



# **Hansard**

## **LEGISLATIVE ASSEMBLY**

**60th Parliament**

**Wednesday 31 May 2023**



**Office-holders of the Legislative Assembly**

**60th Parliament**

**Speaker**

Maree Edwards

**Deputy Speaker**

Matt Fregon

**Acting Speakers**

Juliana Addison, Christine Couzens, Jordan Crugnale, Paul Edbrooke, Bronwyn Halfpenny,  
Paul Hamer, Michaela Settle, Meng Heang Tak and Jackson Taylor

**Leader of the Parliamentary Labor Party and Premier**

Daniel Andrews

**Deputy Leader of the Parliamentary Labor Party and Deputy Premier**

Jacinta Allan

**Leader of the Parliamentary Liberal Party and Leader of the Opposition**

John Pesutto

**Deputy Leader of the Parliamentary Liberal Party and Deputy Leader of the Opposition**

David Southwick

**Leader of the Nationals**

Peter Walsh

**Deputy Leader of the Nationals**

Emma Kealy

**Leader of the House**

Mary-Anne Thomas

**Manager of Opposition Business**

James Newbury

**Members of the Legislative Assembly**  
**60th Parliament**

<b>Member</b>	<b>District</b>	<b>Party</b>	<b>Member</b>	<b>District</b>	<b>Party</b>
Addison, Juliana	Wendouree	ALP	Lambert, Nathan	Preston	ALP
Allan, Jacinta	Bendigo East	ALP	Maas, Gary	Narre Warren South	ALP
Andrews, Daniel	Mulgrave	ALP	McCurdy, Tim	Ovens Valley	Nat
Battin, Brad	Berwick	Lib	McGhie, Steve	Melton	ALP
Benham, Jade	Mildura	Nat	McLeish, Cindy	Eildon	Lib
Britnell, Roma	South-West Coast	Lib	Marchant, Alison	Bellarine	ALP
Brooks, Colin	Bundoora	ALP	Matthews-Ward, Kathleen	Broadmeadows	ALP
Bull, Josh	Sunbury	ALP	Mercurio, Paul	Hastings	ALP
Bull, Tim	Gippsland East	Nat	Mullahy, John	Glen Waverley	ALP
Cameron, Martin	Morwell	Nat	Newbury, James	Brighton	Lib
Carbines, Anthony	Ivanhoe	ALP	O'Brien, Danny	Gippsland South	Nat
Carroll, Ben	Niddrie	ALP	O'Brien, Michael	Malvern	Lib
Cheeseman, Darren	South Barwon	ALP	O'Keeffe, Kim	Shepparton	Nat
Cianflone, Anthony	Pascoe Vale	ALP	Pallas, Tim	Werribee	ALP
Cleeland, Annabelle	Euroa	Nat	Pearson, Danny	Essendon	ALP
Connolly, Sarah	Laverton	ALP	Pesutto, John	Hawthorn	Lib
Couzens, Christine	Geelong	ALP	Read, Tim	Brunswick	Greens
Crewther, Chris	Mornington	Lib	Richards, Pauline	Cranbourne	ALP
Crugnale, Jordan	Bass	ALP	Richardson, Tim	Mordialloc	ALP
D'Ambrosio, Liliana	Mill Park	ALP	Riordan, Richard	Polwarth	Lib
De Martino, Daniela	Monbulk	ALP	Rowswell, Brad	Sandringham	Lib
de Vietri, Gabrielle	Richmond	Greens	Sandell, Ellen	Melbourne	Greens
Dimopoulos, Steve	Oakleigh	ALP	Settle, Michaela	Eureka	ALP
Edbrooke, Paul	Frankston	ALP	Smith, Ryan	Warrandyte	Lib
Edwards, Maree	Bendigo West	ALP	Southwick, David	Caulfield	Lib
Fowles, Will	Ringwood	ALP	Spence, Ros	Kalkallo	ALP
Fregon, Matt	Ashwood	ALP	Staikos, Nick	Bentleigh	ALP
George, Ella	Lara	ALP	Suleyman, Natalie	St Albans	ALP
Grigorovitch, Luba	Kororoit	ALP	Tak, Meng Heang	Clarinda	ALP
Groth, Sam	Nepean	Lib	Taylor, Jackson	Bayswater	ALP
Guy, Matthew	Bulleen	Lib	Taylor, Nina	Albert Park	ALP
Halfpenny, Bronwyn	Thomastown	ALP	Theophanous, Kat	Northcote	ALP
Hall, Katie	Footscray	ALP	Thomas, Mary-Anne	Macedon	ALP
Hamer, Paul	Box Hill	ALP	Tilley, Bill	Benambra	Lib
Haylett, Martha	Ripon	ALP	Vallence, Bridget	Evelyn	Lib
Hibbins, Sam	Prahran	Greens	Vulin, Emma	Pakenham	ALP
Hilakari, Mathew	Point Cook	ALP	Walsh, Peter	Murray Plains	Nat
Hodgett, David	Croydon	Lib	Walters, Iwan	Greenvale	ALP
Horne, Melissa	Williamstown	ALP	Ward, Vicki	Eltham	ALP
Hutchins, Natalie	Sydenham	ALP	Wells, Kim	Rowville	Lib
Kathage, Lauren	Yan Yean	ALP	Wight, Dylan	Tarneit	ALP
Kealy, Emma	Lowan	Nat	Williams, Gabrielle	Dandenong	ALP
Kilkenny, Sonya	Carrum	ALP	Wilson, Belinda	Narre Warren North	ALP
Wayne Farnham	Narracan	Lib	Wilson, Jess	Kew	Lib

**PARTY ABBREVIATIONS**

ALP – Australian Labor Party, Greens – Australian Greens,  
Ind – Independent, Lib – Liberal Party of Australia, Nat – National Party of Australia

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**Wednesday 31 May 2023**

**The SPEAKER (Maree Edwards)** took the chair at 9:32 am, read the prayer and made an acknowledgement of country.

*Announcements***Barry Cull**

**The SPEAKER (09:32):** Members, it is with great sadness that we farewell Barry Cull after over two decades of service to the Parliament. For many of us, and particularly for those longer serving members, Barry has been an integral part of our time here at Parliament. His advice and patience with all of our often curly payroll questions has been invaluable. More recently he has been assisting us with all sorts of questions in his role in the member services team. We will miss his familiar face in the library, although he assures us the chocolates are staying. Barry is here with us in the chamber this morning. Thank you, Barry, for your many years of service to the Parliament. We wish you all the best with what comes next. Members are welcome to join the President and me at 10:30 in the north library to farewell Barry.

*Members applauded.*

*Business of the house***Notices of motion**

**Notice given.**

*Documents***Documents****Incorporated list as follows:****DOCUMENTS TABLED UNDER ACTS OF PARLIAMENT** – The Clerk tabled:

*Crown Land (Reserves) Act 1978:*

Order under s 17B granting a licence over Mordialloc–Mentone Beach Park Reserve

Order under s 17D granting a lease over part of Albert Park

Statutory Rules under the following Acts:

*Building and Construction Industry Security of Payment Act 2002* – SR 34

*Circular Economy (Waste Reduction and Recycling) Act 2021* – SR 33

*Corporations (Ancillary Provisions) Act 2001* – SR 32

*Supreme Court Act 1986* – SRs 31, 32

*Victorian Civil and Administrative Tribunal Act 1998* – SR 30

*Subordinate Legislation Act 1994* – Documents under s 16B in relation to the *Water Act 1989* – Minister's Conversion Rules for Place of Take Approvals.

*Bills***Gambling Regulation Amendment Bill 2023****Gambling Taxation Bill 2023***Council's agreement*

**The SPEAKER (09:36):** I have received messages from the Legislative Council agreeing to the following bills without amendment: the Gambling Regulation Amendment Bill 2023 and the Gambling Taxation Bill 2023.

*Business of the house***Adjournment**

**Mary-Anne THOMAS** (Macedon – Leader of the House, Minister for Health, Minister for Health Infrastructure, Minister for Medical Research) (09:36): I move:

That the house, at its rising, adjourns until Tuesday 20 June 2023 at 12 pm.

**Motion agreed to.**

*Committees***Joint select committee***Establishment*

**Brad ROWSWELL** (Sandringham) (09:37): I desire to move, by leave, notice of motion 12 standing in my name, relating to the establishment of a parliamentary committee to investigate child sexual abuse in state schools.

**Leave refused.**

*Members statements***Budget 2023–24**

**Mary-Anne THOMAS** (Macedon – Leader of the House, Minister for Health, Minister for Health Infrastructure, Minister for Medical Research) (09:37): I am proud to be delivering for my constituents in Macedon following last week's Victorian budget. Our government's \$2 billion investment in schools across Victoria includes \$5.8 million for a new trades hub at Gisborne Secondary College. The hub will support students to get the skills they need for the jobs that they want.

Sport is at the centre of our community in the electorate of Macedon. That is why I am delighted that this year's budget includes \$1.5 million for new change rooms and two new netball courts for the Kyneton Tigers. We are also delivering on our election commitment to support the revitalisation of Lions Park in Romsey with a \$550,000 investment in upgraded skate park facilities. Giving young people quality open spaces to spend time together only makes our community stronger.

Neighbourhood houses of course are the glue that holds so many regional communities together. That is why I am delighted that Lancefield Neighbourhood House will be receiving a \$100,000 grant. Riddells Creek will also be receiving a \$50,000 grant. That is just fantastic news.

There are so many other budget announcements that deliver for the people of my community, including new and improved V/Line services. We backed that in with our \$9.20 fare, matching regional fares with metro prices. This is a budget that keeps delivering for regional Victorians.

**Helping Hand**

**David HODGETT** (Croydon) (09:39): I rise today to speak on the great work that a local not-for-profit organisation, Helping Hand, does in the Croydon electorate and across the Maroondah community. Originating as a project of Croydon Uniting Church, Helping Hand has served the Croydon community for 35 years, providing food and groceries, supermarket vouchers, petrol vouchers and Myki cards to support those in crisis, as well as support many disadvantaged members of our community. Helping Hand rely heavily on donations and grants, which enable them to cope with the significant increase in demand. In the last year alone there has been a 46 per cent increase in families seeking help and a 74 per cent increase in Christmas food packs given. Helping Hand source food supplies from Foodbank, SecondBite, FareShare, Bakers Delight, Aldi and donations from members of several Uniting Church congregations, as well as the general community. Although restricted in space, they receive a large supply of fruit and vegetables once a week from SecondBite, which they distribute from the nature strip, with council support and with council approval of course.



Not only do Helping Hand assist with food parcels, but they also like to be able to support in other ways, like with back-to-school packs and Mother's Day packs. Although one of many charitable organisations across the state which desperately need more of everything, Helping Hand rely heavily on kindness and of course on financial donations. These donations are in greater need now because of ever-increasing demands on finances due to cost-of-living expenses. Families that have never required this type of support are now turning to organisations like Helping Hand to help them feed their families. Thank you, Helping Hand, for everything that you do for the Croydon community. We are grateful for your continual support.

### **Budget 2023–24**

**Tim PALLAS** (Werribee – Treasurer, Minister for Industrial Relations, Minister for Trade and Investment) (09:40): I rise to update the house on the investments for my electorate delivered in the ninth budget for the Andrews Labor government. I am proud of the 2023–24 budget, which delivers on all election promises for Werribee. This budget is delivering \$120 million to upgrade Ballan Road at the intersection of McGrath Road and Greens Road, with a further \$5 million to fund a traffic management plan for Wyndham, because Werribee deserves a reliable road network that gets people where they need to go. This budget will also ensure that women's health is given the focus and respect it deserves through a comprehensive women's health clinic at the Werribee Mercy Hospital, which will also receive a new PET scanner. Throughout Victoria we are investing in multicultural affairs, because everyone deserves to celebrate and share in culture and tradition. We are funding a new community centre in the west for the Indian community, continuing the work of the Le Mana Pasifika project and creating community infrastructure grants to support multicultural and multifaith communities to build, upgrade and renovate their spaces. I am pleased that Werribee students will receive the education facilities they deserve through Manorvale Primary School's share of \$2 billion for school upgrades. We are also removing all level crossings on the Werribee line to run more trains more often. With this budget we are getting on with doing what matters for the people of Werribee.

### **Property tax**

**Danny O'BRIEN** (Gippsland South) (09:42): I rise today to highlight the policy and economic incompetence of this government and in particular how it is hurting Victorians looking for a roof over their head. There is no doubt property price rises post pandemic have led to a shortage of housing, with rent also increasing as interest rates and other costs for landlords go up. Massive waiting lists for public housing are a symptom at the most disadvantaged end of the market. This is particularly the issue in Gippsland South and the wider Gippsland region, where many people are coming to me in housing distress and workers and employers are despairing because they cannot find places for staff to live. There are many reasons for such a crisis in a dynamic economic environment, but there is no doubt that Victorian government policy has played a massive part. In particular, of the 47 new or increased taxes introduced by this government, nearly half have been taxes on property. That the government now thinks it is a good idea to whack another land tax levy on Victorians with a second property just defies economic belief. The Real Estate Institute of Victoria says that 70 per cent of landlords have just one extra property. They are not wealthy people in the main, and most will be forced to pass on these additional costs to their tenants. Yesterday the Treasurer in question time said he would give us a lesson on economics 101 about supply and demand. He said it is a landlords market. Well, if the Treasurer had actually done economics 101, he would know that if a government taxes a good in high demand, that tax will simply be passed onto the market. That means an increase in rent is coming because this government has lost control of the finances. Under Labor Victoria is broke.

### **Mill Park electorate**

**Lily D'AMBROSIO** (Mill Park – Minister for Climate Action, Minister for Energy and Resources, Minister for the State Electricity Commission) (09:43): I recently had the pleasure of meeting with a range of organisations in my electorate of Mill Park. On 12 May I had the opportunity to meet students from Mill Park Secondary College at the Whittlesea Tech School in Epping. They were studying the

future of work. The tech school provides a variety of opportunities for students from surrounding local schools to participate in STEM learning.

Later the same day I visited the Epping Priority Primary Care Centre located near the Northern Hospital – a place to go when you need urgent care but not quite the lights and sirens. With strong cooperation from the Northern Hospital, it helps to deliver an excellent service to patients in a speedy manner.

On 26 May I had the pleasure of welcoming Minister Stitt from the other place to the Mill Park electorate to officially open the Meadowglen kindergarten, co-located with Meadowglen Primary School. This co-location makes the transition easier for many children and the drop-off simpler for parents. All of these terrific facilities and services have been funded by our government.

On National Sorry Day I attended a local Voice to Parliament town hall organised by the member for Scullin and co-hosted by Sheena Watt from the other place.

Lastly, on Saturday I attended the Victorian Tamil Association Mill Park Tamil school annual Kalai Vizha function celebrating the 2022 VCE students and their teachers. It was fantastic to participate in the lighting of the oil lamp and watch the wonderful cultural performances by the different year levels.

### **James ‘Jim’ Smith**

**Jess WILSON** (Kew) (09:45): I rise to mark the passing of Balwyn local and friend James Smith. James and his wife Joan lived together in Balwyn North and then in Balwyn for over 60 years. Jim was well known and respected in our community. He initially worked in his family’s dry-cleaning and laundry business, but his passion was for racing cars. Jim famously took ownership of Peter Manton Motors from Peter Manton himself off the back of a bet at Warwick Farm racetrack in Sydney. He bet Peter that if he won the race Peter would sell him the company, and the rest they say is history. Jim owned and operated Manton Motors from 1969 to its sale in 1990. He operated a range of other franchises bringing European cars to the Australian market, such as Volvo, Alfa Romeo and Lamborghini. He can lay claim to bringing the very first Bugatti to Australia. I confess I know very little of the motor industry, but Jim’s passion, innovation and entrepreneurship were clear to all who knew him and sparked joy for thousands of Victorians and Australians who have, thanks to Jim, been able to call one of these exotic cars their own. Jim was truly a great bloke and much loved by his family and friends. On a personal note, I was deeply grateful to have his and Joan’s support during my election campaign for the seat of Kew and to call them both friends for many years. Vale, Jim. You will be missed, and my love to your gorgeous wife Joan.

### **Budget 2023–24**

**Anthony CARBINES** (Ivanhoe – Minister for Police, Minister for Crime Prevention, Minister for Racing) (09:46): I am pleased to acknowledge some significant announcements in the 2023–24 state budget, including \$350,000 to upgrade the clubrooms at the Ivanhoe Bowling Club, with over 100 years of fantastic effort and community contribution at Ivanhoe Bowling Club. And also at the Banyule Support and Information Centre, BANSIC, every dollar counts, and the \$5000 grant to them for the amazing food relief services that they provide from their centre in Heidelberg West – I am really grateful for that contribution.

For Heidelberg Primary School over \$14 million was promised by the Andrews Labor government at the last election. It is a fantastic school in my electorate that has been due for this upgrade for some time, and that will enter the planning stages for the school’s upgrade development fund. And we have already got significant construction projects underway at Viewbank and Banyule primary schools.

Mercy Hospital for Women and the Austin Hospital – two great hospitals built by the Bracks Labor government on the one site – will also share in a broader \$58 million program that will see new women’s health clinics, one-stop shops for women needing treatment and advice on a range of health issues. There will be one there at the Austin and Mercy Hospital for Women. The Austin Hospital as

well will share in the \$320 million Hospital Infrastructure Delivery Fund to expand the emergency department at Austin Hospital. Already over 90,000 patients have been treated in that emergency department, and the expansion is much needed. I really welcome that investment in the budget and many other great initiatives, and I commend the budget to the house.

### **Carer Card**

**Tim READ** (Brunswick) (09:48): Last week Kate from my electorate called me to say that the budget has left carers like her worse off. The 25,000 Victorians who hold a Carer Card have lost access to their public transport concessions. This is no small loss for carers, many of whom already face financial hardship, particularly with recent increases in prices and rent. The valuable work that these carers do for their families and communities often goes unacknowledged and is unpaid. The government's decision to stop their half-price public transport discount just adds to the financial distress that many carers already face. Providing low-cost public transport to carers of people with additional needs is a bare minimum form of assistance that the government could do for minimal cost to the budget. I question their judgement in cutting this concession in the recent budget. I therefore ask the Labor government to reconsider this decision in recognition of the sacrifice made by carers.

### **James Moloney**

**Danny PEARSON** (Essendon – Minister for Government Services, Assistant Treasurer, Minister for WorkSafe and the TAC, Minister for Consumer Affairs) (09:49): I rise to wish James Alexander Moloney a happy birthday. James would have turned 11 on 26 May, but sadly passed away from cancer on 9 April last year. I have got to know James's father John and his uncle Richard in recent times as the family has come to terms with the traumatic loss of James. To quote the family:

James, is and always will be, our beautiful son and brother. An incredible mind with a deep knowledge of the nations of the world, monarchies and Pokémon. Funny, a loyal friend, especially to his beloved cousins, a researcher, deeply loving and so very kind. He also loved a burger with the lot.

James was a student at Essendon Primary School, and I have spent a lot of time with the family in recent times. This has just been such an incredibly difficult time for the Moloney family, but I wanted to use this opportunity because it is the first chance I have had since what would have been his birthday to wish him a happy birthday.

### **Jim Cusack**

**Danny PEARSON** (Essendon – Minister for Government Services, Assistant Treasurer, Minister for WorkSafe and the TAC, Minister for Consumer Affairs) (09:50): In other sad news, former councillor at the City of Moonee Valley Jim Cusack passed away two nights ago. Jim was a close friend of mine and of my wife. He was a great contributor to our community always. He always did the right thing by the community. It is a terrible loss for our community and to his wife Helene.

### **Elwood St Kilda Neighbourhood Learning Centre**

**James NEWBURY** (Brighton) (09:50): The Elwood St Kilda Neighbourhood Learning Centre is an important hub based at a former mayor of St Kilda's home in Tennyson Street, Elwood. The centre describes itself as a base for volunteers and staff aiming to help the Elwood community by providing support and programs for growth. Congratulations to executive director Karen Elsbury and her team on their valuable work.

### **Church Street, Brighton**

**James NEWBURY** (Brighton) (09:51): Brighton residents around the Church Street major activity centre have been swamped by overdevelopment. Their amenity is being affected and their right to a quiet street is being trampled on because of the never-ending barrage of construction. The state Labor government has turned on a green light to overdevelopment and is doing nothing to ensure that residents of Brighton retain the amenity they deserve.

### Newbay Medical Clinic

**James NEWBURY** (Brighton) (09:51): Newbay medical centre recently celebrated their first-year anniversary in Brighton. Practice manager Maxine Mollaei put on an incredible community day. The clinic was established by a group of young doctors who have served the community in a dedicated way and organised several community events over the year. Congratulations to the centre team on the day and on what will, I am sure, be the first of many years in Brighton.

### Births, Deaths and Marriages Victoria

**James NEWBURY** (Brighton) (09:51): For too long the Labor government has failed to provide an acceptable births, deaths and marriages service. Victorians often report the service and for years have reported the service being closed and with no response from the call centre at all. As my constituent Jenny recently said, 'I made back-to-back phone calls with assurances of call backs. None have been returned.' The system is clearly broken. Labor need to fix this important service to the community, and they have not after years of complaints.

### Energy policy

**Will FOWLES** (Ringwood) (09:52): Victorians were heard loud and clear at the last election. They voted for our positive plan to tackle climate change and endorse renewables to deliver emission reductions and cheap energy. I am thrilled that this year's state budget gets the ball rolling on both these fronts – cheaper energy and cleaner energy for families and households. Only the Andrews Labor government is bringing back the SEC. Already the body has been designated a reorganising body under the State Owned Enterprises Act 1992. We have appointed a CEO and a crack team of energy experts. This budget backs this great reform with the funding it needs. The SEC will receive a billion-dollar investment to generate at least 4.5 gigawatts of power. That is the equivalent of a Loy Yang A coal-fired power station. The clean energy provided by the SEC will drive prices down and drive up our nation-leading net zero commitment. Importantly, the SEC will deliver 59,000 jobs, including 6000 jobs for trainees. With tech schools, work experience opportunities and skills for the next generation of Victorian workers, the SEC is going to become much more than just an energy provider. I know that constituents in my electorate of Ringwood are absolutely delighted that we are making such a substantial investment into the next generation of energy in the state of Victoria by bringing back the SEC, and I look forward to making energy cheaper for families. This government is proud to show the rest of the country how it is done.

### Government performance

**Martin CAMERON** (Morwell) (09:53): I am appalled and frankly disgusted by the lack of accountability shown by the Andrews government in failing to answer questions asked by those on this side of the chamber on behalf of our constituents. During my short time as a member of Parliament my office has made countless inquiries with ministers seeking answers for the people of the Latrobe Valley and I have asked several questions in this house, and not a single response has been received within the required time frame. And it is not even a close call – it is now the end of May, and I asked questions in January that have still not been answered. The Friends of the Court House, a not-for-profit community group based in Traralgon, applied for a rebate on their water bill more than 14 months ago, and to date they have had no response from the State Revenue Office. We already knew it, but this example is just one of many that show the Andrews government has absolutely no regard for any regional Victorians and is completely unanswerable to anyone outside of metropolitan Melbourne. We are duded by ministers who refuse to visit the regions, we are duded by chronic underfunding and we are denied any acknowledgement or response. Trying to get answers out of this government is like butting your head against the proverbial brick wall. This is not pity pointscore or grandstanding; this is a very real issue with real ramifications, and it should sound alarm bells for anyone with a conscience who claims to care about the people who elected them to positions of privilege. As members of Parliament we cannot properly represent the constituents and we have been blocked at every turn by a government – *(Time expired)*

**St Paul's Primary School, Coburg**

**Anthony CIANFLONE** (Pascoe Vale) (09:55): Over recent weeks I have been delighted to visit and meet with a number of local schools. On 11 May I had the pleasure to visit St Paul's Primary School in Sydney Road in Coburg as part of the school's wonderful Mother's Day morning tea celebrations. St Paul's Primary is one of the oldest primary schools in Melbourne, established over 160 years ago, and for generations has been supporting learning outcomes for local young people. It was great to visit, with principal Maria Mercuri providing me with a tour of the school's \$2 million upgraded learning facilities, made possible by the Andrews Labor government.

**St Fidelis Catholic Primary School, Coburg**

**Anthony CIANFLONE** (Pascoe Vale) (09:55): On Friday 12 May I had the pleasure to visit St Fidelis primary school, my old Sunday school, on Saunders Street in West Coburg to meet with principal Manuela Watson and take part in the school's beautiful Mother's Day assembly too. St Fidelis students put on a heartwarming assembly, paying special tribute to the role of mothers, grandmothers, sisters, aunties and wives as well as all primary caregivers in our community. It was a pleasure to be provided with a tour of the school's \$1.9 million upgraded facilities, which were delivered by the Labor government, which are one of the most significant upgrades the school has received since its opening in 1927.

**St Oliver Plunkett Primary School**

**Anthony CIANFLONE** (Pascoe Vale) (09:56): Last week I also had the pleasure of welcoming grade 5 and 6 students from St Oliver Plunkett Primary School of Pascoe Vale here to the Victorian Parliament. Students had great fun learning about the functions of the Legislative Assembly and playing the roles of the Premier and the Leader of the Opposition as well as the member for Pascoe Vale from this vantage point. The tour was followed by a great discussion, with students raising numerous issues of importance to them, including vaping, gambling advertising and local schools funding, and I was pleased to share the news that St Oliver's new school hall and gym were made possible by the \$1 million provided by the Victorian Labor government. I look forward to visiting and working with all of my local schools.

**Independent Broad-based Anti-corruption Commission funding**

**Kim WELLS** (Rowville) (09:56): Anti-corruption agencies perform an imperative role in the function of government, tasked with investigating public officials and public agencies and ensuring proper governance at the highest level. Here in Victoria this responsibility falls to the Victorian Independent Broad-based Anti-corruption Commission, and they have had their work cut out for them having to investigate the Premier on numerous occasions. It seems in retribution for the commission's warranted investigations of the Labor government that the 2023–24 Labor budget has only awarded a 0.5 per cent increase in the IBAC budget, not even close to keeping up with the federal Labor government's inflation rate of 7 per cent. A 0.5 per cent increase is just inadequate. Under this Labor government the number of cases investigated by the commission has skyrocketed. The target this financial year for complaints into public service corruption handled within 45 days was set at 85 per cent. The commission is expected to only achieve 51 per cent. Clearly this is not good enough. Instead of providing the funding the commission needs to stamp out corruption and achieve these performance targets, this Labor government has penalised IBAC.

**Hastings electorate schools**

**Paul MERCURIO** (Hastings) (09:57): I recently completed visiting all of the government schools in my electorate, which was a really informative and very enjoyable experience. The most impressive thing about these visits were the principals. Each and every one of them were extremely passionate, nurturing and genuine in their care for their students. All were committed to creating positive, healthy pathways for every child, physically, mentally and spiritually. Our kids are in very good hands. There was certainly some disparity between the schools, with some schools faring better than others, and

whilst it gives me an understanding of what each individual school needs, I will continue to advocate for all schools in my electorate.

#### **Hastings electorate ministerial visits**

**Paul MERCURIO** (Hastings) (09:58): On another matter I would like to thank several ministers for coming down to my electorate recently: the Minister for Health for coming down to announce funding for Hastings early parenting centre; the Minister for Roads and Road Safety for coming down to Somerville to announce funding for the safety upgrades to the local roundabout; the Minister for Outdoor Recreation, who announced funding for the Hastings boat ramp; and the Minister for Public Transport, who announced planning commencement for the cross-peninsula bus service.

#### **Tyabb Community Biggest Morning Tea**

**Paul MERCURIO** (Hastings) (09:59): On another matter, I would like to congratulate Laurie Adland, Claire Adland and all of the fabulous volunteers who put so much incredible work into Tyabb's Biggest Morning Tea. It was the second time Laurie and the team have staged the event, and it was certainly bigger and better than ever. The local community and business community were fabulous, as were the scones I was tasked with eating. They raised over \$4000, and I look forward to next year.

#### **Narre Warren North electorate sports clubs**

**Belinda WILSON** (Narre Warren North) (09:59): I have visited many incredible sports clubs in my electorate of Narre Warren North this year, but I especially want to highlight a few clubs that I have recently visited that have really stood out, particularly because of their connection to multicultural communities and the service they provide in bringing the community together.

Last week I met with David and Jeff at the Endeavour Hills Rugby Union Football Club at Frog Hollow Reserve. I was amazed at the successful program the club runs, with huge turnouts at training. Recently I met with Leafi Talatana in Parliament during a visit with Jimmy Orange and the Academy Movement. Leafi was a student at Fountain Gate Secondary College and has now gone on to play for the Melbourne Rebels and the Wallabies junior squad while still keeping his strong connection to Endeavour Hills Rugby Union Football Club. Rugby is such an important tool for building multicultural connectivity, especially in the Pasifika community, and the club is an excellent example of this.

I also had the pleasure of visiting the annual Timor-Leste independence day celebration held by the Endeavour United Soccer Club alongside the Melbourne Timorese Club. Once again I was blown away by the sense of identity, unity and culture displayed at this event, all tied together with a love of sport. I have so many incredible sports clubs in my electorate, and I thank them all for their hand in strengthening community connections.

#### **Ark Centre**

**Pauline RICHARDS** (Cranbourne) (10:01): I was delighted to have the opportunity to attend the Ark Centre in Hawthorn last Friday for a Shabbat dinner. I was particularly pleased to have the opportunity to meet peace activists Bassam and Rami and hear the conversation that they had about the importance of bringing peace to what are really complex conflicts. I would like to particularly thank Rabbi Gabi for the hospitality and the whole Ark Centre for the extraordinary way that they embraced me.

#### **Activate Youth Eid festival**

**Mathew HILAKARI** (Point Cook) (10:01): I recently had the pleasure of attending the Eid festival by Activate Youth in Point Cook along with Minister Suleyman. I would like to thank the efforts of president Dr Aaqil Rifai, Zakia Haque, Fawzan Dinnunhan, Areeb Ali and Ashtar Sherifdeen in putting together what was a special day for everybody across the community. It is always so great to see how much multiculturalism there is, and I particularly want to recognise the amazing poetry in language at the event.

**Alamanda K-9 College**

**Mathew HILAKARI** (Point Cook) (10:02): In other activity in Point Cook, I recently visited Alamanda college with acting principals Felicity Mayes and Stacey Richards. We saw the foundations of the new build that is going on at Alamanda college, which is an amazing school and a hugely populated school that deserves new facilities, so I am glad to see we are getting to the next step of the build.

**Altona Roosters Rugby League Club**

**Mathew HILAKARI** (Point Cook) (10:02): For those people who are not aware of the Altona Roosters Rugby League Club's success – and I know everybody in this place would have heard of their success, being the most successful rugby league club in Victoria, with over 600 members – I just want to acknowledge the efforts of president Efu Koka, Frank, Andrew, Emma, Te Anahera, Joanie and all the team there. It was recently their 35th anniversary. We started the day with a jersey blessing, which was a first for me and a first for them, and a great welcome to country. I thank them for all their efforts there – an amazing club.

**Eureka electorate projects**

**Michaela SETTLE** (Eureka) (10:03): I rise to share two incredible projects that show the love and care our locals have for our community. I had the honour of visiting the Bacchus Marsh SES unit during National Volunteer Week. Let me tell you, the Bacchus Marsh SES unit is truly remarkable. They were among the first responders to the devastating bus accident in Exford, showing their selflessness and bravery. I could not be prouder of their work. Today I congratulate the unit on 40 years in our community. They have even created a wonderful book with captivating photos to commemorate that milestone. Thank you Lyn, Peter, Erin, Russell, Judy and the entire Bacchus Marsh SES unit for your inspiring commitment.

Another wonderful project is taking place at the Meredith Sharing Shed. A year ago I met Chris Ardrey and Linda Wong, two extraordinary individuals with a big idea to bring high tech to their small town. I will admit the idea seemed unconventional at first – we do not usually associate rural towns with cutting-edge technology – but thanks to Chris and Linda's unwavering determination and support for the Victorian government's Living Local Fund, Meredith now has a vibrant mini tech hub with 3D printers and virtual reality equipment. Chris and Linda, your innovation and contribution to our community cannot be overstated. Sometimes a few special people can bring a whole community together.

**Budget 2023–24**

**Alison MARCHANT** (Bellarine) (10:04): It is a tremendous honour to be representing the community of the Bellarine in this place, and I have not wasted a minute in committing to putting that Bellarine community first at the heart of decision-making, working hard and making a positive difference. I am proud to say that the election commitments I made for the Bellarine have now been delivered through the recent state budget, making sure that Bellarine continues to thrive. We will create a better learning environment at Wallington Primary School by upgrading their classrooms, and we are investing in a world-class indoor aquatic centre, providing swimming and aquatic wellbeing options for residents. We are ensuring safety near the water by rebuilding the St Leonards Pier, an iconic and much-loved pier, and we are delivering better boating and fishing infrastructure by improving the St Leonards boat ramp. We are investing in a new marine search and rescue vessel to assist the volunteers at Coast Guard Queenscliff to continue their work in helping the community. We are focusing on health and wellbeing for our families by investing in upgrades to sporting facilities at the Barwon Heads Football Netball Club and Portarlington Recreation Reserve, as well as improving safety at the Collendina Reserve. We are supporting the SpringDale Neighbourhood Centre so they can continue to provide that education and connection to the wider community, and we are upgrading the St Leonards hall to benefit the whole community. We will provide a new neighbourhood battery

to the Queenscliff area, advancing our renewable energy commitments. I am very excited to be able to deliver these projects and do what we said we would do, ensuring the Bellarine continues to thrive.

