition is very strongly opposed to this clause, and I might say that the fact that the Opposition is not taking any point with respect to clauses 1, 2 and 3 and has made a token sort of questioning with respect to clause 4 is not to be taken as in any way supporting any part of this

Bill, as we will be voting against it in its entirety. However, the Opposition is strongly opposed to this clause for the reasons that I have already announced in the second reading speech.

In 1986, when the WorkCover board was first established, the trade union movement on behalf of the workers of this State gave up common law rights with respect to loss of income as a result of negligence on the part of employers, and a central part of our decision with respect to that matter was that the union movement would be actively participating in the management and control of the organisation dealing with workers affairs, the claims system and the types of policies that would be introduced by WorkCover, and it is not a like matter.

I must say that the closing second reading speech of the Minister was full of gratuitous insults towards a good many hardworking people who have served on the board of WorkCover in the past and who are doing so currently and who are members of trade unions, and towards the former Presiding Officer of WorkCover, Mr Wright, who worked unstintingly on behalf of the community of South Australia.

He may have had differences of political opinion with respect to the current Minister, but that gives the current Minister absolutely no right to traduce that person's reputation in this House as being other than an honourable person seeking to do his best, as he did. Indeed, when one looks at the results of WorkCover over the past several years, one can see that there has been a significant financial turnaround with respect to that body and, as the Minister has said, and as I have already said in my second reading speech, this is where the Opposition is proud to proclaim that the WorkCover scheme currently operating in South Australia is the best compensation scheme in Australia and, without doubt, if not the best is certainly amongst the best in the Western industrialised nations. It is not something of which we are ashamed; indeed, it is something about which the Government should be thoroughly ashamed in seeking to try to take it away from South Australian workers.

The other point is that the Minister is allowing only one union person to be nominated, and I note that clause 5(2) provides:

> (b) at least one will be nominated by the Minister after taking into account recommendations of associations representing the interests of employees.

If that provision passes, will it be the person nominated by the United Trades and Labor Council of South Australia or some other person and, if so, will it be from a registered association pursuant to the State Act?

The Hon. G.A. INGERSON: It is our intention to ask the UTLC to nominate people from which the Minister will choose. I expect the person appointed would be from a registered association.

The Committee divided on the clause:

AYES (32)

Andrew, K. A.	Ashenden, E. S.
Baker, D. S.	Baker, S. J.
Bass, R. P.	Becker, H.
Brindal, M. K.	Brokenshire, R. L.
Brown, D. C.	Buckby, M. R.
Caudell, C. J.	Condous, S. G.
Cummins, J. G.	Evans, I. F.
Greig, J.	Gunn, G. M.
Hall, J. L.	Ingerson, G. A. (teller)
Kerin, R. G.	Leggett, S. R.
Lewis, I. P.	Matthew, W. A.

AYES (cont.)

Meier, E. J.	Olsen, J. W.
Penfold, E. M.	Rosenberg, L. F.
Rossi, J. P.	Scalzi, J.
Such, R. B.	Tiernan, P. J.
Venning, I. H.	Wade, D. E.

NOES (5)

Arnold, L. M. F.	Blevins, F. T.
Clarke, R. D. (teller)	Quirke, J. A.
Rann, M. D.	

PAIRS

Armitage, M. H.	Atkinson, M. J.
Kotz, D. C.	De Laine, M. R.
Oswald, J. K. G.	Foley, K. O.
Wotton, D. C.	Hurley, A. K.

Majority of 27 for the Ayes.

Clause thus passed.

Clause 6 passed.

Clause 7—'Allowances and expenses.'

Mr CLARKE: As the board will be reduced from 14 to seven members, will the allowances paid to the seven members be the same as those for the 14 members, or will the retrenched seven allowances be divvied up amongst the seven who get the jobs? In other words, will they double their allowances?

The Hon. G.A. INGERSON: The Government has not yet made a decision.

