Later on its states:

> The Minister for Labour and Industry, Mr Ramsay, claims that Victorian courts have adopted a very wide interpetration of the existing test which has led to compensation being awarded for seizures or strokes which had little to do with employment. In one year, he says, Victorian courts dealt with 1210 cases for compensation for heart cases, while New South Wales had only 105.

I want to make it clear that these figures represent the number of cases brought to court rather than the number of claims actually made. The figures show that insurance companies in Victoria denied more claims than insurance companies in New South Wales, and in so doing forced more claims into the courts in Victoria than in New South Wales. That is a critical point. It has been overlooked and it has caused this differential.

The legislation in both States is almost identical, and the guidelines in each State are derived from High Court rulings. This was a deliberate misuse of statistics by the Minister of Labour and Industry. It is a very poor use of statistics, and if I might quote Disraeli, "There are lies, damned lies and statistics", and this comes into the third category; it is the third degree of lie.

The Act in Victoria already requires proof that the illness was caused, aggravated or accelerated by work factors. The onus of proof has always been on the worker in that regard. The real motive for the changes has been to dramatically reduce workers compensation payouts in order to enhance insurance company profits. There can be no doubt about that. That is the cynical basis of this new definition, and the Opposition rejects it entirely.

The net effect of the increases established in 1975 and now will be that insurance companies will be paying out about 40 cents in each $1 received as compensation for the worker. The balance, 60 cents, will come from the subsidy fund produced by the two surcharges. These two surcharges will let the insurance companies off the hook; they will be paying 1972 rates. This is an iniquitous situation. The insurance companies are being given an open cheque to make profits. The insurance companies will still be paying compensation at 1972 rates, but making a profit of a kind they had not dreamt of in those days.

The real dispute is one of community value. Should workers suffer for insurance company profits? If it was put that way to the community, there would be no doubt about the answer. Workers should not suffer for insurance company profits. Workers compensation is a social welfare programme. In my view, it should never have been allowed to enter the hands of private enterprise. It is a programme which should be run responsibly by the Government so that political parties do not get into the argument about whether or not insurance companies are making unreasonable profits. That is not the essence of the Bill as it stands.

The Opposition rejects the Bill. I refer honorable members to the amendment I have moved, and I quote from the *Age* editorial of Monday, 5 November, with which I agree wholeheartedly:

> As the second version of the Bill is better than the first, a third might be best of all.

I commend the amendment to the House.

The Hon. D. K. HAYWARD (Monash Province)—The main thrust of this Bill is threefold. Firstly, it raises workers compensation benefits to more realistic levels. Secondly, it provides regular annual indexation of those benefits; thirdly, in the interest of maintaining increasing employment opportunities, it attempts to contain an increase in premiums.

I direct my remarks to the third element because that is clearly the most controversial aspect of the Bill. There is no doubt that workers compensation premiums are a major cost factor in employing people in Victoria today. Those premiums are especially burdensome on small business. They act as a disincentive to small business to increase employment.

I shall dwell for a moment on small business because it is not an exaggeration to say that small business is the backbone of this State. It provides a major portion of all the job opportunities in Victoria, and I believe it will be even more critical in the years ahead.

The question of employment is extremely relevant to this debate. We should not be under any misapprehension; the problems of employing people in the future in this State, and in Australia generally, are going to be great indeed. We do not yet know the full impact of technology upon manufacturing industry. I am concerned about the impact of technology on what is generally called the white collar worker, especially from data processing and word processors.

The key to providing job opportunities in this State and in Australia will be concentration on products and processes with which we can be internationally competitive, especially in the fast growing markets of South East Asia. To do this, we are going to need considerable enterprise, ingenuity, innovative technology and innovative design. This enterprising innovation will occur in small business so long as small business is not carrying cost burdens which it does not have the responsibility to bear and the cost of which will make it uncompetitive.

I do not see the over-all issue in terms of the classical conflict between capital and labour; I see it more in the balance of equities between the interests of the community as a whole and the interests of individual workers. The interests of the community as a whole are best served if there is no disincentive for employers to employ people because of high workers compensation premiums.

The interest of employees are best served by obtaining the maximum compensation. Where does that balance lie? There are two words which I believe are important in the vocabulary of Parliamentarians. Those words are "concern" and "compassion". There is no suggestion that Parliamentarians should not have concern or compassion for people who are in distress because of disease or injury. If such people need help they should be helped by the social security system. Workers compensation should not be used as an extension of the social security system because this will burden industry. It will reduce its international competitiveness and it will reduce its opportunity to create new jobs. Industry should be burdened only by such compensation charges which are directly attributable to the nature of the employment.