### **Visy Packaging**

**Paul EDBROOKE** (Frankston) (10:06): I cannot believe we are still here raising this same issue: workers from Visy's Wheeler Street plant in Shep are still out in the grass, having refused a pay offer of 8.75 per cent over three years, which is really an effective pay cut to those workers. For 20 weeks Visy has tried to break these workers at the Fair Work Commission. They have even made personalised attacks against these workers, but these AMWU members still stand stronger than ever. Visy management refused to bargain for months, and yet Visy is Australia's largest privately owned company, with an annual turnover of \$7 billion. Its owner Anthony Pratt is Australia's third-richest person, sitting on an estimated \$14 billion. But in a ludicrous turn of events, Visy are spending their money on new workers to cover staff they could get back to work if they provided the staff they have got with a better pay offer. AMWU members who worked during the pandemic, who remained working to keep Victorians safe, are not receiving any pay whilst they are on strike against this corporate giant. Visy are effectively replacing a whole striking workforce. Cruel strategies do not belong in our IR system, especially not in Victoria. These were essential workers during the pandemic. My message to the Visy management is to live their motto: 'Visy: for a better world'. Do the right thing, find your spine and respect these gutsy workers by returning to the bargaining table and paying them what they deserve.

### **Government achievements**

**Josh BULL** (Sunbury) (10:07): This Andrews Labor government gets on and gets it done. (*Time expired*)

### ***Business of the house***

#### **Notices of motion**

**Colin BROOKS** (Bundoora – Minister for Housing, Minister for Multicultural Affairs) (10:07): I wish to advise that the government does not wish to proceed with the notice of motion on today's notice paper, and I ask that it remain on the notice paper.

### ***Bills***

#### **Mental Health and Wellbeing Amendment Bill 2023**

##### ***Statement of compatibility***

**Mary-Anne THOMAS** (Macedon – Leader of the House, Minister for Health, Minister for Health Infrastructure, Minister for Medical Research) (10:09): In accordance with the Charter of Human Rights and Responsibilities Act 2006 I table a statement of compatibility in relation to the Mental Health and Wellbeing Amendment Bill 2023.

In accordance with section 28 of the *Charter of Human Rights and Responsibilities Act 2006*, (the Charter), I make this Statement of Compatibility with respect to the Mental Health and Wellbeing Amendment Bill 2023.

In my opinion, the Mental Health and Wellbeing Amendment Bill 2023, as introduced to the Legislative Assembly, is compatible with human rights as set out in the Charter. I base my opinion on the reasons outlined in this statement.

##### **Overview**

The Bill contains a number of definitional and consequential amendments that do not engage human rights protected by the Charter.

It also contains provisions to ensure that requirements to implement more significant reforms are in keeping with the operational, resourcing and training capacity of the workforce. Specifically, the provision related to mental health crises in the community will be amended to allow a more flexible approach for the gradual roll out of a health-led response. While this amendment will temporarily reduce the size of the health workforce available to exercise care and control powers in responding to a mental health crisis in the community, this



will not detract from principles and fundamental responsibilities will still need to be observed by police, protective services officers and members of relevantly prescribed classes of persons in taking a person into care and control under the Act. In other words, upon commencement of the Mental Health and Wellbeing Act 2022 on 1 September 2023, members of the community experiencing mental health crisis will still be responded to in accordance with the mental health principles and the least restrictive way possible, and with primacy given to the expertise of health professionals to the extent reasonably practicable.

Additionally, clarification is being made to provisions around the review of use of intensive monitored supervision under the Act. Section 590 provides that as soon as practicable after an intensive monitored supervision order ends, the intensive monitored supervision clinical committee referred to in section 586 must conduct a review. The committee must ensure that particular persons are notified and invited to make submissions and provide information to the review. This Bill clarifies that it is not sufficient to notify and invite a mental health advocate, but that the mental health advocate notified and invited must be acting in accordance with any instructions given to the advocate by the relevant patient. This will increase the quality of participation in reviews, and promote patients' autonomy and self-determination.

Relevantly for the purposes of this statement, the Bill amends the Judicial Proceedings Reports Act 1958 (JPR Act) to provide that sections 3 and 4(1)(A) of that Act, or a victim privacy order or interim victim privacy order under Part 3 of the JPR Act do not prevent the disclosure of information (including identifying information) by the Mental Health and Wellbeing Commission to the Health Complaints Commissioner or the Australian Health Practitioner Regulation Agency. I consider that the right to privacy is relevant to this amendment.

Additionally, the Bill clarifies the existence of powers held by an Authorised psychiatrist to arrange for a forensic or security patient who is absent without leave to be transported to a designated mental health service. I consider that the right to equality, the right to freedom of movement and the right to liberty are relevant to these clauses.

### **Human Rights Issues**

#### **Human rights protected by the Charter that are relevant to the Bill**

The Bill engages a number of rights which are protected and promoted by the Charter.

#### *Right to recognition and equality before the law*

Section 8 of the Charter provides that every person has the right to recognition as a person before the law, and every person has the right to enjoy their human rights without discrimination.

This right will be engaged because the powers in clause 23 and 25 of the Bill allow for an authorised psychiatrist to require that a security patient or a forensic patient who is absent without leave be taken into care and control and transported to a designated mental health service.

Arguably, expansion of the transport powers may amount to increased scope for direct discrimination on the basis of disability in that these provisions treat people with mental illness differently to other members of the community, on the basis of their mental illness. However, as the relevant provisions will apply to security patients and forensic patients who are absent without leave from a designated mental health service, the limitations on their freedom will necessarily be underpinned by operation of legislative provisions other than those contained in the Bill. Notably, security patients and forensic patients are subject to orders made by courts (such as a Court Secure Treatment Order under the *Sentencing Act 1991* or a relevant order under the *Crimes (Mental Impairment and Unfitness to be Tried) Act 1997*). Therefore, their treatment or confinement within a designated mental health service is outside the remit of this Bill or its principal Act. The powers to arrange transport that are contained in the Bill will enable those court orders to be given effect, but will not create additional limits on the right to equality. This right will therefore not be limited by the Bill.

#### *Freedom of movement*

The right to Freedom of Movement is found in section 12, and applies to a person's movement into, out of and within Victoria. Relevantly, the right will be engaged when a person is required to move to or from a particular place. However, the right is intended to apply to restrictions that fall short of physical detention that would come within the right to liberty under section 21 (*Kracke v Mental Health Review Board* (2009) 29 VAR 1, [588]). While the powers to require the transport of security patients and forensic patients who are absent without leave may appear to engage the right to freedom of movement (in that they will limit people's freedom to move around and require them to move to a particular place), the requirement to detain and transport is more likely to limit the right to liberty under section 21. This aspect of the limitation on rights will be considered in relation to section 21.

#### *Right to liberty and security of persons*

Relevantly, section 21 of the Charter provides that every person has the right to liberty and security, that a person must not be subjected to arbitrary arrest or detention, and that a person must not be deprived of their

liberty except on grounds, and in accordance with procedures, established by law. This right is engaged because the powers in clause 23 and 25 of the Bill allow for an authorised psychiatrist to arrange for a security patient or a forensic patient who is absent without leave to be taken into care and control and transported to a designated mental health service. This may involve a form of detention, and will therefore involve an element of deprivation of liberty, which engages this right.

However, as discussed in relation to the right to equality, the relevant provisions will apply to security patients and forensic patients who are absent without leave from a designated mental health service. Any limitations on their freedom will necessarily be created by court orders (including under the *Sentencing Act 1991* or the *Crimes (Mental Impairment and Unfitness to be Tried) Act 1997*). The powers contained in the Bill will enable the enforcement of those orders, but will not create additional limits on freedom of movement. This right will therefore not be limited by the Bill.

#### *Right to privacy*

Section 13 of the Charter provides, relevantly, that a person has the right not to have their privacy unlawfully interfered with. However, the section contains internal qualifications that the right will only be limited if interferences are unlawful or arbitrary. An interference will be lawful if it is permitted by a law which is clear, precise and appropriately circumscribed, and will be arbitrary only if it is capricious, unpredictable, unjust or unreasonable, in the sense of being disproportionate to the legitimate aim sought. This requires a broad and general assessment of whether any interference on a person's privacy extends beyond what is reasonably necessary to achieve the lawful purpose being pursued (*Thompson v Minogue* [2021] VSCA 358, [55], [56]).

This right is relevant to the Bill due to the increased scope for publication of sensitive personal information created by the amendments to the *Judicial Proceedings Reports Act*. However, in my view this right is not limited by the Bill as any interference with privacy created by the amendments will be lawful and not arbitrary. The provisions that engage the right to privacy are clear, precise and appropriately circumscribed, and are reasonable and necessary to permit the Mental Health and Wellbeing Commission to perform its functions without risk of contravention of the JPR Act. The right to privacy is not limited by the Bill.

#### Are the relevant Charter rights actually limited by the Bill?

While several Charter rights are engaged, I consider that none are actually limited by the Bill.

**Gabrielle Williams MP**  
**Minister for Mental Health**

#### *Second reading*

**Mary-Anne THOMAS** (Macedon – Leader of the House, Minister for Health, Minister for Health Infrastructure, Minister for Medical Research) (10:09): I move:

That this bill be now read a second time.

I ask that the second-reading speech be incorporated into *Hansard*.

#### **Incorporated speech as follows:**

When introducing the Mental Health and Wellbeing Bill 2022 last year, my predecessor acknowledged the challenging timeframe for new legislation that had been set by the Royal Commission into Victoria's Mental Health Service System.

The Royal Commission had rightly seen it as imperative that new mental health legislation be passed in 2022 to establish the necessary system architecture to guide the 10-year mental health reform program.

As a government we agreed that no time could be wasted. We are proud to have delivered an ambitious new Act that establishes key entities such as the new Mental Health and Wellbeing Commission and Youth Mental Health and Wellbeing Victoria, as well as a framework – underpinned by right-based principles and objectives – for service system redesign and development.

I would like to take this opportunity to acknowledge the valuable contribution, commitment and engagement of many of our key sector partners in achieving that important milestone in our reform journey. It was wonderful to see members of the lived experience community, service providers and workforce representatives supporting the new legislation as an important first step, while continuing to remind government that there is much more to be done. I would also like to acknowledge the collaboration and support shown by members across both Houses which saw timely passage of this vital legislation.

As we have continued to progress reforms, and focus has shifted to the important task of implementing the legislation, it has become apparent that some amendments are required to ensure the Act operates as intended

when it comes into effect. This reflects the pace at which the Act was developed, to meet the Royal Commission's timeframes, and the fact that this work necessarily fell ahead of some key service design decisions.

The Bill we are considering today will amend the Act to address some identified issues.

Many of these amendments are minor or technical in nature, correcting errors or providing clarity. It is, nonetheless, important that these changes are made before commencement of the Act on 1 September 2023.

For example, due to the approach taken to structuring provisions in the course of drafting that relate to patients who are absent without leave from a designated mental health service, it is not clear that powers of apprehension and transport are available under the Act in the case of security and forensic patients who are absent without leave. These are powers that exist under the current Mental Health Act. Clarity that these powers will continue to be available when the new Act commences is important to protect the safety of these patients and the broader community. The amendments contained in the Bill will put this beyond doubt.

Other amendments within the Bill are necessary to respond to changing circumstances in the evolving service system since the Act's passage.

For instance, I am very proud to say that the first six Mental Health and Wellbeing Locals opened late last year, and that the call for submissions for providers to deliver the next round of seven new Local services closed recently. One of the flagship reforms of the Royal Commission that will see services open in up to 60 locations across Victoria, Locals provide access to mental health and wellbeing treatment and care close to home. To support the aim of providing integrated treatment, care and support, the service model allows for consortium, partnership or sub-contracting arrangements between multiple service providers. The amendments in the Bill will provide clarity that organisations that receive funding through these types of arrangements will be mental health and wellbeing service providers under the Act and so subject to the same statutory oversight mechanisms and obligations as all other providers.

I am also very proud that the inaugural Board of the Victorian Collaborative Centre for Mental Health and Wellbeing commenced in September last year. The Centre, which was a recommendation of the Royal Commission, will bring together lived experience leadership, innovative service delivery and cutting-edge mental health research to drive system transformation and improve outcomes across Victoria. Since the Board commenced, work has progressed to further develop the service model for the Centre and to recruit to key positions within the organisation. This has led to a recognition of some necessary amendments to ensure the Act reflects the work of the Centre and to remove overly restrictive requirements that make it difficult to identify appropriately skilled and qualified individuals for appointment to key leadership roles within the organisation.

The Bill will also make amendments in recognition that statutory obligations must not come into force before the system's readiness to meet them.

The Act establishes a framework to move from a law enforcement approach to mental health crises in the community to a health led response. This is an important reform to which Government is deeply committed. However, as we know, rising demands and the ongoing impact of the pandemic have put great pressure on the health system and, in particular, on our ambulance services. It would be irresponsible to proceed with introducing new crisis response powers for paramedics without first being sure that the necessary service supports are in place for the safety of our health care workers and the community. Amendments in the Bill provide the flexibility required to match system readiness to the new health led response by allowing registered paramedics and other health professionals to be prescribed by regulation to exercise these crisis response powers. This will be at a time when they are appropriately supported by the necessary system reforms.

Similarly, the Bill will delay the latest date for commencement of statutory Regional Boards by one year. This change will ensure that the interim regional bodies, that have been fully established since February this year, have time to build trusted relationships with community and stakeholders within their regions and establish strong community participation processes. This is an important first step on the path to regional service commissioning and will mean that when the interim regional bodies ultimately transition to Statutory Regional Boards they are well placed to fulfil their legislated responsibilities – including the provision of informed advice to government on service planning, funding and monitoring.

Before closing I would also like to provide the House with a brief update on activities underway to support transition to the new Mental Health and Wellbeing Act. As many members pointed out during debate on the Bill last year, many of the failings of the 2014 Mental Health Act stemmed not from the legislation itself, but from failures to effectively implement its reforms.

We have learned from this and so have invested \$47.8 million in this year's budget to support the establishment and readiness of entities with important oversight roles under the Act, as well as preparing the sector and community for the Act's commencement. This funding is in addition to the \$29.3 million allocated through the 2022–23 budget to support the Act's implementation.

To date this funding has enabled the appointment of local Act Implementation Leads across all area mental health services, supported by a centrally led community of practice.

My department is establishing resources to ensure that all Victorians can find the information they need about the Act.

These resources are also supporting the development and roll out of a suite of training modules to ensure the workforce understands and can fulfill obligations under the Act from 1 September 2023; and the development of resources to ensure consumers, carers, families and supporters are supported to understand the new legislation and are aware of, and able to, exercise their rights.

The further funding recently announced will support the entities established by the Act to carry out their important statutory functions when the Act commences.

I am also grateful for the work of many of our sector partners who are developing resources, materials and skills to be able to inform members of the community about the reforms, including: Victoria Legal Aid, Mental Health Victoria, the Victorian Aboriginal Legal Service, the Mental Health Legal Centre, and the peak consumer and carer bodies – Tandem and the Victorian Mental Illness Awareness Council.

I am looking forward to once again working in a strong bi-partnership spirit to ensure that the best possible statutory framework is in place to support the reforms called for by the Royal Commission and to achieve the best possible outcomes for the Victorian community.

I commend the Bill to the house.

**James NEWBURY** (Brighton) (10:09): I move:

That the debate be adjourned.

**Motion agreed to and debate adjourned.**

**Ordered that debate be adjourned for two weeks. Debate adjourned until Wednesday 14 June.**

### **Drugs, Poisons and Controlled Substances Amendment (Authorising Pharmacists) Bill 2023**

#### *Statement of compatibility*

**Mary-Anne THOMAS** (Macedon – Leader of the House, Minister for Health, Minister for Health Infrastructure, Minister for Medical Research) (10:11): In accordance with the Charter of Human Rights and Responsibilities Act 2006 I table a statement of compatibility in relation to the Drugs, Poisons and Controlled Substances Amendment (Authorising Pharmacists) Bill 2023.

#### **Opening paragraphs**

In accordance with section 28 of the *Charter of Human Rights and Responsibilities Act 2006*, (the Charter), I make this Statement of Compatibility with respect to the Drugs, Poisons and Controlled Substances Amendment (Authorising Pharmacists) Bill 2023.

In my opinion, the Drugs, Poisons and Controlled Substances Amendment (Authorising Pharmacists) Bill 2023, as introduced to the Legislative Assembly, is compatible with human rights as set out in the Charter. I base my opinion on the reasons outlined in this statement.

#### **Overview**

The Drugs, Poisons and Controlled Substances Amendment (Authorising Pharmacists) Bill 2023 (the Bill) amends the Drugs, Poisons and Controlled Substances Act (the Act) to enable the Victorian Government to make regulations to authorise pharmacists to initiate the supply of Schedule 4 medicines without a prescription or direction from a prescriber.

Clause 3 of the Bill inserts the new regulation making powers in section 129 of the Act, expressly allowing regulations to be made authorising pharmacists to supply, dispense, administer, use or sell Schedule 4 poisons in specified circumstances and subject to conditions, for specified activities, or in accordance with the approval of the Secretary to the Department of Health – without a prescription or other instruction or authorisation from a prescriber.

These new regulation making powers are needed to deliver a 12-month pilot, trialling an expanded role for pharmacists. The aim of the pilot is to simplify and improve access to high volume/low risk primary care, and to reduce the burden of this work on general practitioners, allowing them to focus on providing more complex care.

The majority of the Charter impacts will be assessed when regulations are made under the new powers.

**Human Rights Issues**

The Bill itself will not engage the Charter rights of individuals. However, regulations made under the new powers may have an effect on Charter rights. The impact that any regulations made under the new powers might have on the rights of individuals will be considered when a human rights certificate is developed, as required by the Subordinate Legislation Act 1994.

Where the Bill may have the potential to impact on Charter rights through regulations made subsequently, an overview is provided below.

**Human rights protected by the Charter that are relevant to the Bill**

The amendments in the Bill may, through expanded regulation making powers, engage the right to life. Section 9 of the Charter provides that every person has the right to life and has the right not to be arbitrarily deprived of life.

Schedule 4 poisons are prescription only medicines, such as antibiotics and strong analgesics, and do not include Schedule 8 poisons (which are controlled drugs with strict legislative controls). Except for some limited exceptions, Schedule 4 poisons must be prescribed by an authorised healthcare professional such as a registered medical practitioner, nurse practitioner or dentist, and can then be dispensed by a pharmacist.

The pilot is anticipated to allow supply without a prescription in strictly defined circumstances, for example continued supply of the oral contraception pill, treatments for some mild skin conditions and antibiotics for uncomplicated urinary tract infections, in accordance with established protocols. These protocols will be designed to ensure consumer safety and quality care.

The amendments in the Bill are necessary to support the pilot, which is intended to increase access to safe and timely treatment for common health conditions, supporting community health and wellbeing and easing the burden of disease associated with these conditions.

While the new regulation making powers are not limited to the pilot, Charter impacts would have to be assessed before any regulations authorising pharmacists are made. The Bill allows for regulations to be made that authorise pharmacists to supply, dispense, administer, use or sell Schedule 4 poisons in specified circumstances and subject to conditions, for specified activities, or in accordance with the approval of the Secretary to the Department of Health. This will ensure that any future regulations made will have appropriate safeguards in place to protect consumer health and safety.

Therefore, the amendments in the Bill do not limit the right to life.

**The Hon Mary-Anne Thomas MP**  
**Minister for Health**

*Second reading*

**Mary-Anne THOMAS** (Macedon – Leader of the House, Minister for Health, Minister for Health Infrastructure, Minister for Medical Research) (10:11): I move:

That this bill be now read a second time.

I ask that my second-reading speech be incorporated into *Hansard*.

**Incorporated speech as follows:**

The Bill will create a mechanism for pharmacists to be legally authorised to supply certain prescription medicines without a prescription to enable the Community Pharmacist Statewide Pilot.

The 12-month Pilot expands the role of community pharmacists and will make it easier and cheaper for Victorians to get the healthcare they need. It will help improve access to primary healthcare, particularly for women, and help ease pressure on GPs and hospitals, particularly in regional areas.

The Bill will make a minor amendment to the *Drugs, Poisons and Controlled Substances Act 1981*, creating a power to make regulations that authorise pharmacists to supply specified Schedule 4 medications without a prescription.

This is the first step in creating the legal and regulatory framework for pharmacists to supply medications under the Pilot. Following passage of the Bill, it is intended to make amendments to the *Drugs Poisons and Controlled Substances Regulations 2017*, which will create a mechanism for the Secretary to the Department of Health to issue an authorisation for pharmacists to supply specified Schedule 4 medications without a prescription, subject to certain conditions outlined in the authorisation.

Under the Pilot, participating community pharmacists will supply relevant specified medicine directly to consumers, without a prescription or direction from another prescribing health practitioner but according to

established protocols for the identified health condition groups. This approach – known as structured prescribing under the national Health Professionals Prescribing Pathway framework – is consistent with the New South Wales clinical trial and Queensland urinary tract infection pilot.

The authorisations under the Act and Regulations will aim to reflect and achieve the key objectives of the Pilot – providing Victorians with improved access to timely primary health care and effective treatments for select health conditions, while ensuring that care is provided by an appropriately authorised and trained community pharmacist, following suitable clinical protocols.

The Pilot will provide the community access to treatment for three select health condition groups:

- Continued supply of the oral contraceptive pill for women without a prescription.
- Treatments for some mild skin conditions; and
- Antibiotics for uncomplicated urinary tract infections in women.

Pharmacist immunisers participating in the Pilot will also be authorised to administer select travel vaccines following the completion of additional training.

Implementing this Pilot will make it easier for Victorians to access the primary health care services they need in their communities. This includes easier access to oral contraception and rapid treatment for uncomplicated urinary tract infections – a condition that affects more women than men, with nearly one in three women requiring treatment before the age of 24.

While general practice continues to be the cornerstone of the primary healthcare system, pharmacists are an accessible and trusted health professional in the community. They have a wealth of experience and are highly trained healthcare professionals who already manage a range of health conditions and refer customers to a doctor when required.

The Pilot is consistent with other reforms being considered or progressed nationally across other Australian jurisdictions. Following a successful pilot, pharmacists in Queensland are now permanently able to supply medicines for uncomplicated urinary tract infections through structured prescribing. A statewide clinical trial is also taking place in NSW, for appropriately trained pharmacists to supply certain treatments for uncomplicated urinary tract infections and continue a prescription for the resupply of a low-risk oral contraceptive pill for women under structured prescribing protocols.

To ensure there is no financial barrier for Victorians to access services under the Pilot, consumers receiving an approved service from a pharmacist will pay no more than if they had visited a bulk-billing GP.

Strong clinical governance will be in place to ensure patient safety and quality of care is at the centre of the Pilot. Community pharmacists will be required to complete additional training to participate in the Pilot and will need to follow clear structured protocols and guidelines for prescribing the medicines. This will ensure pharmacists can provide safe clinical care, are familiar with the latest evidence or recommendations and comply with relevant legislation.

The Department of Health will engage with Victoria's key primary care partners including pharmacy, general practice, clinicians, and consumer groups throughout the Pilot, to inform the Pilot design and implementation, and to ensure patient safety.

By enabling the Bill, the Victorian Government through this Pilot will continue to build on our positive plan to improve access to primary healthcare for all Victorians, closer to home.

Victoria needs to commence the Pilot so that the evaluation findings from this trial can inform the future policy settings on the role of pharmacists and pharmacies that will improve Victorians' access to safe primary health care, when and where they need it.

I commend the Bill to the house.

**James NEWBURY (Brighton) (10:11):** I move:

That debate be adjourned.

**Motion agreed to and debate adjourned.**

**Ordered that debate be adjourned for two weeks. Debate adjourned until Wednesday 14 June.**

**State Taxation Acts Amendment Bill 2023***Second reading***Debate resumed on motion of Tim Pallas:**

That this bill be now read a second time.

**James NEWBURY** (Brighton) (10:12): I move:

That debate be adjourned.

The government yesterday introduced state taxes that the Victorian public has not seen and committed to giving Victorians one day to consider them. They have not even kept their commitment – the government have not kept their commitment to give Victorians even one day. In fact this bill that has been proposed to the house is so new it is dealt with differently on the notice paper. It is italicised and noted as being so new that it is not dealt with normally on the notice paper. But as I said, the coalition is deeply concerned at the way that the government is managing these bills, both the State Taxation Acts Amendment Bill 2023 and the Victorian Future Fund Bill 2023, that the government is ramming these bills through the Parliament, and we are seeing it now.

I repeat the point: yesterday the government committed to Victorians that they would have one day – not long, but one day – to consider the most punitive taxes this state has ever seen, including a new schools tax, which is based on a hit list of schools. The minister at the table yesterday proved she did not have any idea of the details of what the hit list would involve or the schools that would be on the hit list, and yet we have had less than one day to consider them. It is absolutely outrageous. It is outrageous that we are seeing a parliamentary sitting this week with a set of appropriation bills that were dealt with in a short couple of hours. I mean, the chaos yesterday was something that we have never seen before. The government raised a matter of public importance supposedly talking about its own election commitments, delivering its own collection commitments, and did not even turn up to debate it. We did not need to turn up to debate the point that the government have not kept their commitments; Labor did not even turn up.

It is deeply concerning after being given one day to consider these important punitive measures that are going to hurt so many people in the community – rents are going up because of this bill. Schools are going to be damaged by this bill, absolutely damaged. I mean, the government is so proud of these state tax measures, but the Treasurer did not even refer to the fact that half a billion dollars almost is being ripped out of schools. Can you believe it? He was so proud he did not even refer to it. You are not going to defend it, are you?

**Colin Brooks:** On a point of order, Deputy Speaker, I think the member opposite as Manager of Opposition Business well knows, this is a procedural debate on whether this item should be adjourned or not. It is not a substantive debate on the bill itself, and the member should confine his remarks to the actual procedural debate.

**Danny O'Brien:** On the point of order, Deputy Speaker, the whole point of why we are arguing about the adjournment is to explain the details of the bills and why we need more time. You cannot argue an adjournment for a piece of legislation unless you have a reason for the adjournment of that piece of legislation. There is so much in this. That is why the Manager of Opposition Business is attempting to adjourn this bill.

**The DEPUTY SPEAKER:** I will rule on the point of order. It is a procedural debate, and we should all be careful not to anticipate debate of the bill. There is a little wriggle room. Please come back to the procedural debate.

**James NEWBURY:** Thank you, Deputy Speaker. I can understand why the government would be embarrassed. We have been talking about their new hit list on schools. We are moving this morning to stop the government ramming through another budget bill. This is a very important budget bill, the State Taxation Acts Amendment Bill 2023. We are moving this morning that Victorians be given the

day that was committed to to at least read the bill. The fact that the government is now ramming through bills in under a day – under a day – should concern every Victorian. We know that Victorians have seen the way the government is pushing bills through this house without allowing any scrutiny, any oversight and frankly any integrity. It really goes to what is happening with this government and the chaos that this Parliament is now seeing. We cannot reach a point where governments are committing to introducing punitive, nasty tax measures and not even allowing Victorians time to see them. So the coalition is seeking to adjourn off this bill to allow Victorians the time they were promised yesterday to consider this bill – this punitive, nasty bill that is going to hurt so many hundreds of thousands of Victorians.

**Mary-Anne THOMAS** (Macedon – Leader of the House, Minister for Health, Minister for Health Infrastructure, Minister for Medical Research) (10:17): Obviously I will be opposing this motion by the member for Brighton to adjourn. What we have seen yesterday and what we are seeing yet again is the opposition, which itself is in an absolute rabble with the –

**Tim Richardson** interjected.

**James Newbury**: On a point of order, Deputy Speaker, I agree entirely with the member for Mordialloc. The Leader of the House has strayed so shortly into her speech, and I would ask you to bring her back to the motion. I agree entirely with the member for Mordialloc that the Leader of the House should be speaking to this tight procedural motion. Good point, member for Mordialloc.

**The DEPUTY SPEAKER**: As I said earlier, we should all be sticking to the procedural motion. As you yourself mentioned, there are some aspects of wriggle room. I ask the Leader of the House to come back to the procedural motion.

**Mary-Anne THOMAS**: Thank you very much, Deputy Speaker. I think it is important, though, to reflect on the way in which procedural motions have been used this week in this house. This is generally the opportunity, and it has been historically – yesterday should have been the day – for the opposition to shine. It is their opportunity to stand up for 30 minutes and rebut the government's budget. We saw, despite a whole morning pleading for that 30 minutes, that in fact when given the opportunity the Shadow Treasurer only took 15 minutes.

**James Newbury**: On a point of order, Deputy Speaker, again, the Leader of the House is straying entirely from the motion before the house – disappointingly, as it pains me to make the point of order. You did make a ruling and did ask the Leader of the House to come back to the motion. Disappointingly, the Leader of the House did not, and I would ask you to ask her to return back to the motion.

**The DEPUTY SPEAKER**: I would ask the Leader of the House to return to the adjournment procedural debate we are on.

**Mary-Anne THOMAS**: Thank you very much, Deputy Speaker. The reason I seek to oppose the adjournment proposed by the member for Brighton is that what we have seen is an inability of the opposition to use the time that is available to them. In fact this is yet another time-wasting thing because simply they do not know what to say. We saw that obviously yesterday with a 15-minute budget-in-reply speech, unprecedented in 162 years.

**James Newbury**: On a point of order, Deputy Speaker, I am sure this side of the house has deep respect for you in your role. You have now ruled twice that the Leader of the House should return to the question. She is flagrantly defying your ruling. It is disappointing to see that from the government, not showing you the respect you deserve, and I would ask you to ask the Leader of the House for a third time to come back to the motion.

**The DEPUTY SPEAKER**: I thank the Manager of Opposition Business. I think we are up to five or six points of order by now on both sides, so let us come back to the procedural motion.



**Mary-Anne THOMAS:** Thank you very much, Deputy Speaker. It is important that we get on and debate this important bill that is before the house today. Of course we have been very clear that this budget is a difficult budget, but we have always said that we would deliver on each and every one of our election commitments, and secondly, that we would implement measures in order to pay back our COVID debt. Costs were incurred in order to save jobs, keep businesses going and save lives. Those on the other side can ignore this in its entirety, which is what they seek to do, but this is a very important bill. It is important that it be discussed today. We have our Appropriation (2023–2024) Bill 2023 and Appropriation (Parliament 2023–2024) Bill 2023, our Victorian Future Fund Bill 2023 and our State Taxation Acts Amendment Bill 2023, all very important matters to be considered in this sitting week. We have wasted an inordinate amount of time on procedural motions when in fact what the people of Victoria want us to do is get on and debate the real issues at hand. Victorians know, because they have experienced it themselves, that this is a government that makes investments for our future. We have created and have this extraordinary infrastructure program, which is about economic growth. It is about creating jobs and opportunities. But as a consequence of the global pandemic we incurred expenses in order, as I said before, to save lives. Those on the other side wanted to let it rip. We wanted to save lives.

**Danny O'BRIEN** (Gippsland South) (10:22): Deputy Speaker, in accordance with your previous rulings I will attempt to stick to the narrow procedural debate, but in doing so, as I said in my point of order a moment ago, it is incumbent on us to argue as to why we do think that there should be an adjournment of this debate and it is incumbent on the government to explain why we need to rush it through –

**Mary-Anne Thomas:** I've done that.

**Danny O'BRIEN:** No, Leader of the House. The Leader of the House has not said why we need to rush it through in one day. The best the Leader of the House can do is to say, 'We're getting on with it. Victorians want us to get on with it.'

**Mary-Anne Thomas:** Yes, they do.

**Danny O'BRIEN:** So Victorians want you to throw out all due process? You could actually have a budget without even coming into the Parliament if you wanted. This is the equivalent of the AFL now going to get rid of the first three quarters of all games because they just want people to get on with it. We are not going to go through any of the process. We are just going to play the last quarter of the grand final now. This is the same thing that the government is doing. It is saying, 'Look, we usually do two weeks for everyone to have their say, but no, we're going to just throw that out the window because we're in a rush.' The Manager of Opposition Business and the member for Kew will say it is because they want to get their taxes through. No, it is not just about that. They just do not want Victorians to know about the new taxes, 'Let's rush it through under cover of darkness in one day' –

**James Newbury:** Less than.

**Danny O'BRIEN:** Less than one day, Manager of Opposition Business. We got a bill yesterday that is 85 pages long.

**Mary-Anne Thomas:** You were all briefed, the people that need to be briefed.

**Danny O'BRIEN:** There were, what, five opposition members or so at the briefing? Has the minister at the table been briefing the people of Victoria? I just had a quick look through the second-reading speech. To give you an example, on this 85 -page bill the second-reading speech says, 'the bill will', 'the bill amends', 'the bill will', 'the bill increases' – 20 times it does that.

**Tim Richardson:** Sounds like you've read it. Sounds like you've had a fair crack.

**Danny O'BRIEN:** We were briefed, absolutely, and we were told what was in the budget last week in terms of the new taxes: a new jobs tax, a new schools tax, a new renters tax and death taxes

everywhere. We knew about that, but there is a whole lot of other stuff in this budget. I wonder whether any of those members on the opposite side on the back bench have actually had a look at the bill. There are the taxes and there are the new revenue measures, but there is also a change in this bill to the fire services property levy. I am sure the member for Mordialloc is very aware of the Victorian Court of Appeal case *Valuer-General v. AWF Prop Co 2 Pty Ltd* [2021] VSCA 274, otherwise known as the AWF decision.

I am sure the member for Mordialloc is right across all the detail of that, because that is in the bill too. That will be part of the 85 pages. I want to know whether the government members are across that. I want to know whether they are aware that the bill also abolishes the Growth Areas Infrastructure Contribution Hardship Relief Board. Is the member for Mordialloc aware of that, I wonder? He can perhaps explain to me why he does not need to talk to his community about these sorts of things.

**Mary-Anne Thomas** interjected.

**Danny O'BRIEN:** I am actually talking exactly about the bill, Minister. I suspect the minister does not realise there are these other parts of the bill.

**Colin Brooks:** On a point of order, Deputy Speaker, I renew my earlier point of order that I made when the Manager of Opposition Business was on his feet. The member for Gippsland South just said he is talking to the bill, in plain English, so he needs to come back to the very narrow debate that this procedural motion is about.

**The DEPUTY SPEAKER:** The member had strayed into anticipating debate, and I call him back to the procedural motion on the adjournment.

