HOUSE OF ASSEMBLY

Tuesday 1 April 2008

The SPEAKER (Hon. J.J. Snelling) took the chair at 11:00 and read prayers.

LEGAL PROFESSION BILL

The Hon. J.M. RANKINE (Wright—Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Volunteers, Minister for Consumer Affairs, Minister Assisting in Early Childhood Development) (11:03): I move:

That the sitting of the house be continued during the conference with the Legislative Council on the bill.

Motion carried.

FAIR TRADING (TELEMARKETING) AMENDMENT BILL

The Hon. J.M. RANKINE (Wright—Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Volunteers, Minister for Consumer Affairs, Minister Assisting in Early Childhood Development) (11:03): Obtained leave and introduced a bill for an act to amend the Fair Trading Act 1987. Read a first time.

The Hon. J.M. RANKINE (Wright—Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Volunteers, Minister for Consumer Affairs, Minister Assisting in Early Childhood Development) (11:03): I move:

That this bill be now read a second time.

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

Leave granted.

This Bill will amend the Fair Trading Act 1987 to provide for a cooling off period on contracts for goods and services that result from a trader making unsolicited contact with a consumer by telephone.

Due to an increase in the availability of personal information in electronic form and the attraction to business of reduced trading costs, telemarketing activity has significantly increased over the past decade.

The burgeoning telemarketing industry has led to an increase in consumer complaints about telemarketing practices. Consumers consider telemarketing calls as unwanted and inconvenient, particularly when they involve high pressure sales tactics.

The concern with telemarketing amongst the general community is reflected in the popularity of the Commonwealth Do Not Call Register, which now allows people to list their telephone number on the register and thereby opt out of receiving telemarketing calls.

Within one month of coming into operation on 3 May 2007, over 1,000,000 individual telephone numbers had been included on the register. It is now generally unlawful to make calls to those listed numbers. The Commonwealth legislation also regulates permitted calling hours by telemarketers, the disclosure of information by callers and the grounds for the termination of a call. It does not, however, provide for a cooling off period on unsolicited telemarketing contracts.

Before the development of the Do Not Call Register, NSW and Victoria had legislated to specifically control telemarketing activity. In both States the telemarketing legislation goes further than the Commonwealth legislation in that it allows for a cooling off period for contracts made as a result of unsolicited telemarketing calls.

The NSW and Victorian cooling off legislation is analogous to door to door sales provisions which still exist in most Australian jurisdictions. These door to door sales provisions were originally implemented as uniform legislation in all jurisdictions, and in South Australia they were incorporated into the South Australian Fair Trading Act upon its commencement in 1987.

Those provisions were introduced to protect consumers against the risk of agreeing to contracts that were not in their best interests. This possibility existed given the high pressure sales tactics used by door to door traders and the consumer's lack of opportunity to compare competing products. Such tactics may also be employed by telemarketers.

This Bill therefore extends the operation of the current door to door provisions of the Fair Trading Act to also regulate telemarketing activity in the same manner. In practice, this ensures that vulnerable consumers, who may feel pressured to agree to be bound by a contract over the phone will be provided with a cooling off period within which they may determine whether to proceed with the contract. The Bill goes further and provides that only certain types of contract specified by regulation will be able to be entered into orally over the telephone. Failure to comply will lead not only to offences on the part of the supplier and the dealer but also to the consumer being able to rescind the contract up to 6 months after the date of the contract.

As it is likely that those who are not included on the Commonwealth Do Not Call register will be those most at risk—people who are unaware of their rights, who are at some disadvantage, who have limited life skills, and,

more than likely, those who have little money to spare—the Bill ensures increased consumer protection for those most vulnerable to consenting to contractual obligations for unwanted goods or services.

As is already the case in NSW and Victoria, the passing of this Bill will ensure that South Australian consumers are better protected against high pressure telemarketing sales tactics.

I commend the Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of Fair Trading Act 1987

4—Substitution of heading to Part 3

It is proposed to extend Part 3 to cover telemarketing as well as traditional door to door trading and the heading is altered accordingly.

5—Amendment of section 13—Interpretation

A new definition of contract summary is inserted. If a contract to which the Part applies is made by telephone, a contract summary is required to be forwarded to the consumer.

The definition of cooling off period is substituted. The cooling off period for a contract made by telephone is to be 10 days commencing on and including the day on which the contract summary is given to the consumer.

The remaining alterations to definitions flow from the extension of the Part to cover telemarketing as well as traditional door to door trading.

6—Amendment of section 14—Application

Subsection (1) governing application of the Part is altered so that the Part will apply where negotiations leading to the formation of the contract take place in a telephone call between the consumer and the dealer while the consumer is in South Australia at a place other than trade premises of the supplier. The requirement that the dealer's approach must be otherwise than at the unsolicited invitation of the consumer is to be applied to telemarketing in the same way as it applies to door to door trading.

The remaining amendments address an existing structural problem with subsection (2) and do not substantively amend the provision.

7—Amendment of section 17—Requirements in relation to prescribed contracts

New paragraph (1)(ca) is inserted to make it clear that if a supplier wants to limit the period for which a contract offer remains open (ie the period within which a contract to be entered into in writing must be signed by the consumer and returned to the supplier) a statement to that effect specifying the period must be included in the contract.

Paragraph (1)(d) is amended to clarify the manner in which a duplicate of a written contract is to be provided to the consumer by the supplier.

Under new subsection (1a) the regulations may allow prescribed contracts of a specified class to be entered into orally over the telephone. The subsection sets out the requirements to be met in relation to such contracts.

The requirements are as follows:

- before the contract is entered into, the consumer must be informed orally of the following matters:
    1. that the contract is subject to a cooling off period of 10 days commencing on and including the day on which the consumer is given a written contract summary;
    2. the total consideration to be paid or provided by the consumer or, if the total consideration is not ascertainable at the time the contract is made, the manner in which it is to be calculated;
    3. if the contract provides for the carrying out of work of a prescribed nature—detailed particulars of the work (including any such particulars required by the regulations);
    4. any other particulars required by the regulations;
- as soon as reasonably practicable after the contract is entered into, a written contract summary must be given to the consumer in accordance with the following requirements:
    1. the contract summary must specify the day on which the contract was entered into orally;
    2. the contract summary must set out in full all the contractual terms, including—

1. the total consideration to be paid or provided by the consumer or, if the total consideration is not ascertainable at the time the contract is made, the manner in which it is to be calculated; and

2. if the contract provides for the carrying out of work of a prescribed nature—detailed particulars of the work (including any such particulars required by the regulations);

- the contractual terms must be printed or typewritten (apart from any insertions or amendments to the printed or typewritten form, which may be handwritten);
- if the dealer is not the supplier, the contract summary must set out the full name and address of the dealer and identify that person as the dealer;
- the contract summary must contain conspicuously at the top and bottom of the document the statement 'THE CONTRACT IS SUBJECT TO A COOLING OFF PERIOD OF TEN DAYS' printed in upper case in type not smaller than 18 point;
    - the contract summary must be accompanied by—
        1. a notice, in the prescribed form, explaining the right of the consumer to rescind the contract; and
        2. a notice, in the prescribed form, that may be used by the consumer to rescind the contract;
- the notices must—
    1. be printed or typewritten (apart from any insertion, which may be handwritten); and
    2. set out the full name and address of the supplier and identify that person as the supplier; and
    3. be separate from, and not attached to, any other document;
- the printing or typewriting of the contract summary, the statement and the notices, must be readily legible and conform with the requirements of the regulations;
- any handwriting (apart from a signature or initial) in the contract summary or a notice must be readily legible.

8—Substitution of heading to Part 3 Division 3

While sections 19 and 20 of the Act apply exclusively to traditional door to door trading, section 21 will apply to both door to door trading and telemarketing and the heading to the Division is altered accordingly.

9—Amendment of section 23—Exercise of right of rescission

Section 23 governs how a notice of rescission of a contract may be served by the consumer on the supplier. The amendment expands the methods of service to include facsimile transmission and e mail to a number or address provided by the trader on a notice given to the consumer under the Part. Notice of rescission by fax or email is taken to have been given to the supplier at the time of transmission.

Debate adjourned on motion of Mr Williams.

WORKERS REHABILITATION AND COMPENSATION (SCHEME REVIEW) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 28 February 2008. Page 2332.)

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (11:03): I rise to speak on this most important bill, which is necessary as a result of WorkCover's $1.3 billion black hole, which is a legacy of the Labor government. How disappointing it is that on the day we are to debate this most important issue the government has chosen to bring on another very important issue—the Mullighan inquiry. How much better it would have been if we could have dealt with one and then the other. I think it is obvious why it has been done that way.

For six years the Premier and his minister have fiddled with this scheme while its financial performance has worsened. Mr Speaker, I point out that, although I am speaking first, I am not the lead speaker on this bill. Labor changed the WorkCover Board to make it in its own image, but it will not accept responsibility for outcomes under the management of that board. In November 2006, when confronted with the need for legislative change, state Labor chose politics above performance and delayed until after the federal election. State Labor spent all of 2007 bemoaning the federal government's WorkChoices legislation while secretly planning to cut the entitlements of workers. It is a disgrace, and it is a Labor disgrace! Premier Rann now claims that the only way to fix the WorkCover problem is to proceed with the Labor Party's plans to cut payments to workers. The problem is that this is the third time that this state Labor government under this state Premier

has claimed that it will fix WorkCover. It claimed shortly after it was elected in 2002 that replacing the board and replacing senior management would result in better performance.

It claimed 18 months ago that changing claims management from a multiprovider model to a monopoly would fix the return to work problems that had beset the scheme—neither of these claims has come to fruition. So, here we are again, with the government claiming that it has a solution. But before we talk about solutions let us talk about and understand the problem. Where are they? We have this most important bit of legislation this year and where is the Premier? Where is his front bench? Where are the backbenchers who meekly went along with this? No-one is here—just three members, quietly sulking in their chairs. The Minister for Industrial Relations claims that the problems that have beset WorkCover have their origins in decisions made by the Liberal government in 1994 and 1997. What a load of arrant nonsense.

What did Alan Clayton make of that outrageous claim? At page 8 of his report, Mr Clayton said:

> ...the WorkCover scheme was reasonably stable during the late 1990s with the availability of redemptions successfully extinguishing significant amounts of tail liability. At the same time reported claim numbers continued to reduce. During the same period claim payments were well controlled, reducing in real terms throughout the five-year period. The average levy rate stayed at 2.86 per cent of wages, allowing a gradual erosion of the deficit such that the scheme achieved a high point funding ratio of 97 per cent as at June 2000. The scheme began the 2000s in an apparently healthy position with respect to both financial stability and reputation for forward thinking.

I think that the statement 'the scheme began the 2000s in an apparently healthy position' is worth repeating. Since the Rann government fell into power in 2002 WorkCover has become a disaster. It now threatens the state's financial reputation and credit rating to the tune of $1.3 billion. We all remember the day that Standard and Poor's delivered the state's first AAA credit rating since the dark days of the State Bank—a rating delivered on the back of reforms made by Liberal governments to fix their mess. The rating report made it clear that the economic decisions of the Olsen government were the reasons for that AAA rating, but what Liberal governments make Labor governments taketh away.

The economic decisions of this government—in the best of times, I add—have managed to place us in a position where, again, we face the problems of debts and unfunded liabilities. Here they go again! The Labor government has tried several times to undo the damage it has done to WorkCover, but when the government ran out of ideas it commissioned Alan Clayton to come up with a set of solutions. His recommendations have now been hastily pulled together into two bills before this house, but will it fix the problem? The opposition believes that these bills contain serious errors.

The bills contain errors that will have an adverse effect on the scheme's performance. They contain errors that will have an adverse impact on injured workers who have no immediate prospect of returning to work. They contain errors that will have an adverse impact on older workers, on apprentices, on trainees and on small business. But, worse than that, the ongoing poor performance of WorkCover and its minister has not only an economic cost but also a social cost.

This bill is so fundamentally flawed that a swag of amendments would do nothing more than shift the responsibility for this ugly mess from the government to others. To make changes to this bill would be similar to putting the best possible wheels on the tyres of a dodgy second-hand car. It would be like putting a fast train on a poorly maintained rail line, or building a bigger dam to hold non-existent water. This bill is the latest example of a government full of bad ideas.

Let us look at some of the key proposals in this legislation package and pose the question: why do they think it will work? I refer, first, to reducing worker payments after 13 weeks on the scheme. Where is the economic modelling that says that this will have an impact on return to work rates? Where is the modelling that shows the difference between a step down at 13 weeks compared with 26 weeks?

I note that the Clayton report makes comparisons of the state's step down levels and return to work, but that is not genuine modelling of the case load here. Why is it that claims numbers and duration were able to be controlled in the period 1994 to 2002 without making cuts to payment levels? Has the government considered whether a step down at 13 weeks could have the impact of forcing workers back to work before they are ready and possibly placing them at further risk? The opposition is not convinced that the 13 weeks step down provision will have the impact the government believes it will have. We will see.

Secondly, the legislation changes the definition of average weekly earnings and also sets a cap on that figure. The industries more likely to have injured workers are traditionally highly paid industries. The Premier likes to talk up the mining boom, but it should be remembered that he opposed Roxby Downs. He said that it was a mirage in the desert, but nowadays he likes to talk it up. However, the legislation penalises the highly paid mine workers.

I was at Prominent Hill last week where a dump truck driver earns around $2,000 a week, but if he or she is injured they drop down to 95 per cent of $1,190, and after 13 weeks to 75 per cent of $1,190. In cases of genuine injury we are penalising workers. It is very likely in these cases that workers will return to work before they should, thereby making the workplace more dangerous. That is just irresponsible.

The Treasurer—the champion of the bill—is shaking his head. Well he might shake his head, because there are a lot of people in the Labor Party shaking their head about this bill and his role in it. The raft of recommendations will be dealt with in detail by my colleague the member for Morphett, but I will dwell on one issue that shows just how desperate is this government, how irresponsible is this government.

The legislation proposes that WorkCover levies be paid by small businesses in advance. This is just plain nonsense. Employers currently pay superannuation, income tax, direct debits and WorkCover levies, with or after the payment of wages. Many small businesses are working close to the edge at the moment due to rising interest rates, a stalling economy and an exorbitant increase in state taxation in the six-year life of this government.

In many cases, these businesses could be tipped over the edge if they have to pay a double whammy of the current levies due and future levies payable in advance. I know these days the Labor Party likes to cuddle up to big business, but just remember most of the businesses affected by this bill are small employers. They are mums and dads; they are family businesses. Funny about that. The next time you are cuddling up to big business at a lunch, just ask them whether they are representing the small guys. When these small business go under, workers lose their jobs. This proposal has nothing to do with return to work rates, nothing to do with rehabilitation and nothing to do with efficiency. It is a grab for cash. The legislation before the house is bad law. It is punitive. It is inefficient. It is not the solution the government so desperately needs.

The Hon. K.O. Foley: What's the answer?

Mr HAMILTON-SMITH: We will tell you in the fullness of time. Unions have found more than 30 points of contention with this bill. Business groups have also raised 17 parts of the bill that need change. Curiously, these same groups have spent a lot of money advertising their position that the bills before the house should be passed (as they are) without delay. Their view is that the perilous state of WorkCover delivered by this Premier, this Treasurer and this minister is so bad that a bad fix is better than no fix at all. Strikingly reminiscent of the mess they delivered last time—this Premier and this Treasurer—with the State Bank.

The union and business viewpoints show the widespread frustration with this latest Labor state government disaster. Here they go again. In line with the now established tradition of Liberal governments fixing the financial mistakes of Labor governments, we will develop our own WorkCover model and bring it to the house well before the next election—and it will be one that works. In the meantime, we will allow the government's bill to proceed without amendment. The Labor government is incapable of running our WorkCover scheme competently. So workers are to suffer and small business is to suffer. This is your stinking mess and your messy solution to your stinking mess.

Labor's solution to its mismanagement of WorkCover is to cut workers' rights, make life more difficult for small business and cast off long-term claimants onto commonwealth welfare—not what these members of parliament were saying back in the 1990s when they debated similar legislation. My, the shifting sands of principles within the state Labor parliamentary party. It is the greatest economic cop-out since it used poker machines to solve its State Bank cash flow crisis. It needs to be made very clear to the people of South Australia that this is a Labor problem and a Labor solution, and it is a mess.

From here until the next election, we will hold the government to account for this mess and its messy solution. We will hold it accountable for the fiscal disaster it has delivered and the mistakes it has made over the last six years, and we will hold it accountable for the mess we are sure it will continue to deliver from now until March 2010, when, hopefully, the good people of South Australia will see an end to this silly and ineffective government. What a shame the

government has chosen to bring forward the important matter of the Mullighan inquiry today. This WorkCover law is Labor's law. The voters of this state will not forget you for what you have done.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (11:20): I think what we have witnessed today is the stripping bare of an opposition leader who has no credibility and no substance.

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: I hope not just the media of this state but also all decent thinking people realise the political web that the Leader of the Opposition is attempting to weave. We have had nearly 20 minutes—

Mrs Redmond interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: We have had nearly 20 minutes of the Leader of the Opposition telling this parliament how bad Labor's law changes to WorkCover are, how terrible they are for working people, how terrible they are for small business, and how this will deliver ruin to the economy and the social fabric of South Australia. Then, at the very end, he says, 'Oh, but, by the way, we are going to put our hand up and support it without amendment.' Mr Speaker, this day will go down as one of the most politically cynical days that an opposition leader has ever presented himself in this parliament.

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: Mr Speaker, never before in my 14 years in this parliament have I witnessed a time when an opposition leader has spent 18 minutes telling us what Alan Clayton, John Walsh, the WorkCover Board, the chairman—

Mrs Redmond: What about the workers?

The Hon. K.O. FOLEY: If the opposition—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: If the opposition wants to be taken seriously as a strong alternative leadership of this state, why will it not oppose the bill? If it thinks—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: If the opposition thinks that it can cutely get away with saying that this is bad law—

Mr Hamilton-Smith: You watch!

The Hon. K.O. FOLEY: I think the people of this state are starting to realise that this leader will say anything and do anything to get a headline. The Leader of the Opposition is attempting to cutely walk both sides of the street. He wants to tell the workers that he is the workers' friend. Then he tells business when they come to see him that he is the friend of business. He wants to be able to say that he will support no change to benefits—and, as his shadow minister has said, there will be no changes. But then he says, on the other hand, 'We are going to let the law pass.' If the Leader of the Opposition has any conviction and any moral strength on WorkCover, he should oppose the bill, and he should oppose it in the upper house, because he can block it.

Members interjecting:

The Hon. K.O. FOLEY: No, hang on.

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: If you say it is bad law and it will ruin the state, how can you in all good conscience stand in this place and say you will support it? You know it is good law and you know it is the answer. You have been telling business you will support it. The leader has been out there telling business he will support it. He is telling anyone from business who has rung him to lobby him on their behalf that he will support it. But he wants to walk two sides of the street. He wants to be the friend of the worker but he tells business in private discussion that he is going to support it. He is a shallow leader. He is a leader with no substance. He is a leader who will say anything and do anything to get the popular vote.

Governing the state is difficult. Governments have to be competent and make hard decisions when hard decisions are necessary. Opposition leaders such as Mr Hamilton-Smith want to play politics with every decision. Today's decision by Mr Hamilton-Smith is the most hypocritical political move that any opposition leader has ever made. I think today is the beginning of the end of the leadership of Martin Hamilton-Smith.

Members interjecting:

The Hon. K.O. FOLEY: I will say that again, Mr Speaker. Today is the beginning of the end of the leadership of the Liberal Party of Martin Hamilton-Smith, because he will say whatever it takes. He will say anything and do anything to get the popular vote. He has said today that he wants to be the workers' friend, but he will support the bill. He says one thing and does another.

This reminds me of what Joe Rossi (the former Liberal member for Lee) did one day. He could not make up his mind whether he supported or opposed something the government did. It was just before lunch time, so he had his meat pie on his plate. He came in for the division, and he did not know whether to support or oppose the government, so he stood in the middle with his meat pie and sauce. Today, the Leader of the Opposition has sat in the middle of this place with his meat pie and sauce, because he cannot make a decision.

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: Martin Hamilton-Smith is too tricky by half. He wants to be the angry man. The Leader of the Opposition is the angry opposition leader. Well, the angry opposition leader's leadership today has stumbled at the most important—

Mr Pengilly: Get out the front and tell the truth—

The SPEAKER: Order!

The Hon. K.O. FOLEY: The Leader of the Opposition's political future and fortunes have started to nosedive from today on, because he has demonstrated that he does not have the political or administrative capability to run this state. Sometimes you have to make hard decisions in government; that is what people elect us to do. You cannot come in here and say that you oppose the bill because it is bad law: 'I am the friend of the worker but, by the way, we will let the bill pass without delay and without amendment.' I think that South Australians and the trade union movement will see through that.

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: There was a suggestion that the government cuddles up to big business. What a ridiculous remark. The Liberal Party is the party of big business; we all know it. However, we will demonstrate that we have the capability and capacity to work with business and trade unions to get the balance right. This is good law. It is controversial and it is not without pain, but it is good law, and it has the support of a large number of objective people who have analysed this bill.

Mr Pengilly: Go out the front and tell the unions.

The SPEAKER: Order!

Mr Pengilly: Go out the front—

The SPEAKER: Order!

Mr Pengilly: Have a go—

The SPEAKER: Order! I warn the member for Finniss. I should not have to call him to order more than once.

The Hon. K.O. FOLEY: If the Leader of the Opposition is sincere in his convictions, he should go out in front of the trade union movement today and state his case: that he thinks it is bad law, but he will support it. If he has the courage—if the Leader of the Opposition is more than just an angry man in this place and on television—he should walk out and tell the union movement that he thinks it is bad law, and he is with them, but he will support it without amendment. Then let us see the reaction from the trade union movement. I seek leave to continue my remarks at a later time.

Leave granted; debate adjourned.

CHILDREN IN STATE CARE INQUIRY

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (11:30): I seek leave to make a ministerial statement.

Leave granted.

The Hon. M.D. RANN: In November 2004 the Hon. Ted Mullighan QC, former justice of the Supreme Court, commenced the Inquiry into Children in State Care. The commissioner has now completed his inquiry and submitted his report.

I have read the report including the many narratives of sexual abuse of children while in institutional, secure or foster care. The report chronicles account after account of children robbed not only of their innocence, but of their past, their present and their future.

I was sickened by what I read. I am sure all members of this parliament and all right-minded South Australians will share my abhorrence of what happened over many, many decades. I directly quote the commissioner, himself, who in the opening lines of his report says:

> Nothing prepared me for the foul undercurrent of society revealed in the evidence to the inquiry; not my life in the community or my work in the law as a practitioner and as a judge.

A recurring issue that arises in the commissioner's report is the inability of the victims of child sexual abuse to talk about their experiences and the unwillingness of those around them over years to hear or listen to their reports of abuse. Victims lived in fear that telling their story would result in punishment, rejection or even more violence and abuse.

Last night I met with a number of survivors of child sexual abuse to listen to them speak about their experiences. One survivor spoke with passion and with pain when she said, 'The world needs to know the truth—no more silence.' The inquiry and this report have given voice to their truth. It has ended the silence that has disconnected child sexual abuse victims from their loved ones and friends and from the community. It has brought a greater understanding by those around the survivors of the struggle of survivors to cope and to restore their lives, their dignity and self-respect. What happened to them did not just affect them: it affected their husbands and wives, their siblings, their children and their friends.

For those victims of child sexual abuse who have not lived to give evidence to the inquiry, we rely on those who did survive to lift the curtain of silence. I know many of those who have survived feel a responsibility to tell their story so that others might understand the experience of those who did not survive.

Above all, the inquiry conducted by Ted Mullighan gives substance to the hope that the widespread abuse of children in care cannot be tolerated—can never be tolerated. Among the most vulnerable in our community is the child neglected or abused within their own family. Removing a child from a family to keep them safe is a very serious step by government authorities. It carries with it a heavy responsibility.

Tragically in many cases spanning decades children placed in care in a series of government and church institutions suffered sexual abuse. Perpetrators have included those charged with the care of children, other children in care, visitors and strangers. Children were removed from unsafe families only to face terrible situations, whether in institutions, or in other families, or out on the street. One witness described it as being 'taken out of the frying pan and into the fire', and I was told last night that children being taken away were told that they were going on a holiday, but that holiday turned out to be a living hell.

This inquiry represents a further step in the government's commitment to better protecting children in South Australia, which commenced within three weeks of coming to government in 2002, when Robyn Layton QC was commissioned to undertake a far-reaching inquiry into child protection in this state.

The Keeping Them Safe Reform Agenda, the government's response to the inquiry, has underpinned a comprehensive overhaul of our child protection system, and culminated in reforms which have almost doubled resources to our child protection agency since 2002. The inquiry documents a range of measures this government has taken in reforming the child protection system, including establishment of the Office of the Guardian, the Health and Community Services Complaints Commissioner and the Rapid Response Framework.

We have also made sure that paedophiles are brought to justice and prosecuted for their predatory behaviour against children. Until this government came to office in 2002, paedophiles and other sexual offenders were immune from prosecution for their pre-1982 offences. So, in a bizarre way of the criminal law, here we had a law in South Australia which said that people who committed offences after 1982 would be prosecuted, but if they committed them before 1982 they would not be prosecuted. That made no sense in law and it made even less sense in terms of justice. That is why we have made it that there is no immunity for anyone who committed these vile abuses of children.

We removed this protection because there must be no safe haven, no protection for any paedophile who preys on our children. The police paedophile task force was given extra resources to investigate the many hundreds of complaints about offences which occurred before 1982.

Since coming to office in 2002 we have: increased child pornography maximum penalties fivefold; made it an offence to procure and groom a child to engage in sexual acts; criminalised the filming of a child for prurient purposes regardless of consent; and given courts the power to classify and deal with a child sex offender as a serious repeat offender after two offences.

South Australia now has a paedophile register, giving police detailed information to monitor child sex offenders. In December last year, new laws came into force to allow courts to prevent convicted paedophiles from using the internet to continue their evil practices. The dangerous offender legislation adopted by the government allows the DPP to seek an order from the court to revoke the non-parole period of a dangerous offender or detain such an offender indefinitely if he is beyond rehabilitation.

As an immediate response to the Mullighan inquiry, I commit to moving a resolution in parliament making an apology to those who were abused as children on behalf of the government and the people of South Australia, and all previous parliaments and governments of South Australia. An apology must be made; an apology will be made. In the coming weeks the Minister for Families and Communities will consult with survivors of child sexual abuse while in state care about the appropriate form of an apology. I expect that an apology will be made in parliament soon.

I also advise today that the government has immediately committed additional funding of $2.24 million over three years for the Office of the Director of Public Prosecutions to prosecute cases of child abuse referred to authorities from the Mullighan inquiry. In my view, every effort must be made to bring those who prey on children to justice—no matter who they are, no matter where they are—whether their crimes occurred last week, last year or decades ago. These people must be brought to justice. If the healing process, which this Mullighan inquiry is all about, is to have an effect that continues, those perpetrators must be brought to justice.

I now turn to the work of the inquiry itself. In 2004, against a background of escalating allegations of child sexual abuse of children in care, the government decided to establish an inquiry. It was critically important that the inquiry could consider these allegations while protecting the privacy of the individuals concerned and without prejudicing any potential criminal prosecution of the offenders. This led to parliament establishing the Commission of Inquiry into Children in State Care.

The government hoped that, in establishing the inquiry in the way that it did (in particular, by allowing it to determine its own evidence-gathering processes), people who had previously been silenced would gain sufficient confidence in the inquiry to come forward and tell their stories, because you have to remember that for decades people lived in fear of telling their stories. They were frightened that, if they came forward, they would be punished. They were frightened that, if they came forward, they would be rejected again or, even worse, that they would suffer more violence, more rape, more abuse. It was also hoped that the inquiry could provide a measure of

healing to the people who came forward. In establishing the inquiry, the Minister for Families and Communities said:

> The essence of this inquiry is a healing process and critical to that is to give people a forum at which they can tell their story. The telling of their story in a way which is respected and honoured in itself is part of the healing process.

This aspiration for the inquiry was a bipartisan one. The then leader of the opposition (the member for Frome) said at the time:

> We are never going to be able to give them back their youth and innocence, but we can give them a measure of justice by allowing them to tell their story and seeing that they are taken seriously.

To meet this aspiration, the choice of commissioner was critical. The government appointed former Supreme Court justice Ted Mullighan as commissioner. Former justice Mullighan was a jurist of impeccable ability and competence. His integrity both as a judge and, formerly, as a barrister, is beyond reproach. Importantly, he brought to the task a compassionate and common-sense approach. It was his ability to gain the necessary trust of vulnerable people, whose experience of authority, whatever form, had often been hostile, that made the inquiry such a success. Without his ability to create that relationship of trust, witnesses simply would not have come forward.

So, I want to pay tribute to justice Ted Mullighan; there could not have been a better commissioner to head this inquiry. I know from speaking to survivors last night that his own personal approach, as well as his dignity and his standing in the law, made this process so important—the process of giving evidence was made much easier by Ted Mullighan because of his empathy with the people involved.

Commissioner Mullighan adopted what might otherwise be regarded as an unconventional method to gain the confidence and trust of witnesses, including reaching out to potential witnesses in correctional institutions and by taking the inquiry to rural and regional areas. So, again, I want to officially place on the record the government's appreciation for the sensitive, compassionate and understanding way in which commissioner Mullighan and his team conducted the inquiry.

Commissioner Mullighan took evidence from 792 people who said that they were victims of child sexual abuse; many said they were telling their story for the first time. He determined that 242 people were children in state care at the time of their alleged abuse. Many of the allegations arose from incidents in the 1960s and the 1970s. In fact, many of the bigger institutions closed in the 1970s.

There were a total of 826 allegations against 922 perpetrators. Of these allegations, the inquiry has referred allegations to the police from 170 people, involving 434 alleged perpetrators. Even before it reported, two suspects were arrested and a further 13 reported as a result of referrals from the commission of inquiry. Fourteen of these matters have been referred to the Director of Public Prosecutions.

As I have said, the government has acted by committing funds to the DPP to ensure that the matters that have been referred can proceed to trial quickly. The commissioner's recommendations relating to resources for the Legal Services Commission and the courts will be considered as part of the government's deliberations over the remaining recommendations.

I now want to talk about the former children in state care who gave evidence to the inquiry. These are people who for years have borne the pain of their experiences in silence. One witness told the inquiry, 'I thought perhaps for the first time in my life someone would be willing to hear my pain.'

I want to pay tribute to the survivors for their courage in coming forward and telling their stories and, in so doing, uncovering their truth that has been buried for years. This has been an extremely difficult, painful, yet also powerful time for them. It has also been a difficult, yet rewarding, time for their families and friends, and I want to acknowledge the incredible support they have provided to the witnesses and the role that they have played in ensuring that these stories can be told.

A commission such as this, which allowed people to tell their truth, was always going to be about more than a report or its recommendations. In coming weeks, my government will consider the report and, by 19 June 2008, as has already been set out, will deliver to the parliament a detailed response to each of the report's 54 recommendations. For those who will find that the report re-opens old wounds in a way which is difficult to cope with, we have provided support.

Families SA Post Care Services will connect those seeking help with someone who can provide support.

I also want to address all the children currently in state care. While many terrible events have been disclosed in the report, it should be understood that the overwhelming majority of foster parents provide care and a safe environment, but the report will help us find additional ways to keep our children in state care safe.

I want to address our foster carers, past and present. Foster carers are people who open their homes and their hearts to our vulnerable children. The government could not do its job to protect children without the many decent, honourable people who offer their support as carers. We know that the great majority of foster carers were—and still are today—decent people doing a selfless thing for someone else's children, and for that we thank them.

As I have indicated, there are 54 recommendations in the report, and we will return to parliament with a response to each of them by 19 June. The presentation of this report to parliament is not the end of the story for victims of abuse and neglect in state care. They will never forget what happened, and nor should we. The commission of inquiry has given people a chance to tell their stories and to have their truth about their lives acknowledged. It has allowed us as a community to acknowledge a cruel undercurrent in the history of our state. But for this parliament, and those who came before us, we must listen, we must understand and we must act. By coming to terms with the past, we can demonstrate a determination to ensure that the same mistakes are not repeated for other children.

I table the final report of the Children in State Care Commission of Inquiry, and I now move that this parliament authorise the publication of this absolutely important, historic, painful but powerful report by Commissioner Mullighan.

Report received and ordered to be published.

WORKERS REHABILITATION AND COMPENSATION (SCHEME REVIEW) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 2346.)

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (11:49): I do not intend to speak for very much longer at all, particularly given the momentous tabling of the Children in State Care Report which has just occurred. Can I just conclude by repeating the point that the opposition leader and the opposition cannot be allowed to get away with wanting to be able to walk two sides of the street.

Mrs Redmond interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: This is a package of reform by which, on the advice that we have received, the unfunded liability will be extinguished within a reasonable time that is acceptable to the government and which, over time, will give capacity for a reduction in levy rates. It will bring our scheme in line with that of other states; however, importantly, because the Premier has made the very strident point, this will still be the most advantageous and generous scheme in the nation to workers, but it will be a scheme—

Mrs Redmond: Others might differ with that view.

The Hon. K.O. FOLEY: Well, you can vote against the bill if that's your view.

Mrs Redmond interjecting:

The Hon. K.O. FOLEY: Well, thank you.

An honourable member interjecting:

The Hon. K.O. FOLEY: No, no. I am just stating—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: I am just stating the obvious that—

Mr Williams: You're stuck with it.

The Hon. K.O. FOLEY: No, we are pleased that you are supporting it, because this will fix the problem.

Mr Williams: Such enthusiasm!

The SPEAKER: Order!

The Hon. K.O. FOLEY: We accept the advice of Alan Clayton and John Walsh. We accept the advice of Bruce Carter and the board. We accept the advice and the comments—

Mrs Redmond interjecting:

The SPEAKER: Order! The member for Heysen will have an opportunity to make a speech.

The Hon. K.O. FOLEY: The member for Heysen wants to introduce the third way: that is, they think that what we are doing is bad but they will let it go through but what we should have done is what the WorkCover Board said in the first place, which was a harsher response. We have three options now coming forward from the opposition. The government has dealt and toiled with this issue for some time.

As I have said before, this is clearly not an easy decision for a Labor government. This is a decision that has caused much angst within the Labor caucus, much angst within the Labor movement—

Mr Pisoni interjecting:

The Hon. K.O. FOLEY: Absolutely. There are unions protesting against this, and many of my colleagues are very unhappy about what this government is doing—and I respect their views. The Labor Party has demonstrated that, notwithstanding the fact that this has been an exceptionally difficult decision—and, dare I say, also a very difficult one for the minister—he should be applauded for the way in which he has managed to tackle a fundamental structural flaw in the scheme in the manner in which he has. This has not come—

Mr Pisoni: Now we know you don't believe it.

The SPEAKER: Order!

The Hon. K.O. FOLEY: This has not come easily to the minister, and I know that. It has not come easily to the cabinet, but it is what has had to be done. I think that what demonstrates a government's capacity to govern is that, even though a decision causes much friction, much tension, much emotion within a political party and its constituent bodies, at the end of the day it has the internal fortitude and the structural elements within the party to enable people to voice their opinions but for the party ultimately to reach a landing on a position. I have never been prouder of the Labor Party than I am today, because I think that the Labor Party has demonstrated that we are a natural party of government, that we are a party that can govern, that we are a party that has the inner—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: —strength to do what is right. I am pleased that the opposition, ultimately, will support this measure, notwithstanding their various positions they want to put. No doubt the shadow minister has obviously been rolled on this one, having said they would never support any changes. Talk about division within a political party! You now have our position and—

Members interjecting:

The Hon. K.O. FOLEY: I have not, for one moment, denied that this has caused tensions in the Labor Party—that is obvious.

An honourable member interjecting:

The Hon. K.O. FOLEY: I will believe that when I see it. This is what makes a government. In a vibrant democracy with parliamentary representation, it is quite natural, quite appropriate and quite understandable that there will be varying degrees of emotion, dispute and unhappiness within a political party when it makes a hard decision. We are not a dictatorship. Our nation, our country, our state and our political parties are organic beings: they all have a view; members are entitled to express their views, and those views have certainly been well expressed.

We have made some modifications to the bill which we think go some way towards addressing some of the serious concerns put forward but, in the main, it still holds the integrity of the piece of work that Alan Clayton has done and what we will accept in terms of getting the system right. I have never been more proud of the Labor Party than I have been today. It has shown that it is a natural party of government because it is prepared to take the hard decisions.

Mrs Redmond interjecting:

The Hon. K.O. FOLEY: The member opposite (the would-be attorney-general) keeps chirping. It is correct that there has been dissent and disagreement on our side internally. However, we are a party that can debate internally and we are a party that can take a landing. Today, the South Australian branch of the Labor Party has demonstrated that it is a natural party of government, that it is a good party for government and that it can take the hard decisions when it is in the community's interest, not within its own self-interest. It can put self-interest aside as the Labor Party and govern for what is in the state's interest. That is the characteristic that makes this a good government and a government that, I think, will continue to lead this state for many years to come.

Dr McFETRIDGE (Morphett) (11:57): I rise as the lead speaker on this bill. I will begin by saying that this is bad legislation. This is legislation that is not going to fix up the mess created by this government—and this is its response to it. During my second reading speech I will be reading into *Hansard* a number of submissions and, certainly, a series of amendments that have been put by a number of groups, including Business SA.

I ask that the minister take these amendments on board and, before we go into committee, give us the reasons why these amendments have been rejected or whether, in fact, the government has some amendments of its own or whether it is going to adopt any of these amendments as its own amendments, because that will give reason for discussion on this side. Certainly, some of the suggested amendments have been put in various categories: some that must be accepted, some that should be accepted, and some that we would like to have accepted. The amendments come from various groups. I urge the government to consider the submissions that I will be putting into *Hansard*, including their accompanying amendments.

First, I say that, at least on this side of the house, we can speak up publicly about how we feel about what should be happening in this state, what should be happening with workers' rights, and what should be happening to fix up the financial mess that has been around for a number of years. The government has been in place for six years and we have seen it launch a number of reports. Some of them have been sat upon for quite a while and others have never seen the light of day to any real extent.

