capacity of the transport system was therefore insufficient in itself to make the Authority and the Council liable to the Developer's companies for the losses suffered by them.

Brennan J.

The fifth judge of the High Court reached the same conclusions by different reasoning. The relevant elements to be extracted for present purposes from His Honour's judgment were as follows:

- The Council and the Authority were bound to exercise their powers to control development in Wooloomooloo solely in the public interest.
- The Council was free, as a public authority, to alter a development policy adopted by it unless the policy had been given binding effect by statute or contract.
- As no binding effect applied on the facts, the Council was free to alter its policy without liability to the Developer's companies. This was so even if the policy change had been brought about by the negligent preparation or publication of the original policy.
- Further, it being common knowledge that public authorities are free to alter policy, it would be unreasonable to allow the Developer's companies to rely on a representation that the policy was feasible of implementation. To find otherwise would defeat the public interest which must prevail.

Conclusion

In the absence of exceptional circumstances, a developer should proceed on the basis that until he has obtained development approval, the possibility of developing a property in accordance with a public planning proposal may be removed by a change of policy by the responsible public authority without compensation to the developer for the losses and expenses incurred by him on the basis of the previous policy.

- Adrian Batterby (Partner) and Judith Cotton (Solicitor) of Westgarth Baldick.

18. WORKERS' COMPENSATION INSURANCE - NEW SOUTH WALES

The Insurance Premiums Committee of WorkCover has recommended changes to the premium scheme. These amendments were adopted and published in Government Gazette No. 109 dated 30th June, 1988 and are applicable to all policies renewed or incepted on or after 30th June, 1988.

Premium Formula

The formula is again based on wages and claims. Renewal deposit premiums are based on wages and claims figures for the 1986/1987 and 1987/1988 periods. Adjustments at the end of the 1988/1989 period will be calculated using 3 year wages and claims figures (including year just completed).

The "F" factors (actuarial calculations to determine the likely future cost of claims, taking into account factors such as inflation and claims incurred but not reported to insurers) and the experience premium adjustment "S" factor have been changed. The "F" factors for the 1988/89 adjustment will be gazetted in due course. The adjustment of these factors will have the effect of generally increasing the premiums payable by all sized employers by up to 28% of last year's cost. These increases will apply to employers who have had a consistent wages/claims record and will also apply whether they have had a good or bad claims experience.

The formula still does not apply to Employers whose deposit/basic tariff premium is less than $2,000.

If an employer's basic tariff premium does not exceed $75,000 the experience adjusted premium shall not exceed twice that amount, i.e. an employers basic tariff premium is $60,000 and due to an adverse claims experience the adjusted premium payable amounts to $150,000, then the premium is reduced to $120,000.

The system of cross subsidisation which pools industries into twelve classifications of businesses has been continued. Some classifications have changed either up or down one classification in the basic tariff premium pools. For example, the roadmaking rate (classification No. 850) reduced from 6.6% to 5.2%.

Cost of Claims

The regulations state that the cost of claims must be reduced by the first $500 or if a claim is less than $500 that lesser amount.

The cost of claims are not to include claims under Section 10 of the Act (Journey claims).

Large Claim Limits

Claim figures are adjusted for the purpose of the formula with the large claim limit specified applying to an injury which was received or deemed to have been received during the year from 30th June, as follows:-

30th June, 1986/1987 - $200,000
30th June, 1987/1988 - $100,000
30th June, 1988/1989 - $100,000

Dust Diseases Levy

This levy has been suspended for the 30th June, 1988/89 period.

- Lowndes Lambert Australia Insurances Ltd.

19. NEW SAA SUPPLY CONTRACTS

The Standards Association of Australia has just published a new supply contract General Conditions Of Contract For The Supply Of Equipment AS3556-1988. This is a simple supply contract which does not contain the site works provisions contained in AS2987-1987, General Conditions of Contract For The Supply Of Equipment With Or Without Installation.

AS2987-1987 and AS3556-1988 are available from the Standards Association for $17-20 each, plus $2-50 for postage and handling. The features of both AS2987-1987 and AS3556-1988 will be covered in detail in a forthcoming issue of Australian Construction Law Newsletter.

20. LAND - RIGHT OF SUPPORT FOR FUTURE BUILDINGS

In Kebewar v Harkin (1987) 7 BCLRS 219, the New South Wales Court of Appeal considered the issue of owners' right to support of their land. This issue arises quite frequently with respect to excavation and thus is important.

In this case, a contractor carried out excavation near a common boundary with land owned by Kebewar. The contractor erected a retaining wall at the boundary, but the wall was inadequate to withstand the pressure from the erection of an ordinary house. The land was vacant at the time that excavation was carried out.

The Supreme Court of New South Wales made a declaration that Kebewar had no right to the support of buildings which may be erected on its land. Kebewar appealed.

The questions in the appeal included whether the excavation contractor had an obligation to provide support for Kebewar's land in order that a residence could be erected on it, whether the contractor was guilty of negligence in the excavation and whether the excavation had been carried out in breach of relevant Ordinances.

The Court of Appeal held that:

1. In the absence of agreement or prescription, an owner of land on which a building is erected has no right of support for that building from the land of an adjoining occupier; Dalton v Angus (1881) 6 AC 740. The owner's right of support is limited to