**Danny O'BRIEN:** I am simply highlighting the depth and complexity of this piece of legislation, which I suspect those opposite have not been given. Yes, we got a briefing on the bill, but we were told to keep the bill confidential. It was not until yesterday that the people of Victoria even saw these 85 pages of legislation. Again, I look forward and I really hope that the member for Mordialloc is going to speak next and that he will tell us exactly why all these new taxes need to be rushed through in one day, because still the government members have not said why we need to divert from our standard practice of at least two weeks for the government, for members of the opposition and other members of the house and indeed all the people of Victoria to have their say on this sort of legislation. We know the reality of this. We know that this bill has got in it \$1 billion a year in additional payroll tax. We know there is \$4.7 billion a year in additional revenue through land tax – the renters tax – and we know this is a government that is embarrassed that it messed up the finances and that is why it wants to rush this legislation through.

**Tim RICHARDSON (Mordialloc) (10:27):** Tune into the member for Gippsland South. I mean, we had a procedural debate – I think we have had six so far this week. We have had complaints that there is not enough time for members of Parliament to contribute on behalf of their communities, and yet we had 3 hours before the lunchbreak that was dedicated to procedural motions and members statements yesterday, so it is a bit disingenuous to say that in the adjournment of this, with all the other wasting of time that has gone on, and we should get on with the forms of the Parliament and allow members to contribute. Hopefully we see some of the 19 members of the coalition in this place start to –

**Danny O'Brien** interjected.

**Tim RICHARDSON:** Sorry, you are still in agreement there, member for Gippsland South? I just had you on the hook there. No, the 28 members of the coalition – the nine Nationals and 19 Liberal members.

**A member** interjected.

**Tim RICHARDSON:** Oh, 18, is there? I mean, I know they are busy at the moment figuring out what is going to happen out in the east. Maybe the member for Brighton has got an idea of what is going on.

**James Newbury:** On a point of order, Deputy Speaker, as much as it pains me to ask you to bring the member back to the question at hand, I would ask you to bring him back to the motion before the house.

**The DEPUTY SPEAKER:** I had a feeling you were going to say that. The member for Mordialloc should come back to the procedural debate.

**Tim RICHARDSON:** He jumps on the hook himself.

I also make the point that the member for Gippsland South and the member for Brighton made eloquent contributions. They strayed a little bit from the procedural debate, but they made very good points that sounded like they were very well briefed on this bill. I think the member for Gippsland could give the 30-minute lead-off. That is how impressive it was. The talking points were there. Maybe he will take the lead. For someone who says he has not had enough time to consult or engage, it seems like he is really ready to go on that bill.

So I think the procedural adjournment of this is disingenuous. People are across the details. We saw some significant contributions, albeit short in nature, from the Shadow Treasurer in this place. We saw the Shadow Treasurer; the Leader of the Opposition; and the member for Kew, the Shadow Minister for Finance, making contributions down the road to a smaller crowd at the Enterprise room. Normally they get a little bit more of a turnout – maybe 150. It was modest, but –

**James Newbury:** On a point of order, Speaker, the Deputy Speaker previously ruled that the member return back to the question before the house. The member has strayed quite far and wide from the question before the house, disappointingly, and I would ask you to call him back to the question.

**The SPEAKER:** Order! I have been listening and quite a few members have strayed from the procedural motion before the house, so I remind members that this is a very tight procedural motion.

**Tim RICHARDSON:** We just cannot get away with it now when you are in the chair, Speaker. So we saw technique and we saw strategy around adjourning off procedural matters, which has been used as a bit of a weapon to waste and frustrate the time of the Parliament rather than getting on with the important reforms that the Andrews Labor government is putting forward to this place. To waste 3 hours on procedural motions yesterday really seems to be a tone that is going to be set and an opportunity to put that forward.

We are happy to stand up and have the discussions around whether – if not, maybe – procedural motions should be put forward. It gives an opportunity for us to speak on various things on procedure and debate in here. But we would really love to get into the substance of what these bills mean for our local communities and for every member of Parliament to have that opportunity, because when we have the guillotine of particular debates and they sail up to the Legislative Council, it denies members of Parliament – despite the low second-reading speeches from some members around the Parliament – the opportunity to contribute to their communities. That is why this procedural motion is not the right form to be taking.

**James Newbury:** On a point of order, Speaker, I have had to make this point on a number of occasions in relation to the member embarrassing the Premier for not delivering a second-reading speech, and I would ask you to bring this member back to the question.

**The SPEAKER:** Order! There is no point of order.

**Tim RICHARDSON:** I think it is a fair thing to talk about the reason this course of action should not be taken, because it denies members of Parliament or crossbenchers an opportunity when they have a particular view on a bill or on a particular government agenda that they are putting forward. We do

not see the fourth party in here ever contribute on bills, so it is not really genuine for them in that sort of sense, but we want to see members have that opportunity. We want to see all members afforded that right. We got so tangled in procedural motions yesterday that the member for Brighton had to filibuster his own filibuster and then get another procedural motion up just for a period of time. Then after the lunch break he denied it and said, 'No, no, don't let it sail through,' and there was this awkward silence – a bit like a discussion about who you are going to preselect for Warrandyte – that fell over the place. We did not know where to look, where to turn or what to do. There was that awkward silence like when you do not tell the Leader of the Opposition that you have stepped down – a bit like going straight to the Governor. That is a bit rough. We should not have this procedural motion.

**Jess WILSON** (Kew) (10:32): I would like to say it is a pleasure to rise to speak on this, but I think it reflects the problem we have at the moment of trying to ram through legislation that is going to have a significant impact on the lives of hundreds of thousands of Victorians. Today the government is trying to put forward the State Taxation Acts Amendment Bill 2023 less than 24 hours after it was second read into the house. In fact when we received it yesterday it was still hot – it came off the photocopier still hot. Those that are going to be affected by this bill have not had an opportunity to look at it. Less than one day after it was second read into the Parliament hundreds of thousands of Victorians who will be affected by the rent tax, by the school tax and by the tax on jobs through changes to payroll that will dramatically hurt investment in this state have not had an opportunity to look at this in detail. It affects the ability for those on this side of the house, who actually want to work with Victorians and work with stakeholders, to be able to get across the detail and actually understand the ramifications of this piece of legislation.

The best example of that is this school tax – this hit on what the government says will be 110 unknown schools across Victoria. They were blindsided by the announcement in the budget. There had been no consultation. It will affect up to half of the 230 independent schools in Victoria – independent schools that more than 370,000 Victorian school students go to. They have not had the ability to go through the detail and to understand the ramifications.

**The SPEAKER:** Order! I invite the member to come back to the procedural motion.

**Jess WILSON:** The problem today is that this is being rammed through the Parliament with less than 24 hours notice, without the ability for Victorians to get across the detail. Those on the other side will say, 'Well, you've had the opportunity to be briefed.' Yes, we took that opportunity, as any responsible opposition would do. We got across the detail, but it goes further than just us sitting on this side of the house. There has to be an opportunity for Victorians to look at the detail, because at the end of the day it will be hundreds of thousands of Victorians who are impacted by the state taxation bill. Whether it is through higher rents, whether it is through an increase to school fees or whether it is through a tax on jobs or an inability to employ more Victorians, this piece of legislation will have a direct impact on the lives and livelihoods of Victorians, and it has been less than 24 hours that it has been available to Victorians.

We talk in this place about the need to make sure that we are following convention, and we just heard from the Leader of the House about a new bill that is coming in with 14 days notice. That is what we are asking for, the ability to do what has been done time and time again in this place – to get across the detail, to work with Victorians and to work with stakeholders to actually understand the impact and then come in here and have an informed debate that brings together the views of Victorians right across this state. We are looking at a bill that affects the lives of Victorians with punitive taxes, whether that is a tax on rents or whether this is a tax on schools that is going to affect hundreds of thousands of Victorian school students and hundreds of thousands of hardworking families. This will be rammed through the Parliament and will be guillotined off at the end of today, and there will be no more opportunity to debate this.

Today we have two pieces of legislation before the Parliament that have been given less than 24 hours, the state taxation bill and the Victorian Future Fund Bill 2023. We need to make sure that we are

actually understanding the detail. And what is the reason to ram these through in less than 24 hours? None of these are coming into effect tomorrow. None of these need to be debated in full today and guillotined at the end of today. The future fund was announced in last year's budget, yet here we are today ramming through a piece of legislation, like we did yesterday with the appropriation bills. It is not acceptable that we are in a situation where less than 24 hours after the second reading of a bill it comes into this place without Victorians having the opportunity to look at it.

**James Newbury:** It's outrageous.

**Jess WILSON:** It is simply outrageous, as the member for Brighton is keen to point out. It does not serve our democracy to continuously try to ram through pieces of legislation that will put through punitive taxes on Victorians, will affect the lives of Victorians and will affect the livelihoods of many, many Victorians, their businesses and their ability to choose where they send their kids to school.

**Sarah CONNOLLY (Laverton) (10:37):** It is a pleasure to rise to speak on just another procedural debate here in this place this week. I have to say I do not think I have laughed so much before 11 am here in this house in the past four years as I have this week. It is wonderful to hear that the member for Kew is so passionate about having debate; it is just going to be a very sad time for her when she turns around and looks at the lack of debate that has happened in this house over the past four years. So very few of her colleagues have stood here in this place to debate any bill that this side of the house has put through.

**James Newbury:** On a point of order, Speaker, again, it is a tight procedural debate, and another member is embarrassing the Premier for not having spoken on a second-reading speech. It is just not right.

**The SPEAKER:** Order! There is no point of order.

**Sarah CONNOLLY:** Thank you, Speaker. I feel like if there was an award in this house, the member for Brighton would be taking first place for most improved thespian, really. With the constant cheerleader chants that are going on about new taxes, I do have to wonder if in fact these procedural debates are actually about how many times the member for Brighton can get 'new tax' into *Hansard*, which does go to perhaps a new award being put out about being a cheerleader. But if he does look around, he will find there are not many of his squad sitting here in the house listening to his contribution. I do indeed say it is a narrow procedural debate but always a colourful one when the member for Brighton is involved.

It is always ironic standing here listening to those opposite talk about how intensely they feel about consultation and talking with people in their community and key stakeholders when the member for Mordialloc could not have put it more perfectly in pointing out that not only have those opposite failed to consult with constituents in their own electorates, which is why they are sitting on that side of the house and we continue to sit on this side, but they do indeed fail time and time again to go ahead and consult with some of the most important and key stakeholders here in this state, which is why it is so humorous when those opposite this week continue to raise these procedural debates, complaining that they do not have time not only to read a bill but also to consult, when over the past four years they have never bothered to do any of that.

We are going to be getting on and talking about this bill today. There are many contributions that I know people on this side of the house will be making, but I have to ask myself what few contributions those opposite will indeed partake in in debate on the bill here this week and today. With that contribution, I am going to leave it there so we can get on and do the proper work of the house.

**Assembly divided on motion:**

*Ayes (26):* Brad Battin, Jade Benham, Roma Britnell, Martin Cameron, Chris Crewther, Gabrielle de Vietri, Wayne Farnham, Sam Groth, Sam Hibbins, David Hodgett, Emma Kealy, Tim McCurdy, James Newbury, Danny O'Brien, Michael O'Brien, Kim O'Keeffe, John Pesutto, Tim Read,

Richard Riordan, Brad Rowswell, Ellen Sandell, David Southwick, Bill Tilley, Bridget Vallence, Peter Walsh, Jess Wilson

*Noes (49):* Juliana Addison, Daniel Andrews, Colin Brooks, Josh Bull, Anthony Carbines, Ben Carroll, Darren Cheeseman, Anthony Cianflone, Sarah Connolly, Chris Couzens, Jordan Crugnale, Lily D'Ambrosio, Daniela De Martino, Steve Dimopoulos, Paul Edbrooke, Will Fowles, Matt Fregon, Ella George, Luba Grigorovitch, Bronwyn Halfpenny, Paul Hamer, Martha Haylett, Mathew Hilakari, Melissa Horne, Natalie Hutchins, Lauren Kathage, Sonya Kilkenny, Nathan Lambert, Alison Marchant, Kathleen Matthews-Ward, Steve McGhie, Paul Mercurio, John Mullahy, Tim Pallas, Danny Pearson, Pauline Richards, Tim Richardson, Michaela Settle, Ros Spence, Nick Staikos, Meng Heang Tak, Jackson Taylor, Nina Taylor, Mary-Anne Thomas, Emma Vulin, Iwan Walters, Vicki Ward, Dylan Wight, Belinda Wilson

**Motion defeated.**

**Brad ROWSWELL** (Sandringham) (10:47): I rise to address the State Taxation Acts Amendment Bill 2023, and in doing so the first thing I would like to do is to proffer to the house a bit of a history lesson from over the past couple of days. The opposition first knew that the government was introducing the State Taxation Acts Amendment Bill for its second-reading stage, the stage at which the bill becomes public, just last Thursday, when it appeared on the government business program, as shared with the Manager of Opposition Business. It was at that point that we knew that the government wanted to ram the State Taxation Acts Amendment Bill through this place, and it was at that time that we became particularly concerned about that, because of all the budget bills this one is the one with all the nasties.

After we learned via email that the government wanted to second read this bill and debate it immediately, as on the government business program last Thursday, I contacted the Treasurer's office. I requested a briefing. It is customarily the case for a shadow minister to receive a bill briefing on a piece of legislation that is introduced into this place. I needed to request that briefing, and I am not passing judgement on that. It is just something to note – I needed to ask for that briefing. That briefing was offered at 3 pm on Friday, and I am grateful to the Treasurer's staff and the departmental staff who offered the opposition that briefing. I am grateful to some of my colleagues who joined in that briefing also.

I must say that on Friday also I was provided via the Treasurer's office with what were then the latest versions of both the state tax amendment bill and the Victorian Future Fund Bill 2023. I mention that because in a note from the Treasurer's office which accompanied those bills the following was mentioned:

As these have not yet been second read, they are still Cabinet-in-Confidence, so please don't share with stakeholders.

Again, I am grateful to the Treasurer's office and I am grateful to the departmental staff for the briefing that they gave. I am grateful to the Treasurer's office for providing confidential copies of the State Taxation Acts Amendment Bill and the Victorian Future Fund Bill 2023, but it is not without deep concern, through the prism of openness, through the prism of transparency, through the prism of democracy, that we were not able to consult with stakeholders about the impact of two pretty significant bills – yes, we are talking about the State Taxation Acts Amendment Bill now – because they were still cabinet in confidence at that point. We were asked by the Treasurer's office not to share them with stakeholders.

That actually goes to the point of my budget reply yesterday. We do not do this for us, we do this for the 6.8 million Victorians outside this place, and it is those 6.8 million Victorians who are directly affected by decisions that we make in this place. For us to have a copy of that bill, for the government to instruct us not to share it with stakeholders because at that point it was still considered cabinet in confidence, really grates with me because of the punitive measures in this bill, because of the tax on

schools, because of the tax on jobs, because of the tax on rent, because of Labor's debt tax. As I said yesterday, they are all taxes on aspiration, all taxes on a fair go, and that is why we oppose them. I made that point very clear yesterday.

So I just wanted to start by giving a little bit of a history lesson and expressing the concern of the opposition –

**James Newbury:** Deep concern.

**Brad ROWSWELL:** deep concern of the opposition, thank you, member for Brighton – that we were not able to share this bill with stakeholders, those people who are directly affected by the punitive measures in this bill. That is unheard of; that is absolutely unheard of. But that is the way they run the place, that is the way that they govern. Their respect for this place is just not there – it is just not there. It is executive government or nothing for the Andrews Labor government.

**Roma Britnell:** Their way or the highway.

**Brad ROWSWELL:** Their way or the highway, member for South-West Coast – absolutely. I do want to just briefly mention a couple of the other matters in this bill, and I am sure some of my other colleagues will as well. I am looking forward to the contributions from the member for Gippsland South, the member for Kew, the member for Caulfield and others. I also want to go through some of the responses from stakeholders to the budget and some of the punitive taxation measures in this budget. The Victorian Chamber of Commerce and Industry said that:

... new and increased taxes and levies will hit medium to large businesses and directly impact jobs and investment in the State.

...

Unfortunately, the negative outweighs the positive initiatives for medium and large businesses ...

So by one measure you had the Treasurer in this place yesterday crowing about just how supportive VCCI was in response to the major budget announcement. Gee, they were quiet, weren't they – very quiet – before the budget itself, expectation-managing the circumstances. On budget day itself the government made an announcement about some land tax changes to commercial properties. On budget day itself that announcement was made, and you would think you would have seen some of those matters reflected in the budget itself. No, we did not. The Treasurer just yesterday in question time was crowing about how supportive VCCI was of that particular measure. Yes, they did contribute to that government press release. Yes, they did; they provided a quote. But they have also said:

... new and increased taxes and levies will hit medium to large businesses and directly impact jobs and investment in the State.

...

Unfortunately –

in the words of VCCI –

the negative outweighs the positive initiatives for medium and large businesses ...

The Real Estate Institute of Victoria, representing the real estate industry in this state, referred specifically to land tax increases, and they said:

This is a tax on families – not the big end of town. The Government is seeking to recoup the budget debt off short-term solutions that will hurt mum and dad property investors and Victorian renters, while exacerbating the structural housing supply issues facing the state ...

...

This announcement will ultimately drive mum and dad investors out of the market as the cost of maintaining a rental property outweighs futureproofing family finances.

They went on:

The biggest impact will be felt by people with smaller holdings as the tax free threshold drops from \$300,000 to just \$50,000, disproportionately impacting everyday Victorians investing to secure their future.

The Minerals Council of Australia said:

... the additional payroll tax is a tax increase on Victorian mines comes at a bad time for increasing confidence for new investment in Australian mining. This tax increase will be an additional burden on the very businesses that kept the Australian economy from a prolonged recession as the nation battled COVID.

Just on the point made by the Minerals Council of Australia, I would like to make this point. It should not be news to anyone that the state of the economy is absolutely terrible, with the largest debt of any state in the nation, more than Queensland, New South Wales and Tasmania combined, and the largest tax level per person of any state in the nation, more than \$5600 for every man, woman and child. In this budget we see more taxes and increased taxes, but we still see our net debt increasing to \$171 billion.

Only this government, only the Andrews Labor government, could employ over the next four years 4000 less public servants and have that cost the Victorian taxpayer an additional \$3 billion. Only the Andrews Labor government could achieve something as absurd as that: 4000 less public servants over the next four years costing Victorians \$3 billion more. As the member for Malvern, the former Treasurer of this state, mentioned yesterday, when he delivered his pre-election budget update at the end of 2014, before that election, the public sector wage bill in this state was just \$18 billion, and at the end of the forward estimates it is climbing to \$38 billion, an increase of \$20 billion. The public sector wage bill in this state has doubled –

**Roma Britnell:** More than doubled.

**Brad ROWSWELL:** more than doubled – over the last nine years. Again I make the point, which is an absolutely absurd proposition: 4000 less public servants costing Victorians \$3 billion more. Only the Andrews Labor government could achieve that. The ANZ Banking Group has said that:

This decision places large Victorian employers at a competitive disadvantage to their Sydney and Brisbane-based counterparts. It is at odds –

says ANZ –

with the work we are all trying to do to get Melbourne back on its feet ...

The Australian Industry Group, Ai Group, which is the national association of employers, says:

The Victorian State Budget has delivered stinging costs on Victorian businesses which will impact thousands in the State ...

...

It may not be helpful when companies compare Victoria with other states or countries for their investments.

The Australian Retailers Association says the budget contains some positives for small business, and I do want to come back to that. I can think of one positive for small business, which I am happy to acknowledge and we are happy to concede, and one measure in this bill that is actually good for our environment as well. I am happy to come back and give the government credit for that. But the Australian Retailers Association says the budget:

... contains some positives for small business, but the wider economic implications are concerning ...

While we understand the Government's desire to repay debts accrued during the protracted pandemic lockdowns –

the longest lockdowns in the world –

we're very concerned about the ramifications of payroll tax hikes on businesses. In effect, payroll tax is a tax on jobs.



The cost of doing business is at crisis point for many retailers – from the costs of goods and services to supply chain costs, higher wages, higher rents and costs associated with retail crime.

These new and increased taxes are likely to manifest in job losses –

I will say that again: from the Australian Retailers Association, ‘These new and increased taxes are likely to manifest in job losses’ –

and increased prices for customers which further contributes to the cost of living crisis.

It is just not good news. I wish there was good news, but it is just not good news.

Independent Schools Victoria – ISV – says on the schools tax that the government will seek to refer to the schools tax as ‘the removal of the payroll tax exemption on high fee paying independent schools’. That is a lot of words and is particularly confusing. Let us be real about this: it is a tax on schools. It is a tax on kids. It is a tax on families who are just trying to do their best to give their kids the best start in life. Educational choice is important. Not only do we oppose this particular tax, but we will repeal it in government, and I am very proud of that decision that we have come to. Independent Schools Victoria has said:

The budget decision is likely to affect up to half of the 230 Independent schools in Victoria when it is applied from 2024.

...

This news is a shock to Independent schools and will be greeted with dismay by the parents who send their children to them ...

It was made without consultation and is based on an arbitrary definition of a “high-fee” school.

It is likely to have a damaging impact on the operations of many Independent schools, with the potential to disrupt the education of their students.

And there you have it from Independent Schools Victoria. By one measure we should not be surprised that these decisions were made without consultation with those who are affected. I mean, why would you consult with a group of people that you are about to, frankly, screw over?

**Richard Riordan:** It makes you feel unwell, this budget, doesn’t it?

**Brad ROWSWELL:** It does, actually, member for Polwarth, yes. As I said yesterday, the opposition is here. The opposition is standing up for 6.8 million Victorians. That is why we are here. We are here to stand up for those 6.8 million Victorians, not for ourselves – we are not here for ourselves, we are here for others. And when this Labor government come in and make their poor economic circumstance the problem of those 6.8 million Victorians, well, we are going to stand up, we are going to fight, because that is what is expected of us as an opposition – to hold this Labor government accountable. For the poor economic decisions that they have made –

**A member** interjected.

**Brad ROWSWELL:** I have still got 13 minutes to go, but you will get your turn. Do not worry. For the poor economic decisions that they have made, Victorians should not pay the price. I mean, there are families right around this state every single day of the week making decisions based on their income – making decisions to fix the heater before it gets darned cold over winter, meet their next mortgage repayment or perhaps, as an absolute luxury, take their kids away for a couple of nights during the school holidays. These are real decisions being made around kitchen tables at the moment. In small businesses, as I mentioned yesterday, costs are going up left, right and centre. Highett Charcoal Chicken – I will give them a plug again: the price of chooks is going up, the price of spuds is going up, the price of oil is going up. It is not pretty; it is not pretty out there. And in each of those circumstances, whether you are a family or whether you are a business, you make decisions based on your circumstance. You cut your cloth to fit. But no, no, no, no, no, that is not what the Andrews Labor government does. They keep on taxing more and spending more, and Victorians pay. Every day ending in ‘Y’ Victorians pay the price of the Andrews Labor government.

So I am very proud that we have actually come to a position that we will oppose in this state taxation bill Labor's school tax, Labor's rent tax, Labor's jobs tax and Labor's debt tax – all taxes on aspiration, all taxes on a fair go – because we are for Victorians. That is why we are here. But we will not only oppose these taxes. When in government we will repeal Labor's school tax and we will legislate a state debt cap. That is our commitment to the Victorian people. I do at this point move:

That all the words after 'That' be omitted and replaced with the words 'this house refuses to read this bill until the government:

- (1) provides a viable fiscal strategy for Victoria that will not:
  - (a) increase unemployment;
  - (b) increase the tax burden on families and businesses;
  - (c) put downward pressure on real wage growth; and
  - (d) put downward pressure on investment and jobs growth;
- (2) provides a fiscal strategy to repay \$140 billion in state debt;
- (3) appropriately accounts for \$76 billion in recurrent and capital contingency funding that should be drawn down in lieu of new taxes and tax increases; and
- (4) alleviates cost of living pressures for Victorian families'.

I am grateful to the attendants for making that reasoned amendment available to members in the chamber at the moment. Why am I moving this reasoned amendment on behalf of the opposition? Because in this budget we see that unemployment actually increases. In this budget we see that the tax burden on families increases. We see that real wage growth declines in this budget. And on point 2, 'to repay \$140 billion in state debt', over the next 10 years the government has a plan, so they say, to pay \$31.5 billion, which they attribute to COVID spending, but let us just do the maths on this one. If you have got a net debt of \$171 billion in the outward years and you have got a plan to pay off \$31 billion, you have still got \$140 billion worth of debt that you do not have a plan to pay off, and that means daily interest repayments, today –

**Steve McGhie:** You should have come to breakfast. You would have found out the real figures.

**Brad ROWSWELL:** I was at breakfast, member for Melton. I was listening up the back to the Secretary of the Department of Treasury and Finance, and I was deeply concerned that he appeared to be taking his talking points from the Premier's private office as opposed to what should have been –

*Members interjecting.*

**Brad ROWSWELL:** Yes. So there is no plan to pay off \$140 billion worth of debt, and that means that our daily interest repayments in this state, which are \$10 million a day, each and every day, from 1 July this year will be \$15 million a day, each and every day. And at the end of the four-year forward estimates they will be \$22 million a day, each and every day.

Let me take this opportunity to acknowledge that we have some young people from a school group in the gallery today. And let me address these comments through you to them to explain to them what this actually means. So when your government spend more than they are getting that means that you pay and that means that they borrow money that they cannot afford to borrow. When you borrow money, you have got to pay interest on that money, and when they pay interest on that money, in four years time our state, the state of Victoria, will be paying \$22 million a day in interest repayments just to service the debt.

**Michaela Settle:** On a point of order, Acting Speaker, it is not appropriate to speak to the gallery. I appreciate that he said through the chair, but he was without question acknowledging the gallery.

**The ACTING SPEAKER (Jackson Taylor):** I am happy to rule on the point of order. I uphold the point of order. The member will direct his comments through the Chair.

**Brad ROWSWELL:** I will continue to direct my comments through the Chair and explain that \$22 million a day in interest repayments alone – I mean, you may as well go to an ATM, take out 22 million bucks each and every day, truck it to the front steps of this place and set it alight. In my community, do you know what \$22 million would pay for? Twenty-two million dollars – and that is per day – would pay for stages 2 and 3 of the redevelopment of Sandringham Secondary College. You know, it is a great school in my community, a magnificent school in my community – absolutely fabulous educational leadership. There are great students there, great teachers, great teaching and great learning, but what they do not have are the buildings to match, the facilities to match. I know that \$22 million would be transformational in my community.

Twenty-two million dollars a day would even, I suggest, make a real difference in the member for Eureka's community as well. It would make a real difference in the member for Melton's community. It would make a real difference in the member for Albert Park's community. It would make a real difference in the member for Carrum's community. It would make a real difference in the member for Gippsland South's community, in Mildura and right around this state, but we cannot do that.

This is the missed opportunity piece: when you are paying a daily interest repayment of \$22 million, it means that you cannot do the things that matter. It means that you cannot employ the frontline workers that you need to service this state, to help those most vulnerable. It means that you cannot –

**Michaela Settle** interjected.

**Brad ROWSWELL:** I am tempted to take up the interjection, but I will not. Look, needless to say not only are we intending to move a reasoned amendment, which I have done during the course of this contribution, but also I indicate that the opposition will be opposing the State Taxation Acts Amendment Bill 2023.

I do note, as I flagged previously, that there are two bits in the State Taxation Acts Amendment Bill 2023 that, look, are okay, and I will go through them. The government is lifting the payroll tax threshold from \$700,000 to \$900,000. It would be great if it was lifted further, because it is disproportionate with New South Wales, which is arguably our greatest state competitor. In New South Wales their payroll tax threshold is \$1.2 million. To the government's credit, we are heading in the right direction, but there is still \$300,000 between where they are lifting the payroll tax threshold to and where New South Wales is, and we would like to see that increased. The second thing that we like is the removal of land tax on those properties that are classified 'Trust for Nature'. We think that that would encourage more people to plant trees and that would have a net benefit to our environment. Removing those land tax charges on Trust for Nature properties we think is also a good thing.

But when we weigh up the perhaps two positives in this bill against the many, many negatives that will impact on families at a time when they can least afford it, we have no other choice. We feel we have no other choice but to not just move the reasoned amendment, as I have done, but also oppose this bill. I will conclude where I began, and that is by outlining our purpose here, because our purpose is not ourselves. Our purpose is for people outside of this building – those Victorians who put their faith and trust in us to do work on their behalf in this Parliament. That is why they sent us here. That is why my community sent me here. That is why every other member in this chamber, whether they are on the government benches or the opposition benches, has been sent here, and we must keep that in mind.

When I look at the State Taxation Acts Amendment Bill 2023, I think about those that it impacts the most. I think about those people, whether they be in the gallery today or whether they be some of those most vulnerable people who are looking for nothing more than a roof over their head and the stability that a roof over your head provides. With the measures in this bill their rent is going to go up, and a rent tax is not a good thing for Victorians, especially at this time. I think about the families that will be affected. I think about those businesses that will not grow. I think about those people who will lose their jobs as a result of measures in this bill.

It is not a good bill. It is the wrong bill for this time. What we should be doing is proposing a very strong plan for growth, to engage the private sector so that we can grow as a state, so we can grow as a community, so we can create the opportunities that will benefit every Victorian – create the jobs and create the future that those in the gallery deserve.

**Josh BULL** (Sunbury) (11:17): I am pleased to rise this morning to contribute to debate on the State Taxation Acts Amendment Bill 2023. What a rather extraordinary contribution we have heard from the previous member – all the answers, all the luxury of looking back and pretending the global pandemic did not really exist, that a one-in-100-year pandemic was just a small speed hump. This government, the Andrews Labor government, took decisive action to save lives, to protect our healthcare workforce and to protect jobs – and yes, indeed, it did cost the state a lot of money.

Acting Speaker Taylor, as you know and as Victorians know, last week we handed down the state budget. It was a budget that delivers on every commitment we made at the last election, a budget that builds better hospitals and backs our incredible health workforce with thousands more nurses and paramedics. It is a budget to build new schools, to expand free TAFE, to train thousands of workers so that the SEC can provide cheaper and cleaner energy, and of course, as is the subject of this piece of legislation that is before the house this morning, to reform taxes to help Victorians beat the rising cost of living and importantly to responsibly address our COVID debt within 10 years, by 2033. We know and understand that the COVID-19 pandemic sent shock waves through economies, both big and small, right across the globe. When COVID hit, this government took, as I have mentioned, decisive action, clear action. On the advice of the RBA, we borrowed billions of dollars to prevent that long-term economic scarring that would have put generations of people out of work. This government has a responsible plan to repay the more than \$31 billion to pay for those tools that we used in this state to confront a one-in-100-year emergency and do so many of those things that were required to save lives, to protect healthcare workers and of course to protect jobs.

It is easy for those from the opposition to come into this place over the journey of this bill – and other pieces of legislation that come through the house – to look back and make broad, sweeping assertions about decisions that were made at a time when we knew lives were at stake and jobs were at stake. Our healthcare workforce was under siege every single day through this global pandemic. We know that, unfortunately, those opposite took the opportunity to undermine the health advice that was provided, and now they want to come into this place and make assertions about the way that this bill will responsibly pay back that debt that has been incurred through COVID.

As I mentioned, when the pandemic hit, decisive and determined action was taken to save lives, to protect jobs and to get us through the one-in-100-year event. We knew of course the cost of doing this and the cost of debt borrowings would be significant, but this government is about people. We are about making sure that Victorians, particularly through the pandemic but each and every day, are protected. We prioritised Victorian lives and our healthcare system, and we are now on the other side. We know that COVID is not going away. We know that COVID is here to stay, but thanks to vaccines and a stronger public health system we have seen the worst of it, and it is now time to responsibly pay the debt back in a responsible, fair and appropriate way. We know that the value of the COVID debt is estimated to be, as I mentioned earlier, around \$31.5 billion in expenditure incurred and revenue forgone by the state, net of the Commonwealth government co-contributions, for activities primarily delivered between 2019–20 and 2022–23.

This government – and I have spoken of it at length, as I know other members have in the house – has a strong and broad and positive and bold agenda to deliver infrastructure, huge reforms to early childhood and free TAFE. All of those investments that we make, whether it be the Metro Tunnel, the West Gate Tunnel, the North East Link, getting on and removing 110 dangerous and congested level crossings by 2030 or a massive Suburban Rail Loop – I could go on: a massive agenda, a transformative agenda – are going to set this state up for decades and decades to come. We should not make the mistake, and this government will not make the mistake, of conflating those two figures in terms of our significant once-in-a-generation investment in infrastructure and getting on and doing the

things that a growing state needs and of course huge social services reforms, and COVID debt, which in many ways, as has been mentioned by the Premier, by the Treasurer and by others, is like a credit card debt. It is a debt that was incurred very quickly, a significant debt, but importantly we have got a plan within this piece of legislation and the budget more broadly to get on and to pay it back.

We know that our strong action to protect the health and the livelihoods of Victorians helped shield our state from the very worst of the one-in-100-year event, and it is now time to get on and make sure we are doing the responsible thing in paying that back. Just like with a mortgage, the increase in the cost of borrowing for the state is having real impacts on our financial capacity. We know that we are making sure, through the measures that are contained in this legislation, that there is a sound, there is a responsible and there is an appropriate way to repay that debt.

The bill implements the following through the 2023–24 budget measures, and I will whip through this quite quickly because I am conscious of time: increasing the deduction threshold from \$500,000 to \$1.5 million for transfers of land to the trustee of a special disability trust where it is to be used as a principal place of residence for a principal beneficiary of the trust, introducing a new duty exemption for a transfer of a home from an immediate family member for no consideration to a qualifying person with a disability where it is to be used as that for the qualifying person, reforming the pensioner duty concession and exemption provisions and abolishing duty on business insurance by reducing the applicable duty rate by 1 per cent per annum over a 10-year period. There are a whole range of other measures – many, many measures – but as I said, I am conscious of time and we are heading towards the 2-minute mark.

