LEGISLATIVE COUNCIL

Tuesday 12 April 1994

The PRESIDENT (Hon. Peter Dunn) took the Chair at 2.15 p.m. and read prayers.

TIERNAN, Mr JOE, DEATH

The Hon. R.I. LUCAS (Minister for Education and Children's Services): With the leave of the Council, I move:

That the Legislative Council expresses its deep regret at the recent death of Mr Joe Tiernan, member of the House of Assembly, and places on record its appreciation of his distinguished public service.

On behalf of Liberal members in this Chamber, I must say that it is with deep regret that I move this motion and speak to it, because it was just four months ago that Joe Tiernan was elected to represent the people of Torrens in the House of Assembly. It is a tragedy for his family, his parliamentary colleagues and the community that, after working so hard and so long, he was not able to represent the electors of Torrens in the House of Assembly for a parliamentary term or for any longer than just four months.

As with most marginal seats, the winning of the electorate of Torrens by Joe Tiernan was basically one long, hard slog by Joe, his family and a loyal band of supporters. Torrens was a difficult seat in terms of political complexion. The Liberal Party and Joe Tiernan required a swing of about 5 per cent and his success in winning the seat was a tribute to the hard work that he undertook during many months in Torrens, where he achieved a swing of about 12 per cent at the December 1993 election.

When we look at the suburbs represented within the electorate of Torrens, we see they include Hillcrest, Holden Hill, Gilles Plains, Klemzig and Windsor Gardens, and all members in this Chamber would know that those suburbs and the electorate would not have a natural affinity for or a long history of voting in support of Liberal candidates and the Liberal Party. His success is not only a tribute to his hard work but also a tribute to Joe Tiernan himself and his own capacity and abilities in that he was able to achieve on behalf of himself and the Liberal Party such an extraordinarily large swing in what in political terms was an extraordinarily difficult seat for the Liberal Party.

To be honest, I cannot remember how long I have known Joe Tiernan, but I do know that our paths crossed for at least a decade. I also remember some brief associations with him in the late 1970s or early 1980s when he had a previous involvement within the Liberal Party and was active in one of our branches. This association became closer in more recent years. Because of his background, he had a very strong interest in education matters, particularly TAFE, so I came to know him much better over the past four or five years.

It is interesting to look at the background of Patrick Joseph (Joe) Tiernan prior to his being elected to Parliament late last year. His previous occupations included: apprentice aircraft engineer; RAAF technician and technical teacher; a technical educational officer with British Airways and Kuwait Airways; a traffic officer with Ansett Airlines; a senior manager at the North-West, Riverland, Noarlunga and Gilles Plains TAFE colleges; and State training manager for a large Australian manufacturing group. Then in more recent years he was a senior educational manager at one of our TAFE colleges and then subsequently TAFE institutes. He had a family business for 20 years or so—the Highbury Driving School—and he also had a wide variety of community interests, including Neighbourhood Watch, school councils, various apprenticeship schemes and employment schemes, and a long association with rugby clubs and the rugby association. I note here that he was a committee member and playing coach of the Burnside Rugby Union Club at one stage. He had a long association with cubs and scouts, was a leader of the Hope Valley scout group and also a commissioned officer with the Australian Army Reserve.

That is just a potted summary of the career of a man with obviously quite diverse interests, and that certainly came home to me just last week after the funeral of Joe Tiernan at the wake which was conducted here at Parliament House. At that function it was quite clear that there were groups of people who had known him from his TAFE days, family and close friends and people from his political associations, particularly the Liberal Party. Members of one interesting group with which I found myself for some time told me many stories of Joe's connection with car racing. I suppose it is sad that sometimes when you are involved in politics you do not get to know all the background of your colleagues until a sad or tragic occasion such as this.

Joe had a long and interesting career in car racing, and I was told that 20 or 30 years ago he was a British go-kart racing champion for two years in a row. When he came out to Australia he continued this interest, particularly in rallying. I am told that only last year he won the State championship in his division and that he and one of his sons had formed a formidable team and were looking forward to a rally in the Mid North somewhere on one of the coming weekends, to defend his State championship in the State competition. These friends and acquaintances were a loyal group; they were his volunteer service crew or pit crew and they followed him all over South Australia. To keep his car (which had quite an extraordinary name like 'Godzilla') going they worked long hours, because of their respect and love for Joe Tiernan, in relation to this car racing or rallying aspect of his life.

I refer also to his involvement in mud sprint racing and a variety of other forms of car racing and rallying here in South Australia. It is with much sadness that, on behalf of Liberal members in this Chamber, I move this motion and express our sincere condolences to Myra and his three sons and the family on this sad occasion.

The Hon. C.J. SUMNER (Leader of the Opposition): I second the motion. On behalf of members on this side of the Chamber, I endorse the remarks of the honourable Leader of the Government and express our condolences to the family and friends of the late member for Torrens, Mr Joe Tiernan.

The PRESIDENT: I ask honourable members to stand in their places and carry the motion in silence.

Motion carried by members standing in their places in silence.

[Sitting suspended from 2.27 to 2.40 p.m.]

ASSENT TO BILLS

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

Administrative Arrangements,

Correctional Services (Prisoners' Goods) Amendment,

Statutes Repeal (Incorporation of Ministers).

QUESTION ON NOTICE

The PRESIDENT: I direct that the following written answer to Question No. 16 on the Notice Paper be distributed and printed in *Hansard*:

PUBLIC SECTOR EMPLOYMENT

16. **The Hon. BARBARA WIESE:**

1. Since 11 December 1993, which staff in the Department and Agencies for which the Minister for Housing, Urban Development and Local Government Relations has responsibility have been—
   (a) transferred to other duties—
      (i) within the Department;
      (ii) in another Department or Agency;
   (b) left the Public Service;
   (c) taken leave of absence?
2. In each instance, can the Minister advise—
   (a)
      (i) of the reasons why this action was taken?
      (ii) who requested that the transfer occur?
      (iii) what was the authority for the transfer to occur?
      (iv) is there a diminution in salary and/or career prospects for any officer so transferred?
   (b) (i) Are any further officers to be transferred or dismissed?
      (ii) If so, which officers and why?
      (iii) Can the Minister advise which officers have been transferred or dismissed because of their because of their political affiliations, race or creed?

The Hon. DIANA LAIDLAW:

I suggest the following reply:

1. (a)
      (i) J. Maxey; B. Moran; M. Dharmesenan; M. Wright; R. Williams; S. Walding; B. Moyridge; J. Benton; J. Harding; D. Harvey; M. Canala; M. Clark; G. Jenkin.
      (ii) J. Hill; Ms A. Lynch; C. Stoyanoff; G. Edwards; J. Berggy; Ms L. Barkway; N. Whittaker; J. Newchurch; M. Hennesy-Smith; C. Charles; B. Crowhurst; C. Harmon-Smith; I. Hender; B. Kemp; L. Olatsen-Weaver.
   (b) B. Heyer; C. Dunstone; M. Fidge; D. Heyer; D. Lafferty; B. Robins; A. Watkins; D. Brook; J. Camborne; A. Eggleton; T. Giamos; E. Lawler; T. Nguyen; J. Parker; C. Synnott; C. Moyle; G. Anderson.
   (c) Mr R. McConaghy; N. Fuller.
2. (a)

Name	(i)	(ii)	(iii)	(iv)
J. Maxey	Promotion	Self	Director, Regional and Community Services	No
B. Moran	Promotion	Self	General Manager	No
M. Dharmesenan	Promotion	Self	General Manager	No
M. Wright	Promotion	Self	CEO, HUD	No
R. Williams	Promotion	Self	Director, Regional and Community Services	No
S. Walding	Promotion	Self	General Manager	No
B. Moyridge	Promotion	Self	Director, Regional and Community Services	No
J. Benton	Promotion	Self	Director, Regional and Community Services	No
J. Harding	Promotion	Self	Director, Regional and Community Services	No
D. Harvey	Promotion	Self	Director, Regional and Community Services	No
M. Canala	Promotion	Self	Director, Development	No
M. Clark	Promotion	Self	Director, Development	No
G. Jankin	Promotion	Self	Director, Regional and Community Services	No
J. Hill	New position	Self	CEO and Comm for Public Employment	No
Ms A. Lynch	New position	Self		No
C. Stoyanoff	New position	Self		No
G. Edwards	New position	Self		No
J. Berggy	New position	Self		No
Ms L. Barkway	New position	Self		No
N. Whittaker	Promotion	Self	FMC Board	No
J. Newchurch	Gain experience	Self	N/A	Unknown
M. Henesey-Smith	Reappointment	N/A	CEO, Department of the Premier and Cabinet	No
C. Charles	Reappointment	N/A	CEO, Department of the Premier and Cabinet	No
B. Crowhurst	End of contract	N/A	Commissioner for Public Employment	N/A
C. Harman-Smith	End of contract	N/A	Commissioner for Public Employment	N/A
I. Hender	Resigned, another position	Self	Commissioner for Public Employment	N/A
B. Kemp	Resigned, another position	Self	Commissioner for Public Employment	N/A
L. Olatsen-Weaver	Resigned, another position	Self	Commissioner for Public Employment	N/A
B. Heyer	Resigned, another position	Self	Manager, Human Resources	Not known
C. Dunstone	End of contract	N/A	Manager, Human Resources	N/A
M. Fidge	Resignation—Personal	Self	Manager, Human Resources	N/A
D. Heyer	Resignation—Personal	Self	Manager, Human Resources	N/A
D. Lafferty	Resignation—Personal	Self	Manager, Human Resources	N/A
R. Robins	Resignation—Personal	Self	Manager, Human Resources	N/A
A. Watkins	End of contract	N/A	Manager, Human Resources	N/A
D. Brook	TSP	N/A	Commissioner for Public Employment	N/A
J. Camborne	TSP	N/A	Commissioner for Public Employment	N/A

Name	(i)	(ii)	(iii)	(iv)
A. Eggelton	TSP	N/A	Commissioner for Public Employment	N/A
T. Giamos	TSP	N/A	Commissioner for Public Employment	N/A
E. Lawler	TSP	N/A	Commissioner for Public Employment	N/A
T. Nguyen	TSP	N/A	Commissioner for Public Employment	N/A
J. Parker	TSP	N/A	Commissioner for Public Employment	N/A
C. Synnott	TSP	N/A	Commissioner for Public Employment	N/A
C. Moyle	Deceased	N/A	N/A	N/A
G. Anderson	TSP	Agreement between CEO and Officer		
N. Fuller	Gain experience	Self	CEO, HUD	N/A

2. (b) (i) It is anticipated that an unknown proportion of Information Technology Staff will transfer to the newly created Office of Information Technology.

(ii) —

3. None

PAPERS TABLED

The following papers were laid on the table:

By the Minister for Education and Children's Services (Hon. R.I. Lucas)—

Friendly Societies Act 1919—General Laws of Lifeplan Community Services.
Regulation under the following Act—
Waterworks Act 1932—Mount Lofty Ranges Watershed.

By the Attorney-General (Hon. K.T. Griffin)—

District Court Act 1991—Rules of Court—Caseflow Management.
Magistrates Court Act 1991—Rules of Court—Amendments—Forms—Various.
Supreme Court Act 1935—
Report of the Judges of the Supreme Court of South Australia to the Attorney-General.
Rules of Court—
Appeals.
Criminal—Caseflow Management.
Regulation under the following Act—
Workers Rehabilitation and Compensation Act 1986—Written Determinations.

By the Minister for Transport (Hon. Diana Laidlaw)—

Regulations under the following Acts—
Beverage Container Act 1975—Glass Containers Exempted.
Motor Vehicles Act 1959—Affixing Trader Plates.

QUESTION TIME

EDUCATION FUNDING

The Hon. C.J. SUMNER: I seek leave to make a brief explanation before asking the Minister for Education and Children's Services a question about education funding.

Leave granted.

The Hon. C.J. SUMNER: There is increasing concern in the education community and the community generally about the Liberal Party's pre-election commitments to maintain and increase education expenditure. These concerns have been fuelled by the failure of the Minister in this Chamber to guarantee that the Liberal Party pre-election pledge of no cuts to the education budget in 1993-94, an increase in funding in 1994-95, and the guarantee of $240 million expenditure for new schools, redeveloping schools and maintenance over a three year period will be met.

When asked on 23 March about these matters the Minister could do nothing but refer the question to the Premier, Mr Brown, as the person who had made these pre-election commitments. Further, the Treasurer, Mr Baker, in another place, on 29 March failed to give the same assurance requested, namely, that these commitments would be met, and was able only to say, 'We are under some obligation to meet those policies.'

I can now reveal that the Government has been negotiating with the South Australian Institute of Teachers for a cut of 1 800 permanent teachers from the Education Department's work force. These negotiations also involve the cessation of the four-year right of return for country teachers and the scrapping of agreements limiting the number of contract teachers which were entered into as part of the curriculum guarantee. My questions to the Minister are:

1. Why has the Department for Education and Children's Services commenced discussions to cut 1 800 permanent teachers from the work force, and do these plans pre-empt the Audit Commission report?

2. How will these 1 800 teachers be cut from the service, given that to date only 580 teachers have taken targeted separation packages in the last three rounds and given that the tax concessions offered by the Commonwealth Government as part of its assistance package to the States cease on 30 June this year?

The Hon. R.I. LUCAS: In relation to the first aspect of the commitments in 1993-94, I indicated on a previous occasion to the shadow Minister that we had taken no decision to cut funding for the 1993-94 year, and indeed that is still the case. So, in relation to that aspect of the question, the commitment made by the Government continues. The shadow Minister for Education has been around for a long time—some might suggest too long—and he knows full well that no Minister is able to guarantee future funding levels in the terms of his question to me, whether it be for 1994-95 or for any particular year.

The Hon. C.J. Sumner interjecting:

The Hon. R.I. LUCAS: The shadow Minister for Education has been around for a long time and he well knows that in the Cabinet process in relation to the budget process these decisions are taken by Governments.

Members interjecting:

The Hon. R.I. LUCAS: They are taken by Governments, and there has been no change in commitment.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: Ministers can make no guarantees in relation to future funding levels. The shadow Minister

then moves on to claim that the Government has taken some decision in relation to cutting back 1 800 permanent teachers. Can I put on the record—

The Hon. C.J. Sumner: Negotiating.

The Hon. R.I. LUCAS: That is not correct. No decision has been taken by me as Minister or by the Government to cut 1 800 teachers from the school system in South Australia. For the shadow Minister for Education in this Chamber this afternoon to claim that 1 800 teachers were to be cut from the system and that only 500 have gone so far, according to him, and how will we get rid of the other 1 300 within the framework of an assumption that decisions—

The Hon. C.J. Sumner: 1 800 more.

The Hon. R.I. LUCAS: An additional 1 800. It does not really matter what you are talking about. The allegation or the inference that this Government or I as Minister have taken a decision to cut 1 800 permanent teachers from our teaching force is not correct.

The Hon. C.J. Sumner: Have you started negotiations?

The Hon. R.I. LUCAS: It does not matter—

The Hon. C.J. Sumner interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: It does not matter what the shadow Minister is claiming: we have not started negotiations.

The Hon. Anne Levy interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: We have not started negotiations. The shadow Minister can ask as many—

The Hon. C.J. Sumner interjecting:

The PRESIDENT: Order! You have had a chance to ask your question.

The Hon. C.J. Sumner interjecting:

The Hon. R.I. LUCAS: Indeed I will. The shadow Minister can ask as many questions as he likes.

The Hon. Anne Levy: Will you answer them?

The Hon. R.I. LUCAS: Yes. The simple fact is—

The Hon. C.J. Sumner: Are you negotiating?

The Hon. R.I. LUCAS: No, we are not negotiating. Do you want anything more? We are not negotiating.

The Hon. Anne Levy interjecting:

The Hon. R.I. LUCAS: We are not telling anybody, because no decision has been taken.

The Hon. C.J. Sumner: Are you negotiating?

The Hon. R.I. LUCAS: I have just told you that we are not negotiating. I presume that the shadow Minister is happy now. Let me place it on record again: no decision has been taken in relation to a cut-back of 1 800 teachers either by me as Minister or by the Government, and we are not negotiating with the South Australian Institute of Teachers within a framework of cutting back 1 800 teachers. Indeed, there was some recent publicity, I think made public by the Leader of the Opposition and some representatives of the union movement, which indicated that Governments and their agencies were not in a position at this stage to negotiate within the framework of public sector enterprise bargaining until a variety of other conditions had been met.

Indeed, the Department of Education is in exactly that position. We are not in a position to negotiate with the Institute of Teachers or with anyone in relation to the public sector enterprise bargaining framework. I have given no instruction to anybody to negotiate within the framework of axing 1 800 permanent teaching positions from our schools.

HINDMARSH ISLAND BRIDGE

The Hon. BARBARA WIESE: I seek leave to make a brief explanation before asking the Minister for Transport a question about the Hindmarsh Island bridge.

Leave granted.

The Hon. BARBARA WIESE: In recent days developments with respect to matters relating to the Hindmarsh Island bridge have been moving along apace. As members would be aware, Westpac has been successful in having receivers and managers appointed to Binalong Pty Ltd, the proponents of the Goolwa marina development, amid claims that the bank has been unduly pressured by Aboriginal organisations which have threatened to withdraw $1 billion in funds from the bank. I understand that Westpac indicated publicly yesterday that it would be willing to negotiate on the question of the Government's legal obligations to build the Hindmarsh Island bridge. However, this morning I was advised that the receivers and managers to Binalong today advised the Government that they require the Government to proceed to build the bridge as a matter of urgency.