I will be referring to a lot of those reports in my second reading speech and making sure that the house and those who read *Hansard* are aware of the facts of history, not the rewritten history that has been put up by so many members of the government and some commentators around the place. We need to make sure that the full history of WorkCover in South Australia is on the record in an accurate fashion because over the past few months we have seen a lot of rhetoric and spin, and today we see a piece of legislation that is not the answer to the problems we have.

The government has insisted that this is its solution to the problem. Today, we have heard the Deputy Premier say that this is good legislation from solid leadership—that is what he believes—but if leadership is about punishing workers (who do not go to work to get injured, by the way), this government is punishing workers. The retrospective elements of this legislation cause issues for people. Some issues here need to be resolved, but we on this side can count. The government has insisted all along that this is its solution to its problem, and we know what a problem it is.

Tomorrow we understand that the WorkCover Board will be receiving the latest actuarial reports on what the WorkCover blow-out is, and I reckon it is going to be around the $1 billion mark. That is just the WorkCover side of things. I will be reading into *Hansard* from both the Clayton report and the Statutory Authorities Review Committee (SARC) report details of the history of the unfunded liability and the funding position of WorkCover so that the house and those who read *Hansard* are abundantly clear on what has happened in the past six years. I will refer to the change in both the unfunded liability and the change in the funding position of the scheme; it has gone downhill so fast.

I will also refer to the fact that the Public Service Association, which represents thousands and thousands of employees employed by one of the biggest employers in South Australia (the South Australian government), came to see us. Who is the CEO of the South Australian

government? Who is the boss? The Premier. We will be seeing what he will do to his workers under his piece of legislation.

I will compare the stark difference between the results being encountered by registered employers through the WorkCover Corporation and the single management agent we have at the moment in Employers Mutual Limited; I will be comparing that with the self-insurers' position, which is an entirely different position. People have said it is like comparing apples with oranges, but it is not. The legislation is the same; the range of cases is the same; the opportunity to retrain and rehabilitate workers is the same.

I have mentioned that word 'rehabilitation' because this is what this legislation is all about. It is the workers rehabilitation and compensation scheme. Rehabilitation should be the first emphasis, but we see in this bill very little mention of the R-word. There is some mention of the C-word but all that is about is cutting compensation. We do not see much at all about the R-word. I will read in a submission from some of the rehabilitation providers as well.

It is a completely untenable situation to allow this burgeoning blow-out to continue, so the opposition will not get in the way of what the government considers to be its solution today. We will be making sure that we review all the submissions, all the amendments, and we will be reviewing the whole structure of the workers rehabilitation and compensation schemes in South Australia to make sure that, when we go to the election in 2010, we will have a position that will really fix this for the long term. We will not offer short-term gain for long-term pain, which is what this bill offers.

This bill really is not something that I would be proud of if I were the minister, and certainly I know that several people on the government benches are privately very concerned about this. I will not name and shame those people here; they know who they are, and I feel very sorry for some of them. Some of them are good friends of mine for whom I have a great deal of respect, but I realise the disciplines and the penalties that are in place on the government side, so they are silenced on this matter. We know what they are saying privately, but when they are speaking out publicly, what do we have? We have complete silence from all members on the other side publicly. The Premier has been really quite quiet on this. I understood that he was going to be in negotiations all weekend with stakeholders over this, but I think I was given a bit of a bum steer by senior advisers to the minister.

What I intend to do today—and it will take a while because there are a number of submissions, some of them quite long—is to put some interesting submissions on the record to make sure that they are taken on board by the government—this is post the bill being drafted—and to ensure that the amendments that are being proposed by these various stakeholders are at least considered. As I said before, I would appreciate the minister coming back to the house before we go into committee to give us an idea of what the government is going to support, if it supports anything, and, if it is not going to support anything, why it will not support them. Certainly, I expect that the opposition will be given the opportunity to consider any amendments that the government may be considering.

With that, I will just give the house a bit of a potted history of the Workers Rehabilitation and Compensation Act. I thank Dr Zoë Gill in the Parliamentary Library for the work that she has done on this and also on some of the stakeholders' claims. Members of the Parliamentary Library staff often go without the credit that is due to them for the hard work and research that they do for many members in this place on both sides. The report that was put out by Dr Zoë Gill on 27 February (my late father's birthday) is entitled 'The Workers Rehabilitation and Compensation Act 1986: A Chronology'.

We go back to 1986 and the reasons for the introduction of the bill given in the second reading speech by the Hon. Frank Blevins. He stated that there was a need to introduce legislation for the following reasons:

> Increased premiums—including an increase of 160% from 1980 to 1984. Further, whilst premiums had tapered off since 1984, the federal Insurance Commissioner had foreshadowed further increases. This was partly to do with Insurance companies needing to recoup their underwriting losses.
>
> Victoria had recently introduced its 'WorkCare' scheme, which had dropped premiums from 4.81 per cent of gross earning to 2.26 per cent—

this is 1986, remember—

> and South Australia needed to achieve something similar to remain competitive.

That was 1986—22 years ago. The other reasons for introducing the bill included deterrents to rehabilitation:

> ...under the then current system it was difficult for injured workers to get [full] employment because of the practice of insurance companies loading premiums of organisations that hired such workers. Lengthy delays in settling disputed claims also inhibited rehabilitation.

The main aims of the bill, according to the second reading speech, were to:

> Provide for 'significant reductions in current premium levels and to introduce greater stability in the setting of future premiums'.

> Provide for a no-fault system of benefits for injured workers. It sought to overcome the then 'current inequitable system where adequate compensation depends on a worker having to prove negligence under the common law. The prime emphasis under this [1986] bill is to compensate injured workers according to their needs and not on a basis of having to prove fault.'

The aims of the bill continue:

> Provide for an emphasis on rehabilitation. With respect to organisations, the Bill encouraged rehabilitation both through reducing disincentives to reemploying injured workers by sharing the costs of secondary injuries and through providing positive incentives to organisations employing injured workers by reducing premiums for organisations that assist in rehabilitation and that provide alternative duties.

That is certainly something that Alan Clayton focused on in his report to the Tasmanian government recently. The Tasmanian return to work incentives were quite highly lauded by Mr Alan Clayton. It continues:

> With respect to workers, the bill provided for the suspension or reduction of benefits if workers failed to cooperate with rehabilitation programs. The reduction of the role of the legal system and of the common law was also seen as facilitating rehabilitation.

That was 1986. WorkCover was to be responsible for the first weeks of claims for unrepresentative disabilities, including injuries from accidents on the way to or from work, at the workplace before or after work, or during an authorised break, or while attending an approved training establishment; employers to be reimbursed for any costs over $150 for transporting an injured worker for immediate medical attention. The *Sunday Mail* said:

> If a worker does not lose time from work but needs dental, optical, chiropractic or similar treatment for a work injury, a medical certificate is no longer necessary and WorkCover will pay.

The last point made was as follows:

> Domestic workers will be covered automatically, whether they work just once or on a regular basis. Previously, cover was only given to domestic workers who worked for the same household on more than five occasions each year.

Taxi drivers who did not own or lease a plate would be brought under the WorkCover scheme. The last point was that clergymen were to be guaranteed cover, unless protected by acceptable alternative schemes.

Changes were made to the act in 1990, 1991 and 1993. On 11 December 1993, a state election saw the Brown Liberal government replace the Arnold Labor government. In December 1994, the act was opened again, and some significant changes were made. I understand that most of the debate was in 1995, and I will refer to some of the speeches that were made at that time by members who are still in this place. In his second reading contribution on 1 December 1994, the Hon. Graham Ingerson said:

> ...successive Labor Governments failed in their responsibility to reform the scheme and protect its capacity to meet those high ideals.

> The result is that this Government inherited a workers rehabilitation and compensation scheme in need of structural reform to protect its viability and return to employees, employers and the community the benefits of a fair and affordable State based rehabilitation and compensation scheme.

Where have we heard that before? We are hearing it again now. On 18 October 1994, parliament was informed that an independent actuarial assessment of WorkCover's outstanding claims viability for the year ending 30 June 1994 showed that the scheme had unfunded liability of approximately $111 million. It was then 86.6 per cent funded. The Hon. Graham Ingerson continued:

> If the scheme continues to lurch into higher and higher unfunded liabilities, it will ultimately have no capacity to provide any level of realistic pension or lump sum support, let alone the unaffordable benefit levels currently provided for by the South Australian scheme. The state government's objective is to achieve a nationally competitive average levy rate of 1.8 per cent.

He went on to say

...reform to the WorkCover scheme in South Australia is not an optional extra. It is essential if this Government and this Parliament are to meet their responsibilities to employees, employers and act in the public interest.

I ask members to remember what I say now because in a moment I will read what the then premier and other members opposite said at that time about the so-called draconian changes the then Liberal government would introduce. On 1 December 1994, the Hon. Graham Ingerson said:

The benefit levels prescribed in the current South Australian workers compensation and rehabilitation scheme are the most generous of any scheme in Australia and at least equal to the highest statutory benefit levels in any Western economy.

We are hearing this again—sometimes it sounds like an echo chamber. He continued:

The consequence of those unaffordable benefits, paid in the context of a pension based no fault scheme, has been to reduce the incentive of rehabilitation and return to work and to guarantee uncompetitive levy rates. As an Industry Commission report has noted, high compensation payouts mean high workers compensation premiums.

I will continue to read from Graham Ingerson's contribution, and the point I make relates to the absolute hypocrisy of those opposite in what they said then and what they are doing now. The 'draconian measures' put in place by the then Liberal government in 1994 included:

The restructuring of worker benefits in this Bill has been designed in a manner which creates a fairer benefit scheme. Benefits for all workers for the first six months on the scheme remain at the maximum 100 per cent level.

We were going to cut it short, but at least we were giving workers time to get themselves organised—six months at 100 per cent. He continued:

For between 6 and 12 months those benefits will reduce to 85 per cent of pre-injury earnings.

That will be not 80 per cent as it is now, but 85 per cent. He continued:

After 12 months this bill proposes that benefits payable to long-term, seriously injured workers be increased from their current 80 per cent of pre-injury earnings to 85 per cent…In doing so the government has recognised the hardship accruing to seriously long term injured workers whose incapacity renders them unable to return to gainful employment. Benefit levels for less seriously injured workers beyond 12 months continue to be payable under the WorkCover scheme, but at a level which will be equated with federal social security payments.

What do we see now? At 2½ years we will just turf off people onto social security. Wait until you hear what the Premier and others who are still in this place said back in 1995. It is just a disgrace. Graham Ingerson continued, 'The state government has not proposed in this bill any direct cost transference to the federal social security system.' And the aim was to give a fair outcome for workers, business and the state generally.

This is what this state government is proposing today, in 2008. The plain fact is that this government will do to workers what it accused the Liberal government of doing in 1995, and I shall read that into *Hansard* in just a moment.

Since the 1995 changes there were also changes to the act in 1998, and on 9 February 2002 (what a sad day that was for this state!) we saw the Rann Labor government come into power. In May 2002, just a couple of months later, we saw the establishment of the Parliamentary Committee on Occupational Safety, Rehabilitation and Compensation, whose function was to keep the administration and operations of the Occupational Health, Safety and Welfare Act, the Workers Rehabilitation and Compensation Act, and other legislation affecting occupational health, safety or welfare or occupational rehabilitation or compensation, under constant review.

In December 2002 we saw the Stanley review released. The Brian Stanley, Francis Meredith and Rod Bishop review of workers compensation and occupational health and safety welfare systems was in three volumes. It is one of those reviews that have been compiled and looked at, but unfortunately very little has resulted from it. In 2003-04 the Parliamentary Committee on Occupational Safety, Rehabilitation and Compensation produced three reports regarding a review on the Statutes Amendment (WorkCover Governance Reform) Bill. That bill went nowhere. The next changes we saw were that in 2005 the Statutory Authorities Review Committee inquired into the WorkCover Corporation in South Australia and listed the 40th report, to which I will be referring later.

It is interesting to read the chronology of the funding positions of the scheme since the year 2000. Unfortunately, the SARC report goes only to the 2004 figures, and it will be very interesting to see what percentage figures WorkCover releases tomorrow and what the unfunded liability and the funding position will be.

There was also 2006, when WorkCover actually did a review into itself. That went nowhere. The government obviously did not like it reviewing itself, or did not agree with the recommendations, so in 2007 minister Wright announced a review into WorkCover to be conducted by two workers compensation experts, Alan Clayton and John Walsh. The review was due on 30 November 2007, but when did we see it? We saw it on 26 February 2008. And when did we see the legislation? About the same time. There was no consultation on the legislation and there was no wide public review of the legislation. What we have once again by this government is agreement by attrition and lack of consultation. It is an absolute disgrace.

I would just like to say that it is interesting to see how this government's position on Mr Walsh has changed. Some of the things that both the Treasurer and the minister said about Mr Walsh when he was reporting to the Liberal government were not complimentary in any way, shape or form, but now they seem to have changed their opinions.

I refer to 1995 and what the Premier (then leader of the opposition) said about the Liberals' attitude to workers compensation. I will quote from a news release dated 5 February 1995, which is headed, 'Liberals must recognise the human cost of their WorkCover cuts'. The Liberals must recognise them! Well, if Mike Rann has any shred of decency, he will look at the human cost of this legislation. The news release states:

> State Opposition Leader Mike Rann says the Liberals must recognise the human toll of their draconian WorkCover bill which will be debated when parliament returns this week...Mr Rann today met with two injured workers and their families and heard first hand their concerns about having their income cut down to below pension level under the Liberals' radical plan.

Mr Rann spoke to Christine Francis, a child-care worker who injured herself saving a child from being crushed in a door. I wonder what Christine Francis thinks of this legislation today. Christine Francis did not go to work expecting to be severely injured. She damaged her hand and seriously injured her back when she went to work in August 1993. I would like to know what she thinks of this legislation. The news release continues:

> She has had three operations on her hand as well as a spinal fusion.

How long would that take under the current medical arrangements in South Australia? I suspect not 13 weeks—I expect it would be a lot longer than that—yet someone like her would suffer under this legislation. The news release continues:

> 'Matt' is a husband and father of two. He was the family breadwinner as a truck driver and furniture removalist until he ruptured a disc in the spine in the course of his work. Mr Rann says the Liberals' WorkCover laws would force these people onto pensions, a situation that would see them lose their homes.

This is what Mr Rann said in his news release on 5 February 1995.

> Neither Christine nor Matt want to be injured and they don't want to be on WorkCover.

What has changed? A lot has changed. This government thinks it can fix up its mess with this legislation so that people like Christine and Matt will be under stress and severe financial pain. It continues:

> They want to be whole and working again. They are ordinary South Australians who were injured in the course of doing their work and deserve fair compensation under a system that will get them back to work.

This news release was aimed at Dean Brown, but one could change 'Brown' to 'Rann'. It continues:

> There are better ways of attracting business than on the broken backs of workers.

That is what we are getting from this legislation. Mr Rann then itemised some of the things in the so-called draconian bill of the then Liberal government. It was going to cut income maintenance to the social security level after 12 months. Now, I do not think that was quite what was intended and certainly it was not the end result. The news release continues:

> Presently under WorkCover injured workers receive 100 per cent of their average wage for 12 months and 80 per cent for the next 12 months. This bill will cut that to 85 per cent after six months.

What we are seeing here is 100 per cent for 13 weeks and then its being cut to 80 per cent—not 85 per cent—after 13 weeks. It is not after six months but, rather, 13 weeks. This bloke will say anything and do anything at the appropriate time to ensure he gets elected. He just cannot be trusted. He has betrayed the workers and the businesses of South Australia. They all need to re-examine this legislation; and I will be reading their submissions and their proposed amendments into *Hansard* on a later occasion. This Premier cannot be trusted. It is just a disgrace that the workers compensation scheme in South Australia has got to this position and that this is the government's solution to the mess.

Other interesting comments were made at the time by a former member of this place, Mr Ralph Clarke (then deputy leader of the opposition). Ralph Clarke said:

> It is hard to imagine how anyone could draft a more vicious and uncaring piece of legislation than this.

I will repeat that: 'It is hard to imagine how anyone could draft a more vicious and uncaring piece of legislation than this.' One could say that about today's legislation. It is just a piece of legislation that is a quick fix to an absolutely terrible mess that has been brought about by the mismanagement of this minister and this government.

Let us go to the *Hansard* now. Let us see what Mike Rann said in the debate on the changes the Liberal government intended to bring in—this 'draconian bill' the Liberal government introduced back in 1995. On 7 February 1995, the Hon. M.D. Rann, leader of the opposition, said:

> It represents an assault on the rights, dignity and lives of workers and their families.

The then leader further said:

> ...this is no reform; this is no fine-tuning of the system...this legislation has one fundamental purpose: it is designed to destroy a fair workers' compensation system in this state...The Liberals are not interested in the human side of WorkCover.

That was Mike Rann, the Premier who is leading the Labor Party in 2008. This is what he said in 1995. Well, how things have changed! I wonder what Matt and the other lady, Christine, would think of this legislation and what Mike Rann is saying today. Would they be standing by his side saying, 'This is good legislation'? On 7 February 1995, Mike Rann, leader of the opposition, mentioned Christine in his speech. He said:

> Christine did not want to be injured; she does not want to remain injured; she wants to be whole and working again. It was not her fault that she was injured, but she told me and she told the media at the weekend that she would lose her house if this bill becomes law. That is not right; it is unjust; it is unfair; and it is unnecessary.

This government has got its own board, its own CEO and its own provider now, which was all going to reduce the unfunded liability by 2012 to 2014. It said that in 2006. If that was going to be the case, what has gone wrong? I know what has gone wrong, and we will be talking about that as we go through this legislation. Mike Rann continued on, and said:

> The greater tragedy is that Christine is not alone. Hundreds—if not thousands—of injured workers and their families will be hurt. Thousands upon thousands will be affected adversely by this legislation. It is not enough that they are racked with pain; it is not enough that their injuries put their marriages and their family lives under intolerable strain, but now the Brown Liberal government [and one could now read in there 'the Rann government'] wants to take their homes and a decent income away from them...It seeks to enshrine in legislation a system that blames workers for their injuries and punishes them if those injuries do not heal.

How things have changed! Mr Rann continued, and this particular sentence, I think, is really quite condemning of what his position is now:

> One just has to read through those contributions to see the sneering, patronising, offensive attitude towards injured workers.

He was saying this about the Liberal Party. If members opposite had the courage of their convictions and were not bullied, harassed and threatened with everything from not being preselected to just being ostracised then, perhaps, they would be standing up in this place and we would not be in any way lumping them in with the sneering, patronising and offensive attitude of this government to the injured workers of South Australia. Mr Rann continued on and talked about the Brown government, but you could now substitute 'Rann government'. Mr Rann said:

> The Brown government says that it wants to protect the viability of our workers rehabilitation and compensation scheme; it says that it wants to preserve the benefits of a fair and equitable state-based rehabilitation and compensation scheme, but this legislation does not do that at all. Behind the rhetoric and behind the weasel words lies a proposal to cut significantly the income of most injured workers. The government claims that this will provide a greater incentive for workers to return to work; it says that this is a worthy social objective because it will protect workers from being 'pensioned for life on the WorkCover scheme'...

That is what Mike Rann said in 1995, and look what he is doing now. He further said:

> If this logic were not so diabolical it would be laughable. Why and how does the government think that injured workers, whose benefits are cut, will be better able to get a job out there in the private or public sectors? What will really happen is that these workers and their families will have to manage on a social security level of pension, and they will live in poverty as a result. So much for the Liberals' [but it could now be Labor] so-called commitment to a no-fault workers' compensation scheme!

This is what Mike Rann said in 1995, 'It is an absolute disgrace.' He did not leave it there, but continued on and talked about fairness and justice. On 7 February 1995 he said:

There is a fundamental point about fairness and justice. Let us not be ashamed that our benefit levels are amongst the best in the country. Let us be proud that in South Australia we do not settle for the lowest common denominator when it comes to the care of injured workers. The government says—

and he was talking about the Brown Liberal government then—

that the current benefits are unaffordable. It says that so-called restructured benefits will save $80 million a year.

The restructured benefits here, according to what the minister said on FIVEaa, will save about $20 million a year. Mike Rann continued:

Yet, it also claims, when criticised, that the cuts it proposes will affect only a small proportion of claimants. The government's rhetoric simply does not add up.

That is the case here: the government's rhetoric simply does not add up. Mike Rann continues to focus on the notions of justice. I hope everyone out there who has been affected by the changes to this legislation listens to this.

Let us return to the notion of justice. The government proposes that payments may be stopped without notice when it is decided that the worker is fit to return to work. Too bad if that decision is wrong! I will talk later about the medical panels, which have been described by one lobby group as being akin to Stalin's star chamber. There is no right of appeal and absolutely nothing in it for the workers. There may be some merit in implementing medical panels, but not the way they will be used by this legislation. We had medical panels years ago, but how they will be used under this piece of legislation needs to be reviewed. Mike Rann continued:

The government's bill is not about preserving the integrity of our workers compensation system and it is not about fairness and equity. It is about forcing injured workers into a situation where they cannot afford to live as their job previously enabled them to live and expects them and their families to cope not only with the injury and financial hardship, but the notion perpetuated by this government and through this bill that it is somehow their fault.

That is what he was saying about the Liberals in 1995. This guy has now betrayed every Labor principle of protecting the individual and the workers out there. He has done absolutely nothing in the past six years to solve the mess we are faced with today. I hope that tomorrow we will see the full realm of the mess when the unfunded liability hits the big 'B'—the $1 billion figure. The Premier continued in 1995, as follows:

WorkCover cannot substantiate any savings from privatising claims management, except on the basis of an ideological assumption.

If that is the case, Mike, you have not gone to multiple claims agents such as those in New South Wales and Victoria on which the Clayton report models its recommendations: you have gone to a single claims agent. If you find it so bad, why have you done that? In 1995 you had a different picture. You wanted to insource it then, but you have an opportunity to change this legislation now: it is open, and it is up to you. This is the last bit I will talk about on Mike Rann's contribution back in 1995.

This is what Mike Rann said in 1995—and it did not apply to the Liberal Party then, because the cuts were nowhere near as draconian as they are now, but it certainly applies to this Labor government. 'This bill is an attack on families.' That is what Mike Rann said in 1995 and that is what I say today: this bill is an attack on families. Yet the government comes in here and tries to pretend, as we have heard the Deputy Premier come in here today and say, that this is good legislation. Read *Hansard*, because that is what the Deputy Premier said. Let us see what the Hon. Kevin Foley, the member for Hart (as he was then), said on 7 February 1995. He said:

...I have a different perspective on WorkCover than I have ever had before.

Ain't that the truth. His perspective on WorkCover has just changed completely. The Hon. Kevin Foley, now Deputy Premier, then member for Hart said:

I want to talk a little about the hypocrisy of this government.

He is referring to the Dean Brown Liberal government. Go out onto the front steps of Parliament House, Kevin Foley, and tell the workers who are complaining about this legislation that this is not hypocrisy: it is good legislation. Kevin Foley went on to say:

This government, this Premier, this minister and all the economic ministers, the Treasurer included, are always telling us how good they are about getting the state going.

They are telling us how good they are about getting the state going. We heard it today; we hear it all the time—the AAA rating. Who made the hard decisions to get that AAA rating back? The Liberal government. Who lost it? The Labor government. We know that is an indisputable fact—just read Standard and Poor's. Let us continue with what Kevin Foley said on 7 February 1995 about

the then Brown Liberal government. It is completely applicable today. I do not think it was applicable then. He was unfairly slating the then Liberal government's changes. Kevin Foley said:

> They bring into this place legislation such as that relating to WorkCover—the same matter they brought to this chamber six months ago and said, 'This is it: this is our change to WorkCover.'

What do we have today? The Deputy Premier, Kevin Foley, said, 'This is it.' He did not say those words, but that is what he meant. He said, 'This is good legislation.'

I am telling the Deputy Premier that this is it: this is your legislation. Interesting news—all will be revealed. I think that they have a heart on that side. It is not a big heart: it might be palpitating rather than actually beating. Let us see if we can get the defibrillator on it over the next few hours to see whether we can get a decent beating heart on that side. All will be revealed, but interesting developments from the other side. The thing is that this government has now realised that the good legislation about which the Deputy Premier spoke not so long ago in this place was not quite as good as he thought it was. We will see some changes now.

Let us revisit where he was in 1995, because certainly he is revisiting his position now and so is the government—and we will see that this afternoon. Let us see what he said in 1995. On 7 February 1995 Mr Foley said:

> I find it the height of hypocrisy that the government dares to say to the people in the community who have suffered legitimate workplace injury that they have to pay for the economic revival of this state.

The opposition knows that one of the main concerns which has been put to this government by various economists and actuaries around the place is that, if the WorkCover unfunded liability continues to blow-out, it could put the AAA rating under threat. Woe betide anyone who gets in the way of the Treasurer and his AAA rating: they will be made mincemeat. We are seeing that this government certainly has very little heart for people who get in its way, including members of this place.

I will continue with what the now Deputy Premier and Treasurer said, but I point out that there was a slightly different balance in the house at that time. At that time the seats of Hanson, Elder, Reynell and Kaurna were held by the Liberal Party. This was after the 1993 changes. He said:

> I can tell the members for Hanson, Elder, Reynell and Kaurna that, if they want a career in parliament beyond four years, they had better start making noises in their caucus. If they are fair dinkum representative members of parliament, they should be standing in their caucus—

Well, I say to the members for Mawson, Bright, Newland, Light, Morialta and Hartley that they had better start making noises in their caucus. They should be doing what the then deputy premier said to the members for Hanson, Elder, Reynell and Kaurna back in 1995. They had better start making noises in their caucus. If they are fair dinkum representative members of parliament, they should be standing up and speaking in their caucus. They might have done so.

I do not know, but I doubt it very much because certainly there has been nothing outside and, if they were fair dinkum representative members of parliament, I am sure we would know about it on this side; and the media would certainly know about it because over there there are one or two people who like to chat up the media. They accuse us sometimes of being a little bit loose-lipped, but let me tell members that some of the feedback we get from the media about the other side shows that the treachery is just atrocious. Mr Foley continued in 1995 by saying:

> —and thumping this government for some of the most malicious legislation that any government has introduced.

But what do we see from the members for Mawson, Bright, Newland, Light, Morialta and Hartley? And I know there are others on the other side who are very concerned about this legislation, both in this house and in the other place. What do we find out? We hear nothing from them. I hope today's changes that I am hearing about are as real or effective as we would like them to be, and I implore them to make sure that those members (the members for Mawson, Bright, Newland, Light, Morialta and Hartley) do stand up in their caucus if these changes that we are hearing about are not sufficient. The member for Hart continued:

> ...at the end of the day, we on this side of the chamber will acknowledge that the care, the financial security and the well-being of members of the workforce who are injured are our paramount priority.

This is what Mr Foley said back then:

> At the end of the day, we on this side of the chamber will acknowledge that the care, the financial security and the well-being of members of the workforce who are injured are our paramount priority.

We know what the Treasurer's paramount priority is today. We all know that. It is his AAA rating. That is not to say it is not important—it is vitally important for a prosperous state—but, do you do this, as Mike Rann said back in 1995, on the broken backs of workers? Mr Foley then said, and he was addressing this to the various members on the then government side who he accused of being oncers, 'I say, 'Stand up for once.' So I say to every backbencher on the government side, and some of its frontbenchers who I know are being torn apart by this piece of legislation, what the Deputy Premier (the then member for Hart) said on 7 February 1995, and that is: stand up for yourselves and have the guts. He said:

> It is about time a few of you showed a bit of guts, took on this front bench and stood up for the people who voted for you. If nothing else, if you have no compassion, have some political brains.

Let me repeat that. This is what Kevin Foley said to our backbenchers, who he said were sitting silent, and I say this to all the backbenchers on the other side and all the people who have sat silent on this legislation and watched it go through the various parts of the machinery of the Labor Party:

> It is about time a few of you showed a bit of guts, took on this front bench and stood up for the people who voted for you.

We saw 'Fix-It Pat' trotted out to do some heavying on this. He was a WorkCover lawyer. I was talking to some unionists over the weekend and I asked, 'How long was Pat Conlon a WorkCover lawyer?' One said, 'A couple of weeks,' and another one was a bit kinder and said, 'A couple of months.' I do not know, but that is what I have been told. It is a shame that the government has to bring in the heavies—

Mr VENNING: Madam Deputy Speaker, I rise on a point of order. The Attorney-General is continually trying to interject and prolonging the debate. He ought to provide a better example.

The DEPUTY SPEAKER: I ask all members to hear the speaker in silence.

Dr McFETRIDGE: The Attorney-General cannot escape being part of this frontbench on the Labor Party side, and I say to the backbenchers that it is about time a few of them showed a bit of guts, took on this frontbench and stood up for the people who voted for them.

Let me continue to cite what was said in this place a little over 12 months ago, on 29 March 2007. I suppose it is April Fools' Day today, but the sad part about it is that this legislation is no joke. Let us see what was said in this place by Premier Rann, the Hon. Patrick Conlon and also by the minister when they were talking about changes to WorkCover. The Premier said:

> The independent review will consider proposals by the WorkCover Board together with alternatives to reform the scheme to make it fully funded, fair to workers and affordable to business. I believe that it can be both.

Certainly, if one asks the workers who are out the front of Parliament House, one will find that they do not believe it is fair to workers—and I understand that the government has had a slight change of heart there, but I am yet to see whether that is a bit of a fibrillation or a real change of pulse. The Premier also said on 29 March 2007:

> Any changes to the scheme will be directed towards three objectives: injured workers should receive fair financial and other support...

It depends on what is meant by 'fair financial support'—whether they have enough money to pay the power bills and to buy some bread and milk, and whether they have enough to pay their mortgage payments, with interest rates rising, and with the possibility of further interest rate rises under the federal government. This government does not seem to be able to stop them, yet it got stuck into the former Liberal government for that. The fair financial outcome with respect to this legislation is not what the Premier Mike Rann said on 29 March. Workers should receive fair financial support.

In 1995, the then minister (Hon. Graham Ingerson) said that we had a fair compensation scheme. The Premier also said on 29 March:

> I want to repeat today that this government is committed to maintaining the best and fairest workers compensation scheme in the nation.

Do not forget that in 2003 there was a new board, and we ended up with a new CEO, Mr Carter, after a hiatus of about 12 months, I think; then later we had a change from the multiple claims agent to the single claims agent. So, in the last couple of years we have had exactly what this government wanted. However, the mess continues to explode: the unfunded liability is burgeoning. The Premier continued in his speech on that day and said: 'I have absolute confidence in my minister.'

Well, how come Pat Conlon, the Minister for Transport, had to run out the other day and do some of the heavy lifting on this? Was that because he was a WorkCover lawyer? I would like to think that was the case, but I doubt it very much indeed. Fix-It Pat was sent out there to try to fix it. We have been tantalised with the news of some changes that we hope will be announced, not because of Patrick Conlon's work but I think because the back benchers of this government may have done something and, as we know, this government does respond to the media, and having a thousand workers out the front is not good media for Mike Rann.

The member for MacKillop, Mitch Williams, the former shadow minister for industrial relations, also made some interesting comments. I respect his input on this legislation and the comments he has made in the past and I thank him for his assistance. On 29 March 2007 in this place Mr Williams said:

> The bubble has burst, and we have a minister whose incompetence has come to the surface.

Mr Williams then went on to say that, while we had achieved a 20 per cent fall in the injury rate in workplaces in South Australia over a five year period, we also had a growth rate in the workforce of 10 per cent. What have we seen? A blow-out in the unfunded liability. We are experiencing some of the best economic times this country has ever seen. We have record unemployment rates, but we are seeing a WorkCover scheme that is out of control.

I will talk about the history of the WorkCover scheme in a few moments, but what this government did to try to solve the problem was bring in Alan Clayton to carry out a complete review. After WorkCover, SARC and Stevens had each done a review, we had the Clayton review. I will refer to the review undertaken by Alan Clayton in a few moments, but I go back to some of the concerns that were being expressed about the Clayton review by SA Unions back in March 2007.

On 30 January, Nick Thredgold, the President of SA Unions, said on Adelaide radio that 'this minister is a man of his word and he has reassured the union movement there will be no cuts to benefits.' That is not the way the statement read on that day when the minister stood in this place and talked about some of the aims of the review of the proposed legislation.

The member for Elder cannot go completely unmentioned in my contribution. He does have some expertise, or experience, as a WorkCover lawyer. For how long I do not know, and I am happy to be corrected but—

The Hon. M.J. Atkinson interjecting:

Dr McFETRIDGE: I actually trust unionists not to lie to me. I get on very well with unionists, and when they tell me something, I do not assume straightaway that they are lying, as it appears someone opposite seems to think is the case.

On 29 March 2007, Patrick Conlon, when he was trying to shift the blame back to the Liberal opposition, said, 'How dishonest you people are with workers' rights.' How dishonest we are with workers rights? What is happening to the rights of workers now? We saw this government give the unions free rein to advertise on any government building or on any government equipment to campaign against John Howard's WorkChoices, but what happened when the PSA wanted to put an advert on the outside of a tram—which may or may not have been appropriate—that was going to have a significant impact against this WorkCover legislation? It was canned. That may have been a TransAdelaide decision, it quite possibly was, but my impression is that there may have been some other pressure applied to ensure that the adverts were only put in places where they would not be noticed.

In bringing in this piece of legislation, the government is doing a 180-degree turnaround—it is not a backflip; with a backflip you end up in the same place—on what its members were saying in 1995. It is interesting to see how this government, which has its roots in the union movement, has ignored the unions this time. We have heard what Janet Giles has had to say, and I will read some of that into *Hansard* a little later. This government has betrayed all of its principles, and this was well illustrated back in March 2007 by the member for Mitchell, Mr Kris Hanna.

I should preface these remarks by saying that I think it was in the mid-eighties that a document, 'Limbs, Lungs and Lives: Occupational Health and Safety Reform', was produced by Mike Rann. In it he discussed how workers compensation in South Australia was hardly new in 1978. Jack Wright (I understand the father of the current minister) established the Byrne committee, which was aimed at introducing workers compensation legislation that would be fair and equitable. As Mike Rann said in 'Limbs, Lungs and Lives' (page 24):

> For workers [at the moment] coverage is pretty much a lottery.

I go back to what the member for Mitchell said about this in March 2007:

> ...the government has done practically nothing to implement the many recommendations to make the system more rational and fair as His Honour Judge Stanley recommended. What else did the government do? The Labor government also created a monopoly by allowing EML to be the sole claims agent and Minter Ellison to be the sole lawyers representing the employers through the claims agents.
>
> This resulted in a significant dislocation in claims management. Neither of those firms was fully equipped to handle the large volume of WorkCover cases that then came their way. They had to employ a lot of new staff, there was a lot of inexperience and for a while we were back to the chaotic days of the 1980s when so many claims managers did not seem to know their business, and it became a lottery...

So, in 1984 Mike Rann was saying how it was a lottery but the legislation was going to make sure that at least you were able to win a minor prize, if not the major prize, in the lottery that is sometimes WorkCover. That is the whole problem with WorkCover: it should be more consistent. It should not be about winning a prize but about getting back to work.

Let us just see what exemplifies the fact that this government has really turned around on its own roots and introduced this legislation that will not fix the problem it has created over the last six years. The member for Mitchell said:

> I am having a go at the Labor Party members who are copping these cuts to workers' benefits.

He continues:

> I was going through the list of Labor Party members who have spent a lot of time advocating for injured workers...

The member continues on for a short period, then switches to naming various members of the government and illustrating some of their background, as follows:

> I had just been referring to Pat Conlon (the member for Elder) when I was interrupted, and I was questioning why he built up the left faction in the ALP to develop a position where it had policy influence only to squander it on a move to cut workers' benefits.
>
> I was going to refer to Michael Atkinson, the member for Croydon. He had a history in the Shop Distributive and Allied Employees [Union]...Michael Wright...a former advocate for the AWU...Jay Weatherill, the member for Cheltenham...his legal career acting for injured workers. Paul Caica, the member for Colton and the former secretary of the [United] Firefighters Union, has seen plenty of injured workers. He knows what it means for a guy who has had his arm badly burnt or chopped off in a bloody accident inside a burning house somewhere to have his wages cut by a quarter after three months when he has bills and a mortgage to pay. He knows what it means...John Rau, the member for Enfield, who in his career has acted for many injured workers.

Debate adjourned on motion of Hon. M.J. Wright.

[Sitting suspended from 13:00 to 14:00]

LAKE EYRE BASIN (INTERGOVERNMENTAL AGREEMENT) (RATIFICATION OF AMENDMENTS) AMENDMENT BILL

His Excellency the Governor assented to the bill.

HEALTH CARE BILL

His Excellency the Governor assented to the bill.

STATUTES AMENDMENT (TRANSITION TO RETIREMENT—STATE SUPERANNUATION) BILL

His Excellency the Governor assented to the bill.

STATUTES AMENDMENT (ADVISORY PANELS REPEAL) BILL

His Excellency the Governor assented to the bill.

SENIOR SECONDARY ASSESSMENT BOARD OF SOUTH AUSTRALIA (REVIEW) AMENDMENT BILL

His Excellency the Governor assented to the bill.

CAMERON, HON. C.R.

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:04): I move:

That the House of Assembly expresses its deep regret at the death of Hon. Clyde Cameron AO, former federal member for Hindmarsh and federal minister of the Crown, and places on record its appreciation of his long and 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.

In the presence of Clyde Cameron's family, I commend this motion to the house.

Late last month, we were saddened to learn of the death of the Hon. Clyde Cameron. Clyde is a legend of the Labor movement, a man who made a lifelong commitment to Australian workers and to their welfare. He was a long-serving member of federal parliament who championed the cause of people in Adelaide's inner western suburbs, and a minister in the cabinet of former prime minister Gough Whitlam. But Clyde will be best remembered as one of South Australia's most influential political figures who made a significant impact on and contribution to our way of life in the 20th century.

Together with his good friend Don Dunstan, Clyde Cameron also pioneered multiculturalism in Australia and gave great support to migrants and migrant workers.

Following his retirement from federal parliament in 1980, he remained a frequent contributor to public debate through his extensive political memoirs and his huge archive of oral history interviews which he conducted with some of the leading political figures of his era. He was appointed an Officer of the Order of Australia on Australia Day, 1982. After Kim Beazley Sr passed away last October, Clyde had become our oldest surviving member of the federal parliament and was the last surviving member of the 19th Federal Parliament elected in 1949. Clyde Cameron died on 14 March at the age of 95.