Broadly, we know that due to a one-in-100-year event in a very short period of time we as a state took decisive action, responsible action, to save lives and protect jobs and that we of course made those decisions to get on and take the necessary action that was required to ensure that we could navigate our way through the pandemic. It has been incredibly framed by those opposite, but having been members of this place during that one-in-100-year event, we know that following health advice, that working with our healthcare workforce, that protecting lives, that saving lives and of course that providing key business support every step of the way were things that this government took incredibly seriously. Through the process of the budget last week we are making sure that responsibly, as I mentioned, and practically, in an appropriate way, we are repaying those debts.

The Andrews Labor government is a government that is about doing what matters. This government did what mattered most in our darkest, our toughest and our hardest hours, days, months and years. We saved lives, we protected our healthcare workforce and importantly, critically, we protected jobs. It is now time to have a plan to pay this debt back, and that is what this bill does. We know that this piece of legislation is fair. We know that this piece of legislation is just. It is time to get on and make these repayments so that we square away the debt that was incurred through COVID. It is important to reflect on the fact that it was always about saving lives and protecting jobs, and that is why I commend the bill to the house.

**Danny O'BRIEN** (Gippsland South) (11:27): I am pleased to rise to speak on the State Taxation Acts Amendment Bill 2023 and to follow the member for Sunbury, who has done a manful job of trying to spin the unspinnable by talking about fairness in a piece of legislation that will actually tax renters and make rents less affordable, tax mums and dads, tax schools, tax jobs. That is what this piece of legislation is really all about.

I particularly want to focus a little on the economic illiteracy that is at play in this particular piece of legislation. Before I do that, though, I want to acknowledge that debt is a fact of life for governments and households. If you want to do things, you often – not always but often – need to actually borrow money to go ahead and do them. Obviously at a state or a federal government level, if you are running surplus budgets, then you can have additional cash to put into infrastructure investments in particular. That is not happening now. We know that this government has sent debt through the roof. What is not acceptable in my mind is to waste taxpayers money and to shackle future generations to massive

amounts of debt repayments and interest repayments when so much of that money has gone on wasteful spending. We know the infrastructure Big Build has become well and truly the big bill – \$30 billion of cost overruns on those projects that we know about, and probably more to come. So that is the debt that we are concerned about: unproductive debt that has been wasted and will be a yoke around the neck of Victorians for many years into the future.

I do want to take up some of the measures in the budget and the Treasurer's justification for them. The Treasurer yesterday told us in question time that:

At the risk of taking the Shadow Treasurer through market economics 101, I will make the basic point that the price of rental accommodation ... is a consequence of the issue of supply and demand.

He went on to say that we have got:

... the metropolitan Melbourne market running at about 1.2 per cent vacancy, clearly we are in a position where it is a landlords market.

I have perhaps the slight advantage over the Treasurer in that despite the fact he has got the entire Department of Treasury and Finance behind him, I have actually done an economics degree. I have done economics 101 – and 201 and many others. I know from maths, and most people who have got half an idea about economics understand, that if you add a tax to a product that is already in high demand, all that is going to happen –

**Jess Wilson:** It's going to go up.

**Danny O'BRIEN:** thank you, member for Kew – is the people paying that tax are going to pass it on to the final customer. And who is the final customer – the renter. So in the midst of a rental crisis, of a housing affordability crisis, of people struggling to be able to buy their own property, of people struggling to be able to find rent and literally to be able to find rental properties at all and of people coming to our electorate offices all the time seeking help with public housing as well, what does the government do – it places a new tax on renters. That is just unbelievable.

They are doing that because we are going to see debt interest payments heading for \$22 million a day, as the Shadow Treasurer indicated. That will see by the end of the forward estimates total debt at 24.5 per cent of gross state product. Bear in mind in 2018 it was 6 per cent, and the government a couple of days out from the 2018 election said 'We're going to double it to 12 per cent of GSP', and here we are now heading for 24.5 per cent. So state debt as a percentage of the product that we produce in this state will have quadrupled in about 10 years. That is the issue that we are facing here. It is a massive, massive increase, and the member for Sunbury is running the government's line that this is just COVID; it just happened because we had to deal with a once-in-100-year pandemic. Well, everyone knows that, but does anyone remember: did COVID only happen here in Victoria?

**A member:** Yes, apparently.

**Danny O'BRIEN:** It only happened here in Victoria. Right. I thought by definition 'pandemic' actually means it happened across the world. So a pandemic happened across the world, yet we are heading for \$171 billion in debt. If it was just COVID that had caused this debt, we would not have a debt that is larger than New South Wales, Queensland and Tasmania put together. The *Age* belled the cat on it very well last week by highlighting that of 17 similar-sized states across the world, no-one has a debt higher than Victoria. So please do not try and tell me 'This is just a COVID debt; this was about keeping you safe.' The government messed up COVID, because if it was about keeping us safe, why did we have the most deaths, the most cases, the longest lockdowns in the world and now the worst fiscal position? Because the government messed it up. That is what we are facing in this piece of legislation. We are facing the bill for the government's economic mismanagement.

It is easy to stand there and say it was about saving lives and everything. I remember being an observer as we were going into various lockdowns and the government saying – this is towards the 2021

lockdowns, when everyone else was starting to get it under control – ‘We’re going into lockdown for five days, but there’ll be a \$10 billion’ –

*Members interjecting.*

**Danny O’Brien:** Do you want to talk about New South Wales again? Do you want me to remind you that the debt that you have given Victorians is larger than New South Wales, Queensland and Tasmania put together? So do not try and compare yourself to New South Wales. You had more deaths; you had more cases. It is a very inconvenient fact that the members of the government seem to forget. We had the government saying, ‘But it’s okay, businesses. I know we’re going to shut you down for another 10 days. Here’s \$10 billion to compensate.’ And now we are saying that somehow we have just got to pay all of that back – it was not our fault.

I was thinking at the time, and I had businesses come to me at the time saying, ‘Thank God we’ve got this money coming forward, but oh my God, who’s going to pay it back?’ Well, here it is. Now we are paying the debt for that. Remember it is \$171 billion of debt that we are talking about, and you are only saying that COVID was \$31 billion. So please remember to talk about the other \$140 billion. I hope you will get to that at some point, because the government has messed this up. As I said, it is 24.5 per cent of GSP, our debt now – higher than the Cain–Kirner government, and we know how well that ended.

So we get what we have here today, which is a piece of legislation that is introducing a rent tax at a time when we have already got a rental and housing affordability crisis. It is a government that is introducing a new schools tax and obviously playing a little bit of culture war and class warfare as well. We have a jobs tax. I will go to some of the comments that have been made by some – and I am sure those opposite will not like to hear these. The Australian Industry Group said:

The Victorian State Budget has delivered stinging costs on Victorian businesses ...

...

It may not be helpful when companies compare Victoria with other states or countries for their investments.

**Jess Wilson** interjected.

**Danny O’Brien:** What do those investments bring, member for Kew? They bring jobs. The Australian Retailers Association said:

The cost of doing business is at crisis point for many retailers ...

These new and increased taxes are likely to manifest in job losses and increased prices for customers which further contributes to the cost of living crisis.

That is the Australian Retailers Association. I wonder what the shoppies are saying about that. Are the shoppies getting up and saying, ‘We’re worried about our workers’ jobs?’ You have got the Community Housing Industry Association – again coming to my point about housing and renters – saying:

A 10-year plan to repay the debt from Victoria’s pandemic response is central to this budget, however, the same consideration and long-term thinking is not applied to our state’s housing crisis ...

Moody’s – which is obviously the subject really of the next piece of legislation, the Victorian Future Fund Bill 2023, which we are doing to keep the ratings agencies happy – said, and I quote:

... we do not expect Victoria’s debt burden to stabilise before the end of fiscal 2028, maintaining negative pressure on the state’s rating.

That probably gets to the heart of this budget. It is a budget with a COVID debt repayment plan that does not actually repay any debt – we still see our debt increasing from \$165 billion to \$171 billion. And who is paying for that? Victorians are paying for it. Victorians and regional Victorians will pay for this mismanagement that the government has seen over a long period of time, and I remind those opposite again that the government’s debt budget had gone into deficit before COVID even reached these shores. It is a symptom of the mismanagement that this government has had, the waste in

infrastructure projects, the mismanagement of COVID, and now it is Victorians who are getting the bill because Labor has sent this state broke.

**Nathan LAMBERT** (Preston) (11:37): I rise to also contribute to the debate on the State Taxation Acts Amendment Bill 2023, which of course implements important aspects of this Labor government's 2023–24 state budget. I would like to begin, like the member for Sunbury, by just addressing the context by which that state budget and indeed this bill have arrived to us. We still are very much living in an era that is influenced by the COVID-19 pandemic. We have gotten through the most difficult period when the pandemic was new, but we are very much still dealing with the aftershocks in our economy and indeed in the management of the state government's finances.

But if we do think back to that period of 2020, I think it is worth recapping, as the member for Sunbury did, the very significant obviously health impacts on our society but also the economic impacts. We had a very sharp contraction in that June quarter in particular of 8.2 per cent. We saw almost a quarter of a million Victorians lose their jobs during that period in 2020. And we saw similar effects around the globe – huge disruptions to trade, huge disruptions to shipping. And as well as that very sharp contraction in confidence and activity in the private sector we had very abrupt demands placed on the public sector. I do remember them well. I was working in the public service at the time. I remember that the then secretary of the department I was in, Simon Phemister, put a single executive onto the COVID-19 pandemic in early February, and I remember some of us thinking, 'Oh, I wonder what that's about'. Within a matter of 10 weeks, I think, roughly 50 per cent of the senior executive service level people in the department were working on COVID-related things – because we had to. Almost every industry, every stakeholder group, was calling us and saying what do we do as the first-order and then second-order effects of this pandemic rolled out across the state.

I do not think we should forget how tumultuous that period was: the changes to our migration flows, the RBA slashing rates to 0.1 per cent and the very decisive action taken by this Labor government – very decisive and very necessary action, as the member for Sunbury has already outlined. We had some very large expenditures on things that we needed to spend money on to address the pandemic: testing centres and intensive care beds and eventually vaccines and so forth. And of course we had some very large transfers to businesses and households. Effectively the government said 'We will shoulder the majority of the costs that the pandemic is imposing on you' for the majority of businesses and households. That was the right thing to do. It still is the right thing to do. And as we have noted, there is now \$30 billion worth of liabilities on the government's books that reflect those decisions – and decisions that we on this side of the house absolutely stand by.

The member for Gippsland South did sort of ask us to get to the infrastructure program as well, and I will if I can. We did at the time already have a nation-leading infrastructure program in place, and I remember reading I think it might have been Larry Summers writing that at that point you had very low interest rates, you had spare capacity in the economy, you had an urgent need for infrastructure around the globe and it was a time for governments to invest in infrastructure. Luckily here in Victoria we did not have to look far for good infrastructure projects to invest in because we had a whole bunch of them underway – of course the Level Crossing Removal Project, the Metro Tunnel and everything we were doing in health and education at the time. We had a decision: do we step that infrastructure program up or do we wind it back? We decided, and it was the right decision, to support confidence and support activity by stepping up our infrastructure program up.

**Sam Groth** interjected.

**Nathan LAMBERT:** And by stepping them up at this time, to take the interjection from the member for Nepean, I am very specifically talking about late 2020. Of course we even added, as the member for Nepean might remember, the Big Build to the infrastructure build, a fantastic program. So that was the plan back then and it is the plan that we have stuck to, because it was still the plan in 2021 and it was still the plan in 2022. I think it is important to remember that –



**Sam Groth** interjected.

**Nathan LAMBERT:** Exactly, and I will come to that, member for Nepean. For the last three budgets that we have brought down, the pandemic was not over. Some people have short memories, but if you think back even 12 months ago, we still had 10,000 cases a day. I got COVID about 12 months ago. I remember it quite well. We were all still unsure about omicron. We had our pandemic repair plan just beginning to roll out in hospitals. But it is only really this budget that allows us to begin to cautiously draw a line under that period.

**Sam Groth** interjected.

**Nathan LAMBERT:** To pick up, if I can, on the interjections of the member for Nepean, this is a budget now that begins a cautious change in direction. It is the right time to do so, but it is a cautious change and it is a measured change, and that is for good reason. We are not standing up here pretending that everything is perfect and rosy in the economy. There are still real constraints out there. There are still adjustments related to COVID moving their way through the economy. There are very real pressures on Victorians and their families, and there are of course sharply increased interest rates, which nobody really anticipated. Financial markets did not anticipate them, but they are certainly present.

**Sam Groth** interjected.

**Nathan LAMBERT:** Well, in fairness to the interjections that are coming through, let me just say you could have made a lot of money if you knew that interest rates were going to jump up to what they are now. You could have shorted bonds. I am not sure if anyone on the opposition side did, but I will say it again: I do not think that those changes were necessarily anticipated by anyone, including those in financial markets.

So you can see in this budget a very measured and sensible response to that set of circumstances. You can see it in the budget-to-budget profile of infrastructure spending, which has come down; ditto for net debt, which has come down; and of course you can see it in the taxation aggregates, which do step up, and step up for very good reasons that the Treasurer has set out and the member for Sunbury has set out. Indeed that brings us to the reason for this bill. There are some very positive reforms in there, which I might not get time to get to –

**Sam Groth** interjected.

**Nathan LAMBERT:** Well, the member for Sandringham actually padded out the end of his speech by flagging a couple. I am sure the member for Nepean and others will get to them. But no, I do want to talk about the impetus for the bill and the important part of the debate, which is the COVID debt repayment plan. There are some payroll surcharges there, which are set out in the bill, and there are the new land tax changes at the new thresholds of \$50,000 and \$100,000. It is important to say that nobody gets into public life to increase the thresholds on land tax or payroll tax. None of us did that, but we are doing it because we have to. We are doing it because of the circumstances that I have just set out.

I have listened very carefully to the debate. I did listen to the Shadow Treasurer's speech. It did not take too long to listen to. I am not sure he quite got to 30 minutes; in fact he was padding things out a little earlier. But I did listen to it, and it reminded me slightly of a quote that I think Matthew Taylor in Tony Blair's office once said to me. We were talking about opinion polling, and he said, 'Polling is a wonderful thing. It tells you exactly what the public want. They want Swedish-style services and US-style taxes.' There is a certain bit of truth to that, and there was a little bit of that I thought in the Shadow Treasurer's speech, in which he basically said, 'Well, we're going to have fantastic, better services and we're going to have lower taxes as well.' There was very little in the way of actual engagement with the context that I and the member for Sunbury have been through as to how we got here, and there was very little detail full stop.

Earlier this morning we even had the Shadow Treasurer reading out stakeholder reactions to get his way through the final bit of his 30 minutes. The only thing specific that he said, and I will give this for the benefit of the member for Kew, was:

We say to millions of Victorian families: under the Liberal–Nationals you will be literally thousands of dollars better off every single year.

That is a big claim. I look forward to the sort of implied \$5 billion worth of tax cuts that I reckon are in delivering thousands of dollars of cuts for millions of Victorian families, and I really do think there is an imperative on the Shadow Treasurer to explain how he is going to address revenue. Should he ever become the Treasurer or indeed should the member for Nepean or member for Kew become the Treasurer, they will have to explain what they are going to do on the revenue front. It is very clear that they are not planning to increase borrowing, and the only thing they have really spoken about in any detail is project blowouts and so forth. I do not really want to accept the premise of that, but even on a basic accounting thing –

**Sam Groth** interjected.

**Nathan LAMBERT:** Well, member for Nepean, if you lower your revenue by \$5 billion, you are going to have a structural deficit that you will have to deal with in ways that are not related to your balance sheet.

Anyway, this is a good, measured bill, given our economic context, and genuinely, listening to the debate, I do not think the opposition really disagree with the vast majority of it. We have a disagreement on non-government schools that others have already picked up on, but there are a lot of good reforms in this bill. I said the member for Sunbury mentioned some and the member for Sandringham acknowledged some. I would like to just wrap up by thanking the Treasurer, his team and the department for all the work they put into it. It is a detailed bill, it is an important bill, it is a measured bill. It is a very Labor bill, I feel.

**A member:** That is so true. You couldn't speak a truer word.

**Nathan LAMBERT:** It is a good Labor bill that does good things, and I commend it to the house.

**Jess WILSON (Kew) (11:47):** I would like to thank the member for Preston for a very engaging contribution to the house. I stand pleased to speak on the State Taxation Acts Amendment Bill 2023 today and to support the member for Sandringham's, the Shadow Treasurer's, reasoned amendment he put to this place earlier this morning.

As we have seen and as we have spoken about at length over the last couple of days, this is a piece of legislation that has come into the Parliament without the due process that you would hope a piece of taxation legislation would have around it. It was second read yesterday, and less than a day later we are debating it and it is to be guillotined later today. So Victorians will not have had an opportunity to look at the detail and to understand the ramifications of a range of new punitive taxes on them, on their jobs, on their schools, on their rents and on their livelihoods.

We have seen from those opposite a budget handed down last week that is sending Victoria in the wrong direction. Despite claims from those opposite that we now have a budget that is looking at paying down debt, over the next three years we are going to see \$7.5 billion come in in revenue, yet there is \$8.9 billion in new spending. That is despite the fact that in the piece of legislation we are talking about today we are seeing a range of new punitive taxes: a tax on rents, a tax on schools, a tax on property, a tax on enterprise and a tax on jobs. These are all taxes on aspiration, on choice and on enterprise. We see a budget that sees us go deeper into deficits and debt climbing, reaching \$171 billion in just a few years: a 47 per cent increase despite the fact we are seeing this range of new taxes come into place and revenue measures come into place.

To start with the tax on renters and the flow-on consequences for those in the rental market, we are in the midst of a rental crisis, a housing affordability crisis. I know the member for Mildura takes this very

seriously. We have seen in her electorate, in Robinvale and Mildura, the impact of the housing affordability crisis. There is no relief for housing affordability in this budget, but there is a new tax on renters at a time when we have a rental crisis. Changing the threshold from \$300,000 down to \$50,000 on low-value and medium-value properties is something that is going to hit people, with Victorians that work incredibly hard to save for property, maybe for their retirement or to put their nest egg into the stable property market, taxed and punished for that sense of aspiration and that sense of working hard.

We have over 860,000 investment property owners in Victoria, and 380,000 of those have not been subject to this tax before. But because this government has chosen to lower the threshold at a time when we do not have enough supply in the rental market and when we have a demand-and-supply problem, as the member for Gippsland South rightly pointed out, this government has decided to put a tax on property owners and for that tax to be passed through to renters because they cannot keep up with this cost-of-living crisis. When we look at those people who have an additional property, 52 per cent only own one additional property, and that 52 per cent have an average income of less than \$100,000. So while those opposite like to talk about this hitting those wealthy landlords, we are talking about mum-and-dad investors, a nurse or a tradie or a firey, who have saved hard to put their retirement, their super in a sense, into property –

**Jade Benham:** So they can be self-funded retirees.

**Jess WILSON:** So they can be self-funded retirees, as the member for Mildura points out. If you look at what CPA Australia has said about the Labor government's tax, this is really going to be an attack on middle-class Australians who are investing for their future:

Many landlords will be unable to afford this additional cost.

And that is certainly the case. We are already hearing from real estate agents about property owners coming to them asking for appraisals because they cannot take another hit. That will have a flow-on consequence for the rental market. We will see fewer properties available to the rental market. We will see less supply, which will only serve to hike up rents.

Then of course, as I have spoken about previously, we have a tax on schools in this budget, a tax on education, overthrowing what have been decades of exemptions around taxing education in this country and in this state.

**Jade Benham:** The Education State.

**Jess WILSON:** Indeed, this government likes to point to us being the Education State, but in this budget we have a tax on independent schools that will flow through directly to school fees or put teachers at risk at these schools. At the same time we have a state government education system that is the most expensive of any in the country – over \$100,000 to send your child to a government school in Victoria, the highest of any state or territory in this country. But this independent schools tax is clearly designed to divide people. It is clearly designed to make it harder for parents to choose where they send their children to school, to a school that reflects their faith and their values, and put through division in our society and pit people against one another. We do not know who these 110 schools will be. There is no guidance from the Minister for Education. The minister yesterday failed to answer basic questions about the application of the tax and which schools will be included in the tax. This is going to cost 110 schools around \$1 million a year, which will flow through directly into school fees, and we are looking at increases of around \$1000 per child per year to send your kids to a school of your choice. This of course will disproportionately affect the schools in the electorate of Kew. We have many wonderful independent schools and many families locally that work incredibly hard. Some parents work purely to put their entire salary into sending their kids to these independent schools, taking pressure off the state system, and they are being punished and taxed by this budget.

Not only do we have a tax on rents and a tax on schools, but of course we have a tax on jobs, with a hike in payroll tax to pay for the debt that is climbing from those opposite. Those opposite like to point to the fact that it is only COVID debt, so it does not really count. Well, it does count. We have to pay

it back, and as the member for Gippsland South made the point, debt in itself is not the problem. We all take out a mortgage. We all understand that you have to be able to fund decisions you want to make, whether that is around property or whatever it may be – investing in infrastructure. But when debt gets out of control – and in just a few years time we will be paying \$22 million a day to service that debt – that is when we are in a situation in this state where we are going down the track of not being able to fund essential services.

What we see in this budget is a tax on jobs, a tax on the ability to attract investment to Victoria. Just today we have seen one of Australia's largest employers and one of Victoria's largest employers, Wesfarmers, come out, calling out the Victorian budget and saying:

The other challenge to call out is what we've seen in Victoria. We're at a time where we're trying to increase wages and improve productivity [and] the Victorian government has just taken essentially a billion dollars that could have otherwise been spent on increasing wages ...

That is the impact of a tax on business in this state. Businesses in this state have been hit over the last few years. They have been hit with closures because of COVID, and now they are being told they have to pay the bill for this government's incompetence. We know the COVID debt from those opposite is only a fraction of the debt in this state. It is only a quarter of the debt in this state. They like to point to just COVID debt, but we have got \$171 billion worth of debt in the next few years.

The Treasurer likes to point to some of the industry groups that have, here and there, said a few comments about the budget, and yesterday he quoted from the Victorian Chamber of Commerce and Industry. Just pointing to the Victorian Chamber of Commerce and Industry now, they said:

... new and increased taxes and levies will hit medium to large businesses and directly impact jobs and investment in the State.

...

Unfortunately, the negative outweighs the positive initiatives for medium and large businesses ...

Those opposite like to pit small and medium and big business against each other, but business is an ecosystem. Big businesses rely on small businesses like small businesses rely on big businesses. These businesses need to work together. We need big businesses investing in this state to create jobs and to create supply chains for small businesses. An increase in the rate of payroll tax will only impact jobs. This is a budget that hits Victorians. This is a budget that does not put the state on the right track, and it is a budget that is the consequence of this state going broke.

**Tim RICHARDSON** (Mordialloc) (11:57): 'The more debt and deficit is the price of saving livelihoods': who said those immortal words in 2020? It was none other than the political idol of the member for Kew and the doubles tennis buddy champion of the member for Nepean, Josh Frydenberg. Those words acknowledged that we needed to go into debt to save Victorians and indeed save the livelihoods of people around our nation. We have had such a straw-person argument and really cheap budget reply speeches that I thought they would be a little better from the member for Sandringham and the member for Kew. You cannot front up with the same lines that were re-run last time. You cannot front up with the 'debt and deficit' that was run, get a 56-seat result – get pummelled – have your primary drop to historically low levels and then re-run the same arguments and say that we are off a cliff and this is happening and that is happening.

Well, what did your political idol take us to? What did the federal Treasurer Jim Chalmers have to turn the screws on federal? The federal net debt to GDP is 34 per cent, rising to 40 per cent over the forward estimates – 34 per cent gross domestic product rising to 40 per cent. The state net debt to gross state product is 19 per cent, rising to 24.6 per cent. So are they reflecting on the legacy of their political idols? I do not know where the member for Sandringham lines up with the former Treasurer, but the member for Kew and the member for Nepean, where do they stand on trashing Josh Frydenberg's legacy and the debt that was presided over federally? Because when you line up those arguments and narratives, they are a deep reflection on where the national cabinet, and the leadership of premiers and chief

ministers and Prime Minister Malcolm Turnbull and Treasurer Josh Frydenberg, took our states and our nation in the protection of jobs and livelihoods and in literally saving lives, as Josh Frydenberg said.

That is an important reflection when we then also look at former Premier of New South Wales Premier Perrottet's comments. What did the Premier say at the time about infrastructure spends?

With a building boom in new infrastructure on Australia's east coast pitting states against each other, Premier Dominic Perrottet said it was "OK" if costs increased from estimates at the start of projects.

He went on to say:

We are talking increases and that's not unique to NSW – it's happening right across the eastern seaboard ... We have a duty to make sure we get our projects built that are value for taxpayers, but ultimately, we've got to keep going.

So when you have those kinds of comments, when you have a national approach, the cheap argument that you front up with, talking about debt and deficit, and not having an alternative is such a cheap approach to politics. It is why they are in that political ruin, because Victorians see through it. They see through the simplistic arguments.

What would the opposition have done differently? We took on that debt to protect Victorians. Are they saying they would not have acted? Are they saying they would not have protected businesses and livelihoods? Are they saying they would not have protected jobs during that time? Victoria is the engine room of the nation's economy. We created half the jobs of the nation leading into the pandemic, and we have the recipe and all the ingredients to surge further again as the best state in the nation, as the engine room of the nation's economy and the most livable, culturally diverse and attractive city and state for investment. That is the recipe that we have got.

You talk down our economy and simplistically pick out lines in Treasury speeches, not getting to your 30 minutes but giving a 16- to 20-minute summation of key lines that does not offer an alternative to Victorians. I mean, seriously, the member for Malvern at least has the depth to come in and say what he would actually do differently. What do the member for Kew and the member for Sandringham say? They say, 'Oh, we shouldn't look at revenue. We shouldn't consider increasing revenue.'

When the member for Sandringham had his chance, his moment in the sun – his opposition leader prospect – he was on Channel 7 having a long-form chat. You know, he is good at a grab, he is good for a 30-second piece, but for 4 minutes and 30 seconds, no good. I think it was Mike Bowers – no, it was not Mike Bowers, that is *Talking Pictures*. It was the chap who got hit by a skateboard, the Channel 7 journo who is now the anchor on afternoons, who asked the member for Sandringham in that moment, 'Well, what would you do differently?' He said, 'Uh, we wouldn't have cost blowouts. Uh, we would run it better.' I think he forgets. He might have been with some of the Institute of Public Affairs legends and going through different things about how government should be small and getting away from things, but he forgets that they did not deliver one infrastructure project. They do not have any credibility in building our state. Not one new school build was open when we came to government – not anything. You cannot fancifully say, 'Oh, we would do it better.' Victorians see through that argument. They want alternatives.

If you are not going to have a revenue stream, if you are not going to have a \$31.5 billion COVID debt recovery scheme, then what would you cut? We know that they go after the most vulnerable in our community. When given the chance, they come after working Victorians and those that cannot afford to make ends meet, because in the small government view those people are irrelevant. Free Fruit Friday, literally feeding kids who could not feed themselves, was a budget line item. It was not even a couple of mill, and bang – they went after the most vulnerable kids in our community when they cut health and education services.

We hear 'No, we are not going to raise that revenue', but during the state campaign they made \$28 billion of funding commitments. They were going to privatise poo. That was one thing that they were going to do. That was the depth of their policy in that time. Sewage was in the revenue

scheme. That was the idea that was put forward. The coalition took forward – drastically outspending Andrews Labor government election commitments – \$28 billion of commitments, and Victorians saw through it. They knew it was an absolutely fanciful effort.

So maybe when they are down at the enterprise club with 150 legends and offering up free tables, they can be honest with people, show a bit of depth and a bit of policy nous and say, ‘What would you do differently?’ If you are forgoing those revenue streams, what revenue would you increase? Or are you saying, ‘Nothing. No new taxes, no nothing, no revenue at all?’ That is a \$31.5 billion hole in the state’s economy, and we know what that means. That means cuts, that means closures, that means absolutely going after people that rely on the services of government.

We know that the member has had these wonderful moments. His first speech was very grand. There was a great crew, a huge turn-up in the chamber. It was a really good speech, delivered well, but he then said, ‘Governments should get out of the way. We should have small government.’ When his first question offered up in the place was saying, ‘Oh, we need government intervention in the port of Davis. When market failure hits, we need government intervention.’ I could not believe it. I thought, ‘Have we won Kew?’ I thought goodness me –

**Brad Rowswell:** On a point of order, Deputy Speaker, I would love the member for Mordialloc to give us a precise reference in the State Taxation Acts Amendment Bill 2023 as to –

**The DEPUTY SPEAKER:** Your point of order is, member for Sandringham? Your point of order is on –

**Brad Rowswell:** Is relevance, quite clearly.

**The DEPUTY SPEAKER:** Relevance, thank you. It has been a very wideranging debate, and I encourage the member to continue on the State Taxation Acts Amendment Bill 2023.

**Tim RICHARDSON:** You can see why they call him the poor version of Mordi, can’t you? We get mixed up from time to time. He just did not have it. He had the point of order. I mean, the member for Brighton could have had a crack. Maybe you need to fix it up with the member for Brighton, who keeps filibustering you. This is an important bill around the revenue and the emergency measures – which are temporary – that we are putting in place to make sure that we can pay down debt, and that is important. When we contrast that, 19 per cent of state domestic product has gone up to 24.6 per cent, and then what Jim Chalmers as federal Treasurer has had to preside over is 34 per cent to 40 per cent of gross domestic product.

You cannot come in with your cheap lines on debt and deficit and then not tell Victorians what you would do differently. This bill owns that. You cannot come in and say ‘Oh, the interest bill per day’ and use that as a reference but then not also say what you would have done to avoid that impact. That means you would not have funded the billions of COVID tests that we had to put in place. It means you would not have put all that investment into our health services and supported our nurses, our paramedics and those that are on the front line supporting our communities. You are in direct contrast to the federal coalition strategy at the time through national cabinet.

You know what – Victorians are smarter than that. If you want to raise the standards in debate, if you want to be taken seriously as an opposition party, talk about alternatives and talk about the journey and the investment that needs to be made. We owe it to ourselves and our community to do just that. That is what Victorians expect, and that is why at this election they resoundingly re-elected an Andrews Labor government with a positive and optimistic plan, with a recipe like no other, for creating jobs and investment across our nation. We have the greatest recipe for success for tourism, our cultural events, our sporting communities and every beautiful part of our state across Victoria. We do not talk down our economy; we do not talk down Victorians like those opposite have done for years. We pump up the aspiration of our communities, and that is why so many people have had jobs created. Hundreds

of thousands of jobs are here today because of the investments that the Andrews Labor government have made.

The member for Sandringham can say, 'We need less spending, we need to increase revenue – with no plan – and then create new jobs.' But do you know what – I will give you a how-to-vote card for the Andrews Labor government, because we have delivered each and every time for Victorians. It is why we have been endorsed resoundingly, and it is why these measures are so important as we pay down the COVID debt and make sure we have a sustainable future for our communities.

**The DEPUTY SPEAKER:** Order! Before I call the member, I encourage members to not use the word 'you' as it reflects on the Chair.

**David SOUTHWICK** (Caulfield) (12:07): Well, I will give one word that would actually repair this budget, that would ensure that we actually get Victoria back on track, and it is very, very simple: it is 'confidence'. That is what Victoria needs. That is what Victoria will actually benefit from and that Victorians will benefit from, because if you have confidence, people will invest in this state and not leave it. We saw during COVID the record amount of people that actually left the state, the record amount of businesses that left the state, and I would have thought that this particular budget, with an opportunity to look at taxation and ours being the highest taxing state in the nation, would reverse that to become more affordable, to become one with the least amount of taxation and to turn things around. It would give that confidence that many small businesses need and that many young people starting a family need and that would create the entrepreneurial opportunity that Victorians desperately are striving for.

Unfortunately, as per the DNA of the Andrews Labor government, it is actually doing quite the opposite. It is about attacking people for having a go, it is about attacking people that are actually working hard. Rather than putting people up and saying good on you and giving them a bit of a pat on the back for working hard and having a little bit of a go at achieving, it is actually targeting them and saying, 'You know what – we're going to tax you.' And this taxation bill does it. It does it with a schools tax, a rent tax and a job tax. There is a schools tax for the first time in Victoria's history, which actually sees schools quarantined off like humanitarian foundations. They are quarantined off to say, 'We're not going to target schools –

**Brad Rowswell:** A hundred-year principle in this state.

**David SOUTHWICK:** It is a hundred-year principle that we were not going to change. We were going to ensure that we would practise what is on our licence plate, and that is being the Education State. Well, how can you be the Education State when you are taxing schools? This government makes the assumption that anyone that does not go to a government school is rich, has plenty of money – let us just have a crack at them. I am going to continue saying this until my lips bleed, because I can tell any of the Labor members that would like to come on down to visit my electorate and talk to many of the schools that literally for many kids who go to those schools it is not a choice; it is actually what they have to do. For many from a faith and religious background, many of those schools have up to 85 per cent of those kids subsidised to go. Many of those schools run all kinds of different activities just to be able to ensure those kids can actually get a Jewish education. We are still unsure about this taxation and whether the fundraising activities to provide those kids the opportunity in a subsidised way – whether payroll tax, effectively \$1000 per child – would apply to them. This is going to be really difficult for many of those schools because what are their choices? In some instances in the public system there is a choice. But in their instance, the choice is very, very limited.

So I will be advocating very strongly for many of those schools that are struggling, many of the Catholic schools that are struggling and many of the other independent schools that have kids whose families are really going without so many other things just because they have a choice in their education. So it is a poor tax. It is a tax that is very short-sighted, and it is not giving people choice. What it ultimately does is impact the public system, because when you take kids out of a private school

and put them in a public system that is already overburdened, what you end up doing is impacting that in terms of being able to afford to do that.