I was also advised this morning that lawyers for Binalong Pty Ltd have advised the Government that, as a matter of law, to the extent that the receivers elect not to act on any contract or claim of the company, the company's directors retain a power to institute proceedings on behalf of the company to enforce such a claim or contract. The purpose of this advice to the Government, as I understand it, was to indicate that, should the receivers elect not to prosecute any claim relating to the tripartite agreement, then the directors of Binalong Pty Ltd will do so. My questions are as follows:

1. Will the Minister confirm that Westpac is willing to negotiate on the Government's legal obligations to build the Hindmarsh Island bridge, and have such discussions taken place?

2. Has the Minister had any discussions with other parties mentioned in the Jacobs report who may have some grounds for legal action against the Government, to see whether these parties are prepared to negotiate their legal rights?

3. Notwithstanding Westpac's offer to negotiate on this matter, is it still the view of the Government that it is legally obliged to build the Hindmarsh Island bridge, as suggested by the advice of the receivers and managers of Binalong Pty Ltd and the lawyers on behalf of Binalong Pty Ltd?

4. Does the Government support the marina development on Hindmarsh Island and, if so, will the Government provide any support to the project to ensure that it proceeds? If not, does the Government have any alternative proposals to address the needs of recreational boating users and home buyers in the Goolwa region?

The Hon. DIANA LAIDLAW: I have scribbled notes of all those questions so I hope that—

An honourable member: Put it on notice.

The Hon. DIANA LAIDLAW: That would be one avenue. I indicate to the honourable member that I also have followed the events of the past few days with great interest. The Government, however, is legally bound to build the bridge and I did not need to rely on communications that I received this morning from lawyers representing Binalong for such advice. The Crown Solicitor has indicated the same and we are all aware that that was the finding of Mr Jacobs when he prepared this report to the Government on the funding and contractual arrangements. That is why the Government has indicated that, while the bridge is not the Government's preferred option, we have inherited this legal obligation and

it is something of an albatross around our neck at the present time.

An honourable member interjecting:

The Hon. DIANA LAIDLAW: I normally love albatrosses, you are quite right. Normally albatrosses glide but this one seems like the weight of lead. It is a legal obligation that we inherited. We wish we were not in such a position but that is not the case. It is true that I have received advice from Binalong's lawyers as outlined by the honourable member. They indicated that while they are in receivership they retain a power to institute proceedings on behalf of the company to enforce such a claim or contract. I am not sure what will happen to the company in the next few weeks, but certainly the company directors retain such a power while the company is in receivership. If that status changes, the power of the company directors in that regard would also change.

In terms of Westpac, at this stage I have received simply a copy of its media release issued yesterday, and it states in part:

> For its part, Westpac is ready to negotiate a settlement of these obligations.

Of course, these are contractual obligations that have been inherited. I have not heard further from Westpac on that matter. It has not come forward with any request for such an appointment to me or to the Premier's office to negotiate this matter. My door has always been open to anyone, whether it be unions, protesters, Westpac, contractors, property owners or the council in respect of this bridge project, and my door remains open in that regard.

In terms of support for the project, both the Premier and I have indicated in the past that the project, the marina itself, is an asset to the area, and that remains my view. However, neither I nor the Government has ever considered that the bridge is the preferred option to improve access to the island, and that is the matter—

The Hon. C.J. Sumner: Even though it's the cheapest option?

The Hon. DIANA LAIDLAW: It is the option that we now have no choice but to pursue because of the actions of the former Government. They are obligations which we have inherited and to which Westpac was a party when it agreed to extend the loan to Binalong when the former Premier, Mr Bannon, flew to Sydney to negotiate the extension of that loan. It is not a proud time for the former Government. Certainly, it is not an easy time for us but we are bound to build this bridge.

WOMEN'S ADVISER

The Hon. ANNE LEVY: I seek leave to make a brief explanation before asking the Minister for the Status of Women a question about misleading the Parliament.

Leave granted.

The Hon. ANNE LEVY: On 9 March in replying to a question from me the Minister stated:

> I have been advised by Ms Jayne Taylor . . . that she had access to only a very limited number of such [Cabinet] submissions and not, as the honourable member has suggested, to all Cabinet submissions.

That reply surprised me at the time because I had frequently discussed Cabinet submissions with Ms Taylor, the previous Women's Adviser. She had never suggested to me that she had any difficulties whatsoever in seeing Cabinet submissions. Certainly, I was astonished that she should have made this remark to the Minister. However, I now find that this is not true, that Ms Taylor never made such a remark to the Minister, and she emphatically states that that is an incorrect statement. Ms Taylor states:

> . . . to suggest that 'she had access to only a very limited number of Cabinet submissions' is not correct. The only Cabinet submissions the Women's Adviser did not have normal access to were those that were walked in to Cabinet by Ministers. . .

Any Cabinet submissions that were walked in were not available not just to the Women's Adviser but to all members of the bureaucracy and certainly all members of the Office of Premier and Cabinet. Further, Ms Taylor states:

> . . . this situation did occur under the previous Government, as well as under the present one.

Certainly, under the previous Government there was the occasional Cabinet submission that was walked in and so was not seen by the Women's Adviser. I have no idea what the frequency of such walked in Cabinet submissions is with the present Government, but obviously it occurs at least sometimes and, according to Ms Taylor, these were the only Cabinet submissions to which she, along with everyone else in the bureaucracy, was denied access.

Ms Taylor furthermore states that there have been two Cabinet submissions to which she was denied access as Women's Adviser, Cabinet submissions which other members of Premier and Cabinet were not denied access to but these two Cabinet submissions to which she was denied access were submissions from the Minister taken to Cabinet on 21 February this year. It is very serious when a Minister makes what is plainly an incorrect statement. The Minister may have been trying to justify the sacking of the Women's Adviser and her reorganisation of the unit.

It is certainly her right to reorganise the Women's Unit if she wishes to do so, whether or not it is in the interests of the women of this State. But the Minister does not have the right, I am sure all members would agree, to give incorrect information to Parliament in attempting to justify a decision that she has made. Therefore, will the Minister admit that she has completely misled the Parliament as to the remarks made by Ms Jane Taylor and will she apologise publicly to Ms Taylor for misrepresenting what information she had given to the Minister?

The Hon. DIANA LAIDLAW: My answer to both questions is 'No'. I have not made serious or incorrect statements to this Council about Ms Taylor, nor in the terms of the answer which I gave to the honourable member the other day. To suggest that Ms Taylor was sacked as Women's Adviser is grossly misleading and offensive and it is not the case. Ms Taylor has left on grounds that are mutually agreeable to all parties and, as part of her contract, there were grounds for negotiating such a departure from office.

Those grounds were negotiated and an amicable settlement was reached. In terms of Ms Taylor, she was involved in discussions with me and my office, as were many people in terms of the submissions that I took to Cabinet for the establishment of a women's advisory council and in terms of a review of women's policy mechanisms across Government. Ms Taylor and I discussed those matters, including the options that apply in other States, on a number of occasions. It is correct, and that was confirmed by other people who attended such meetings, that Ms Taylor had made reference to the fact that she did not have access to all Cabinet documents. It is also the case that she said that the system could be improved dramatically, and it was on her recommendation that we pursued the option that now applies where the Acting Director of the Office of the Status of Women is now involved in the strategic planning for three months program

for Cabinet. That was Ms Taylor's suggestion, I pursued it and Cabinet has agreed to it. It is interesting that in asking this question the honourable member has deliberately left out paragraphs from Ms Taylor's letter, so if anybody is misrepresenting the situation I suggest it is the Hon. Ms Levy.

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: No, it is not a different topic at all. Now you are twisting and turning and squirming. You have deliberately left out passages from Ms Taylor's letter.

The Hon. Anne Levy: Which have nothing to do with whether she—

The PRESIDENT: Order!

The Hon. DIANA LAIDLAW: That is not the case. I indicate here a relevant paragraph:

> In our discussions [that is, between Ms Taylor and myself] over the structure and work of the office, I did state that the situation in terms of women's policy across Government could be very much improved and for change to occur then Government policy has to reflect women's position at the commencement of policy change and implementation rather than as an 'add-on'.

Simply, what she is saying there is that her role in the past, which the former Minister is trying to say was such a terrific role, is seen by the former Women's Adviser as simply an add-on role. She sought a much more constructive role which she said could be improved across Government, and we have acted on her advice. In terms of access to Cabinet submissions, to reinforce my recollection of the situation and my statement to Parliament and the recollection of people who attended such meetings, I contacted the Cabinet office, which confirmed that my statement to the Parliament was correct. Ms Taylor did not have access to those documents; she had limited access to Cabinet submissions. The statement has been confirmed by Cabinet office that in practice she did not have access to, nor did she receive, all those Cabinet submissions. So, I repeat most vigorously that I have not made an incorrect statement to this place.

Members interjecting:

The Hon. DIANA LAIDLAW: She may, but I have confirmed with the Cabinet office, and it would be the Cabinet office that knows what Ms Taylor as Women's Adviser had access to and what she received.

Members interjecting:

The PRESIDENT: Order!

The Hon. DIANA LAIDLAW: The Cabinet office knows what she had access to and what she received and it has confirmed that the statement I made to this place is correct. A letter to Ms Taylor along those lines has been prepared, so no incorrect statement has been made by me in this place and I have certainly not misled Parliament.

RAILWAY STAFF

The Hon. SANDRA KANCK: I seek leave to make a brief explanation before asking the Minister for Transport a question about the costs and benefits of security guards and ticket sellers on metropolitan trains.

Leave granted.

The Hon. SANDRA KANCK: I refer in particular to recent incidents of vandalism on metropolitan trains and last night's episode on the Gawler line. Not only does such an episode highlight the safety concerns of the users of public transport but it also leaves a question mark over the viability of the system as a whole. That is, patronage on public transport is impacted adversely as a result of reports of major acts of vandalism that may cause many commuters not to feel safe on public transport. Moreover, graffiti and other minor vandalism, while not presenting a physical danger to patrons, has been shown to have the psychological effect of causing patrons to feel intimidated by evidence of unrestrained lawlessness. As well, there are the direct costs involved with repairing damage caused by vandals.

It is in the off-peak times when vandalism and other acts of violence are occurring. The Minister herself has acknowledged that it is in the off-peak times during which patronage must be increased if public transport in Adelaide is to be made more cost efficient. There are also reports of fare evasion, which I am told is higher on unsupervised public transport services, and this seems to suggest that an STA presence, particularly on trains and at major interchanges through ticket sellers and/or security guards, is the only effective way of dealing with all these problems. My questions are:

1. Has the Minister or her department carried out any cost benefit analysis of having ticket sellers and/or more transit police on trains? If so, can the Minister inform the council of the results?

2. If no such cost benefit analysis has been undertaken, will the Minister now give an undertaking to set up an investigation into the costs and benefits of having ticket sellers and/or more transit police on trains and report back to the Council?

The Hon. DIANA LAIDLAW: I deplored the decision by the former Government (at that time the Minister for Transport was the Hon. Frank Blevins) to remove guards from trains. I remember saying at the time that it was short-sighted madness and in fact it has proved to be the case, as the honourable member has highlighted.

The Hon. C.J. Sumner: Are you going to put them back?

The PRESIDENT: Order!

The Hon. DIANA LAIDLAW: Don't get too excited; it would have been better if you were as excited and interested in public transport when you were in Government as you appear to be now.

The Hon. Carolyn Pickles interjecting:

The Hon. DIANA LAIDLAW: I will outline that. Since the former Government removed guards from trains we have seen an increase in vandalism and a huge increase in fare evasion—certainly much greater than the former Government was ever prepared to admit. In fact, on my latest advice from the STA, I note that fare evasion was 13 per cent, not the 1 per cent that the former Government used to peddle in this place.

Members interjecting:

The Hon. DIANA LAIDLAW: If anybody misled Parliament in this place it was you, with your figure of 1 per cent. We have also lost passengers—

Members interjecting:

The PRESIDENT: Order! There is far too much background noise.

The Hon. DIANA LAIDLAW:—and we have found that there has been a huge loss of confidence in the system. The cost to the image of the system has been huge and so has the cost in dollar terms to the STA. I am still looking at the files to determine on what basis that decision to get rid of guards was made, but since that decision we have employed a transit squad system; we have had huge capital investments; we have had mirrors put on trains; we have surveillance cameras in trains; we are installing ticket vending machines in trains; and—

The Hon. Barbara Wiese: Whose decision was that? Our decision.

The Hon. DIANA LAIDLAW: Yes, because you have had to incur these huge capital costs and it has not improved the system: in fact, it continues to deteriorate. We also find the ludicrous situation following the removal of guards where people have to go out of their way to actually buy a ticket to get on a train, and there could be no more ridiculous system if you were trying to encourage passengers onto trains. I have had examples of passengers who have actually hailed a bus to buy a ticket to get onto a train. That is how stupid the system was that the former Government introduced.

We have had massive capital investment, and it is still being considered that there should be more investment in terms of video surveillance systems at all stations and ticket barriers at the Adelaide station. Because of the huge capital costs, because of the loss of human faces on the rail system, and because of fare evasion and vandalism, on becoming Minister last December, I immediately asked for this whole issue to be reviewed.

So, the review that the honourable member has called for was undertaken, and I made statements on radio to that effect last December. Also, I have had discussions with the unions about the reintroduction of some human presence on the trains. It is the issue on which I get most letters, where people do want a human presence on a train so that they will again feel more comfortable and secure on public transport.

I would have liked to announce changes to this effect some time ago, but there has been a long delay with the Passenger Transport Bill in this place. Until that Bill is passed, I do not have the capacity to make the cost savings that are required to introduce the measure that people who use trains in particular, but all public transport, want above all other initiatives, and that is to bring back guards or some form of guards so there is a human presence on the trains. The police would also welcome such an initiative.

I have a number of additional points that I would like to make in response to the honourable member, who I know shares my concern, unlike members opposite, in relation to those people who must catch, or would wish to catch, trains. One of the initiatives which we took in January, and which we pleaded with the former Government for at least 18 months to undertake, is that the transit police actually be police officers, fully trained, rather than officers who did not have the powers of police on our trains. That initiative—

The Hon. Barbara Wiese: Whose initiative was that? Mine!

The Hon. DIANA LAIDLAW: Your initiative? What a joke! We got you to the line. The former Government introduced Bills to make sure that special constables and transit officers had police powers. That was a matter that the Democrats and the Liberal Party refused to accept. Because you knew that Bill would not go through Parliament, you had to look for other options. Those options have already been outlined by the Liberal Party in our passenger transport strategy of January 1993: that it should be the police, not this beat-up sort of squad that the former Minister and former Government were proposing, in terms of having untrained people with police powers. So, with pride, I say that we have been instrumental in effecting this change on the public transport system, and we certainly do with pride take credit for that initiative.

In terms of transit police, I believe that all members would be pleased to note the great success that has been effected on our trains since the police have progressively taken over policing on rail cars in particular. Members should know that, for instance, in January 1993 there were 23 arrests and 17 reports, for a total of 40 offences in all. Those numbers fluctuated up to 40 per month whilst Transit Squad officers operated on the trains under the former Government's arrangement.

In January 1994, when we introduced the first of the police actually patrolling these trains, the number of offences in terms of arrests and reports jumped to 79. In February, it was up to 189, and in March it was up to 204, so it is quite clear that with the presence of the police on the trains the number of arrests and reports, and therefore the safety of other passengers, has increased. That will improve in future in terms of safety for passengers because there will be an increasing number of police on the trains, in particular.

BOTANIC GARDENS

The Hon. CAROLINE SCHAEFER: I seek leave to make a brief explanation before asking the Attorney-General a question about security in the Botanic Gardens.

Leave granted.

The Hon. CAROLINE SCHAEFER: I was distressed to read today of the rape at knife point of a 19 year old university student in the Botanic Gardens at approximately 6.30 last Tuesday night. It is widely held that rape is the most violent of crimes other than murder. For our young women to be unable to walk with safety anywhere in this city, let alone within 400 metres of the university grounds, and shortly after sunset, is a disgrace.

I have often been told by girls who are university students that they feel unsafe walking to the car park after night lectures. However, car park space at the university is limited, and on this occasion the girl's car was nearby but not in the car park.

Obviously, the university grounds and their surrounds are frequented by young people and are therefore a high security risk. Will the Attorney negotiate with the City Council to immediately increase lighting on paths in the Botanic Gardens and areas surrounding the university in order to increase security in those areas?

The Hon. K.T. GRIFFIN: Quite obviously the issue affects a number of agencies. It certainly affects the Botanic Gardens and the Adelaide City Council as well as the university, and to some extent it affects one area of my responsibility, that is, for crime prevention programs, in respect of which there have been suggestions made under the previous Attorney-General for better landscaping and lighting of public areas to ensure protection for all citizens and particularly the person referred to by the Hon. Caroline Schaefer.

It certainly is a matter of concern. I know there are a number of staff, even within Government, who have expressed concern about walking after dark to car parks in even better lit areas of the city, but in respect of this matter, I will undertake to refer it to the appropriate Ministers and agencies and bring back a reply.

YOUNG FARMERS' INCENTIVE SCHEME

The Hon. K.T. GRIFFIN (Attorney-General): I seek leave to lay on the table a ministerial statement made by the Minister for Primary Industries on the subject of young farmers' incentive scheme.