Mr CLARKE: In response to the Minister's answer, if we are considering reducing costs to employers and improving employment opportunities, it would be an absolute outrage if the opportunity to reduce the number of board members from 14 to seven who are paid to attend board meetings meant that the seven who got guernseys, whether they be existing board members or not, scored a double income as against existing board members carrying out the same tasks and duties. Given that the Minister has more discretion as to who he appoints to the board than under the current Act, there would be all sorts of suspicions that there would be a pay-off to particular people if there were a dramatic increase in the allowances paid to board members. This would be a wonderful opportunity for the Minister to practise what he preaches concerning the reduction of costs, particularly as the Government is going to try to knock off benefits to police officers, fire officers and people travelling to and from work, by saying that board members should be paid no more than a board member is currently paid and not use the reduction in numbers to increase allowances.

The CHAIRMAN: The Minister.

Mr CLARKE: I have another question for the Minister. The Minister said that this Government has not yet made a decision on that issue. Does he know when a decision is likely to be taken, and what is his own view on that issue?

The Hon. G.A. INGERSON: Soon.

Mr CLARKE: What is the answer to the other part of my question about your own view?

The Hon. G.A. INGERSON: The Government has not made a decision.

Clause passed.

Clause 8 passed.

Clause 9—'Members' duties of honesty, care and diligence.'

Mr CLARKE: My question deals with subclauses (3) and (4). Subclause (3) provides:

> A member or former member of the board must not make improper use of information acquired because of his or her official

position to gain, directly or indirectly, a personal advantage for himself, herself or another, or to cause detriment to the corporation.

I note that there is provision for a fine or imprisonment or both. Imprisonment is a new addition to what exists in the current Act. Subclause (4) provides:

A member of the board must not make improper use of his or her official position to gain, directly or indirectly, a personal advantage for himself, herself or another, or to cause detriment to the corporation.

How does that sit with respect to current board members who, through Government action, find themselves displaced from the board and who take political stances or use their rights as normal citizens to complain about actions of the Government or policies followed by the WorkCover Corporation? This is not just in the immediate sense. There is concern on a continuing basis because there is no time limit; it is *ad infinitum*.

The Hon. G.A. INGERSON: It is my understanding that these changes align with the Public Corporations Act which passed the Parliament under the previous Government and which was supported, I understand, by both sides. It is further my understanding that, if a former member of the board should use any information improperly, penalties such as fines or imprisonment would apply. That is exactly the same situation as applies to any member of any public board since the introduction of the Public Corporations Act. In essence, all we are doing is updating the existing Act to bring it into line with all other public corporations.

Mr CLARKE: I am not familiar with the legislation that the Minister has referred to, but there is no definition of 'personal advantage' or 'improper' in this Bill to give any guidance as to what this Parliament means. Does 'personal advantage' mean to a person's financial advantage, political advantage or point scoring advantage? I am concerned about what could be seen as a very broad and wide definition, which could be used unfairly to fetter the rights of an individual as a citizen of this State to make comments publicly or otherwise with respect to the running of a public institution.

The Hon. G.A. INGERSON: As the Public Corporations Act was passed by the previous Government, I would suggest that the honourable member opposite ask his Party why that legislation was introduced. Can I suggest that, once you accept responsibility in public corporations, some of your personal and individual rights go. All we have done in this case, as I have said before, is to bring it into line with the existing Acts so that it is clear to every person who accepts a position on the new board that these are the rules that apply. And, obviously, any member of the existing board, irrespective of what is in the WorkCover Act, would be bound by the Public Corporations Act in any case.

Mr De LAINE: The Minister said in his second reading contribution that the board would be a performance based board—that members of the board would have to perform. Who will assess the performance of the board members and what will be the guidelines? Will the main performance criteria, as judged by the Minister, be that the more claims knocked back, the better the assessment?

The Hon. G.A. INGERSON: The responsibility for the performance of the board lies with the Government and, therefore, with the Minister responsible. Under this Act, the Minister is clearly responsible for the performance of the board. Several measurements could be used. At this stage, performance agreements have not been established. As I said earlier, issues relating to remuneration and performance have not yet been established. I can assure this Committee and this House that they will be.

Mr CLARKE: Once the Government has formulated a position as to criteria for board members' performance, remuneration and the like, will the Minister table that information for members of this House?

