

I thank you, Mr Speaker, and honorable members, for the indulgence, courtesy and attention extended to me during this speech. I gather it may not be quite the same next time I speak. In fact, the honorable member for Niddrie said I have now had that privilege twice—the first and the last times.

Mr JOLLY (Dandenong)—May I take this opportunity, first of all, of thanking the staff of Parliament House. They have been extremely co-operative towards me and I am thankful that they have imparted their knowledge to me. I also would like to take the opportunity of thanking senior members of the Public Service who have taken the time to assist new members. This assistance was of great benefit to me, and I am sure every new member in this place appreciates the assistance. At the very outset of my speech today I would like to pay tribute to Mr Alan Lind, the former member for Dandenong. Alan Lind was certainly an outstanding man. He has left an everlasting print on Dandenong and certainly, whilst I am extremely proud to represent the people of Dandenong—I thank the people for choosing me on 5 May—I stand here with a sense of deep humility. As I indicated, Mr Lind made an everlasting print on Dandenong through his work in community and welfare organizations.

Mr Lind was a great local member. It was amazing how he could cram 25 hours' work into 24 hours. I have no false illusions about the task which faces me in following Mr Lind's footsteps. No problem was too great or too small for Alan Lind. He was always available to every member of the Dandenong electorate and I intend to follow that standard. I also greatly appreciate Alan Lind because he converted the seat of Dandenong from a Liberal seat into a Labor stronghold—I will be forever grateful to him for that.

One of Mr Lind's greatest loves in Dandenong was the Dandenong and District Hospital. He struggled to improve the hospital. He struggled against a former Minister of Health, who incidentally, like Alan Lind, is no longer here today—he did not retire voluntarily.

Mr Lind longed for the day when the Dandenong hospital would be made a base hospital. That was a promise of a former Premier of Victoria, but unfortunately it has not been honoured, despite the fact the Dandenong hospital has the shortest patient bed stay of any public hospital in Victoria.

Not all of Mr Lind's efforts were frustrated when he was trying to improve the Dandenong hospital. He helped to obtain additions to the hospital, but even that was not without farce and tragedy. When a new wing was built it was discovered that the doors connecting various parts of the hospital were too narrow for beds to be wheeled through. As a consequence, sledge hammers had to be used to knock down walls so that the doorways could be widened. As I said, that was not without tragedy because it was while Alan Lind was inspecting this new work that he suffered a cardiac arrest and it was only because these doors had been widened that Alan Lind is with us today.

His efforts to persuade the Government to take action in the Dandenong electorate were not always successful. He became a frustrated man trying to obtain important changes in the electorate. He recognized, as I do, that the Victorian Government is characterized by inaction, apathy and reaction.

The Dandenong area has witnessed this through the decay of its old schools. The Dandenong Primary School, a school mentioned today by the Assistant Minister of Education, is still without adequate toilet facilities for the children—it is a disgrace. The Dandenong North Primary School, one of my old primary schools, is also in a state of decay. The point has been reached in that school where the asphalt has become a safety hazard and the school is also facing severe drainage problems. The newer areas of the Dandenong electorate also face severe transport difficulties as the people are not adequately serviced by bus transport—the Minister of Transport is well aware of that.

My constituents are also the victims of archaic Victorian Railways regulations. At the moment Dandenong people

are banned from travelling on an express train service between Flinders Street and Dandenong. That train departs Flinders Street at 6.8 p.m.—when it is on time—and Dandenong people are prohibited from boarding it despite the fact that the train stops at Dandenong. It stops in Dandenong only to pick up passengers, not to let passengers alight. It is farcical in a situation where the train is barely 30 per cent full—that will have to change in the future.

I shall now comment on some broader State issues. It is clear to me that if two events had occurred before 5 May they would have changed the complexion of this Parliament. I refer first to the mini Budget announced by the Federal Treasurer twenty days after the State election on 5 May.