Leave granted.

GULF ST VINCENT

The Hon. R.R. ROBERTS: I seek leave to make an explanation before asking the Attorney-General, representing the Minister for Primary Industries, a question about Gulf St Vincent prawn fishing management.

Leave granted.

The Hon. R.R. ROBERTS: As you, Sir, would be aware, a select committee of the House of Assembly recommended the closure of the Gulf St Vincent prawn fishery in 1991 after demonstrated over-fishing, where the catch was at a high of 460 tonnes in the late 1970s to a low of 134 tonnes prior to the closure. The select committee recommendations, which were accepted, were that no licence fee would be set during the closure and the agreed pay back would be in the form of a surcharge on the licence fee.

The fishery, as you, Mr President, also would be aware, has been opened and, for one reason or another, there has been no licence fee. That is basically because the former Minister did not set one and, of course, there has been no surcharge. More importantly, the select committee recommended as follows:

That the total catch strategies be implemented so that the danger of over-fishing will be reduced in the future.

Total catch strategies must be set for the opening of the season.

Finally—

Members interjecting:

The PRESIDENT: Order! There is far too much background noise.

The Hon. R.R. ROBERTS: Finally, the select committee recommended that quotas must be granted equally to all licence holders. After two years of closure, the former Minister for Primary Industries, acting upon the advice of the Gulf St Vincent Prawn Management Committee and the scientific advice from the Department of Fisheries, decided to continue the closure and set a zero licence fee for the season.

Since the State election in December last year the new Minister has allowed three openings of this fishery: one for three nights prior to Christmas; one for 13 nights in March; and one for 13 nights commencing on 8 April. In that time as many prawns have been taken as were taken in the year prior to its closure.

My question to the Minister representing the Minister for Primary Industries is: why has the Minister and the Chairperson of the Gulf St Vincent Prawn Management Committee ignored these crucial recommendations of the select committee and allowed fishing to take place in this fishery over the past five months?

The Hon. K.T. GRIFFIN: I will refer that question to my colleague in another place and bring back a reply.

REPROMED

The Hon. T.G. ROBERTS: I seek leave to make an explanation before asking the Minister for Education and Children's Services, representing the Minister for Industry, Manufacturing, Small Business and Regional Development a question about medical service promotion.

Leave granted.

The Hon. T.G. ROBERTS: A happy story for development of jobs and industry in South Australia was reported in the *Advertiser* on Tuesday 12 April. Fauldings is to establish a centre to focus on research and development at the Royal Adelaide Hospital and the Institute of Medical and Veterinary Science to expand the facilities for drug testing in Australia. Some of that work is now currently being done in the United States. It is a pleasant shift to be moving some research and development projects back into Australia and, hopefully, some job development can be created by that move.

Unfortunately, in another story in the *Adelaidean*, the news from the University of Adelaide, a headline reads, 'Darwin base for Repromed'. Repromed is a wholly owned company of the Adelaide University, and it is expanding its reproductive medical services into Darwin. The net effect of that will be that the Northern Territory, or Darwin in particular, will receive the benefits of any increased research and medical service that will be provided by Repromed. Its being an Adelaide University based company, I would be interested to know what services Repromed may have been able to provide in Adelaide that could have been used as a stepping stone into the expanding markets of Asia and to a lesser extent of Darwin and the Northern Territory. My questions to the Minister are:

1. Did the company approach the South Australian Government for assistance to provide the same services to an expanding Northern Territory and Asian market?

2. Was the Minister aware of the approach by the Northern Territory Government to the site that it had offered for the Repromed services to be included in a Darwin expansion program?

3. Does the Minister believe that assisting medical services and general research and development is a part of getting the fundamentals right for South Australia?

The Hon. R.I. LUCAS: I will refer those questions to my colleague in another place and bring back a reply.

WITNESSES

In reply to **Hon. A.J. REDFORD** (10 March).

The Hon. K.T. GRIFFIN:

1. Courtroom 7 and the witness room were fitted out with closed-circuit TV equipment at a total cost of $70 895.50. In addition, courtroom 7 was supplied with a one-way mirror screen at a cost of $765.00.

Further, 12 mobile one-way mirror screens have been manufactured and delivered to the Youth Court and the following Magistrates Courts:

- Adelaide
- Port Augusta
- Mount Gambier
- Berri
- Ceduna
- Murray Bridge
- Port Lincoln
- Port Adelaide
- Christies Beach
- Elizabeth
- Holden Hill

The 12 mobile screens cost $11 844 bringing the total cost of all equipment to $83 504.50.

2. The power to reserve questions of law for the Full Court in the course of a criminal trial is contained in section 350 of the Criminal Law Consolidation Act, 1935. *(See R v Millhouse (1980) 25 SASR 555)* Where the person has been convicted, it is lawful for the presiding judge in his discretion to reserve a question of law for the consideration and determination of the full Court. Where the person has been acquitted, the court, on the application of the Attorney-General or the Director of Public Prosecutions, may reserve any question. In this instance the person was convicted, therefore any question of referral was for the Learned Trial Judge. Similarly there is no power to appeal against interlocutory orders made by trial judges in criminal proceedings. *(See R v Garrett (1988) 49 SASR 435)*

It would be open to seek Judicial Review of a decision made by a trial judge to refuse an application. However subsection (5) of section 13 requires the Court in criminal proceedings to only make

an order of this nature where there was no other practical way to protect the witness. Clearly this can only be determined on a case by case basis. In the matter at bar there were arrangements made to assist the witnesses to give evidence and as a consequence they were able to give their evidence without showing obvious signs of distress. Clearly something less than resort to a closed circuit television screen for the giving of evidence was sufficient in this case. In other cases such use may be the only practical way of obtaining evidence. This determination, however, is one for the trial judge, taking into account all of the circumstances of the case.

3. Immediately upon installation of the equipment in December 1993 sessions were organised to demonstrate the workings of the new equipment. Judges of the Supreme Court and District Court and their respective support staff were given demonstrations. In addition, special demonstrations were arranged for prosecutors attached to the office of the Director of Public Prosecutions, for members of the criminal bar, the Legal Services Commission and for Victims of Crime Head, Mr Andrew Patterson.

Further, all interested parties were consulted about draft guidelines for the use of the equipment. Following that consultation a Practice Direction and guidelines have been issued by the Supreme and Districts Courts.

4. If after a reasonable period of trialling the new system there appears to be some problems, I will consider fine-tuning the legislation.

YUMBARRA CONSERVATION PARK

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister for Transport, representing the Minister for the Environment and Natural Resources, a question about the Yumbarra Conservation Park.

Leave granted.

The Hon. M.J. ELLIOTT: My question relates to attempts by the Yumbarra Conservation Park and the Department of Mines and Energy to lobby the Government to degazette the protected area of the park covering more than 106 000 hectares. The Minister said in a radio interview last Friday that the area in South Australia's Far West should be reproclaimed to allow access for mineral exploration and mining, which would allow aerial surveying of the area and land surveys. He said quite clearly on radio that he wanted to be able to aerial survey the area. However, I have received information that aerial surveys of the restricted area have already taken place. Further reports indicate that the land has been entered by prospectors for further testing and has even been pegged.

The Hon. Carolyn Pickles interjecting:

The Hon. M.J. ELLIOTT: No, it is illegal. This has been backed up by a local source who has told me that both chromite and gold have already been found within the park. All this has apparently happened illegally in one of the State's few parks to be totally protected due to its unique and sensitive features. While 21 per cent of the State is under the control of National Parks, only 4 per cent is totally protected. Yumbarra is one of these. It is also one of the few areas which has been nominated for protection under the Wilderness Protection Act.

Yumbarra's conservation value is extremely high with unique granite outcrops containing some of the area's few waterholes as well as being home to endangered mallee fowl and other vulnerable plants and animals. It is an important corridor for ecosystems running from the north to the south of Australia and has significance to local Aboriginal communities. The Department of Mines and Energy is now pushing for the degazetting of the park without public consultation. It is impossible to explore or mine in this sensitive area without causing damage to the fragile ecosystem.

The Government's national parks review released this afternoon makes several pertinent recommendations about mining and reserves. These include number 16, which states:

In the reservation of areas for nature conservation purposes the land use decision should be based on identified conservation values and not automatically assume that access for exploration or mining will be accommodated in the decision making process.

Recommendation No. 19 states:

There should be no initiatives relating to the granting or operation of new mining tenements in a reserve until there is an adopted plan of management.

That is from a report released by the Minister for the Environment and Natural Resources today.

The Hon. Carolyn Pickles interjecting:

The Hon. M.J. ELLIOTT: He will get rolled in Cabinet. My questions to the Minister are:

1. Will the Minister investigate what disturbances have taken place within the restricted area of the national park, and what aerial surveying has taken place and make the results public?

2. Will the Minister give an undertaking that action will be taken against anybody who has breached the laws relating to the surveying of a totally protected park?

3. Will the Minister give an assurance that no further exploration will take place on or above the area?

The Hon. DIANA LAIDLAW: I will refer those questions to my colleague in another place and bring back a reply.

FRUIT-FLY

In reply to **Hon. R.R. ROBERTS** (8 March).

The Hon. K.T. GRIFFIN: The Minister for Primary Industries has provided the following response:

So far this summer there have been three outbreaks of fruit-fly in the State, and although this is viewed with concern it is a low level of activity for this time of year, compared with past years.No quarantine barrier, including roadblocks, is totally effective in preventing the entry of pests and diseases. Roadblocks are highly visible to the community and are often assumed to be the only method of preventing fruit-fly from entering the State. Other important operations which are part of the quarantine system are:

- market produce certification and inspections
- regular monitoring with fruit-fly traps in the metropolitan area, country towns considered to be at risk and the Riverland
- quarantine bins at border crossings and airports
- publicity aimed at the general public (This now includes an increasing joint commitment with NSW, Vic and WA to the production and distribution of fruit-fly leaflets, road signs etc).

In recent years additional signs have been erected on the Barrier Highway at Cockburn and in the Yunta area to impress upon travellers the restrictions on carrying fruit into South Australia. Honest and aware travellers will deposit their fruit in bins with or without a roadblock. Fruit carried by less ethical travellers will not always be detected at a roadblock as the inspectors do not and should not fully search each vehicle.

The Oodlawirra roadblock operates with two shifts per day and 1993 figures indicate that 84 per cent of the total traffic is inspected during these two shifts. It would require a 50 per cent increase in staffing and an even greater percentage increase in wages due to penalty rates to inspect the remaining 16 per cent of the vehicles. A high proportion of the overnight vehicles are commercial vehicles which are considered to pose a lower fruit-fly risk. Most fruit-fly outbreaks are considered to be caused by importations of fruit which have been sourced from backyard plantings.

During February the Pinnaroo roadblock which operates on similar hours to Oodlawirra was opened on two occasions over a continuous twenty four hour period. Fruit was confiscated from only one private vehicle. During the period there were three commercial vehicles carrying fruit and in each instance the correct certification was presented to the inspectors.

In relation to the seasonal operation of the roadblock there are also biological factors concerned with fruit-fly quarantine which must be taken into consideration; in particular the periods of field activity of the insect in the source areas and the limitations on the ability of the insects to survive and establish if they were undetected in the State. The winter period in South Australia provides fewer potential hosts and less than ideal conditions for the establishment of any introduced fruit-flies.

All of these factors must be considered in determining how much is spent and the best methods for quarantine activities to maximise the benefits to the taxpayer. At all roadblocks it is necessary to ensure maximum surveillance during hours of maximum risk. Primary Industries is examining ways of increasing the flexibility of the existing roadblocks which may include introducing a degree of unpredictability into the hours of opening, occasional 24 hour shifts, etc.

The operation of all roadblocks is continuously under review to meet changing conditions particularly with regard to the incidence of fruit-fly in interstate areas. Following reviews of the operations at Oodlawirra the roadblock operations have been extended from six months in 1986 to eight months in 1987 and most recently to nine months in 1989.

Broken Hill has a serious outbreak with in excess of 80 properties with infestations. There has been an intensive publicity campaign in the city advising householders about the dangers of removing fruit from their properties. Primary Industries SA has assisted the eradication program in Broken Hill by providing both technical advice and some spray equipment. It is well recognised that the Broken Hill situation is a threat to Adelaide. However there have been only three outbreaks of fruit-fly in Adelaide this season which is below average and only 19 instances where vehicles have been detected carrying infested fruit at the Oodlawirra roadblock. This is again below the average. In the light of these figures it does not appear to be necessary to carry out a separate review of the operation of the Oodlawirra roadblock or to increase the daily operating hours. As mentioned earlier, the risk situation at all roadblocks is monitored continuously with a monthly report prepared which includes comparisons with the previous season. In this way any changes can be quickly identified and procedures modified as necessary.

PARLIAMENTARY SECRETARY

The Hon. C.J. SUMNER: I seek leave to make a brief explanation before asking the Leader of the Government in the Council a question about the Parliamentary Secretary for Multicultural and Ethnic Affairs.

Leave granted.

The Hon. C.J. SUMNER: Following the last election, the Premier purported to appoint the Hon. Mr Julian Stefani as Parliamentary Secretary for Multicultural and Ethnic Affairs. In addition, the honourable member was provided with an office in the Office of Multicultural and Ethnic Affairs and the honourable member styles himself as a Parliamentary Secretary. I pointed out, when the Council first sat on 10 February, that under the Government of the State the appointment of all public offices, whether salaried or not, shall be vested in the Governor, and that is pursuant to section 68 of the Constitution Act. It is quite clear that this is a public office. The honourable member styles himself as a Parliamentary Secretary and he has an office provided for him in Government. In my view, it is not within the purview of the Premier to dole out public offices at his whim. Appointment to public office has to be made properly through the proper procedures of the Governor in Executive Council, and that is made clear by section 68 of the Constitution Act. There is still considerable confusion about the status of the Hon. Julian Stefani. The Premier has purported to—

Members interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: The Premier has purported to style this member with that title, but the reality is that that cannot be done by the Premier. In every other State in this country and at the Commonwealth level Parliamentary Secretaries are appointed properly. They are appointed and then sworn in by the Governor in Executive Council to public office in accordance with the Constitution. They are not offices to be given out at the whim of a politician or a Premier. I now get to the point. On 10 February I asked questions of both the Leader of the Government and the Attorney-General about this matter. That was two months ago. Neither of them has replied, despite giving me an undertaking at that time that they would seek advice on the matter and bring back a reply. Two months later no reply is forthcoming and the Hon. Julian Stefani continues to style himself improperly and illegally as a Parliamentary Secretary. In view of the doubt about the status of the Hon. Mr Stefani as Parliamentary Secretary and the provisions in particular of section 68 of the Constitution Act, when can the Council expect an answer to the questions that I asked on 10 February?

The Hon. R.I. LUCAS: First, my colleague the Hon. Julian Stefani is doing an absolutely fantastic job in the position of Parliamentary Secretary and is a credit not only to himself but to the Government and the community. I suggest that, if the Leader of the Opposition or any of his colleagues wish to canvass opinion about the performance of the Hon. Julian Stefani in his chosen or appointed task amongst the ethnic communities, they would certainly ascertain that there is widespread support amongst those communities for the work that the Hon. Julian Stefani has done in the past, but now, more importantly, continues to do on behalf of those ethnic communities with the new Liberal Government. In relation to the question that was asked by the Leader of the Opposition on 10 February, or whenever it was—

The Hon. C.J. Sumner: Two months ago.

The Hon. R.I. LUCAS: If you want to start comparing length of time in relation to getting answers from Ministers, I would indicate that the performance of this Government in relation to responses is certainly much better than the performance of the previous Government. In relation to this particular question—

The Hon. C.J. Sumner: I don't want advice.

The Hon. R.I. LUCAS: Do you want the answer?

The Hon. C.J. Sumner interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: In relation to this particular question, I can advise the Leader of the Opposition to hold his breath because an answer is imminent.

FARE EVASION

The Hon. BARBARA WIESE: Mr President, I seek leave to make a personal explanation.

Leave granted.

The Hon. BARBARA WIESE: Earlier today in Question Time the Minister for Transport alleged that I had provided false information to the Parliament during my time as Minister of Transport Development concerning estimates of fare evasion in the public transport system. I want to place firmly on record that any information that I provided to the Parliament about that matter during my time as Minister was provided to me by the State Transport Authority. If the State Transport Authority is now providing different information to the present Minister, the explanation for that can only be

provided by the State Transport Authority.

PASSENGER TRANSPORT BILL

Adjourned debate on second reading.
(Continued from 29 March. Page 328.)

The Hon. BARBARA WIESE: The Opposition supports the second reading and some of the thrust of this Bill. However, there are some key policy directions which may flow from the proposed legislation which have not been adequately spelt out by the Government and, until they are, the Opposition has some grave reservations about it. Therefore, our support beyond second reading will depend very much on the Government's response to a number of questions which I will outline in due course.

As indicated at the outset, the Opposition supports some of the thrust of this legislation. That is not surprising as many of the directions that it takes were started and designed by us in Government. Anyone who has followed the debate on public transport issues in South Australia will know that the previous Government set out its concerns some years ago about issues such as declining patronage on conventional public transport services, the growth in deficit funding of the STA, the desirability of promoting innovation in the range of services offered to the public, the need to increase the range of operators providing a service to the public, and so forth. Our contribution did not stop at simply talking about these issues; we also acted.