We are already seeing the actual costs: the highest costs in terms of our public school education of any state. That will further impact them; there is no question. I have got many of my schools, primary schools in my electorate, that are already at capacity. They already have a limit in terms of what they can take within the jurisdiction of where the school is, the boundary of where the school is. They will not be able to take more kids, so it is very much a short-sighted tax.

On the rent tax, we know housing affordability is absolutely at breaking point. We have so many people that are missing out on housing. The idea about being able to grow housing is to build more and encourage people to actually invest in more housing to ensure we put more into the market. That is the easiest way to do things – not in a short-sighted manner. Many people that I have spoken to that have got, effectively, their second home as an investment are simply just saying, ‘You know what, when it hits the threshold and when it does not make sense anymore to keep it, what we do is off we go, we off-load it.’ Many of those properties end up in a whole range of different situations that do not end up in the affordable manner which they need to be. We need more stock. We need more investment. We need more people encouraged to actually make the sacrifices. People think: ‘A second home – well, those people are just absolutely cruising. They’re driving their Ferraris, and everything is really good.’ I know most people that have actually invested in a second property are going without just to ensure that they can get by and that one day that will be their retirement plan. That is their choice, and it is absolutely fair enough. They are paying their tax. But when you are lowering it down to a threshold, as we are at the moment – and do not rely on just me saying that; listen to the Real Estate Institute of Victoria, which says the land tax increase:

... is a tax on families – not the big end of town. The Government is seeking to recoup the budget debt off short-term solutions that will hurt mum and dad property investors and Victorian renters, while ...

there are structural supply issues facing the state. Particularly when you are dropping the threshold from \$300,000 to \$50,000 – these are not big, wealthy homes and investment properties in Toorak and Portsea. These are small units that effectively are now hitting that threshold. The CPA also said landlords:

... were absorbing the rent decreases, they were helping out their tenants and with the recent interest rate rises, those mortgage repayments are really biting ...

It’s not a tax about the one per cent. This is really going to attack middle-class Australians who are investing for their future.

They said:

Many landlords will be unable to afford this additional cost.

That is on top of the other rate hikes, the costs and interest rates that we are all going through at the moment. It is a perfect storm in terms of interest rate hikes along with these land tax hikes that the government are now proposing.

Then we have a jobs tax. You only have to look at what Rob Scott, the CEO of Wesfarmers, has to say about this. One of the biggest employers across the state, Wesfarmers has more than 30,000 employees, including at retail brands like Bunnings, Kmart, Target, Officeworks and Priceline. He said:

... the proposed state payroll tax hikes represent a “dangerous strategy” ...

He said:

What’s happened as a result of increasing payroll tax is that it’s just made it harder for Victorian businesses to pull wages up, because Victorian businesses are now having to allocate a billion dollars ... to the Victorian Government.

Instead of actually trying to help workers, we are just trying to help the government. That would be okay if we were paying down debt, but we are increasing debt at the same time. It just does not make sense. You are actually bringing in more taxation and you are increasing debt, and that simply shows



you have got a government that cannot manage money. It is in the government's DNA – it is in Labor's DNA – that they cannot manage money, and they have proved it again. If taxes go up, debt goes up and everyone is left wondering how you could do that. It would be like managing a household budget and maxing your credit card and saying, 'That's all right, I'll just get another one. And I'll get another one.' Before you know it you have got a dozen credit cards and you are absolutely at a point where you have got to sell everything. That is where we are at the moment because Victoria is broke. Victoria is broke because the Andrews Labor government has sent Victoria that way. They have no care in the world. They do not manage the budget like it is their own, they manage it like there is simply no care in the world. It is dangerous. It is very, very dangerous. It does not set Victoria up for the future.

We have often talked about this really wonderful state. We all love Victoria – we all do. I am sure even those members of government that live in their electorates want to do their best, but unfortunately we are not seeing it in this budget. We simply are not seeing it in this budget. It is not going to send the signals that are going to turn things around for Victoria. If I was New South Wales at the moment, I would be rolling out the red carpet to businesses. The likes of Rob Scott from Wesfarmers and others will be going straight over to New South Wales because the Andrews Labor government has sent Victoria broke. It is all very well to talk the talk, but the Andrews Labor government need to walk the talk, and this budget fails to deliver. We are the highest taxing state in the nation. The government can scream and shout all they like, but they know they have failed. They have failed Victorians, they have failed their electorates, and unfortunately we are all going to pay the price through more taxation, more pain and no future for hardworking Victorians that have sacrificed so much but are being penalised just because they want to have a go and work hard.

**Darren CHEESEMAM** (South Barwon) (12:17): It is my pleasure today to rise on the State Taxation Acts Amendment Bill 2023, and I do so in recognition, really, of the context. The state taxation bill is presented every year at the same time that the budget bills are indeed presented, and the context for those things – and the reason why they are obviously presented on the same day – is that, as with all good parliamentary process, you need to ensure that the taxation bills that are put in place are put in place to help support the delivery of the budget and, importantly, the aspirations of the government of the day. Context is of course incredibly important in these debates, and nuance indeed is fundamental to this.

We were given the great gift of government in 2014. The Andrews Labor government, in being given that great responsibility to govern the state of Victoria, went about healing the challenges and the difficulties inflicted on the state of Victoria by the Liberal Party when they were given that great gift of government. What we went about doing was delivering the productivity-enabling infrastructure that our growing state needed. We had a great plan to remove the level crossings that were dangerous and congested throughout Melbourne, and we went about putting in place the infrastructure that our state needed. We went about doing that in the context that we wanted to create a better state, a stronger state and a state that provides for every single working family across Victoria, to make sure that we had the infrastructure that our state quite rightly deserves. Through that process we went about building a long-term productivity-enabling plan that delivered for the state of Victoria. As we all know, the Victorian economy was very much and continues to be the engine room of the Australian economy. That is because the plan that we put in place was driving jobs, driving investment and making our state very much a better place to be. In a very determined way we went about rebuilding the TAFE sector in this state to make sure that we had the skills pipeline in place to enable us to deliver the productivity-enabling infrastructure that our state quite rightly deserved, and the people of Victoria indeed endorsed us on that journey on a number of occasions.

As I say, context is important. A one-in-100-year pandemic came along, and the Andrews Labor government, as did governments across the globe, had to step in. We had to step in to protect the health and safety of Victorians, we had to step in to protect small business and we had to step in to protect the jobs of Victorians in this state. What we had to do as a consequence of those things was spend money that otherwise we would not have had to spend. Context is important in that. Whilst we were

doing that – whilst we were making those investments in protecting Victorians, protecting small business and protecting jobs – we saw the coalition doing everything that they could to undermine the budget context of this state, denying the Andrews Labor government where they could the opportunity to do that in as efficient a way as possible. Nevertheless, we did it. We achieved it, and that was a terrific thing.

When you look at our budget context and the measures that we put in place, and indeed the hard work of the Treasurer and the cabinet, we had the financial resources and capacity to do what needed to be done to protect our economy. On the other hand, if you look at the federal government and the decisions that they made, not necessarily just in the context of the pandemic but over the years beforehand, they did not build the budget context that they needed to have built to enable them to step in to the extent that they needed to step in to protect our economy. As a consequence, during the pandemic they did not have the financial capacity to step in and match Victoria's efforts, let alone the efforts of other states and territories around this country. That is the reality. Context is important.

In the context of the budget and budget day, we of course quite rightly have needed to bring some additional revenue measures to the table to pay down not the debt associated with productivity-enabling infrastructure – the jobs-generating debt that this state does need that is healthy – but more importantly the short-term debt that is needed to protect the health and safety of Victorians and to protect jobs and to protect small business. These measures that we have brought to the table in this budget, these revenue streams –

**A member:** Taxes.

**Darren CHEESEMAM:** whatever word you would like to use – are important for us to pay down the debt associated with protecting Victorians and protecting small business because of the pandemic. If you look at our priorities and the tax measures, the revenue arrangements that we have put in place, and if you look at where we have levied for those priorities, it is on those that have enjoyed the opportunity and the prosperity of Victoria's building boom and property boom over the last couple of decades.

Our priorities are clear. Our priorities are about protecting Victorians, putting in place the revenue streams that are required to rebuild the budget as a consequence of a one-in-100-year pandemic. Our priorities are right. This does not mean these steps are easy, because they are not. But it is important that we take these measures, that we effectively rebuild our budget so that the next time there is a global economic shock, no matter what that looks like, no matter what causes it, we have got the financial capacity, the firepower, to respond to those challenges. And that is what we are doing now.

In my lifetime in politics and as an adult I have seen a number of economic shocks. I have seen the consequences of governments making sound decisions well before those economic shocks so that they have the capacity to respond to those economic shocks. That is what this budget does, and that is why it is important that we embrace these revenue measures. I commend this bill to the Parliament.

**Annabelle CLEELAND** (Euroa) (12:26): I rise today to speak on the State Taxation Acts Amendment Bill 2023, a bill that I believe will further contribute to Victoria's cost-of-living crisis. I stand in fierce opposition to this bill, a bill that enacts the payroll and land tax changes outlined in the brutal state budget handed down last week. Someone needs to stand up for the 6.8 million Victorians who are set to be worse off under this budget, and that is what the opposition is doing.

Since Labor was elected nine years ago Victoria's tax rate is set to double, as nearly 50 new taxes have been introduced. This bill is littered with taxes on aspiration and taxes on a fair go. Labor's school tax, Labor's rent tax, Labor's job tax and Labor's debt tax are all taxes on hardworking Victorians at a time when we can least afford it. We believe in giving Victorians every opportunity to get ahead, not taxing them for the pleasure. Where is the Australia that is the land of opportunity, one that we promote to new citizens when they take their oath of citizenship, or the land of the fair go, where hard work will be rewarded and rewards come to those who give it a go? Where is the state that for years has been home to the world's most livable city? What a joke that is when our residents cannot afford to live,

work or play here under the Andrews Labor government. This government is asking hardworking Victorians to foot the bill for its financial incompetence, and we have had enough. This is a budget that punishes Victorians for trying to get ahead, and ultimately despite all this, net debt is still forecast to grow to a staggering \$171.4 billion within four years.

Life is going to get harder for regional Victorians under Labor, with this budget slashing funding in key areas, including regional roads, health and agriculture. Victoria's regional roads will stay in a state of disrepair, with maintenance funding slashed by 45 per cent since 2020 and from \$702 million to just \$441 million in the last year alone. There have been 134 deaths on Victorian roads in 2023, which is 38 per cent more than at this time last year. That is 134 Victorian families who are grieving. Instead of having a heart and pledging to fix the state of the roads, this government is ripping hundreds of millions of dollars from road maintenance. Politicians in this government seem to have lost touch with reality. But please know this budget will have devastating consequences on the lives of regional Victorians.

Key regional economic drivers like agriculture have suffered in this budget, with funding down 34 per cent on last year, from \$687.3 million to \$454.8 million. Cuts to regional development continue, with spending halved, from \$211 million to \$106 million in this year's budget. These cuts are not new. Since 2020 it has been slashed by 80 per cent. This is on top of the sustainable native timber industry being shut down ahead of schedule – a death warrant for communities in the state's east.

Victorian farmers and farm businesses continue to weather uncertain international markets and will now face cuts to trade and global development. \$60.3 million or almost 60 per cent has now been cut from this since 2020. What will be left of our state when all our primary industries are shut down, people are jobless, industries are outsourced and communities are decimated, becoming once-prosperous ghost towns?

I have talked about our regional roads and the risks to the lives of those who are on them daily, but what of our health system, which is supposed to care for these people? Victorians are being punished for Labor's financial incompetence. As state budget figures confirm, the Andrews government will cut \$1 billion from the health budget, and this comes against the backdrop of an ageing population and post-COVID recovery. Cuts to health care continue under this government, with a \$2 billion cut to health in last year's budget and further cuts this year, meaning health expenditure will fall from \$28 billion to \$27 billion in 2023–24. Community health will also suffer this financial year, with \$100 million cut from vital community health programs that actively work to prevent further stress on our hospitals. Elective surgery waitlists remain long and ambulance response times continue to fail to hit targets. Thanks to Labor's financial mismanagement of the health system, patients are not getting the health services they deserve or the services that they critically need.

What about the next generation? If you are a family hoping to send your children to an independent school, it will cost you an extra \$1000 per year every single year for the next decade. If you are hoping to invest in the property market, you will pay an extra \$1000 a year for the privilege, and you will go on paying an extra \$1000 every year for the next 10 years. If you are a business wanting to grow and employ more people, you will be slogged with higher payroll tax. If you are looking to buy a new home and land package, you will be paying more because developers will now be paying more in land tax. And if Victorians are hoping for a pay increase this year, I also have bad news. This budget increases payroll tax when the government's own Department of Treasury and Finance has demonstrated that lower payroll taxes result in higher wages for employees.

For tens of thousands of families across the state, this budget will cost them \$30,000 over the next decade. We oppose these costs on Victorians and we oppose taxes on aspiration and taxes on a fair go. This brutal budget has simply come at a time when Victorians can least afford it. Living costs are rising and new higher taxes are not the way to solve this. There are growing financial pressures and increasing difficulties for people to meet their everyday expenses, maintain a decent standard of living and save for the future. Several factors contribute to the cost-of-living crisis, including housing

affordability, rising utility costs, healthcare expenses and stagnant wage growth. None of these factors will be resolved through these taxes.

Victoria, particularly in regional areas, has experienced a surge in property prices and rental costs over the years. The demand for housing coupled with limited supply has driven up prices, making it increasingly difficult for individuals and families to afford suitable accommodation. I, like many others, have serious concerns over the introduction of the new land tax. This land tax will only increase the growing strain on people trying to get by. What is more, it will do nothing to address rental affordability for those looking for a house, because the pressure will go up the chain. The new annual charge is expected to apply to about 380,000 home owners, who would previously not have paid the tax.

In towns across the Euroa electorate, the lack of supply of housing has already seen rental prices soar. Data earlier this year showed the Strathbogie shire, which sits in my electorate, saw the largest percentage increase in the median rental price across the entire state. The median price of houses in the area rose 19.1 per cent to \$420 a week, up from just \$353 in December 2021. Neighbouring council areas Alpine, Campaspe and Indigo also saw significant rises, with rent increasing by over 13 per cent in each shire. Ten council areas in the state posted double-digit rent rises. In the township of Euroa there are few homes available for rent, and costs have increased significantly. The extra strain on property owners and landlords will see this burden grow even more. On top of the impact on the prices that the housing crisis has had, right across the state we have waitlists for housing that are completely out of control. There are hundreds of people urgently waiting for housing in towns right across the Euroa electorate, including Seymour, Benalla and the Broadford district.

Homelessness is already a concern in my electorate. From 2012 to 2019 nearly 1200 people in the Mitchell, Strathbogie and Benalla LGAs required support from specialist homelessness services. These taxes will only amplify this issue, and the housing crisis is in dire need of being solved. I am regularly contacted by people who are in desperate need of housing, and they are continually being told there is simply no supply to house them. Recently I had my colleague the member for Kew Jess Wilson visit my electorate to meet with key stakeholders across the housing industry, including real estate agents, builders, developers and contractors, to discuss the hurdles facing increasing housing supply. We heard that prospective regional home owners were being hit with a double whammy of increased prices and exponentially rising interest rates. Of course there is nothing in the budget to increase supply or to even address investors coming back to the market. It begs the question as to who was consulted on these taxes when the Real Estate Institute of Victoria calls them a 'horror move'. More taxes on everyday Victorians is not the answer. I want people to be able to grow up, raise their family and own a home in their own community without having to save for decades and be burdened by taxes. These taxes are going to make it much more difficult for young people, for vulnerable people – for everyday people – who are simply asking for a roof over their head. Victorians already have enough on their plates. Every day constituents come into my office saying they are concerned about the rising energy prices, describing the impact on their livelihoods that these rises are having. Multiple people visited my electorate office last week asking for directions to clothing bins and food banks. Many hardworking Australians are now finding it unmanageable. At a time when things are tough the taxes in this bill do nothing but promote stagnant wage growth. Victorian families are struggling to maintain their standard of living, despite working hard and earning a regular income. Businesses and job creation will be stifled through these taxes, not just big businesses as this government suggests. You cannot tax your way to prosperity. Instead it piles on the burden when we can least afford it.

**Paul EDBROOKE** (Frankston) (12:36): It is an absolute pleasure to rise this afternoon and speak on the State Taxation Acts Amendment Bill 2023. As per usual all we hear from the opposition is questions, with no alternative about what they would do, and that is really, really disappointing. For some on the other side, I saw a guy with a tattoo a long time ago that said 'Better to appear stupid than open your mouth and remove all doubt'. I would say that some people on the opposite side of the chamber could get that tattoo.

**James Newbury:** On a point of order, Deputy Speaker, for fear of letting the member prove his point about himself, I would, on relevance, ask you to bring the member back to the bill, which is the state taxation bill. I understand the government is embarrassed about these new taxes, but I would ask you to bring the member back to the bill.

**The DEPUTY SPEAKER:** Order! Points of order are not an opportunity to continue debate. This has been a wideranging debate, and the member is to continue.

**Paul EDBROOKE:** What an embarrassing non-point of order. We have had some very difficult circumstances globally – we have – and governments across the globe have been asked, in the format of being elected to govern their communities, to make hard decisions, and this government has actually done that. We heard today the member for Caulfield basically talking down Victoria, inviting businesses to leave Victoria. We heard the member for Euroa assuming that –

**James Newbury:** On a point of order, Deputy Speaker, it is out of order to cast aspersions about members in this place other than by substantive motion. The member has been here for long enough to know that. I would ask you to bring the member back to the question.

**The DEPUTY SPEAKER:** On the point of order, I did not hear the member refer to an individual. I would ask the member to continue on debate without making imputations.

**Paul EDBROOKE:** Oh, jeez. If I was Mr Smith, I would have quit too, to be honest. Melbourne is Australia's fastest growing city. Victoria is still the economic engine room of Australia. We know that. But it is hard decisions like the ones made in this taxation bill that need to be made. Let us just go back to November last year. We had a state opposition that unlike any other opposition in the country just grovelled and was negative about the challenge that this government faced. Every decision that was made on the health perspective was wrong – this, that and the other. They were pretty much in their bubble and they continued to talk Victorians down, but Victorians made a concerted effort to get out to the polls and make sure that they had their voices heard. They did so, and in this chamber, fantastically, we are one member up on the government side because of that. That is because this government made those hard decisions. It was General Petraeus from the United States Army who was in an interview about the first invasion of Iraq, I believe it was – I think these are words for everyone to live by – and they are that 'People will forgive you if you make the wrong decision, but people will not forgive you if you do not make a decision at all.' We were in a crisis. We were on a journey that we had not seen before – a one-in-100-year event – and the Treasurer, members of cabinet and members on this side of the house knew that decisions would have to be made which were not going to be popular. We had to make sure that we had our priorities right to protect life, to protect business, to protect jobs and to protect families, and that is what we did. I will not apologise for that, and no-one on this side of the house will.

What those opposite are missing is the fact that they did not show an alternative – and today they are still not showing an alternative. All we hear are questions: 'We need to solve this problem. We need to solve X problem. We need to solve Y problem.' What we are not hearing from most of those opposite is an alternative to this bill, how they would do things. If we are not going to receive \$8.4 billion from a certain tax, then where is that going to come from to make sure that we are in the black in the 10-year plan? Where is it going to come from? This is the answer to the questions that I am not hearing today. The answer is: in this bill.

I think it was a previous speaker that said that we take joy in these taxes. No-one takes joy in these decisions. No-one took joy in some of the decisions we had to make during a one-in-100-year crisis to save lives, save those jobs and save families. Some of those decisions were very tough. For me and I can say, I think, most people on this side of the house, the amount of contact, the amount of phone calls and the amount of emails we had during that period were very tough too. But still I make no apologies for making sure that people who made a lot of coin, let us be honest, throughout the COVID

crisis and others that can help repay that debt do so to make sure all of Victoria is in a position where, if a crisis like this happened again, we could battle it.

We heard the member for Caulfield talking down Victoria, and we have heard quite a few people do that. I do take umbrage –

**James Newbury:** On a point of order, Deputy Speaker, you ruled earlier on my point of order that it was out of order to cast aspersions about a member other than by a substantive motion. You ruled on that point of order. Again I would say that the member has just done that, and I would ask you to reinforce the order that you made earlier.

**The DEPUTY SPEAKER:** Order! If you recall my words at the time, I asked the member to continue without them. I did not rule on your point of order. It is out of order for imputations on a member; it is within order to comment on debate and what members have said.

**Paul EDBROOKE:** Come on, Brighton, you can do better than this. I expect better from you. You are still playing politics. Even in opposition during COVID they were paralysed, and they are paralysed now. They do not want to make decisions. They do not want to make unpopular decisions. They are just sitting there picking and choosing bits of tax legislation that they think they can score political points with.

Economists and our community support our plan for the future. We have heard that since the budget dropped last week. Victorians understand that governments need to govern. Victorians also understand that oppositions need to do what oppositions do. We could have handed a million-dollar cheque to every Victorian last week, and they still would find something wrong with it. There would still be something wrong, as there always is.

Yes, we are asking that those that can and others that made good in COVID contribute over a 10-year period for the support and the good of all Victorians. I for one do not apologise for that, and I commend this bill to the house.

**Michael O'BRIEN** (Malvern) (12:44): This is a horrible, pernicious bill, because contrary to the claims made by the members of the Labor government, this does not target those who have got the capacity to pay. This does not target those who have done really well out of the pandemic. I do not think there are too many kids attending mid-fee independent schools who did really well out of the pandemic. In fact in my experience kids have been damaged badly by two years of lockdown and two years of being kept out of school by this authoritarian government during the pandemic. Believe me, we have not seen the end of the mental health devastation caused by this government's action, particularly to younger generations.

**Mathew Hilakari** interjected.

**Michael O'BRIEN:** You try getting a child psychologist appointment today, member for Point Cook, and you will struggle because of what your government did. And now these victims of Labor's lockdowns are going to be punished yet again. How many kids are actually going to be taken out of school because their parents cannot afford the – oh, he rolls his eyes. That is the absolute disregard that Labor MPs have for the pain they are inflicting on Victorian families and Victorian schoolkids. Maybe you should be in this place for more than 5 minutes before you start telling us how to do –

**The DEPUTY SPEAKER:** Through the Chair, member for Malvern.

**Michael O'BRIEN:** It is absolutely appalling, because I have seen kids who have been damaged by what this government has done. I have seen them. I have spoken to them. I have spoken to their parents, in tears not knowing what they can do. This budget bill makes it harder. This budget bill will lead to kids being taken out of their schools. There is no doubt about that. This is going to cost about \$1000 a year extra in school fees – \$1000 a year. Where is that money supposed to come from? We know there is a cost-of-living crisis. We know the budget says unemployment is going to go up, not

down. We know the budget says that wages are going to fall rather than rise. So where is the extra \$1000 a year going to come from? Perhaps little socialist Ken over there thinks that there is just a magic money tree parents can pay school fees from. That is not the real world.

I deal in the real world with parents who struggle and work two jobs or more to send their kids to a school that reflects their values, and yes, sometimes reflects their faith. There is nothing wrong with that is there? I thought we lived in a pluralistic society where parents can send their kids to a school that reflects their values and reflects their faith – or no faith. But apparently this government is now targeting people who want to send their kids to a school that reflects their values and their faith. It is saying, ‘We’re separating you. We’re targeting you. We’re going to make you pay for our financial mistakes.’ Because that is what this state taxation bill does. It says in fact in relation to my electorate, where there is not a government secondary school – thank you very much, you have been in power for what, 26 out of the last 30 years but there is not a single government secondary school in my electorate –

**Chris Couzens:** You could have done it when you were in power.

**Michael O’Brien:** We built the ones in Stonnington and Prahran, thank you very much, member for Geelong, not that you have ever been there.

**The DEPUTY SPEAKER:** Through the Chair.

**Ros Spence:** On a point of order, Deputy Speaker, and you have actually covered off on my point of order, the member has a couple of times now referred to ‘you’, and I would ask that you do bring the member back to referring to –

**The DEPUTY SPEAKER:** I do remind all members to refrain. There is context, but the member to continue through the Chair.

**Michael O’Brien:** I thank the minister at the table, the Minister for Prevention of Family Violence, for wasting more of my time. Perhaps that is a good thing to do rather than just thinking up new ways to impose new taxes on Victorian families, which is all this government’s front bench and back bench seem to do.

So there is no government secondary school in my electorate, but I can tell you that every single secondary school that is in my electorate – non-government, independent – is going to be hit by this. Every single one of them, and it is the kids –

**A member** interjected.

**Michael O’Brien:** He is smiling, he is laughing. Socialist Ken can chuckle his head off over there, but frankly this is disgraceful behaviour.

**The DEPUTY SPEAKER:** Order! Minister, I think I can pre-empt –

**Ros Spence:** I think you probably can. On a point of order, Deputy Speaker, the member is now defying your ruling. I ask you to –

**Michael O’Brien:** I did not say ‘you’ at all.

**The DEPUTY SPEAKER:** I would encourage the member to use correct titles.

**Michael O’Brien:** Well, if it is disorderly to respond to interjections, it is also disorderly to make them.

**The DEPUTY SPEAKER:** Order would be appreciated.

**Michael O’Brien:** This is an appalling bill because it targets kids. It targets parents who are working their guts out to try and give their kids an opportunity. I was brought up in a single-parent household. My mum had her family a world away in Ireland. She worked her guts out to send me and my brother to the local Catholic school. It was not an expensive one, but it would have been hit by

this. There is no way my mum could have found an extra thousand bucks or 2000 bucks for her two boys to go to the local Catholic school. What does the government say to people like my mum? 'Bad luck, find a third job' – is that their argument? Find a third job to give your kids that opportunity? Yes, I am passionate about this, because I can see that this sort of bill would really have affected people like me and people like my mum. Opportunities that we have had because of investment and education are going to be denied to other kids and other families, and that is wrong. For a government that wants us to be the Education State, they should not be doing this, but that is what this bill does. The government has got this seriously wrong, and that is why I am very proud to stand with the Shadow Treasurer, the Shadow Minister for Finance and the Leader of the Opposition to say that a Liberal–Nationals government will repeal this pernicious schools tax, because it is terrible. It will hurt lives, it will hurt families and it will hurt kids, and no government worth its salt should be doing that.

In relation to the other measures in this bill, this government seems to think that increasing taxes is what constitutes tax reform. Can I say, as a former Treasurer, there are lots of ways you can reform taxes. You can cut payroll taxes, like we did when we were in office. You can cut WorkCover premiums twice instead of bumping them up by 42 per cent, which this government is doing. You could have reformed the fire services levy, which is what we did, and we made sure it was much fairer. It was a reform recommended by the 2009 Victorian Bushfires Royal Commission and something governments had dodged for 50 years, and it was our government that actually did that and delivered tax cuts in the process. That is tax reform.

Just raising taxes, targeting people who you think do not vote for you much, is not tax reform; that is gutless, that is. It is gutless. The old immigrant couple who have worked their whole lives to have a little holiday shack – apparently they are now the top end of town and they deserve to be taxed. Anything with a site value of \$50,000 now cops a \$500 tax every single year. This is often going to be hitting pensioners who really cannot find a spare \$500, particularly given the government's Essential Services Commission has just approved a 25 per cent increase in electricity default offers starting from 1 July. So at the same time electricity prices are going up 25 per cent, this government is saying, 'We're going to increase your taxes as well on your little holiday shack.' Or maybe they have actually invested – they did not have superannuation in the 1960s and 70s or really in the 80s. A lot of people who worked very hard in low-paying jobs but wanted to look after themselves in their retirement might have bought an investment flat, and all of a sudden those properties are now going to be taxed with a huge new land tax, both an increased fixed charge and also an increased variable charge for places with site values over \$300,000.

The government that came to office initially in 2014 promising no new taxes – we know what an untruth that has been. Member for Sandringham, is it about 50 we are up to now – 50 new and increased taxes?

**Brad Rowswell:** Almost 50.

**Michael O'BRIEN:** Almost 50. Well, I am sure they will be raising the bat to the pavilion very, very shortly, because this government cannot help themselves but to increase taxes. At the end of the day this is a government that believe they know how to spend Victorians' money better than the Victorians who earned it. They genuinely believe that they are smarter than the Victorians who work hard and earn the money and that they have a right to take that money and spend it on things that they think are more important.

This is not about the pandemic. This does not even reduce debt; debt still increases. This is actually about paying for the Labor Party's 2022 election promises, because when you look at the amount of money that the Labor Party promised in 2022, it is pretty much equivalent to the amount of extra taxes the government is imposing here. In fact the government told Victorians, 'You can have all this new stuff, and it won't cost you anything.' The fact is it was untrue. This is a budget which is going to divide Victorians, it is a budget which is going to target Victorians –



**Juliana Addison** interjected.

**The DEPUTY SPEAKER:** Order! The member for Wendouree!

**Michael O'BRIEN:** and the worst thing about it is that there are going to be kids who will be thrown out of their schools because of what this government has done.

**Chris COUZENS** (Geelong) (12:54): I am pleased to rise to contribute on the State Taxation Acts Amendment Bill 2023. Can I first begin by noting National Reconciliation Week and the sharing of culture and connection to country of First Peoples. I mention that because of the vital work that First Peoples undertook during the COVID pandemic right across this state but also in my electorate of Geelong – organisations like the Wathaurong Aboriginal Co-operative, Wadawurrung Traditional Owners Aboriginal Corporation and the Barwon Health Aboriginal health unit. This was about keeping our community safe, and additional funding was provided to those organisations to ensure that First Nations people were getting the support and care that they needed during that pandemic.

We also had our healthcare professionals, disability workers, childcare workers, teachers and other workers in supermarkets and on the front line putting their own safety at risk during the pandemic. I know we on this side of the house are very grateful for their commitment to and passion for their community and the work they did during the pandemic, which was extremely challenging for everyone. That vital financial support that was required to keep our community safe during the pandemic and the costs associated with that are what we are now dealing with today. I think it is important to explain to the Parliament and the Victorian people the reason why the COVID debt levy is needed. I think most people can remember very clearly what we all experienced during that pandemic and the fact that the pandemic hit Victoria really hard and we had to borrow billions of dollars to prevent economic scarring that would leave generations of people out of work. So this was about providing safe and secure environments for people, ensuring that they were getting the COVID treatment that they needed and making sure our hospital system was able to cope with the demands. There were so many measures that were required to be put in place to keep Victorians safe, and that is exactly what this government did. There is no doubt of that.

In fact when I talk to my community, of course nobody likes having to pay extra for anything, but they understand what we have just experienced. They are not interested in listening to the harping and carping of those opposite. That really did not do them any favours during the election, did it? That is why we are back on this side of the house, and they are sitting over there still lost in whatever universe they are in, because people are not listening to them. They are not listening to them. People in my community and right across this state are saying, 'We actually understand why these measures were put in place and we appreciate those measures,' which is why we won the 2022 election and in fact picked up an extra seat, in Ripon. So people do appreciate the work that this government has done.

The member for Frankston made a comment about good leadership and how important that is. Well, yes, it is, and my community certainly appreciated the strong leadership of this government in making decisions that not everyone was happy with but that actually kept us safe and made sure that those most vulnerable in our community were getting the treatment that they needed. We directly invested almost \$40.1 billion to keep the community safe, people in jobs and businesses afloat and to support households. There was so much that was put into those areas to ensure businesses were still able to continue once the pandemic was over. In fact some businesses in my community said it was the best financial time for them. I mean, obviously the pandemic was not great, but they actually made more income because of what was put in place by this government and by the federal government, because they needed that support to continue.

We provided rent relief, additional mental health services and direct financial support to people, and we moved quickly to prepare our healthcare system, which we know was having enormous pressure put on it because of the demands through people having COVID and needing to be hospitalised. They

were horrific scenes that we were seeing, where people really needed that support. We were making the decisions to make sure that they got the health care that they needed.

Our teachers stepped up. We hear from the other side all the criticism about schools being locked down. Well, our teachers deserve every praise for actually stepping up and doing what they needed to do for homeschooling to continue and then when they were back in the schoolroom actually making sure that students were safe and that teachers were safe. What we should be doing is praising the work of all those frontline workers, all those people that stepped up during an absolutely critical time in our history that none of us had ever experienced before. I commend the bill to the house.

**Sitting suspended 1:00 pm until 2:01 pm.**

**Business interrupted under resolution of house of 18 May.**

### *Members*

#### **Minister for Mental Health**

#### *Absence*

**Daniel ANDREWS** (Mulgrave – Premier) (14:02): The Minister for Mental Health is absent from question time today. Questions for the portfolios of mental health and ambulance services will be answered by the Minister for Health, and questions for the portfolio of treaty and First Peoples will be answered by the Minister for Education.

**The SPEAKER:** Before I call for questions can I acknowledge Aung Myo Min, who is a minister in the cabinet of the National Unity Government of Myanmar, in the gallery today.

### *Questions without notice and ministers statements*

#### **Schools payroll tax**

**Jess WILSON** (Kew) (14:02): My question is to the Minister for Education. St Patrick's College in Ballarat charges fees of up to \$7900 per term. In addition, the school offers boarding for students from remote communities. Minister, will this school be subject to the government's school tax?

**Natalie HUTCHINS** (Sydenham – Minister for Education, Minister for Women) (14:03): Given this legislation is before the house as we speak, it is inappropriate for me to go into the details of how it will be implemented.

**Danny O'Brien:** On a point of order, Speaker, the entire budget has been before the house this week, and we have had ministers statements every day from ministers about the budget. I ask you to bring the minister to answer the question.

**The SPEAKER:** The minister has concluded her answer.

**Jess WILSON** (Kew) (14:03): Yesterday the minister failed to say whether Nazareth College will be subject to the government's school tax. Nazareth College charges international students a fee of almost \$26,000 per annum. Will this school be subject to the government's school tax?

**Natalie HUTCHINS** (Sydenham – Minister for Education, Minister for Women) (14:04): I am not going to pull apart every single school that is affected by this.

**James Newbury:** On a point of order, Speaker, with respect, on relevance, that is exactly what this budget does, ripping apart schools, and I would ask you to bring the minister back to the question.