This Government supports the economic strategy of the Fraser Government. It is on public record as supporting more Draconian measures than those carried out by the Fraser Government in Canberra. I remind the House of what the advocate for the Victorian Government has said in wage indexation cases, a statement which has not been retracted. The advocate is on public record as indicating that the Victorian Government believes it would be irresponsible to stimulate the economy until the inflation rate is reduced to 2 to 3 per cent per annum. Implementation of this policy would have horrific implications figure mark in a short period of time but for Victoria. Not only would the rate of unemployment soon soar past the double figure mark but we would face unemployment problems of a similar magnitude to that which existed in the great depression of the 1930s. That is how horrific that policy is to Victoria. It is based on economic and social Darwinism. I call on the Victorian Government to attempt to persuade the Federal Government to change its policies and to completely dissociate itself from the restrictive policies of the Australian Government for they are no good for Australia and they are certainly no good for Victoria.

The other issue is the new revelations about land deals. I shall not make any specific comment on these because

honorable members on this side of the House have certainly dealt with that topic and explained the situation to the Parliament and the public of Victoria.

I shall return and make some comments on macro economic policy, a term which the former Treasurer did not like to use. On occasions the Victorian Government pretends it does not support the economic strategy of the Fraser Government. After every Premiers Conference we hear expressions of dismay expressed by the Premier of Victoria. However, as I have already indicated, the true position of the Victorian Government is more extreme than that of the Fraser Government. I remind the House once again of the policy statement that the economy should not be stimulated until inflation is reduced to 2 to 3 per cent per annum. The Government is on record, as I have stated before, of indicating that it supports the policies of the Fraser Government to reduce inflation first. Honorable members know how unsuccessful that policy has been to date. The public position of the Victorian Government, and this was highlighted during the election campaign, was to play down the seriousness of the unemployment problem in Victoria.

The Victorian Government continually indicated that Victoria had the lowest unemployment rate in Australia. I do not deny that statistic because when one looks at the Commonwealth Employment Service statistics one finds that is a fact. However, we need to recognize that the population growth in Victoria has been less than the rest of Australia and that is one major reason why the unemployment rate in Victoria is less than it is in other States.

Secondly, we also need to take into account the magnitude of hidden unemployment in this State, and that is something I shall comment on at a later stage.

However, economists recognize that unemployment is not the best measure of the labour market; one needs to analyse the employment situation. However, let me concentrate on the issue of unemployment for the time being. In April 1976 there were 65 800 people out of work in Victoria. By April 1979

that figure had increased to 103 700, which is a 58 per cent increase. No Government or no Victorian can be proud of that record.

Mr Deputy Speaker, as I indicated, we need to look at the employment problem rather than the unemployment problem if we are to gauge the extent and seriousness of the economic problems facing Victoria. This Government has carried on the charade for so long of being a Government of free enterprise that it has ignored what has been happening to the private sector of the economy. I should have liked to point out these statistics to the honorable member for Burwood because he seems to have a habit of relying on fictitious statistics—hopefully he will read them in *Hansard*. From March 1976 to March 1979 employment in the private sector in Victoria declined by 33 900. That represents a rate of decline of 3.5 per cent. How does that compare with the Australian scene? Throughout Australia during that same period the decline in total employment in the private sector was 58 200, which is a rate of decline of 1.8 per cent.

In other words, the decline in employment in the private sector of Victoria amounted to 58 per cent of the total decline in private employment in Australia. More pertinently, the rate of decline in Victoria was almost twice that of Australia. That indeed is an extremely serious problem and it shows that the recovery of employment in Victoria is lagging behind that in the rest of Australia. That is of great concern to me. For that reason I strongly urge that the cash reserves of statutory authorities be redirected to maximize employment opportunities in this State.

We need imaginative policies to get over our economic problems. The States generally, and Victoria in particular, have become an economic backwater. There is a tendency to hide behind the cloak of the catastrophe of the Fraser Government, to indulge in political gimmickry rather than concentrating on economic policies to put Victoria back to work but, clearly, we must plan to put Victoria back to

Mr Jolly

work. The first step in the plan is for this Parliament, and the Government in particular, to disassociate itself completely from the Fraser Government's economic strategy. Next, economic planning must be introduced in Victoria. One of the basic ingredients of planning is a clear statement of what is going on in the Victorian economy, particularly economic activities within the Government sector.