In 1988, the Government commissioned Professor Fielding, a respected United States expert, to undertake a study of South Australia's public transport system. From memory, he made about 50 recommendations and, with very few exceptions, they were adopted in principle by the then Government. In the years that followed, almost every one of Professor Fielding's recommendations was acted upon. Those recommendations went to the very heart of the concerns that we have all had about increasing cost and declining use of our public transport system. I do not intend to detail the reforms based on the Fielding report that have been implemented here, but some examples will illustrate the extent of change that has occurred. For example, there has been a major reorganisation within the STA which has created a less top-heavy structure, greater autonomy in the depots over operational issues, a more customer oriented approach and a less costly system to run, about which I shall have more to say later.

There has been a major investment program in rolling stock for the rail service, new buses, a new signalling system and new bus-rail interchanges to better integrate the modes of public transport—all in line with Fielding's recommendations and essential prerequisites to providing a modern, attractive system that people will want to use. There is the progressive reorganisation of the way bus and train services are delivered to the public with the introduction of transit link, a move to the provision of a faster, more frequent range of services between major regional centres and the city, and progressively better cross suburban links to shopping centres and the like as well. Further, there was the introduction of complementary services to expand and enhance the public transport network including the Hallett Cove transit taxi service, feeder services in conjunction with councils like Happy Valley, Tea Tree Gully and others; some of which were initiated but not implemented before the change of Government in December. There was deregulation of the hire car industry to introduce competition, innovation and diversity in the provision of services to the public.

Some may want to argue that change was too slow and more could have been done earlier. That may be true in some areas but I believe that some critics, like the present Minister, have failed to fully appreciate the complexity of the issues and some of the constraints on change, not the least of which is the willingness or capability of alternative service providers like local government and some sectors of private industry to become involved. It was only in the last two months of our period in Government that the Local Government Association agreed to participate in a working party to begin serious talks about its role in public transport. A previous opportunity that was offered to the private sector had failed to identify a tenderer who could provide comparable services as cheaply as the STA in a particular circumstance.

Inevitably, industrial issues arise as significant issues when there are changes proposed to a system which has operated in a particular way for a long time. Some would say—and perhaps the current Minister is one of them—that if you want changes then you should just crash through regardless of the consequences. This has never been the approach adopted by Labor Governments in this State, particularly where decisions may impact on the livelihoods of our work force and service standards for the public. Nevertheless, the previous Government under various Ministers—and I must say mostly before my time as Minister of Transport Development—achieved significant results in shaking up our public transport system.

Of course, one of the constraints in achieving greater use of public transport is a problem not unique to Adelaide. The fact is that, as our society has become more affluent, people have turned to the use of the private motor vehicle in preference to public transport. Not once have I heard the current Minister acknowledge this common international phenomenon during her discussion of this issue. In her second reading explanation she referred to the declining patronage over the past 20 years, against a 30 per cent increase in our population, but failed to acknowledge that during that time motor vehicle ownership has also increased enormously. Only an ostrich would argue that growth in car ownership has occurred due to dissatisfaction with the public transport system.

In my Address in Reply speech earlier in the session I outlined some of the successes of the new transit link services in turning around the patronage issue. I will not repeat those remarks here but I commend them to interested members. I also outlined the success of the previous Government and the State Transport Authority in reducing operating costs by around 20 per cent, or approximately $25 million, since the mid 1980s. The changes necessary to achieve these successes have been hard won. There has been considerable pain for the STA and particularly the staff. Change has been achieved through negotiation and discussion in large measure by bringing the work force with us along the path of reform. There has been little industrial action involved. These things have not happened because there are tame cat unions involved or a tame cat work force, but because they were included in the process and understood the need to change. People can be pushed only so far and the fear I am hearing expressed now is that the Government is not consulting enough. People have very little idea where the proposed changes are heading and

they fear that they will be treated no better than the public sector work force has been treated thus far by this Government and by Liberal Governments in other States.

As I said at the outset, many of the changes proposed in this Bill were initiated by the previous Government. We have few arguments with what we understand to be the proposals covering the taxi industry where it is intended to stick with a regulated system, or covering the hire car and other sections of the, shall I say, ancillary public transport industry. The measures in the Bill which address some of the anomalies in the regulatory system that have emerged, particularly since the deregulation of the hire car industry, are supported. We agree that one authority should be responsible for the regulation of these sectors of the public transport industry. The former Government intended moving in this direction. We also agree that the Metropolitan Taxicab Board should be abolished and its powers subsumed by a new authority. I understand that these measures also have the support of the industry. However, the controversial part of the legislation revolves around the conditions that may in future apply to the conventional public transport area—that which has been catered for by the STA—and the extent and speed of the introduction of competitive tendering.

As I have already indicated, we share some of the stated aims of the Government to improve the public transport service and to reduce the cost of the service for taxpayers. However, it was never our intention to achieve reform and cost savings at the expense of services to the public, particularly those who have no alternative to public transport, or by mounting an all out assault on the jobs and conditions of the public transport workers.

The Hon. Diana Laidlaw: You cut Sunday services and the frequency of services.

The Hon. BARBARA WIESE: And I restored them.

The Hon. Diana Laidlaw: What rot. You should see the letters that I keep getting.

The Hon. BARBARA WIESE: I restored them in areas which covered 80 per cent of any of the complaints that had previously been received.

The Hon. Diana Laidlaw: After you had cut them two years before.

The Hon. BARBARA WIESE: Those changes were brought about and services restored because of the negotiation that took place with the work force about workplace conditions and practices, which enabled us to reduce costs and therefore expand the services in particular areas. The fact is that those things were able to be achieved because we went about a reasonable process of negotiation.

The Hon. Diana Laidlaw: You were facing an election.

The Hon. BARBARA WIESE: It had nothing to do with an election. It had to do with what was possible financially. The honourable member herself indicated in this place earlier today that there are a number of things which she would like to do but is not able to do because of the fact that finance is not there. Any Government is in that situation where you can only achieve as much as there is money provided in order to achieve those things. Our Government did those things last year because there had been changes and improvements negotiated with our work force which freed up resources to enable me, as the Minister then responsible—and I might say I was a different Minister from the one that had acted in a different way earlier—to find the resources to achieve some of these changes which restored services, particularly on Sundays, in suburbs of Adelaide from which I had received large numbers of complaints. On that occasion I initiated a review within the STA in those suburbs from which the complaints had come most strongly and changes were made as a result of the initiative that I took in that respect. But I should like to return to the comments that I was making.

As I was saying, it was never our intention to achieve reform of the public transport system at the cost of service to the public or by mounting an assault on the jobs and conditions of public transport workers. It was not our intention to introduce wholesale competitive tendering but, rather, selective tendering in areas where another operator could provide a better or cheaper service which would complement the largely mass transit services that are well provided by the STA.

I might say that our intentions in this respect were more in line with the recommendations of Professor Fielding who talked about tendering those services that the STA did not wish to provide. In Government, we looked at some of the major examples internationally where deregulation, privatisation and less extensive forms of competitive tendering have been introduced. It has been interesting to read various studies of this subject now that some time has elapsed since such schemes were developed in other countries.

Some horrific stories now come out of the United Kingdom, for example, where the British Government in some places chose to introduce full-scale privatisation of services, and in some parts of England there is now an appalling situation where many companies have set up in competition with each other, all seeking business which largely does not exist and there are unsightly and dangerous incidents every day of the week. Buses overtake each other and race to the next bus stop in order to be the first bus to pick up whatever available business might be offering. Those extremes in this area and less extreme examples of the introduction of competitive tendering and privatisation have now emerged.

My point is that many of these changes commenced in the middle of the 1980s and now that they have been in operation for about eight years or so it is possible to assess more accurately the success and failures of some of the various models that have been adopted in other places. Dr Ian Radbone has been engaged by both the previous and the current Governments to work on current public transport issues, and in a study that he produced, 'The Ownership and Control of Public Transport Around the World: Five Approaches', he notes:

> Those advocating contracting as a way of providing public transport rely almost exclusively on the savings in the costs involved. However, in almost all cases it has been the taxpayer who has benefited, not the public transport user.

The point he makes, which has been picked up in other studies and observations of various models adopted in other parts of the world, is that, whilst it is possible to design systems that will bring about significant savings to government in the provision of public transport, often it has been at the expense of the service provided to the public and that the aim that all Governments have had to improve the service to the public has not always been one of the results achieved by adopting some of the measures implemented in various places.

Interestingly, the observation has also been made that the simple threat of introducing private sector competition through competitive tendering has been sufficient incentive for publicly owned public transport agencies in some places to become more efficient in service and cost terms. In fact, there are examples where savings brought about by internal

efficiencies have produced results comparable with those anticipated through the introduction of private sector competition, and of course with much less disruption to the travelling public and the public sector work force than wholesale change to the system would bring.

During the short time that I held the transport portfolio my experience reflected the comments that I have just made. I found that within our public transport organisation over the years there was a much greater willingness to look closely at cost saving measures within the organisation. A stronger threat that competition may be introduced has meant that measures that would have been ruled out of court and absolutely rejected by the work force and the trade unions that represented them, say, 10 years ago, in the past few years have been entertained by the work force and changes have progressively been made. I do not make those comments in a derogatory way about the changing views of people in the public transport work force.

It is perfectly natural that, when people have worked in an organisation for many years, they will want to hold on to some of the practices that they have always followed, and sometimes it takes a serious shock to the system to make people realise that there may be better and more efficient ways of doing things, and that change is desirable. As I have indicated, how far the Government intends to go and how quickly it proposes to push ahead will turn out to be critical issues. So far the Government has been remarkably coy about answering crucial questions concerning exactly what it proposes to do, how it proposes to do it and when it intends to act.

This is enabling legislation and the powers can be as narrow or broad as the Government likes. Much of the substance of what the Government wants to achieve will be found in the regulations and the codes of practice, none of which have been seen by key industry bodies so far as I have been able to discover. Many representatives of industry groups have indicated to me that they feel uneasy about the process being adopted by the Government through this legislation. The mad scramble to get the Bill into Parliament as though the reputation of the Government rested on speed rather than quality is one of the issues bothering many people. The Minister and the officers appointed to undertake negotiations on the Bill have taken the 'trust me, we will work it out later and let you know' approach to many issues that have been raised by interested parties.

For legislation that has the potential to change the shape of public transport in this State radically for good or bad, depending on what is done and how well the task is achieved, that simply is not an appropriate way to proceed. The legislation itself, the lack of detail about how it will be implemented and what is in store for various groups should be known before we proceed and before the Parliament is asked to debate the Bill. The very fact that the Government had to make about 100 amendments to its own legislation indicates that it had not fully thought through the issues involved. The Government simply had not identified all of the matters that had to be taken into account. I am advised that the Government is continuing to discover issues that had not been previously considered.

I suspect that the Government is finding that carving up the existing public transport network for tender is not as simple as it looks from the Opposition benches, because STA staff rostering and bus scheduling is very efficient and it will cost vast sums if the integrated system is pulled apart without proper regard to these existing efficiencies. Further, it appears that the Government may be planning to push an implementation timetable that is unrealistic and potentially damaging to consumers, in terms of continuing to provide a high quality integrated service, and also with respect to providing a genuine opportunity for the STA to compete equally with the private sector for tenders.

If that is so, the consequences for Adelaide's public transport system, the STA and its work force will be devastating. I have a number of questions to which the Opposition wants answers before we can decide how to proceed with the Bill and which will assist in determining to what extent the legislation should have our support. I will raise these issues now and not in any particular order of importance, although some matters are clearly more critical than others. As the regulations and codes of practice are so crucial to the operation of this legislation, the Opposition believes that it and other Parties have a right to know in detail what is intended, and I therefore ask that the Government provide copies of drafts of these documents for our perusal before we proceed any further.

As the Minister will be aware, the previous Government provided drafts of regulations from time to time when legislation it was introducing was particularly controversial or breaking new ground. Such a move has been effective in easing the passage of legislation through Parliament and providing a level of comfort to those who might be affected by it. I agree that codes of practice for various sectors of industry are desirable, but there is considerable scepticism about whether they will strike the right balance in serving the community interest as opposed to industry interest. This fear is reinforced by the fact that, as I am led to believe, consultation has been almost exclusively with industry bodies and not with relevant trade unions or community organisations. I would like to know whether this is so, and if so whether it will change.

Will the Government provide a timetable for the introduction of its proposed system, bearing in mind that new organisations must be set up, expertise and procurement of services, preparation of contracts, agreements relating to the future of existing assets and infrastructure are to be resolved? Will the Government indicate the individual routes and regions which will be put out to tender, and can it provide evidence of genuine interest by other parties in the provision of conventional and/or innovative new services in sufficient numbers to obtain the benefits that it is claimed will arise from competitive tendering? Does the Government propose to offer for tender all existing STA services? If so, what results does it anticipate with respect to the ratio of publicly run and privately run services? Is it the Government's intention to proclaim the legislation at once, after all issues and arrangements are resolved, or in stages? If a staged approach is favoured, how will this be executed?

Does the Government acknowledge that the STA, or TransAdelaide as it would become known, would have to embark on a program of considerable structural change in order to be competitive with the private sector on the grounds of cost? Is it the Government's intention to phase in the STA's exposure to competition, and if so over what period? What factors will influence timing? If not, why not? Does the Government agree that the STA is financially disadvantaged compared with the private sector, in that it carries large costs, such as superannuation provisions, which are essentially public ownership costs? Is it the intention of the Government to relieve the STA of debt and make appropriate financial adjustments to ensure that TransAdelaide can be competitive?

Similarly, how will the Government treat the higher cost structure borne by the STA, brought about by the provision of superior and costly services, such as low-floor and gas powered buses, in response to public demand?

Does the Government now acknowledge the distinction between the downward trend in STA operational costs in recent years and the financing requirements generated by refurbishment of rolling stock, rail lines and signalling systems fundamental to the attraction of passengers to the public transport system? If so, will it proceed with the STA's current program of new bus and railcar purchases and, if not, what costs will be involved in suspending or cancelling these contracts? Will the Government clarify its intentions with respect to the organisational structure of the proposed TransAdelaide? Is it intended to be a one-person statutory authority? Does the Government agree that many existing local private sector bus companies are ill equipped and lacking appropriate experience to take over extensive parts of the public transport network? If this is so, what measures does the Government have in mind which would address this?

Does the Government intend to maintain public ownership of key public transport infrastructure, such as interchanges, depots, rail tracks, signalling systems and so on? If not, what are the Government's plans? Is it the intention of the Government to hand over control of interchanges and other public transport infrastructure to the proposed Passenger Transport Board or other body? If so, which and to whom? Is it intended that the Passenger Transport Board or TransAdelaide will be responsible for the provision and maintenance on a metropolitan-wide basis of facilities and amenities for public transport users and other necessary structures, notices or signs?

Given that the Government's proposal requires considerable resources properly to carry out the policy-making, planning, coordinating and promotional functions of the proposed Passenger Transport Board to operate the proposed new accreditation system, prepare and enter into service contracts and monitor service quality, manage a system of fare concession reimbursements to a multitude of service providers, provide an integrated fare and common ticketing system across public and private operations, maintain an effective vehicle inspection regime, equip both the board and TransAdelaide with new corporate images, and develop the codes of practice and regulations underpinning the Act (to name but a few of the functions required); and particularly in light of promises to subsidise both public and private service providers where necessary and guarantee that no forced entrenchment of existing STA staff will occur and that all bus operators through accreditation will be required to comply with STA equivalent conditions of employment, can the Minister detail where she expects the estimated $34 million per year savings in Government subsidy to be found?

The Government has indicated that the amount of subsidies to successful private operators will be determined through the tendering process. How will the need for subsidy be assessed, and by whom, and what guidelines or parameters will apply? Will TransAdelaide retain sole access to the STA's current sophisticated route planning and costing technologies? If not, will it receive any compensation for the loss of this intellectual property and its income generating potential? What will become of surplus TransAdelaide operators and equipment if that organisation is unsuccessful in winning a substantial number of contracts? Does the Government intend to use its influence to encourage private sector companies which are successful tenderers to employ surplus STA operators in accordance with its pre-election policy? What measures will be taken to encourage this practice? Will they include incentives and sanctions?

Will the Government and/or board insist on standards of service and equipment at least equivalent to current STA standards from all service contract holders operating on major mass transit routes and elsewhere? Will the capacity to provide adequate back-up services in the event of breakdowns or other emergencies be a standard condition of a service contract? As the Government has indicated that the integrated nature of Adelaide's public transport system will be preserved, will the Minister outline how this will work? Will it include the installation of Crouzet ticketing machines in private sector buses, for example? Who will bear the costs? How will the coordination, integration and publication of timetables and other necessary public information be handled, given the potential for a multitude of operators; and who will be expected to bear these costs? Similarly, to whom will the travelling public be expected to direct inquiries and complaints?

What provision will be made for monitoring trends in passenger journeys so that the overall effectiveness of such a new system can be realistically assessed; and in this regard, how will the accuracy of returns from service contract holders be audited? How and by whom will the financial viability of each tender proposal be assessed, prior to entering into service contracts? Who will be responsible for preparing the necessary legal documentation, and will any costs incurred in this regard be taken into account in assessing the overall cost effectiveness of the public transport system? What guarantees can the Government give that taxpayers' funds will be not be unduly required for litigation arising from a multitude of contracts?