Clyde Cameron was born in Murray Bridge on 11 February 1913. His father, Robert, was a shearer, but it was his mother, Adelaide, who held the pacifist beliefs of the Quaker faith, who was the most influential figure in Clyde's upbringing. She was an avid reader, and the Cameron house was well stocked with books that dealt with philosophy, economics and history. It was Adelaide Cameron who taught her son that any political philosophy must be backed by political action if it is to yield results. That lesson stayed with him throughout his substantial political career.

Clyde left school aged 18 and initially followed his father into the shearer's life. During the 1930s Clyde worked in every Australian state and crossed the Tasman Sea to ply his trade in New Zealand. It was there, when he was working in Wanganui in 1938, that Clyde received a telegram from his mother informing him that he had been elected as a union organiser within the Australian Workers Union (AWU).

It was the first of many election successes that Clyde was to achieve over the next 40 years. In 1941, at age 28, he became the youngest ever state secretary of the AWU, and he virtually taught himself industrial law. As former Prime Minister Bob Hawke once noted, 'If Clyde had been granted the educational opportunities afforded to subsequent generations, he could have been as brilliant a barrister as any in the land.'

In 1946, Clyde became state president of the Australian Labor Party, the first of three terms he served in that role. He made it his goal to eliminate the feuding within the party that had become deeply entrenched during its 14 years in opposition. He formed a crucial influential partnership with the late Jim Toohey, who also went on to play a significant role as a senator representing South Australia in the federal parliament.

The pair played a decisive part in mitigating the impact of the damaging split that tore the Labor Party apart in other states during the 1950s. Between them, Clyde and Jim Toohey helped forge a state branch of the ALP that was the envy of their counterparts interstate because of its unity and its stability. As another former prime minister, Paul Keating, observed at Clyde's funeral last month, 'This was a major achievement during a period when tempers were frayed and friendships destroyed.'

In 1949, Clyde Cameron was elected to the federal seat of Hindmarsh, a constituency that he represented with diligence and commitment until his retirement from parliament in 1980. During that period he won 13 consecutive election victories in his seat. John Bannon, who served as one of Clyde's advisers and, of course, later as premier of South Australia, noted in his tribute to Clyde published in the most recent edition of *The Adelaide Review,* that Clyde fought a 30-year battle with the AWU hierarchy over democratic control, winning court cases and developing high skills in legal and legislative analysis. By doing so, said John Bannon, he helped save Australia from the mobsters and unions of the USA Teamsters variety.

Another cause, John Bannon went on to say, was the integrity and effectiveness of the ALP. In South Australia, he was one of a very small group of power brokers who kept factional rivalries to a minimum by rejecting a winner-take-all policy and promoting talent over placemen. The South Australian national delegation always caucused and voted together, giving it and Clyde the ability to often act as an honest broker and to resolve factional differences.

As a Labor backbencher, Clyde was a fierce and uncompromising representative of workers and Australian battlers. In 1954 he was elevated to Doc Evatt's shadow cabinet and he quickly emerged as one of the leaders of the left wing in caucus with a fearless reputation for taking on his conservative opponents. He was also a pragmatic politician. When Clyde's younger brother, Leonard, once stood for preselection in the state seat of Gawler, Clyde threw his support behind one of his brother's rival ALP candidates who Clyde believed to be better credentialled for the job. That candidate, Jack Clark, went on to win the preselection in the seat.

Clyde summed up his own political philosophy during an address to the National Press Club in 1990. He said, 'The best line of defence in politics, as in war, is the frontal attack.' Even though he occupied the federal stage throughout his parliamentary career, Clyde Cameron's most profound influence in the Labor movement continued to be exerted at the state level here in South Australia. He used his clout within the South Australian party to ensure a young Don Dunstan won preselection for the seat of Norwood in 1953. Clyde then played a pivotal part in Don Dunstan's ascension to premier when he took over from Frank Walsh in 1967.

In his political memoirs Don described Clyde as 'a brilliant and effective union secretary' who was 'an eloquent and witty orator' and 'one of the most influential figures of the Labor movement'. His advice to the rising star of South Australia's Labor Party was not restricted to politics and policy. Clyde suggested that Don should alter his distinctive and rather posh accent in order to 'identify more with the average working man'. Don told him: 'I have spent years, and my parents quite some money, on voice training. I'm not going to waste it.'

Clyde also insisted that Don should be fitted out in better clothes. As a result, Don was provided with the details of Clyde's favoured Italian tailor in the city with the suggestion that Don needed to employ some extra padding around the shoulders to fill out his slight frame. This was another rare occasion on which Don politely declined Clyde's advice, although Don did go to the American Health Studios to engage in weightlifting to promote his physique rather than disguise it with padding.

I recall a number of occasions when Don spoke to me about the role that Clyde played in his political development and how Clyde oversaw his preselection for Norwood. Time and time again, Don Dunstan said to me and others that he would not have been the member for Norwood and he would not have been Premier of South Australia and leader of the Labor Party without the support of Clyde Cameron.

John Bannon described the extent of Clyde's influence in his recent tribute. He wrote:

> His role in South Australia, where again there had been bleak years of almost permanent opposition, was crucial. Clyde and his fellow powerbroker Jim Toohey were a formidable combination and set the scene for a period of stability and rebuilding that gave opportunities to men such as Don Dunstan to gain preselection and a place in parliament. Whenever he had the chance, Clyde was a great promoter of talent as he saw it and untroubled by people's backgrounds.

John Bannon went on to say that as well as securing Don's preselection in 1953, Clyde was instrumental in giving Labor a chance of retaining office, having narrowly gained it in 1965 after the long decades of the Playford years. John Bannon continued:

> The premier, Frank Walsh, part of the old guard of the Playford years and approaching 70, had been expected after Labor's victory to move on in time for a new leader to take up the reins. Although in many ways out of his depth, he was enjoying office and showing no signs of going. Clyde's impatience got the better of him. At a State Council meeting in 1967, he moved a motion of congratulations to the Premier. Frank, who was on the platform with the President, looked somewhat suspicious of this unexpected and unlikely tribute but relaxed as Clyde claimed to identify three outstanding achievements of the Premier.
>
> Firstly, he had led Labor from the wilderness [like Moses] after 32 years and toppled the seemingly impregnable and unbeatable Tom Playford despite the gerrymander (here followed prolonged applause from the gathered ALP delegates). Secondly, he had acted vigorously and successfully to create a new prosperity for the state by bringing the gas pipeline from the Cooper Basin to industry in the metropolis (the applause was even more sustained and was now acknowledged by a beaming Frank [Walsh]). And finally, he had selflessly ensured his heritage would live on by stepping down as Premier in time for a leader of the next generation to establish himself. The delegates cheered and unanimously carried the motion. Frank now somewhat reluctantly acknowledged the applause then accosted Cameron asking, 'Where'd you get that bloody retirement bullshit from?' But the game was up and Walsh stepped down a few weeks later.

Of course, the Dunstan government went on to transform South Australia into the nation's social incubator in the 1970s, giving South Australia a national voice that far outweighed its size and lifted the state from rock bottom to national pre-eminence in so many areas of policy and reform.

That era is also renowned for the South Australian branch of the ALP, producing some of the most talented contributors to federal politics that the parliamentary Labor Party has seen. Clyde's value as a campaign and policy strategist was crucial in the election of the Whitlam government in the 1972 'It's Time' federal election. His contribution was recognised by Gough Whitlam, who installed Clyde in the important job of labour minister.

Clyde played a key role in the federal government's push to grant equal pay to women. In the process, he promoted the career of Mary Gaudron, who became the first woman appointed to the High Court of Australia. He also sponsored changes to the law covering the way that unions conducted their affairs, as part of his long-standing commitment to stamping out corruption. As a minister, he was the architect of trade union training colleges and a range of other schemes that reflected his strong belief in the importance of education, skills, and training. As early as 1973, Clyde was publicly warning that Australia faced a shortage of skilled workers needed to maintain industry demands and keep economic growth going.

In 1974 Clyde was also handed responsibility for immigration, and in 1975 he was shifted to the position of science and consumer affairs minister. During his tenure as a federal member of parliament, Clyde Cameron acted as mentor to a number of important South Australian political figures, not only Don Dunstan but also John Bannon and former senator and federal minister Nick Bolkus.

Following his retirement from federal politics in 1980, Clyde Cameron remained actively involved in public debate and political issues. As a prolific note taker and diary keeper, Clyde became renowned as a significant Labor historian through his memoirs and other written works. In typically Clyde fashion, he told the House of Representatives in his farewell parliamentary speech, 'I want it known that I am not available for ambassadorial appointment, so I have nothing to lose by telling the truth and nothing to gain now by telling lies'.

He was a strong supporter of the National Library of Australia's oral history collection, to which he contributed more than 15,000 pages of transcripts from about 600 hours of interviews. A number of the interviews that he conducted were with prominent figures from the other side of politics—and I think that it is terrific that he had friendships that spanned the political divide. I am talking about people such as former Liberal prime ministers Malcolm Fraser and Sir John Gorton. Indeed, the value of Clyde Cameron's contribution to Australian public life was recognised across the political spectrum.

Among the close friends who attended the 1999 launch of his biography *A Life on the Left*, were prominent Liberals, Sir James Killen and Lady Mary Downer. It was no doubt his ability to cultivate friends from across the political divide as well as his skills as a strategist, campaigner and orator that led Paul Keating to describe Clyde Cameron as 'in federal turns, South Australia's most remarkable Labor leader'.

On behalf of all members of this side of the house, I extend my sincere condolences to the family and friends of Clyde Cameron, especially to his wife, Doris; his sons, Warren and Noel, and daughter, Tania; and Clyde's nephew, the current member for Enfield, John Rau; and other members of his family who join us today for this condolence motion.

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:20): On behalf of the opposition and the state Liberal Party, I second the Premier's condolence motion and express our regret at the passing of the Hon. Clyde Cameron AO, former minister and federal member for Hindmarsh. I was pleased to attend his funeral with my deputy, Vickie Chapman, to pay our respects to him and his family.

I speak on behalf of the entire Liberal Party when I express today our sincere condolences to the family and friends of Clyde Cameron and put on the record our sincere appreciation for his distinguished service to his country and the state of South Australia.

As we have heard, Clyde Robert Cameron was born on 11 February 1913 at Murray Bridge. His father, a shearer and a founding member of the Australian Shearers Union, instilled a passion for politics that would dominate his life. The Great Depression was also a strong influence on his formative years and an experience he never forgot. It left an indelible mark on him and no doubt strongly shaped his politics. In his retirement speech to the House of Representatives on

18 September 1980, he recalled speaking from the single tax stump at Adelaide's Botanic Park during the Depression years.

Clyde left school at 14 to work as a shearer, like his father, and later gravitated towards the Australian Labor Party, becoming an officer at the AWU (his father's union) and later becoming the youngest South Australian president of the Labor Party. Elected in 1949 as the member for Hindmarsh, Clyde was a leading figure in the Australian Labor movement for 40 years and, as we have heard, was the last surviving member of that federal parliament that was elected in 1949. His death represents the passing of a political generation and, indeed, the severing of a connection with a past political era.

Known as the conscience of the ALP, Clyde was a true believer. He was principled and uncompromising, and he did not tolerate those who betrayed his cause. Our side of politics respects such Labor men and women—the true believers. We may not agree with them on a range of issues, but we know where they stand. He always stood by his principles. Political expediency was not in his nature, and it no doubt prevented him from achieving higher office. There is no doubt that it got him into strife on more than one occasion.

For instance, I note that in 1958 he exposed what he saw as corrupt practices within the AWU and, of course, the kingmaker (as he was also known) was famously dethroned when Whitlam sacked him from his post as minister for labour because of a refusal to bow to bureaucratic pressure and, indeed, pressure from the PM. He was truly a strong man. His contribution as he member for Hindmarsh for 31 years and as a cabinet minister in the Whitlam government was always dictated by an unwavering commitment to the Labor movement and to Labor values.

Survived by his wife, Doris, sons, Warren and Noel, and daughter, Tania, Clyde was much loved and respected by all who knew him. The many people at his state funeral were evidence of this fact. His family and friends have much to remember and much to reflect on through the clear memories that I am sure Clyde had of the development of the Labor movement in South Australia.

His story is very much a story of Labor's struggles with socialism and how Australian politics arrived at the place where it is today. His contribution to the ALP, the state and the country is enormous. He reminds us that, although we may all come to this place from different political parties and with different political views, we are all here trying to do our best for the people we represent. I am sure all members present join me in paying respect to the late Clyde Cameron in acknowledging the significant contribution that he made to our state and our country.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (14:25): I had the honour and privilege to be asked to be both a pallbearer and a speaker at the late Clyde Cameron's funeral only a short time ago. Clyde Cameron was never one to shy away from employing his talent for character assessment on himself. Clyde Cameron acknowledged that his life was filled with contradictions. His childhood home was austere in terms of comforts but was rich in books, principles and ideas.

He abandoned his formal education at age 15, yet (as the Premier has already said) he virtually taught himself industrial law—well beyond just industrial law—and in public life became one of Australia's foremost orators, thinkers and political strategists. He was portrayed as uncompromising and ruthless, but those who knew Clyde recall him as a softy spoken person, even soft-hearted and readily moved to tears. While his political opponents regarded him as a shrewd and sometimes dangerous foe, he is also remembered by many as a staunch and loyal friend.

Whilst I was always a Labor supporter, it was the excitement and vision created by the election of the Hawke-Keating government in 1983 that lured me to greater involvement in the Labor Party and, indeed, to join the Labor Party. At the age of 23 I was immediately mentored by the former member for Port Adelaide, the late Mick Young—as, also, were my colleagues and friends, the members for Lee and Enfield. I also received great support and encouragement from some of the state ALP's most revered figures, including Clyde Cameron. Clyde was a regular attendee at Port Adelaide ALP branch meetings and fundraising events, and he would always take the time to chat with the party's younger members in order to seek out their views; and every now and then he would phone me at home to offer me his opinion and advice. Those views were never forced on me—nearly never—but were always, of course, very welcomed.

In retrospect the impact of people such as Clyde Cameron, Mick Young, Jack Wright and Jim Toohey on my career is far more significant than I appreciated at the time. By sharing their

wisdom and advice they showed me that they were concerned about not only the Labor Party's immediate wellbeing but also its long-term health and ongoing influence in public life. Many people whose careers have been similarly advanced by that generosity of spirit attended Clyde's funeral on 20 March.

As we have heard, Clyde Cameron's political career was played out largely in Canberra, but his most profound and enduring effect and influence remained here in South Australia. His early days as a union organiser awakened him to the possibility of change through politics. As he rose through the ranks, Clyde not only saw clearly the shortcomings holding back the Labor movement but also formulated plans to redress them.

When Clyde boldly nominated for the ALP state presidency in 1946, the South Australian ALP had been languishing in opposition for 14 years and had disintegrated into three distinct groups—the official Trades Hall labor party, the parliamentary party and the Lang labor party. Clyde was determined to change that. He wanted to streamline the ALP's organisation and galvanise it by eliminating the factional feuding of those days. In partnership with Jim Toohey—a loyal friend who shared Clyde's vision but was a contrasting personality—they redefined the modern state branch of the Labor Party. They moved decisively to have the state convention disband the industrial groups in order to reduce the impact of the split that was tearing apart the party in the eastern states of Australia.

Clyde and Jim helped forge a state branch that became the envy of their counterparts interstate in the 1950s because of its unity and stability. Their next challenge was to restore the ALP to government in South Australia for the first time since 1933. The state parliamentary party had struggled to make any impact on the Playford government and at times Clyde (by then the federal member for Hindmarsh) effectively played the role of South Australia's Labor opposition, albeit from Canberra. He and senator Toohey never missed an opportunity to have a crack at Playford, either in the house or through the press.

As the Premier adequately outlined, Clyde then used his influence and numbers to win Don Dunstan's preselection for the seat of Norwood in 1953. One of the most humorous occasions (certainly it would not have been at the time) as the Premier outlined was Clyde's announcement of the premature retirement of Frank Walsh, which will be cemented in political folklore for decades to come. During the period from the late 1940s to the late 1970s, when Clyde was at the height of his influence, the South Australian branch stood out like a beacon to the Labor Party in other states.

Not only was it a model of stability and unity but also the Dunstan government went on to become the most progressive and talked about state government in the nation. Clyde Cameron remained a formidable presence long after his farewell speech to the House of Representatives in 1980. One of my fondest memories and recollections of Clyde stems from my time as secretary of the Port Adelaide federal electorate committee. It has been and still is the committee's quirk to hold its regular meetings at 10 on a Sunday morning. Personally, I have never quite understood the branch's affection for that hour of the day, particularly on a Sunday.

The Hon. P.F. Conlon: It's been going on forever.

The Hon. K.O. FOLEY: Yes, forever.

An honourable member interjecting:

The Hon. K.O. FOLEY: It does; exactly. In the late 1980s, Mick Young's good mate was Peter Walsh, the finance minister in the Hawke Labor government. Peter would often fly from Perth and stay at Mick's place in Adelaide before moving onto Canberra. If you reckon I hated 10 o'clock on a Sunday morning, I can tell members that those who knew him were aware that former senator Peter Walsh hated it even more. He would always enjoy a red or two with Mick and others at Mick's house.

At that stage, the federal Labor government had outlined its plans to privatise the Commonwealth Bank, and, as the finance minister, Peter Walsh was the driving force behind that. Mick thought that it would be a good idea for Peter to come along one Sunday morning and explain to the Port Adelaide branch the merits of the privatisation. I reckon you could have privatised the wharfs and you would have got a less hostile crowd! I escorted Peter into the council hall at Port Adelaide and, as we took our seats in front of the packed audience, I noticed Clyde and Doris (who is with us today) seated in the centre of the front row. Mick Young leaned towards me and whispered, 'This is going to be a very interesting meeting, comrade.' Clyde, of course, was well dressed—three piece suit; he looked the part. Peter Walsh went on to deliver a spirited

presentation on the pressures that governments face and the case for privatising the Commonwealth Bank.

No sooner had Peter finished his contribution and before the chair could even call for questions, Clyde had sprung to his feet. From under his jacket he pulled out a copy of the 1959 Commonwealth Bank Act, and for more than half an hour he went through the act clause by clause with Peter Walsh as to what was wrong—in Clyde's eyes—with privatising the Commonwealth Bank. It absolutely floored Peter; and, without having any advice with him and probably being a little tired that morning, he struggled his way through it.

As the debate intensified, Peter Walsh became increasingly agitated (that is a polite word) and (and this is even more polite) slumped back into his chair, muttering, 'Thank God that bloke's no longer in caucus. At bloody 75 he is smarter and sharper than most of my colleagues in Canberra.' True to Clyde's style, when the meeting broke up he came across and spoke with Peter. He made no mention of their prolonged, very heated and at times personal exchange, and he showed not a trace of acrimony. I am pleased to say that Peter Walsh returned to our branch meetings, as did Clyde.

I was also honoured to be at the launch of Clyde's biography *A Life on the Left* in 1999—a terrific read on both sides of politics. My enduring memory of that event was the eclectic range of guests who were in attendance, from Lady Mary Downer to Sir Jim Killen who, as John would remember, gave a tremendous speech that morning. It was very humorous. We had waterside workers and union officials. It was an incredible array of people. I can remember at that time thinking how such a hard man of the left of Labor politics could cultivate such a diverse range of friends from right across the political spectrum. It was yet another example of why Don Dunstan said of Clyde, 'He is so uniquely himself. There has never been his like before, nor is there likely to be so in the future.'

I extend my sincere sympathies to Clyde's family. With us today is, of course, Clyde's widow, Doris; Doris's sister and mother of John Rau, Nan; his son from his first marriage, Warren, and his wife Toni; Natasha and Justin, Warren's children; and, of course, John Rau, my good friend and the member for Enfield.

The Hon. S.W. KEY (Ashford) (14:35): It is a great privilege to have the opportunity to speak about Clyde Cameron. I first met him when he was the member for Hindmarsh. I attended my first Labor Party meeting in that area, the Hindmarsh FEC. I was welcomed by this immaculately dressed man with a rose in his lapel and, as the Deputy Premier said, this was also a 10 o'clock meeting on a Sunday morning. I was a little intimidated to begin with, but he knew that I was a new member to that FEC and wanted to know all about me and, after the meeting, invited me to have a cup of tea with him so that he could find out all my details. This proved to be very useful to me because, at the time, I was also the president of the Flinders University Labor Club and I decided that Clyde would be an excellent speaker.

Usually when we had guest speakers, our meetings very rarely attracted more than half a dozen other people in addition to some of the members but, because Clyde was held in such high esteem, I had to organise to have the Matthew Flinders Theatre available so that some 300 people could attend the Flinders University Labor Club meeting and also hear what Clyde had to say. On that basis and the popularity of Clyde as a speaker, I then invited him to speak at the council of ALP students' conference. It was a bit of a coup in that not only was I the first woman national president but I was from Adelaide, which was even more unusual in national Labor Party terms because the eastern states always dominated the positions.

Clyde was very pleased about this and very willing to speak at our conference. From memory, it was held at a motel on Glen Osmond Road. I think it was called the Sunny South Motel. It was such a little known motel that it took a while for Clyde to find the motel so that he could address us. He certainly impressed the assembled group from all over Australia when talking about the principles of Labor and why it was important that the young people of the party made sure that they had their say. The thing that I really remember from knowing Clyde all those years was that he really did encourage young people, both men and women.

As we know, certainly in the past, the Labor Party has been very much a patriarchal, male-dominated party. Things are changing, of course. Not only did Clyde champion equal pay but he was a great supporter of the Working Women's Centre and a great supporter of the antidiscrimination legislation for which the Working Women's Centre was advocating. One of the reasons why I am really grateful to Clyde is for the establishment of the Trade Union Training Authority. Certainly as someone who attended university as an adult student and having been a

shop steward from a very early age, trade union training not only allowed you to find out what you were supposed do as a shop steward or a job rep but also helped you to try to understand what industrial relations and industrial politics were about.

The Trade Union Training Authority provided an opportunity for many of us to gain that experience. The Trade Union Training Authority in Albury-Wodonga was opened in February 1976 and, quite rightly, was called the Clyde Cameron College. I notice a section in the book *A Life on the Left* by Bill Guy talks about the opening of the Trade Union Training Centre. Amongst the speakers was Bob Hawke who said:

> By any standards Clyde Cameron has become a legend in his own lifetime and that legend is being memorialised in this magnificent institution.

John Bannon is also quoted in *A Life on the Left.* He said that—and this is something that he said at Clyde's funeral—he believed that the setting up of the Trade Union Training Authority was amongst Cameron's finest achievements as a minister. It is certainly something which, amongst his many achievements, I will always cherish, having benefited from it, as I know a number of my colleagues did.

It has been mentioned that not only was Clyde a formidable figure in a political sense but that he was also a great writer. His 1982 publication *Unions in Crisis* is still something I think is worth referring to. I have not read all the Cameron diaries, although I did ask Clyde whether I could perhaps appear in the fourth volume, to which he said no. The 1990 Cameron diaries are also extremely instructive, and they did make me feel very tempted to keep a diary myself, but I am afraid I do not have the discipline Clyde obviously had in keeping those details.

There are many things Clyde spoke about. I should follow on by saying that, knowing that he was a great drawcard, in my second attempt to become a member of parliament, I asked Clyde whether he would speak at a fundraiser, and I asked him whether he would talk about ASIO, which is one of his favourite topics. I am sure John Rau would be well up to date with the views Clyde had about ASIO. I understand that he was also subject to ASIO tapping his phone, and there is a story about him being called 'Click' Cameron, I think it was, and one of his colleagues was called 'Clack' Cameron because they were continually being listened to, they thought.

One of the things I did for this fundraiser was ask Clyde whether he would come to a lunchtime meeting at what we used to call the 'workers' Hilton (it is very glamorous now, so that title really does not apply) and, again, I had to have the largest room in the worker's Hilton because there was such a turn-up.

What was really interesting about that meeting was that a number of people in the audience were Clyde's age, or perhaps a bit younger; so I would say that the average age of the people who came to my fundraiser would have been 70. A lot of people here would know Jimmy Doyle, and, throughout Clyde's speech, Jimmy Doyle would correct the dates Clyde was putting forward for particular things. There was quite a bit of interchange, which reminds me of some of the interchange that happens in this place across the benches. Afterward, I was very worried about the fact that people wanted to ask questions.

This was not only one of the more successful fundraisers I have had, with the number of people who came along and had fish and chips at the Hilton, but also it was the longest fundraiser I have ever had because people refused to go home. The Hilton was subsequently very happy with me because the hotel had quite a few hours of business from what was supposed to be a two-hour fundraising lunch.

The other thing I do remember Clyde for is his ongoing letters. I am proud to say that over the years I received a number of letters from Clyde and also the occasional phone call talking about issues of the day, which I found very, very helpful.

Some of Clyde's sayings were particularly instructive. I remember that in *Unions in Crisis* he talked about the right to strike, which is something I have always been very concerned about and which I feel is a right that needs to be protected. He used to say that unions won the eight-hour day, the 48-hour week, then the 44-hour and, finally, the 40-hour week, that strikes gave us paid annual leave and that the strike weapon was established as the principle for paid sick leave. He said, 'Taking away the right to strike would reduce the worker to the status of a slave.' They are very strong words, but he felt very passionate about the rights of people and the rights of workers.

One of what I think is the more humorous things he talked about is productivity. As people in this chamber would know, Clyde had responsibility not only for the whole portfolio of labour but

also employment. One of his other areas of interest and expertise was employment, and he was quoted as saying:

> Productivity gains wrought by the computer should not be used to reduce the workforce but to reduce the working year and so spread the available work around.

The point he made that I particularly like is that, instead of a 48-hour week with four weeks' annual holiday, why not have people work for 40 weeks and take 12 weeks' holiday.

He certainly had an interesting way of campaigning. As the member for Hartley said, he had the work/life balance worked out a long time before that terminology was coined for us now. Clyde was always a great support to those of us who were candidates and members in the western suburbs, and I was very honoured that the Premier, then the leader of the Labor Party, was available to come and open the new Ashford electorate office in August 2001.

I was very honoured because Clyde and Doris Cameron were there, as well as the late Ralph Jacobi, Molly Byrne, Anne Levy, Carolyn Pickles, Senator Nick Bolkus, Penny Wong and Patrick Conlon. All of these people came to the opening, and it would be fair to say that, despite the fact that Mike Rann was to open my office, Clyde Cameron probably gave a significant speech about the importance of the Labor Movement. It ended up being a very great time and very memorable as far as the Ashford sub-branch members and I were concerned. I really appreciated that he did that.

As I said, he was a great supporter of all of us in the western suburbs, and my condolences really do go to his family and my colleague, John Rau. He is someone who will be greatly missed, but I think that he has left us with an inheritance and also a view that we need to hold dear those Labor principles that he supported.

Honourable members: Hear, hear!

The Hon. M.J. ATKINSON (Croydon—Attorney-General, Minister for Justice, Minister for Multicultural Affairs) (14:47): Clyde Cameron was very good to me in 1979 when I was researching my honours thesis on ALP industrial groups, and I spent two days at his home at Sunlake Place, Tennyson. Clyde Cameron had a passion for history. At a very young age he had become secretary of the Australian Workers Union, which was the most important union in the South Australian branch of the Australian Labor Party.

He consolidated the AWU's dominance over the Labor Party by introducing the card vote whereby unions were able to have votes in proportion to the membership for which they were affiliated to the party. So, let us say that there were 2,000 ALP party members in South Australia, they were completely overwhelmed by the card vote of the trade unions, which was one entire vote for every member for which the union was affiliated to the party.

The Hon. J.D. Hill: Ninety-five per cent of the total.

The Hon. M.J. ATKINSON: I must correct the member for Kaurna: it was more than 95 per cent of the total. Of course, these votes were not cast by the union members: they were cast by the union officials on the members' behalf.

Ms Chapman: Hairdressers and wigmakers?

The Hon. M.J. ATKINSON: Yes, Hairdressers and Wigmakers Federation; I was the secretary, that is true. By the device of the card vote, Clyde Robert Cameron was able to dominate in partnership with Jim Toohey of the Vehicle Builders Union (later the state secretary of the South Australian branch of the Labor Party), and by such dominance brought about tranquillity in the South Australian branch.

Clyde Cameron did not get it all his way. The South Australian branch of the Australian Workers' Union fell out, one might say, with the other branches of the Australian Workers' Union, namely, the New South Wales branch led by Tommy Dougherty. Between them, the two of them made a great deal of industrial law in Australia by taking the cases as high as they could possibly go. At one stage, Eric O'Connor, the South Australian branch secretary after Clyde went into federal parliament, found himself siding with the interstate branches of the AWU, and I am pleased to say that the difference of opinion between Clyde and Eric O'Connor was resolved on Eric's deathbed.

I was friendly with Fred Prato, who was a member of my Labor Party branch, and who had been a faithful lieutenant of Clyde Cameron at the Adelaide City Council. In the early 1960s, Clyde Cameron decided it was time for Norman Makin to retire but Norman Makin had no intention of

retiring, so Clyde got Fred to move a motion from the Adelaide City Council depot to the Australian Workers Union which was then forwarded to the Australian Labor Party to change the Labor Party's rules to say that, if a candidate for Labor preselection was to turn 65 in the next term of parliament, that person could not be preselected. Under that rule, Norman Makin was required to retire.

Alas, with the effluxion of time, Clyde Cameron himself came up against this rule and he was not in a position to get rid of it, so I gather he did what car salesmen do, that is, he wound back his age a bit. It got to the point where in the Parliamentary Diary (the parliamentary publication containing the biographies of all members of the House of Representatives and the Senate) Clyde Cameron's birthday appeared to be about four months after that of his brother Don. Someone drawing this to Gough Whitlam's attention obtained the response: 'I always knew one of the Camerons was a bastard.'

The Hon. K.O. Foley: And it wasn't the senator.

The Hon. M.J. ATKINSON: And it wasn't the senator. I am told by the Deputy Premier that the prime minister remarked that it was not Senator Don Cameron. Clyde Cameron had very strong, radical views. He was a sympathiser with the theories of Henry George whereby the principal tax should be a tax on land. As I said, he ruled the South Australian branch in partnership with Jim Toohey and, broadly, they supported the left of the Labor Party but eventually, with the trouble with the socialist left in Victoria, it became clear by 1970 that, if the Victorian branch was allowed to continue in its state in 1970, Clyde Cameron (already almost 21 years in opposition) would never be a member of the government, so he decided to authorise federal intervention in the Victorian branch and also a token intervention in the New South Wales branch to give the appearance of balance—

Ms Chapman interjecting:

The Hon. M.J. ATKINSON: Yes, the member for Bragg gets the idea—whereupon his left-wing colleagues from Victoria turned on him and Mick Young told them: 'Go on. Take him on. You'll need a Trent memory training course, a wheelbarrow full of bayonets and a lot more brains than any of you have got.' So, Clyde Cameron obtained the intervention in Victoria and, indeed, Labor went on to do very well in Victoria in the federal election campaign of 1972 and Labor formed government.

At the end of the two days which Clyde Cameron kindly spent instructing me on the history of the Australian Labor Party, he said, 'Young man, I'll give you a lift to the bus. What bus are you catching?' He gave me a lift and on the way he said, 'Who would you be interviewing next for your thesis?' I said, 'That would be Mr Jim Toohey, Mr Cameron. I would be interviewing Mr Toohey.' He was taken aback and he said, 'I think Jim Toohey is very poorly at the moment. He is not in any condition to be interviewed. His memory is not what it was once.' So, I accepted that advice and I completed my thesis without consulting Mr Toohey. Some years later I met Jim Toohey when I was a member of parliament, and he was hale and hearty; he was in very good form.

Clyde Cameron continued to work faithfully for the party even after his retirement. In the 2002 state election, when we were facing the mirror image of Peter Lewis in Enfield, he came out and campaigned, and we were successful in that campaign. I think that, when I had lunch with him at the federal Parliament House in 1980, he was disappointed to be retiring; I think he was disappointed by his replacement. One thing in which Clyde Cameron was outstanding, even if you did not agree with his politics—I know that my mother was a passionate admirer of his and my aunty Kath loathed him owing to things that had occurred in the 1940s and 1950s—he was always an outstanding local member of parliament.

Just in the last month I have had constituents from ethnic groups talk to me about Clyde Cameron. In fact, they could not remember his name, and we had to sit down for a while and work out who it was, but he was a man who looked after these people so well that they remembered him fondly 28 years after his retirement.

After Clyde retired, the seat of Hindmarsh became marginal and, indeed, we did struggle to win it. Coming into the four final booths in Hindmarsh—Renown Park, Brompton, Croydon and Bowden—the Liberal Party and the Labor Party would be neck and neck until those for booths tipped it Labor's way in the 1980s, but it was never like that when Clyde Cameron held it; it was a very solid, safe seat.

Despite the tremendous conflict between Clyde Cameron and the Catholic Social Studies Movement, and B.A. Santamaria in particular, nevertheless, late in life Clyde Cameron had a lovely

correspondence with B.A. Santamaria and they became firm pen pals and they agreed about so many things. If only it could have occurred from 1946!

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (14:58): Clyde Cameron was a genuine Labor hero and a genuine South Australian hero. It was a great privilege for me to have known him reasonably well. I got to know him particularly well when I was party official and state secretary in South Australia. Like other members, I have voluminous correspondence at home from Clyde in his own hand, and it is a great memory to me.

On one occasion, my wife, who was doing some research into a figure from the 1940s, thought Clyde would be a helpful person to talk to, and, sure enough, he knew the person she was researching. As it happens, his name was Alfred Conlon. We went to Clyde's house and he provided some information. We had a very pleasant meal with Clyde and Doris and his family; so, I was very privileged to have that invitation into the Cameron family home. He was a charming host and a very gracious one at that. He was an outstanding South Australian, and he achieved very much in a relatively short time in government.

I refer to an opinion piece by Matt Abraham (a very young looking Matt Abraham) dated 23 September 1980 in which he summarises Clyde's achievements thus:

> Under Clyde Cameron Australia saw equal pay, the extension of male minimum wage to females, a 36¾ hour week for postmen, four weeks' annual leave, wage indexation, paid maternity and paternity leave, the RED scheme and the NEAT scheme. [Clyde says,] 'all these things I achieved, and my recent achievement as a minister was higher than any of them'.

Clyde goes on to say in this article, which I find somewhat poignant:

> 'The thing that I find in retrospect really sad is that in the years of my life when I was physically best able to work day and night I was in Opposition. I sat in Opposition for 31 years. It left its mark. I aged a lot in those 2½ years as minister for labour and immigration. I grew very tired and kept fighting on, kept forcing myself to cope with the physical side of it.

I think that it is one of the great tragedies of Australian politics that a man of his capacity was forced into opposition for such an extraordinarily long time.

To me, Clyde's greatest achievements were within the Labor Party, and other speakers have referred to those. I refer briefly to his role in the South Australian branch—keeping it united and working from a broad base and keeping solidarity, which was something we lost in this state in the late 1970s and did not regain until about 10 years ago. I hope that we have learnt from that lesson of not having the ability to talk with one another and to develop solidarity across the party. I hope we never lose that. Clyde Cameron, Jim Toohey and others taught us a very valuable lesson, and it is one that all political parties need to learn before they can be successful.

Another thing Clyde did that was so important was to clean up the very mad Victorian branch in the 1970s. The job he did with Gough Whitlam was truly outstanding. He rid the party of a party machine that was incredibly out of touch with the broad rank and file of not only the Victorian public and the Australian public but also of the Labor Party in that state.

Much has been said about a whole range of things in relation to Clyde, but I want to finish on this point. Clyde had a truly great sense of humour, and I quote once again from a retirement piece written in September 1980 after an interview with Brett Bayly, when Clyde said:

> As I told the Prime Minister—

and he is referring to Prime Minister Fraser—

> a couple of days ago, I would not mind being Governor-General. I said that if I am appointed Governor-General, and he should be lucky enough to win the next election, I would do the same for him as he persuaded Kerr to do to us. He did not seem to see the joke. Perhaps he was tired or something.

I pass on my condolences to Doris, in particular, and to the rest of Clyde's family on their loss.

Ms THOMPSON (Reynell) (15:02): I would also like to pay tribute to the work and wisdom of Clyde Robert Cameron. My time with him relates to the 1970s, during his period as minister. Just after he was sworn in, in my role as organiser with the then administrative and clerical officers association, I received a phone call (I am pretty sure it was from John Bannon who was then on his staff) asking me whether I could pack and get ready to go to Canberra in just a couple of days to enable me to attend the trade union training school, which was held in Canberra and known as the trade union summer school.

On obtaining his ministry, Clyde immediately secured funds to make additional provision for women and Aboriginal people to attend this trade union training school, as both groups were very notable for their absence. His contacts enabled him to select about 20 women and persons of Aboriginal background to attend this conference at short notice. It set the stage for the change, and it showed his contact, his foresight and his commitment to enabling people to gain the experience to bring about change in the workplace and in the union movement. It was certainly a very interesting experience.

In his role as minister for labour, Clyde introduced important provisions to the Public Service and thought to use the conditions for the Public Service as an example to the rest of the community. Not only was equal pay one of his first areas of action but also, as has been noted, the introduction of paid maternity leave and, indeed, paid paternity leave were way in advance of some of the conditions we deal with today. When we consider that in 2008 Australia still does not have a national system of paid maternity leave, all I can say is that Clyde Cameron is clearly not the minister for labour.

Unfortunately, the rise of the Fraser government saw many of those conditions wound back. One of the first to go was paid paternity leave. I remember Ian McPhee invited me to attend a meeting with his colleagues in the National Party to explain the importance of fathers' bonding with their children. I declined that invitation; I thought it was probably futile. Clyde Cameron had clearly understood the importance of fathers, as well as mothers, being involved in those critical early days of a child's life; and it is important that we learn from his wisdom.