The Hon. G.A. INGERSON: It is my understanding that previous remuneration was public, and I see no reason why the remuneration for board members would not be made public. It is not usual for performance agreements to be published in any detail. I will take further advice on that, but it is my view that performance agreements should not be made public.

Clause passed.

Clauses 10 and 11 passed.

Clause 12—'Functions.'

Mr CLARKE: The Opposition is strongly opposed to this clause principally because it seeks to take over the role of the Occupational Health, Safety and Welfare Act 1986. Whilst the Bill which in substance deals with the abolition of that organisation will not be debated until later this week, we do not want to let it go unsaid that we are very much opposed to the principle. The Occupational Health and Safety Commission has done an outstanding job. As I said in my second reading speech, it has a budget of just over $1 million a year. The work it has done in the development of safety standards is recognised Australia wide. There is a level of cooperation between the members of that body, which is a tripartite board on which I was proud to be a deputy commission member for, I think, three years. The board works extremely diligently and cooperatively. Although at times the members had strong differences, nonetheless they worked purposefully together to provide outstanding standards of health and safety for this State.

We are fortunate in South Australia to have a collection of staff working for that body which is well recognised, and compared to other organisations in other States and at a national level this State has been very well served. The problem that I see with the Government's intention to incorporate occupational health and safety within the WorkCover Board is quite simply that the preventive measures that the commission has excelled at over the past several years will be lost in the overall scheme of things within the corporation, whose business principally comprises compensation, the payment of benefits and rehabilitation. The emphasis on preventive strategies, which have been pursued by the Occupational Health and Safety Commission, will be lost over time.

Whilst the Government will set up separate advisory committees within the WorkCover Corporation, they will not be separate bodies and they will not stand in their own right. Even though they will report directly to the Minister, as I understand the drafting of the Bill, nonetheless, they will not have their own government and management and they will not determine their own priorities as would happen under the currently constituted separate board. I refer again to the fact that, in 1986, when the union movement accepted the WorkCover legislation, it did so as a total package, which included an Occupational Health and Safety Commission, a statutory body separate from WorkCover set up to develop preventive strategies in the workplace. For those reasons the Opposition strongly opposes this clause.

The Hon. G.A. INGERSON: These functions and powers amalgamate the existing Occupational Health and Safety Act and the WorkCover Act with the policy issues removed.

There is no dilution of the functions of either of those organisations other than in respect of policy issues. Whilst the advisory committees will report to the same Minister, they will be administered separately. In relation to prevention, the Government has already made a commitment to spend an extra $2 million over and above existing funding on occupational health and safety in the workplace. That work will be carried out as a special function of the new autonomous body. As I said in my second reading explanation, the Government believes there has been duplication at board level and that the two boards should be brought together.

It is our view that because of the number of accidents registered on the compensation side of the corporation it would be a significant advantage if the Occupational Health and Safety Commission were aware of those accidents and able to use the extra $2 million to reduce the number of accidents in the workplace. Further, it will make sure that proper programs are properly targeted. We believe we will get a much better organisation, a much more targeted organisation as it relates to compensation and occupational health and safety.

The Committee divided on the clause:

AYES (31)

Andrew, K. A.	Ashenden, E. S.
Baker, D. S.	Baker, S. J.
Bass, R. P.	Becker, H.
Brindal, M. K.	Brokenshire, R. L.
Brown, D. C.	Buckby, M. R.
Caudell, C. J.	Condous, S. G.
Cummins, J. G.	Evans, I. F.
Greig, J.M.	Hall, J. L.
Ingerson, G. A. (teller)	Kerin, R. G.
Leggett, S. R.	Lewis, I. P.
Matthew, W. A.	Meier, E. J.
Olsen, J. W.	Penfold, E. M.
Rosenberg, L. F.	Rossi, J. P.
Scalzi, G.	Such, R. B.

AYES (cont.)

Tiernan, P. J.	Venning, I. H.
Wade, D. E.	

NOES (5)

Arnold, L. M. F.	Blevins, F. T.
Clarke, R. D. (teller)	Quirke, J. A.
Rann, M. D.	