Will service contract holders be required to conform to a metropolitan-wide fare structure or will fares be individually determined according to the efficiency and profitability of each service? If a metropolitan-wide fare structure is envisaged, does the Government and/or the board intend to reduce the level of subsidy currently applying to full fares? How many staff will be required to operate the proposed Passenger Transport Board and how many of these will be drawn from the STA? What is intended in relation to the level of fees and charges likely to be set by the board in comparison with existing fees and charges? Is it proposed that the operations of the Passenger Transport Board and staff will be self funded through the revenue collected from fees and charges?

I understand that independent taxi operators requested a grandfather clause to allow their group of operators to continue their current methods of operation until sale or winding up of business. Why has no such clause been included in the Bill? In the draft Bill under accreditation provisions for passenger transport services and radio networks, power to refuse accreditation in the public interest was granted to the board. Why was this provision deleted from the Bill introduced into Parliament? Similarly, under general provisions relating to accreditation, the requirement for the board to have regard to the public interest in setting down conditions for accreditation has been deleted. Why? I understand that the award covering public sector public transport workers includes various disciplinary procedures. How do these compare with the provisions in the Bill and which procedures will have precedence?

The National Training Board has recently agreed on accreditation standards that will apply to workers in the

public sector. Is the Government aware of this development, and are the proposed accreditation provisions in the Bill compatible with the proposed national standards?

Clause 37 of the Metropolitan Taxi-Cab Act deals extensively with registration of taxicabs. Why is there no reference to these matters in the Bill? I understand that the Minister indicated to the United Trades and Labour Council that eventually no support functions will be provided by TransAdelaide to the Passenger Transport Board, but in the interim some may be provided on contract. Will the Minister provide some examples of the types of support services that she has in mind?

Currently, there is a national accreditation system for vehicle service and maintenance styled as AS3902. Will this apply under the proposed accreditation system? Has the future of the existing STA radio communications system at the control centre and its employees yet been determined?

I understand that in January the Minister advised the United Trades and Labour Council that all codes of practice would be in place before the calling of tenders. Is this still to be the case? The Minister has consistently promised that the current integrated fare system will be preserved. However, clause 19(1)(a) of the Bill indicates that an integrated fare system will be provided '. . . to the extent that may be appropriate'. Will the Minister indicate what is intended here? Can the Minister rule out the possibility that rail services will be tendered out? If not, what does the Government have in mind and when will it turn its attention to rail services?

These are among the many issues which we consider should receive attention and to which we and others would like answers before we proceed further with the Bill. I have no doubt at all that further questions will come to mind as we proceed in this matter. Certainly, once we have received responses to the questions that I have just posed, I have no doubt that a range of further questions will require answers. The fact that just this range of questions is now being put to the Government is an indication of the level of concern that exists about just how extensive are the Government's proposed changes.

As I indicated earlier in my remarks, the changes to our public transport system proposed by the Government, depending on how far they go, have the potential to bring about massive dislocation in the system, depending on how, and indeed how quickly, they are implemented. Certainly, none of us would want to see that sort of result from any measures that might be brought about as a result of legislation passed by this Parliament.

I therefore expect those questions that I have posed to be treated seriously and that detailed replies will be provided to those questions because, unless we have detailed responses to them, it will be very difficult for the Opposition to determine its attitude to this legislation.

I have indicated already that the issues involved in this Bill are very complex. It is certainly not a simple matter to decide that existing services will be divided neatly into regions and tendered. Without great care, there could be added costs to taxpayers. I am advised, for example, that one such plan that the Government was considering would have required the use of 50 extra buses at approximately $100 000 each, and that would add some $5 million to the cost of the provision of assets before one even starts talking about some of the other costs that are involved. Observers often fail to appreciate the efficiency of the STA's computerised systems for rostering operators and buses. These efficiencies may not be achievable in smaller operations.

Every day I am approached by people with new concerns and new comments to make about the Bill. I receive new information which individuals and organisations have picked up about the way that these proposals may be implemented. The Opposition is examining these issues and will take action where it considers it appropriate.

I can assure the Government that, in doing so, our intentions are to ensure that we protect the best elements of our existing public transport network, that disruption for consumers is minimised, and that we provide opportunities to improve the system for current users and incentive for non-users to leave their cars at home and to give public transport a try. I support the second reading.

The Hon. T.G. ROBERTS secured the adjournment of the debate.

The Hon. R.R. ROBERTS: Mr President, I draw your attention to the state of the Council.

A quorum having been formed:

PETROLEUM (SUBMERGED LANDS) (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 22 March. Page 249.)

The Hon. R.R. ROBERTS: The Opposition has no real problems with this Bill, which has passed the Lower House. I am advised by a colleague in another place that the legislation basically reflects regulations and laws in respect of these matters, which are of a Federal nature. This Bill has been passed and agreed to in another place by our Party, and it is not my intention to speak very long. One concern I have—and I put this to the Minister representing the Minister in another place—is of an environmental nature. In response to a question I asked in this place some weeks ago, the Minister for Mines and Energy (Hon. Dale Baker) said that in respect of any intrusive exploratory methods being used in Gulf St Vincent he would insist on a register of environmental factors.

In respect of any wholesale mining or, as in this case, extraction of petroleum products, I would be seeking from the Minister an undertaking that before that sort of exploration took place in sensitive areas within or outside the three mile zone a full environmental impact statement be implemented. He has given that assurance in respect of diamond mining. We put the Minister on notice that that would be our intention, and we ask him to give that reassurance in respect of this petroleum exploration. On that basis, the Opposition intends to support the Bill.

The Hon. J.C. IRWIN secured the adjournment of the debate.

WORKCOVER CORPORATION BILL

Adjourned debate on second reading.

(Continued from 23 March. Page 276.)

The Hon. R.R. ROBERTS: The Labor Party in the Legislative Council is opposed to this Bill and its companion Bills to be debated later in this Chamber. In the mid 1980s South Australia, like many other States, was confronted with an inefficient, costly and time consuming system of workers

compensation based under a system of private insurance. There was little attempt at rehabilitation of injured workers and there was low emphasis on occupational health and safety practices as a way of limiting the number of work place injuries. It was a system that was adversarial and one that was insensitive to the long term well-being of injured workers, who were often flung onto the scrap heap to survive on social security after expending what were often totally inadequate compensation payments gained under common law.

It was a system that saw some employees, in the forestry industry, for instance, paying 30 per cent premiums, with manufacturing and building employers often paying 15 to 20 per cent of payroll and rising. It was a system that needed attention from Government for the welfare of employees. It required tripartite action to stabilise a manufacturing base in South Australia during a very difficult economic transition, a time of massive industrial reforms and changes in work practices, and a time where the need for proper care and rehabilitation of injured workers had to be addressed.

The WorkCover system was thus designed to give partnership and responsibility to all three segments of the equation; to operate and manage a single insurance system; and to provide a proper and efficient 'no fault' scheme of compensation and rehabilitation at reasonable cost and, where possible, a scheme that would encourage the reintroduction with dignity of injured workers back into the work force.

The three partners were also charged with setting up an appropriate and separate occupational health and safety regime to provide research and create strategies for workers and employers to provide the safest conditions possible in industry. The aim, of course, was to establish a regime of safe work practices that would negate the need to access the WorkCover system, thus saving workers from pain, stress and emotional and financial suffering. Such a system would also provide employers with higher productivity, better profits and premiums that were no longer skyrocketing.

The Government's role in all this was to provide legislation and a proper independent inspectorate to oversee the system. On any objective observation, as opposed to the ideological confrontationist view of most Liberal members at least in the Lower House, this system has been spectacularly successful in providing the best and most responsible scheme in Australia. Collectively, in true participative management style, the partners in WorkCover and the Occupational Health and Safety Commission have arrested the staggering 24 per cent annual increase in premiums that occurred in the five years prior to the system being established.

In fact, WorkCover has achieved a 5 per cent reduction in its annual levy costs over the period of its operation, from 3.13 per cent to 2.86 per cent of payroll. These achievements have not been made without legislative and administrative changes to the original scheme, but nevertheless the scheme has been successful. I stress again that the successes of WorkCover have been achieved by balanced representation, sensible Government overview and minimal Government interference.

One of the faults of this Bill is that it seeks to weaken the representative nature of the WorkCover Board by weakening the representation of the work groups, and it provides for statutory interference in the corporation's functions by political ideologue—if the Minister of the day was of that bent.

By ensuring balance on the boards of WorkCover and the Occupational Health and Safety Commission, the existing legislation enabled better understanding by the partners of each of these constituencies and developed an ownership of the scheme—a responsibility for the scheme, if you like. This, combined with the hard work of members, has seen WorkCover become arguably the most effective, comprehensive, socially responsible and certainly the fairest scheme in the country.

Members opposite may not accept this, but the overwhelming majority of the community do accept it, as evidenced by a recent consultancy report to WorkCover which revealed that 81 per cent of employers and 73 per cent of workers believed that the WorkCover scheme provided a good service to them.

The Government has claimed that WorkCover costs— and one must assume that it means the levy rates and the benefits provided to injured South Australians—are too high and are retarding business from establishing themselves in this State.

It is often maintained by critics of WorkCover that employers interstate pay lower workers compensation levies than their South Australian counterparts and thus, unless WorkCover levies are made more competitive with these interstate rates, there will be an exodus of business and jobs from South Australia. While the average levy rate in South Australia is 2.86 per cent compared with 2.5 per cent in Victoria and 1.8 per cent in New South Wales, it is stretching credulity to suppose that investment decisions are based primarily on a 1 per cent differential in WorkCover levies, especially given that these levies constitute such a small, almost insignificant, proportion of overall business costs for most businesses.

It should be noted that while nominal or legislated levy rates are slightly higher in South Australia than in Victoria and New South Wales, the real or actual rates are considerably closer. In part, this is because of differences in legislation. For example, in Victoria employers are required to pay the first $378 of an injured worker's medical expenses, whereas in South Australia there is no such requirement. Also, in Victoria and New South Wales trade unions have successfully negotiated 'make up' pay arrangements, particularly in high risk industries, whereby employers are required to pay the difference between injured workers pre-injury earnings and their weekly compensation payments, which in those States are substantially less than pre-injury earnings.

The relevance of these observations is that interstate comparisons of nominal levy rates are fairly meaningless and make as much sense as comparing South Australian applies with Victorian pears. When actual levy rates are compared, the difference between the other States and South Australia is marginal. Even more importantly, WorkCover levies need to be discussed in their overall economic context. For the average firm they are only a small percentage of the total labour costs and, as pointed out, an even smaller proportion of overall business costs. Thus, while WorkCover levies in South Australia may be marginally higher than in Victoria and New South Wales, overall labour costs are significantly lower.

In the private sector, average labour costs per worker in South Australia are $26 762 compared with $30 930 for New South Wales and $29 975 for Victoria. In other words, the average cost of employing a worker in South Australia is 13 per cent less than it is in New South Wales and 11 per cent less than it is in Victoria. As can be readily appreciated, these differences in total labour costs far outweigh any differences in WorkCover levy costs.

The marginal impact of WorkCover levies on labour costs in South Australia did not halt the establishment of the wine bottle plant that the Government took credit for last week when it was announced. In addition, it must be remembered that WorkCover levies are essentially variable costs. Unlike fixed costs and charges, WorkCover levies are directly influenced by management actions where there is an interest in doing so. What this means in practical terms is that employers who are dissatisfied with the level of their WorkCover levies need to critically review their management practices, most particularly in the area of occupational health and safety. In this regard, WorkCover has initiated the safety achiever bonus scheme as a management tool to assist employers, and they believe the dividends will flow to all stakeholders where the program is actively implemented. To state the obvious, substantial reductions in levy rates can be achieved as a direct consequence of reducing the incidence of workplace injury.

I should like to touch on another point which is absolutely critical to the understanding of interstate levy comparisons, and that is that other schemes, including Victoria and New South Wales, are able to maintain slightly lower levy rates than in South Australia, not because they are better managed or more efficient, but because these schemes are structured so as to facilitate the transfer of liability by employers for workplace injuries onto the rest of the community. In other words, most workers compensation schemes in Australia are characterised by massive cost shifting from employers to injured workers and, through the social security system, directly onto Australian taxpayers.

The social and financial hardship inflicted on injured workers by this cost shifting is especially horrendous. Family breakdowns, discrimination in employment, crushing poverty and social disintegration are the inevitable consequences of the cost shifting process for many injured workers. Instead of wage maintenance at humane levels and rehabilitation and re-entry, they are flung onto the welfare system. This Bill seeks to amalgamate the functions of WorkCover and the Occupational Health and Safety Commission. The Opposition believes that the current board structure of WorkCover and the Occupational Health and Safety Commission should not be altered.

We are also opposed to the contracting out of functions currently carried out by either organisations—for instance, claims management. To bring private insurers back into the system when they are not set up to provide long-term rehabilitation regimes on a fee for service basis is, in our view, retrograde. Experience in Victoria with Workcare, where the Liberal dominated Legislative Council insisted on contracting out, has become a financial disaster. Even South Australian experience with SGIC over the period from 1986 to 1989 was similarly unsuccessful. In fact, I believe that the commission has ceased that practice. The successful single insurer concept of WorkCover with its economy of scale information storage for cross reference and research is the sensible, efficient and responsible path to the continuation of an efficient and economical workers compensation and rehabilitation scheme.

This Bill is the first step in implementing the deception spread by the Liberal Party during the last election when it told workers they would have the protection of the award safety net and minimum standards. I suspect that the Liberal Party knew that most workers would feel some sort of security by assuming that WorkCover was part of the industrial relations minimum standard. Perhaps the 'new right' concept of introducing a little fear and insecurity into the workplace as the best way to make productivity gains is finding currency with the South Australian Liberal Government.

In these days of almost universal acceptance that the best industrial relations system is based on consultation, cooperation and participation by workers in the decisions that affect their everyday lives, this Bill begins a process aimed at excluding workers and their representatives from the very systems established to protect their rights. In effect, it destroys the accord between workers, employers and Governments which has so successfully served Australians over the past decade. With its companion Bills, it regresses industrial relations and cooperation and provokes confrontation and an adversarial mentality in industry at a time when cooperation and a sense of shared goals is essential as this nation comes out of recession and this State positions itself for recovery. At a time when the experts talk about world's best practice, this Bill is about lowest common denominator and winner take all mentalities.

South Australia has the best workers rehabilitation and compensation scheme for its citizens, its workers and its management, and we should be very proud of its achievements. When the nation is moving towards mutual recognition and best practice, this Government, which in Opposition opposed mutual recognition in this place because it claimed that South Australia would be lumbered with lower standards, now wants to legislate for lower standards for South Australians. What it should be doing is lobbying its mates interstate to carry out their responsibilities to injured workers in the same fashion as South Australia rather than bludge off the taxpayers of Australia by using the social security system as a workers compensation system. It should insist that all States compete on a truly level playing field, not one that tilts in favour of the one which is prepared to cheat by lowering standards of care and rehabilitation for its citizens.

This Bill is not necessary. It is a sop to a few business mates and to the Chamber of Commerce and Industry. The system is not broken and does not need fixing. It serves only to advance the interests of and give advantage to a few conservative ideologues who have hijacked rational debate about industrial matters within the Liberal Party. It is the soft handle of a blunt instrument aimed at destroying the trade union movement and dominating and impoverishing injured workers in South Australia. The Opposition believes that this Bill should be rejected.

The Hon. M.J. ELLIOTT: I support the second reading of the WorkCover Corporation Bill. In so doing I will discuss issues contained within the two companion Bills: the Workers Rehabilitation and Compensation Bill and the Occupational Health, Safety and Welfare Bill, and I will give them further attention in later contributions as well. Together these Bills should aim to achieve the following. First and foremost, death, injury and illness caused by work must be minimised. Secondly, a real attempt at rehabilitation where necessary must occur. Thirdly, the impact on the innocent party must be minimised, that is, there should not be an economic burden on the injured person or family. Finally, and consistent with the first three objectives, the scheme should run as efficiently as possible to minimise the cost impact on employers. I stress that that last one is only so long as it is consistent with the first three objectives.

The Minister for Industrial Affairs says South Australia's future competitiveness is the reason why these amendments

are before us. The Minister has introduced these changes to our workers compensation system saying they are vital to ensure our levy rates remain at the current level and that we must strive for a levy reduction to become competitive with our eastern states. Quite clearly his focus then is on the final of the four objectives. So long as his proposals are consistent with the first three objectives this is not unreasonable and has our support; however, if on the other hand the effect is to reduce worker safety, reduce effort on rehabilitation or reduce victims' legitimate compensation, then the Government will not get our support.

It is the Democrats intention to support all three Bills but we will be insisting that they be amended to ensure that all objectives are met. As the Minister prepared the political ground for this debate over recent months he did so in an unreasonable and misleading way. It is not to say that there are no problems in relation to the current scheme, but rather that the problems have been distorted. The claim that employers interstate pay lower workers compensation levies deserves closer examination. South Australia currently has an average levy rate of 2.86 per cent compared with 2.5 per cent in Victoria and 1.8 per cent in New South Wales. However, we are not comparing apples with apples. While the nominal rates may be higher in South Australia than the other States the real rates are much closer.

There are variations in the legislation in each State which place different requirements upon businesses. For example, in Victoria employers must also pay the first $378 of an injured worker's medical expenses. No such requirement exists in South Australia. Also, in Victoria and New South Wales trade unions have successfully negotiated 'make up' pay arrangements, particularly in high injury industries, whereby employers are required to pay the differences between an injured worker's pre-injury earnings and their weekly compensation payments. Levies are only one small segment of the costs faced by businesses.