As the Public Service struggled against a number of changes made by the Fraser government, it achieved a level of militancy that had never been seen before in the white collar Public Service unions. As secretary of the ACOA, I was involved in a number of rallies and meetings, particularly at the town hall, as well as on the back of a truck in Victoria Square. Again and again, Clyde Cameron would be in the front row, usually in a three-piece suit, showing support for the struggle of people who not much earlier he had been criticising as 'fat cats'. The christening of public servants as fat cats by Clyde entered the lexicon—and it has stayed there. I was not able to convince him that all my members were working very hard to serve the public that he also sought to serve. On that matter we agreed to disagree. Nevertheless, as we struggled he was there to show his support. It demonstrates his generosity of spirit, which endured throughout his life.

In looking through the index of the papers that he has left to the nation for the benefit of us all through the National Library, I thought it was interesting to note his early wisdom and acknowledgment of important national issues that still have not been resolved. There are pamphlets relating to publications on women and Aborigines from the 1970s. Again, we have not dealt with those issues in the way in which Clyde thought we needed to deal with them.

That is all I need to say to add my small experience and perspective on the work Clyde did. Many of us have been the beneficiaries of his correspondence and wisdom over the years. He tried to encourage me many times to leave the ACOA to work for the AWU—I do not know whether the AWU was ready for me at that time—but Clyde continued his encouragement and support. He was politely critical if one failed to act on the benefit of his wisdom. I extend my condolences to Doris and his family.

The Hon. G.M. GUNN (Stuart) (15:08): I extend my condolences to Clyde's family. I would like to relate a story about him that I observed. Some years ago there was going to be an official opening at Alice Springs of the first passenger train going from Adelaide to Alice Springs.

The Hon. K.O. Foley interjecting:

The Hon. G.M. GUNN: No, I was excluded from that one—but we will go into that on another occasion. On this occasion a number of notable South Australians were on the train. Clyde Cameron was in a carriage holding court. When we got to Port Augusta he looked out the window and said, 'I knew that Wallace fellow never knew much about campaigning. He has Gough Whitlam with him.' Gough stepped into the carriage, saw Clyde, walked up to him and gave him a kiss on the forehead. At that stage everyone burst into laughter except Clyde, who sat stony-faced and could not see the funny side of it. The rest of us could; and for the whole trip with Gough in the carriage Clyde's whole demeanour changed.

The Hon. M.J. WRIGHT (Lee—Minister for Industrial Relations, Minister for Finance, Minister for Government Enterprises, Minister for Recreation, Sport and Racing) (15:10): We have really lost a great Australian. Could I also say a few words about Clyde Cameron and endorse the comments that have been made on both sides of the house. I first met Clyde when I was 10. I

remember it very well because it was when we came down from Port Augusta and first started to live in Adelaide. Mum and dad took me to Clyde's unit on Henley Beach Road. I remember it very vividly. When you went into that unit, Clyde always made you extremely welcome. Even though I was only 10, Clyde went to a lot of trouble to make sure that I was included and that I was a part of what was happening.

He was a man of great warmth. He had an enormous intellect, as people well know. That is something that no-one questions, and he was also a man of great humour. The year 1965 was something of a watershed for the Australian Workers Union's South Australian branch, because all the officials were dismissed. I remember this even though I was a very tender age. I remember it very well. We lived in Port Augusta at the time. We came down to Adelaide and Clyde said to all the officials, 'I've got the person to represent you. I know who can ensure that we'll win this case,' and he recommended Roma Mitchell. Well, their jaws dropped because, back in those days, 1965, sadly we were a little behind the times. But, of course, as history proves, Roma Mitchell not only represented the sacked officials of the South Australian branch of the AWU but she did so successfully. They were all reinstated.

The Attorney-General has already talked about Eric O'Connor and Tom Dougherty. These people were on the other side. Eric O'Connor was the state secretary for many years.

The Hon. M.J. Atkinson interjecting:

The Hon. M.J. WRIGHT: Indeed. Tom Dougherty, I think, was the national secretary. It was a time when Clyde provided great insight to those people who had been dismissed, and they were all successful in getting back their jobs. Others have spoken about his role with the Australian Workers Union. He was state secretary at 28 years of age. He was a mentor of so many people for so many years through the trade union movement. Dad was an official with the Australian Workers Union in Port Augusta. I remember when we first came down from Port Augusta (and for the next decade, or thereabouts) dad became an official in Adelaide; and, during that next eight or 10 years, we saw quite a bit of Clyde, along with people such as Don Cameron, Jim Dunford, Mick Young and Reg Groth. Many of these names members on both sides of the house know because they have been in either this parliament or the federal parliament.

An honourable member interjecting:

The Hon. M.J. WRIGHT: Dave McKee is another one. The people who went through the AWU at that time and who went on to become either ministers of the Crown or members of parliament really owe so much to Clyde's wonderful friendship and tutelage. Also, of course, we know of his role within the ALP. Others have already spoken about it. He was a king maker. He was a giant in the ALP, not just in South Australia but right throughout Australia in the role that he played as a king maker. I remember that, when I came back from my teaching stint in Kadina, I had a job with Mick Young, and Mick said, 'Go around and see Clyde. Go around and have a chat with Clyde. He'll know what you should be doing,' and I did. At this stage, of course, Clyde and Doris lived at West Lakes, and they were both very generous with their time.

Clyde would take me out into the shed, the carport, where he had all his memoirs and writings, and we would go through them. For a young person up and coming in the movement it was just a wonderful experience. I could hear it from Mick Young and I could hear it from my father, but I could also hear it going back even further in a different way from the great Clyde Cameron. We really have lost one of the truly great Australians. I will remember him with great fondness, and I pass on my sympathies to Doris, Nan, the member for Enfield, our good friend John Rau, and the rest of the family. We will miss Clyde a lot.

The Hon. J.D. LOMAX-SMITH (Adelaide—Minister for Education and Children's Services, Minister for Tourism, Minister for the City of Adelaide) (15:14): I rise in support of the accolades so ably delivered by others and to record my respect and admiration for a man who, as with many others in this chamber, I had the privilege of knowing, and I feel very humbled by that experience. He first wrote to me when I was a member of the Adelaide City Council, surprisingly enough. He offered me advice even at that stage in my career. He encouraged me and he criticised me only rarely.

Surprisingly, it was some years before we met in the flesh. I cannot quite explain why it took so long for us to meet but, when we did meet, I was even more astounded because he behaved with extraordinary generosity to someone whose career was really of little importance or unlikely to be of any importance to someone with his history. I have to say that that encouragement was always tinged with something that some people may find surprising, and that was my sense of a degree of humility. I have never heard anyone talk of Clyde and humility in the same sentence,

but I always felt that he was very generous in offering advice to someone of so little standing and importance as me.

We heard that Clyde supported members for the western suburbs and was very generous in that, but he also stretched his interest and enthusiasm to the seat of Adelaide. I was very grateful for that. I offer my condolences to his extended family and also to the member for Enfield of whom I know Clyde must have been enormously proud, and I offer my respects to the family. My view of Clyde Cameron was that he was a man of colossal intellect—colossal. He was engaging and always fully engaged, and he led a principled and outstanding life. We will all struggle to fulfil the standards he set for us. We may all be unworthy, but he remains an inspiration to us all and we are very lucky to have known him.

Ms BEDFORD (Florey) (15:17): Today we have all remembered Clyde Cameron. His work on behalf of workers, his representation of workers through his association with the Australian Workers Union and his contribution to Australian political life have been made tribute to by previous speakers here today and I obviously concur with their remarks. I feel that Clyde's role as a mentor was perhaps his greatest contribution, because the strength of our democracy relies heavily on the calibre of candidates and persons elected to represent their communities at every level of endeavour.

His funeral service, as his life, involved many giants of the Australian Labor Party and beyond. He was a friend to many on the other side, too. A patriotic South Australia and a unique piece of the Australian history of political life which has changed so greatly since both he and I were first elected. Clyde was a kind supporter of the Florey sub-branch. He and Doris making the long trip from Tennyson to Modbury in what I recall was particularly hot weather to be a popular and memorable speaker for our Chinese new year celebrations in the year of 2000. We were regular correspondents, his last handwritten letter arriving shortly after his birthday this year.

I remember well his pride in receiving life membership of the Australian Labor Party in 2006. To Doris and all Clyde's family, I extend deepest sympathy on your sad loss from me, my staff and sub-branch members, and on behalf of Florey residents, so many of whom have benefited from Clyde's work and who would, I know, want you to know how much he was esteemed. And also my condolences to Clyde's son, Warren, who became a friend via our regular chats at the Modbury North mail depot in the days when there was still a night shift. Clyde has left us all with many memories through which he will always be remembered.

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Families and Communities, Minister for Aboriginal Affairs and Reconciliation, Minister for Housing, Minister for Ageing, Minister for Disability, Minister Assisting the Premier in Cabinet Business and Public Sector Management) (15:18): I briefly rise to add my voice to the condolence motion. I want to separate out one small part of Clyde's contribution in his enormous legacy. It is the legacy that he gave to the Labor movement and, through that, the Labor Party in relation to his reforms when he was minister for labour in relation to the way in which unions are governed. He had a long history of working in a union that was very troubled in relation to internecine factional disputes. Indeed, the AWU was legendary for its internecine factional disputes.

An honourable member interjecting:

The Hon. J.W. WEATHERILL: In fact, I remember the first day I was employed in the AWU, within an hour they were meeting to consider my dismissal which—

The Hon. J.D. Hill: That long.

The Hon. J.W. WEATHERILL: That is right. I had not even found where I was going to sit. Just as an aside, I did not have an extensive personal relationship with Clyde but I was always fascinated that, whenever a factional dispute was occurring, of all the photocopiers in South Australia, Clyde managed to find the one in the AWU office was the one that had to be used at that particular point in time. He was clearly a very active man in terms of advice.

The Hon. M.J. Atkinson interjecting:

The Hon. J.W. WEATHERILL: That's right. But I really want to return to the serious point, that is, the governance reforms. Because of his long history in relation to what can happen to minority interests within trade unions, one of the first things he did as minister for labour was to introduce some important democratic reforms to the way in which unions are governed (in particular, outlawing the collegiate system of election of officials requiring direct election, which was crucial) and a range of other democratic reforms that entrenched minority rights within unions.

He was also a very important proponent of reforms that made it easier for unions to amalgamate. He could see that the demarcation disputes, which were enormous in the years leading up to his reforms and which led to the amalgamation of the unions, were not only crippling industry but were also undermining the integrity of unions. So, he provided for the easier provisions for the amalgamation of unions.

The member for Ashford has already referred to the governance and training arrangements that were very important through TUTA. All of those things meant that, instead of having a trade union movement which was replete with corruption and which was not democratically governed, we had a relatively clean trade union movement, and that had a very important influence on the way in which it related to the Labor Party. I do not think it is too much of a stretch to say that the trade union movement would not have been able to run the campaign that it ran in the most recent federal election if it had not been for the sort of trade union Clyde had assisted it to become.

I pass on my commiserations to Doris and her family and, of course, the member for Enfield. I congratulate the member for Enfield on the beautiful speech he gave at the service to honour Clyde.

Ms CICCARELLO (Norwood) (15:22): I would also like to briefly acknowledge the life of Clyde Cameron and, in particular, the contribution he made to the Italian community. When I was telling several people in the Italian community that I was going to Clyde's funeral, they said to pass on their condolences to his family. He was a great friend to all migrant communities but particularly to the Italian community, not only in the western suburbs but also to those on the eastern side of town. On a personal level, I also thank him for all the support and encouragement he gave me, particularly in my earlier preselection times in the Labor Party. Like the late Jack Wright, he always said to me, 'Whatever happens, never let the bastards get you down.'

I offer my condolences to the family. He was a wonderful man, and he made a wonderful contribution to South Australia and to Australia in general, and I know he will be fondly remembered and respected by the Italian community.

Mr RAU (Enfield) (15:23): I was only reminded when the Minister for Families and Communities mentioned what a strange world the AWU inhabits that he was able to be discussed in terms of his dismissal within a few hours of being appointed. I had the privilege of having been dismissed even before I was appointed! Because I was offered a job, I went to my then employer and said, 'Look, I've been offered a job; I'm going to have to resign.' He said, 'Fair enough.'

However, later that afternoon, my employer said to me, 'Look, I've had a phone call from those chaps who offered you that job this morning.' I said, 'Oh, yes.' They said, 'They're not offering you the job any more.' So I had to ask for my job back. It was an interesting place to work, or not to work, as the case may be—and I suspect that it has always been that way in that particular organisation.

In February of this year, Clyde was looking forward to his 95th birthday and, as was common for him, the preparation included inviting a number of close friends and relatives to join him at the Lakes Hotel for an evening, and he was working on a speech that he was going to give at this gathering. My aunt normally would say to me, 'I think he's working on a speech; you'd better have a chat to him just in case it gets too long or covers ground he's covered before,' which it sometimes did. However, this speech was going to be about his literary achievements. In fact, I still have the speech because he had written it out; he was ready to go. Unfortunately for him, he fell ill the day before that was scheduled to occur, and he did not get to give that speech. That gives you an idea of the level of activity that he was able to engage in, right up to matter of a few weeks ago.

He was a very interesting man for so many reasons but, importantly for young people with a sense of history, he was a living link to people in the past. Just as I will be able to say to my children and grandchildren that I knew the honourable member for Stuart, who in turn knew many other luminaries of this parliament himself and served with them, so Clyde was able to say to me that he served in parliament with Billy Hughes, who, of course, was a member of the First Parliament in 1901. He knew people like Chifley and Curtin and all the other Labor leaders, even Scullin, from then to the present time. He served with Sir Robert Menzies, with Sir Jack McEwen, and various other great figures in Australia's history.

He was a man of strong principles and great integrity. I hope I am not doing any disservice to the future career of the honourable member for Stuart, but I understand that he may be leaving at the end of this term—but, again, there are many similarities between him and my uncle in the sense that, for example, on the principled issue of barley marketing I know the honourable member for Stuart has maintained his very correct principles about that matter and I am sure that, had my

uncle been on the other side of the fence, he would have been a great supporter and understood the importance of organisation in marketing arrangements. It is an example of a matter of integrity and principle.

As a young person, I remember going to the flat that the Minister for Industrial Relations spoke of at Marion Road and I was always impressed by the phenomenal cuisine that Clyde had in his home. I actually used to like going there. I used to ride a bike there often when I knew he was home because I had the opportunity of getting canned fish and condensed milk. It never occurred to me these were the incidents of a person who travels all the time and comes home only for a weekend and needs to have a snack. At the time, I thought it meant he had an exotic diet and great cuisine.

I also remember at that flat another name that the Minister for Industrial Relations mentioned, the Hon. James Dunford MLC (deceased), and he was a regular attendee prior to, I think, and after becoming the Hon. James Dunford. In any event, I do recall him turning up there one night when my parents and I were there for dinner and he was in the company of another man—I think it might have been Possum Baker but I am not sure—and they had evidently been out discussing important matters and they had decided that it was important that they have a couple of drinks.

They turned up fairly well primed. They sat down and one of them announced to the rest of us that he had just saved the other's marriage, and I cannot remember who was doing what, but it then progressed into a fairly inarticulate discussion which involved a lot of language which we now get on television but which at that stage was not common. I remember my father saying, 'Come on, Jim, the lad's here. Watch your language,' which then provoked some more of that language.

Eventually Clyde solved the problem by pouring out a glass of Pirramimma and holding it under Jim's nose and leading him out of the flat with a glass of wine until he was in the foyer of the flat and then Clyde ran back into the flat and shut the door! He was a man possessed of a great sense of humour. He was a very temperate person himself; I do not remember him raising his voice in anger to anybody. I do not recall him being nasty or aggressive to anybody. He was always great company, tremendous company. He was very proud of his family.

He was very proud of his service in the Labor Party and the federal parliament and, in particular, his period of service as minister for labour, which was for him his life's work. I agree with other speakers that it is a great shame that circumstances dealt him such a short opportunity to exercise his great skills in an executive role in government, but that was the way things tumbled out for him. Over the years I have had many discussions with him. It is not really fair to say that we ever had debates because he was not that sort of person. He would simply put up a point of view; he would listen to your point of view and say, 'Well, maybe,' and that would be the end of it. There would not be any banter or badgering—none of that.

One of these debates we had for about 20 years was on the subject of proportional representation. He has always been a fan of it; I have always thought it was obnoxious. We would sit there and have discussions about this. He would listen to me and that would be the end of it, then a few weeks or months or years later we would come back to it and he would put his point of view and I would put mine and that would be the end of it, but it was never anything aggressive and never anything other than temperate and calm.

As I said, he was great company; he was a great person to be with. I remember my father said to me, in one of the few impartings of wisdom that he tried during his time with us, that in a person's life you will have many acquaintances, you will have a number of friends but only one or two really good mates—people who know you and you know them and on whom you can rely. For me, aside from having been a fantastic fellow, he was a great mate and I will miss him very much. I extend my condolences to Warren, my aunt and all the members of his family and I join with other members of the house.

Honourable members: Hear, hear!

The SPEAKER: I also extend my condolences to Mr Cameron's family and my good friend, the member for Enfield, and I ask all members in support of the motion to rise in their places.

Motion carried by members standing in their places in silence.

[Sitting suspended from 15:33 to 15:43]

RODEOS, REGULATIONS

The Hon. G.M. GUNN (Stuart): Presented a petition signed by 590 residents of South Australia requesting the house to disallow the Prevention of Cruelty to Animals Rodeo regulations which require steers to have a body weight of 200 kilograms and remove section 21(3) from the Prevention of Cruelty to Animals (Animal Welfare) Amendment Bill.

BUS SERVICES

The Hon. R.B. SUCH (Fisher): Presented a petition signed by 675 residents of South Australia requesting the house to urge the government to implement a comprehensive bus service to serve the Aberfoyle Park, Happy Valley, O'Halloran Hill area, reinstate bus service No. 618 to the Marion Shopping Centre and enter into consultation with residents regarding bus services.

PAPERS

The following papers were laid on the table:

By the Speaker—

Adelaide City Council—Report 2006-07
Parliamentary Service of the House of Assembly—Report 2006-07

By the Treasurer (Hon. K.O. Foley)—

Regulations under the following Act—
Petroleum Products Regulations—General

By the Minister for Transport (Hon. P.F. Conlon)—

Award of Route Service Licence on Adelaide-Port Augusta Scheduled Airline Route

By the Attorney-General (Hon. M.J. Atkinson)—

Judges of the Supreme Court of South Australia—Report 2007
Summary Offences Act—
Dangerous Areas Declarations
Road Block Establishment Authorisations
Social Development Committee's: Inquiry into Gestational Surrogacy—Government Response
Economic and Finance Committee's Report into Consumer Credit and Investment Schemes—Government Response
Terrorism (Police Powers) Act 2005—Minute from Commissioner of Police
Regulations under the following Act—
Dust Diseases—Industrial or Commercial Processes

By the Minister for Health (Hon. J.D. Hill)—

Children, Youth and Women's Health Service—Report 2006-07
Country Health SA—Report 2006-07
The State of Public and Environmental Health for South Australia—Report 2006-07
Natural Resources Committee Report—Deep Creek—Government Response

By the Minister for Agriculture, Food and Fisheries (Hon. R.J. McEwen)—

Regulations under the following Act—
Primary Produce (Food Safety Schemes)—Citrus Industry

By the Minister for State/Local Government Relations (Hon. J.M. Rankine)

Rules under the following Act—
Local Government—Binding Death Benefit Nominations—

By the Minister for Consumer Affairs (Hon. J.M. Rankine)—

Regulations under the following Act—
Liquor Licensing—Normanville

ANSWERS TO QUESTIONS

The SPEAKER: I direct that the following written answer to a question be distributed and printed in *Hansard*:

GRANTS, NON-GOVERNMENT ENTITIES

In reply to **Mr HAMILTON-SMITH (Waite—Leader of the Opposition)** (20 November 2007).

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations): The $4.593 million is revenue, not grants paid to non-government entities, as suggested by the Leader of the Opposition. It relates to recovery of grants and refunds of concessions.

PUBLIC WORKS COMMITTEE

The SPEAKER: I lay on the table the report of the committee on the Adelaide Desalination Project—Temporary Pilot Plant, which has been received and published pursuant to section 17(7) of the Parliamentary Committees Act 1991.

MAKK AND McLEAY NURSING HOME

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (15:48): I lay on the table a copy of a ministerial statement made today in another place by my colleague the Minister for Mental Health and Substance Abuse.

METROPOLITAN HOSPITAL EFFICIENCY AND PERFORMANCE REVIEW

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (15:48): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.D. HILL: Last week, during the Council of Australian Governments meeting in Adelaide, the federal government provided a substantial $1 billion boost to public hospitals across the nation. This is an interim measure as Australia's governments work through the next stages of the national health reform agenda. But the federal government has made clear that it expects its extra funding to be matched by the states with increases in productivity, accountability and efficiency. On this, the two levels of government are in complete agreement, at least as far as South Australia is concerned.

In fact, this is identical to what I said two years ago both to the then federal minister (Tony Abbott) and to his shadow (the now minister, Nicola Roxon). I offered South Australia's commitment to drive further reforms and accept more accountability in return for fair funding from the commonwealth.

The spending on public health services in South Australia this year will be about $3.4 billion, which is over $1 billion more than was spent by the previous government on health in 2001-02. We now have 2,406 extra nurses, 699 extra doctors and 595 extra allied health professionals. The growth in demand for public hospital services continues to increase significantly as our population ages. In fact, at the current growth rates for public health services and for state revenue, by the 2030s the entire state budget will be spent on health.

In the face of this demand pressure, we as a state have to make our public health system sustainable. Extra commonwealth funding is essential and welcome but not sufficient. We need to reform our system as well—and that is what we have been doing. Initially, the Generational Health Review provided the government with strategic directions for reform, including the need to focus on primary health care. Last year we released the $2.2 billion Health Care Plan, which provides the clinical service plan for our hospitals and detailed the planned rollout of GP Plus health care centres. This year the parliament has passed the Health Care Act, which puts in place a strong modern governance structure for the system.

Hospitals are no longer working as independent entities. They are working collaboratively to achieve the best system-wide outcomes for patients.

Ms Chapman interjecting:

The SPEAKER: Order! The deputy leader will come to order.

The Hon. J.D. HILL: The role of each metropolitan hospital is now clearly delineated in order to reduce overlap and duplication. The cornerstone of these reforms will be the $1.7 billion new Marjorie Jackson-Nelson Hospital, which will be much more efficient than the existing Royal Adelaide Hospital. We now have more doctors and nurses, extra funding in place and major capital works underway; and soon we will have a stronger governance structure.

The next step of our reform is to review how individual hospital sites work to ensure that they are run efficiently. In order to do this, the government brought in an independent assessor. Paxton Partners is a specialist health care management advisory firm with considerable experience in both public and private health care systems. Paxton Partners conducted a review of four of our biggest hospitals—Royal Adelaide Hospital, Lyell McEwin Hospital, Queen Elizabeth Hospital and the Repatriation General Hospital. The report analyses three years of data in these hospitals, covering activity, workforce and financial data. Paxton Partners compared our performance to similar hospitals in other states and conducted extensive consultations with senior doctors, nurses, management staff and unions. Today, I am publicly releasing the report. The report provides 16—

Ms Chapman interjecting:

The Hon. J.D. HILL: The deputy leader has been calling for this report for many weeks. The day I release it she attacks me for releasing it. One can never please this member. The report provides 16 system-wide recommendations and individual recommendations for each of the hospitals. These recommendations include improvements in reporting systems, focusing our nursing workforce on clinical care rather than clerical duties, ensuring that hospitals in regions have an efficient management structure (including reducing duplication in administration) and ensuring that hospitals meet their annual budgets.

The recommendations will be worked on, in consultation with hospital, medical and nursing staff, administrators and unions. Some of these recommendations will involve making difficult decisions and some of the independent recommendations will not be popular in some quarters, but building a world-class, sustainable health system takes action at every level—departmental, hospital and individual. I want every single employee of the health system to see this as an opportunity to participate in health care reform.

My strong desire is that we use this report to greatly improve the performance of the whole health system. Many of the recommendations will also apply to other hospitals. For instance, at the Flinders Medical Centre staff have been working hard to improve efficiency. However, with the release of this report, more work will occur to see what more can be done to improve performance.

In releasing this report the government is being open and accountable. It is providing this report publicly so that the Department of Health can work through each recommendation with the entire workforce. In addition to this document being tabled in the house, people will be able to find a copy of the report on the internet at www.health.sa.gov.au. I assure South Australians that the government believes that the safety of patients is paramount. By having a more efficient health system, it will mean more funds are able to be invested in frontline health services. We are building a safe, affordable and complete health care system in South Australia. I table the report entitled, 'SA Metropolitan Hospital Efficiency and Performance Review February 2008'.

VISITORS

The SPEAKER: I advise members of the presence in the gallery today of participants of the Business and Parliament Trust who are attending a forum through the day. On behalf of the parliament, I welcome them to Parliament House.

QUESTION TIME

CHILDREN IN STATE CARE INQUIRY

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (15:57): As a consequence of the Mullighan report, will the Premier apply the same standards to himself and his government as he required of the Anglican Church after its inquiry into child abuse? On 1 June 2004, the Premier told the house he believes that the Anglican Church must involve itself in adequate and fair compensation for those who were abused. On 17 June 2004 it was reported in *The Advertiser* that the Premier had called on the Anglican Church to 'exercise their demons' and show moral and ethical leadership.

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (15:57): I think the actual word was 'exorcise' not 'exercise'.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: I have already announced today that I do believe that there must be an apology—an apology that must be given in this place (hopefully supported by all members) on behalf of every government going over decades for the fact that these children in the care of the state were so horribly abused. I have said that there must be an apology. I said also that, as part of the healing process, there must be every effort to ensure that the perpetrators are brought to justice. I also said that I believe that not only should there be compensation but that there will be compensation. That is why, of course, we have a Victims of Crime Compensation Fund, which has been topped up with extra funding. I believe that compensation not only will be available but must be available.

TRADE MISSION, INDIA

Mr PICCOLO (Light) (15:59): Will the Premier inform the house about the success of his fourth trade mission to India?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (15:59): Last week I returned to Adelaide after leading my fourth trade and investment mission to India since taking office. On this mission I was accompanied by the national Chairman of the Australia India Business Council, Mr Brian Hayes QC; as well as representatives from our four universities, TAFE SA, the environmental waste management industry and our state's wine and food industries, in addition to consultants and lawyers acting on behalf of engineering and other companies.

Members would be aware of the South Australian companies involved in the construction of the new airport at New Delhi. India continues to emerge as an economic giant, and no other state in Australia has put in a bigger effort to forge and maintain relationships with India than South Australia. On this mission, we returned to New Delhi, Chennai and Mumbai to promote South Australia as an educational capital of Australia, as a first choice destination for business and to attract skilled migrants and investment to our state.

Mr Venning interjecting:

The Hon. M.D. RANN: Yes. However, we are not content with our current successes in India and we continue to explore new trade and investment opportunities in new locations. On this mission, whereas on previous occasions I visited Bangalore (which, of course, is the IT capital), we included Hyderabad in our itinerary for the first time where we were warmly received by members of the Federation of Andhra Pradesh Commerce and Industry. Hyderabad is an important seat of learning in southern India and, I am told, has the most educational institutions in India.

I was therefore delighted to join UniSA in witnessing their signing of a MOU with ICFAI University about its intention to establish a campus in Adelaide. I should say that I believe that India was neglected as a destination for students. As members know, we put in a massive effort to get tourists to come here, but increasingly education has become a major export focus for our state. In fact, we have seen a massive increase in the number of students from overseas since this government came to office. Indeed, enrolments of Indian students at our tertiary institutions have now (I am told) increased tenfold over the past five years and jumped a remarkable 70 per cent in the past two years.

Part of my role on these missions, joining with the universities and with TAFE, is to promote South Australia as an education destination. We hold seminars, press conferences and obviously enter into alliances with universities and other educational organisations in India. To put that into perspective, last year, Indian students contributed $75 million to the international education industry in South Australia. By 2010, this is estimated to increase to approximately $104 million. Persistence pays off—a tenfold increase in Indian students since we have been going to India.

South Australian universities are developing and growing their key alliances with prestigious Indian universities and companies, and MOUs were signed with several major

institutions in all four cities visited. TAFE SA signed an MOU with the Indian company Career Point, which is expected to see 1,000 plus students in the retailing courses alone in the first 12 months. Career Point has a headquarters in Rajasthan.

Overall, South Australia is gaining massive publicity in India. We are trying to encourage not only more migrants, more business investment and more students but also more tourists to come. I have to say that, during the mission, I think I delivered around about 19 speeches to trade and government groups, met with three chief ministers and also with union ministers. That means ministers such as the Minister for Finance in the national government, the Minister for Commerce in the national government and the Minister for Civil Aviation. We want to see more direct flights. We want to see direct flights by Indian airlines into Australia.

Of course, one of the things that I was particularly keen to do was to encourage changes to Indian tariffs which currently provides a massive tariff barrier to the export of wine. We received some assurances on that front. In Chennai, the capital of our sister state, Tamil Nadu (which has a population of over 50 million), members of the South Australian delegation participated in a cricket match between the Chief Minister's XI and the Premier's XI, which members would be pleased to know that I captained, even though I went out for a duck. Again, approximately 2,000 locals turned out to cheer on the Chief Minister's side and the match was beamed out (I am told) live on television and reported on the front page of local newspapers and television and radio for some days.

In Mumbai, I attended the trailer launch of the Bollywood movie filmed in South Australia in 2006, *Love Story 2050*, directed by Harry Baweja and starring former Miss World Priyanka Chopra, who, I must say, is an outstanding advocate for South Australia. It is interesting. There was great vision in the film of Kangaroo Island, Remarkable Rocks and Adelaide, with great Bollywood dancing scenes. I believe Lake Eyre was one of the scenes, and also our Outback, as well as the Adelaide Hills, with an all-star cast. We are obviously keen to attract other film companies to come here to do post-production work. I understand that there is a significant post-production contract with Rising Sun Pictures in Adelaide for *Love Story 2050*. I understand that Rising Sun has worked on *Superman*, *Harry Potter* and a range of other films—*Charlotte's Web* and *Lord of the Rings* and others.

So, that is the kind of publicity that will come when the movie is seen. I am told that 100 media, including over 30 television cameras, attended the launch of a trailer, basically giving us an opportunity to be seen. But I hope that, when the film comes out, it will be seen by many hundreds of millions of people and, again, will put our state up in lights. That is the sort of publicity that money cannot buy. Interestingly, I turned on the television the next morning and, before seeing other vision that was happening in South Australia, there was an edited highlights package of the Tour Down Under, which I think went for about an hour and which featured fantastic South Australian scenery.

As I mentioned, the increase in migrants and students from India and the ever-increasing publicity the state is currently receiving in India will bring increased numbers in tourism. As I mentioned, I was delighted to receive a good hearing from India's civil aviation minister and Air India about the possibility of direct flights to Adelaide—and I am looking forward to welcoming that minister to Australia

Several delegates from the private sector have already achieved positive outcomes from the trade mission. Wine companies met with importers and food and beverage buyers in New Delhi, Chennai and Mumbai, and South Australian wines were showcased at a number of key industry functions.

As I have mentioned, we talked to the commerce minister about lifting the 150 per cent tariff on wine exports and ongoing negotiations regarding an Australia-India free trade agreement, which will help our state's wine industry expand its burgeoning market.

I should say that, while we were there, one company we had met with on previous visits (the Indage Group) announced the purchase of major wine industry wineries in South Australia and elsewhere totalling $60 million. That company told me that it intended to become the No. 3 player in the Australian wine industry and that it will be opening many hundreds (I think 500 was mentioned) of wine centres throughout India, featuring Indian wines and South Australian wines, and so on.

In Chennai, South Australia was able to showcase its leadership on environmental issues. I was pleased to witness the signing of a joint venture partnership between Biobin, a waste

management company specialising in environmentally friendly solutions, and a major Indian company.

David Crotti from San Remo joined the trade mission to develop export markets for that company's pasta products. That company is now selling more pasta in Singapore than anywhere else. Meetings were held with major Indian companies, such as Tata Sons and GMR, to discuss potential investment in the minerals and resources industries in South Australia and to promote the manufacturing opportunities at the Mitsubishi Tonsley site. Members would be aware that, following our previous missions, Reliance has been down here, signing joint ventures with Santos and also with a uranium exploration company.

I am delighted to have led another delegation to India. I encourage all members on both sides of the house to help with this push into India. But, certainly, on this mission, I think we achieved considerable critical mass.

CHILDREN IN STATE CARE INQUIRY

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (16:09): My question is to the Attorney-General. Does the Attorney-General stand by his statements in 2004 that a formal, independent inquiry into the abuse of children in state care would be a waste of time and money?

The Hon. M.J. Atkinson interjecting:

The SPEAKER: Order!

Ms CHAPMAN: On 1 June 2004, in the aftermath of the Anglican Church's inquiry into abuse of children, the Attorney-General was asked by the opposition, as follows:

> Should those who are sexually abused in institutions whilst wards of the state be given the same opportunity for a measure of justice as those who have spoken up during the Anglican inquiry?

The Attorney-General replied:

> Those who allege they have been assaulted while a ward of the state or under the care of Family and Youth Services can take their complaints to the paedophile task force which is investigating criminal allegations. Where there are allegations of crime, they should be dealt with by the police and then, if necessary, by the Office of the Director of Public Prosecutions and taken to the courts. That is what should happen.

The Hon. M.J. ATKINSON (Croydon—Attorney-General, Minister for Justice, Minister for Multicultural Affairs) (16:10): What the Liberal opposition in tandem with *Today Tonight* wanted was a royal commission. That is what they were proposing. The opposition wanted all these allegations made in public under privilege. That is what they wanted.

Members interjecting:

The SPEAKER: Order!

The Hon. M.J. ATKINSON: That was the proposition—

Members interjecting:

The SPEAKER: Order!

The Hon. M.J. ATKINSON: —out there in the public debate. That was the proposition which I was resisting.

Ms Chapman interjecting:

The SPEAKER: Order!

The Hon. M.J. ATKINSON: I suggest that the Liberal Party put that quote in its proper context. What was being advocated at the time on *Today Tonight* was a royal commission.

Members interjecting:

The SPEAKER: Order!

The Hon. M.J. ATKINSON: If the parliamentary Liberal Party wants to reach back and look at the origins of the Mullighan inquiry—an inquiry that I fully support—if the opposition had got their way it would not have been the Mullighan inquiry because you may recall you opposed Ted Mullighan being appointed, and if you want to go on with it, I will tell the house why you opposed Ted Mullighan's being appointed.

STATE BUDGET

Mr KENYON (Newland) (16:12): My question is to the Treasurer. Can the Treasurer advise the house of the effects of the recent share market performance on the state budget?

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (16:12): Members would be aware that the local and international share markets have, to say the least, suffered significant financial losses for the year. Many very wise people say that this is one of the most significant financial crises we have seen for many decades and, in fact, the performance of the Australian stock market, particularly the superannuation funds, was last night reported to be one of the worst periods for some 20 years.

At the end of February, the commonly-used Australian sharemarket indicator, the ASX 200 was down some 11.2 per cent. This downturn has been attributed to negative investor sentiment following the subprime mortgage crisis in the United States and associated market conditions. What we are seeing is the rollout of this subprime problem right through financial markets.

What concerns me is that I met with a number of financial advisers, stockbroking firms, various merchant banks and investment banks when I was in New York after Christmas and what surprised me then was that many of these people advised me that they felt that the market was reasonably contained within the housing/lending sector of the economy and it is now proven how wrong they were at that time. Clearly, many people in Wall Street have underestimated the impact of the subprime and the rollout and contagion effect.

Australian superannuation funds, which hold the vast majority of their investment in shares, equities and bonds, have not been immune to the share market downturn. This extends to superannuation funds held by the state government and, more broadly, to funds held by government authorities through Funds SA. In comparison with the local sharemarket performance at minus 11.2 per cent, as measured by the ASX 200, Funds SA has returned minus 7.9 per cent on its growth product over the same period.

We will make a decision about the full-year effect of that in the lead-up to the budget. It is a little less than that because we had some strong periods prior to those bad months that we have had pretty well since the end of last year. As we know, superannuation and equity investments are long-term investments, and we need to look at investments of this order over a 30-year period. In particular, we should look at the funds that we have invested over about an eight year period.

Funds SA is chaired by Helen Nugent, a board member of Macquarie Bank, chairperson of Swiss Re (from memory) and a member of the Origin Energy board. She is one of the nation's top corporate directors, an outstanding director, with enormous skill and experience in financial markets. As our chair, Helen has provided steady advice to government. When I first came into office in the 2001-02 financial year we saw a negative return, and her advice to government then was to hold firm, and that is her advice at this point.

As to its gross product, we need to put Funds SA's negative performance now into the context of its recent performances, as follows: in 2003-04, plus 17.3 per cent in its gross product; plus 15 per cent in 2004-05; plus 19.2 per cent in 2005-06; plus 19.5 per cent in 2006-07. They are quite extraordinary results. I guess, as they say, what goes up must come down, but between 15 per cent and 20 per cent per year compound for the past four years, I think, is an outstanding result for Funds SA.

The average earnings over the past five years is 14.2 per cent—0.6 per cent above the industry benchmark. Since the inception of the Growth Fund in 1995, it has averaged some 9.75 per cent per annum—0.41 per cent above the industry benchmark. It is a well-managed fund. However, it should be noted that the effects of the sharp downturn in the sharemarket will have a significant monetary effect on this year's state budget and future state budgets through the impact on the state's unfunded superannuation liability.

As we know, for many decades previous governments have done nothing to fund the unfunded liability component of our defined benefit and pension funds. The then Liberal government, in the 1990s when it was in office, in a correct decision decided under then treasurer Stephen Baker that we would fully fund this scheme over a 40-year period. I think we are in about year 12 of that funding process (I could be wrong on the exact year), but we put in a lump of money each year to ensure that over 40 years we have that fund fully funded.

We work on a long-term benchmark; from memory, it is 7 per cent or 7.5 per cent. I should have the correct figure, but I do not. We expect the fund to be earning either 7 per cent or 7.5 per cent on average over the life of the fund. So, if we perform better than what we allow, that budget benefit goes and that means we have to put in less money for that particular year. Obviously, when it nosedives, as it has now, we have to put in more. We have also had recent valuation of the unfunded liability because of the ageing of the workforce and the fact that people are living longer. Those two measures combined have meant that we have a significant budget shortfall this year.