PAIRS

Armitage, M. H.	Atkinson, M. J.
Kotz, D. C.	De Laine, M. R.
Oswald, J. K. G.	Foley, K. O.
Wotton, D. C.	Hurley, A. K.

Majority of 26 for the Ayes.

Clause thus passed.

Clause 13—'Immunity of inspectors and officers.'

Mr CLARKE: This is a particularly important clause to the Opposition because it fundamentally goes to the very issue of the single insurer concept of WorkCover. I dealt with the matter in my second reading speech. I will not take up the time of the Committee by going over those points again *ad nauseam*, but it is important to note our opposition in this area. The single insurance concept has always failed when there is a workers compensation system that has, to use the terms of the Minister, 'a long tail'. Private insurers are only capable of administering claims when there is a finite time before claimants are no longer on income maintenance and it is settled one way or the other. In Victoria, New South Wales and, indeed, Queensland people just fall off income maintenance and are on social security or are perhaps on their award maintenance top-up pay.

Frankly, in my view private insurers will not have a bar, anyway, of seeking any of the claims handling for WorkCover as WorkCover is currently constituted. However, it is the Opposition's view, and it is certainly my view, that this is but a prelude to the Government's stated intention to introduce legislation in the August session of Parliament this year, which we believe—and the Minister may be able to alleviate my fears in this matter—will definitely see long-term claimants thrown off WorkCover, as has been the case in Victoria, New South Wales and Queensland. If that is not the Minister's intention, he can alleviate a lot of our concerns right here and now by stating that. In addition, that would make clause 13 totally redundant because private insurers will not take on a scheme such as WorkCover at this stage where they have to administer long-term injured workers, provide for their rehabilitation and bring them back into the work force or indeed continue to pay them income maintenance.

It is a nightmare for private insurers; they are not geared for it. It was tried in Victoria under the Workcare scheme and failed miserably in that State. It was tried here, admittedly with an instrumentality of the Crown, namely, the SGIC, and likewise it failed because there was no incentive for them to do better. If they are operating as an agent for WorkCover on a cost-plus basis there is no incentive for them to get people back to work quickly, because their costs are covered and they are making a profit on the way through for handling the work. On the other hand, if there is an incentive for them, if the Government puts a penalty on them, in the sense that they want the number of claims considerably reduced, then that will only encourage insurance companies to do what they did prior to the WorkCover legislation in 1986, that is, make the mounting of legitimate claims absolutely intolerable for them, and very sharp practices will come in because there will be a financial incentive for them to do so.

So, for all those reasons the Opposition is opposed to this provision of the Bill. In closing my remarks I would also ask the Minister whether or not the Government would give an assurance to the House now that it has no intention of amending the WorkCover legislation to throw workers off the benefits they currently enjoy in the subsequent sittings of this Parliament.

The Hon. G.A. INGERSON: The member for Ross Smith would be surprised at the number of insurance companies that are interested in working within the existing Act. As for any future changes in workers compensation, the member for Ross Smith will have to be very patient, like every person in South Australia, and sit and watch what the Government intends to do in the future.

The Committee divided on the clause:

AYES (29)

Andrew, K. A.	Ashenden, E. S.
Baker, D. S.	Baker, S. J.
Bass, R. P.	Becker, H.
Brindal, M. K.	Brokenshire, R. L.
Buckby, M. R.	Caudell, C. J.
Condous, S. G.	Evans, I. F.
Greig, J. M.	Hall, J. L.
Ingerson, G. A.(teller)	Kerin, R. G.
Leggett, S. R.	Lewis, I. P.
Matthew, W. A.	Meier, E. J.
Olsen, J. W.	Penfold, E. M.
Rosenberg, L. F.	Rossi, J. P.
Scalzi, G.	Such, R. B.

AYES (cont.)

Tiernan, P. J.	Venning, I. H.
Wade, D. E.	

NOES (5)

Arnold, L. M. F.	Blevins, F. T.
Clarke, R. D.(teller)	Quirke, J. A.
Rann, M. D.	