Other factors which must be taken into account include labour costs, which average at $26 762 in the private sector in South Australia compared with $30 930 in New South Wales and $29 975 in Victoria. This works out to 13 per cent lower labour costs in South Australia compared to New South Wales and 11 per cent less than in Victoria. WorkCover levies are also variable figures directly influenced by company management. Substantial savings can be achieved as a direct result of cutting the number of workplace injuries. This is an issue which I will return to later.

Another point which must be remembered is the transfer of liabilities from the workers compensation system to the social security system which occurs in other schemes including Victoria and New South Wales. I am currently discussing with my Federal Democrat colleagues the need for the Federal Government to intervene in this issue. These costs, which amounted to $1.06 billion nationwide in 1990-91, fall directly onto taxpayers and the community as a whole. It is amazing that we find business complaining about social welfare and yet essentially this is corporate welfare where the corporate sector is bludging on the State as a whole. The Federal Government is expected to take action to stop this cost shifting and to recover the amounts involved according to the Industry Commission's draft report of workers compensation in Australia. This will certainly cause an increase to the current interstate levy rates. It is most likely that South Australia's WorkCover is the most efficient and effective in Australia once these other costs are taken into account.

Over the first months of this year the Minister has been drip-feeding the media with abuse of WorkCover stories. He had earlier made a request for examples of problems and unusual outcomes from the WorkCover Corporation which had come to light over the past seven or so years. The point should be made that in total number very few were found out of the thousands of claims made. In other words, his examples given to the media were not representative. Also, a number of these cases would not have succeeded if they had been properly handled by WorkCover. I will revisit the use of these examples later. What is most appalling is that he even went to the point of concocting cases. Some of you may have read of the case of a person being injured playing squash and then making a journey accident claim. It did not happen. The Minister made it up. Distortion does not facilitate sensible debate. It is unfortunate that such an important subject should be treated in this way. The Minister more generally has allowed rhetoric to substitute for substance.

We do, nevertheless, have a real opportunity to tackle employer costs without transferring big burdens to the victim. That is what I intend to discuss now. The Government is currently chasing savings which are easy rather than just. South Australia's WorkCover legislation should focus on the largest money saver for business: safety. Workplace safety has proven to have saved businesses hundreds of millions of dollars through reducing workers accidents. Total safety savings to companies are accepted to be five times the direct workers compensation costs due to on-costs such as replacement labour, retraining and the like. These major savings have been demonstrated in several organisations.

The international manufacturer DuPont saves on its own estimation about $250 million per year through its integrated safety focus. South Australian based SAGASCO has made savings in the order of $24 million in the past five years through its safety focus. In the past 5½ years accidents have been reduced by 79 per cent with significant savings in the process. For every dollar saved on workers compensation claims an additional $5 was saved elsewhere within the organisation in hidden costs: a saving of between $5 million and $6 million a year. Since 1988 the value of the SAGASCO Holdings group has increased by about $700 million, from $150 million to $850 million.

The company says that possibly the biggest single component of this rise is improved safety performance. By improving safety performance it adds real shareholder value and also plays a part in increasing the competitiveness of those businesses which depend on its products and services. It must be noted that the assessments of the savings being made in relation to both DuPont and SAGASCO are their own assessments and not mine. The State of Oregon in the United States has also made huge savings through increasing its emphasis on health and safety. As well, there was a 37 per cent reduction in the accident rate and a 30 per cent reduction in the death rate. This was all achieved over a five year period from 1988 to 1992.

It is also worth noting that it was achieved in the face of a rise in employment of 10 per cent, and it is readily acknowledged that new employees are the most likely to be injured at the workplace. Employers, employees and unions should focus on how to increase an organisation's earnings, which benefits all. The best way to reduce the cost, human suffering and lost productivity associated with workers compensation claims is to increase the emphasis on safety and health in the workplace. Work related accidents cost the Australian economy between $12 billion and $24 billion a year.

In South Australia's public sector alone, poor occupational health and safety is estimated to cost somewhere between $200 million and $300 million a year, based on the sector's accident frequency rate of about 40 lost time injuries per million hours worked. This is 80 times the accident rate of DuPont, a company with employees in 40 countries and often working with dangerous substances and processes. It is 10 times the accident rate of a company like SAGASCO.

If the current legislation can lead to savings through safety, then we will be helping both employees and employers who, in relative terms, have little to gain in the areas emphasised by the Government in the current legislation. Therefore, if occupational health and safety performance can be improved by 50 per cent, $100 million to $150 million can be saved per year in the public sector while also benefiting employees as a result of fewer injuries. The focus of the legislation now before Parliament has been mainly on measures that create only minor savings for business, and it must be examined to ensure that worker safety—the big money spinner—remains paramount.

While the current changes to journey accidents and stress seek to achieve further cost savings for employers, they should not come at the expense of workers' safety or welfare. Nor should injured workers be expected to shoulder any additional unjust burdens. Ultimately, improved worker safety will also be of economic benefit to employers. These Bills offer the opportunity for major savings if we do it properly. Major savings are to be found not in removing journey accidents or tinkering with stress claims but by ensuring that prevention is paramount.

I have consulted widely with employer groups, unions and a range of other interested groups and individuals during the researching of this legislation. I have been seeking a position that will be of benefit to all South Australians, employer and employee alike. The present Bills do not achieve this in their current form.

Having outlined my general position I will now address the Bills more specifically. When the original legislation for the principal Acts was debated, I did not have the carriage of the legislation for the Democrats. However, I did make a brief contribution in which I expressed the view that, having a separate WorkCover Corporation and Occupational Health and Safety Commission, did not make a great deal of sense to me. It appeared to me that, if we were seriously concerned about saving workers compensation costs, then it could be achieved only by getting the accident rate down. I hold that view even more strongly now, and it has been clearly expressed in what I have said so far.

The WorkCover Corporation Bill seeks to establish a new Act to provide for a new WorkCover Board. It varies the functions and powers of the corporation with the merger of some of the activities of the Occupational Health and Safety Commission and the abolition of the commission itself. The corporation's triple goals of accident prevention, rehabilitation and compensation remain. I support this proposed merger with the Occupational Health and Safety Commission with some provisos.

There is concern that as the commission is absorbed into WorkCover its effectiveness will be blunted, given that WorkCover's primary emphasis traditionally has been with compensation and rehabilitation and not prevention. The objectives of the resulting corporation will therefore have to be amended to ensure safety is the major priority and that it does not turn into an insurance board which only seeks to save money by cutting or denying benefits.

The role of the advisory committees proposed in the Bills should be increased to ensure they do not have a tokenistic role in the consultation process. The tripartisan role formerly found within the board should be maintained through these committees. This opinion has been backed up by many of the groups consulted with, both employee and employer. Since the Government has decided to remove the tripartite nature of the board, the committees will play an increasingly important role for all interested parties. Another concern is the Government's intention to restructure the WorkCover Board so as to minimise the representation of workers and employers. I believe these concerns must be confronted through ensuring that the new advisory committees are of a tripartite nature and are offered resources and powers to work autonomously. The present Occupational Health and Safety Commission plays an important role as an independent watchdog of inspectors as well as delivering services and developing policies and standards.

Employers are keen for this advisory committee to retain control of its role in standards advice. The committee has just completed a major rationalisation and consolidation of regulations. The task ahead is to inform and educate workplaces and assess performance. The new committee must also be open and accessible, being allowed to observe and make comment on issues within its brief.

As to board composition, the Government is proposing a reduction in the size of the board from 14 members to seven members and this is seen in most quarters as a positive move. However, some concerns have been raised with me about the backgrounds of people chosen to join the board. The tripartite nature of the present board ensures the proper representation of all parties who have an interest in WorkCover. However, there have been representations made that the current size makes the working of the board unmanageable and, as well, the clear division of loyalties has led to caucusing and fixed positions rather than constructive and adventurous discussions.

However, while proposing a board half the size of the original board, the legislation only asks that one of the seven people nominated by the Minister to join the board will take into account recommendations of associations represented by the interests of employers. Similarly, another board member is to be nominated by the Minister after representations are made from employee organisations. The remaining five board members are to be appointed on the recommendation of the Minister on the basis of their relevant expertise to manage the corporation on a commercial level. While I support the move to promote a commercial focus on the board, ensuring that the needs of all parties are met and protecting the board against becoming the vehicle for one particular sector must be paramount.

Fears that union groups are now expressing about their voice being threatened under the changes proposed by the new board structure are similar to the fears of employers when the previous Government was in office. Although the tripartite nature of the present board might have its frustrations, it played an important role in ensuring the interests of workers and employers were not lost in the initial years. Despite the frustrations, it must be recognised that the tripartite nature of the board was important. Given the experience by similarly restructured boards interstate, concerns have been raised that the resulting board could be stacked in favour of a particular segment of expertise. For instance, it could be full of people with insurance—type knowledge, when that is really only one small segment of the

responsibilities of the corporation. Therefore, I believe the board should have two representatives, rather than one representative, from employee and employer groups.

The board should be increased to nine members, which would ensure that the Government attains its largely commercial board, but employer and employee voices will remain strong. While we see a desire to remove factionalism from the board, there is still significant value in the voice of employers and employees being heard, and it is the unfortunate truth that one person's voice alone is often stifled.

As to ministerial powers, there is concern that the legislation establishes the new WorkCover Corporation as what appears to be an independent corporation. In the present Bill the Minister for Industrial Affairs appears to have wider powers than under the current Act. When Parliament sets up a scheme that seeks to maintain the balance of prevention, rehabilitation and compensation, it is dangerous if such a scheme is allowed to work at the whim of an individual Minister. This could lead to an unpredictable scheme which varies from Minister to Minister and Government to Government. The WorkCover Corporation should function independently under clear guidelines spelt out in its legislation. The scheme should operate with certainty and the legislation should ensure this.

The introduction of clearly stated objectives will aid the new board in its social and economic direction. I will be moving amendments to insert a new clause immediately before the functions clause to spell out what the objectives of the board are. The four objectives are as I stated at the beginning of my contribution: first, that death, injury and illness need to be minimised, that safety is important; secondly, that rehabilitation must occur; thirdly, that there must be proper compensation; and, fourthly, and consistent with those three objectives, we run the scheme efficiently so as to reduce costs.

I hope that with the insertion of those objectives the board has a very clear direction that it does have those multiple roles and that they are all important. If it affirms people's fears that it will simply be a cost cutting board and nothing else, and that it will simply take an insurance function, it will be operating in clear contravention of the objectives I wish to insert into the Act.

In relation to privatisation, the Bill includes an expansion of the corporation's current power to delegate any function or power to any person or body. This includes the power to appoint agents or engage contractors to assist with or carry out functions on its behalf. The corporation is not limited in to whom it can delegate. It can place any condition or limitation on the delegation, and the delegation is revocable at the will of the corporation. The delegation is under the control of the corporation and revocable at will, which is likely to discourage any risk managers or insurers from participating in the scheme, if that is indeed the Government's wish.

While many people argue that a monopoly insurer is not best practice, the overriding question which must be raised is whether the parameters currently proposed by the Government would encourage good rehabilitation and claim management. There are concerns that abandoning the single insurer concept and economies of scale will be negative in regard to the current ability to cross-subsidise in the economic interests of the State and the centralisation of intelligence and record keeping. The single insurer concept has been fundamental to the WorkCover scheme, with the current provision for exempt employers seen as going far enough—or too far, according to some people. It has been suggested to me that currently we have a number of exempt employers who have the best of both worlds by loading their safest employees into exempt operations and transferring the most at-risk workers to a subsidiary company that could be, but is not, made part of the exempt group.

Further weakening of the system should be opposed. The current Act allows WorkCover the power to delegate its functions to public authorities. When in the first couple of years of its existence it delegated claims processing and levy collection to SGIC, it was an absolute disaster: SGIC was solely the insurance collector, with no interest in rehabilitation. Nothing has been announced about the structure of the arrangements proposed in this area. The Government ought to show more of its hand in exactly what is being proposed before attempting to legislate on the issue, as this current clause is very much a blank cheque. Consistently in the last Parliament, the Liberals and Democrats voted together to oppose such clauses. I do not know how many times I voted in conjunction with the Minister who has the carriage of this Bill in this place against clauses which were totally open ended and discretionary; yet straight-faced today he proposes legislation in direct contravention of those sorts of principles.

People are left to speculate as to what precisely will or will not be privatised. There is some suggestion that insurance companies may get some role and there is some suggestion of groups such as semi-exempts being set up, but this is a blank cheque clause. I will not support such a clause. I am willing to debate the issue of private insurers, semi-exempts and whatever else the Government has thought of—or possibly has not thought of, because I do not think it has thought through a lot of this. I will move an amendment to make quite plain that there will be no delegation outside the public sector unless it is done by regulation which has been before the Parliament for 14 days and not been defeated. In that way I hope to ensure that if the Government or the corporation wishes to privatise anything it will still be under the purview of this Parliament and there will be a proper public debate, which has not happened in relation to this clause so far.

The Bill allows the Minister to transfer employees of the abolished Occupational Health and Safety Commission to the Department for Industrial Affairs, another department or the corporation. However, there seems no obligation to grant such employees any placement at all. Again, this is a blank cheque; there has been no public commitment as to what is planned in this regard and certainly there are not sufficient commitments as to what happens to employee entitlements. I think this matter was amended in the other place, but the Government did not go far enough, and I will be seeking to amend the schedule further.

In summary, the introduction of these three pieces of legislation could be an opportunity to create benefit for all concerned. Instead, the Government is on a rhetoric-driven, ill conceived campaign to avoid the just treatment of injured workers. The resultant Bills are a legislative mishmash. The Democrats will seek to retrieve some useful outcomes by way of amendments. The overall structures proposed by the Government will be supported and fine-tuned. Other aspects will be amended and, in one major case, rejected. The Democrats support the second reading.

The Hon. T.G. ROBERTS secured the adjournment of the debate.

The Hon. K.T. GRIFFIN: Mr President, I draw your attention to the state of the Council.

A quorum having been formed:

GUARDIANSHIP AND ADMINISTRATION (APPROVED TREATMENT CENTRES) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 29 March. Page 339.)

The Hon. CAROLYN PICKLES: The Opposition supports this short Bill, which is procedural in nature and which is designed to deal with a problem that has arisen during the drafting of regulations to implement the Act under the Mental Health Act. This Bill was supported by the Opposition in the House of Assembly; it merely assists in the implementation of an Act that was passed in the last session of Parliament. Therefore, we have no problem in supporting it.

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

MENTAL HEALTH (TRANSITIONAL PROVISION) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 30 March. Page 361.)

The Hon. CAROLYN PICKLES: The Opposition supports this Bill. Again, it is a transitional provision that facilitates the measure which was passed in the last session of Parliament, a Bill that was introduced by the Hon. Martyn Evans, the former Minister of Health. The Opposition supported the Bill in the Lower House and we support it here.

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

ADELAIDE FESTIVAL CENTRE TRUST (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 23 March. Page 265.)

The Hon. ANNE LEVY: The Opposition supports the second reading of this Bill, although, as indicated by my placing amendments on file, we do have some small amendments that we wish to make to it. This piece of legislation arises from a matter which came to the Government in the caretaker government period late last year, so there was consultation and correspondence between me and the then shadow Minister.

Briefly, the Adelaide Festival Centre Trust, a large entrepreneurial organisation which provides a great deal of the artistic and cultural activity that occurs in Adelaide, is a most efficient organisation. In fact, although it receives a Government subsidy, the subsidy is only about 23 per cent of its budget each year, and this can be compared with corresponding organisations in other States, where the Government subsidy required to keep the organisations going is a very much larger proportion of their budgets, up to 50 per cent or 60 per cent required in Government subsidies not being unusual. It is an extremely efficient organisation and serves the population of South Australia extremely well.

Late last year, there was a commercial opportunity for the Festival Centre Trust to enter into an arrangement with the AFL regarding ticketing through BASS for certain fixtures occurring at Football Park. This was a commercial opportunity of great potential financial benefit to the trust, and of great benefit also to the AFL. At a fairly late stage, it was drawn to the attention of the Festival Centre Trust that strictly under its Act it did not have the power to undertake such an activity, seeing that this was not something occurring at the Festival Centre Trust: it was a ticketing system down at Football Park.

After consultation with the then shadow Minister and with Crown Law, agreement was reached that the Festival Centre Trust Act would be amended to provide that such an activity would fall within the functions of the trust. The agreement for the commercial activity to take place was then signed by me as Minister so that it could occur, and the funds for it, totalling about $300 000, were also found temporarily from within the resources of the Department for the Arts and Cultural Heritage, as it then was.

A commitment was given by the trust that, as soon as the amending legislation was passed, it would have the power to undertake such activities and repay the department the $300 000 which otherwise would cause a considerable hole in the department's budget for this financial year. Hence the urgency of getting this legislation through the Parliament before the end of the financial year, which means in the next few weeks. That is the background to the first part of the legislation.

I indicate at this stage that I will be moving amendments to bring the Act in line with the commitments given by the then shadow Minister late last year. I will quote from a letter she wrote to me on 2 December when she stated that she accepted the arrangement which I proposed subject to the following conditions:

- that any amendment to the Act incorporates a provision that an extension of BASS's activities require prior consultation with the Minister.
- That the trust repay the $300 000 loan with interest from its working capital reserve immediately following passage of the amendment.