To my mind, the crux of this matter lies in the fact that employers should not be burdened through workers compensation insurance premiums for injury and disease which are not really attributable or connected with the nature of employment. This burdens the employer with inappropriate costs which will act as a disincentive to increase employment and will reduce the ability of employers to employ people in the future.

It has been with this objective of achieving a proper balance between the interests of the employee and the interests of the community as a whole that the Government has brought in these new legislative provisions and, in particular, the requirement that the nature of the employment should contribute substantially to the disease or the injury.

A matter of considerable relevance to this debate is that of industrial safety. I have not heard anybody on the Opposition benches raise this matter. It is much better to prevent injury than to provide compensation for injury. With the increasingly complicated nature of industrial processes, the provision of proper safety precautions and equipment often requires significant capital investment. There is no great incentive to employers to make these investments when they are faced with compensation claims which have little real connection with the job.

I draw attention to special problems in industrial safety connected with communications between companies and non-English speaking migrants. In many companies, non-English speaking migrants make up 50 per cent or more of the total work force. In some companies the percentage is as high as 70, 80 or 90 per cent. Many of these non-English speaking migrant workers are not even literate in their own language and come from a rural village environment. They are not familiar with complicated machinery in a noisy environment and they are often susceptible to industrial accidents.

Many companies are doing a woefully inadequate job in communicating with these non-English speaking migrants on safety matters. Many companies are paying little attention, in the induction process, to safety considerations and, where it is done, it is usually done in English. The only effective way to communicate with these migrants is in their own language. It is essential that companies pay more attention to this in the future.

The Victorian Government is making considerable effort in this regard. Within the Department of Labour and Industry there is an ethnic advisory group on industrial safety, and this group is providing excellent audio-visual aids which can be used effectively with non-English speaking migrants not literate in their own language. In addition, the Standards Association of Australia is producing standard symbolic safety signs which are especially valuable to these migrants as long as the purpose and the meaning of the signs are explained to them effectively in their own language.

There is a heavy responsibility on employers to improve communications with non-English speaking migrants on safety matters. In doing this they will make a major contribution to preventing accidents and this will help to contain an increase in workers compensation premiums.

The Hon. JOAN COXSEDGE (Melbourne West Province)—I oppose the motion and support the amendment. From the beginning of this century the increasing strength of the Labor movement has forced Victorian Governments, step by step, to liberalize provisions for workers compensation; at any rate, until 1965, when some restrictions were introduced. Despite Mr Baxter's extraordinary statements, at no time in our history have workers and their families received adequate compensation for sickness, injury and death caused by employment.

In the field of workers compensation, as in other matters, the workers bear the burden of our chaotic system of private enterprise. Scores of insurance companies are competing for the insurance dollar, with the resulting escalation of costs. In some cases the insurance company retains 42 cents for every dollar obtained from premiums.

The insurers view every claim with great suspicion and every claimant as a semi-criminal. They employ doctors who make a lucrative living out of defending the interests of employers against workers' claims. The legal profession prospers while the workers wait for justice. More than 7000 cases are waiting for hearing. I note that a Government supporter finds that amusing. There is an average delay of eight months before cases come to court.

Clearly, there is a need for legislation which would provide adequate compensation while minimizing costs and delays. Before the last election, when the Government barely hung onto office, it tried to convince the people that it was providing such legislation when it introduced the original version of the Bill. The mass protest against the measure, expressed by more than 100 000 signatories to a petition presented to Parliament, forced the Government to withdraw and redraft the Bill. As a result, the new so-called improved version, so hastily rushed through the Lower House, is a scale of lump sum payments for specific injuries which remain frozen at the 1975 level, despite the massive inflation presided over since that time by Liberal Governments in Canberra and Melbourne. There is a proposal for maximum compensation for a single worker of $105 a week and for a family, including a wife and two children, of $155 a week. After taxation such families would be well below the poverty line. As for children more than two in number, evidently the Government is prepared to let them starve. Adjustments in weekly rates are to be made only once a year, although the Federal Government has admitted the need for adjustments of pensions every six months. So much for Mr Hayward's indexing!

This anti-working class legislation is part and parcel of the Capitalist passion to keep the working class in its place. For all the concern of the bosses, that could well be a coffin. This legislative