PAIRS

Armitage, M. H.	Atkinson, M. J.
Kotz, D. C.	De Laine, M. R.
Oswald, J. K. G.	Foley, K. O.
Wotton, D. C.	Hurley, A. K.

Majority of 24 for the Ayes.

Clause thus passed.

Clauses 14 to 21 passed.

Clause 22—'Superannuation.'

Mr CLARKE: Given the concerns expressed by employees of the State Bank under the old Government superannuation scheme, do I take it from the Minister that there is no change intended with respect to the superannuation arrangements that currently exist for WorkCover employees, and that all rights and benefits that they currently enjoy will carry over under the new Act in their entirety?

The Hon. G.A. INGERSON: No change.

Clause passed.

Remaining clauses (23 to 27) passed.

Schedule.

The Hon. G.A. INGERSON: I move:

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Lines 13 and 14—Leave out all words in these lines after 'occur' in line 13 and substitute 'without prejudice to accrued or accruing rights in respect of employment'.

After line 16—Insert new subclause as follows:

(4) A person who is transferred to the Corporation under subclause (1)(c) will, while he or she remains an employee of the Corporation, continue to be entitled to receive notice of, and apply for, vacant positions in the Public Service as if he or she were still a member of the Public Service.

Both of these amendments are similar. With regard to the second amendment, people currently employed under the Occupational Health and Safety Commission are in fact public servants and we are guaranteeing that, whilst they will transfer into a new division of the WorkCover Corporation, they do not in essence give up their rights to apply for vacant positions within the public sector. That position has been discussed with the staff and the Government is prepared to acknowledge their concerns.

Amendments carried.

Mr CLARKE: Clause 2(1) provides:

The Governor may, by proclamation, transfer a person who was a member of the staff of the South Australian Occupational Health and Safety Commission immediately before the commencement of this clause to—

(a) the Department for Industrial Affairs; or

(b) another administrative unit in the Public Service of the State; or

(c) the corporation.

There appears to be no guarantee that any existing employees of the Health and Safety Commission would transfer to the corporation and the clause leaves it to the discretion of the Minister that an employee may be transferred to his department or to any other administrative unit in the Public Service anywhere in South Australia. Someone presently living in Adelaide could be told, 'You have a job with FACS in Ceduna.' That would be highly improper in my view and employees who are public servants at this time, as the Minister has pointed out, should continue to enjoy their rights to go across to the Occupational Health and Safety Division within WorkCover without the threat of possibly going to the Department for Industrial Affairs, because the department has regional offices throughout the State.

The Hon. G.A. INGERSON: The reason behind this clause is that it is the Government's intention to offer everyone in the commission the right of employment within the new division of WorkCover in relation to occupational health and safety. The clause provides that any one of those staff who do not wish to go have a choice under the legislation, first, to go to the corporation, secondly, to any other administrative unit within the public sector or, thirdly, to the Department for Industrial Affairs. In other words, they are guaranteed a job within the public sector. That is as broad as we can give it to them, but we hope that the skills that have been generated in that area and the team in essence will go across to the new WorkCover Corporation. By including the other amendments which have just been agreed to we have guaranteed that existing and accruing rights of individuals and those who go to the corporation remain so that, if a job comes up in the public sector which would give an opportunity to go up in the system, they will maintain their rights, as long as they were an original employee of the commission.

Mr CLARKE: Based on what the Minister has told the Committee, are all existing employees in the Occupational Health and Safety Commission guaranteed a position within the revamped WorkCover organisation in the Occupational Health and Safety Division? Is that a guarantee from the Minister?

The Hon. G.A. INGERSON: We intend to offer every member of the staff a position in the new WorkCover Corporation in the division. I can give that guarantee as it applies for the first transfer. We cannot give a long term guarantee to anyone and it is not our intention to go in and cut it. As to members of the commission, they will automatically go into the new division if they choose to do so. If they do not, they have these other options available to them.

Schedule as amended passed.

Title passed.

Bill read a third time and passed.

ADJOURNMENT

At 11.32 p.m. the House adjourned until Wednesday 23 March at 2 p.m.