**The SPEAKER:** Order! A point of order is not an opportunity for commentary.

**Natalie HUTCHINS:** I will just emphasise that the vast majority, and that is about 85 per cent of non-government schools, are not going to be affected by this payroll tax, and that is something that I and the Treasurer have been on the record saying. Can I just point out, in addition to this debate, let us

have a look at the funds that have been allocated to non-government schools through the financial assistance model.

*Members interjecting.*

**The SPEAKER:** Order! The house will come to order! The member for South Barwon can leave the chamber for 1 hour.

**Member for South Barwon withdrew from chamber.**

**John Pesutto:** On a point of order, Speaker, on relevance, the minister in her answer so far has said that 85 per cent of schools will not fall under the new tax. The question is simple, then: does Nazareth College fall within that 85 per cent? She has answered the question already. The question asked whether Nazareth College was part of the 85 per cent.

**The SPEAKER:** Order! A point of order is not an opportunity to repeat the question. The minister was being relevant to the question that was asked, and I ask her to continue.

**Natalie HUTCHINS:** Thank you. There are schools like Nazareth that would have benefited from both the \$400 million capital investments that have come out of this budget and the tutor learning initiatives that are rolling out. About \$36 million has been allocated by this government to non-government schools. There are programs like swimming in schools, camps, sports and excursion funds. *(Time expired)*

#### **Ministers statements: power saving bonus**

**Daniel ANDREWS** (Mulgrave – Premier) (14:06): I am delighted to rise to update the house in relation to the government's efforts to address the rising cost of living. We know that cost-of-living pressures are very real – very, very real when it comes to interest rate rises and other increases in costs. It is very challenging for families right across the state. That is why it is so pleasing to see 1.3 million Victorian households having applied for the power saving bonus. Sorry, 1.3 million have received the bonus. I have got to be very clear: it is more than that that have applied, and our staff are diligently working through processing those claims. That is \$250 in families' pockets, in their budgets, rather than anywhere else, and that is the best place for it. Plus of course going to a trusted comparison website – you can often be paying way too much – gives you an opportunity to be on the very best deal.

**John Pesutto:** Compare the pair.

**Daniel ANDREWS:** Well, compare the pair indeed, John. That is exactly right. Yes, there is a bit of that going around, mate. Compare the pair all you like.

**The SPEAKER:** Order! I ask the members at the table to come to order.

**Daniel ANDREWS:** Yes, and past performance is a predictor of future. Anyway, I should not digress. It is so pleasing and it is so good to see government members out there making sure the community knows all about this program. But there are other members out there, and I quote:

... a \$250 saving can mean the difference between putting food on the table or going hungry ...

Another member said:

... cash back at a time when people need it most.

Who might that have been? Who might be out there spruiking the government's agenda while simultaneously claiming there is no plan for the cost of living? Well, well, well, the Leader of the National Party, the member for Lowan and quite a few more. We are just waiting for you to spruik free TAFE, free kinder and free rego for tradie apprentices. If you want to sell it, mate, sell it properly.

*Members interjecting.*

**The SPEAKER:** Order! I ask members to be a little respectful in the chamber.

**Juliana Addison** interjected.

**The SPEAKER:** The member for Wendouree can leave the chamber for 1 hour.

**Member for Wendouree withdrew from chamber.**

### **Schools payroll tax**

**Jess WILSON** (Kew) (14:09): My question is to the Minister for Education. Yesterday the minister stated that the school tax is totally related to payroll tax, but under the bill, the minister has the power to impose the school tax on the basis of fees and charges and any other financial contribution received by the school. Minister, what does ‘any other financial contribution’ mean?

**Natalie HUTCHINS** (Sydenham – Minister for Education, Minister for Women) (14:09): Well, we can continue to fearmonger amongst our education system or we can wait until the bill passes and we have –

*Members interjecting.*

**The SPEAKER:** Order! The member for Eltham is warned.

**James Newbury:** On a point of order, Speaker, on relevance, without repeating the question, the minister was asked about words that were uttered from her own mouth. I would ask you to bring the minister back to the question.

**The SPEAKER:** The minister had only just begun her answer. The minister to continue. There is no point of order.

**Natalie HUTCHINS:** Just to emphasise again, this is an application that will not affect 85 per cent of non-government schools. We will be drawing a line in the sand between those low fee paying non-government schools and the wealthiest private schools in this state. Those opposite want to continue to harp on about that and misinform and fearmonger –

**James Newbury:** On a point of order, Speaker, with respect, this question, without repeating it, related to whether other fees and charges would be included as part of this tax. It was a very specific and direct –

**The SPEAKER:** Order! Minister, I ask you to come back to the question.

**Natalie HUTCHINS:** Once this bill has passed through the house I will be working with the Treasurer, and we will be including the sector. We will be at the table talking about this and working through it with the sector. But make no mistake about it: this is about equality. Our government schools pay this payroll tax, and the time has come for this to now extend into the wealthiest schools in this state.

**Jess WILSON** (Kew) (14:11): The minister has the power to impose the school tax having regard to any other matter the minister considers appropriate. Will the minister rule out land and assets owned as being any other matter she considers appropriate?

**Natalie HUTCHINS** (Sydenham – Minister for Education, Minister for Women) (14:12): As I have already indicated to the house, I will continue to work through this bill, once it is passed, with the Treasurer, and we will be clarifying that.

### **Ministers statements: priority primary care centres**

**Mary-Anne THOMAS** (Macedon – Leader of the House, Minister for Health, Minister for Health Infrastructure, Minister for Medical Research) (14:12): I rise today to update the house on how the Andrews Labor government is making primary health care more affordable for more Victorians. It is tough enough when a loved one is sick and needs treatment. It is even worse when it is difficult to find an appointment with a GP and even harder to find one that still bulk-bills. Top-quality primary care should be the first port of call when we are sick, but after almost a decade of neglect from the former

federal Liberal–Nationals governments it has never been harder to find free, fast and local Medicare. That is why our government has stepped up to deliver a network of priority primary care centres right across Victoria to ensure that Victorian families have access to free primary care when they need it most.

I am proud to advise the house that we now have two dedicated priority primary care centres for kids, one at the Monash Children’s Hospital and one at the Royal Children’s Hospital. Operating at night and over weekends, the priority primary care centre at Monash Children’s has already seen over 800 patients, ensuring that sick kids get the right care at the right time, with no unexpected costs for their families. The Royal Children’s priority primary care centre has also been designed to work as one with the emergency department at our state’s busiest, biggest children’s hospital.

Thanks to further investment by our Andrews Labor government in last week’s budget, our network of priority primary care centres has been funded for the rest of this year. We will work with the Commonwealth, as we have already done, on the delivery of their urgent care centres. We will work to continue to save families money. Might I say, while we are fighting for Victorians to access free health care, those on the other side are just fighting. *(Time expired)*

*Members interjecting.*

**The SPEAKER:** The Manager of Opposition Business is warned.

### **Schools payroll tax**

**Jess WILSON** (Kew) (14:14): My question is to the Minister for Education. In addition to the school tax, will schools also be liable to pay the mental health and wellbeing levy?

**Natalie HUTCHINS** (Sydenham – Minister for Education, Minister for Women) (14:15): I am extremely proud that this government is the only government in the country that is investing in every single secondary and primary school in the mental health space. Every single secondary and primary school across this state is getting access to funding. The \$200 million that is flowing into our mental health fund in our schools is a phenomenal commitment –

**Jess Wilson:** On a point of order, Speaker, on relevance, the question is very clear. Not to repeat the question, but it is about the levy on schools in relation to payroll tax.

**The SPEAKER:** The minister was being relevant to the question that was asked. I cannot direct the minister how to exactly answer the question.

**James Newbury:** On the point of order, Speaker, standing order 58 does require a minister to be direct in their answer – clearly to be direct – and with respect, I would say that the minister has not at all been direct in relation to their answer.

**The SPEAKER:** The minister was being relevant to the question that was asked. I ruled on the point of order.

**Natalie HUTCHINS:** Can I take the opportunity to thank our mental health specialists that are working across our secondary schools, who are doing a fantastic job in really challenging times – the most challenging times we have seen in our schools for a long time.

*Members interjecting.*

**The SPEAKER:** Order! The member for Eltham can leave the chamber for 1 hour.

**Member for Eltham withdrew from chamber.**

**Cindy McLeish:** On a point of order, Speaker, on relevance, this is question time. The minister gets to answer our questions. She does not get to spruik whatever it is that she wants to spruik. We have a very direct question, and she has failed to answer it.

**The SPEAKER:** Order! The member for Eildon has been here long enough to know that that is not a point of order.

**Natalie HUTCHINS:** I am not the Treasurer. He is sitting here. He can probably take specific questions about the mental health tax, but what I can say is my knowledge of the mental health tax is that it applies to the top 5 per cent of companies in this state. If any school falls into that category, then possibly they may have to pay it, but that question is probably best delivered –

*Members interjecting.*

**Natalie HUTCHINS:** They are not going to fall into that category.

*Members interjecting.*

**The SPEAKER:** Order! When a question is asked I expect that people want to hear the answer. The minister was concluding her answer.

**Natalie HUTCHINS:** I am unaware of any of our schools actually qualifying for a \$10 million payroll, but certainly our commitment to mental health is absolutely undeniable. We have taken the recommendations from the mental health royal commission, and we are prioritising those areas in our schools across our state to make sure that kids get what they need, the support and the wraparound services to ensure that they are getting great educational outcomes, are engaged and are happy.

**Jess WILSON (Kew) (14:18):** In addition to the school tax, will the schools also be liable to pay the COVID debt levy?

**Natalie HUTCHINS (Sydenham – Minister for Education, Minister for Women) (14:19):** That is clearly a matter for the Treasurer, and they should refer this question to him.

*Members interjecting.*

**The SPEAKER:** Order! The Manager of Opposition Business will not call the Speaker. The Speaker will call the Manager of Opposition Business. The Manager of Opposition Business on a point of order.

**James Newbury:** On a point of order, Speaker, whether schools pay an additional tax is entirely within the remit of the Minister for Education.

**The SPEAKER:** The minister has concluded her answer.

### **Ministers statements: veterans support**

**Natalie SULEYMAN (St Albans – Minister for Veterans, Minister for Small Business, Minister for Youth) (14:19):** I rise to update the house on the Andrews Labor government's commitment to introducing the Veterans Card Victoria. Today we attended the Victorian Aboriginal Remembrance Service at the Shrine to pay tribute to and remember the significant contributions made by Aboriginal people in service to the country. Veterans Card Victoria is a way to recognise veterans' service and assist with the cost of living for thousands of Victorian veterans. Veterans Card Victoria is the first of its kind in Australia. It will be one card for all of our veterans. Victoria is home to more than 100,000 veterans, but we know that 60,000 of them are not connected to any concession scheme. Whether they have served a day or been on multiple deployments, every veteran is entitled to the card. The Andrews Labor government is absolutely committed to ensuring that veterans and their families get the support they deserve. That is why from 1 July veterans will be able to apply for the Veterans Card Victoria. Cardholders will receive a new concession of \$100 off car rego as well as free trailer and caravan registration, free fishing and boating licences, free public transport on Anzac Day and Remembrance Day, and access to tailored veterans employment programs. Veterans will be able to access employment support and opportunities through the veteran employment pathway. This program has been a great success so far, with over 1000 veterans employed in the public sector alone. I want to thank veteran employment advocate Major General David McLachlan AO for his dedication

and tireless work on behalf of veterans. We value the skills and knowledge of our veterans, and we are supporting and backing them with the Veterans Card Victoria. It is a very small way of saying thank you on behalf of Victorians to our veterans and their families.

### Property tax

**Brad ROWSWELL** (Sandringham) (14:22): My question is to the Treasurer. Alex and Christine from Rosedale lost their jobs during COVID and did not receive any taxpayer support to get by. They have a small holiday home, which they have never leased out for income. Why should Alex and Christine pay higher taxes on a property they earn no income from because Labor has sent Victoria broke?

**Tim PALLAS** (Werribee – Treasurer, Minister for Industrial Relations, Minister for Trade and Investment) (14:23): I thank the member for his question, and I would make the point that the Victorian government – the Labor government – is the only government in the nation with a COVID debt repayment plan. In doing so we are making sure that future generations are not burdened with the costs that we put in place to support this community and businesses all the way through. There was \$14 billion worth of support to businesses but for the entire community that level of support was dwarfed by the \$31.5 billion that we put into communities and put into the interests and the wellbeing of the Victorian economy to keep families whole and keep the wellbeing of the community protected, so that they could take the opportunity to bounce back when it presented. That is why our economy is running 25 per cent above the nation's economy. That is why we have been the job-creation engine of the nation with nearly 440,000 jobs, which is 109,000 more jobs than the state of New South Wales since September 2020.

**James Newbury:** On a point of order, Speaker, standing order 58 requires the Treasurer to be direct. We are halfway through 3 minutes, and we have not even come close to the question, which was around Labor's new property tax. I would ask you to bring the Treasurer back to the question.

**The SPEAKER:** The Treasurer was being relevant to the question that was asked. The Treasurer to come back to the question.

**Tim PALLAS:** The typical land tax paying individuals, whether they own an investment property or a holiday property, fit into the value of about \$650,000 for capital unimproved land. If you put a property on it, the average I am told is about \$1.3 million. The appreciation on those properties over the last 10 years on average is about 84 per cent. Put another way, that is about \$75,000 of appreciation every year. It is about making sure that the tax that would be raised, roundabout \$1350 a year, is about 1.5 per cent or thereabouts, on the capital appreciation that has been made. Nobody would be more conscious than this government of making sure that the load is borne appropriately when it comes to the tax burden in this state. That is why we have given 63 tax cuts and reductions in charges since we have been in government. What that means is that we are putting the load where it can best be borne to assist the community through what has been a very difficult time, to resource a government that put money into protecting this community –

**Wayne Farnham** interjected.

**The SPEAKER:** The member for Narracan can leave the chamber for 1 hour.

**Member for Narracan withdrew from chamber.**

**Tim PALLAS:** and to ensure that in the future, should there be other challenges to the state of Victoria, such as the \$2 billion flood event just past – *(Time expired)*

**Brad ROWSWELL** (Sandringham) (14:26): Mark and Gail are retired teachers from Sale who own investment properties in Sale to fund their retirement so they do not have to rely on a pension. Why is the government now taxing Mark and Gail's retirement income?

**Tim PALLAS** (Werribee – Treasurer, Minister for Industrial Relations, Minister for Trade and Investment) (14:27): Once again the point that the government has been very clear about is these are

temporary. They are targeted and they are individual payments. They are aimed at ensuring that Victoria is in a strong position going forward. They are also in recognition of the fact that this government put something in the vicinity of \$31.5 billion into support for this community and is consistently working towards ensuring that the community is adequately resourced –

**James Newbury:** On a point of order, Speaker, with respect, I refer you to Speaker Maddigan's ruling of 26 August 2003, which found that, when responding to a question, a minister must address the question rather than responding generally. I put to you, Speaker, that every single minister today has refused to respond to the substance of the question and has only responded to the issue generally. I understand the concept of relevance, but that ruling I think is clear.

**The SPEAKER:** What is your point of order?

**James Newbury:** That the answers the Treasurer is providing are general, rather than specific to the question.

**The SPEAKER:** There are also further rulings that relate to the language that is used in relation to a question that is asked. In my view, and I am happy to have a discussion with you in my chambers afterwards, the Treasurer is being relevant to the question that was asked.

**Tim PALLAS:** In short, we think that landlords and others that have come through the pandemic in a relatively strong position ought to contribute to COVID debt repayments. Landlords have seen the value of their property increase 84 per cent. What is more, of course, we have seen advertised rents in metropolitan Melbourne in the last 12 months rise by 25 per cent.

#### **Ministers statements: teacher workforce**

**Natalie HUTCHINS** (Sydenham – Minister for Education, Minister for Women) (14:29): I am delighted to update the house on the Andrews Labor government's support for student teachers through the rollout of cost-of-living incentives. Talking to student teachers, it is really, really easy to understand how these incentives will help them with their everyday lives. Last week I visited Australian Catholic University, where I met with some fantastic young student teachers as they were in their learning place, and I was delighted to announce that this government is supporting preservice teachers in rural and regional settings by investing over \$32 million to help cover the costs of meals, accommodation, travel and relocation. I am pleased that this funding will be able to support over 11,000 paid placements, because we know the experience that these student teachers get in the classroom is an absolutely critical part of learning to be a teacher. This initiative complements the great work that we have announced with the Country Education Partnership and what we are doing in coordination with Teach Rural, on which I updated the house a few weeks ago. Our investments will ease the cost-of-living pressures and make it easier to undertake a placement in our rural and regional schools.

This budget also delivers \$241 million for targeted initiatives to attract more teachers and support more teachers in our classrooms. This includes \$13 million to increase the number of Aboriginal and Torres Strait Islander people in the teaching profession through a number of cost-of-living measures and tailored supports to encourage them to stay in the system long term. This will support more teachers for our schools, adding to the already 5000 new registered teachers we have had in place over the last two years, which is twice the national average. Can I thank our teacher workforce for the commitment that they show every day in our schools.

#### **Road maintenance**

**Danny O'BRIEN** (Gippsland South) (14:31): My question is the Minister for Roads and Road Safety. Victoria's road toll is 39 per cent higher than this time last year. Why has the minister allowed \$3 billion to be ripped from the TAC, reducing the number of road safety projects?

**Melissa HORNE** (Williamstown – Minister for Casino, Gaming and Liquor Regulation, Minister for Local Government, Minister for Ports and Freight, Minister for Roads and Road Safety) (14:32):



Can I say first and foremost that my thoughts are with the families and the communities of people that have lost their lives this year. We will not be politicising the tragedies that have occurred across Victoria. In terms of the funding for the TAC, that is a matter for the minister for the TAC. But can I say just yesterday I sat down with the assistant commissioner for police, Glenn Weir. I have sat down with the TAC. I have sat down with the head of road safety to see what can we do, what is the cause of the tragedy on our roads, and predominantly it is speed. We are working at every level to be able to prevent these tragedies occurring across our communities, and that is what we will continue to do.

**Danny O'BRIEN** (Gippsland South) (14:33): Minister, our state's roads are in a parlous state, a contributing factor to many accidents. Why has the minister cut the road asset management budget by 25 per cent?

**Melissa HORNE** (Williamstown – Minister for Casino, Gaming and Liquor Regulation, Minister for Local Government, Minister for Ports and Freight, Minister for Roads and Road Safety) (14:33): Thank you again. There are two points on this question. Firstly, as I mentioned in my substantive answer, the predominant issue that is causing the tragedies –

**Roma Britnell** interjected.

**Melissa HORNE**: across our road network is speed.

**The SPEAKER**: The member for South-West Coast can leave the chamber for 1 hour.

**Member for South-West Coast withdrew from chamber.**

**Melissa HORNE**: Now, in relation to the issue about road funding, I would suggest that the member reads the budget papers in full, because not only once but twice –

**Danny O'Brien**: On a point of order, Speaker, on the question of relevance. Budget paper 3, page 310: a 25 per cent cut on the government's own numbers.

**The SPEAKER**: I am not quite sure what your point of order was. There is no point of order.

**Melissa HORNE**: If the member reads a little bit further down, he will also realise that over the next financial year we are committing \$770 million to road maintenance across the network.

#### **Ministers statements: power saving bonus**

**Lily D'AMBROSIO** (Mill Park – Minister for Climate Action, Minister for Energy and Resources, Minister for the State Electricity Commission) (14:34): I am absolutely delighted to update the house on the cost-of-living support that we are providing through our \$250 power saving bonus. Since the program opened on 24 March, nearly 1.5 million Victorian households have applied for the power saving bonus, with more than 1.3 million households across the state having received the payment in their pockets. The member for Albert Park will be very pleased to know that her electorate has nearly 22,000 applications – that is \$5.5 million to that community. Of course the member for Laverton will be equally delighted because those families have notched up just under 22,000 applications so far. And the member for Melton will be thrilled to hear that his electorate has just ticked over 20,000 applications as well. Not far behind that is the member for Bellarine's community, who have received 19,000 payments – that is \$4.75 million of cash support back in the pockets of hardworking Victorians. Finally, I do want to do a shout-out to the member for Warrandyte, who will be also very pleased as he exits this place. It is this government that has provided \$3.6 million of immediate cost-of-living relief to his constituents. All of this is on top of the 1.85 million Victorians who received the bonus in the last round. That is \$500 since July last year in the pockets of Victorians. We have done more than that. Our approach stands in stark contrast to those opposite, who when they were in power saw skyrocketing 30 per cent increases in electricity prices. But even they know a good idea when they see one of course, spruiking our bonus with radio ads, member for Ovens Valley – *(Time expired)*

**Chris Crewther:** On a point of order, Speaker, I wish to raise a couple of questions I have asked in this place that are well overdue. First, question 69 was due on 25 March and relates to many beaches and paths in Mount Martha and Mornington that are rapidly eroding, facing significant drainage issues and/or closed. Second, question 98 was due on 21 April and relates to saving the decommissioned reservoir at 57 Kunyung Road, which still requires government retention, rehabilitation and preservation as public wetlands. Can you please direct the minister to answer these questions and reiterate the urgency of these questions?

**The SPEAKER:** Before I call the member for Eildon, could I ask the member for Mornington to provide his notes to the Clerk. We were unable to hear all of that. I ask the house to come to order.

**Cindy McLeish:** On a point of order, Speaker, I also draw to your attention unanswered questions on notice past their due date. Questions 150, 152, 153, 154, 155 and 273 to several ministers are a couple of months overdue, and I would appreciate that to be followed up as well.

### *Constituency questions*

#### **Caulfield electorate**

**David SOUTHWICK** (Caulfield) (14:39): (190) My question is to the Minister for Education. As Labor scramble to pay down nine years worth of debt, they have stooped to an all-time low of taxing our kids' education. In addition to our Jewish day schools, the schools hit in my community include Melbourne Montessori School, Caulfield Grammar School, Shelford Girls Grammar school, Wesley College Elsternwick, Melbourne Grammar Grimwade House, Kilvington Grammar and St Joseph's school, Elsternwick. Will these schools be on Labor's new education tax hit list?

#### **Box Hill electorate**

**Paul HAMER** (Box Hill) (14:39): (191) My constituency question is for the Minister for Energy and Resources. How many households in the Box Hill electorate have taken advantage of the government's current round of the power saving bonus? The Andrews government's power saving bonus is providing effective and immediate cost-of-living relief for all Victorians, and since the opening of the current round of applications, our office has been actively promoting and assisting hundreds of local residents to access this initiative. I have been pleased to see the significant uptake of the power saving bonus in the diverse community of Box Hill. Just last week the minister visited one of our local community groups, the Box Hill Chinese Yue opera group. We were out there listening to one of their performances, and we also gave them the opportunity to take advantage of the power saving bonus and have the minister there. So I thank the minister for coming along, and I look forward to the minister's response.

#### **Lowan electorate**

**Emma KEALY** (Lowan) (14:40): (192) My question is to the Minister for Mental Health, and the information I seek is what ongoing mental health support will be provided to the Hamilton community to support their mental health needs following the tragic car accident that occurred over the weekend. As has been widely reported, four young people lost their lives in a car accident on Friday night, and a teenage girl Jorja, who is just 17, is now fighting for her life. I express my sincere condolences to their families and friends; the Baimbridge College and Monivae College communities, including the students, educators and parents; and their work colleagues. I am so sorry for your loss. There are extremely limited mental health support services in the Hamilton community. There has been a great effort, particularly from Kristen from Headspace national, to put in place an emergency response to mental health, including providing additional support to those two schools and setting up a community grief and support space. I understand 50 people in the community have accessed that support in the first day and a half. But Hamilton has a very, very low amount of ongoing mental health support, and so I ask the minister to outline what ongoing mental health support will be provided to the community.

**Lara electorate**

**Ella GEORGE** (Lara) (14:42): (193) My question is for the Minister for Child Protection and Family Services. In October last year the Andrews Labor government announced it would establish a redress scheme, provide support and deliver a formal apology to Victorians who were placed in orphanages, children's homes and missions and experienced physical, psychological and emotional abuse or neglect. I thank the many care leavers, especially those from the Lara electorate and wider Geelong communities, who worked hard over many years to ensure this apology and redress scheme came to fruition, many of whom have been tireless local advocates for their communities. I would like to take this opportunity to commend Leonie Sheedy for her tireless efforts and advocacy. This redress scheme is an important step for many constituents in my electorate who are still living with the grief and trauma that they experienced while placed in institutional care. The information I seek from the minister is: how is the establishment of the redress scheme progressing?

**South-West Coast electorate**

**Roma BRITNELL** (South-West Coast) (14:43): (194) My question is to the Minister for Public Transport, and the information I seek is for the government to explain why passengers cannot book a ticket more than 100 days in advance on the Warrnambool V/Line service and why schools and other groups are unable to book groups in amounts larger than 30. Minister, schools are trying to plan in advance for school excursions to Melbourne, however, due to your government's restrictions, groups greater than 30 are unable to book on the same train. This requires schools to instead send students in smaller groups on different V/Line services or hire coaches, adding thousands of dollars to the cost of school camps and forcing students onto our substandard regional roads. It is ludicrous to expect schools to send 100 students to Melbourne on four different regional train services and still coordinate the excursions. The last students would be arriving nearly a full day later than the students on the first service. Additionally, those seeking to travel on V/Line are unable to make bookings more than 100 days in advance. For those who have important events or a specialist medical appointment, they need certainty that they will have a seat on the train and not have the additional worry they may not be able to use the V/Line service to Melbourne. This is specifically placing unfair – *(Time expired)*

**Eureka electorate**

**Michaela SETTLE** (Eureka) (14:44): (195) My question is for the Minister for Community Sport. Teesdale is a vibrant and growing town in the Golden Plains shire and has a strong sporting culture. The Teesdale Roos and local cricket club always bring a lively and passionate crowd, making the recreation reserve a real social hub for locals. I am delighted by the recent announcement in the state budget regarding the game-changing upgrade for the Teesdale rec reserve. The plan includes accessible, safe and female-friendly change rooms. This is a really exciting upgrade. We know sport brings a great sense of belonging and contributes to creating strong community bonds in a regional town. In light of this fantastic announcement, could the minister please provide information on how these female-friendly change rooms will encourage greater participation of girls and women in regional communities like Teesdale and contribute to the growth of local sports in the Golden Plains shire?

**Narracan electorate**

**Wayne FARNHAM** (Narracan) (14:45): (196) My question is for the Minister for Transport and Infrastructure. Gippsland commuters have long suffered with a second-class rail service. We have endured delays, cancellations and buses replacing trains for years now. The Gippsland rail upgrade was meant to deliver better services, including line duplication between Bunyip and Longwarry. Many stations have been upgraded with new platforms thanks to funding from the former federal coalition government, but no tracks have been installed. My community want to know: when will the duplication of the line at the Bunyip River bridge be completed, and when will the tracks be installed at Bunyip and Longwarry stations so new platforms can be used?

**Bellarine electorate**

**Alison MARCHANT** (Bellarine) (14:45): (197) My question is to the Minister for Ports and Freight. Minister, with the recent state budget committing \$20.5 million towards the rebuild of the St Leonards Pier, could you please provide an update on the rebuild and the importance of this work to my community in the Bellarine? The iconic St Leonards Pier is a much-loved part of the Bellarine community and is always busy with people fishing, swimming or diving. The community are all very excited to see this project get underway to improve the pier's safety and longevity. The whole community has strongly advocated for an upgrade of the St Leonards Pier. I must also here acknowledge the students past and present from St Leonards Primary School who wrote to the former member Lisa Neville and me for this upgrade. I remember the cheers of delight from the students when we made the announcement and commitment, and I know that the students and the wider community are excited to see this project progress.

**Gippsland East electorate**

**Tim BULL** (Gippsland East) (14:46): (198) My question is to the Minister for Agriculture in the other place. The information I seek is: what supports will be made available to the businesses and employees outside mill owners, mill workers and harvest and haulage contractors that will be destroyed by the decision to close the native timber industry? For example, we have firewood contractors, seed collectors, electricians who specialise in millwork, diesel mechanics and even the local tyre services. We have trucking companies outside the harvest and haulage contractors who will be impacted. They will be critically hurt by this. The minister needs to ensure that all businesses impacted by her decision, not just the ones directly impacted, are looked after. So the information I seek is: what is going to be put on the table for those businesses outside those directly employed in the timber industry that are seriously impacted nonetheless? What is going to be put in place for them?

**Ashwood electorate**

**Matt FREGON** (Ashwood) (14:47): (199) My constituency question is for the Minister for Small Business at the table, and I am wondering: will the minister be available to join with me and the Ashburton traders down at High Street, Ashburton, where there is a fantastic little strip shop in my area? I remember well when I was running my own small business you could drive down in the morning, get your coffee, get your shoes fixed down there, get your meats at Paul the butcher's – it is a fantastic example of your old strip shop and is still vibrant, and I would love to see the minister come down. Let us have a good chat about small business with the traders right there.

**Bills****State Taxation Acts Amendment Bill 2023***Second reading***Debate resumed.**

**Sam HIBBINS** (Pahran) (14:48): I rise to speak to the State Taxation Acts Amendment Bill 2023 on behalf of the Greens. This is a bill that seeks to make a range of changes to the state taxation system, amending eight acts, but predominant of course are the changes to land tax and the changes to payroll tax. In terms of payroll tax there will be additional tax for those with payrolls above \$10 million and an increased rate again for those with payrolls of \$100 million. This is estimated to raise about \$3.9 billion over four years. Similarly with land tax, the tax-free threshold is going to be lowered, and there are some additional fixed charges as well, which are estimated to raise \$4.7 billion in four years. These have been couched in frames as being temporary, even though they will be for 10 years, and as focused on paying down debt.

In principle the Greens certainly support the need at this particular time to raise revenue. It was clear in the lead-up to the budget that revenue did need to be raised, and those who can afford it should be paying their fair share. It has been pretty galling over the past year or so, particularly in the midst of a

cost-of-living crisis, to see corporations profiteering, posting record profits, while Victorians in need are struggling. Just for example, the big banks are forecast to rake in about \$33 billion of profit this financial year, record profits, and in fact it has been corporate profits that have been driving inflation. The Greens put forward a number of measures in the lead-up to the budget, including a bank levy and making property developers and the gambling industry pay their fair share, which I can go into a bit more detail on later, but we are extremely disappointed that this revenue is not largely going towards addressing the huge social issues that Victorians are currently facing.

The government has been at pains to point out that this is all paying down a COVID debt. I mean, this has all been spin from the government. Obviously there are a whole range of factors that have contributed to the government's current debt, not just expenditure incurred from COVID but of course the infrastructure program as well – a whole range of factors of revenue and expenditure that contribute to the current fiscal situation. So really I feel that they have just landed on this COVID debt as sort of the most politically saleable way of selling what is actually required and they just need to raise revenue. What we are very disappointed with is that the revenue needed to be raised to address the many issues that Victorians are facing. The cost of living is through the roof. People are feeling the pinch. More and more people are being pushed to the margins, into poverty. They cannot wait another few years, whether it is when we are back into surplus or at another point in time, before there is any prospect of things getting better.

When you look at the plight of renters, there is nothing in the budget for renters, no safeguards in this bill for renters. We know we have got landlords who are already reaping windfalls from an overheated private rental market threatening to pass on the cost increase to renters. We have got renters facing another year of massive rent increases in a system that is in desperate need of reform. Rents have gone up 10 per cent and are due to go up another 10 per cent, pushing many to the brink. At the moment, right now at this point in time, the government is basically saying no to a rent freeze, no to rent controls, no to short-stay accommodation regulation, no to strengthening the vacancy tax – no to even a parliamentary inquiry, which finally the committee itself has managed to get up, but I think the government was trying to run interference on that on Tuesday. It is not an acceptable situation. We need clear, strong and immediate action in turn to safeguard and to protect renters here in Victoria.

There is a whole other issue that really needed to be addressed by the revenue raised in this bill: homelessness. Thirty thousand people are experiencing homelessness every single night, sleeping rough, couch surfing, in crowded or unsafe accommodation. Yet you have got a government, in their previous bill to raise revenue, shovelling more money into the racing industry, four times more in fact than they are into homelessness services. We have got people being turned away from homelessness services. We have got a public housing waiting list rising to 120,000 people. There was nothing – no more funding for social or affordable housing – in the budget. It is not an acceptable situation.

As part of this so-called debt repayment plan, not only do we have revenue raised but then we have got massive, billion-dollar cuts to the public sector. Workers have already experienced low wage growth for years and have now just experienced the biggest real wage cut on record, and throughout this time we have got a government who has a policy of deliberately keeping wages low.

**The SPEAKER:** Order! Can I ask members to cease walking between me and the person on their feet. Member for Mildura, that includes you.

**Sam HIBBINS:** Thanks, Speaker. Just recently, up until just a few weeks ago, the wage cap was set at 1.5 per cent. It recently increased to 3 per cent, but that means all those workers who negotiated deals under that old wage cap are still going to be having those low wage increases, low wage growth, at this time of mass inflation, and even future wage rises just are not going to come close to meeting the rising cost of living. On top of all that we have now got cuts to 3000 to 4000 public sector workers over the next 12 months. Just recently – I think in this debate – we had a government member saying we should all be saying thanks to our fantastic essential workers. Well, that is great. Let us say thanks to them; we all have been. But let us demonstrate thanks to them. The first port of call is to not sack

them, not cut their jobs, but to make sure that they have got secure jobs with good wages that actually meet the costs of living, that go up with the cost of living. The idea that you have got public service staff just hanging around – they have already gone through multiple billion dollars worth of efficiency dividends in previous budgets – and that this is not going to have an impact on frontline services is just an absolute fantasy. For all the commentary that was done prior to the election talking about how Matthew Guy's Liberals were going to be the party of cuts, to serve this up at the first budget I think is just absolutely appalling.