The 2007-08 budget provided some $282 million to the unfunded liability. This year in excess of $100 million in increased money will be required from the budget to make up for the shortfall. So, the collapse in equity markets is having a budget impact together with a revaluation of our liability, because people are living longer and the shortfall is in excess of $100 million, possibly closer to $120 million. It is yet to be determined what that final figure shall be, but clearly South Australia's budgetary position, as is the case for all state governments that are still in a position of funding their unfunded liabilities, is faced with this and what it must signal, and I say with all sincerity to my side of the house and those opposite that this budget year will be a very tough budget; a very tight year. You cannot be required to put in an extra $100 million to $120 million to superannuation because of the—

Mr Williams: You are wrecking the state's finances.

The Hon. K.O. FOLEY: Sorry?

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: Sir, I wish I had the ability to stop the stock market dropping to the extent that it has. You might be better at picking stocks—perhaps the leader is. I leave it to others.

Mr Williams interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: As I said to the member, sir—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: —he's wrong. Have you had that Treasury briefing yet?

Mr Williams: No.

The Hon. K.O. FOLEY: Well, get in there and get briefed; stop making a goose of yourself in this place. I keep offering to brief the member opposite so that he stops making inaccurate, misleading statements in this house, but he just will not get briefed. Get into Treasury and get briefed.

Mr Williams: They won't brief me.

The Hon. K.O. FOLEY: Of course they will.

Mr Williams: They told me that last time.

The Hon. K.O. FOLEY: No, they will brief you when ever you want. Sir, the important point is that this will be a very difficult budget year. Our state is not immune from the financial crisis that we are seeing globally. For that reason, it is imperative that this government delivers a very strong budget in terms of budget surpluses, that we deliver a very tight budget, that we are controlled in our spending, and that, if necessary, we position ourselves for the unknown. We have been very fortunate in previous years—

Mr Williams interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: We have been very fortunate in previous years, but what did alarm me about the statistics in advice that I received on Monday was that we are seeing the effect of interest rates starting to bite. Auction clearance rates in Adelaide fell from 73 per cent this time last year to 44 per cent the same time this year—this last weekend. I think that, prior to Easter, clearance rates in South Australia, in Adelaide in particular, were very strong, but there has been a sharp decline. We will start to monitor those, but my advice from Treasury is that revenue from

property transactions is still tracking as we expect it to, but we do not know what will happen with the interest-rate hikes that have occurred.

We do not know what will happen with the financial contagion effect of the subprime crisis, and it is clearly making it very difficult for banks to interloan to each other; it is making it very difficult for businesses to borrow; and it is making it very difficult for private sector financial players to access money. This is at a time when we have a very dynamic private sector. There is a real liquidity squeeze on. I just want to make a point to the house that it is not about trying to put my chin out for cheap political shots opposite: it is an unknown period of financial management that we are going to have to go into. I urge all members to be aware of that.

The government will have to make sure that it brings down a tight budget that is right for the times. This is not a time for us to be expanding expenditure beyond what we can reasonably expect to be able to service.

WORKCOVER UNFUNDED LIABILITY, PUBLIC SECTOR

Dr McFETRIDGE (Morphett) (16:23): My question is to the Minister for Industrial Relations. What has caused the public sector workers compensation unfunded liability to blow out to $400 million, resulting in the total taxpayer exposure for workers compensation to reach at least $1.3 billion? On 12 March, the chairman of the government's Economic Development Board stated that the public sector workers compensation unfunded liability has now reached $400 million. This unfunded liability is in addition to the $844 million unfunded liability of WorkCover that is documented in its 2006-07 annual report.

The Hon. M.J. WRIGHT (Lee—Minister for Industrial Relations, Minister for Finance, Minister for Government Enterprises, Minister for Recreation, Sport and Racing) (16:24): When the member refers to an unfunded liability he does not have the correct terminology, because the government pays its debts as it is going along. In regard to why the figures are getting worse, I can get a definitive position, but it would be similar to WorkCover in that the return to work—getting people back to work—is a priority which has to be improved upon.

WATER INFRASTRUCTURE

Mr WILLIAMS (MacKillop) (16:25): My question is to the Premier.

The Hon. P.F. Conlon: I'll take it.

Mr WILLIAMS: You will take it, Pat? I look forward to your answer. Does the Premier still believe that the provision of $1 billion to Victoria for water infrastructure will not provide any additional water to South Australia?

In a media release, dated 22 October 2007, the Premier stated that using the $10 billion national water initiative to 'improve infrastructure and make water efficiencies to benefit New South Wales and Victoria will not create greater flows into the South Australian end of the river'.

The Hon. K.A. MAYWALD (Chaffey—Minister for the River Murray, Minister for Water Security, Minister for Regional Development, Minister for Small Business, Minister Assisting the Minister for Industry and Trade) (16:25): If the member had read the information that was provided with the release in relation to the memorandum of understanding, the new national plan and the $1 billion for infrastructure investment in Victoria, he would see that that project intends to save around 200 billion litres, of which 100 billion will go back to the environment.

Members interjecting:

The SPEAKER: Order!

The Hon. K.A. MAYWALD: The Leader of the Opposition gets it totally wrong again. In actual fact, there was no memorandum of understanding in October last year, so it could not possibly refer to the same project.

MURRAY-DARLING BASIN

Mr WILLIAMS (MacKillop) (16:26): I direct my question again to the Premier—and I might get an answer from the Premier. Premier, how do you reconcile the establishment of a ministerial council on the Murray-Darling Basin with your statement of 25 January 2007, when you said that you wanted to see 'a truly independent Murray-Darling Commission, free of any politics or politicians, whether it is federal or state'?

The memorandum of understanding signed by the Premier establishes a ministerial council that will decide on natural resource management programs, the Living Murray initiative, state water shares and River Murray operations. The ministerial council will also consider and agree on the basin plan and will provide advice to the commonwealth minister with whom decision-making powers reside.

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (16:27): I got some advice about this beforehand. First of all, we were told triumphantly the day before (with glee and a degree of anger mixed up together) that there was to be no mention of the River Murray and that it was not to be on the agenda the following day. In fact, I thought that this guy must have the inside running. There I was, meeting in a car park at 11 o'clock at night, and there I was in the Prime Minister's hotel room at 7.15 in the morning. Guess what?

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: He said that what he would do was get him in a headlock; earlier on, it was going to be banging on people's desks and everything else. Can I just say that being a premier means being a grown-up. Basically, it is about negotiating—not abuse, because abuse backs people into a corner.

What did we want to achieve? When the former prime minister, John Howard, announced that he wanted to take over the River Murray (and, by the way, he said to leave Victoria to him; he would sort out Victoria), what we insisted upon, and what I went around the country to negotiate, was for an independent commission to make the decisions, such as on a cap.

Members interjecting:

The Hon. M.D. RANN: No; you are wrong.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: No—what it is about is that the central decisions of making the cap, and a whole range of other things, reside with an independent commission. Of course, then we said, 'Okay; you've got to report to a federal minister,' and that was always part of it. But if that federal minister goes against the advice—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —of the independent commission, the federal minister would be required to go into parliament and explain why they were going against the decisions of the independent expert; in other words, it would be politically humiliating for the federal minister to do so. I do not care what the advisory councils do. The key point is: we wanted to end the fact that for years the veto powers of the states had resulted in the lowest common denominator.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: Members opposite do not understand what happens so I will tell them. The memorandum of understanding agreed at COAG between the commonwealth and the Murray-Darling Basin jurisdictions represents a significant historic advance in the management of the River Murray. An independent authority will be responsible for the developing, implementing and monitoring of a basin plan involving a cap on surface and groundwater diversions—there never has been that in terms of groundwater diversions—and the provision of critical human water needs and sustainable industry and enhanced environmental outcomes.

The commonwealth minister will be the decision maker on the plan but, ultimately, if the minister refuses to adopt the basin plan, the minister must report to the parliament advising reasons for refusal and making directions to the authority for modification of the plan. The Murray-Darling Basin Ministerial Council will have an advisory role with respect to the basin plan. The council's other functions will be confined to managing the resource under the basin plan and consistent with the plan.

I saw some reports from misguided journalists who said that this was an extra $1 billion to the $10 billion. Well, in fact, it is part of the $10 billion. People say, 'Why are you spending money in Victoria?' Well, it's gravity, stupid. If we have the money spent in New South Wales and Victoria, in order to try to ensure the pipes do not leak and to reduce the amount of evaporation, it frees up water to come down the river to South Australia. It is not about headlocks: it is about hard work. It is not about abuse and banging on tables: it is about getting a result. It is the difference between making yourself feel good and actually achieving good.

MURRAY-DARLING BASIN

Mr WILLIAMS (MacKillop) (16:32): I have a supplementary question. In view of the Premier's answer to my previous question and his comments about getting rid of the basin states' veto powers, will he explain clause 13 of the memorandum, which states:

> If all or any basin state ministers disagree with the cap or other relevant parts of the basin plan, these matters would be referred back to the authority for reappraisal. The authority would then return the basin plan to the ministerial council for its advice. The plan would then be submitted to the commonwealth minister for decision.

Will the Premier tell the house how many times this can be referred back for reappraisal? Will we still be arguing this matter in 2015?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (16:33): The honourable member is really disappointed—

Mr Williams interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —when unemployment figures come out and show a record low, just as he is disappointed when there is record business investment in this state, just as he is really disappointed when the Treasurer of this state, unlike his government, has produced a series of surpluses and got the AAA credit rating back—he is disappointed about that and says that he is wrecking the finances of the state—hello, as John Howard would say, the fact of the matter is that we got a damned good outcome last week.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: Why you are angry is that the outcome you called for was achieved when you wanted it not to be achieved. That is the difference. We are loyal to this state and you are disloyal to each other.

ABORIGINAL EDUCATION

Ms BREUER (Giles) (16:34): My question is to the Minister for Education and Children's Services. What is the government doing to improve school attendance for Aboriginal students?

The Hon. J.D. LOMAX-SMITH (Adelaide—Minister for Education and Children's Services, Minister for Tourism, Minister for the City of Adelaide) (16:34): As the honourable member would know, the Rann government is committed to ensuring that all young people are actively involved in education and training. We know students who attend school regularly have the best possible chance of future success.

The rate of attendance plus explained absence (such as illnesses) for Aboriginal students is 90 per cent compared to 97 per cent for non-Aboriginal children. This is an improvement but, clearly, it is still not good enough. With so many options available to students today, including initiatives under this government's Youth Engagement Plan and its Trade Schools for the Future, we need to know why these students are not in school.

To ensure that regular patterns of non-attendance are detected early, a new electronic data system called the Indigenous Student Support System is being used by staff in each of the state's 18 district education offices. The Indigenous Student Support System will collect data on daily attendance patterns and allow immediate intervention by district education staff, including Aboriginal education workers and district attendance officers, when regular non-attendance is detected. District education staff will then immediately begin working with the students, their families and their schools to get them back into school or training.

In addition to the new Indigenous Student Support System, this government has developed a range of programs and initiatives to assist schools improve attendance for all students. This

includes an electronic leave pass system in all secondary schools and some primary schools to monitor student attendance during the day and a No School No Pool policy in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands. In addition, 10 attendance counsellors are working across the state to support students to re-engage with school.

Last year we had a record number of Aboriginal students achieve their finishing certificate, SACE, and we want this success to continue. However, we still have a long way to go. This government has made education a priority. We are absolutely committed to improving the educational outcome for all students, including Aboriginal students, and closing the gap in South Australia.

WATER SECURITY

Mr WILLIAMS (MacKillop) (16:36): Will the Premier guarantee water for critical human needs for South Australia, and what action does he plan to take if upstream states refuse to release water to South Australia for critical human needs?

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: The memorandum of understanding—

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: I know that the minister is not really interested in water supply to South Australia, but South Australians do care, do want water and do want some guarantees. The memorandum of understanding signed by the Premier on 26 March states:

> Whilst jurisdictions agree that South Australia will have access to upstream storages for the purposes of South Australia meeting its responsibility for critical human needs, this is subject to implementation arrangements being agreed by basin jurisdictions.

No politicians?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (16:37): As the honourable member would know, the official signing ceremony will take place in July at the COAG meeting. Does the member for MacKillop want me or not want me to sign the agreement? It would be very interesting to hear what he says, because what he called for is what was achieved. Of course, his earlier question was about—

Members interjecting:

The Hon. M.D. RANN: Do you want it signed or not?

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: No. So, now the honourable member is rejecting the Howard plan as well. Can I just say, the honourable member talked before about the Advisory Council of Ministers that used to have the veto power—a total constitutional power to veto any reform that damaged their own state's interests. That goes and now there is an advisory council that can say, after a decision by the independent authority, 'Please, can you have a another look at it?' I can tell members what I would rather have—what we agreed to last week. The Prime Minister of this country in 11½ weeks achieved a damn site more than the previous prime minister did in 11½ years! The fact is that the Prime Minister (Hon. Kevin Rudd) has stood up and said publicly that he will not allow Adelaide to run out of water.

WATER PRICING

Mr WILLIAMS (MacKillop) (16:39): This time I have a question for the Treasurer. Will the Treasurer confirm that he plans to double water prices over the next five years? On 11 March on Radio FIVEaa the Treasurer said:

> We've announced this year that there will be a 15 per cent price increase in water.

I think it is 12.7, but, anyway. The Treasurer continued:

That scope in pricing increase per annum is probably what we're looking at over the course of the next five years.

An increase of 15 per cent per year over five years equates to a doubling of today's prices.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (16:40): I said that on FIVEaa. I think the Minister for Water Security said that some time earlier when we announced the desalination plant. How do you think one pays for a desalination plant?

Members interjecting:

The SPEAKER: Order! The Treasurer has the call.

The Hon. K.O. FOLEY: I do not know whether I am in some sort of time warp here, but did I not get a question at one point: can the Treasurer assure the house that all the money we raise from water price increases to cover the cost of desal will be used on desal and not go back into general revenue? Didn't you ask me that question?

An honourable member interjecting:

The Hon. K.O. FOLEY: Exactly. So what is the shock revelation now? Hello, anyone home over there? How do you think you pay for a desal plant?

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: Mr Speaker, every—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: Mr Speaker, every jurisdiction, as we like to call them—in COAG talk, isn't that what you call them, 'jurisdictions'—that is, a state or a territory, that is putting in a desal plant, you recover the capital cost of the desal by water charging. I tell you what, sir, if you borrowed $1 billion for a desal plant and paid for it through general government borrowings, watch the credit rating agencies arc up on that one. It is cost recovery. We have said—

An honourable member interjecting:

The Hon. K.O. FOLEY: Exactly. The federal Liberal Party's national water initiative required the state governments of this nation to lift water pricing significantly. Turnbull wanted us to do it in a big hit. Mr Speaker, we have made no secret of that. We have put a 12.7 per cent increase this year. The expectation is that we are probably looking at a similar price rise next year and probably for the next five years. We will determine that when we do a proper weighting of our—

Mr Williams interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: No, Mr Speaker, it is to cover the cost of desal.

Mr Williams: Get out of it.

The Hon. K.O. FOLEY: What do you think a desal plant costs?

Mr Williams interjecting:

The SPEAKER: Order! The member for MacKillop will come to order!

The Hon. K.O. FOLEY: Maybe we should engage Mitch. Can we maybe make him a minister, because apparently he can do things a lot better? If you can do it for $300 million, you can have my job.

Mr Williams: I never said $300 million.

The Hon. K.O. FOLEY: How much?

Mr Williams: I said, 'A lot less than $1 billion.'

The SPEAKER: Order!

The Hon. K.O. FOLEY: Apparently the member for MacKillop has some great negotiating skill. Maybe he will go out and get those French water companies or Spanish water companies in a headlock—

The Hon. P.F. Conlon: A Chinese burn.

The Hon. K.O. FOLEY: A Chinese burn: that is their way of negotiating. Get real, get serious and understand how you finance things. We have made no secret of it—

Ms CHAPMAN: Mr Speaker, I rise on a point of order. It is entirely unparliamentary for the Deputy Premier to tell you to get real.

The SPEAKER: Order! I will research the list of words that are unparliamentary and if 'get real' has been ruled by a previous Speaker to be disorderly, I will direct the Treasurer to withdraw. Has the Treasurer finished his remarks?

The Hon. K.O. FOLEY: Yes, sir.

MURRAY RIVER, LOWER LAKES

Mr PEDERICK (Hammond) (16:44): My question is to the Minister for Water Security. Will the minister assure the people of the Lower Lakes, including those who live around the shores of the lakes, the Coorong, Hindmarsh Island and Goolwa, that the barrages will not be opened now or in the future to allow salt water to inundate those waterways? It has been widely reported that flooding this area with sea water is an option being considered by governments, both state and federal, to relieve the perceived threat of acid sulphate soils and reduce evaporation of fresh water.

The Hon. K.A. MAYWALD (Chaffey—Minister for the River Murray, Minister for Water Security, Minister for Regional Development, Minister for Small Business, Minister Assisting the Minister for Industry and Trade) (16:45): I thank the member for his very important question. The issues around the Lower Lakes and the dropping of the water levels down there as a consequence of low flows are creating serious concerns in relation to the health of the Lower Lakes and the Coorong. A number of issues and options are being looked at by the Murray-Darling Basin Commission, and we expect the commission to report back to the ministerial council in October this year at the next ministerial council meeting.

One of the proposals that is being considered by that investigation is the inundation of sea water. But, as we have said publicly over and over again, this is not the South Australian government's preferred option; it is being considered amongst a suite of a whole range of different options to manage the situation. If low flows continue, there may be some options which will have to be considered which will not be options that South Australia would prefer, and that is one of them.

ADELAIDE BUSINESS RATING

Mr GRIFFITHS (Goyder) (16:46): My question is to the Treasurer. Which of the Treasurer's economic policies has caused Adelaide to fall from the third most cost-competitive city for business in 2006 to the 33rd in 2008? The KPMG survey for business competitiveness, released on 28 March 2008, for which South Australia pays $78,000 for the privilege of being included, shows that of the 102 cities featured Adelaide ranked only as the 33rd most cost-competitive compared to the third most competitive in 2006.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (16:47): Members opposite delight in looking for negatives in everything. I ask whether the shadow minister for finance has read the report?

Mr Griffiths interjecting:

The Hon. K.O. FOLEY: No, he hasn't read the report. He just said that he has not read the report. How ridiculous!

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: They come into this place to attack the government, and he hasn't made an effort to read the report.

Mr Griffiths: That will be my afternoon reading.

The Hon. K.O. FOLEY: That will be his afternoon reading. This report was released a week ago, and the shadow minister—

An honourable member interjecting:

The Hon. K.O. FOLEY: I have not read it all; I have been briefed on it.

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: I have read a brief on the report.

Members interjecting:

The SPEAKER: Order! The house will come to order. The Treasurer.

The Hon. K.O. FOLEY: Look at him. I am in the fortunate position of having a Treasury department that is very capable in—

Members interjecting:

The Hon. K.O. FOLEY: It is no secret that I do not read every report. If I did, I would never have time to get in here for question time. I have a detailed report done on all major reports, as I have in the case of this particular report. But, if I were in opposition, I would read a report, or read the parts that are relevant, before I came into this place. What that report says, had the member made an effort to read it and become aware of what is contained in the report, is that Adelaide remains the most cost-competitive city in Australia with which to do business. But we have dropped internationally on a comparison. Do you know why, sir?

Members interjecting:

The SPEAKER: Order! The house will come to order. The Treasurer has the call.

The Hon. K.O. FOLEY: On the advice I have been given—and it is stated in the report—it is due to the high appreciation of the Australian dollar relative to other currencies—and every jurisdiction has been so affected. Our currency has gone up; other currencies have devalued. The currency effect has seen Adelaide go from being near the top (I think we were third) to a drop relative with all Australian cities because of the valuation of the Australian dollar. But the important point is that we remain No. 1 in Australia: we are still the most cost-competitive city in all of Australia.

What is more, I am advised, internationally, notwithstanding the effects I said earlier, we still have a city that has lower business costs than most cities in the Western and Pacific regions of the US and Canada, most cities in the generally higher cost US north-east and all cities studied in Europe and Japan. The point of the exercise is this: how competitively does our city rank in Australia for inward capital, and where are we placed in the world.

One thing that this government is not capable of controlling is currency exchange rates. Had you even had a cursory look at that report, you would have realised that and not made a fool of yourself by asking such a silly question.

CHILDHOOD OBESITY

Mrs GERAGHTY (Torrens) (16:50): My question is to the Minister for Health. Can the minister advise what the government is doing to tackle childhood obesity?

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (16:51): In South Australia, about 20 per cent of four year olds—

An honourable member interjecting:

The Hon. J.D. HILL: The voice of Christmas past again. It comes back occasionally, doesn't it? You can hear the echo every now and then.

An honourable member interjecting:

The Hon. J.D. HILL: Christmas future, is it? I look forward to that. The rate of obesity amongst four year olds, I have told this house before and I hope everybody would know, is about 20 per cent, and it is growing about 1 per cent a year. Childhood obesity is a tragedy for individual children which, if left unaddressed, has the potential to entirely dominate the health care system in future years. There is no single silver bullet to solve childhood obesity issues. It is a complex

problem with numerous causes and consequently requires a multifactorial solution—I know the member for Heysen likes jargon.

As one part that solution, I launched the Eat Well Be Active Communities program yesterday in conjunction with my colleague the Minister for Education and Children's Services. Up to 20 sites across the state, likely to be local government regions, will become Eat Well Be Active Communities over the next four years with almost $2 million allocated over the next 12 months to establish the first five sites. This program is on top of the $14 million investment in fighting childhood obesity by the state government announced last year.

The Eat Well Be Active Communities is largely based on a highly successful French strategy called EPODE, which stands for 'Ensemble, prévenons l'obésité des enfants', which means 'Together, let's prevent obesity in children'. The principle behind EPODE is that if children are properly educated they can in turn change the eating and exercise habits of their family. As part of the program, teachers are shown how to incorporate healthy eating into the curriculum and dieticians visit classes and organise lectures on healthy eating for parents.

While the program starts in schools, its success depends on the support of entire communities. The program requires leadership from state and local government and the active participation of health services, businesses, shops, workplaces, community organisations and local media. EPODE is a pragmatic program that recognises the virtues of moderation. No single food group is stigmatised, but the emphasis is on achieving a proper dietary balance. The EPODE program has a proven track record of success and has seen a 10 to 15 per cent reduction in obesity rates in children in the French towns in which it has been trialled.

Last year I had the pleasure of meeting Jean-Michel Borys, the founder and managing director of EPODE. Jean-Michel is currently in Adelaide to address the seventh National Conference of the Australian Health Promoting Schools Association. I had some opportunities for members to meet Mr Borys this afternoon and I am pleased that members from both sides of the house attended and received a briefing from him.

Jean-Michel, I know, is impressed with our existing programs in South Australia and sees the potential for a long-term exchange of ideas between our state and France. The EPODE program will not supersede existing programs but will complement and help to coordinate our current programs, and they include recruiting 10 healthy weight coordinator positions across the state, banning junk foods in public school canteens, working on a ban on junk food advertising during children's TV viewing time, working with preschools to encourage children to swap soft drinks and junk food snacks for water and fruit, introducing the Premier's Be Active Challenge and introducing the Start Right Eat Right healthy food in child care services, which now has over a hundred sites.

I am hopeful that these measures, if they receive proper support in the wider community, including from members of this house, will see obesity plateau and eventually decline in years to come.

CHILDHOOD OBESITY

Mr PISONI (Unley) (16:55): My question is to the Minister for Education and Children's Services, who was at the launch yesterday that the minister just spoke about. Why does the government accept money from McDonald's to advertise its fried chicken on Adelaide's trams while at the same time claiming it is concerned about childhood obesity? At 33 metres long and 3.5 metres high, the government-owned trams plastered with fried chicken advertising were seen by thousands of schoolchildren in the first weeks of the new school year, and it must be one of the largest and most prominent advertising spaces available to McDonald's to buy in South Australia. Minister Zollo in the other house agrees. She will be launching her program on the trams. She said on radio yesterday—

The SPEAKER: Order! The member for Unley will resume his seat. He has gone well beyond what is necessary for an explanation. I call the Minister for Education and Children's Services.

The Hon. J.D. LOMAX-SMITH (Adelaide—Minister for Education and Children's Services, Minister for Tourism, Minister for the City of Adelaide) (16:56): I know nothing about trams, but I do know about EPODE, and one of the joys of this new program just announced by the Minister for Health is that it is not about blame, marginalisation or talking about food being bad: it is about understanding about balance, life skills and food qualities and not stigmatising particular products.

I was interested that in my discussions with Jean-Michel Borys he was very firm in his view that you need to have partnerships with industry and not to stigmatise food products but to promote moderation, balance and community involvement whereby proprietors of businesses, sellers and producers, schools and communities work together to understand about a healthy lifestyle.

CHILDHOOD OBESITY

Mr PISONI (Unley) (16:57): I have a supplementary question. Why then, minister, is it going into only 20 per cent of schools? The EPODE program is only going into—

The ACTING SPEAKER (Mr Koutsantonis): Order! First, the member will address all his questions through the chair. Secondly, is it a supplementary question? I will allow it.

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (16:57): Perhaps if I can answer that question; I am surprised by the member for Unley's question. He raised similar issues in the media during the week. He was clearly in the wrong sort of territory in relation to this issue. He did come to the briefing, and I am grateful that he came to the briefing with Dr Borys. If he learnt anything from the briefing from Dr Borys, I hope he learnt that, even in France (that great democracy to the north of here), they started this program in a small number of schools—in fact, in two communities for 15 years or thereabouts—before they spread it out across the system.

It is very important with programs of this sort that you establish a solid base in schools and communities where there is strong local motivation and capacity to introduce them in a meaningful way. You cannot just plonk them on every school and every community in the state in the hope that they will work. In fact, he was saying the exact opposite of that. You have to build up momentum for it by going with those who have the strongest commitment, and that is precisely what we are intending to do. I invite the member for Unley to change tack on this issue and work with the government and the schools that eventually become associated with this and to try to work in his community to ensure that this program is successful.

GRIEVANCE DEBATE

CHILDREN IN STATE CARE INQUIRY

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (16:59): Today the opposition extends its appreciation to Commissioner Ted Mullighan QC, counsel assisting, solicitors and the staff for their extensive investigation, consideration and preparation of the report entitled 'Children in State Care Commission of Inquiry: allegations of sexual abuse and death from criminal conduct', dated March 2008.

This report, which was tabled by the Premier in the parliament today, was the result of specific legislation introduced after two hard years by the Hon. Rob Kerin (then leader of the opposition) in his continued support for having a full inquiry into these matters in order to allow people to come forward, tell their story and for the parliament to have a clear understanding of the problem that exists so that we may make decisions as a parliament on how to deal with it.

The government's response is to say that by 19 June (I think) it will consider the responses. The Premier today told us that there are three things that have to happen. One is that there has to be a comprehensive apology. He invites all members of parliament to provide that. Secondly, that there is the prosecution of cases that have been referred to the commissioner—I will come back to those—and, thirdly, that there will be some form of compensation but that it has not been defined.

Well, isn't it interesting? Three other states in Australia have had their inquiries on these matters and they have established funds, they have provided ex gratia funds. This government has known that this report has been coming now for months at the very least, having extended its initial charter in time for inquiry. In Western Australia, premier Carpenter has allocated not a top up to its victim of crime fund but $114 million when he announced his government apology in December last year and asked, again, that the apology be from the state government and, again, that there ought to be an apology through the parliament.

The Premier comes in today and says that we should apologise; they should get some compensation, but he has not said how much. The second thing that he said in between those two was that there is the handling of the prosecution. I think it is a damning indictment of a government which has regularly had cases referred to it by Commissioner Mullighan during the life of the inquiry, the report of which the commissioner tabled to parliament today, reporting that only 70 of the 170 cases have actually been referred to the police. The backlog of cases is alarming. He reports on it.

The commissioner urges the government to provide the resources to ensure that they get assessed in the first instance let alone prosecuted, because, clearly, it is likely that, out of this pool of cases, even though the commissioner has reached the view that they are matters worthy of assessment, whether they are meritorious to prosecute, it may well be in cases that the accused has disappeared, died, witnesses lost, evidence gone, and so on—we understand that.

We are concerned about the fact that, as these cases are being referred, they are accumulating in a backlog, as we heard in the report today, and that is a scandal for the people who have been asked to come forward, tell their story, and then find that they have to wait months or years even to have their case prosecuted. The government knows full well that the early determination of whether their cases will be prosecuted or if there will be criminal action will clearly have an impact on the expedition of which there will be some potential compensation other than the ex gratia payment if and when they ever get it.

It is absolutely scandalous that this government has not efficiently and effectively ensured the prosecution or, at the very least, the assessment for the merit of prosecution for these cases, and we find that they are still waiting. It is very important that the government appreciates the recommendation today, about which the opposition is delighted; that is, that the commissioner says that we must build secure accommodation to detain children as a place of last resort rather than leave them on the streets. That has been the position of the opposition since the election in 2006, that this must be offered; it is too dangerous to leave them out there.

We are absolutely thrilled that Commissioner Mullighan has come forward and placed his recommendation today that that should occur. I urge the government to ensure that, in this year's budget, we do not wait until June, but that the Treasurer—

The ACTING SPEAKER (Mr Koutsantonis): Order! The member's time has expired. The member for Norwood.

Ms CHAPMAN: —should understand it and put it in the budget.

The Hon. M.J. Atkinson interjecting:

The ACTING SPEAKER: Order! The member for Norwood.

The Hon. R.G. KERIN: I rise on a point of order. I would like the Attorney-General to withdraw what he just said about some 'sleazy allegations' by the Liberals about a decent man, Ted Mullighan.

The ACTING SPEAKER: I did not hear the allegation—

The Hon. R.G. Kerin interjecting:

The ACTING SPEAKER: Order! I did not hear any allegation across the chamber, and that is part of the reason that the house descends into chaos sometimes, because everybody is screaming at each other. The member for Norwood.

The Hon. R.G. KERIN: Point of order, sir. I ask you to at least ask the Attorney to withdraw his accusation.

The ACTING SPEAKER: Again, member for Frome, I apologise; I did not hear any allegation.

The Hon. R.G. Kerin: But he might want to, sir.

The ACTING SPEAKER: Well, if the Attorney-General—

The Hon. R.G. Kerin: He just ruined Ted Mullighan's reputation, sir.

The ACTING SPEAKER: Order!

The Hon. M.J. Atkinson interjecting:

The Hon. R.G. Kerin: I've got no idea what you are even talking about.

The Hon. M.J. Atkinson interjecting:

The ACTING SPEAKER: Order! The house will not descend into conversation across the chamber. If the Attorney-General made a remark which he feels is unparliamentary, and which I did not hear, I encourage him to withdraw; if he said nothing, we can move on.

The Hon. M.J. ATKINSON: I made no unparliamentary remark, sir.

The ACTING SPEAKER: Thank you. The member for Norwood.

The Hon. R.G. Kerin: Sleazebag!

The ACTING SPEAKER: Order! That is unparliamentary, and I ask the member for Frome—

An honourable member interjecting:

The ACTING SPEAKER: Order!

The Hon. R.G. KERIN: Sir, it was no worse than he said. What he said was a slur, and he admitted afterwards that I knew nothing about it, yet he—

The ACTING SPEAKER: Perhaps in deference to a former premier, we will leave it at that. The member for Norwood.

MARDEN SENIOR COLLEGE

Ms CICCARELLO (Norwood) (17:05): I have spoken recently about the many wonderful community groups and volunteer organisations in my electorate that continue to provide a magnificent service to those who need a helping hand, a friendly ear or some form of practical or financial assistance. They are all outstanding contributors to our society and rightfully deserve our recognition.

We sometimes tend to forget, however, that it is not just community organisations and dedicated groups of volunteers that are out there striving to provide opportunities for those who might not have followed the traditional paths of life. One such institution I wish to speak about today is Marden Senior College, which was established in 1992 on the site of the former Marden high school and which is one of South Australia's seven designated adult re-entry schools.

As an adult re-entry school, it is committed to finding educational solutions to address the diverse and many needs of students who seek to resume or continue their studies. The college program includes a full range of SACE year 11 and year 12 subjects, bridging courses, adult literacy courses, a range of vocational certificate courses, and a University of South Australia bridging course for adult students. It also includes enrichment courses for students to pursue for their own particular needs and interests.

The motto of Marden Senior College is, 'Your pathway to success.' I can think of no better statement that reflects the mutual commitment of Marden and its students to set them upon meaningful and manageable pathways to employment and further study. Every educational institution in this state is obviously committed to enhancing the opportunities for its students, but Marden Senior College is unique because its programs and facilities are specifically targeted to address and meet the needs of a student group that is largely characterised by previous failure and subsequent disenchantment with the school system or at risk of dropping out of school (many already have), with a long interrupted schooling history, and most are juggling a range of family and work responsibilities with their study commitments. I am delighted that the success of its targeted groups and total staff commitment is resonating with the general community.

Last year, Marden Senior College achieved its largest enrolment on record and, over the course of the year, more than 2,000 individual students signed up for classes. The proof is in the pudding: last year, at the stage 2 SACE level, 13 students received merit awards; 172 students attained an A grade; 123 students applied for university places (up from 104 in 2006); and 102 received offers (up from 78 in 2006).

A total of 61 students applied for TAFE places (up from 37 in 2006); 47 received offers (up from 28); and 144 students completed certificate and diploma courses that will enable them to pursue further TAFE study or undertake employment in their chosen field. These are all outstanding results, and I congratulate the men and women who have, in many cases, successfully overcome life difficulties to embark on a new journey of learning.

I have enjoyed a long association with Marden Senior College and visited it many times over the years; in fact, I was on its governing council for many years. I have always been impressed with the facilities the college provides and the absolute commitment shown by the staff in mentoring and encouraging students to achieve their goals. This is clearly shown by the enthusiasm with which present and past students attribute their success at the college to the level of engagement between students and teachers and to a broad curriculum that is responsive to their diverse needs

Last month, I had the enormous privilege of presenting certificates and medallions to those students who received merit awards and those who had been placed on the 2007 register of achievers. The stories of students included in the register are truly inspirational, and their accounts of how a second chance at education has enabled them to pursue their goals and dreams should be more than enough to encourage and motivate today's generation of students to make a decision to change their life. Some have been absent from the education system for more than 20 years yet they are now successfully undertaking university courses. This is exactly what the college is all about—providing a new pathway to success.

I am proud to have Marden Senior College in my electorate. I take this opportunity to acknowledge and commend the tireless work undertaken by the principal, Chris Dolan, and his team of dedicated, committed staff; and to all I extend my congratulations on a job well done.

DROUGHT

Mr VENNING (Schubert) (17:10): Unfortunately, the drought is showing no sign of breaking, apart from a low which is currently heading towards South Australia. It is expected that there will be no improvement in our weather pattern forecast for the next five years. If this is the case, it is clear that the people of South Australia need a government that will act in order to enable communities to survive the drought with as little disruption as possible.

The people of Mannum and other riverside communities are absolutely disgusted that they continue to struggle with weight restrictions being imposed on some ferries. One of the upstream ferries at Mannum remains suspended indefinitely due to the length of the ramp. We all wish the drought would break—it would be an absolutely enormous relief for many—but, regrettably, it does not appear to be showing signs of breaking soon. The government must upgrade the ferries now so that they can cope with the current situation and be prepared for the future.

According to the Department for Transport, Energy and Infrastructure, the reason that the government refuses to undertake upgrading of the Mannum ferry ramp in order to make it operational is that 'lengthening concrete ramps would require extensive design work, dredging of the river as well as applications for environmental and Aboriginal clearances. It would be a major project that may take up to six months to complete.' I disagree with that. I cannot believe a small job such as that would involve so much work.

If the government had started planning in November last year when the upstream ferry service at Mannum began experiencing rolling closures prior to its indefinite suspension in December, then the upgrading project would have been completed by now and the ferry would be operational. But that did not happen. Four months after the ferry service was closed, traders have reported losses of 15 per cent to businesses. Rumours suggest that the Rann government does not want to spend an estimated $500,000 to fix the ramps. I have to ask: if this is the truth, how can the government justify such wastage in its public relations outfits? It cannot seem to find the money to help thousands of people gain essential access across the river.

The closure of the Mannum upstream ferry service is not the only problem being experienced by riverside towns in relation to the ferries. The weight restrictions which have been imposed are also causing problems. Recently, I spoke with a person who owns a transport company in the Riverland. He has experienced sharp increases in his running costs due to the load limit imposed last week on the Swan Reach ferry. Due to the weight restriction, he has to go all the way to Murray Bridge to cross the river, resulting in huge inconvenience to his business and increased costs which he must pass onto his customers.

His case is not isolated. Many freight companies, particularly those coming from the Mallee region, rely on the major transport routes. The weight restriction imposed on the Swan Reach ferry means that one of the major routes is unavailable. Surely the government sees this situation as totally unacceptable.

As a result of the information provided about load limits on the Department of Transport's website, some curious questions arise. The website states:

> Options to keep unrestricted vehicle access to ferries are being investigated. At Tailem Bend, Purnong, Walker Flat and Swan Reach modified landings have already been installed...It is planned that modified landings will be installed at Mannum downstream services, as well as Swan Reach and Walker Flat.

That blatantly contradicts the department's earlier statement. I wonder what the truth is? I have drafted a question to the minister about this matter and I hope to get the chance ask it in the house this week in order to clarify the situation. I have to say that, if the government does not have any

plans to modify the landings so that the weight restrictions can be lifted, then it should. Only two ferries below Lock 1 are operating unrestricted—the downstream ferry at Mannum and the Wellington ferry. Just two of the seven ferries are operating, not counting the upstream service at Mannum which is out of action indefinitely.

People who live in these riverside towns need to be able to cross the Murray unrestricted at any time for emergency reasons, for business, to get their children to school and to go about their daily lives as they always have. Premier Rann must stop thinking that South Australia stops at Gepps Cross and stop referring to securing Adelaide's water supply. There is much more to this state. People living in the regions and rural areas deserve the same amount of attention as those residing in the inner city. They deserve to have their ferries operational and available for unrestricted use. It is commonsense. The government's inaction on this issue is unbelievable.