My response to the then shadow Minister, dated 3 December, states:

> Thank you for your letter of 2 December advising of your conditional acceptance of the contractual arrangements relating to the BASS ticketing system at Football Park. I agree with the terms of the first condition in your letter requiring prior consultation with the Minister before any extension of BASS activities. The second condition is in accord with my earlier advice to you and is therefore also acceptable.

The legislation as it appeared before us, after a passage of time, asks for a lot more than consultation as was agreed last December. The amendment relates to the agreement which was made last December requiring prior consultation with the Minister.

The second matter dealt with in the Bill is totally separate and relates to a sunset clause which is in the current Adelaide Festival Centre Trust Act. When the trust was established 22 years ago a question arose regarding the paying of water and sewerage rates and council rates by the trust. A provision was inserted in the Act that for the purpose of calculating both water and sewerage rates and council rates the Festival Centre itself would be taken to have an annual value of $50 000 and a capital value of $1 million.

These figures were purely arbitrary, of course, and were to stand until the end of 1993. They have now expired, and these questions need to be reconsidered. As set out in the amendment before us, it is made quite plain that the Festival Centre Trust should not have any liability for council rates.

The trust is Government owned property, and it is not customary for Government property to pay council rates, working on the principle that Governments do not tax each other. It does apply in the reverse direction in many respects, as I am sure you, Sir, are well aware.

It was felt that because there had been a provision in the original Act for council rates to be paid by the Festival Centre Trust merely to have the sunset clause operate might raise the question of whether the trust was now liable for rates on a different annual value or capital value. Hence, clause 4 seeks to insert a new section 31A to make quite clear that the trust is not ratable under the Local Government Act as it involves Government property. However, I understand that there had been discussions between the Festival Centre Trust and the Adelaide City Council such that the trust was prepared to make an *ex gratia* payment to the Adelaide City Council in lieu of rates which would amount to the same thing financially but which, nevertheless, would maintain the principle that no council rates are payable on State Government property.

The slightly contentious area arises when we come to the question of water and sewerage rates, which until now have been paid on this arbitrary capital value of $1 million. I understand that the Government's intention is that the Festival Centre Trust should pay full water and sewerage rates. For this purpose it has obtained from the Valuer-General a value which can be placed on the Festival Centre, and the result of this is that the Valuer-General has returned with a figure of $54 million. To my mind this figure is purely arbitrary. I do not see how one can really determine the value of the Festival Centre: it is not for sale and there is nothing comparable for sale, so how can one determine what its market value would be? The $54 million must be completely arbitrary, and quite a different value could be taken.

Be that as it may, if the Festival Centre Trust is to pay water and sewerage rates on a property which is valued at $54 million its annual payment will increase by $200 000 each year merely in water and sewerage rates without its using one drop more water or flushing one more toilet than it does at the moment. This will be a further imposition from it to a Government instrumentality, namely, the E&WS. The Government has decided that this will not apply for a further two years, giving the Festival Centre Trust two years to determine how it will find $200 000 extra per year to hand over to another Government instrumentality—the E&WS.

As I understand, there is no suggestion that its grant from the Government will be increased by this $200 000, which would keep the books tidy but not affect anyone in that it would be money going from the Government to the Festival Centre Trust to the E&WS, and so back to the Government. Apparently, that is not to occur and the Festival Centre will, as I say, have to find an extra $200 000 a year to pay to the E&WS, and that is hardly supporting the trust in its role of stimulating artistic activity in this State. It will mean that $200 000 must be taken off its artistic program, and that will be very much to the detriment of the people of this State; or alternatively it will have to take $200 000 a year from its capital program, and that will delay even further the urgent refurbishment of the Festival Centre.

I am sure that anyone visiting the Festival Centre would agree that that refurbishment is necessary. A number of the carpets are looking rather tatty; the seats, in some areas, need recovering. There is a slightly tired look about some of the areas of the Festival Centre, which I am aware has capital allocations for gradually improving the fabric and the technical side of the centre.

However, if the Festival Centre has to find an additional $200 000, I suggest that this will most likely have to come from this capital refurbishment or maintenance and that the tired look of the Festival Centre will continue much longer than frequenters of the place had hoped.

The Government is proposing that the Festival Centre will have two years in which to work out how to find $200 000 a year extra for the E&WS Department. I shall be moving an amendment to give it longer to work out ways of doing this so that it is not a sudden phasing in of $200 000. In fact, I propose that it should have four years to make its plans and adjust its corporate plan accordingly. As this will impose a considerable burden on it, I think it is fair that it should be given longer to make the necessary adjustments to its corporate strategy. The Opposition supports this legislation, all of which had been discussed and agreed in principle between the two major Parties before the last State election.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Amendment of s.20—Objects, powers, etc, of Trust.'

The Hon. ANNE LEVY: I move:

Page 1—

Line 24—Insert 'after consulting the Minister—' before 'providing'.

Lines 28 and 29—Leave out 'as the Minister may from time to time approve'.

Page 2, lines 6 and 7—'Leave out 'without the approval of the Minister and the Treasurer' and substitute 'except after consulting the Minister'.

As I indicated in my second reading speech, the agreement between the then shadow Minister and I as Minister in early December was, according to the letter from the then shadow Minister, 'That any amendment to the Act incorporates a provision that an extension of BASS's activities requires prior consultation with the Minister'. My amendments are to revert to the situation of requiring prior consultation with the Minister in the different areas. This relates to paragraph (d) regarding the ticketing systems, which means the BASS operation. Instead of requiring ministerial approval, the Festival Centre Trust would need to consult with the Minister as we had previously agreed. The Festival Centre Trust people are not foolish. If they consult with the Minister and the Minister is dead against what they are proposing, they will take note of that. I think that, in the spirit with which our negotiations occurred last December, the Act should reflect what was agreed at the time—namely, that there should be consultation with the Minister before the Festival Centre Trust undertook activities which involved ticketing systems and other related services.

The Hon. DIANA LAIDLAW: I think it is important for me to read some of the correspondence that was entered into between the then Minister, Hon. Anne Levy, and I about this matter. It will be recalled that it was during the election campaign, which I was very keen to win, and it was very irritating to be confronted with this matter. I suspect that the former Minister would agree with that assessment. I received a letter from the former Minister on 11 November relating to the Adelaide Festival Centre Trust and its submission to extend the operations of the BASS ticketing system at Football Park.

I wrote back to the then Minister on 15 November indicating that I agreed with the proposal on the understanding that:

- the expenditure of $300 000 is found from the AFCT's working capital reserve and does not require a call upon the Government;
- the AFCT envisages it will recover the entire investment within three years;
- BASS already provides ticketing services for season ticket holders for all Adelaide Football Club matches at Football Park; and
- other ticketing companies will have the opportunity to issue tickets for all events (other than football matches) at Football Park.

I then thanked the Minister for seeking my views on the matter and indicated that I appreciated it would require an amendment. I then received another letter from the former Minister dated 24 November. Having indicated on 15 November that one of my conditions would be, as the then Minister had proposed, that the expenditure of $300 000 would be found from the working capital reserve of the Trust, I was told that was not possible. Therefore, I wrote to the then Minister on 29 November, indicating:

> I am unable to accept the proposition that the Minister for the Arts and Cultural Heritage should enter into the agreement with SANFL. The proposition is contrary to one of the four conditions upon which I agreed (15 November) that the Adelaide Festival Centre Trust be allowed to extend the operations for the BASS ticketing system at Football Park, namely—
>
> - that the expenditure of $300 000 is found from the AFCT's working capital reserve, and does not require a call upon the Government.

I then went on to say:

> It is apparent from the final paragraph of the advice provided by Ms Sarah Rogers for the Crown Solicitor that circumstances exist for the agreement with the SANFL to be entered into in the name of the AFCT.
>
> Finally, I consider that the proposed amendment to the AFCT is too broad. It should be confined to the current negotiations with the SANFL and/or after consultation with the Minister.

I received further correspondence from the former Minister, to which I replied on 2 December:

> Thank you also for forwarding the memo of clarification relating to the Crown Solicitor's advice of 18 November.
>
> I remain concerned that the Adelaide Festival Centre Trust has made a commercial agreement with the South Australian Football League to install the ticketing system, notwithstanding the prohibitions in the Adelaide Festival Centre Trust Act. This agreement has placed unacceptable pressure on you and me to accommodate the Trust's negotiations. I consider the whole process to be unsatisfactory.
>
> Therefore, it is with reluctance, and subject to the following conditions, that I accept the arrangement which you propose—
>
> - That any amendment to the Act incorporates a provision that an extension of BASS's activities requires prior consultation with the Minister; and
> - That the trust repay the $300 000 loan with interest from its working capital reserve immediately following passage of the amendment.

I have gone through that correspondence particularly for the benefit of the Hon. Sandra Kanck because I would like her to know the duress that was placed on the Hon. Anne Levy and me at the time.

There was also the fact that I gave an original agreement and then withdrew that agreement because the terms of the AFC negotiations changed. I put conditions on that matter when I received further correspondence from the Hon. Anne Levy. I agreed to consultation at the time, but when I took the matter—after the election—to Cabinet, I was even more offended by the fact, as was Cabinet, that the Adelaide Festival Centre Trust which works with substantial funds from the State Government each year should be entering into commercial agreements which are outside the parameters of its Act.

I agree with what the Hon. Anne Levy said, that the trust is not foolish, but it has certainly acted in an unacceptable way, forcing this exchange of correspondence during the election period and forcing this amendment before this place at the current time. Cabinet is strongly of the view, on considering the practice that we witnessed during November and December last year, with the Adelaide Festival Centre Trust entering into agreements which it was prohibited by the Act to do, that that requires us to seek approval for such new initiatives in future: not just consultation, but approval. That is essentially what the Hon. Anne Levy as Minister and I had to do anyway in that exchange of correspondence. Essentially we had to approve what they entered into.

I simply say that the experience with the Adelaide Festival Centre Trust undertaking negotiations which it was prohibited to do under the Act and the fact that the Minister at the time and I had to formally approve those negotiations, as unacceptable as they were, has convinced me that approval of future initiatives is the very least that we should be requiring. I indicate that the provision in the Bill allows the trust to continue its existing entrepreneurial and commercial activities. It does provide scope for the provision of ticketing systems at Football Park and other such initiatives. Those other initiatives must be with the approval of the Minister. There must be accountability with these entrepreneurial enterprises that we have established. The State Bank proved that.

I also stress to the Council that the substitution of consultation as proposed by the Hon. Anne Levy in lieu of the approval process that I seek would require the trust to merely consult with the Minister and not necessarily comply with any agreed outcome of that consultation. For a body such as the trust, which requires at least $3.5 million of subsidy a year—

An honourable member interjecting:

The Hon. DIANA LAIDLAW: That is not intended. It is important to note that the expenditure on entrepreneurial and other activities last financial year was $10.4 million, but the income was $10.6 million. It made $200 000 but it is not a windfall. It is lineball and it is risky. We think in those circumstances that, while we are not seeking to curb existing entrepreneurial and commercial activities, when new activities such as ticketing at Football Park and heaven knows what else might be proposed in future there should be approval from the Minister, which the Government will insist on, after our experience with the trust entering such commercial activities when it was prohibited under the Act from doing so.

The Hon. ANNE LEVY: I indicate that the situation the trust found itself in last year came from the fact that it was totally unaware that its proposed activity was beyond its powers under the Act.

The Hon. Diana Laidlaw interjecting:

The Hon. ANNE LEVY: I do not think the State Bank directors have been shown to have done anything illegal. We had a Royal Commission on that. Certainly, I fully agreed with the suggestion from the then shadow Minister that the Festival Centre Trust should not undertake any further such activities without consultation with the Minister. That was her suggestion which I heartily agreed with. I do not think that the Festival Centre Trust should go off on tangents without first consulting with its Minister. That was the agreement which was made between the then shadow Minister and myself last year, that there should be consultation, and that is what my amendments are to achieve.

The Hon. SANDRA KANCK: It appears to me that, although what occurred in the past was unfortunate, it does not appear that it was any deliberate process set about to transgress. I will be supporting the Hon. Anne Levy's amendments to clause 3, but I believe that the process we have gone through in looking at this and discussing it will, in a sense, put the trust on notice, so that it knows it will be watched very carefully. I suggest to the Minister that, if it shows any continuing record of transgressing over the next 12 months or so, she could again try introducing an amendment which forces approval of the Minister and then I might consider it. I need to see that there has been some deliberate plot somewhere along the line. That does not appear to be the case.

Amendments carried; clause as amended passed.

Clause 4—'Substitution of s.31.'

The Hon. ANNE LEVY: I move:

Page 2, line 14—Leave out '1997' and substitute '1999'.

I commented on this in my second reading speech. What I am trying to do is extend by a further two years the time which the Festival Centre Trust will have to find an extra $200 000 each year to hand over to the E&WS Department. It is a very steep order being put on the trust. As the Minister indicated, in the last financial year it did make a profit of $200 000, but it is a risky business and it is just as likely to slip below the line despite its most careful endeavours. To have to insert into its budget an extra $200 000, which it will have to hand over to the Government without receiving it from the Government as a grant, seems to me to put unnecessary strain on the management of the trust. If it is given four years to make this adjustment it will have more chance of doing so and more opportunities to adjust its staffing activity maintenance programs to enable it to find $200 000.

The trust has ongoing programs. It had a corporate plan prepared last year, which it is following, and suddenly to have to find $200 000 will be a considerable upset and will require amendment to the corporate plan. I believe the trust should have a longer time in which to do this, hence my amendment to change the date from 1997 to 1999.

The Hon. DIANA LAIDLAW: I oppose the amendment. It is important for members to be clear about this. The Government is proposing three years and not two years over which the trust can review its operations and pricing structures before it is required to pay this sum. In her second reading speech the honourable member said it was a two year period and then her amendment takes it out to four years. In the Bill we have a three year period to review those operations and the honourable member's amendment will take that out to five years.

The intention of the clause is to bring the trust into line with other South Australian cultural institutions. It should be rateable for water and sewerage based on a notional capital value determined by Government valuation. Any change in that policy would have an impact on the trust's financial status. We have provided three years for adjustment to be made on that basis. I should let the Committee know that Treasury was seeking 1996—two years—but Cabinet agreed that three years was an appropriate length of time and the trust has agreed that that is appropriate. It was fighting for 1997 and not 1996 as proposed by Treasury. That was agreed to by the trust.

Also, it is important to note that this matter has been around for a long time. The deemed value of the trust was important for water rates and it was set for a period of 10 years expiring on 31 December 1981. There were then more amendments through this place extending the exemptions until 31 December 1983. We then had another extension until 31 December 1993 and the Government is now saying that this issue must be addressed once and for all but we are giving time—three full financial years—to the trust to address this issue and so 1997 is proposed.

The Hon. SANDRA KANCK: It seems clear that the trust has known for some time that this change has been coming. Given that in the Bill there is an option for another three years for the trust to get its act together, I cannot see that it is justified to give it another two years on top of that, and I will not be supporting the Opposition's amendment.

The Hon. ANNE LEVY: The Minister claims that 1997 has been agreed by the trust. Of course, the trust will agree with whatever Parliament provides and will do its utmost, as it has always done, to cooperate fully and abide by its legislation.

The Hon. Diana Laidlaw: It did not do it with the—

The Hon. ANNE LEVY: With the ticketing it was caught unawares, but it was certainly not a deliberate attempt to get around its Act. The trust was most concerned to find inadvertently that it had not fully complied with the Act. I stress that the trust would like an extra two years in which to make that accommodation. Whilst it has known there was a sunset clause, only recently has it had any notion of the magnitude of the imposition involved. To know that the trust is going to have to pay full rates is one thing, but until it knows the value of the full rates it does not know how much it must accommodate and it was only in the past couple of months that the information has been provided that the Valuer-General put a value of $54 million on the Festival Centre Trust.

This extra imposition of $200 000 is not something the trust has known about for a long time. It is recent. Had the Valuer-General come out with a value of $20 million, the extra financial requirement would have been much less. The degree of the financial imposition depends on the value that the Valuer-General assigns, and that has been determined only recently and there is nothing to say that next year he will not pick some other arbitrary figure and, say, decide to make it $100 million. It seems that the value of the Festival Centre Trust is completely arbitrary and I do not know how a figure of $54 million is picked or on what principles that could have been based. Some completely arbitrary figure could be fixed next year or the year after and again completely altering the extra imposition on the trust.

The Hon. DIANA LAIDLAW: I do not want to prolong the debate, but it is important not to confuse the issue of what the trust would do, or what we would hope it would do, when Parliament passed legislation, and the fact that when I sought its view on this matter the trust advised that there is support for the time limit of 1997.

Amendment negatived; clause passed.

Title passed.

Bill read a third time and passed.

WORKERS REHABILITATION AND COMPENSATION (ADMINISTRATION) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 29 March. Page 338.)

The Hon. M.J. ELLIOTT: I support the second reading of this Bill. During my contribution to the WorkCover Corporation Bill I made general comments about this

legislation. In brief, I believe that the Government has done little to pursue the major area of potential savings, that is, safety, while pursuing savings which are minor by comparison. It has embarked on a rhetoric-driven pursuit of savings which are largely achieved at the expense of the victims. I will now address the specific issues contained in the Bill. First, there is the issue of journey accidents. The Minister has found several stories which purport to reveal some unreasonable journey claims. As I have previously stated, the Minister's example of the worker who injured himself while playing squash on his way home from work was a fictitious account, which I am advised would not have succeeded if it had been a real incident.