From our perspective much more could have been done to reform tax and raise revenue to pay for the things that Victorians urgently need. The government has been again at pains to point out that these are temporary measures, even though they are over 10 years. What we put forward is a bank levy, having the banks pay their fair share. The reality is that banks are posting record profits but are effectively subsidised by government by being too big to fail. So we think a levy as applied by the federal government or as has previously been proposed by the South Australian government could have raised billions of dollars, between \$4 billion and \$15 billion over 10 years, depending on the rate that was set. We could have seen a reintroduction of the social housing levy dumped last year, which could have gone to paying for more public and affordable housing, instead of nothing seen in this next budget. We know the government's current build is not meeting what is required. So there was a real opportunity I think in terms of longstanding systemic tax reform that could have been permanent that could have been applied in this year's budget and brought forward in these bills that could have gone a very long way to meeting those needs, whether it is housing, cost of living, renters, public and affordable housing or a number of social issues that Victorians are facing right now. People cannot wait for those things to get better.

One aspect that we did support – and actually put forward – was the land tax exemption for land on conservation covenants. Currently people who wish to put a conservation covenant on their land to protect the biodiversity values in perpetuity are required to pay land tax on this portion of their property. This has been a disincentive for people to protect private land for conservation. Most other states in Australia have exemptions, and we certainly welcome Victoria joining them. I think it only brings in a small amount of land tax anyway, land tax on conservation covenants, so the budget impact will be very small. So certainly we support that measure.

I note we have heard from the opposition certainly that they are opposed to any tax increases, but also they want to legislate a debt limit. Really, when you look at that, what they are selling here is a state of permanent austerity here in Victoria, which we just cannot have. People in need cannot afford that. So I would urge the government, as this bill progresses, not to leave people in need behind, not to leave renters behind. Make sure that there are proper safeguards for them against the rampant rent rises that they are facing. Renters, people in need, cannot wait years or months for meaningful action.

**Roma BRITNELL** (South-West Coast) (14:59): Firstly, before speaking on the actual State Taxation Acts Amendment Bill 2023, I would like to make a comment about the handling of this bill by the government. I attended the bill briefing last Friday afternoon and was quite shocked at the bill briefing to find out that, as we all know, this would not get second read as it would normally be. From the Tuesday to the Wednesday when we would debate this, there were certainly not the 14 days; in fact there was only one day. Those who say we had more than that time I think are disrespectful to the fact that our role as representatives here is to talk to our communities, and the community had less than 24 hours. I will quote the words said in that bill briefing. It was: 'Do not share with stakeholders, this is still cabinet-in-confidence information'. So here we are beginning this debate less than 24 hours from people actually being able to see the bill. This is another example, and I have been up many times on my feet, to say this government refuses to consult, refuses to respect our communities. It has got to the point where it is their way or the highway. This bill affects 6.8 million Victorians. These taxes, these nasty taxes that this bill implements, are a cost impost on 6.8 million Victorians. The debt that this government has incurred as a result of their total mismanagement of the finances of taxpayer dollars will affect every woman, man and child.

For a family in South-West Coast, my children's family – my son Tom, his wife Hayley, Archie, Fleur and little Hendrix, who is only one – that is \$5000 for each one in that average family. That is \$25,000 for that family. That is why we oppose this bill, because it is a nasty bill with nasty taxes: taxes on schools, taxes on renters, taxes on debt, taxes on jobs. That is why the family I just quoted you, my son's young family, will find it harder to live in Victoria under Labor. I heard the member for Geelong say it was because the state was hard hit by COVID. Well, no, COVID was in every state. We are in this position because of the mismanagement of this government of the tax dollar and of COVID. More to the point, the \$31 billion they talk about paying off in the next 10 years is exactly the same figure as the \$31 billion in cost blowouts that they incurred as a result of the Big Build. Every single project that they have touched, they have blown it out. So here we are going from \$165 billion to \$171 billion over the forward estimates when we have got increased taxes that tax schools, tax renters, tax debt and tax jobs.

1941 was when we first had the tax exemption for schools, because schools are not-for-profit organisations. The Premier tried to say, and I heard him say the other day, it is a business. Well, if a school is a business, is every not-for-profit going to be come after by this government? Are they going to come after our sporting clubs? Are they going to come after aged care facilities? Where is this going to end? We heard the Premier also say yesterday that government schools are paying payroll tax. Well, let us just have a look at what the Catholic Education Commission of Victoria says. Jim Miles said:

... the cost of their children's education ... unlike government schools, this payroll tax is real money, which will have to be found somewhere.

So it is not just in kind – one government department, the education department, pays the Department of Premier and Cabinet – it is real money. We have schools in South-West Coast, schools like Portland, Bayview and Emmanuel colleges in Warrnambool – will they have this tax applied to them soon? Will they change the dollar amount? We certainly could not get that clarified in question time just now.

When I was a young girl, my father died. I was nine. My mother was left with four children aged between nine and 15. She wanted me, her daughter, to go to a Catholic school. So how would you tell someone like my mum, left widowed with four young children, with her very important philosophies that she wanted to instil in her children, that she would not be able to have that choice because she was seen as some sort of elite? Well, I do not think a single mother widowed at the young age of 40 with four young kids was anywhere near elite. I do not think the Catholic education I had was anything that would be something you could pick on as elite. It was a very sound, basic, good education. But debt is growing in our state, and it is the schools they are coming after.

There is a tax on renters. South-West Coast is desperate for more homes. Yet this government has such a poor understanding of the supply chain, of how you make sure there is availability for rental properties, that they are taxing renters. You just have to listen to some of the quotes. It is not just us, it is expert after expert everywhere. The Real Estate Institute of Victoria says it is 'a tax on families, not the big end of town'. CPA Australia say mum-and-dad landlords will have to foot this bill:

... they will be forced to increase rents at a time when there is a national housing affordability crisis.

This is how outrageous the understanding of this government is. They have no understanding at all. What about the cuts to regional Victoria? Regional development funding has been cut to \$106 million in 2023–24 – down 40 per cent – and in regard to the actual budget of 2021–22, it is 57 per cent over that two-year period. This is an extraordinary cut, and the number of jobs that are generated from these areas will go from 2427 to just 500. Already I have been contacted by government programs funded by Regional Development Victoria, and they are saying they will limp through till the end of this financial year and have no idea about the next.

The department of agriculture also faces cuts, after having its workforce decimated in 2022. Investment in agriculture industry development will be down nearly 17 per cent. Our region is an economic powerhouse when it comes to food production, renewable energy and manufacturing. We make a significant contribution to the state's economy, and this is the thanks we get. The Andrews

Labor government has no understanding of what agriculture does and how to drive growth, and how to not punish people through punitive taxes, which are exactly that – a punishment. So we oppose these taxes because we are for Victorians. I am for south-west Victorians. Taxes punish people. This is completely as a result of the poor handling of the state's money – the people's money.

Some people, we know and are told, could share this bill with the government, but where do they think they are going to find the people who are not struggling? Liberals know how to grow economies through incentives, and we promise tax reform and we have a track record to deliver on a stable economic state of Victoria. The Andrews Labor government promised no new taxes, and we are up to almost 50. As I say, I have a litany of quotes that I could keep going with from experts. Rob Scott, the CEO of Wesfarmers, one of our largest employers, says:

... Victoria's payroll tax hit will hurt an already slowing economy and undermine investment and jobs.

How is that going to help Victoria? The evidence is clear: we are not going to reduce debt, despite this government's increase in taxes, despite the revenue they say they are going to raise from this, because they probably will raise it but waste it again because there has been no reining in of waste, none whatsoever – \$31 billion on the wasteful Big Build projects that they have not delivered on time and they have not delivered on budget. They are going to Victorians, because we all know when Labor run out of money they come after yours. That is how Labor operate. It has never been how the Liberal Party operate. Economic and fiscal responsibility is what we are synonymous with, and this government are not a new government just getting their feet under the table. They have had 19 of the last 23 years, and they say that it is as a result of COVID. Well, as I say, COVID was in South Australia, New South Wales, Queensland, Tasmania and Western Australia, and we have a debt here in Victoria equivalent to New South Wales, Queensland and Tasmania all put together. Not just one of them, but the three of them put together – our debt is bigger. So do not pretend to us here in Victoria that COVID was only here in this state. It was right throughout this nation and right around the world, but the debt we have here is extraordinary. You think you can come after Victorians – mums and dads and the pockets of kids who want to have an education like I had in a simple Catholic school in the far west of this state.

**Natalie SULEYMAN** (St Albans – Minister for Veterans, Minister for Small Business, Minister for Youth) (15:09): I move:

That the debate be now adjourned.

**Motion agreed to and debate adjourned.**

**Ordered that debate be adjourned until later this day.**

### **Victorian Future Fund Bill 2023**

#### *Second reading*

**Debate resumed on motion of Tim Pallas:**

That this bill be now read a second time.

**Brad ROWSWELL** (Sandringham) (15:10): It has been a big week. Just to flag it with the house, I do not anticipate doing my full 30 minutes on this bill, but with a bit of encouragement and a few interjections I might give it a crack. We will see where we land.

Similar to the State Taxation Acts Amendment Bill 2023, the opposition was informed of the government's intention for this bill to be second read and brought on immediately for consideration in this place just last Thursday. We made an urgent request of the Treasurer's office to provide the opposition with the customary briefing that the opposition is entitled to as part of the ordinary course of bringing bills before this chamber. I am grateful to the Treasurer's office for accommodating that request at 3 pm on Friday. As I expressed concern during my contribution on the State Taxation Acts



Amendment Bill 2023, I also now express concern that, in sharing the bill with the opposition, the Treasurer's office said the following:

As these have not yet been second read, they are still Cabinet-in-Confidence, so please don't share with stakeholders.

I again make the point, as I did during the State Taxation Acts Amendment Bill contribution, that we are very, very uncomfortable about that circumstance on this side of the house because of the detail within these bills – many, many pages of legislation – and we think that those pages of legislation should be considered and should be scrutinised in an appropriate fashion. If I am getting a direction from the government to keep them in a close hold because they are still considered cabinet in confidence, that is an unacceptable circumstance because it means that those Victorians that may be affected or may be impacted by the bill, the legislation that is being considered, before it becomes law do not have the opportunity to engage in that conversation, which is the usual process which is the foundation of our democracy – engagement with those who are affected by decisions we make here. So I just from the outset want to acknowledge that that is not the ideal circumstance for this bill to be second read and made available to others for their consideration and scrutiny.

We on this side of the house largely agree with the principle that we should be establishing a Victorian Future Fund. We think that that is a very good idea, and we do have a debt problem in this state. We have got a massive debt problem in this state, climbing from \$168 billion this year through to \$171 billion at the end of the forward estimates. By admission or by omission – one or the other; I am not entirely sure at this point in time – the government's introduction of this bill into the Parliament I think is a massive concession, actually, by the government of this and an acknowledgement that they do have a debt problem. We are in a debt crisis in this state at the moment. As I have said previously, daily interest repayments are \$10 million each and every day, climbing to \$15 million a day on 1 July this year, each and every day, climbing to \$22 million each and every day just in interest payments alone at the end of the forward estimates. We do have a debt problem in this state, and the government actually bringing forward this legislation, the Victorian Future Fund Bill 2023, to my mind is an acknowledgment and an admission by the government that we do have a debt problem and we are in a debt crisis.

My understanding is that this Victorian Future Fund will firstly be in receipt of about \$8 billion, maybe just over \$8 billion, after this government decided to privatise the licensing division of VicRoads. It is just an interesting point. Those on the government benches pillory those in the opposition. They like to take us back – they like to do a revisionist view of history – to the days of Kennett, Stockdale and others, and they say that the Liberals guys are the cuts guys, that we are the people who privatise, that we are the people who rid the state of any state assets. But it is actually those on the government benches who do just that, and as part of the bill we are considering – the Victorian Future Fund Bill 2023 – that is exactly what the Andrews Labor government has done in order to have the \$8 billion or so to put into the Victorian Future Fund. Now, they have got to start somewhere. It is just curious that they pillory this side for privatising things when they do exactly the same thing themselves.

My understanding is that the Victorian Future Fund can also be in receipt of the proceeds of the sale of Crown land – not all sales of Crown land. The bill enables the proceeds of the sale of Crown land to be received by the Victorian Future Fund – and also future surpluses. As I am sure you know, Acting Speaker Settle, the government is anticipating an operating cash surplus in the outward years of the current budget – in the last two years – in the third year \$1 billion, in the fourth year \$1.2 billion. Call me cynical, call me what you like –

**A member:** You're cynical.

**Brad ROWSWELL:** I was wondering when you would pipe up.

Frankly, I will believe it when I see it, but at a principles level I think it is actually a good thing to do with any future surpluses that the state of Victoria may have for the future fund to be in receipt of those surpluses in order to top up the fund and grow the fund, which is there to offset our debt.

A couple of other points: I do have a concern with the model that the government has chosen to use for our Victorian Future Fund. I would have preferred the Canberra model of a future fund as opposed to the New South Wales model of a future fund. I think that the Canberra model of a future fund, under the leadership of Australia's longest serving Treasurer, Peter Costello, has done great things for our country. In fact the Future Fund, through the federal lens, is the largest investment fund in the Southern Hemisphere, managing something like – I am going to misquote the total of the fund, but it is a rather large amount – hundreds of billions of dollars, from memory. I think that is a proven model that is very well resourced and focused on generating decent, profitable returns, which can only benefit the liabilities of the federal public service, which it was initially set up to offset. So I am concerned that we are potentially missing the opportunity to have that beefed up.

Just to give one example, the Treasurer is responsible for the fund. Under this legislation the Treasurer has discretion to appoint a person to manage the fund. The terms of the appointment are at the discretion of the Treasurer. By contrast the Commonwealth Future Fund is governed by a board of seven, six members and one chair – sure, appointed by the Treasurer, but separate to the Treasurer – and the Commonwealth Future Fund legislation refers to risk and return considerations as well, which are not mentioned in the Victorian Future Fund legislation, as I read it.

I make just a final comment in relation to the reason why the government is doing this, the reason why the government is establishing this Victorian Future Fund through the Victorian Future Fund Bill 2023. I would like to give them credit, and I would like to say that they are doing it because they recognise it is an opportunity to manage our economy in a more appropriate way, in a more measured and reasonable way that gives consideration to, quite frankly, the risk environment, the fiscal environment, that many state governments, many jurisdictions, find themselves operating in at the moment. I would like to give them some credit, to say that they recognise that the way they have managed the economy over the last nine years has not been the best way to manage the economy – look at the increase in taxes in this budget, look at the projections in this budget in terms of real wage growth, in terms of unemployment, in terms of our net debt position and our daily interest repayments. But I cannot say with any certainty, in fact I cannot say at all, that that is the motivation behind the government establishing the Victorian Future Fund. It is under pressure from ratings agencies, so let me go into that in a little bit of detail. One of the ratings agencies, Moody's, has said the following:

Sustained inflationary pressures, delivering on pre-election commitments and cost-of-living support measures combined with various new and existing capital spending initiatives – such as decarbonising the electricity grid and social housing investment – will elevate execution risk in relation to the state's fiscal repair drive.

Victoria's debt burden will continue to climb over the forward estimates ... we do not expect Victoria's debt burden to stabilize before the end of fiscal 2028, maintaining negative pressure on the state's rating.

...

Although debt affordability is currently adequate with interest payments at an estimated 4.9% in fiscal 2023, higher interest rates will significantly constrain Victoria's operating profile over time ...

We expect underlying inflation pressures and interest rates remaining higher-for-longer, combined with more volatile global economic growth and elevated geopolitical volatility will increase cost pressures for the state and make the budgeted expenditure savings challenging to achieve.

Now, why does this matter? Well, this matters because ratings agencies, whether it be Moody's or Standard & Poor's (S&P), review after a state budget our credit rating. As has been noted in previous contributions today on these budget bills, it is under this government and the economic circumstance that they have overseen and perhaps even created that our credit rating has dropped from where it was when the last coalition government left office to where it is today.

It was just interesting, actually, ahead of the budget and in, by one measure, an extraordinary step, rating agencies were firing some warning signals at the government to say: here is your opportunity to

get your house in order, here is your opportunity to double check and to triple check what you are doing, what you are saying, what your debt profile could be, where your daily interest repayments might be and where your net debt might be, because if you do not get those things in check, if you do not get your spending in check, if you do not get your economic drivers in front of your fiscal strategy in check, then we are going to downgrade you further. There is going to be pressure on you to be downgraded further. And why does that matter? What does a drop, a further drop, under this government in a rating from one of these agencies mean? It means that it costs us more to borrow money. It means that we are subjected to a higher interest rate than other jurisdictions around the place that might have a better credit rating than we do. That means that Victorians are paying more because of a drop in rating, because we are paying more interest, and we are getting less for it, because we have not got as much cash to spend on things.

Again I would like to give the government credit for bringing this legislation forward, effectively establishing a state offset account – the state of Victoria offset account – to help balance the net position of the state and to help pay off debt, which is a good principle and a principle we agree with. But I cannot say that for certain because of the pressure placed upon this government to bring this legislation for consideration here, because I suspect that without doing that the state of Victoria could have been subjected to further pressure on their current rating.

I flagged at the start that I would not be taking my full 30 minutes to contribute to this debate, and with 15 minutes to go – that is an invitation to interject at this point, by the way, so I have got some talking points to go on! No, it is all right.

**A member:** Crack on, Brad! Keep going, mate.

**Brad ROWSWELL:** Thank you. Where have you been?

**A member:** You can do it.

**Brad ROWSWELL:** I will take this opportunity, actually, to just outline a couple of other things which are impacting on our state's ability to – well, let us borrow the government's phrase – do what matters. One of those things of course is the close to 50 new taxes that this government has introduced during –

**Will Fowles:** On a point of order, Acting Speaker, the member for Sandringham is having a pretty good go at diverting the topic of this debate from the Victorian Future Fund into matters that might suit his political narrative. I would ask you to bring him back to the bill.

**The ACTING SPEAKER (Michaela Settle):** What is your point of order?

**Will Fowles:** Relevance. Please bring him back to the bill.

**The ACTING SPEAKER (Michaela Settle):** Could I bring you back to the bill, please, member for Sandringham.

**Brad ROWSWELL:** I am delighted to do so, Acting Speaker. We are considering the Victorian Future Fund Bill 2023, and I have just asserted, as the lead speaker for the opposition, that there are particular economic circumstances which have driven the government to bring this legislation forward. One of the economic considerations I am proposing, as is my right to do, I believe, is the fact that the Labor government have introduced close to 50 new taxes since they came to office nine years ago: a new stamp duty on property tax transfers between spouses, an increased stamp duty on new cars –

**The ACTING SPEAKER (Michaela Settle):** Member for Sandringham, I did ask if you could return to the debate, please.

**Brad ROWSWELL:** Acting Speaker, on the point of order, which I thought you had ruled on, I believe – and please guide me – I am within my right to outline the broader economic circumstances through which the government has brought forward this bill.

**The ACTING SPEAKER (Michaela Settle):** I ask the member to continue.

**Brad ROWSWELL:** Thank you, Acting Speaker. Some of those taxes include a new stamp duty on off-the-plan purchases, a new so-called vacant home tax, a widening of vacant residential land tax to uninhabitable properties, a retrospective increase in insurance duty for overseas-based insurers, a new annual property valuation to increase land tax, a cladding rectification tax, an environment mitigation levy, an increased luxury car tax, an increased land tax for homes with contiguous blocks on a separate title, increased fire services property levies in 2015–16 and 2019–20, a new point-of-consumption gambling tax, a tripling of brown coal royalties, gold mining royalties – I am only up to 17. I know I should not be using props and I know that is not within the standing orders, but there are a lot here. And just in this budget that was handed down last Tuesday there are a new tax on jobs, a new tax on schools, a new tax on rent and Labor's debt tax – all taxes on aspiration, all taxes on a fair go. These are the economic circumstances which I think it is important to acknowledge in the context of this Victorian Future Fund Bill, which the government is bringing forward in order to deal with some of the outcomes of the taxes that they have unleashed on some of our most vulnerable in this state.

I indicate to the house that the opposition will not be opposing this bill, and I look forward to the contributions of government members and opposition members from here on in.

**Will FOWLES (Ringwood) (15:29):** It is my pleasure to follow my friend the member for Sandringham. He has had a very big week, a very big week indeed. I cannot imagine how difficult it must be to try and address all of these bills, all of these very important matters, with all the noise going on. We have had leadership speculation, we have had the resignation of the member for Warrandyte, we have had the Leader of the Opposition only receiving that by way of press release, we have had –

**James Newbury:** On a point of order, Acting Speaker, 30 seconds into the contribution all we are getting is verbal diarrhoea.

**The ACTING SPEAKER (Michaela Settle):** What is your point of order?

**James Newbury:** On relevance. I would ask you to bring the member back to the bill at hand.

**The ACTING SPEAKER (Michaela Settle):** It has been a very broad ranging debate, down to 2015 taxes, so I will allow the member for Ringwood to continue.

*Members interjecting.*

**Will FOWLES:** No, you are defying the Chair. Thank you, Acting Speaker –

**James Newbury:** On a further point of order, Acting Speaker, internal Liberal Party matters by no definition fall under the broad-ranging definition of relevance, and I would say to you, Acting Speaker –

**A member:** That's not a further point of order.

**James Newbury:** It is a further point of order. Acting Speaker, I would ask you, on a further point of order on relevance, to bring the member back to the question.

**The ACTING SPEAKER (Michaela Settle):** I ask the member to continue. There is no further point of order.

**James Newbury** interjected.

**Will FOWLES:** Thank you very much, Acting Speaker. Oh, well, Captain Snarky Pants has had a little swing at the Chair on the way out the door – terrific. There you go. I mean, the member for Brighton has been throwing the toys out of the cot all week –

**Kim O'Keeffe:** On a point of order, Acting Speaker, we do not have name-calling in the chamber, thank you very much.

**The ACTING SPEAKER (Michaela Settle):** I ask the member to refer to members by their correct titles.

**Will FOWLES:** And I shall, Acting Speaker. I was empathising with the member for Sandringham, who has had a challenging week, not just because the member for Brighton has had his third or fourth tantrum of the week but because with all of this leadership speculation, with the stepping down of the member for Warrandyte, with the – how many times are we going to litigate this?

**Richard Riordan:** On a point of order, Acting Speaker, I again refer to previous members of the chamber who have drawn your attention to the relevance of the member for Ringwood –

**Will Fowles** interjected.

**Richard Riordan:** Well, it is a further issue, member for Ringwood. And under no circumstances does a sort of a Ringwood view of the coalition's inner machinations have anything whatsoever to do with the –

**The ACTING SPEAKER (Michaela Settle):** What is your point of order?

**Richard Riordan:** Relevance.

**The ACTING SPEAKER (Michaela Settle):** I ask the member for Ringwood to return to the bill.

**Will FOWLES:** Thank you very much, Acting Speaker. Ringwood of course is immediately to the south of Warrandyte. I live about 200 metres from the electorate of Warrandyte, and I am sure many of the matters affecting my community in Ringwood would also affect those good electors of Warrandyte, who are now being subjected to a by-election as part of a vanity exercise by the departing member – an outrageous misuse of public funds simply because he had a tantrum.

**Richard Riordan:** On a point of order, on relevance, Acting Speaker, I think there needs to be a point drawn. The member has been talking now for 4-odd minutes and he has –

*Members interjecting.*

**Richard Riordan:** Well, he has wasted 4-odd minutes of the chamber's time, and he has not yet mentioned the words 'Victorian Future Fund' or 'state taxation' or 'budget' or 'appropriation'. He has not touched on any of the topics of the week.

**The ACTING SPEAKER (Michaela Settle):** Order! I ask the member for Ringwood to return to the bill.

**Will FOWLES:** Thank you very much, Acting Speaker. There have been so many tantrums from those opposite today. So let us talk about the Victorian Future Fund – you are insufferable, Jimbo!

**James Newbury:** On a point of order, Acting Speaker, the behaviour of the member is appalling. In terms of your capacity to keep order in this chamber, I would ask you to counsel the member in terms of his behaviour in this chamber.

**The ACTING SPEAKER (Michaela Settle):** I ask the member to return to the bill.

**Will FOWLES:** Thank you very much, Acting Speaker. It is interesting that the member for Brighton, who sledged you on his way out of the chamber, thinks that others ought to be counselled for their behaviour, but there you go.

The Victorian Future Fund, as I was busy saying before being interrupted yet again by those opposite, is part of the government's important fiscal strategy to make sure that over time we see net debt levels stabilise and that we are able to repay the COVID debt. What you have is a growing asset pool under the Victorian Future Fund, a growing asset pool that by deed of this legislation will be able to be used by ratings agencies in making their assessments of the state of the Victorian government's balance sheet and budget. It will be able to be treated by those agencies as a debt offsetting fund. That is not a particularly

novel idea. It has been used in other jurisdictions, particularly Queensland and I think New South Wales. It is an entirely valid strategy and we say a very good use of the VicRoads modernisation project.

I do want to raise a small point of difference with the member for Sandringham on his characterisation of the seed funds for the Victorian Future Fund. He referred to that as a privatisation and proceeded to wax lyrical about what he says are our contributions around privatisation generally. I just make the very clear point that to privatise something is to take it into private ownership. The VicRoads modernisation program is not a transfer of ownership; ownership is retained by the state. It is best described as a joint venture. It is not a privatisation even though it might suit the political narrative of those opposite to characterise it in that way.

**Richard Riordan** interjected.

**Will FOWLES:** Well, it is not. The ownership is retained by the Victorian government. That is the naked reality. No amount of huffing and puffing from the member for Sandringham or the member Prahara is going to change the fact that ownership is retained by the state of Victoria. That is the reality. That is the structure of it. It is not sort of an arbitrary semantic point, it is actually quite important that ownership is retained in that way.

I want to talk a little bit about the four-step fiscal strategy, because it is important and it underpins the entirety of the reason that we are bringing this bill to the house. With the strategy as part of our COVID debt repayment plan, the first step is creating jobs, reducing unemployment and restoring economic growth. That has been achieved with great aplomb. We have created a great many jobs – 440,000, in fact, against a target of 400,000, so we are well advanced in the post-COVID environment in returning Victoria to economic growth and jobs growth, and that has been a terrific achievement.

The second thing is getting to an operating cash surplus. That is effectively the surplus you get, what in the corporate world you would call the EBITDA line – the earnings before interest, taxes, depreciation and amortisation. We get to an operating cash surplus next financial year, and then ultimately we get to operating surpluses – what would be the NPAT line in corporate speak, the net profit after tax, that sort of equivalent – once all the depreciation has been taken into account. That too will arrive over the course of the forward estimates.

At the same time we will be stabilising debt levels. Stabilising debt levels is a function of many things, but importantly it is about economic growth, so debt level as a percentage of gross state product is the stabilisation measure we are examining here. It is a function of economic growth, it is a function of government revenues and it is a function at least in part of the growth of the Victorian Future Fund. It is an important part of the government's plan and it is an important part of all governments' plans to have growth assets on the balance sheet, particularly in circumstances where we have been able to write down a pretty comprehensive chunk of state debt at what would be considered to be historically low interest rates. It is terrific that we have got the ability out of this modernisation project, this joint venture – most definitely not a privatisation – that we can release the capital to be able to have this growth asset sitting on the balance sheet of the state, managed expertly by the Victorian Funds Management Corporation. They do a terrific job, and they manage funds expertly to pretty strict ethical investment criteria, which is a very, very good thing.

So that is where the money comes from, and it will be managed in this growth way to make sure that over time we achieve our COVID debt elimination. That is the \$31.5 billion that was taken on to save household budgets, to save jobs, to save the economy and ultimately in fact to save lives. All of that effort, all of that work, though it was so poorly supported by the federal government, was a fantastic collective effort on behalf of Victorians to make sure that we were in the best possible position coming out of COVID. I regret that the opposition has wasted so much of my time. I have more to say, but no time in which to do it.

**James Newbury:** On a point of order, Acting Speaker, without reflecting on an earlier ruling, there was a ruling that it was relevant to debate an internal party matter as part of a bill debate. I would ask

that that ruling be referred to the Speaker, because I am concerned about the impact on the rule of relevance in this place of that ruling. I would ask you, if you would not mind, to refer that matter to the Speaker for further review.

**The ACTING SPEAKER (Michaela Settle):** I will refer that to the Speaker.

**Martin CAMERON (Morwell)** (15:40): I rise to talk on the Victorian Future Fund Bill 2023, and I note that we will not be opposing this bill. The Victorian Future Fund was announced in the 2022–23 budget as part of the government's debt stabilisation strategy. The main part of it is to have an offset account to pay for the COVID moneys that were borrowed and to have that future fund there so it can serve the purpose of driving down the debt from the COVID-19 pandemic. As I said, the purpose of the fund is to help manage the fiscal impact of the COVID-19 pandemic and deliver positive outcomes for Victorians by reducing the debt burden on future generations. I know as I stand here I do not want my children to be inheriting the debts incurred by me and then passing them on to their children also. So to have this offset account so that we can drive down the debt from the COVID-19 pandemic seems to be a reasonable idea.

Contributions to the fund from the up-front proceeds received from the VicRoads modernisation, as we call it – not privatisation but a modernisation joint venture – are some \$8 billion, and any additional contributions made to the fund in the future will be invested to receive a financial return over the long term. This investment return is expected to exceed the state's cost of borrowing, meaning it will improve the state's fiscal position more than simply paying down the debt would.

This bill seeks to establish the Victorian Future Fund as a trust account and clearly defines its purpose so it is only used for this particular reason, which is to provide funding to reduce the state's debt. The establishment of the fund in legislation is an important step towards providing certainty regarding the governance and purpose of the fund, which will support the state's credit rating agencies with assessing the impact of the fund for credit rating purposes. As we have alluded to, this is all being done on a very short turnaround to be able to delve deep into this, and I thank the other members that have also spoken on this issue this afternoon.

Down in the Latrobe Valley, in the seat of Morwell, where I come from, with the budget that has been released, the cost of living is obviously a huge burden, so alleviating the issues of having to pay back the cost of COVID-19 with this future fund will obviously be a great benefit to the people living down there. At the moment we are struggling with the cost of living with food, paying for school fees and putting fuel in cars to drive our children to school and get ourselves to work so we can earn a good day's pay and pay for the cost of living.

There are couple of other things with the delivery of the budget. A couple of our CFA brigades that I have spoken to in the last few days were also a little bit disappointed. Funding for the CFA shed at Tyers was not there when they went and had a look. With the Tyers CFA – I have spoken about this before – at the moment they have a bridge there that is shut. The CFAs are the first responders to any issues in and around Tyers and up into Walhalla. If anyone has been to Walhalla, you know how treacherous the conditions can sometimes be up there. They need to leave as they cannot even house their first responder four-wheel drive truck there – it is housed some 20 minutes away. So it was very unfortunate that we did not have that funding.

Roads maintenance funding was slashed by \$260 million. We know that one of the most important things – especially from speaking to the people of Morwell – is to be able to have road funding and have our roads at a fantastic level, which they are not at the moment. We are going to go into winter, and unfortunately our roads are just going to be a little bit worse off every day now we do have winter setting in and it is starting to rain.

It was touched on by the member for East Gippsland, but I just want to touch on the unexpected announcement during the budget about the timber industry and how the timber industry was expecting to go to 2030 but unfortunately will wind up this year. Today there was a great segment on the *Today*

show where they interviewed mums and dads and kids up in Orbost and spoke with them about their trials and tribulations – how they had actually put money into their businesses to get to 2030, when the timber industry was meant to close. They spent millions of dollars gearing up for those seven years. Unfortunately, with the closure of the timber industry at the end of the year, they are going to be stuck with these assets that they cannot sell, because there will no longer be any use for them. So our hearts go out to the people in the timber industry, the ones that are in the forest harvesting the timber and putting it on the trucks and also the ones that are in the mills, because it is an absolute disgrace that their livelihood is actually being cut by seven years. Our hearts go out to them, and we will be standing with the timber industry going into the future.

On the timber industry, the mental health assets that we have down in the Latrobe Valley and into far East Gippsland were also not covered by the budget. We were very disappointed that we did not get funding for Lifeline, which is a great service in the Latrobe Valley. Now with the pressures on our timber industry workers we just hope that when they need to ring someone for help, they actually get through and the services are there up in far East Gippsland so they are not having to travel down to Melbourne to access them – that when they need these services they are there for them to access.

The purpose of the bill is to establish the Victorian Future Fund as a statutory trust account within the trust fund under the Financial Management Act 1994. The bill also amends the Duties Act 2000 so that the fund manager is a qualified investor, and that is great to see – that it is a qualified investor. The bill provides parameters for money to be credited to and applied from the Victorian Future Fund; sets out the framework for the administration of the Victorian Future Fund, including the appointment of a fund manager; and outlines auditing and reporting requirements that apply to the Victorian Future Fund. The general public likes to see these things. It gives them some security that the \$8 billion that will be put into the fund will be used for the correct reasons – to crush the debt that we now face in Victoria. As I said at the start, we are not opposing this bill.

**Bronwyn HALFPENNY** (Thomastown) (15:48): I also rise to speak in support of the Victorian Future Fund Bill 2023. This bill was announced in the budget as part of a debt stabilisation strategy for the Andrews Labor government to manage the impact of the COVID debt, because the Andrews Labor government provided all sorts of support for those that needed it during the pandemic, without which we would have seen people face even worse things. In particular the state government had to do some of the lifting for the federal government when they refused, for example, to even provide food for international students. Basically, I think the Prime Minister's words at the time were why don't you go back home, so the state government had to fund support not only for businesses in Victoria but also for those that really ought to have come under the responsibility of the federal government.

After its creation the Victorian Future Fund will act as an investment fund, and over the long term the investment return that is expected should exceed the cost of borrowing. In order to set up such a fund, of course there are all sorts of governance arrangements and regulations around that, so this legislation creates the fund and also then looks at how it will be administered. The bill talks about how the fund will be set up, what the funds can be used for and what they cannot be used for and also what the purpose of the fund is. The legislation establishes the administration structure and it also provides for reporting mechanisms. Those reporting mechanisms are in line with recent recommendations from the Public Accounts and Estimates Committee in terms of having some sort of accountability and transparency on what the fund is doing and what it is used for.