SUNCUBE

Mr KENYON (Newland) (17:15): On 17 February I was very pleased to attend the launch of the SunCube by Green & Gold Energy. Under Greg Watson's management, Green & Gold Energy has developed a new way of generating solar electricity in this state. The company is based at Glynde, and it has found a way of generating solar electricity that will work out to be roughly half (maybe a third) the cost of conventional solar electricity, which brings it into the range of roughly the same price as gas generation or cleaner coal as it currently stands which, for those members who might have a little think about it, is quite a revolution.

I expect that, within the next few years, we will see the ever-increasing roll-out of these SunCubes and the gradual disappearance of flat panels with the exception of some specialist applications. It is really amazing that this should be developed in Adelaide with very little interference from anyone else. Greg Watson has done a tremendous job with his small team, and it is just starting to ramp up. On the same day (17 February) Green & Gold Energy announced plans to start manufacturing in Australia and, within three years, to establish a manufacturing plant employing 1,000 people and to produce 1,000 megawatts a year of generating capacity.

At the same time Green & Gold Energy is signing agreements with companies in other countries to do a similar thing. As we speak today, it is being launched in Spain. The company is doing its European launch. Greg Watson recently launched the product in India. It is all manufactured under licence. We are seeing a flow of royalties and export dollars into South Australia. On 26 March the company announced that it had won a $450,000 contract to build three grid-connected SunCube energy farms in South Australia.

A lot has happened in such a short space of time—only a couple of years, really, from the time that Greg went on *The New Inventors* program on Channel 2 with the original 'SunBall', which was then converted to the SunCube for ease of manufacturing—and it is my opinion that this company will storm the world. It is really amazing. To Greg and everyone at Green & Gold Energy, I extend my sincere congratulations.

I am happy to have been involved in the last few years trying to help this product get to the stage where it can become a great manufacturing operation. I do not know that I have been particularly useful, but I have certainly done what I could. I am proud to have been involved.

EDUCATION, SOCIOECONOMIC STATUS FUNDING MODEL

Mr PISONI (Unley) (17:18): Our federal education minister (Hon. Julia Gillard) has missed the point of the SocioEconomic Status (SES) funding model by planning to apply it to public schools in the same way as it has been previously applied to non-government schools. The system itself was successful under the previous government by encouraging significant investment into education and the growth of low-fee schools giving parents more choice. The SocioEconomic Status Index is the basis for federal funding of independent and Catholic schools. It links students' residential addresses to census data to obtain a profile of the school community and its ability to support financially a particular private school.

However, while the SES model has previously assisted in giving parents educational choice (and to a certain extent brought down some of the financial barriers), it was never designed to be applied across the board to address the imbalance in educational disadvantage. It was designed to give choice of education across a broader section of the community, which it was very successful in doing. I am not sure that I would agree that identifying schools requiring extra assistance is important. It is vital that every child be given the best possible chance in life through adequate education funding for public, independent and Catholic schools. However, the federal minister's reluctance to commit on the issue of extra funding as opposed to a redistribution of funds

from areas perceived as being socioeconomically privileged in her model compared to those shown as less socioeconomically privileged is of concern.

Julia Gillard has referred to targeting those doing it tough in the Australian community, but this can be subjective, and in terms of education, as in most other things, it is not always postcode specific. For example, in my electorate of Unley, we have pockets and spatterings of Housing Trust and Aboriginal housing. We have many renters in the area and a number of our students at our public schools are on School Card. South Australian primary schools have already suffered major federal funding cuts with Kevin Rudd axing the Investing In Our Schools Program, and at a state level with significant reductions in physical education funding—that is, $14 million of reductions in physical education funding—and a renaming of the cut-price Premier's Be Active Challenge.

Dilapidated school facilities are an obvious and growing problem in South Australia and the new superschools will absorb a large amount of available funding. This will reflect in schools not involved in the superschools program, many of which are located in areas of Adelaide regarded as having a higher socioeconomic status. Educational disadvantage is reflected in low literacy and numeracy outcomes, not postcodes or socioeconomic status. Parents who choose (as I do) to send their kids to public schools deserve to know that minister Gillard's plans will not adversely affect the funding allocated to their education based on some misguided social engineering notion.

A sociological approach to educational disadvantage is flawed logically. Obviously many children will be suffering from different forms of educational disadvantage who do not live in poorer areas. Learning problems, substandard teaching and unstable home lives are not held in a monopoly by less affluent suburbs and can affect children's performance anywhere. Socioeconomic status is only one aspect of educational disadvantage. Testing of students at key stages of their educational process with programs to address the needs of disadvantage at an individual level is a way of tackling the educational disadvantage.

That is why the previous government introduced national benchmarks in literacy and numeracy and programs targeted at individual students such as the tutorial voucher initiative. These apply no matter where the student lives and evaluation of it has found that providing this one-to-one tuition is a most effective way of improving students' reading skills. It also found that the majority of students who received tuition improved their reading scores, with most of them improving their reading age by around 12 months. Parents and tutors were also impressed with the pilot program results.

It would not be fair or equitable to expect parents with children at public schools of high socioeconomic postcodes to plug the program funding gaps with higher fees. Providing this funding for schools is important and should not be at the expense of children at any other school. I have written to minister Gillard seeking her assurance that category six and seven schools such as many of those in Adelaide's eastern suburbs and my electorate of Unley will not be penalised because of the notional views of socioeconomic status.

WILLUNGA BUSHFIRE

Mr BIGNELL (Mawson) (17:23): Thursday 13 March was one of those terrible days that all South Australians hate—hot northerly winds blowing. I think we were into about day 11 or 12 of the longest heat wave in this state's history. At about 2.30, a huge cloud of smoke went up behind Willunga High School on the range near Willunga Hill. It was the start of a very big fire, a fire that burnt out 132 hectares and threatened many properties and many lives. Today I want to commend all the CFS volunteers, SES volunteers, people from the MFS, the South Australian Ambulance Service, St John, the Salvation Army and everyone else who chipped in and helped in that fire effort.

Unfortunately, one house was lost. It belonged to a family of six who lost all their possessions and, of course, the house they were renting on the range. We had over 50 CFS brigades turn out from as far away as Walker Flat and Mannum. Volunteers from the CFS numbered more than 502. Two surveillance aircraft were used. Four fixed-wing bombers and the Erickson Skycrane poured a lot of water onto that fire in the initial few hours until the sun went down. It was the people on the ground who were putting their lives at risk to protect property and lives who did such a marvellous job. Unfortunately, nine CFS volunteers were injured: five members of the Seaford crew; and Peter Bishop, Ian Hockley, Sylvia Wade and James Farrall from the Range Hope Forest CFS crew.

Those nine firefighters from those two units were in there trying to save the house, which was eventually destroyed by the fire when a flare-up occurred. They were very lucky to survive that flare-up. What helped them was the training they have done over many years in the CFS.

On the Saturday after the fire, I did a drive-through with our emergency services minister, Carmel Zollo, that great leader of the CFS, Euan Ferguson, and David Przybilla, who is the group officer of the Kyeema Group. On that drive-through we met up with Peter Bishop, who has been a member of the CFS for many, many years. Many members would have seen Peter's photograph on the front page of Friday's *The Advertiser*—a great photograph by one of the photographers from *The Advertiser,* which captured the moment: someone who had just cheated death. He said on the Saturday when we met up with him that it was due to that great CFS training where they did the drill every time they went out for this situation that everyone dreads, that is, a flare-up when they are fighting the flames, that everyone managed to make it back into the truck, pull the blinds down and get to safety.

In any disaster, whether it be people trapped in the mines at Beaconsfield, cyclones or floods in the north of Australia, or bushfires in our state, Victoria or New South Wales, everyone looks on and wishes there was some way in which they could help. When it is in your own backyard, it is great to see the community spirit, not just from those people who are trained to do the work in the CFS and the SES and who get involved but also people such as the Salvation Army come out. The McLaren Vale Rotary Club lent their barbeque, the Salvos turned up, and that is where I went to give a hand cooking sausages for those CFS firefighters who were coming back from the front line.

We fed over 300 on the Thursday night as these firefighters changed over crews. Amidst the howling winds we had to put up with on that Thursday night into Friday morning, we fed those firefighters so that they could go back up and do their job, which was to contain the fire and which they did. The firefighters coming back in said that, if the winds flared up again on the Friday morning, the fire might go through Mount Compass and on to the coast. So, it would have been a dreadful situation, but it was averted.

I want to thank my parliamentary colleague Gay Thompson, who also came down, and the federal member for Kingston, Amanda Rishworth, who also helped pack sandwiches and lunches for the firefighters who were out on the front line. As I have said, you often feel helpless and feel there is not much you can do. We are not trained to be on the front line, but it is very valuable to be there to help feed those who are on the front line and who do such a wonderful job. As I said before, nine firefighters were injured and one house was lost, but things could have been so much worse if it were not for our brave volunteers.

Time expired.

ENVIRONMENT PROTECTION (BOARD OF AUTHORITY) AMENDMENT BILL

Received from the Legislative Council and read a first time.

STATUTORY OFFICERS COMMITTEE

The Legislative Council informed the House of Assembly that it had appointed the Hon. S.M. Kanck to the committee in place of the Hon. N. Xenophon, resigned.

LEGISLATIVE REVIEW COMMITTEE

The Legislative Council informed the House of Assembly that it had appointed the Hon. J.A. Darley to the committee in place of the Hon. A.M. Bressington, resigned.

PARLIAMENTARY COMMITTEE ON OCCUPATIONAL SAFETY, REHABILITATION AND COMPENSATION

The Legislative Council informed the House of Assembly that it had appointed the Hon. J.A. Darley to the committee in place of the Hon. N. Xenophon, resigned.

SUPPLY BILL 2008

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (17:31): Obtained leave and introduced a bill for an act for the appropriation of money from the consolidated account for the financial year ending 30 June 2009. Read a first time.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (17:31): I move:

That this bill be now read a second time.

I will read the second reading speech; I will do a Michael Atkinson. This year the government will introduce the 2008-09 budget on 5 June 2008. A supply bill will be necessary for the first three months of 2008-09 financial year to pay the member for Morphett's wages until the budget has passed through the parliamentary stages and the Appropriation Bill 2008 receives assent. In the absence of special arrangements in the form of a Supply Act, there would be no parliamentary authority for expenditure on wages or anything before the commencement of the new financial year or the date on which consent is given to the main appropriation bill. The amount being sought under this bill is $2,300 million.

Explanation of Clauses

Clause 1 is formal

Clause 2 provides relevant definitions

Clause 3 provides for the appropriation of up to $2,300 million

Debate adjourned on motion of Dr McFetridge.

WORKERS REHABILITATION AND COMPENSATION (SCHEME REVIEW) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 2361.)

Dr McFETRIDGE (Morphett) (17:33): I sought leave to continue my remarks before the luncheon break and I was discussing at that stage some of the history of members of the Labor Party and their association with the unions. I was doing that because some of the people in the unions I have been speaking to are a bit upset about the apparent change in attitude by some members opposite.

The number of members opposite who have long associations with unions is quite clear. I certainly do not in any way denigrate that association because the unions are an absolutely vital part of any industrial society, but we should all make sure we retain our memory of our roots and who we represent and, as the Deputy Premier said when he was the member for Hartley in 1995, 'Stand up and be counted' or words to that effect.

The member for Mitchell in his contribution back in 2007 discussed how Workers' Compensation had become a bit of a lottery because of the inexperience and the chaotic delays in the current system. When this bill was introduced, the member for Mitchell had quite a bit to say on it, and I am sure he will have quite a bit more to say on it. From the Liberal Party's point of view, yesterday I received a notification of intent by the member for Mitchell to have amendments drafted and, at my count, there are 37 of them. I am not holding the member for Mitchell to that—we have not seen his amendments yet—but it will be interesting to see the government's attitude towards them.

Talking about amendments, it was a delight in some small way—and we always have a positive attitude on this side towards everything in life—because when you see the possibility for a small increment of improvement in this bill, then you grab it. This morning the Hon. Michael Wright, the Minister for Industrial Relations, issued a press release asserting 'Government to further strengthen WorkCover laws'. I am not so sure about the title—we will leave that up to the spin doctors—but here are 13 government amendments to this bill that the Deputy Premier said this morning is a good piece of legislation. He was almost imploring us to bring in amendments but, as we have said, this is their mess and their legislation; they have to fix it. I can see here from the raft of amendments that they are bringing in that they are going a small way to try to fix the obvious flaws in this legislation; otherwise, if there were no obvious flaws, why would they be introducing these amendments?

I was informed by the minister, a very polite minister who keeps me well informed on what is happening in most cases, that these amendments are being drafted and they will be filed so that the opposition will be able to look at these amendments and consider them on their merits when we discuss them in committee. The good thing I can say about the press release that lists some of these amendments is that I can see some good ones, namely retaining the 7.5 per cent levy cap instead of the proposed 15 per cent, the removal of the psychiatric disability benefit, although I understand that nobody had actually asked for that to be included in the first place.

I am on the record as having said that I did not think that these severe cuts to workers' entitlements were necessary, and I am still of that belief, so another one that was of interest to me

was that I have managed to get 10 per cent at least for the workers for another few weeks. Instead of having 100 per cent for 13 weeks, then going down to 80 per cent, they are still being cut to 90 per cent. I think it is still an unsatisfactory outcome for workers in South Australia, but that is the government's call. There has been a bit of movement there. The 80 per cent step down will come after only 26 weeks now. The small movement there shows a little bit of heart, although we are not quite Phar Lap but at least we are on track to see some changes that might end up with something approaching a fair and reasonable outcome.

I will not go through the other amendments now; we will wait until they are filed and we can discuss them then, but certainly streamlining the Workers Compensation Tribunal by removing the arbitration process is another move that had been suggested in a number of the submissions that I had received.

Let's move on to the position the Liberal Party has been presented with in the submissions to this legislation. These amendments do not make a huge difference to the submissions we have received and they do not change our position of making sure that this government bill—this 'good legislation', as the Deputy Premier said—goes through.

On 25 March this year *The Australian* carried an article entitled 'Union threat over injured workers'. Perhaps that union threat has worked to a small degree with these amendments coming in today. Andrew Faulkner's article states:

> Unions will today demand that the Rann Government restore the right of injured workers to sue employers in South Australia as a showdown looms over an attempt to water down compensation entitlements. Hanging over the Government's head is a union threat to convene a special ALP state conference to overturn the legislation if the Government refuses to give ground.

Well, a little bit of ground has been given, and these amendments are just a small movement in that ground—certainly not earth-shattering, but a little bit of movement.

The unions really are very cross about this. I have spoken to a number of senior union officials over the past few days about this, and their anger has not in any way gone down. One chap really has stuck out. I have not spoken to him, but I have been given a copy of an email that is attributed to Mr Les Birch, a workers compensation advocate employed for the past 14 years by the Construction, Forestry and Mining and Energy Union (CFMEU). He is in the Forestry and Furnishing Products Division. Les has been actively involved in workers compensation since 1979, and from April 1987 to June 1994 he was a WorkCover board member. Mr Birch is reported to have said the following in an email given to me:

> When Michael Wright was the Opposition spokesperson for Industrial Relations and Workers Compensation prior to the election of the Australian Labor Party...to government in 2002 he was provided with an enormous amount of information from people inside the Trade Union movement and within the WorkCover Corporation that clearly showed the scheme was on a downward slide as a consequence of political decisions that had been taken by the Liberal State Government and the leadership of the Corporation.

I do have some problems with the first paragraph. The rest of it, as you will see as we go through, is probably pretty much on the money. I will refer to page 77 of the Clayton Walsh report just to rebut that actual claim by Mr Birch that it was not that the WorkCover corporation was not on a downward slide. The email continues:

> In 2000 and 2001 the WorkCover board and the CEO of the WorkCover Corporation decided not only to reduce the levy rate but also provide a rebate to employers throughout South Australia.

And you can understand why when you see what the figures were at the time. It continues:

> In 2000 and 2001 Michael Wright attended at least three meetings at the United Trades and Labor Council's office on South Terrace, Adelaide...On one occasion the Opposition Leader, Mike Rann, accompanied Michael Wright. On each occasion Michael Wright gave an absolute assurance that on the election of the ALP to government, the Workers Rehabilitation and Compensation Act would be improved to benefit injured workers.
>
> On one occasion Michael Wright stated that should the ALP be elected in 2002 he would have a review conducted of the workers compensation scheme within six weeks after being elected and the findings would be introduced through legislative change. The Trade Union representatives involved in workers compensation at the time felt that the time frame was ambitious but the commitment was welcomed.
>
> On being elected, Minister Wright established the Stanley Review and the findings were handed down in mid-2002. However, it was not until 20 December 2002 that Minister Wright officially released the findings. They have gathered dust ever since.
>
> Minister Wright is to be condemned for his failure to honour his commitment to the Trade Union movement and his lack of responsibility in addressing the leadership and management problems within the WorkCover Corporation.

Approximately 18 months ago the Treasurer, Kevin Foley (supported by representatives of the business sector) stated that there was a problem within WorkCover and that it would be fixed. Treasurer Foley and the chairperson of the WorkCover Board, Bruce Carter, decided that the Board would put recommendations to the government to change the WorkCover legislation.

The recommendations that were put forward were extremely draconian. However, Bruce Carter and the majority of the WorkCover Board were so confident that the recommendations that they had put to the government would be introduced that the WorkCover management would establish a Unit within the WorkCover Corporation specifically to assist the government in drafting the necessary legislative changes.

In mid-2007 I and another Union official were invited to Minister Wright's office to discuss our concerns that the Corporation was outsourcing their responsibilities under section 58B and 58C of the Act to Employers Mutual which is like putting Dracula in charge of the blood bank. The Minister stated that he shared our concerns but was powerless to do anything about it as it was a WorkCover board decision.

During our discussion I raised with Minister Wright the Trade Union movement's concerns that the Corporation was working on amendments to the legislation that were draconian. He gave his undertaking that while he was the minister responsible for workers compensation in South Australia he would not introduce legislation that was detrimental to injured workers.

History has now shown that Minister Wright has reneged on that undertaking, just as he reneged on his promise in relation to the Stanley review in 2002.

Minister Wright however is not the primary architect behind the proposed legislation that will have dramatic adverse effects on injured workers in this state and undermines the conditions and protection for workers that Unions have fought for. Treasurer Kevin Foley has played the leading role in promoting the proposed changes to the legislation and is working hand-in-hand with the business community to ensure their passage through parliament.

In the email, Mr Birch goes on to say:

This is the man that masquerades as a Laborite but in reality is more conservative than his counterparts in the Liberal Party. This is the man who got it wrong in the Nicole Cornes saga, the Port Adelaide bridges and the Victoria Park corporate grandstand and considers South Australians as whingers. His philosophy is more directed at looking after and protecting the business interest of his corporate mates in the business sector than the average working person in this State.

Foley's cohort, Pat Conlon—purported to be the leader of the left wing of the Labor Party—is another that deserves to be condemned for his involvement in this sorry saga. This fellow espoused working-class socialist left principles for years before he got into parliament. Once elected, however, his ideology changed. If he had voiced his opposition to the proposed legislative changes and used his influence with Rann & Foley, injured workers would not be confronted with the harsh and unjust legislation that is currently up for debate in the parliament.

Rann, Foley and Conlon claim that even with the proposed legislative changes, the South Australian workers' compensation scheme will still be the best in Australia. The reality is that, if it is passed by parliament, the proposed legislation will be extremely detrimental to injured workers and their families, and only the business sector will benefit.

This contribution by a representative of the CFMEU is quite an indictment. The bottom line is that the job of the opposition in this place is to ensure that any legislation put through here is consulted on and is workable legislation. However, as we have already said a number of times, this measure is an absolute mess.

I will continue to look at the evidence. The government may complain that it wants an oration from the shadow minister, but I am presenting and relaying to the house, and to those who want to read *Hansard*, the evidence that has been put before me about the condition of workers compensation in South Australia and about the judgments that have been made about the scheme. I am also relaying the submissions that have been put to us, as elected members of parliament, to have this legislation improved.

So, I make no apology for the extensive notes, reports and submissions I refer to; I make no apology for that whatsoever. If members opposite do not want to listen, they are welcome to leave the chamber, but I will continue to put on record the true facts and history of workers compensation in South Australia and the fact that the legislation being introduced into this place, which will be discussed at length, will be shown to be flawed. If you want evidence that what has been talked about, built up and introduced as good legislation by those in government is not good legislation, look at the 13 amendments the government introduced today.

I turn now to the Clayton Walsh report, which is the bible for this legislation. At a community forum held at Regency Park a few weeks ago, Alan Clayton addressed about 100 people, some of whom were injured workers. I remember his words very distinctly: 'This is my report, but this is not my legislation.' Let us consider the report and some of the things in it. It is worth looking at the introduction in the executive summary on pages 1 and 2. I will not read it all, but we should ensure that some parts are on the record. The introduction commences:

There is one issue concerning the current South Australian workers' compensation system upon which there is widespread agreement. That is the judgment that the scheme is failing to fulfil a number of the objectives of the Workers Compensation and Rehabilitation Act 1986 as enumerated in section 2 of that Act. In particular, and most relevant to this Review, there is the failure of the scheme created by the WRCA to provide 'for the effective rehabilitation of disabled workers and their early return to work' (section 2(a)(ii).

The consequences of this is that the scheme has been deficient in reducing the 'overall social and economic cost to the community of employment-related disabilities' (section 2(a)(iv)) and in ensuring 'that employers' costs are contained within reasonable limits so that the impact of employment-related disabilities on South Australian business is minimised' (section 2(a)(v))...In terms of structure, the South Australian system is a publicly underwritten scheme, with outsourced claims management (to a monopoly provider). It is predominantly a periodic benefit scheme for income support. On this basis, the most comparable schemes to that of South Australia would seem to be those of New South Wales and Victoria; while there are significant differences between these three schemes...

The big difference at present between the three schemes is the premiums being paid. At page 3 of the Clayton Walsh report, it shows that the New South Wales average premium in 2007-08 was 1.86 per cent; I understand that has gone down to 1.77 per cent. In Victoria the average premium is 1.46 per cent, Queensland is 1.15 per cent, and South Australia is sitting on 3 per cent.

There is a significant difference between them. If the government's aims are fulfilled, what we are expecting to see is a reduction of 0.25 per cent, so we still will be at 2.75 per cent. There are some optimistic claims that the levies may go down to 2 per cent but we should remember that in 2006 when the press release was issued, there was a new board, a new CEO and a new claims agent. The whole unfunded liability was going to disappear and we were going to ensure that the whole system was working well.

We need to look at the recurring theme of claims management in the Clayton Walsh report. We know that Employers Mutual was taken on as the single claims agent after four claims agents were used in the past. I do not know the full history of EML in New South Wales. It is supposed to have extensive experience in the management of workers compensation issues. As a result of anecdotal evidence I am hearing in South Australia and the continuing blow-out in the unfunded liability, its results do not match the expectations. At page 5 the Clayton Walsh report talks about claims management. It states:

The schemes of South Australia, New South Wales and Victoria all outsource their functions of claim management to 'claims agents'—in the case of New South Wales and Victoria (and until recently South Australia) there are multiple agents. As from 1 July 2006 (and earlier in relation to one former claims agent), South Australia has a monopoly claims agent, Employers Mutual (EML). The South Australian system of claim agent remuneration is structurally similar to those of NSW and Victoria.

However the main differences expose the scheme to not achieve improvements in very important areas. In particular, the main components of Performance Fee and Outcome Fee are available for improvement in claims more than one year in duration. In theory a rational approach to claims management would be to focus on short term claims management in order to achieve longer term outcomes—and so this issue would 'take care of itself'. From the perspective of the review, it may have been more effective to place greater direct performance measures on short term claim outcomes such as return to work...Finally, in both New South Wales and Victoria the major successes of the schemes in recent years have stemmed from active agent management by the central authority.

I assume that is the equivalent of our WorkCover authority. It continues:

While the contract between the WorkCover Corporation and Employers Mutual does appear to have powerful rights of intervention, including step-in rights, it remains to be seen how these arrangements will be given operational form in the future.

Once this legislation is through, what will we see? It will be interesting to see what the minister has to say about that. Let us see what Mr Walsh has in his report about the history of WorkCover in South Australia. Mr Birch from the CFMEU said that it was going downhill in the 1990s. In his own words, at the bottom of page 8 of the Clayton Walsh report under the heading 'The scheme in historical perspective. The South Australian Experience', Mr Walsh states:

The WorkCover scheme was reasonably stable during the late 1990s, with the availability of redemptions, and their strategic implementation, successfully extinguishing significant amounts of tail liability.

That will all change. The report continues:

At the same time reported claim numbers continued to reduce, especially after the increase of employer liability for short term income maintenance. During the same period claim payments were very well controlled, reducing in real terms throughout the five year period. The average levy rate stayed at 2.86 per cent of wages during this period, allowing a gradual erosion of the deficit such that the scheme achieved a high-point funding ratio of 97 per cent as at 30 June 2000, representing a deficit of $22 million.

That is a long way from the $1 billion we see today. A 97 per cent funding ratio is a long way from the 67 or 65 per cent we see today. It will be interesting to see what the liability and the funding ratio will be in the next few days. The report continues:

The scheme began the 2000s in an apparently healthy position with respect to both financial stability and reputation for forward thinking as represented at various seminars and conferences.

At page 78 of the review, Mr Walsh states:

The 2000-2001 financial year led to investment losses for all schemes with exposure to growth assets...

We are seeing that now. We heard the Treasurer today talk about losses for some of the investments of state finances. We also heard that the superannuation funds have had their worst returns for 20 years. A similar sort of thing happened in a smaller way in 2000-01. I repeat:

The 2000-2001 financial year led to investment losses for all schemes with exposure to growth assets in virtually all of Australia's accident compensation schemes. Nevertheless, as at 30 June 2001, South Australia still led the relative funding positions of all three schemes:

- New South Wales: unfunded liability about $3 billion, funding ratio 65 per cent;
- Victoria: unfunded liability nearly $1 billion, funding ratio 87 per cent;
- South Australia: [this is 2000-01] unfunded liability $56 million, funding ratio 93 per cent.

Would we not love to have 93 per cent now? It is really one of those things that, properly managed, we probably could have. If we are to believe WorkCover and the board's predictions with EML, we would be well and truly on our way to having a fully-funded scheme by 2012. At page 12 Mr Clayton continues talking about the management of the scheme and states:

As with the Victorian scheme, the New South Wales turnaround has not been the result of a sudden reduction in weekly benefit entitlements.

So, it is not about slashing workers' entitlements. The report continues:

Rather it has been led by a fundamental cultural change amongst all scheme stakeholders including a more proactive management role for WorkCover, facilitated by a major reduction in the availability of lump sum compensation and associated disputes.

So, it is management of redemptions not elimination of redemptions. The bottom line is that there is no way you can rewrite history and say that the WorkCover scheme this government inherited was in a poor state. It was not. At page 78, the Clayton Walsh report states that in the 2000-01 financial year South Australia's unfunded liability was $56 million with a funding ratio of 93 per cent.

[Sitting suspended from 18:00 to 19:30]

Dr McFETRIDGE: I continue my contribution to this bill highlighting what Clayton said in his report. I remind the house that, at the public forum, Alan Clayton said that this was his report but not his legislation. So far, we have looked at the premiums that have been paid, the claims management, the history and the fact that South Australia was in good shape—and I will talk more about that in relation to the SARC review. Let us look at the step-downs that were talked about by Alan Clayton. Certainly it is good to see that the government has looked at the step-downs and put forward some proposed changes.

I understand from reading the *Adelaide Now* website that Mr Wright said that the government's changes were final and made as a result of negotiations following the introduction of the bill. The website also states:

Unions SA secretary Janet Giles said the move would not end union action against the bill...This is obviously an attempt to stop the campaign rather than any real attempt to address the issues that were raised. If Mr Wright thinks this will satisfy unions or injured workers then he has another think coming.

We will see what will happen on that front. I certainly encourage the unions to keep the pressure on the government because, as will become clear when I talk about the step-downs, South Australia does have a good system now.

In my speech this morning, I talked about the fact that, when the former Liberal government cut back payments to workers, it was nothing like what is proposed now, yet we were heavily criticised by both the Premier and Deputy Premier in their roles in opposition in 1995. The Adelaide Now website further states:

WorkCover chief executive officer Julia Davison said: 'Some of today's amendments...may have some impact on the delivery of expected outcomes.'

A number of weeks ago on FIVEaa, minister Wright said that the step-downs were going to save about $20 million. Why would you have this sort of argument for $20 million on the broken backs of workers, as Mike Rann said in his press release in 1995?

Let us look at what the step-downs really mean to this scheme. It is interesting to see that South Australian workers are being expected to go to work every day and, if they get injured, they are then expected to exist on partial payments in a very short time, even with the change from the 80 per cent to 90 per cent at 13 weeks, which, I understand, is being proposed by the government. The current benefits for South Australian workers are 100 per cent for the first 52 weeks, then a step down to 80 per cent after that. My understanding is the vast majority of workers are well and truly back at work in that first 52 weeks. In fact, they are back at work within the first 13 weeks.

However, because of the pressures on the medical system in South Australia, not all workers have seen their specialists and many workers are still undertaking rehabilitation or medical treatment in that first 26 weeks. Compare South Australia's scheme with the ComCare scheme where 100 per cent is paid to 45 weeks. Compare the New South Wales scheme where 100 per cent is paid to 26 weeks—and overtime is not excluded. We then have both WorkCover and the Clayton review saying that South Australia should be in line with the Victorian scheme which has been cut to 95 per cent at zero to 13 weeks and 75 per cent at 14 to 26 weeks.

Okay, the government is being a tiny bit more generous: it was going to stick at 100 per cent for 13 weeks and 80 per cent after that. In Victoria, where it has been cut to 95 per cent at zero to 13 weeks and then to 75 per cent at 14 to 26 weeks, I am told that the unions and employer groups have come to an agreement and there are top ups for injured workers. So, they are basically getting 100 per cent whilst they are injured; they are still getting some payments from their employer.

That is what I am told; if I am wrong, I would be interested to see what the actual situation is. I have been told by senior union officials that the Victorian scheme is not quite what it appears at face value (that is, 95 per cent for 13 weeks, and then 75 per cent for the 14 to 26 weeks); it is better than that. The South Australian scheme is generous, but generosity does not equate to overpayment. South Australian workers deserve the best. We have record low unemployment figures in South Australia and a booming economy. Why can we not afford this?

I want to make one quick comparison to the self-insured scheme here. Over 40 per cent of workers in South Australia are under the self-insured scheme, which is able to manage its workers with the same legislation and with the same range of cases without having to go into the unfunded liability blow-outs we are seeing with the WorkCover scheme. There is really quite a contrast between the two halves—and it is almost two halves: 60 per cent are under the WorkCover scheme and the other 40 per cent are under the self-insured scheme. So, it is not inconceivable that a better managed scheme could produce much better results.

In relation to the step-downs that are talked about in the Clayton review, under the review's recommended approaches at page 13, Mr Clayton says:

> The issue of the incentive effects of benefit levels on claims duration is complex. Most workers return to work as soon as their injuries have been healed, regardless of any issue of economic incentive articulated through the benefits system. The approach adopted by this review is similar to that advanced by the Royal Commission on Workers' Compensation in British Columbia in 1995, namely—

and I assume that this is quoting from the report—

> 'The commission recognizes that not all workers require the return-to-work incentive created by a replacement rate of less than 100% of net average earnings. At the same time, the studies noted earlier cannot be totally ignored, although they should be interpreted cautiously. In light of these factors, the commission concludes that if a replacement rate adjusted downward to reflect the need for return-to-work incentives is to be adopted, it should be a modest one.'

Mr Clayton continues:

> The empirical record, exemplified in reviews such as the Michigan Disability Study, emphatically demonstrate that the strongest correlate to early and durable return-to-work outcomes is a positive and sustaining workplace culture.

There are number of principles involved here, the first of which is the equity principle, that is, trying to restore the losses brought about by a compensatable injury or illness. The Clayton report, at the bottom of page 13, continues:

> ...the review recommends that weekly payments of compensation should be paid at the rate of the worker's pre-injury weekly earnings..for a period of 13 weeks from the commencement of the claim.

To me, that is an unusual thing to conclude, particularly after it has been said that it is a complex issue. As I have already said, Clayton has also said that it is not the incentive that is often put up as a way of getting workers back to work.

The other schemes in New South Wales and Victoria, particularly the ComCare scheme, where 100 per cent is paid for much longer than the proposed time here (the 13 per cent and then stepping down to 90 per cent now) is something we really need to reconsider. When you consider the relatively small savings to the scheme offered by this, I think what Janet Giles has been quoted as saying on the Adelaide Now website tonight might be the case, that is, that the move would not end union action against the bill. So, I will be interested to see what they actually do and what response the government gets. The need to recognise the fact that step-downs are an accepted part of any workers compensation scheme is something that I think is still open for discussion.

Let us now have a look at the average weekly earnings in South Australia. The lowest level of unemployment on record in South Australia is something that we need to be aware of when we are looking at capping average weekly earnings, particularly now with the mining boom and with the defence contracts being pushed by this government. It is an interesting position to be in.

We have an economy that is absolutely booming and we have a mining boom. When I was up at Prominent Hill last week I was told about the extremely high wages being paid there. I was told about one young girl who has taken a gap year off after year 12. She is on the stop and go, the lollipop, receiving a fantastic wage of $40 an hour just for doing that. There are huge wages going to be paid in this state.

Let us look at the wages being paid in this state in 2007. The average weekly earnings as of May 2007 in the mining area were $1,761 and in manufacturing, $1,016. I am more than happy to keep reading in all of these figures if government members wish. Let us see what Alan Clayton has to say in his report. He notes on page 105 that 'the coming mining boom in South Australia and developments elsewhere in South Australian industry such as those related to the defence industry contracts', will ensure that there is a need to be aware of the impost on an inappropriate cap on weekly payments.

Members interjecting:

Dr McFETRIDGE: If government members want me to continue to read every bit of evidence that has been given to the opposition, I am more than happy to do so. However, I suggest that they do not interrupt. I am sorry that they did not consult more thoroughly on this bill before it was introduced in this place and that I am having to do their work for them. I am having to present the facts that have been presented to the Liberal party and the facts that have been presented in the Clayton report, which apparently have been overlooked by the government. But I will continue on because my job in this place is to make sure that we present the evidence in a balanced form for all people to be able to look at.

It is interesting that the government appears not to want to listen to what is being put up by various employer groups and by Mr Clayton himself. I am sure that it has not read the details, otherwise we would not have this piece of legislation now before us. In fact, it is legislation that now contains 13 amendments, and perhaps they are only the first of the amendments.

The next area where there is some concern—and I will read some of the submissions from various employer groups—is medical panels, about which some legal groups have serious concerns. We had medical panels in the earlier legislation which were taken out. I do not completely understand the reason for that, but certainly the recommendation by Clayton is that medical panels be reintroduced. As he points out in his report:

> A significant proportion of disputes in the South Australian workers compensation scheme involve medical questions and such disputes can often become protracted with significant delays.

So, the review supports the establishment of medical panels as a means of focusing decision-making on medical issues at a more evidence-based level and limiting the negative impact, in both social and economic terms, of a plethora of unproductive medical reports. The need to make sure that these medical panels are not put in an untenable position where they are deciding on points of law is really something of which the government must be aware, and I want to hear what the government's response to these questions is, because they are being raised not only by me but by a number of groups.

The submission, which I will continue to read into this debate, will highlight this. As I have said, I am more than happy to continue to read all of these issues into the record, because

obviously the government has not listened to the numbers of groups out there; they were not consulted with.

We have been presented with this piece of legislation, which is already being amended by the government. We heard the Treasurer in here this morning almost pleading with us to amend his own legislation. The pleasing thing that I have seen in the amendments proposed by the government—because it certainly was a concern for me and it was a concern for many of the employer groups that we approached—concerned the doubling of the cap on the levies.

Under the current scheme, South Australian employers are paying some of the highest levies in Australia, at an average of 3 per cent—much higher than the 1.77 per cent in New South Wales and way above the 1.46 per cent (I think it is) in Victoria. I will stand corrected on that if it is wrong. The bottom line is that South Australian employers have been paying the highest levies. Under the former Liberal government, it got down to 2.46 per cent, I think, at one stage. It is not good enough. If we want to be competitive, we really need to be thinking about getting it down around the 2 per cent or high 1 per cent mark.

The mere fact that the government was going to double the cap on the levy was an alarming decision to make. I am glad the government has gone back on that, because you have to remember that, when you pay the levy, it is calculated on the industry averages and there is a 50 per cent penalty payable on that. You can be paying over 11 per cent already on your levy but, under what was proposed (and fortunately has been pulled back), it was to go up to a 15 per cent cap; then if you add a 50 per cent levy on top of that, you could have been paying 22 per cent. I am very pleased to see that the government has changed that.

I was quite alarmed, though, during discussion with a number of the stakeholders, that some of them were actually prepared to wear that as a means of just getting this legislation through, and they were prepared to then pass on this cost to their customers. Not every industry could do that, but there were some industries we spoke to that were prepared to wear that and they were going to pass it on to their customers. That now is a moot point, but it is still the case that some employers can be paying 11.5 per cent under this scheme—a no-fault compensation scheme. There are still some issues that need to be worked out to ensure that a significant number of employers are not paying that top end levy, because they are.

Certainly, I know that when I look at the range of levies that are paid under the WorkCover regulations—and I cannot seem to find them just at the moment—shipbuilding, for example, has a 7.5 per cent levy, whereas submarine construction has about a 2.5 per cent levy. I do not know what is going on there; obviously the people who build submarines have a very effective way of making sure that their workplaces are extremely safe.

Let us just hope that when the air warfare destroyers are being built the companies involved are not being hit with a straight up 7.5 per cent levy. Let us hope that SafeWork SA, the government and the WorkCover Corporation get together and ensure that the levies will be reduced down to as low a premium as possible. It is really good to see the government actually has listened in that case, but I certainly was very concerned that some of the employer groups, in their desperation to see some change come through in WorkCover, were going to actually cope with the doubling of that cap. I have not yet seen the amendment from the government, but it will certainly be very interesting to look at.

Alan Clayton talks about the future for the scheme and what is to be done, and he talks about the building blocks for the new scheme. One of the things he does emphasise there is the poor return to work rate, and that has been recognised as a continuing factor—particularly the long-term poor return to work rate—in contributing towards the unfunded liability, particularly the tail end of that.