I am not aware of how many of the others were real events, but I do know that a memo was sent to WorkCover, requesting a search of claims 'that demonstrate problems, unusual outcomes with journey claims, stress claims, drug-alcohol injuries and injuries outside normal working hours'. Only 18 cases were uncovered out of the thousands of claims dealt with; who knows how much hours were spent finding out this information? Many of these cases would not have succeeded had they been properly managed by WorkCover. The current debate implies that there is widespread dishonesty arising out of travel and stress claims, but there is no evidence of fraud in any of the examples given by the Minister. I stress that: there is no evidence of fraud in any of the examples, even though he went searching for the worst cases.

As well, many of these 18 cases which also included injuries related to stress, drugs or alcohol and injuries outside working hours, were trotted out by several Liberals during debate on the issue in the other House. The Hon. Mr Leggett quoted several of the provided examples, and the Hon. Mr Ashenden was another member who used the ready examples provided for them. Another member came up with no less than three of the examples provided by WorkCover, some of which were quoted verbatim, from the WorkCover-provided document. I will not bore this House with the other examples. The point has been made regarding the level of debate in the minds of the Liberals. All members of the Liberal side of the House were later thanked by the Minister for their 'very positive and unbiased contributions to this debate'. Then, the Minister said that the amount of work put in by them in support of the Bill had been magnificent.

Many travel accidents are beyond the direct control of the employer and, it could be argued, do not belong to the workers rehabilitation and occupational health and safety scheme, even though I note that this has been the case for the past 30 to 40 years. Others might argue that, because work requires the journey, that is sufficient reason to leave it within the scheme. Even if the former argument is accepted, the Government has clearly gone too far. Statistically, journey claims are remaining static in percentage terms—currently at 4.5 per cent of claims—while declining in numbers. We have been told varying figures about the recovery rate of journey claims from various delegations, varying from 37 per cent to 75 per cent.

If some difficulty is experienced in recovering journey claim costs from SGIC, this could be overcome by better management of this area. With this present legislation, the Government will quite clearly be precluding claims where the accident is legitimately attributable to work practice. For example, a number of employees will have accidents due to lengthy and changing work shifts. A tragic accident in January 1992 in which seven workers were killed in South Australia's South-East is a classic example of problems which may no longer be covered by WorkCover under these changed provisions. The deaths occurred after a road crash which involved a van being driven by a worker who had just begun a series of night shifts (in fact, it was the second night shift) which directly followed 14 straight 12-hour day shifts. A coronial inquest into the deaths found that there was a high possibility that the driver had fallen asleep at the wheel. If nothing else, the employer should have offered a driver who was not tired.

Many shift workers in similar cases would experience similar fatigue problems when driving to or from work in private vehicles. These workers would miss out on compensation under proposed changes to journey accidents. Take the example of relieving teachers or teachers on short term contracts who are asked to travel to various schools in metropolitan Adelaide and beyond. There is no travel allowance and no tax concession, and continuous variations in travelling to work must increase the risks of an accident. This is within employers' control. I am not saying that workers should not work shifts, but shift lengths and the large number of days of shifts can be a problem, particularly extended shifts. Constantly changing shifts throw out people's biological clocks. Medical experts specialising in work-related sleep disorders have proven that shift work affects people's ability to sleep or maintain sleep, and the affect of sleep deprivation on their waking functions.

I speak from my own experience working in factories and doing shift work: I went for days on end without sleep on some occasions, and I was lucky that I did not fall asleep at the wheel driving to and from work in those circumstances. Work is directly responsible for that situation. While it may be argued that it is unfair to burden employers with accidents over which they have no control (and I make no comment about whether or not that is acceptable), it is clearly unfair to forsake the workers whose accidents were a direct result of their employment. As it stands, the Bill does this. My major concern with the removal of journey accidents from claims is that some people who have accidents due to their work situation will not be protected. Other shift workers such as nurses who work nights or extended shifts will clearly be at greater risk when driving home as a consequence of their employment. A failure to find a mechanism to cope with these incidents would be unfair and unreasonable.

I have highlighted that some people currently protected will be losing protection. It might be argued they should not be in the realm of employers, as they have no control. If these journey amendments were passed in isolation, they would lead to an unjust and socially undesirable situation by creating a class of unprotected workers with no capacity to immediate access to medical, financial or rehabilitation assistance, which is currently available through WorkCover. For the past 30 to 40 years workers have been protected on the way to and from work. This radical departure creates a void, which must be addressed by the Government. Innocent victims of vehicle accidents are quite clearly paying a price they should not have to pay in the same way as workers compensation recipients are being covered.

To ensure that this does not happen, the Government should be giving an undertaking that it will introduce no-fault vehicle insurance. I do not want to see protection taken away, but protection should not necessarily be via workers compensation, where it is a simple journey accident and where work has not been a contributing factor. It should be offered by compulsory no-fault vehicle insurance, which should apply

not just to journeys to and from work but to any journey one has. My amendment addresses Government concern about who should accept liability, but it does ensure that WorkCover accepts the cost where employment is responsible. I certainly note that my amendment will create a legally complex situation but this is necessary to provide fairness. As the situation stands at present, if you are involved in any journey accident to and from work, essentially you are protected. As the Government currently proposes in this legislation, there will be virtually no protection whatsoever. That is legally very easy to determine. The employers argue that one position is not fair; certainly the other extreme which the Government is now offering is also plainly unfair.

So, when we attempt to draw the line through the grey area of trying to determine whether or not an accident is work related, it becomes legally complex. I suspect that the employers might be in for a shock, because it might not turn out to be cheaper, but this needs to be done to provide fairness. Already, the Northern Territory, Tasmania and Victoria have variations of a no-fault scheme in place. The Northern Territory scheme charges $185 a year for a class 1 vehicle, compared with $186 a year in South Australia. By moving to no-fault insurance we can deliver benefits to people quickly, without most of the compensation finding its way to lawyers rather than victims.

WorkCover came in for exactly this reason. Its predecessor was not looking after victims. It was incredibly expensive but workers received little from it. I reiterate that there can be absolutely no argument that where employment has contributed to an accident, whether it is a journey accident or otherwise, that is a WorkCover responsibility. I recognise that the amendment I am bringing forward will lead to a great deal of litigation. I believe that that is avoidable if we have a no-fault vehicle insurance scheme running in tandem.

If that no-fault vehicle insurance scheme worked in the same way as workers compensation, as it does in the Northern Territory, and if it had a similar maims table and the like, if it had rehabilitation (as the Northern Territory legislation has) as far as the injured person is concerned, it will not make a great deal of difference which scheme is taking responsibility. Certainly they need not be waiting for great lengths of time while there are determinations in the courts. At the end of the day, employers would find it a lot cheaper as well. I know that some employers already are rather attracted by the notion of a no-fault scheme with vehicle insurance.

Moving to the issue of stress and secondary disabilities, occupational stress claims have become a major concern for organisations and risk management companies in recent years. Several major reviews have been conducted to analyse the nature of claims and the sources of stress in organisations. The overwhelming consensus is that an adequate understanding of occupational stress can be gained only by understanding the interaction between a person and his or her environment. Even though stress claims constitute a small percentage of total claims, they are proportionately more expensive. This section of the legislation was amended only in December 1992, tightening the criteria for compensable stress claims. The Australian Democrats supported these changes. The Democrats and many of the groups with which we have consulted, including self insurers, believe that this previous change has not had sufficient time to work through the courts.

The 1992 change tightened up stress provisions to the extent that it is already extremely difficult for workers to successfully claim legitimate work related stress disabilities. I have been told that in 1993 there were well over 800 review determinations, only 12 of which were related to stress claims. Six of these reviews went against the workers and six went in favour of the workers. That tells us something. Fears have been expressed that further changes would lead to a field day in the courts. If there is a need to revisit the change, we are prepared to look at it again, but not at this time. However, I do not believe that there is a problem with it as it currently stands.

There is major concern among professionals that the considerable body of research and practice in this area has not been sufficiently considered in the drafting of the legislation and that economic and legal concerns are of more importance to some legislators. The Australasian Society for Traumatic Stress Studies is concerned that there has been minimal consultation with constituents on this point. Psychological injury can arise from a number of causes. These injuries are real and debilitating, even though the causes and effects are not as obvious as when there is a physical injury.

There is increasing recognition of the effects of major stresses, such as critical incidents which are touched upon, but cumulative stress arising out of such things as psychologically unhealthy workplaces and personally abusive practices are not so clearly delineated.

The definition of stressors, precipitating events and effects are vague, and seem always open to legal disputation. Studies have shown that ongoing organisational stressors can be as debilitating as the single major stressors which attract more media attention and therefore legitimate only the dramatic event. The proposed changes do not address the complex nature of the matter and are more likely to either push stress issues into the arena of constant litigation or to exacerbate psychological distress by marginalising the affected worker. This would be particularly harmful in high stress areas such as emergency services.

The second component of the amendment which has just been amended by the Minister in the other place is where the significant change is made. My reading of this revised component does not allay my concerns, but it essentially denies stress to everybody in the course of their routine requirements if they are normally expected in the employment of the relevant kind. I fear that the amended wording for stress claims would still not allow the country police officer, who in the course of his or her duty attended an horrific road accident, to put in a stress claim if affected by post traumatic stress in any circumstances. This is because such activity is expected in their line of work.

The underlying philosophy of the Liberals on stress appears to be the assumption that most stress cases are due to people making false claims, or that there are people who are simply unable to cope with their own weakness. The contributions of various Lower House Liberal members to this debate is testimony to this.

I do not support rorts. The Minister has highlighted this area as one which he suggests is prone to rorts. Unfortunately, previous cases have brought disrepute to the notion that people suffer stress because of their work. It is real. It is also realistic to say that it is not easy to diagnose. There is also increasing awareness of how these claims should be treated, and more work must be done on preventive measures against stress in the workplace. I do not believe that the assumption that particular teachers suffer stress is accurate. I have seen some of the best teachers stressed because they do care and are concerned. The assumption that some Liberals seem to make is that it is the poor teachers who get stressed. In fact,

quite often the poor teachers can coast through their teaching day and the good teachers who are genuinely concerned about their pupils are the ones who end up becoming highly stressed.

Stress is not always a reflection of problems that teachers experience in the classroom situation. It may be a reflection of inadequate support from senior staff within the school or the department as a whole. We are well aware that if the Education Department, along with other departments such as Correctional Services and Health, were private insurers, they would not have been allowed their exempt status. The old WorkCover board had examined such bodies and was absolutely appalled by their inept handling of their people.

It is my very firm belief that incompetent management in Australian businesses and the public sector is often to blame for stress problems. I might also add that it is less of a problem in the private sector than it is in the public sector. When I have been consulting with employers, employers generally speaking have not been too hung up about the stress issue. It is mainly the public sector which has the larger problems. I reiterate that I believe it is incompetent people management which is the problem.

As previously mentioned in this Chamber, an article in the *Advertiser* of 24 March puts the cost of stress claims in the Public Service at $15.8 million for 1992-93. I question what percentage of this figure is based on the ongoing cost of treating claims made prior to the December 1992 amendment to this section. The Education Department allegedly recorded the highest rate of claims at $8.4 million, and is a classic example of the role that mismanagement plays in stress.

The results of a public sector survey of school health and safety representatives within the department which has been leaked to me reveals many factors which are causing stress in our education system. The factors identified include the following: managers are not trained how to manage people effectively (after all, the managers right through the schools are all teachers. They are trained to teach children, not to manage adults and the complexities of the system); policies and procedures which are constantly changing—a requirement to implement policies and procedures which are developed by head office without consultation and which bear no relation to classroom realities; increasing class sizes; no support staff in dealing with violent pupils; run-down equipment and buildings, to which teachers and other staff must adapt; the 10 year tenure policy, which creates insecurity and dissatisfaction; a reduction in support staff while class sizes increase; teachers and pupils subjected to knife attacks and other violence; many staff members are on term by term contracts which leads to further insecurity; all time which is not spent in front of the class is taken up with administrative and supervisory duties; unrealistic expectations by parents with no departmental support; exposure to communicable diseases; and extra curricula activities.

These workers are in fact crying out for help. The Government's response is to close its eyes to the real problem for the sake of finances. These stresses are not new but they are increasing. I have been told that similar situations exist in other parts of the public sector: prisons, the Police Force and with other front-line workers. If we are to combat the problem we must deal with these factors and not just callously close our eyes in the manner of our present Government. We must not allow a denial of stress claims as it will only serve to hide incompetent management. I for one do not want to see stressed police officers with guns on their hips; I do not want to see stressed teachers remaining in the classroom; and I do not want to see stressed prison officers continuing to work in prisons. Removing the capacity to claim stress does not remove the stress itself: it simply denies the ability to make a claim. If you have stressed employees they will not perform to their best.

Many savings can be made by combating stress in the work place. The often lengthy process of processing claims can further exacerbate stress problems. The one to five cost ratio in safety is also applicable in the area of stress. Internal costs of stress claims never appear on the books. Even though you may deny the WorkCover claim the other oncosts will continue to exist. Where stress is a reflection of incompetent management a company or organisation would undoubtedly be suffering in many other areas as well, including customer service and ultimately performance.

Repetitive strain injury was a significant problem at one stage; it is a problem which many of us have heard raised. The problem was not tackled through legislation. We did not come into this House and ban claims on RSI. It was recognised through improved diagnosis, techniques and workplace practice. It is by improved diagnosis and treatment and, more importantly, by improved workplace practice that the problems of stress will be defeated, in exactly the same way as problems of repetitive strain injury have largely been defeated in the work place. Whilst stress diagnosis has been more difficult that is where the solution lies.

Are we really helping employers in the long run by simply knocking this out? A United Kingdom based psychology professor, Cady Cooper, conducted a three year stress counselling study of the British post office for the UK Government which reduced sickness absence days by 66 per cent and caused huge savings for the organisation. The savings of reducing stress in the work place were £1.6 million during the three year study period, and that amounts to A$200 000 saving for every 100 workers counselled just in sickness absence figures alone. The ramifications are enormous. Stress counselling is now available in every post office in the United Kingdom. That is, of course, for the workers and not for people coming off the street.

Another factor which must not be ignored is the role of stress as a secondary psychological component to WorkCover injuries. I have been given the results of what is believed to be the only structured study of its type to assist chronic pain sufferers to cope with their pain and become motivated to seek alternatives to being caught in the WorkCover system. The study took place over eight months in 1993 in South Australia's South-East and involved a sample of WorkCover and WorkCover exempt recipients. One of the researchers, a registered psychologist, William O'Hehir, found that stress has a significant impact as a secondary psychological component to WorkCover injuries. He says:

> Due to poor case management, lack of direction of intervention and isolation, a significant number of the sample had experienced and been treated for secondary stress-related psychological factors associated with their original injury.

I continue the quotation, as follows:

> This study highlights the urgent need for a value added approach to early intervention. Disregarding stress, eliminating stress as a work-related condition and eliminating stress as a secondary disability to primary injuries would ultimately cost more money than it saves.

I will address one more issue and perhaps return to some of these smaller issues tomorrow. I now address the issue of commutation. Much concern has been raised about amendments related to the commutation to a lump sum of weekly

payments made to injured workers. The amendments before us threaten the right of the worker, or dependants in the case of death, to seek commutation under the Act.

Presently, commutation can be made only on the application of the injured worker. It is proposed that this will become the absolute and unfettered discretion by WorkCover from which no appeal will be available.

WorkCover's discretion to grant or refuse commutation is seen as ill-founded by some sectors. It is worth noting, though, that lawyers are leading the charge in this issue, but I ask: whose interests are motivating them? Commutation in relation to permanently and seriously injured workers should not be encouraged as a rule. It is certainly attractive to receive the Cross-Lotto win now, but in a very short period of time the real risk is that that money will be gone and injured workers will then be thrown onto the social security scrap heap. On the other hand, permanent minor injury awards in many cases may be best commuted.

The Bill also does not provide any method of calculating the amount of a commutation lump sum but simply says that 'the amount should be negotiated by agreement between WorkCover and the worker.' The lack of guidelines as to the assessment of the commutation amount further compounds these difficulties, leaving the parties without any established framework within which to negotiate.

The final amount cannot exceed the difference between the amount of the compensation for non-economic loss and a prescribed sum. This entitlement is much less than the current or capitalised value of unlimited future weekly payments to retirement age.

I believe that non-economic loss should not be taken from lump sums, which are a separate issue. The compensation is for two quite separate reasons, and to suggest that the non-economic loss should be subtracted from the lump sum is totally unacceptable. It also should not be WorkCover's decision how much a claimant should be offered. This sum should be determined by actuarial tables. If we have actuarial tables, what we are providing is certainty, because both WorkCover and the worker will know that on the basis of a certain level of disability a certain lump sum will be offered, and no games can be played in relation to that lump sum.

The proposed retrospectivity of this clause has also caused concern in some sectors based on the last major amendments to legislation in December 1992 which were made retrospective. Again, the Minister handling this Bill in this Council has frequently opposed retrospectivity, yet here he is straight-faced arguing for it.

The Democrat position on retrospectivity is that if the intent of the law was clear but courts had misinterpreted it then retrospective changes might be acceptable. We argue retrospectivity on a case-by-case basis. The Minister handling this Bill argued against retrospectivity in every case while he was in Opposition.

Quite a number of smaller but still important issues remain, but I will not address those today. I seek leave to conclude my remarks later.

Leave granted; debate adjourned.

ADJOURNMENT

At 6.35 p.m. the Council adjourned until Wednesday 13 April at 2.15 p.m.