A final ingredient is a set of consistent policy statements. However, unfortunately, they are absent in this State. The policy statements by the various representatives of the Victorian Government are notoriously inconsistent. I will quote one example. I refer to comments included in the Governor's Speech at the opening of this session of Parliament and I should like honorable members to place this alongside the statements made by the Victorian Government advocate in the most recent wage indexation case. Remember that these statements were made virtually simultaneously. Firstly the Governor, in his Speech, said:

Now, largely as a result of a much lower rate of inflation, which can be attributed to responsible and realistic Government financial policies, there are clear signs of a recovery in the economy.

What did the Victorian Government advocate say in the last wage indexation case at about the same time the Governor read his Speech?

It would be premature to conclude that economic recovery is yet under way.

That is a clear contradiction and a clear inconsistency, and it is one major reason why there is so much economic uncertainty in Victoria at present and a reason why our economic problems are so serious.

Another, of course, is that no one in this Parliament has a total understanding of the economic significance of the Victorian Government's activities. This arises because the Budget documents are in essence a mine of misinformation. Only partial analysis is provided in the Budget Papers, and it does not contain an analysis of the Victorian economy. I deplore that as a disgraceful state of affairs. The

Victorian Government has to rely on the projections of the Fraser Government. Honorable members know how elastic they have been but they have to be stretched beyond recognition to have any meaning in Victoria.

Another major problem is that there seems to be a complete lack of co-ordination of the cash assets of the Victorian statutory authorities. The decisions that are made within our statutory authorities are normally made in the best interests of those authorities but not in the over-all interests of the State. The need for modern financial techniques is paramount. Cash flows must be co-ordinated. If it were not for the efforts of the Australian Labor Party during the election campaign, Victoria would not have been aware of the fact that there are about \$1700 million of cash reserves in the Victorian statutory authorities area. The Australian Labor Party advocates that \$200 million of those cash reserves should be redirected into areas which would maximize employment opportunities in this State.

Strong doubts were expressed by members of the Government about the feasibility of that plan. That is no wonder because they had no knowledge of the position in Victoria. I point out to the House that in the past three years the average rate of increase in cash reserves in Victoria has been \$260 million per annum. That needs to be compared with the Australian Labor Party scheme of injecting \$200 million a year. In other words the Australian Labor Party scheme could be financed by the growth in cash reserves over the past three years. The policies of the statutory authorities certainly would have some credence in relation to the 1950s but Victoria is about to enter the 1980s and it must apply modern financial techniques.

I conclude with the comments that Victoria faces a serious economic challenge. There is a need for a new direction in economic policy. Unfortunately the fall-out from the information explosion in the economic area has yet to

flow to Victoria. There is a need for new economic machinery, machinery to administer the whole of the State's economic activities. We must plan ahead and establish rational economic order in this State. We are facing the greatest challenge in the area of economics since that which existed since the 1930s and we must be equipped to meet that challenge.

Mr McGRATH (Lowan)—It is with a great deal of pride and pleasure that I stand here this evening as the member for Lowan. I now join the team of the Federal member for Mallee, Mr Peter Fisher, and two members of the Legislative Council, the Honorable Bernie Dunn and the Honorable Ken Wright. We now make a full team to represent the north west of Victoria.

It was certainly a great event when the Governor of Victoria, Sir Henry Winneke, opened the 48th Parliament of Victoria. Victoria is particularly fortunate in having such a worthy representative of the Crown, one who upholds the dignity of his office and performs his duties with unselfish devotion. In September 1977 Sir Henry and Lady Winneke visited my home town of Minyip for the Dunmunkle shire centenary celebrations, and I can assure both Sir Henry and Lady Winneke that the people of the Lowan electorate would consider it an honour if they could find time to come back to the Lowan electorate.

Mr Speaker, I congratulate you on being elevated to your present position. I am sure you will carry this position with dignity and authority.

I congratulate the Premier on being returned to lead the Victorian Government for the next three years and I hope he and his Ministers will serve this State well for the welfare and well-being of all communities throughout Victoria.

To Mr Wilkes I also offer my congratulations on his being elected as Leader of the Labor Party. I am sure that the stronger representation of the Labor Party will augur well for a worth-while Parliament. It has often