I have just been handed the amendments proposed for the legislation, and I will certainly have a look at those later this evening and will come back to the government on those. It is good to see that at least now it is doing something about recognising that there are issues out there rather than just bringing a piece of legislation into this place without any announcement and without any discussion with the various stakeholders.

We need to make sure that we do not ignore the Clayton review. The government has adopted some of it. In his summation, Mr Clayton said that, unless this is adopted in its entirety, it may not work. I think that the funding projections that he talks about in the back of the report certainly offer some hope for the future, but we should really read the results on page 203, as follows:

The review terms of reference require reduction in liability of $250 million and inscheme underlying costs of .75 per cent to extinguish the unfunded liability in around five to six years.

We were promised that in 2006 by the current WorkCover Board with its new case managers, but that does not seem to have happened. So, let us hope that, if Alan Clayton's predictions are right, we will get that. It continues:

The review terms of reference require a reduction in liability of $250 million while at the same time allowing a reduction and an average levy rate to 2.75 per cent from 1 July 2009 and 2.5 per cent from 1 July 2010.

So, we are still way ahead compared to the interstate schemes. New South Wales has just dropped down to 1.77 per cent, and I understand that it is actually increasing benefits to workers. The important thing that Mr Clayton says in summing up this part is as follows:

It expects the review recommendations to satisfy the review terms of reference provided initiatives are undertaken and applied as recommended, that is allowing a reduction in levy rates to the range 2.25 per cent to 2.75 per cent from 1 July 2009…Should the initiatives be more successful than PWC projected, the unfunded liability will be extinguished sooner, and/or the levy rates can be reduced more quickly.

He finishes off by saying:

Of course the opposite situation could also emerge.

Mr Clayton has put up a very good report. I was there when he spoke to the committee forum at Enfield, and I will again remind the house that this is Mr Clayton's review, but this legislation is not his legislation.

It is interesting to note the SARC report of 2005, and I will just read some of the funding history from this report. These figures are a little bit older now, but I just want to get on the record what was actually happening. In 1995, the funding ratio was 70.7 per cent with an unfunded liability of $250 million. In 1996, that had improved slightly, with the funding ratio at 75.1 per cent with an unfunded liability of $207 million. In 1998, the funding ratio was 89.2 per cent with an unfunded liability of $78.9 million. In 1999, the unfunded liability was $29 million and the funding ratio was 96.9 per cent. The best figure was in 2000 when the unfunded liability was $22.3 million with a funding ratio of 97.3 per cent. That is a terrific figure.

There was a slight dip in 2001 but, as I have said before, there were some changes in the investment market, but the funding ratio was still 91 per cent with an unfunded liability of $55 million—a long way from the billion-dollar figure we are about to see in this place. In March 2002, the funding ratio was 90.1 per cent, in June it was 79.7 per cent and, in December, it was 67.2 per cent.

In March 2003 it was 64.4 per cent; in April, 65 per cent; in June, 55 per cent; in December, 58.9 per cent; and the latest figure in the SARC report is that in June 2004 the unfunded liability was $572 million (over half a billion) with an outstanding claims liability of $1.444 million and a funding ratio of 60.4 per cent. At the moment, I understand that the funding ratio is about 65 per cent and the unfunded liability is about $1 billion. The need to get this system fixed is imperative—it is not hard to see that—so, we need to make sure that whatever is going to be put up by the government will find the solution.

To find the solution, not only have we looked at the legislation and read the reports, but also we have gone out and spoken to a lot of people about what is proposed by the government. Certainly, there has been a lot of pressure on us on this side to make sure that we do not get in the way of this legislation. Let me tell you that we will not get in the way of this legislation because this is the government's answer to fixing up the government's mess.

I do not understand why Business SA and other associated groups—namely, the Engineering Employers Association, the Australian Housing Association, the Master Builders Association, the MTA, the Property Council, SACOME and the Aged Care Association of South Australia—spent $20,000 on a series of advertisements. I think it was about $100,000 in total that they spent on these advertisements. The advert states: 'Pass the workers compensation bill NOW'. They want this legislation through; they do not want any delay. The text of the advert states:

South Australia currently has the worst performing and most expensive workers compensation scheme in the nation. This underperforming scheme not only makes our state uncompetitive but, importantly, it has a detrimental impact on the whole of the South Australian community. The Rann government has recently introduced legislative changes into the state parliament, which will deliver to our workers a state compensation scheme that provides support for injured workers, a streamlined administration and the safest, earliest possible return to work by injured workers.

If that was the case, I do not think you would need to be having these adverts. The advert continues:

> Whilst supportive overall of the package, South Australia's industry associations, representing thousands of businesses, employing hundreds of thousands of workers, acknowledge that elements of it will impose additional burdens on business.

Some of those burdens actually have been relieved today because some of the 13 amendments that have been introduced will certainly make a small change for business. At the bottom, the advert states:

> What we need now is for the government's proposals to be implemented without delay and that means getting the House of Assembly and the Legislative Council to pass the bill as a matter of urgency.

That is understandable because there is an urgent need to tidy up the WorkCover legislation and make sure that the scheme is working, that the cases are being managed well and that the board and the minister are in control. So, to do that, WorkCover was good enough to suggest to the government back in January 2007, through 'Workers compensation: a program for reform in South Australia', a raft of suggestions that were not taken up by the government in this legislation.

But it was a surprise to me to have land in my pigeonhole in this place yesterday 13 amendments that have been proposed by Business SA to insert in this legislation. Some of these amendments reflect a lot of the amendments that are proposed by a number of employer groups. It mentions here that the scheme's critical changes in relation to WorkCover's rehabilitation procedure must not be amended. It talks about the step-downs, medical panels, the removal of income maintenance payments during the period of dispute, and the removal of redemptions.

Not all of Business SA's members agree with that, because the self-insurers do not agree with that. They are a group to be reckoned with. They are able to produce figures which show that their average levies are around 1.6 per cent. I do not have the Local Government Association's final position on this, but I understand that they did not support the step-downs. I think they worked with the Australian Services Union and another union and they are more than happy with the way they work.

The Local Government Association is a self-insurer, insuring over 8,000 workers. It is able to manage a workers compensation scheme that is actually paying redemptions and also paying bonuses back to local government bodies around South Australia. It is able to manage it well. I am not sure whether the Local Government Association is a member of Business SA, but certainly I know it is a self-insurer. I have been told that some of the LGA's people are members of Business SA but they do not agree with all of what Business SA is saying. It is interesting, though, that Business SA waited as long as it did to give us its particular group of amendments. However, as I said, there is a raft of them: 13 that should be made; some that must be made; and some that should be considered.

The government will have seen the amendments and I look forward to hearing the minister's response to them, that is, why he will not adopt them or, if the government is to adopt them, why it will adopt them at this stage of the bill. There is a need to recognise the fact that groups like Business SA do have some concerns with the bill and that is something the opposition is very concerned about and that is why we spoke with them. I can tell the house that Business SA gave this legislation 6½ out of 10—that is all. However, it was prepared to put out adverts saying, 'Pass this legislation now.'

It is important to recognise that there are people out there who have concerns with this bill, and that is why I will be reading to the house tonight a number of submissions, to make sure that the government is at least aware of and cannot ignore the fact that people have concerns and that these concerns need to be at least noted, even if the government is not going to act on them. The fact is that the government has not spoken to these people (or certainly there is no recognition of it), and the people I have spoken to certainly do not have much regard for the government's level of consultation on this, and that is an indictment of the bad management of this whole scheme.

The WorkCover Board issued its report in November 2006 and made a number of recommendations. There was a supplementary report in June 2007. The board's recommendations were considered by Clayton and, in his report, he compares and contrasts some of the things that he was talking about. The WorkCover Board recommended the doubling of the cap to 15 per cent. It talked about far more onerous step-downs, raising the step-down to 95 per cent from day one, and then a further step-down in weekly payments to 75 per cent at week 13, and capping the average weekly earnings at $1,190. That was to be indexed but it is certainly not double the

average wage. In many people's opinion, some of the things being proposed by the WorkCover Board were punitive.

The WorkCover Board knew exactly how the system had been working or, should I say, had not been working, so I am not surprised that the changes it proposed were seen as punitive, in some people's eyes, as they seemed to be at first reading. The need to ensure that the recommendations and concerns of all groups covered by workers compensation in this state are heard is vital, and that is why I will tonight continue to read out some of the concerns and submissions I have received. I will read out some of the advice verbatim, because it is from people for whom I have a lot of respect; they are workers compensation lawyers with a lot of experience, and for me to portray their opinions and their evidence in only a partial fashion would not be a fair representation.

So, members of the government can sit there and complain, but I will continue to read this material here because it is very important to put on the record a full, fair and frank representation of the current state of workers compensation in South Australia, and the concerns held by employer groups and other groups out there about the way it is heading.

The WorkCover Board sent a letter to the industrial relations portfolio committee of the Liberal opposition, and I will read some of that letter into *Hansard*. It was from Mr Bruce Carter, the chair of the board, who said:

> The board believes that the reforms will deliver a fair and balanced scheme for injured workers and will provide the tools necessary to improve the state's return-to-work rates, which should in turn result in a more affordable and sustainable scheme.

He went on to say:

> The WorkCover Board is encouraged by the commentary in the Clayton-Walsh review that the implementation of the recommendations will deliver a fair and balanced scheme for injured workers...The board is also encouraged by the PricewaterhouseCoopers funding projections which, if realised, would achieve the review's terms of reference and achieve ongoing cost savings, reductions in claim liabilities and full funding in five to six years. The board is, however, aware that the Clayton-Walsh review findings do constitute a weakening of the original board proposal in some areas. The board would be concerned at any further erosion of the reform package that may undermine the expected benefits of the scheme.

Certainly, we read what Julia Davison said in the *Adelaide Now* website tonight. She is concerned that the benefits may not be there now; I think she may be wrong on that one, particularly if claims management and rehabilitation issues are taken up. The letter from Mr Carter of WorkCover continues:

> Notwithstanding the general position of support the package, the board agree to make a further representation to the government on areas that have been included or omitted from the amendments bill which remain a significant concern to the board. In the interests of transparency I believe it is appropriate to also raise these matters with the…opposition…

That is why I am raising them here. I want to put on record the fact that even the WorkCover Board has had some concerns with this legislation. It has forwarded those on to us, and I assume they have also been forwarded on to government, so there is no need to read all those into the *Hansard* record tonight. However, it is interesting to see that the WorkCover Board itself does have some concerns about this legislation.

The other major group with whom I have had a number of discussions, and which has been very helpful in allowing me to get a grasp of the history and consequences of this legislation, is the self-insurers in South Australia. These people have bent over backwards to help me get a complete understanding of what they are all about, and how they are able to manage their scheme with a much greater efficiency than WorkCover has ever been able to.

The average levy self-insurers are now paying is about 1.6 per cent and, as I said before, some of those who are self-insuring (including self-insuring government departments, although they do not seem to be in as good a position as the private organisations) are able to manage the scheme so that they are getting workers back to work and are not having to grapple with unfunded liabilities. The percentage of their wages that they have to put aside as levies is about half that which the WorkCover Corporation is paying.

The other thing that the self-insurers have said to me is that they are not going to die in the ditch over redemptions going out but they are certainly very concerned about the fact that the use of redemptions will be greatly restricted. Many of them do use redemptions as an effective tool for managing some of their long-term injuries, or workers with injuries who, clearly, will not be able to return to work.

The self-insurers certainly do have a lot more flexibility than some under the workers compensation scheme in providing alternative employment within their own workplace. Sure; I admit that, but at the same time there needs to be recognition that the general management of the current legislation by self-insurers has been much better in the past, and I am sure they will continue to manage it in a much more efficient fashion than WorkCover will ever be able to. Why that is so I do not understand. In their preliminary comments the self-insurers state:

> It is SISA's understanding that the weekly payment provisions that rely on work capacity reviews will not take effect until the medical panel arrangements on which they depend are in place and are operational. This is likely to be up to a year. In effect, this means that the 130 week reviews will not begin until around 1 July 2009, meaning that the scheme's tail will remain unaffected until after that date.

If the minister can answer that question it would be a significant piece of information for the house to have before it. I am more than happy to give the minister a copy of SISA's comments about this. I am sure that he already has them. The second comment that SISA makes is:

> The limitations on redemption should not be made to affect self insurers. Redemptions have been used sparingly but effectively by self insurers.

I was talking to a self-insurer who manages over 8,000 employees in 700 sites around Australia. They acknowledge that their costs in South Australia are the highest of any state. They use redemptions as early as three months. They get in there very early and very quickly. I will read from one of their submissions to illustrate the fact that this group is able to manage its issues in a much more efficient way. SISA states:

> We have some ongoing potential concerns about the section 58B changes. While we recognise the purpose of the changes we are still analysing them in terms of their interaction with the rest of the amended act and will provide further advice in due course.

SISA has six main issues which I will read into *Hansard* so that everybody can be made aware of what the Self Insurers Association—which is using the system very well at the moment—is concerned about. The fourth issue, as I understand it—and I have not read all the amendments yet, but as I read in the press release—of concern to the self-insurers has actually been eliminated, and that was the inclusion of psychiatric conditions in the amended section 43, which was opposed by virtually every interested party.

It is quite true that people were not able to fathom why this was included in the first place, because nobody really asked for it. Certainly, the government has recognised the fact that it is not required and will not add any considerable benefit to injured workers out there, and it has been withdrawn. Other concerns that the self-insurers have noted include:

> The success or otherwise of the revised lump sum and new medical panel arrangements will be determined by the workability and robustness of the regulations that underpin them.

Of course, we will not know what the transition arrangements or regulations are until later on. The final point that the self-insurers make is:

> The medical panels will only be as successful as the quality and objectivity of the experts that serve on them. The general shortage of GPs and many types of specialists along with a long history of tension between the scheme and some elements of the medical profession will make the fee levels being offered and the selection process absolutely crucial.

I hear that they will have to have fly-in, fly-out specialists and members of the panel come in there. It is an issue that I certainly will be watching, and the Self Insurers Association is very concerned about it. In terms of the association's particular comments about all the sections of the bill, I will not go through them clause by clause; I am sure the government has already seen them. The association disagrees strongly with section 42(2)(e), a new subsection limiting the ability of redeemed working payments and medicals. The self-insurers have an established history of the wise use of redemptions. They state:

> It is a key element of our ability to settle claims quickly and efficiently. 36 per cent of the scheme is to be penalised because the other 64 per cent could not manage redemptions properly. These limitations could be imposed administratively, eg via ministerial direction, that does not affect the self-insurers. In any case, the provisions are likely to be bypassed by placitum (iii) and swamp the Workers Compensation Tribunal with applications.

This is one of its significant concerns. The entire bill is outlined in a 43-page document, which I will not read into *Hansard* tonight but which I assume the government has seen; if not, I am more than happy to give the minister a copy because it contains some significant concerns for self-insurers, who should be held up as examples of how the scheme can work well.

Another group we have heard a lot about (in fact, we have read a lot on the Adelaide Now website) is SA Unions. Janet Giles has been talking about the changes and, as I said before, she has stated that the move to introduce amendments by the government would not end action against the bill. She has also said, 'This is obviously an attempt to stop the campaign, rather than any real attempt to address the issues we have raised.' Let us look at some of those issues.

The first thing to note about SA Unions is that Janet Giles was on the board of WorkCover. Certainly, when the legislation was planned (in fact, I think that it was just after it had been introduced), it was stated in the news of 18 February that Janet Giles had quit the board to defend injured workers. You have to admire her for getting out there and putting her position as clearly as she has done, and I have certainly spoken to Janet Giles about some of their issues. They hope to continue to negotiate with the government, but whether or not that will be a factor I am not so sure.

I refer now to a report of the parliamentary research library, written by Dr Zoë Gill, entitled 'The Workers Compensation (Scheme Review) Amendment Bill 2008: A Summary of the Various Stakeholder Positions'. I recommend this report to all members of parliament; it should have been emailed to all members, and it is certainly a document worth reading. Page 9 outlines the position of SA Unions quite clearly but, for those who have not read it, I will read it now into *Hansard,* as follows:

> SA Unions, and its affiliates, have been vocal critics of the Government's Bill and of the framing of the review of WorkCover more generally. Their approach is summarised in their submission to the Review, Submission from SA Unions to the Review into the South Australian Workers Rehabilitation and Compensation Scheme, dated November 2007 and a further document on their website authored by Kevin Purse, Getting WorkCover Back On Track—a discussion paper, which is undated. Further, SA Unions Secretary Janet Giles was a signatory to the minority WorkCover Board submission.
>
> SA Unions' submission to the review primarily argues that the poor performance of the WorkCover scheme is a result of poor claims management. It identifies the 1994 changes to the scheme which outsourced claims management to nine agents, changed the Board structure, and introduced redemptions into the system as the beginning of this poor performance.

I cannot agree with that, when you read what Alan Clayton has said. The scheme was in good shape, so why people keep rewriting history I do not know. However, the main aim of reading this into *Hansard* is to ensure that people are at least aware of this submission and can follow it up and read the detail.

SA Unions is trying to ensure that all South Australian workers are represented, and certainly its position on the changes to the Workers Rehabilitation and Compensation Scheme, along with other positions, is quite clearly laid out in this excellent document put together by Dr Zoë Gill of the parliamentary research library.

The other significant group that has come out and really been quite vocal about the changes to the legislation is an interesting group because they are actually one of the biggest groups of employees in this state and they are actually employed by the government. It is the government that is doing something about changing this legislation and it is the government that is the employer of these thousands and thousands of public servants who are going to be affected by this legislation. None of these workers go to work—whether they are in the government, or whether they are in private industry—expecting to get injured. Certainly there is the common complaint that is recognised throughout all these submissions that the workers are not being treated fairly when they do get injured.

This legislation does need to be improved, and certainly the Liberal Party will come back with a much better position on this, although we recognise the fact that something has to be done now. While this legislation may not offer all the answers, it does offer some and we will watch this position very carefully.

The Public Service Association's comments on the proposed changes to the WorkCover Act are really quite interesting to read and, because there are thousands and thousands of these workers out there, I will ensure we do read this one into *Hansard*; it is only two pages. It will not take me long to read it and we will ensure that the concerns of the Public Service Association are put on the record.

Before starting, I refer to a letter from Warren McCann, the Chief Executive of the Department of the Premier and Cabinet. I wrote to him as the shadow minister for industrial relations, asking him to give evidence to the opposition's Industrial Relations Portfolio Advisory Committee, and Mr McCann declined, but he did send me a letter in which he said:

I do not consider it appropriate that I should appear and therefore respectfully decline your kind invitation. Nonetheless, I would like to take this opportunity to draw your attention to the following information from the Department of Premier and Cabinet Annual Report 2006-07, outlined at page 14.

It states:

Most public sector agencies are self-insured Crown exempt employers under the Workers Rehabilitation and Compensation Act 1986 and as such, are liable for associated costs and ongoing liability for claims. Actuarial valuations of the provision for workers compensation liability for all Crown exempted employer agencies have been performed as at 30 June 2007.

A summary of the estimated outstanding liability estimates for the past three years is as follows: 30 June 2005, $338.7 million; 30 June 2006, $344.2 million; and 30 June 2007, $358.2 million. It was only recently that the chair of the Economic Development Board told the Press Club that the current liability was about $400 million. If you put that on top of the billion dollars that we expect to see tomorrow, it is a significant figure that the taxpayers of South Australia are going to be—

Mr Bignell interjecting:

Dr McFETRIDGE: The member for Mawson wants to know what the chair of the Economic Development Board said to me privately.

An honourable member interjecting:

Dr McFETRIDGE: I will respond to this interjection, which of course I know is out of order. Publicly he encouraged the Liberal Party to support this legislation, although when I spoke to him afterwards there were some issues, and that has been seen in Business SA and also in *The Insider*. I am not going to reveal everything that was said to me privately, because it is an interesting position that businesses have out there and certainly it was interesting to see that the major push is to get this legislation through. The point I am making at the moment is that the unfunded liability has been focused mainly on the WorkCover portion, but if you add in the liability that is there in relation to the self-insured Crown exempt employers, it is about $400 million, amounting to a liability of about a $1.4 billion that this state is faced with.

Sure, you have to do something about it, but if you are going to do it, let's make sure it is done properly, That is why it is very important tonight that I do ensure that the government is aware of all the submissions that have been put to us and the issues that have been raised. If they are aware of them already, I do not think reiterating the concerns is going to be a bad thing for the small amount of time it will take in this place to do that, compared with the final outcomes that could be achieved if the scheme is brought back under control. The Public Service Association comments on the proposed changes to the WorkCover Act are interesting and I will read them into *Hansard* and ask members to digest them and consider them. I hope some of its concerns will be reflected in some of the amendments put up by the government. I understand some of the Independent members have a significant number of amendments they want to move to change this bill, but let us hear what the PSA has to say:

The premise of the proposed change is to assist in reducing the unfunded liability of WorkCover. The fact is that more than 40% of the total scheme is self-insured and has no unfunded liability, this includes state government, and at least one or more are in surplus, as well as having lower levies. They operate with exactly the same act and have exactly the same workers' entitlements. Injured workers from these employers who do not have an unfunded liability issue will have to suffer these severe cuts because of the actions of the WorkCover Board and its management.

It is unfortunate that, as qualified as they are, WorkCover Corporation Board members and general management team have not managed the scheme effectively. The continuous budget tightening while building buckets of unfunded liability shows a lack of experience regarding the scheme. The scheme is not inherently unworkable, changing the way it is administered can assist with many of the challenges currently facing WorkCover without having to resort to changing legislation or slashing and burning workers' entitlement.

The current scheme can be reformed without ensuring injured workers bear the brunt of the changes. Changes need to be implemented now rather than a quick superficial change, which will hurt workers and not bring about the desired changes in the long term. It is time to use compassion and not turn our backs on those who are injured just because it is a quick, easy solution.

For the long-term benefit of the state, measures need to be put in place to effectively lead to positive changes. The proposed bill is importing all bad sanctions against the workers, as introduced by Jeff Kennett in Victoria—

the Victorians are doing quite nicely, as I understand it—

but without common law, which is the only incentive for the employers to do the right thing and the only relief for those injured through negligence to pursue compensation in the form of damages, which they will not have access to under this proposed system.

There are a number of steps which can be taken to improve the WorkCover scheme (registered employers):

1. Return to work financial incentives for the employers if they return injured workers for two years or more without an aggravation. (This should be for pre-injury employer and the new employer.) This incentive cannot be available to the employer who has injured employees without offer of employment.

2. Differential levies for claims where the injured worker goes for job seeking. The employers with 50 or less employees should be exempt from this. Financially this will fund the above incentive.

3. Remove the two-year window levy for the employers and implement three-year window levy.

4. The claims management within EML should immediately be restructured to have specialist case managers to deal with likely long-term cases, which would easily be identified by a claims profile, for example, substance abuse/addiction, mental illness or any other severe illness. These cases require proactive management from day one rather than waiting until they are long-term cases. The rehabilitation officers should be accepted as experts in rehabilitation and only a rehabilitation adviser should be able to override or change a rehabilitation return to work plan or rehabilitation program. Case managers are not experts in rehabilitation and EML case management model is badly flawed as it centres rehabilitation on case manager, not rehabilitation officer.

5. The EML should restructure so it creates claims groups by industries, not by the time workers have off, which is current. That way the case managers could build (if EML can keep them long enough) industry knowledge to assist safe, durable and effective return to work.

6. Sections 58B and 58C must have an appeal right by the worker where the employer does not provide suitable employment. Section 58B should not be watered down the way the bill proposes as it is going to be further undermining return to work.

7. RISE scheme should be enhanced by increasing slightly but making it over a longer period of time to allow workers opportunity to settle in the new employment.

8. Retraining must be always a priority for the injured worker rather than waiting until they are a long-term claimant and depressed which never brings any outcomes to the worker or the system.

9. The board and general management team should be placed on the performance-based payment.

10. Return to work inspectorate is not in the proposed bill, contrary to Alan Clayton's report.

11. Ability for the insurer for the insurer to terminate provisional liability without any notice or explanation and without the rights of appeal. Rights of Appeal have been withheld, section 58B being watered down. Section 40 annual leave accumulative period, which is particularly bad for self-insured including government sector (PSA members) is an attack on an injured worker without any benefits to the scheme whatsoever.

12. Proposal is structured in a way that a handful of very seriously injured members are going to be better off and everybody else is going to be much worse off than they are in the current system.

13. The tone of the bill is anti-worker and weighted with a distrust of injured workers, except for the handful who are seriously injured.

14. This is only a short-term answer. What is going to happen is workers will be forced back to work prematurely, returning to the system with further and more severe injuries. It will be a revolving door of injured workers, adding further costs to the scheme and to the community both in human and dollar terms.

That last point is an important point. In the Clayton Walsh report there is a discussion about return to work rates and how bad they are in South Australia. The report also talks about return to work rates where workers do get a job but do not last long in the job and are back on the scheme quickly or out of a job. That is something which should be considered.

It is worth noting the Public Service Association's concerns. Certainly, self-insured groups are all working under the same legislation but some of them are managing more efficiently than others. How do you tell a corrections officer who has been beaten up by a mental patient locked up in one of the prisons, 'Sorry mate, you have to have your wages cut after 13 weeks'—even though it is now down to 90 per cent—'even though you cannot get into a specialist to have your injuries fixed.' It is a tough thing. People do not go to work to get injured. Certainly, this is where we must have compassion for injured workers.

The range of people covered under the self-insured sector, the public sector employed by this government, is quite amazing. The range of employees in this sector should be looked at by the government. If the self-insurers, as part of the government, can manage their scheme really well, perhaps it is not the legislation but, rather, the way in which the cases are managed. I put on the record that EML is a self-insurer. I would be interested to see how it manages its own workers.

Other groups have been making submissions with significant enthusiasm, including a group which represents lawyers in South Australia. The Law Society of South Australia has made a submission to the opposition, and it is important that the government is aware of its concerns. I have a copy of a letter dated Monday 1 April that was sent to the Hon. Patrick Conlon by the

Australian Lawyers Alliance, which is looking for the inclusion of common law rights to sue. Is that an indication that it thinks the legislation is flawed and there needs to be recourse to common law? I am not sure that is something anyone, other than some of the unions and the Australian Lawyers Alliance, would support.

The Law Society, however, came and sat down with us, and its submission makes very interesting reading. I will not read it verbatim, but I will certainly pick out the points that are salient and need to be noted by the government. Section 4 pertains to average weekly earnings and provides that the average weekly earnings of a worker is the average weekly amount paid to that worker earned during the period of 12 months preceding the relevant date.

Section 4(12) provides that overtime is to be disregarded where the worker has no reasonable expectation to work overtime within the foreseeable future. When overtime is to be taken into account, it is to be calculated on the basis that the component for overtime is the total of the amounts paid to the worker for overtime during the period used to calculate average weekly earnings divided by the number of weeks in that period. The need to review that is a concern of the Law Society, and that is just one of many of its concerns.

The Law Society highlights concerns regarding the rehabilitation and return to work provisions in section 28D. If the government does not have a copy of its submission, I am more than happy to provide the minister with a copy. The Law Society has issues with section 35 regarding weekly payments, and it is an absolute must that the government at least considers some of these concerns.

The discontinuation of weekly payments in section 36 is a serious concern for the Law Society. Its concerns revolve around the fact that the tribunal should not make a direction under section 91B if it is satisfied that there continues to be a genuine and substantial dispute about the worker's entitlements to weekly payments and no guidance is given about what is meant by 'genuine and substantial dispute'.

Redemption by agreement as a right is to be abolished. The Law Society believes that redemption by agreement should remain in the legislation, because the society does not agree with the view that the existence of redemptions and the ability to redeem creates a compensation culture. It says the ability to finalise liability is important in appropriate cases and, indeed, the proposed section acknowledges this. While the use of redemptions is not completely stopped, it is almost stopped at $30 a week or within a couple of years of retirement, as I understand it. But, as I said previously, some self-insurers use redemptions as early as three months, and the self-insurers do not want the use of redemptions abolished—abolished for all practical purposes—as they have been using them. They do not go in carte blanche and they do not use it as a way of flicking injured workers off their schemes. It is just not worth their while to do that.

The Law Society has a number of other concerns, and dispute resolution is an issue that it has raised concerns about. It is interesting to see that the government has gone back to a three-step dispute resolution system, and I will look at its amendments later this evening to see whether that will happen. It is something that a number of people have put to us should happen. Going to the four-step dispute resolution system was not really looked on favourably by any of the groups we have spoken to.

The issue that most of the lawyers have problems with is Part 6C, the medical panels. I will read from page 10 of the Law Society's submission. It states:

> The proposed introduction of medical panels is a matter of considerable concern. The Law Society has taken a strong position opposing the introduction of medical panels. The principal reason for this is that the definition of medical question is so broad. The fact that they are used elsewhere in Australia does not legitimise them if there are cogent reasons why they should not be adopted.
>
> While the Law Society acknowledges that medical practitioners are best placed to determine medical matters—that is what they are trained for—we do not accept that medical practitioners are in a better position 'to determine the medical matters of a claim' than trained judicial officers.
>
> Two points can be made on this: first, we are dealing with a specialist jurisdiction containing judicial officers who have had many years experience in dealing with medico-legal claims and disputes. Their training and experience has been focused on analysing and resolving disputes. We are here assuming that the first instance hearings will take place before deputy presidents, rather than arbitrators.

I think that has changed now. The submission continues:

> The second point, which is perhaps more important is definitional: what is meant by a medical question? It is clear that many of the issues regarded as medical questions in section 98E(a) are not medical questions; they involve, as we predicted:

- medical issues and factual questions, or
- medical questions which involve medical issues, factual issues and legal issues.

One of the 'medical questions' is whether employment is suitable. This is simply not a medical issue at all. Another example is the relationship between an injury and the worker's employment. That is not only not a medical question, but is also one that requires a number of preliminary questions to be determined before it can be addressed, such as what activities are part of the employment relationship. Unlike judges, doctors are not trained to resolve factual or legal disputes. Such an approach is inconsistent with their training and practice. One must, after all, look at the role of doctors. What are they trained for? The reality is that doctors are trained to diagnose and treat. They are not trained as advocates; they are certainly not trained as judges. The manner in which medical panels are to operate is also a matter of concern. A medical panel is not bound by the rules of evidence, but may inform itself in any way it considers appropriate; it can act informally and without regard to technicalities or legal forms; it can engage consultants and seek expert advice as it considers necessary, and the convener can give directions as to the arrangements of the business of the panels (section 98B). Worryingly, section 98G(6) provides that any attendance of a worker before a medical panel must be in private, unless the panel considers that it is necessary for another person to be present. The effect of this is that a worker is not entitled to representation before a medical panel.

Equally, it appears that a compensating authority is also not entitled to representation before a medical panel. Under section 98H(2) a medical panel is required to give a certificate as to its opinion. While section 98H(3) requires the opinion to include a statement setting out the reason or reasons for the opinion, the legislation provides no guidance about how detailed (or brief), that opinion must be. Further, the opinion of the medical panel is not subject to appeal rights. It is to be accepted as final and conclusive. While a member of a medical panel is competent to give evidence about the matters in a certificate given by the panel, the member may not be compelled to give evidence (section 98I(2)). Therefore, no doctor who is part of a medical panel can be questioned about the basis upon which the medical panel reached its decision.

It appears that the establishment of medical panels amounts to a derogation of the powers of the tribunal, as well as a lack of confidence in the tribunal. This lack of confidence is not shared by lawyers who practise on both sides of the personal injury fence. Indeed, this conclusion appears to be reinforced through the removal of the first instance hearings from the deputy presidents to, in the main, non-legally qualified arbitrators. The medical panel introduces a new layer of bureaucracy. It will clearly be costly. For the reasons already given, we do not believe that these costs can be justified. Further, the width of power, the lack of accountability, the lack of rights of representation and appeal in a body that has no legal qualifications, raises major ethical and jurisprudential issues.

The conclusion states:

While the Law Society considers that some changes to the legislation are required, particularly changes to address two-year review problems and changes to lump sum compensation, the Law Society believes that many of the proposal changes in the bill are unnecessary and some are likely to create major problems. The most noteworthy of the proposals that come within this latter category are the proposal to have first instance disputes heard by arbitrators and the introduction of medical panels. The Law Society continues to believe that the unfunded liability could be diminished significantly under the legislation as it stands at this stage. The problem is, in the Law Society's opinion, predominantly claims management related. Claims management is fundamental and critical. The self-insured employers demonstrate how effectively and efficiently claims can be dealt with under the legislation as it presently stands.

What the Law Society says in its submission just backs up what we have been saying all along about self-insurers and case management. The Australian Lawyers Alliance has a slightly different opinion. Its attitude has changed a little. I understood initially that it was not keen to introduce common law. However, in his letter to minister Conlon, Mr Anthony Kerin of the Australian Lawyers Alliance states:

I am writing to advise you that the Australian Lawyers Alliance has some serious concerns about the WorkCover bill and intends to raise these concerns in the media today. South Australian workers will be the only workers in Australia denied the right to sue negligent employers if the WorkCover bill is passed unamended in the state parliament.

It is being amended; we see that. Some 13 amendments are being brought in by the government, but the introduction of common law is not one of them, and I do not think that that was ever expected. The letter continues:

The ALA is of the view that, in the government's attempts to fix unfunded liability, it has overlooked common law rights and the option of lump sum payments, known as redemptions, and this will entrench an enormous injustice in the system. A simple and sensible amendment can ensure South Australia adopts measures of other states such as Queensland. The ALA's proposed amendments include: the inclusion of the common law right to sue; the inclusion of a strategic redemption option; removal of retrospectivity to remove the impact on current claimants; an extension to the 130 week cut-off for injured workers.

The press releases that have been put out by the Australian Lawyers Alliance certainly continue to press its case that the government should not cut workers' benefits. Its press releases are entitled: 'Government should not cut workers' benefits', 'Government to abandon injured workers' and 'WorkCover slashing benefits is not the answer'. Certainly, it pushes that association's point and makes it very clear, indeed. One of the first releases it put out on 28 February was entitled:

'WorkCover slashing benefits is not the answer'. The Australian Lawyers Alliance has criticised proposed changes to workers compensation legislation, and said that the amendments will not resolve the issue of unfunded liability but would drastically cut workers' benefits. Mr Kerin said:

> If the Labor Party is intent on pushing through this legislation, it is hoped that the opposition and the upper house review this legislation with significant scrutiny to avoid what will be the draconian effects upon the injured.

That is the whole intent of my reading into *Hansard* many of these attitudes and opinions from people far more experienced in this area than I. I cannot be expected to stand here and just give an opinion that would be, at best, based on a very cursory knowledge of workers compensation legislation in this place. I am not a lawyer—and, by that, I am boasting, not apologising. I am just a humble veterinarian. I have had workers who have been on workers compensation, and I have seen the way they have suffered and also the complications in having to deal with them. The need to—

Ms Breuer interjecting:

Dr McFETRIDGE: I've got a bit more yet, Lynnie. A significant amount of information has been provided to the opposition by the Australian Lawyers Alliance. While I am tempted to read into *Hansard* the whole of the 57 pages of evidence that has been given to us by the Australian Lawyers Alliance, I will not do so this evening. However, what I will do, if the caring and compassionate members on the other side—

Members interjecting:

Dr McFETRIDGE: I know some of them are, and they are interjecting at the moment. I understand that it is now 10 to 9, and I have been talking for quite a while, but I have a lot more to say, because it is important that it goes on the record.

Let us have a look at some of the case studies that have been put to us by the Australian Lawyers Alliance and some of the things that will potentially happen if this legislation were to proceed in its current form, even with the amendments. The first case study is of a bloke who is a horse float builder, who left school at the age of 15. He sustained a back injury at the age of 39, on 10 April 2000. There has been no return to work. He is now 46 years of age.

Section 43 disability payments in May 2003 were calculated at a 25 per cent loss of function of the lower back plus a 10 per cent loss of function of the left leg, yielding a payment in the amount of $25,162. Under the WorkCover Board's proposal, using the AMA guides, this worker's disability would likely convert to about 7 to 8 per cent. With respect to whole person impairment, in the result, this worker would have no disability payment entitlement as he would come in below the 10 per cent threshold.

The redemption negotiation history with respect to this case is that take it or leave it settlement offers have been made as follows. In December 2002, this person was offered $10,000. In July 2004, they were offered $30,000. In March 2006, they were offered $45,500. There were significant changes, but this person is only 46 years of age and they have a significant lower back injury and 10 per cent loss of function in their left leg. With a further offer made in 2007 of $40,000, further negotiations resulted in a settlement for the amount $68,000.

This is an example of the real cases with which we are dealing. These are real people. Just as the two people Mike Rann mentioned in his initial press release in 1995 were real people, these people are real people. We had the example of a middle-aged person who sustained a back injury building horse floats in the manufacturing industry. This chap is a stonemason. He sustained a lower back injury in April 2000 and was then aged 38. At the time, he was employed as a full-time stonemason and part-time as a projectionist. Over the ensuing period of about 12 months, he had three unsuccessful attempts at returning to his pre-accident work at the direction of his assigned rehabilitation consultant. All aggravated his condition causing him to become depressed.

Subsequently, he had five unsuccessful attempts at alternative work on a trial basis, four of which he found himself and one of which was found for him by the rehabilitation consultant. Further, subsequently in about July 2004, he found alternative part-time employment as an assistant dental technician. He has been engaged in this work for some three years, originally at some 16 hours per week, but now it is some 10 to 14 hours per week being the limit of his working capacity. He has had no operations but two facet joint injections.

Section 43 entitlements settled in March 2002 at 15 per cent loss of function of the lower back and lumbar spine, yielding a payment of about $11,534. Under the WorkCover Board's proposal, it is a virtual certainty that this worker would not be entitled to any disability payment

because he would not reach the AMA guidelines of a 10 per cent threshold. The worker's disability is now assessed at 25 cent loss of function of the back. Another case study of a real person. As Mike Rann used the examples of two people in 1995, these are real case studies involving real people.

This chap was a piggery attendant. The date of injury was in 2004. He had a low back injury, a disc protrusion. He was 31 at that time. He left school at the age of 14 part way through year 9. His educational level was not that high and his options for employment were probably not that high. This would be a case where certainly retraining would be something that would have to be a high priority. The section 43 payments made in September 2006 totalled $33,000 and were made up as follows: the loss of function of the lower back and lumbar spine, 20 per cent; loss of function of the legs—right leg, 10 per cent; left leg, 10 per cent.

Under the WorkCover Board's proposal, this worker's disability might reach the 10 per cent whole person impairment threshold, so the payment would be around $10,000, not $33,000 as under the current scheme. This is the last of the cases to which I will refer tonight. This is a real case involving a female tailor, a tailoress. The date of injury was 15 January 2000: a bilateral carpal tunnel syndrome. This lady was 52 years old. This worker's condition was aggravated in the course of a work placement doing substantially similar work with an alternative employer in June 2002.

The original substantial, although partial incapacity, was then converted to total incapacity for work. Section 43 determinations were made in March 2003 at a 25 per cent loss of function of each arm below the elbow, plus a further payment for disfigurement as per determination of July 2005 at four per cent. These assessments yielded a disability payment of $34,603 and $2,734. Under the AMA guidelines (as per the WorkCover Board's proposal), these disabilities are likely to convert to no entitlement because there is probably not sufficient restriction of movement to qualify for any disability at all.

This may be a lengthy piece of legislation but it is affecting real people. That is why it is worthwhile speaking at length on this legislation to ensure that we do put all the comments that have been made to the opposition on the record. Certainly, there is nothing more pertinent than looking at those case studies and what would happen to real people under these proposals. They would be quite severely penalised by this scheme.

Representatives from the Master Builders Association who came to see us are very keen to see this legislation passed—and passed without delay. In many ways, the amendments we now see in the Business SA proposals reflect the amendments which the MBA says in its submission must be made to the current workers rehabilitation and compensation scheme. I assume the minister has seen these amendments. If that is not the case, perhaps it will be a case of reading them into the *Hansard* record.

The Master Builders Association has put forward six amendments which it states need to be made to the bill. The Master Builders Association is one of the groups I was a little surprised to see that was prepared to wear the increase in the cap on the levy. I do not know how the association will cope with that increase; I suppose that, if one was a bit cynical, one would say that it will just pass it on to its customers, that is, those people who are having structures built. I think that would be a little unfair, and it is certainly something that all of us would think undesirable.

The first amendment to the workers compensation and rehabilitation scheme proposed by the Master Builders Association relates to psychiatric disabilities. That has been taken care of and has now been removed from those amendments being considered by the government. The second amendment relates to reference of a dispute to the tribunal and the conduct of proceedings, and I understand that amendment has been changed as well. So, we are part way there; perhaps the government has been listening to the employer groups out there.

The third amendment is to section 50B—Commencement of weekly payments following initial notification of disability. The bill's amendment is to delete proposed section 50H(3) in its entirety. In relation to section 32A—Special provision for payment of medical expenses after notification of disability—the bill's amendment is to delete proposed section 32A(9) in its entirety.

The rehabilitation and return to work coordinators, under new section 28D, was an issue for the Master Builders Association, which wants to see an amendment in the bill to delete section 28D—Rehabilitation and return to work coordinators—in its entirety. As an administrative alternative, the association has put forward the following:

Seek a commitment from WorkCover that:

(1) Any development of this type, including regulations, will be developed in consultation with employers; and

(2) The criteria that determine which employers must have a return to work coordinator include both size and risk overlay filters.

The fifth amendment put forward by the Master Builders Association relates to levy payments in advance, as follows:

Amend and vary proposed part 5, division 6, particularly section 69(1) (together with the necessary consequential amendments), such that levy payments continue to be made in arrears based on past remuneration.

The association is very concerned that there is no 'double whammy' payment for registered employers. That it will significantly ease the administrative burden (South Australian Strategic Plan: reduction of red tape) is an issue the association has raised in the belief that this amendment is in conflict with that proposal and, certainly, it is a concern for a number of people who have made submissions to us.

The final concern expressed by the Master Builders Association relates to part 6D—WorkCover Ombudsman—which the association wants deleted in its entirety and, as an alternative, it has put forward the following:

Narrow the scope of the Ombudsman's functions at 99D, particularly 99D(1)(d) (noting that the Ombudsman's powers at section 99E directly reflect the scope of section 99D(1) functions).

My understanding of the current relationship with the Ombudsman is that he receives about 50 WorkCover complaints a year. Whether there is a real need to have a further layer of bureaucracy added to the already burgeoning number of public servants in South Australia is something that is cause for concern for a number of people who have contacted the opposition.

The mining boom in South Australia is a great thing, but to be faced with the $20 billion worth of infrastructure required to be built in this state by both government and the private sector is a big problem that is not easy to cope with. So, encouraging the people involved in the mining industry is something that the South Australian Chamber of Mines and Energy has been aware of for a long time. That is why it has contacted the opposition, urging it to support this legislation. I will just read what it states in its submission. It is a very short letter; it will not take long to read. It states:

The South Australian Chamber of Mines and Energy gives 'in principle' support to the adoption of the Clayton Walsh recommendations (in their review of WorkCover) and proposed amendments to the SA WorkCover legislation. The key reasons for urgent change are:

1. The 'current scheme' is heading for $1 billion (estimate) cost blow out by 2009.

I think you will find it is a bit earlier than that. It continues:

2. SA employers pay up to twice the WorkCover levy rate of other states but even the average levy rate in SA (3 per cent) is the highest in the country and 'at least' 33 per cent higher than that of Victoria and New South Wales who have comparable systems.

3. SA has the worst 'return to work' rate of any system in Australia, costing the scheme in excess of $350 million, which points to the need for structural changes to the scheme.

4. SA has approximately 3,000 employees still on WorkCover's payments for an 'average' of eight years and once a worker is off work for four months, in SA there is 80 per cent likelihood that he/she will be off work for two years or more. By contrast, in NSW and Victoria, the same employee has only 30 per cent chance of being off work for two years.

5. Critically by comparison with other states, it is a far more expensive WorkCover scheme in SA and it need not be. Arguably it contributes to our massive skills shortage and the cost of sourcing and training new workers given the shocking return to work rate after four months absence (80 per cent chance of no return to work at two years) and the loss of residual skills and knowledge as a consequence.

The amendments that the South Australian Chamber of Mines and Energy (SACOME) have put up are very similar to some of those that have been put up by other groups. I do note that the government has actually taken notice, or seems to be aware of some of those—whether they have taken notice of them I do not know—and we see some amendments on the table, and we hope to see some more.

The other group that was very keen to see the legislation passed urgently, when it came to see the industrial relations portfolio committee, was the Engineering Employers' Association. Its letter to the Leader of the Opposition, Martin Hamilton-Smith, contains some amendments, a lot very similar to those put up by Business SA. I will just read from the covering letter so that everybody is completely aware of the Engineering Employers' Association's concerns. It states:

The workers compensation saga in South Australia has been a long one in recent times but EEASA, who represents some 450 companies in the metal and engineering manufacturing sector, has been regarded as a key stakeholder in workers compensation reform. Indeed our pivotal involvement goes back to the late 1980s and the establishment of the Workers Rehabilitation and Compensation Act, and prior to that the Byrne committee...In particular our average levy rate is well above the other states and our return to work performance is well below the other states.

An important issue to remember as we consider the present legislative form is that since Minister Michael Wright announced the formation of the Clayton Review in March of last year, four jurisdictions (QLD, NSW, VIC and WA) have announced a decrease in average levy rates. Consequently we believe that South Australia by doing nothing, is going backwards...Hence, to do nothing in the present legislative debate for workers compensation reform is not an option from our association's point of view.

Unfortunately, that is the position the opposition finds itself in: that doing nothing is not an option. While we have some very serious concerns about this legislation we do have to agree with the engineering association that doing nothing in the present legislative debate is not an answer.

A broad assessment is that 70 per cent of what we would like to happen in legislative reform is probably contained in the government's bill. So, we give 7 out of 10 for this one. Business SA said 6½ out of 10; the Engineering Employers' Association, 70 per cent, so it is 7 out of 10 for this legislation. The letter from the Engineering Employees Association continues:

However, if in fact the debate gets down to pass the Bill...our association would support that the bill be passed in its present form.

The association is really quite desperate to see some changes and certainly, speaking to it, we can understand that it does have some issues and would love to see a better piece of legislation on the table. The letter continues:

On balance we will be putting forward amendments...The reality is that there is a consensus amongst most employers and these amendments have the collective backing of the employer community.

The association highlights that the doubling of the cap to 15 per cent will mean that a considerable number of employers will be facing increased levy rates, despite the fact that a number of measures are being put in place to curtail costs and improve return to work rates. I am glad to see that the government has actually done something about that. The engineering association makes this final point in its letter:

The final point we would like to leave you with is that this package probably needs to be the first of a number of packages over the next few years. If successful, this package will leave us with an average levy rate not less than 2.25 per cent, which still makes us one of the most expensive workers compensation schemes in history.

It has enclosed a series of six amendments proposed for this bill that are very similar to amendments that have been proposed by other stakeholders. The need to ensure that every person who has spoken to the opposition has been listened to and that the information they have provided has been distributed to this house cannot be overlooked.

While the government may complain that it is having to sit here and listen to this, it should have consulted in the first place. A number of people who came to see us said that they needed to be heard, that they needed to be taken notice of, and we in the opposition have done that. We have listened to them and taken notice of them and, as a sign of the fact that we are genuinely concerned about them, we are happy to be here tonight to continue to read into *Hansard* the concerns of business groups in South Australia.

We do care about business in South Australia; we care about South Australians generally; and we care about the WorkCover scheme that will not be fixed by this legislation: 6½ out of 10 by Business SA, and seven out of 10 by the Engineering Employers Association. It needs to be fixed. So far the government has filed 13 amendments to what the Deputy Premier told us this morning was a good piece of legislation.

South Australian wine industry representatives also contacted us. They were unable to come to see us but, as the peak body representing wine grape growers and winemakers in this state, the association membership comprises about 93 per cent of the state's wine grape crush and approximately 36 per cent of the viticulture area. The concerns that they outlined were attached in a table for us. Their letter states:

Attached is a table outlining the key amendments of the Reforms and the Association's position on each of those including what proposed amendments we want removed from the Reforms.

There is a series of them here. I will not read those into *Hansard* because they are similar to many of the others. We do not see the government acting on what is a common message that has come

out of many of these employer groups that there needs to be changes to the weekly payments, which has happened; there needs to be changes to the work capacity reviews; there need to be changes to the non-economic loss; and there needs to be changes to dispute resolution which, I understand, has happened. Certainly there are a number of other proposed amendments which are in some cases taken care of by the government but which are also common to other people who have contacted the opposition.

Another group vitally involved in the workers compensation scheme is the Mediation and Employment Relations Services Group. That group has contacted us because, in its submission to us, some serious concerns have been raised about the current situation and also the proposed changes. I will just read the start of this letter from a Mediation and Employment Relations Services Group representative:

> We wish to share with you some of our frustration in dealing with the board's decision to cease funding Mediations Services in 2004.

The letter continues on about how mediation is a vital part of getting workers back to work and, certainly, the need to recognise the fact that not all employers and employees will see eye to eye on how their cases should be managed. However, having spoken to the people from Mediation and Employment Relations Services, I can see that there is a need to revisit the inclusion of mediation services in the handling of cases. As far back as 2004, the WorkCover Board's decision to cease funding mediation services was a serious concern for the opposition. Certainly, I would ask that the minister give some explanation as to why that is the case.

One of the first groups of people we spoke to in our discussions on this bill was a group from Victoria, which was having discussions with South Australian employer groups and even WorkCover, I understand, about ways of improving outcomes for the workers compensation scheme as it is. This group—Cambridge Integrated Services—gave us a presentation in February, and the issues that it raised were certainly interesting, important and worthy of putting on the record here. It is only a couple of pages, so I will read it into *Hansard*. It states:

> Since September 2007, Cambridge has been engaged in broad discussions with various parties in South Australia to fully understand the current workers' compensation environment. During these discussions, a number of performance concerns were raised together with proposed legislative remedies.
>
> Feedback received indicated that significant improvement in service delivery and claims management performance is possible within South Australia through a tightly managed claims operation. We have outlined examples of current Cambridge practices that we believe will provide improvements in each of the areas of concern.
>
> Issue: Timeliness of agent contact with both injured worker and employer ('Customer service' culture).
>
> Cambridge approach:
>
> - Cambridge contact be achieved within three days—(Victorian scheme requirement is within 10 days).
> - Structured review schedules and continuous contact through our case conferencing model. Our internal rate of person to person requirement is approximately double the Victorian requirement.
>
> Issue: Content of contact with the injured worker, including explanation of the claims process, the resources available, understanding options available to assist with return to work and need to strengthen return to work requirements.
>
> Cambridge approach:
>
> - Structured communication process that ensures injured workers clearly understand their rights, entitlements, obligations and claim process under the legislation. This includes direct dialogue together with formal information packs written in plain language.
> - The strength of our approach ensures that both the injured workers and employers are left with accurate and realistic expectations about their role in establishing sustainable return to work.

The other issue that Cambridge raised was the lack of employer involvement in a return to work environment. It pointed out:

> ...(RTW environment seems more difficult in SA—perhaps because of labour market and more limited options, but also lack of employer commitment and engagement)
>
> Cambridge approach—

and I am sure this is what it is recommending to be put in place in South Australia—

> - We constantly analyse our employer's claim numbers, trends and return to work outcomes. This enables us to successfully target and engage employers in return to work training programs. We provide this service free of charge to employers and tailor the program based on the employer grouping.

- Cambridge achieved the result of 104 per cent for return to work coordinator training in Victoria (Scheme average 71 per cent).

This is the important one here:

Tail claim focus and management—particularly the one to three years (recognising the legislatively driven difference in the tail is the SA scheme)

Cambridge approach:

We maintain a highly structured case conferencing regime conforming to scheme requirements that encompasses both emerging and established tail claims. Our approach is further reinforced with intensive claim reviews performed by senior technical and injury management specialists and early referral to job seeking rehabilitation panel.

I would recommend the Cambridge approach at least be examined by WorkCover and taken on board by the government. They were very keen to talk to us and they see opportunities for enhancing the performance of the WorkCover scheme in South Australia. I strongly encourage all members to have a look at the Cambridge organisation because they are doing things very well.

Another organisation is doing exceptionally well and it was put to me by people who have long experience in workers compensation and rehabilitation in South Australia that I should speak to Greg Saunders at Vedior Asia Pacific, which is a group managing thousands of workers in Australia which is able to manage these workers exceptionally well through the self-insured scheme.

Vedior pointed out to us, and it should be noted, that South Australia's claims cost up to 12 times more than New South Wales and Victoria and, on 28 March in a press release, Vedior said:

One of South Australia's largest self-insurers, labour hire firm Vedior Asia Pacific, has highlighted the stark difference in workers compensation costs between the state and others, and recommended that a starting place for repairing the struggling scheme would be to combine WorkCover's functions with Safework SA.

They were the only ones to recommend that and, because of their outstanding claims management, it would be interesting to see the government's attitude towards that.

I know that Safework SA was separated a few years ago by the government. I went to a national conference on workplace safety where Safework SA was one of the major sponsors. They are doing quite a good job but it has been suggested that bringing them back under the umbrella of WorkCover would be a much more efficient way of ensuring that workplaces are safe, particularly for injured workers, and employers are encouraged to ensure that their workplaces are safe in the first place in order to reduce injury rates. It may be that this synergy would be achieved by combining Safework back into WorkCover itself as recommended by Vedior Asia Pacific.

The interesting thing is that Vedior Asia Pacific has said is that its premiums in South Australia are just so much higher than anywhere else and, even though they have reduced them over a number of years, they are still having problems mainly based with getting workers returned to work and being accepted back into workplaces by the employers.

Vedior's record should be noted by the government, and I encourage the government to speak to such people as an example of how cases can be managed. The fact that they employ thousands of people and use redemptions as early as three months is something I found quite interesting as a way of managing the long-end tail of their workers compensation schemes. I did not find it, in any way, a hard-nosed organisation that was just chopping off workers' entitlements and throwing them onto the scrap heap.

A submission was put to us by a group of lawyers which had a little paragraph about the WorkCover changes and a statement that the overall intent was that Labor wanted to force injured workers onto minimum assistance from social security in the shortest possible time. That was a claim put up by the Premier and the Deputy Premier when they were talking back in 1995. It is something that really needs to be recognised. Nobody wants to shove workers onto a federal social security scheme where taxpayers generally are being held responsible for payments to these workers.

One fellow that I am sure everybody in this place (who has had anything to do with workers compensation) has heard of or has come across, is a chap called Phil Moir. Phil is a passionate advocate for changing the way WorkCover is being administered, and he has been to see me on a number of occasions. His calculations on the effect of these current changes are different to what a

number of people have been saying in this place. He highlights the release put out by WorkCover on 19 January 2006 with the following dot points:

- All South Australians will benefit from sweeping reform to injury and case management announced today by WorkCover.
- WorkCover Chief Executive Officer Julia Davison said Employers Mutual had been appointed as WorkCover's sole claims agent following a rigorous and highly competitive tender process for new agent contracts, effective 1 July 2006.
- 'Injured workers and employers will benefit from more claims managers delivering consistent service from an agent that has an outstanding track record, an excellent model for achieving improved recovery and return to work outcomes', Ms Davidson said.
- 'Injury and case management is Employers Mutual's core business and it shows.'
- In a clear win for the South Australian businesses that pay for the scheme, Employers Mutual expects to cut the claims liability by up to $100 million a year after only two years under the new contract.

That has not been achieved at all, and I do not understand why that is so. The anecdotal evidence given to me is that, because of the high turnover rates among case managers in EML, the cases are not being managed as well as they should be. It has been pointed out to the opposition (and I have pointed this out tonight) that many of those submissions focus on the fact that it is all about claims management and, in fact, even Clayton in his report emphasises that. That is the key to making sure that the scheme is working.

The return-to-work rates in South Australia are certainly nowhere near as good as they could be. That is a common theme throughout many of the submissions that have been given to us. Mr Moir, in his submission to us, disagrees with some of the figures out there, but he focuses on the fact that return to work is a crucial part of the WorkCover scheme in South Australia.

One person I found quite interesting to listen to about some of the ways in which workers are managed in South Australia, not only in the WorkCover scheme but in industrial relations generally, is a fellow who is well known to people in this place—Dr Kevin Purse. His qualification is one of a real doctor, a PhD, and a fine gentleman he is. I know he certainly has his heart in the right place when it comes to issues regarding WorkCover. He has spoken to me on a number of occasions and, in fact, as recently as yesterday spoke about some of the changes proposed by the government. He is certainly not a fan of these changes. Dr Purse issued a statement on 1 March 2007 and, for the benefit of members in this place, I will read some of that into the *Hansard*. Dr Purse said:

> WorkCover management wants to make big cuts in compensation payments to injured workers. The rationale put forward is that injured workers are to blame for WorkCover's poor performance, rather than its own continuing inability to manage the scheme. As part of the first in a new series run by SAPO titled 'Policy Challenges in South Australia', Kevin Purse from the Hawke Research Institute, examines the reasons behind this trend as well as the possible implications.

When Dr Purse was examining the current trends and implications he confirmed the views of most people who have spoken to us that the issue is that of case management. Case management is a serious issue for WorkCover, and that comes back to EML. I will not get stuck into EML tonight, because it is not my job to do that—my job here tonight is to make sure that the government's legislation will enhance what EML is trying to do—but I certainly encourage the people at EML to have a cold, hard look at what they promised, what was on the table, what they were required to do in their contract, and what has actually been delivered to date. We look forward with great trepidation to the unfunded liability that will, I believe, be given to the government tomorrow and to the house in the next day or so.

Rehabilitation providers in South Australia do not get much of a mention in this bill. The 'R' word is right up there in the title of the bill. Any history of the bill you look at is all about rehabilitation and return to work, but in this particular bill the 'R' word really does not get much of a mention, or does not get put into the context of actually improving the rehabilitation process. I would be happy to be corrected by the minister, but I have seen nothing in the bill that will really enhance the way the rehabilitation process is working in South Australia. I suppose the return-to-work coordinators could be seen as part of that, but is that about rehabilitation in the workplace or is it about rehabilitation of the injured person?

I believe George Hallwood, who has sent a submission to us, is a senior officer in the Rehabilitation Providers Association, although I am not quite sure of his exact title. However, I have a copy of some of that association's input into this legislation, and it is quite easy to see what it thinks about it, because the good bits are in green and the bad bits are in red—and it is page after

page of red, blocked out amendments. I am more than happy for the minister to be made aware of some of the changes, but I assume that his officers have been working very hard to see what is out there and what people out there are thinking.

Rehabilitation is the main emphasis of this whole legislation, and the history of this legislation has been all about workers compensation and rehabilitation; that is why it was put that way in the title of the act, not put the other way around. It was about rehabilitation first and compensation second, yet in the bill today we see rehabilitation not really being a priority as far as enshrining it in legislation. Perhaps that will come in regulation later on. I hope so, because providing rehabilitation to injured workers is something they want. They want to get back to work; they do not want to sit out there and not be able to go back to work as soon as they can. As Mr Clayton pointed out, cutting workers' entitlements is not a vital part of providing an incentive to get them back to work.

The house will be pleased to know that the final piece of evidence about the need for change was given to us by a lawyer who has a long history in the workers compensation scheme. Whilst at 9.30 at night I am very tempted to read all 17 pages of his blow by blow description of what needs to be done, I will read in some of the questions. There are 47 questions that have been provided to me by this lawyer, and they may be better off asked in committee. Certainly, I will let the minister know that there are areas of concern. I will give the minister and his advisers some idea. There are serious concerns about redemptions.

The first question is: if the scheme is to operate fairly, why does proposed section 35(5) continue to allow the WorkCover Corporation to insist in relation to a redemption lump sum offer that the worker agree to a weekly rate for the purpose of future claims which does not fairly reflect the weekly value of the lump sum offered to that worker for the rest of his working life? That is the tone of the questions on redemptions, and there are some others.

One of the first questions about automatic cut off in relation to weekly payments to partially incapacitated workers after 2½ years is: does the government believe that if a partially incapacitated worker is not in employment after 2½ years of receiving income maintenance then the only reason is that the injured worker has not genuinely tried to get back to work? Otherwise, why is there a distinction between partially incapacitated workers who are in employment and partially incapacitated workers who are not in employment at the 2½ years mark in operation of section 35C? There are another 10 questions on redemptions, and I am more than happy to save them for the committee stage.

As I said before, rehabilitation is an area where there is a need to get more of an emphasis in legislation or perhaps regulation. The first question here that has been provided to me is: if the main reason suggested by the government for the blowout in unfunded liability is the number of partially incapacitated workers who continue to be in receipt of weekly payments of income maintenance years after sustaining a compensated for disability, why does the government believe that the answer is to take a drastic step 2½ years after the injury is sustained? Why is there not a greater focus upon claims management and rehabilitation at an earlier stage? This is what people like Cambridge, Vedior and the Rehabilitation Providers Association emphasise.

The final issues that have been raised by this particular chap concern the dispute resolution process. The first question is: given that Mr Clayton is from interstate and the corporation has had the day-to-day running of matters through the dispute resolution process, why has the government preferred the recommendations of Mr Clayton in relation to arbitration being the primary hearing rather than a judicial examination before a presidential member of the tribunal, and why has it proposed a medical panel to deal with issues which are clearly not medical questions in the ordinary case? I think that part of that question has already been answered, but, certainly, there is the continuing issue that keeps coming up about how medical panels will actually work, giving a quasi-legal-medical opinion.

There is a series of questions there, and I am happy to provide them to the minister if he really wants them, so that they can be answered to save time, on the medical panels and on the way they will work. In terms of the new proposed section 43, the first question is interesting, and it will be interesting to hear the answer. In relation to new section 43, what are the WorkCover guidelines?

The second question under this section is: how can anyone assess the reasonableness of what is being proposed in relation to the new section 43 without knowing what is contained within the proposed WorkCover guidelines? Getting some direction on the guidelines would be a worthwhile thing before the committee, or at least in committee, because there is a series of

questions that need to be asked. There were questions about the inclusion of psychiatric impairment, however I see from the press release that they have been removed.

The last group that I refer to is the Australasian Faculty of Occupational & Environmental Medicine, South Australia (AFOEM-SA). They have concerns about the legislation. They suggest:

> The current picture in South Australia is likely to be impacted on by a range of factors relating to the nature of the work and working arrangements, the availability of suitable duties, success rates in early return to work, and is significantly influenced by social, educational, health and other factors.

AFOEM-SA refers to the document 'Compensatable Injuries and Health Outcomes', produced through collaboration with other groups for an indepth discussion of a range of complicated factors operating within this scheme.

In broad terms, AFOEM expresses its concerns about the level of financial support. Faculty members have concerns relating to circumstances of severe injury where injured workers may not receive adequate financial support. Such financial support, of course, not only goes to the worker, but to the families as well.

It is a good point to finish on: this is not just about injured workers, this is about South Australians, families, and ensuring that this WorkCover legislation will be amended in such a way that it will be a scheme that we can continue to be proud of. I do not think that boasting that this is the fairest workers compensation scheme in Australia is something we should be ashamed of. We should not be ashamed of that at all, and I hope that the government sees the need to enshrine in legislation the fact that South Australian workers do deserve the very best.

I said at the start of my second reading speech that I do expect members of the backbench of the Labor Party of South Australia to stand up and to do what Kevin Foley, then opposition member in this parliament, said in 1995: to stand up, have some guts and take on the frontbench and make sure that the workers of South Australia are not done over by this legislation, just as importantly as the businesses of South Australia need to be provided with a scheme that is going to work in a smooth and fluid manner.

I look forward to the committee stage of the bill because we have a number of questions to ask for clarification. A number of the government's amendments are on the table that we will be discussing and we look forward to the government listening and taking note of the submissions that I have read into *Hansard*, and listening to people out there who are still obviously unhappy.

As Janet Giles has said, we hope that the government does see the error of its ways and recognises not what the deputy premier claimed—that this legislation is already a good piece of legislation—we need good and fair legislation. It needs to be fair for all South Australian workers, their families and the businesses of South Australia, but, more importantly, for the state to be able to hold up its head and say we do look after South Australians in a fair and equitable manner. I look forward to making a further contribution during the committee stage of the bill.

Mr WILLIAMS (MacKillop) (21:39): I think I can take us through to 10 o'clock, or very close to that hour, when sensible people should be going home to bed. About three years ago when the then leader of the opposition, Iain Evans, asked me to take on the role of industrial relations spokesperson on behalf of the opposition I was very concerned because it was an area I had little knowledge of and I had little knowledge of what had already been identified as a problem for the government, that is, WorkCover. I spent a considerable amount of time reading many documents, many review reports and meeting people I had never met before, talking to people and listening.

Mrs Geraghty interjecting:

Mr WILLIAMS: I tell the member for Torrens one thing: I am looking forward to listening to her contribution on this debate, as I am looking forward to listening to the contribution of the member for Ashford and a number of members opposite. My gravest fear is that members opposite will not contribute to the second reading or committee stage of the bill. I have a grave fear because many members on that side of the house have strong feelings on this matter. I know that some members opposite like myself have grave fears for the future of working men and women in this state.

I know there are members opposite who would like to contribute to this debate but, unfortunately, I fear I will not hear their contribution. Member for Torrens, I would love to listen to you explain to your electors why you are supporting this piece of legislation. Unfortunately, I do not believe I will hear it. There are a whole lot of members opposite who I would enjoy hearing from. In

fact I will sit down now and say nothing more if you will undertake to speak for 20 minutes on why you are supporting this. Are you going to speak for 20 minutes?

Members interjecting:

Mr WILLIAMS: You will hear my position, but unfortunately that is something I will not hear from you. You will hear my position.

Before I was so rudely interrupted I was explaining that over an extensive period I got to meet and talk with a significant number of people and got better than just a basic understanding of the WorkCover animal. I met a lot of very genuine people and, unlike your minister, I gave up a few Saturday mornings and went to some forums held by injured workers and listened to them and talked to them about my feelings about WorkCover. Time after time I sat there and heard that your minister refused to go. He sat in his ivory tower making decisions about WorkCover and would not get out and talk to the people who were the recipients of his mismanagement, the clients of WorkCover, as that is what they will be over the ensuing period. It will not be a long period as he will cut them off. At least I got out and talked to these people, listened to them and got some understanding of their plight. We can come back to that.

I had been handed the responsibility on behalf of the opposition, one that I took reluctantly as I had little knowledge. However, I developed a considerable knowledge through the reading I undertook and I will go through a little of the history of WorkCover. Workers compensation had a long and chequered history through the late 1970s, early 1980s, and eventually in 1986 the minister's father was responsible for introducing the legislation we have that he is attempting to amend today. The original debate on the legislation was heated, protracted and eventually it got through the parliament and we started to work with that legislation. We had in the late 1980s, early 1990s, the other disaster foisted upon South Australia, the State Bank collapse, the collapse of SGIC and a whole host of other bad management and investment decisions by Labor.

We are seeing the Treasurer involving himself in bad management today. We are seeing today's state finances being mucked around with by amateurs and we are heading down the same path. In a few years the people of South Australia will realise that Labor cannot be trusted with money, just like it cannot be trusted with WorkCover.

We had a change of government in the early 1990s; in1993 WorkCover was a mess. In June 1994 WorkCover had an unfunded liability of about $275 million. It was a mess, it was bleeding. In real terms it was almost as bad as where we are today. WorkCover was not going to survive. The then Brown Government instituted reforms to the legislation and made significant changes, not with the help of the then Labor opposition but, rather, against the wishes of the Labor Party. It managed to get some reforms through the parliament—not all the reforms it wanted, not the sort of step-downs we are seeing the Labor government introduce now to injured workers' benefits. The Labor Party would not support those reforms in those days. During the late 1990s the WorkCover scheme financially came under control to the point where, as Alan Clayton said, at the beginning of 2000 WorkCover was financially viable and stable.

Mrs Geraghty interjecting:

Mr WILLIAMS: I am just quoting Alan Clayton, whose report you are now supporting. He said that it was financially stable and it was a scheme that was admired because it was at the forefront of providing benefits to workers. As one went around the country and attended WorkCover conferences, one heard from people who had looked at the South Australian scheme and were saying, 'This is the way a scheme should work and can work because it has been done in South Australia.'

We had a change of government in March 2002. At the end of 2001 we had the lowest recorded unfunded liability of WorkCover in the past 15 years—some $22 million. At that time we had a significant downturn in the stock market, not unlike what we are seeing now. In that financial year we saw the fortunes of the investments of WorkCover turn around. Where we were getting a bit over a 13 per cent return on the investment of $700 million, it went into negative territory. In that one year we lost—or did not gain—something amounting to just over $70 million worth of returns from those investments.

By the time we came to the change of government, the unfunded liability had crept up. I think the end of June figure was around $60 million to $80 million. I am not sure whether it was $67 million or $84 million, but it was one of those figures at the end of June 2002. It was still in very manageable territory. We had a change of government, a change of minister and a change of

philosophy. The minister said, 'We will not have injured workers being redeemed out of the scheme.'

Interestingly, half an hour ago I went onto the WorkCover website. I have been out of the state for a few weeks and I was wondering what has been happening at WorkCover in the past few weeks. I went onto the website and read the news releases of recent weeks. Bruce Carter, the Chairman of the board, put out a news release on 18 March. It states that he was correcting a claim by Rob Lucas that 'the blow-out started when redemptions stopped'. At the bottom of the press release he has included the number of redemptions for each year from 1995-96 through to the current financial year. It indicates to me exactly what the problem was. I will read out the number of redemptions taken by injured workers in each year between 1995-96 to 2007-08.

These are the numbers: 1,897, 2,224, 1,168, 1,277, 923, 779 and 830. Remember: this is the period when the unfunded liability was coming down and being got under control. The number for the year 2001-02 when we had a change of government was 830. In the first year of the new government it was 1,113, a bit of a jump. Then it goes down to 505 and 864. Then the minister got rid of the three claims managers that were left working for the scheme and installed EML as the sole claims manager. In a deal with EML, which said, 'We don't want to take over this mess that you have got, minister, with the long tail of claimants who are not getting back to work', WorkCover spent something like $50 million in the June quarter of 2005-06 more than its ongoing quarterly costs.

The ongoing quarterly costs of WorkCover at the time were between $95 million and $105 million per quarter. In the June quarter in 2005-06, the cost to WorkCover to run its operation went to $150 million-odd. In estimates I asked the acting minister, the member for Kaurna, the reason for that and he said, 'We paid out a lot of redemptions. We wanted to pay out a lot of people.' I said, 'Why would you do that?' and he said, 'We wanted to get them off the books, I guess.' He did not really know what he was saying, but he was spot on. They wanted to get them off the books. There were 1,436 redemptions that year, then it dropped to 431 in 2006-07 and back to 404 in the most recent year.

Anyone who looks at the history of WorkCover over the last 15 years would be blind if they did not see the problems at WorkCover, and the minister uses the euphemism 'we have a poor return-to-work rate'. I will say it honestly: we have people who stay on the system year after year and we cannot get them off the system. Why is that causing a problem? Because WorkCover was designed to get workers into employment and back into the workplace within two years—rehabilitate them. WorkCover spends more money on private investigators than on rehabilitation. It spends more money on lawyers than on rehabilitation.

Mr Griffiths: It's a disgrace.

Mr WILLIAMS: It is a disgrace. We should be asking what in the hell is going on down at WorkCover, because it is not performing its key function of getting people back to work. When we were in government we said to people, 'If you do not want to go back to work, we realise you have a problem.' My understanding, having spoken to injured workers, is that they get wound up in a system which literally drives them mad. Most people who have been on WorkCover for probably more than 18 months but certainly more than two years end up with some sort of psychological problem. That is the information that is given to me when speaking to injured workers. They just get so wound up by the system. They generally want to get their lives back and get off the system.

Because section 35 of the act never worked, because the tribunal always overturned on appeal decisions made under section 35, it was just not being used. The only tool left was redemptions, and at least when we were in government (bearing in mind that the Labor opposition at that stage would not allow us to change the legislation to sort out section 35), we used the only tool available and we said to these people, 'Here is a decent payout; take this and go off and manage your own life' and, by and large, those people were happy to do that. I can only presume they got themselves back into the workforce somehow or got their life back together. At that time as a member of parliament I was not being inundated with calls from injured workers complaining about the system, as I have been in recent years.

Obviously, it was working, but the problem was with section 35. It was not working, and the opposition of the day would not allow the Liberal government of the day to sort it out and fix up section 35. That is probably all we need to do to WorkCover to make it work properly. All the other things—the step downs and the cutting of benefits to injured workers—are not necessary. Fix up section 35 and get the case managers to read and understand the act and establish some case law so that they can go before the tribunal and win their cases, because—

Ms Simmons interjecting:

Mr WILLIAMS: Well, she might be able to answer my question, so I will ask the member for Torrens: how long has it been since WorkCover or the case manager, EML, has run any significant numbers of cases under, say, section 35? How long? It gave up doing it years ago. It walked away from establishing a body of case law. All EML does now is just process the claims as they come through. It does the paperwork, turns them over and, two years later, whoopee, a whole heap of people are still on WorkCover, and we have a problem. We have an escalating unfunded liability. At some stage you have to get these people off WorkCover.

What the honourable member's government has said and what the honourable member's minister is saying is that every person on WorkCover at two years is a malingerer. The honourable member is saying that every person on WorkCover at two years is a malingerer and you are just going to cut them off. Unless they have a very serious physical injury, which no medical panel can fail to recognise, they will be cut off. That is what will happen to all these people, and they will become invalid pensioners. That is what the blind eye you have turned to this incompetent minister for the past six years has cost the injured working men and women of this state.

That is the result that members opposite will get because they have allowed an incompetent minister to preside over WorkCover for six years. Instead of installing a system and making section 35 work, where you can have people go through a process which is open and accountable and determine whether or not they have a genuine case to continue on WorkCover, you are saying, 'Sorry, unless you have a very visible, physical injury, goodbye. You become an invalid pensioner for the rest of your life.' That is what injured workers in South Australia can look forward to. Why can they look forward to that? Because members opposite have stood behind an incompetent minister for so long.

The opposition has been highlighting this matter since about 2003. In about mid 2003 it came to our attention that WorkCover was in trouble. We have been asking questions, making statements and pressuring the minister and not once has the minister or anyone on the government's side of the house acknowledged that there was a problem. Members opposite were always in denial.

The people who will suffer that denial are the injured men and women—those people who the government purports to represent, the working men and women of this state. It hurts me that we have arrived at this point. I represent as many working men and women as every other member of this house, and it hurts me that the government of this state and a government that purports to stand up for working men and women has done what it has done.

It hurts me that a minister, the son of the man who gave us this WorkCover law, has been so incompetent that now, after two years, we will cut these men and women off and turn them into invalid pensioners. It is a shame.

Time expired.

Debate adjourned on motion of Hon. M.J. Wright.

CRIMINAL LAW CONSOLIDATION (RAPE AND SEXUAL OFFENCES) AMENDMENT BILL

The Legislative Council agreed to the bill with the amendments indicated by the following schedule, to which amendments the Legislative Council desires the concurrence of the House of Assembly:

Clause 6, page 6, lines 41 to 42—

Clause 6, inserted subsection (5a)(f)—Delete paragraph (f) and substitute:

(f) an employer of the child or other person who has the authority to determine significant aspects of the child's terms and conditions of employment or to terminate the child's employment (whether the child is being paid in respect of that employment or is working in a voluntary capacity).

Clause 7, page 9, lines 1 to 2—

Clause 7, inserted section 50(8)(f)—Delete paragraph (f) and substitute:

(f) an employer of the child or other person who has the authority to determine significant aspects of the child's terms and conditions of employment or to terminate the child's employment (whether the child is being paid in respect of that employment or is working in a voluntary capacity).

Clause 8, page 9, line 15—

Clause 8(2), inserted subsection 4(c)—Delete 'member of the clergy' and substitute:

religious official or spiritual leader

Clause 8, page 9, lines 26 to 27—

Clause 8(2), inserted subsection 4(f)—Delete paragraph (f) and substitute:

(f) an employer of the child or other person who has the authority to determine significant aspects of the child's terms and conditions of employment or to terminate the child's employment (whether the child is being paid in respect of that employment or is working in a voluntary capacity).

At 22:00 the house adjourned until Wednesday 2 April 2008 at 11:00.