As a future fund, this is a long-term strategy, and of course one of the reasons that our Andrews Labor government set it up is that we do not want our children, our grandchildren and our great-grandchildren having to pay and bear the burden of the debt that was created through the COVID period. This basically separates the debt from borrowings that we used to invest in the state, because they are investments that will provide great things not just for us today but also for those in the future. We have to invest, and as a result we do create debt when we invest in education, in roads, in schools and in public transport. These things not only make our lives better, they also increase productivity and have a long-term economic benefit. Just on a very basic level, I guess, consider a truck driver getting paid



\$50 an hour to deliver goods somewhere. If the roads are built better and if it is easier to get across town and there is not so much congestion, then it might cost \$50 for one delivery rather than \$100 because that driver is not in traffic for 2 hours. These are real benefits in terms of productivity that will go well into the future. So that is the reason why the two different types of debt are being separated, and the future fund will look at those things with the pandemic.

I also just want to make a few comments around what previous speakers have said about the government spending money and this and that. I mean, the fact is what is it that the opposition would not want to spend on? We had the last speaker talking about the timber industry, and yes, it is terrible what has had to happen in that area. Is the opposition saying that we should not be providing the \$800 million – \$200 million extra in this budget – to support the timber industry workers and those that rely on those industries to get access to training and job support? Is it that we should not have good schools for our kids? What is it that we should not be paying for? These are the things, as I said, that create debt but are a long-term investment, and we reap the benefits back in well-educated young people that can contribute great things for our society – better transport to get through congestion and those sorts of things. So the future fund is about separating the two, making sure that we are going to be setting ourselves up into the future and over time bringing down that debt that was around COVID. Then of course we can balance the books a little bit further down the track and also be responsible in terms of making sure that we continue to provide the investment in all the important things that Labor values and Victorians value around education, health and roads. Every time I do a list I think, ‘Oh no, hopefully I’m not missing something out,’ because all these things are really important not just for today but also for tomorrow.

On this legislation there have been discussions, and advice was sought from organisations such as credit ratings agencies, and as we understand it they understand the future fund. There are no problems that anybody is raising there in terms of any concerns around the way the government is going to be managing this fund. There has been consultation to ensure that we get the best regulation around this fund and make sure that it is set up in such a way that we can get the best possible outcomes.

I think most speakers previously have really gone into a lot of the details about how the fund will operate. I guess I have just wanted to talk a bit about the purpose of it and the things that it is needed for, because we hear a lot of talk about what we are doing about managing money, and I think this is a very responsible and well-organised approach.

We know that federally such funds have been established as well as in other states, such as New South Wales and Queensland. It is important to make sure that we are looking after the future. I know that, for example, the first contribution into the fund will be what has been received for the partnership work with VicRoads – what is called the VicRoads modernisation scheme. So that will go to the fund, and there may be other government assets into the future that are topping up that fund, and then of course it is about the investment returns.

This is an important piece of legislation that really sets us up for the future. It gives a strategy and a path forward in order to repay or bring back the finances within the state, because of course it was so important to make sure that we did spend as we did during the pandemic era, because it was an uncertain time. It was really one where we had to just sort of throw everything at it to make sure that we protected people as best as we could and that the long-term economic effects would not be that people would continue to experience hardship for years into the future. On that note, I support the Victorian Future Fund. I will finish there.

**Michael O’BRIEN** (Malvern) (15:57): I am pleased to rise to speak on the Victorian Future Fund Bill 2023. I recall when the federal government set up its Future Fund. There were some very unique financial circumstances that allowed the Australian government to set up a future fund, and that was they had paid off every single dollar of the Australian government’s net debt – every single dollar. The Australian government was debt free, probably for the first time in its history, and that was under the excellent financial stewardship of Peter Costello. So having decided that financial competence is a

good thing and paying off all of the Australian government's net debt, they decided that future surpluses should be directed into a positive fund that could be used to invest, to deliver returns and to support Australia's future, hence the Future Fund. And I notice that Peter Costello is currently the chairman of the Future Fund, and it has done extremely well in its financial performances.

We look at this Victorian Future Fund in a very different set of financial circumstances. Far from being debt free, the Victorian government is in debt up to its eyeballs. I remind the house again of figures I put to it yesterday, because they are worth bearing in mind. When this government took hold of the Treasury bench in December 2014 Victoria's net debt was \$21 billion – \$21.8 billion to be precise. It is now forecast to be \$171.4 billion in 2026–27, so \$21.8 billion compared to \$171.4 billion. Round it up and that is a \$150 billion increase in Victoria's net debt over that period. That is dangerous. That is a dangerous level of debt. It is dangerous because it means our interest charges are going up massively. We were paying interest of about \$2 billion a year when this government took office. We are now paying interest of \$5.6 billion a year. We will be paying interest of \$8 billion a year – that is \$22 million a day. So massive debt is dangerous because you have to service it, and we are servicing it in a rising interest rate environment.

As somebody who had a fair bit to do with the Victorian Funds Management Corporation when I was Treasurer, I know that you cannot lock in all of your bonds, all of your borrowings, on long-term low-interest facilities. There is always a mix: one year, three year, five year, 10 year. But you cannot lock in low rates forever, so it means that when those bonds that you had issued previously for one, three or five years mature and you have got to go back to the market to get your money back again, you need to pay higher interest rates, prevailing rates of interest. This is the danger for this government. They have set Victoria on a high-debt path – a debt bigger than New South Wales, Queensland and Tasmania combined.

Far from the Treasurer coming into this place and trying to present this bill as some sort of example of fiscal rectitude or good economic management, this bill is actually a sign of panic, a sign that this government has lost control of the finances, has lost control of its debt, has lost control of its spending. This is a desperate sop to the ratings agencies to say, 'Please, we promise you we won't fritter away every dollar we get, and we'll set up a Victorian Future Fund to try and give you some sense of confidence that we're going to start maybe taking debt seriously at some time in the future.'

This government has a great record when it comes to privatisation. This government has been the biggest bunch of privatisers since Kennett and Stockdale. They sold off the land titles office, they sold off the Port of Melbourne, they sold off Victoria's share of Snowy Hydro and now they are selling off the registration and licensing functions of VicRoads – so big privatisers over here, the comrades. But of course we know that with all those other privatisations they have frittered the money away. With this one they say, 'This one will be different. With this one we'll take the \$8 billion or \$9 billion and we'll put it into a Victorian Future Fund.'

The Treasurer is not going to personally manage the fund. Maybe he could give it to the Assistant Treasurer. The Assistant Treasurer is pretty good at managing money. He likes playing the share market. He likes a bit of day trading, Day Trade Danny, so maybe he could look after it. But it looks like, according to this bill, they are going to appoint an agent to manage the contents of the Victorian Future Fund, and according to the bill it seems this will be the Victorian Funds Management Corporation. You may as well get the Assistant Treasurer to do it, because there are plenty of Labor mates on the VFMC as well. It is chaired by James MacKenzie, a famous Labor mate. He is also the chair of Slater and Gordon lawyers. He is chair of the Suburban Rail Loop Authority. He is chair of the Melbourne Arts Precinct Corporation board and Fed Square Pty Ltd. He is a trustee of the MCG Trust. I hope he is doing a better job at VFMC than with Slater and Gordon's financial performance, because we all know Slater and Gordon spent a lot of money, shareholders money, investing in buying Quindell, a UK law firm which sank and cost Slater and Gordon shareholders a billion dollars – a billion dollars lost for Slater and Gordon shareholders. So I hope that some lessons have been learned with this public money. We could also look at Tom Considine, who was appointed in June 2021 to the

board. Amongst his numerous roles he is currently a partner of Sayers Group. He was interim CEO of the Suburban Rail Loop Authority, where no doubt he met James MacKenzie. He was also, funnily enough, former chief of staff to the Treasurer of Victoria. What a coincidence – Deidre, what a coincidence. Tim Pallas was looking around for the very best and brightest he could appoint to the board of the VFMC. He just happened to find his former chief of staff. What a coincidence that is.

We are going to be giving \$8 billion or \$9 billion of public money, it looks like, through the Victorian Future Fund to the VFMC to manage, so how has the VFMC's financial performance gone? I went to their website and I looked at a statement from 20 January this year, 'VFMC Presents 2021–2022 Annual Report'. It says:

Market volatility was reflected in performance, with VFMC producing its first negative one-year return – most of us would just call it a loss; we would not actually try and use sophistry to call it a negative one-year return –

(–2.1% net of fees) in almost 15 years.

So for every hundred dollars VFMC invested on behalf of Victorians, it lost two of them – more than two – for the 2021–22 year. I have got a lot of time for the VFMC as an institution, but clearly recent financial performance has not been what Victorian taxpayers would want or expect. You should not be making losses with Victorian taxpayers money. So maybe fewer Labor mates on the board and maybe more people who actually know what they are doing – that is just a suggestion if you want to actually do something about this.

What we see is that having inherited the best set of finances of any state government in the country back in 2014 – the only state with a budget in surplus, the only state with a stable AAA rating from both Standard and Poor's and Moody's – of course the government has gone and blown that. They have blown the debt, they have blown the surplus and they have blown the AAA credit ratings, and now we know that Standard and Poor's and Moody's are breathing down the Treasurer's neck, saying, 'We don't trust you. We've believed your claims for years. You always promise, you never deliver.' So now the Treasurer has said, 'Look, let's set up a Victorian Future Fund to try and give you ratings agencies some sense of confidence that we won't just fritter this money away the way we have everything else.'

We are not opposing the bill. Anything which slightly puts the government's hands away from the cookie jar is to be welcomed, but let us face it: you cannot have a lot of confidence that this government is suddenly going to have a Damascene conversion to fiscal responsibility. They will be giving it to the VFMC, which lost money last year. It lost two dollars for every hundred dollars it had to invest, with a board with plenty of Labor mates on it. Victorians deserve far better than that. They deserve a credible government, and they deserve a credible path back to getting debt under control, because our kids and our grandkids do not deserve to carry the burden of excessive debt for generations to come because this Labor government cannot manage money.

**Nathan LAMBERT** (Preston) (16:07): I am very pleased to rise to speak on the Victorian Future Fund Bill 2023, which of course implements a further important aspect of this Labor government's 2023–24 state budget. I am very pleased to be on my feet. I thought we might not get here with all the procedural shenanigans that have been going on, but here we are. As you know, this is the third bill related to the budget that we have discussed this week, so previous speakers have covered a great deal of the context – or at least the government speakers have I think covered a great deal of the context; we have seen a little less engagement from non-government members. But just to restate it briefly, we are clearly still living in an era heavily affected by the aftershocks of COVID-19. That affects us in many areas of public policy, and it does affect us in the state of the economy. It affects what we are doing with the state budget, and it certainly leads directly to the bill that we have here before us.

It was very necessary back in 2020 for the government to act decisively, and from a budget point of view the Labor government did so through three mechanisms. We spent money directly on testing

centres, vaccines, intensive care facilities and so forth. We also supported important payments that effectively shouldered some of the costs for households and businesses affected by the pandemic. And then, as we have touched on in previous debates, we expanded our infrastructure program to support confidence and support activity in the economy. As the Treasurer explained, today's bill effectively addresses the \$30.5 billion or so of liabilities that arose due to those first two decisions, and it forms part of the government's broader financial response to the pandemic.

He has left now, but I enjoyed the member for Ringwood's explanation of that broader plan, explaining to the house 'earnings before interest, taxes, depreciation and amortisation' and other financial terms. I will not repeat his description, but this particular bill relates to the specific COVID repayment plan, and that plan has three key components to it. The first is a rebalancing of the public service. Those of us who, like me, worked in the Victorian public service during 2020 and the COVID period know that it was a time of very significant expansion. We needed to recruit more people, and we did. We needed to promote people, and we did. Those that have continued working in the public service know that since then there has been a reduction in the number of positions. We saw some of that in the previous state budget. We see it further here. That is very tough of course for the people that it affects. My own sense amongst those I know is that it is tough for people, but people understand it, given the circumstances. But that is an important part of what we are doing.

The second part is the payroll tax and land tax changes that we spoke about in the previous bill, and the third is this future fund, which brings us to the bill in front of us now. Touching briefly on the mechanics, it establishes the Victorian Future Fund as a trust fund under the Financial Management Act 1994. We use all sorts of different funds in government. Some of them are sort of just hypothetical funds that do not really exist. Others, like the breakthrough fund, are entirely separate from government. But this one is within government but under the trust fund framework of the FM act. The bill also sets out the mechanics through which money can be paid into and out of the trust fund, and it provides for the Victorian Funds Management Corporation to be the fund manager, as the member for Malvern was alluding to. On my reading of the bill it does not quite guarantee that they will be the manager, but certainly allows them to do so. I think an important consequence of this that may be of interest to the member for Prahran is that if you do look at the so-called ESG framework with which these funds would be invested – the environmental, social and governance framework – it is good to note that the VFMC has an established framework and that it will apply to the Victorian Future Fund. That does mean there are existing inclusions in place for tobacco manufacturers, cluster munitions and thermal coal, but more importantly it allows that framework as it develops over time to apply to the Victorian Future Fund – of course there is a very strong climate change focus in the VFMC's investment work.

So in effect those mechanisms, if you like, allow the future fund to achieve three purposes. First, I think importantly, it allows the fund to count against net debt, not in a strict accounting sense, which it does anyway, but in the eyes of the rating agencies. We do not just do that because the rating agencies ask us to, but we do it because it is sound financial management, and we agree with them on that front. I notice, member for Nepean, that the agencies reacted very positively. There were some very positive quotes from them after the budget was released, perhaps contrary to the member for Malvern's contribution. Having cleared that hurdle of allowing the funds to count against net debt in the eyes of the rating agencies, then the general idea, I suppose, is that the fund is going to make more money than the cost of your debt and so the government will be ahead, and of course the dividends then pay down the debt – and there is a great little chart in the budget papers that explains all that.

I am a little disappointed that yet again the Shadow Treasurer is not in the chamber so I will not have a chance to directly speak to his contribution, but I believe the member for Brighton did tweet that government members had boycotted the Shadow Treasurer's speech. I just want to reassure the house I certainly listened to it very carefully – all 15 minutes of it – and I have listened carefully to his subsequent contributions, none of which has quite made the mark. But I have listened carefully. He spent some time today talking about the difference between the Victorian and Commonwealth models

of future funds. I am not sure, to be fair, that the things he said were strictly relevant. I think most of the criticisms he picked up on would actually be addressed through the existing VFMC framework, but no doubt he will do his research and find out. I do suspect he was slightly padding out his contribution. I did notice he mentioned a certain Highett chicken shop not once but twice, as it turned out, and I am sure they –

*Members interjecting.*

**Nathan LAMBERT:** Yes, I trust that they make very good chicken.

*Members interjecting.*

**Nathan LAMBERT:** No, I am not padding out my contribution. Certainly next time I am down Moorabbin way I will drop into the Highett chicken shop.

The Shadow Treasurer did say that the existence of this bill is the government recognising that they have managed the economy in the wrong way, and I just want to pick up on that. It is completely the contrary. This bill recognises – it demonstrates – that the government have been very clear about our plan to handle the economic effects and budget effects of the pandemic. We have been clear right from the start, and this bill is a continuation of that clear plan. So if the Shadow Treasurer has indicated that he supports this bill, I do think the question back to the Shadow Treasurer and his team is: why are they not supporting the budget more generally? I think the member for Thomastown in her contribution spoke eloquently about the benefits of this Labor budget. I will not recap that, but the member for Mordialloc did draw our attention earlier to the Shadow Treasurer having been asked by a journalist, I understand, ‘Well, what would you do differently?’ I think the member for Thomastown in her contribution reiterated this point: what do the opposition intend to do differently? We have heard about the difference of opinion on non-government schools, but outside of that we have heard very little detail. We have a reasoned amendment asking us to provide a fiscal strategy to pay down debt, but we have no indication from the opposition how they would go about doing so. In fact the Shadow Treasurer has flagged in his contributions some very significant tax cuts. He said, and I quote, ‘millions of families would be thousands of dollars ahead under the Liberals’.

**Steve Dimopoulos:** Which means a \$30 million black hole.

**Nathan LAMBERT:** Exactly. It certainly indicates a very significant structural deficit that the Shadow Treasurer would then have to deal with. Again as I state, having listened carefully to his contribution in this particular debate, we are none the wiser for how, if they are cutting all those taxes, they are then going to balance the budget. The one clue the Shadow Treasurer attempted to give us was that they would curtail the growth of the public service. I thought that was wrong and unfortunate. This government has already taken –

*Members interjecting.*

**Nathan LAMBERT:** To the interjection from the members: yes, having not had the opportunity to hear any response from the Shadow Treasurer in his contribution –

**The DEPUTY SPEAKER:** Through the Chair.

**Nathan LAMBERT:** I am reiterating that we look forward to hearing some detail from the Shadow Treasurer about his actual financial plans. Our Treasurer, the Treasurer, has made the case for this bill very well. He has made the case for the budget very well. It is a fine budget. It is a strong Labor budget that is, I think, well suited for the times and sets Victoria up for the future. There has been very little substantial disagreement from non-government members on the compelling case for both this bill and the budget. I thank the Treasurer, his team and his department for their fine work pulling it all together, and I commend this bill to the house.

**Kim O’KEEFFE (Shepparton) (16:17):** I rise to speak on the Victorian Future Fund Bill 2023. As we know, the purpose of the bill is to establish the Victorian Future Fund as a trust account under the

Financial Management Act 1994. We do not oppose this bill. This bill is about financial management and responsibility, and the framework and structure that is put in place and how that will operate. I take note and emphasise in part 2 of the bill clause 5(2), which provides that:

The purpose of the Victorian Future Fund is to provide funding for reducing the State's debt ...

and we know that aligns with COVID. We do know that communities did appreciate the support and funding; however, the people of Victoria are very, very concerned about our current debt. Victoria is broke, with state debt projected to climb to \$171.4 billion by 2026–27 and interest payments to more than double to \$22 million a day. Victorians are going to be paying more and getting less.

The Andrews Labor government have wasted \$30.7 billion on cost blowouts and financial mismanagement, and when our government borrows money, it means 6.8 million Victorians are left with that bill to pay back the borrowings. That is currently over \$10 million per day of interest, which we know will continue to grow. We could do a lot with \$10 million a day. Victorians are already paying the highest taxes in Australia: \$5638 per person. Since Labor was elected nine years ago, Victoria's tax debt is set to double. The consequence of this debt is that life is getting harder for regional Victorians under this government and its financial mismanagement of this state. We were told that there would be no new taxes. We have 50 new taxes – more taxes, more charges and yet more debt – Labor's school tax, rent tax, job tax and Labor debt tax. If you are looking at buying a new home and land package, you will be paying more because developers will be paying more tax.

What have Victorians got out of this government's debt-fuelled spending? We have a health system with more than 79,000 Victorians who are waiting for elective surgery and ambulance systems that cannot cope with demand levels, hospitals like GV Health that are not fully funded to complete the final stage of redevelopment, a housing crisis and a record high of 70,000 Victorians who are waiting to put a roof over their head, costs of living where it is a daily struggle just to put food on the table and infrastructure projects that are not funded, like the Shepparton bypass, a project that was acknowledged as a significant project to progress the region.

Why should we be left behind because of the financial mismanagement of this government? The financial mismanagement of this government means the roads will continue to be unsafe and decay further, with maintenance funding slashed by 45 per cent since 2020, down from \$702.2 million to just \$441.6 million in the last year alone. Why doesn't the government see the consequences the state is experiencing from the lack of investment in roads? Every single day we are putting people's lives at risk, yet what we get is a reduction in funding. We have had flood-affected roads during the floods and we have had so much impact from COVID, so once again this future fund bill will be well supported within our communities. But what we want instead of more waste, higher debt and new taxes is a real plan to ease the cost-of-living pressures, and that starts with responsible economic management from the government. This is public money, and we are going backwards. Victorians deserve better and expect better.

**Dylan WIGHT** (Tarneit) (16:20): It is a pleasure to rise this evening to speak on the Victorian Future Fund Bill 2023. The purpose of this bill, as previous speakers have so eloquently said, is to build on the existing framework of the Victorian Future Fund. This fund is designed to manage the fiscal impact of the COVID-19 pandemic. When COVID hit Victoria, the Andrews Labor government was faced with an incredibly important decision. It chose to take the advice of the Reserve Bank and borrow money both to keep Victorians safe and also to keep Victoria's economy sustainable. There was \$31.5 billion in borrowings to get us through the COVID pandemic. \$14 billion of that was used to help businesses in this state continue to be sustainable and find their way through the pandemic. As part of my role as the member for Tarneit I have spoken to many, many businesses throughout the community in both Tarneit and Hoppers Crossing, and the owners of the vast majority of those businesses overwhelmingly supported the measures that we took to provide financial support to those businesses in the toughest conditions that they had ever faced and perhaps the toughest conditions that they will ever face.

The VFF was introduced in the 2022–23 budget, but this bill establishes the Victorian Future Fund as a statutory trust account under the Financial Management Act 1994. The current allocation of funds comes from the proceeds of the VicRoads modernisation joint venture, initially as a notional allocation within the Consolidated Fund. Labor is planning for the future and is introducing this, as I said, as part of the fiscal response to the COVID-19 pandemic.

This week we have heard a lot from those opposite in respect to debt and in respect to economic management by this government, but I think it is incredibly important to point out and to not forget that during last year's election campaign those opposite were the big spenders. There was \$30 billion of proposed new spending leading into last year's election – \$30 billion – with no plan for how to account for that apart from privatising poo. I think we had the plan to privatise poo at one point.

**Sam Groth:** 'Modernise,' as you would put it.

**Dylan WIGHT:** That is right. But that was the only additional revenue measure or saving proposed by those opposite. That \$30 billion of new spending was unaccounted for, not that the Shadow Treasurer at the time actually knew – he had to go check his notes after journalists asked him. \$30 billion of new spending, and they want to come in here and talk to us about debt – I mean, my God.

At the start of the pandemic the government set out a responsible and clear four-step strategy to restore the state's finances over the medium term, and what we are doing right now is getting on with that plan. This strategy not only improves the state's financial position but also helps guard against future financial shocks. Step one of that plan is obviously jobs and economic growth. The Andrews Labor government since it was elected in 2014 has had jobs and economic growth at the forefront of everything that it has done – the largest infrastructure program anywhere in this country. If we remember, between 2010 and 2014 we did not see undertaken by the previous Liberal government one significant infrastructure project in Victoria – not one. So when we won in 2014 we got to work, because what we know is that significant infrastructure projects increase productivity, create good, well-paid jobs and create economic growth. That is what they do, and that is exactly what the Andrews Labor government has done since winning office in 2014 and will continue to do. I know that my constituents in the electorate of Tarneit cannot wait for the West Gate Tunnel to be opened. That is not just a project that creates economic growth but also a project really aimed at those people in the outer west that are travelling into the city. It is absolutely fantastic.

Step two is an operating cash surplus. The second step in the government's fiscal strategy is returning to an operating cash surplus. This means the state generating sufficient cash inflows to exceed its cash outputs and operating activities. It is a key pillar in fiscal sustainability. The government continues to forecast an operating cash surplus from 2022–23 onwards, an improvement on the cash surpluses when compared to the 2022 Victorian pre-election budget update.

Step three is then operating surpluses. This is where the government generates sufficient revenues not just to cover the cash expenditure but also to support the ongoing replacement of existing assets. The government is forecasting an operating surplus of \$1 billion in 2025–26. The operating surplus is then forecast to increase to \$1.2 billion in 2026–27.

Step four is to stabilise debt levels, which is a pretty significant design of the VFF. This fourth step is the one which, as I said, is the focus of today's bill. So far the 2023–24 plan also shows progress in the fourth step in the fiscal strategy, stabilising net debt. That is what the COVID debt repayment plan is all about.

There are many reasons why this is incredibly important, but the reason that we are doing this is so we can continue to provide the services and the infrastructure that our communities need. An incredibly good example, or a couple of really good examples, of that would be the three level crossings removals in and around my electorate of Tarneit – absolutely – and the upgrade of the Hoppers Crossing train station, making sure that my constituents in Tarneit and Hoppers Crossing can move around the roads and our rail network efficiently and freely. Another really good example of that, which was in last

Tuesday's budget, which was absolutely fantastic, is the new train station coming at Tarneit West. It is a \$126 million investment into Tarneit, into Tarneit West, meaning that people can get on the train at Tarneit, at the second train station, go to work and enjoy everything that Victoria has to offer. This is incredibly important legislation, and I commend it to the house.

**Cindy McLEISH** (Eildon) (16:30): I will tell you what Victoria has to offer. The Victorian government has got not much to offer Victorians at the minute. They have got to offer debt for their children, debt for their grandchildren, probably debt for their great-grandchildren. So now we have got this bill, the Victorian Future Fund Bill 2023, that is subject to debate. When you think about future funds, what do you think about? You think about setting yourself up for the future. Families put money together for a rainy day. They want to save for the future for their children, for something else, for something unexpected, but here it is the opposite. This is not putting money aside in case something unexpected happens or to build something particularly significant, this is to get in control of our debt, which this government has let spiral and spiral and spiral.

The purpose of this new fund is to manage – and this I find quite amusing – the fiscal impact of the COVID-19 pandemic and deliver positive outcomes for Victorians by reducing the debt burden on future generations. They need legislation to do it because they cannot manage that debt burden themselves. They have to have something to really channel them in the right direction, because otherwise it will go in every other direction. The impact on Victorians is going to be absolutely felt for years and years to come – on families, on people as they age, on children and certainly on our children's children. Put this in contrast to the federal government when they set up their Future Fund, because that is what a future fund should look like. Australia was debt free at that time, and this was to put aside that money for the rainy day or that big project. The surpluses would go to work on our future. It is absolutely the opposite to having a debt-laden state that we need legislation to help us get in control of.

This fund was initially established as a notional allocation with the Consolidated Fund, so there is a little bit down the side of the book to say, 'Okay, this is what this is being used for'. And there are the proceeds of the VicRoads modernisation joint venture. It is quite amusing to see the proceeds of what is called a modernisation joint venture. What do we mean by 'modernisation'? Well, they have put a figure here, \$7.9 billion. 'Modernisation' is the Andrews Labor government's word to spin their privatisation. They are addicted to privatisation. They cannot help themselves. They do not want to call it 'privatisation' because that worries them a little bit, so they have got to find a new word, and the word that they have found is 'modernisation'. I do not think that really cuts the mustard, but it is the word that they want to use. Just as reminders, there was \$10 billion for privatising the Port of Melbourne, \$3 billion for the sale of the land titles office and \$2 billion for the sale of the Snowy Hydro Victoria share.

**Jess Wilson:** The big renewable energy.

**Cindy McLEISH:** The big renewable energy! Despite this, there was an increase in revenue from the GST as well. They have sold off lots of other little things – you know, the rats and mice I like to call them – \$265 million over the last couple of financial years. Now we have got this term that is 'modernisation'. This bill is needed so they can actually have somewhere to lock this money away so that they are not going to spend it on all of their project mismanagement and blowouts. There is \$30 billion worth of those.

The other thing I find amusing is that we are talking about the COVID-related debt. Well, the figures for the COVID-related debt are \$31.5 billion, and we are expecting the forecast of the debt to be \$171.4 billion. So this \$31.5 billion is a fraction of the debt that they have racked up. They have racked up an equal amount, as I just mentioned, with some of the waste and blowouts on infrastructure projects. So they have racked up debt because they cannot manage money and they cannot manage large projects. This is despite, as I said, having increased revenues – and they have flogged off every single thing that they can try to flog off. It is really quite astonishing.



We have to look a little bit behind this, because we know the government has record debt. We know that this debt is greater than that of the Cain–Kirner government, and at that time Victoria was absolutely going down the gurgler at a rate of knots. But what is also behind this is pressure from the ratings agencies over budget debt. I want to quote from an article from the *Australian Financial Review* of 20 May this year, and I rate this newspaper, I rate these journalists. Here we go:

Daniel Andrews has shrugged off concerns from major rating agencies that Victoria’s growing debt and project cost blowouts could imperil the state’s credit rating.

So let us have a look at where we have already gone with the two ratings agencies – Standard & Poor’s and Moody’s:

S&P gives Victoria a AA rating, the lowest rating of the states after a double-notch downgrade during the pandemic in December 2020 ...

They were reporting at the time that the state’s net debt was due to grow from \$115 billion to \$165 billion. Well, we know there is even another \$6 billion on top of that now. All the other states have AA-plus ratings. Moody’s have also gone down two notches below the top rating, from AAA to Aa2. With pressure on the finances and pressure from the ratings agencies, every time we go down a notch we have to pay back more. The interest that we are paying, which is \$10 million a day at the moment, is likely to go up in four years time, forecast to \$22 million a day. I am not talking about a month, I am not talking about a year – I am talking about a day. This is what is going to happen if we lose our rating and if we go down another notch: interest is going to have to be bumped up again. It is amusing that the government really have to put in legislation to help them get on top of their budget blowouts because they cannot manage money. They have had to cave in to external pressure.

One of the other things we have got here is how this is going to be managed. It is going to be managed by an agency. In the first instance we know that the VFMC – the Victorian Funds Management Corporation – is the one that will be doing this, and what does concern me is the performance of the VFMC over the last period of time. In the past we have had some quite good outcomes through that corporation, but at the minute things are not going so well. I do note that managing this is a bit like the foxes being in charge of the henhouse. We have got James MacKenzie, who is well known in Labor circles, and it is well known in our circles that he is well known in Labor circles. Yes, he might be experienced as a company director. He has had many, many board and government appointments to the Suburban Rail Loop Authority, the Melbourne Arts Precinct Corporation, Fed Square and now he is also the chair of Slater & Gordon Lawyers.

**Nick Staikos:** Stop copying Michael’s work.

**Cindy McLEISH:** I’m not copying Michael’s work. I am reading, and I am happy to table this because we know –

**The DEPUTY SPEAKER:** Order! The member for Bentleigh will cease interjections.

**Cindy McLEISH:** He is out of order, isn’t he?

We will continue. We have concerns because the state Treasurer’s former chief of staff Tom Considine is also on the VFMC, so we have got people who are integrally related to the Victorian government managing this. I would like to see that that moves a step further away, because what we all know and what we agree on is that the state of Victoria is broke. The Andrews Labor government have absolutely managed this to within an inch of our financial lives. It would perhaps be good to have a debt ceiling in place rather than continue to borrow and increase the amount that we are borrowing, because what is happening in Victoria is really staggering.

We have got the forecast of \$171 billion, as I have said. Everybody in Victoria thought when the Cain–Kirner governments were in place that things could never get worse, but in fact they are worse, and Victorians are starting to wake up to that. So although we are not opposing this, because we know that the government need all the assistance they can get to try and manage the debt and try and get on top

of what is going on here because they cannot do it themselves – they do need that help; there is that pressure from the ratings agencies – we do not want to slip another notch, and they need to look really carefully to help fix this situation.

**Nina TAYLOR** (Albert Park) (16:41): I am very happy to speak on this particular bill, and I am a little bit confused by the previous speaker because there seemed to be some querying from the previous speaker with regard to why we are using legislation to set up the Victorian Future Fund. Does the opposition have a problem with governance and creating a framework, transparency and democracy and giving an opportunity to be able to debate the elements of the Victorian Future Fund? That appears to be so. Based on what I just heard I am a little bit confused – I mean, just putting it out there. We are being very up-front and transparent, telling you what it is going to do. There is a problem with that? I do not know.

So anyway, on that note, because we do believe in democracy and transparency I am going to proceed, just as other members of the government have, to transact the bill at hand and to validate why we are setting up the framework here – up-front, openly – for the Victorian public to see. I am just putting that out there because I am not sure if it was perfectly understood by the previous speaker either as to the purpose of this bill. The purpose of this bill is to establish the Victorian Future Fund. The purpose of the fund is to manage the fiscal impact of the COVID-19 pandemic and deliver positive outcomes for Victorians by reducing the debt burden on future generations.

I am not sure what the opposition expect us to do. Do we just sit on our hands and let the debt keep going up and up and up? Is that what they want us to do? That parallels their approach to COVID-19, which was to put their heads in the sand and trash the medical profession, which is pretty much what they did all throughout COVID-19. I saw debate after debate after debate, and it was absolutely disgraceful. They were just pretending ‘There’s no pandemic, there’s no pandemic. Just carry on. Don’t wear masks, don’t do anything to protect yourselves,’ and it seems similar –

**Nick Staikos:** They were little Trumps.

**Nina TAYLOR:** Well, they were. And it seems a similar approach here when we are just trying to take a very sensible approach in terms of stabilising net debt and paying down COVID debt.

**A member** interjected.

**Nina TAYLOR:** No, because guess what, you have to have a plan in place in order to be able to pay it down. That is what we are transacting here today. Sorry you do not want to pay down the debt. I am very sorry about this.

**Sam Groth** interjected.

**The DEPUTY SPEAKER:** Member for Nepean, I do not believe you are in your chair.

**Nina TAYLOR:** Just on a further note, I should say, in terms of the ambit of the fund, the investment returns from the fund will be quarantined and returned to the fund so that its balance will grow over time. Further investments will be allocated to the fund in the future through proceeds from designated government land sales and a proportion of future budget surpluses. Once net debt stabilises, the fund is projected to have a balance of around \$12 billion by the end of the forward estimates. This is just to have absolute clarity, because that is what we do on this side of the house; we are very up-front and transparent when we are transacting elements as significant as this in terms of supporting the Victorian economy. So I hope the opposition will not continue to oppose such transparency in the house. But I will give it to them: they have given it their best shot.

Talking about the pandemic and pre pandemic, where was Victoria at? Economic growth and employment growth were particularly strong, averaging 3.3 per cent and 2.9 per cent a year respectively over the five years to 2018–19, and the highest of all the states. I just want to have a little bit of perspective here. I think in addition to a bit of amnesia about the pandemic there is also replicated

amnesia about the state of the Victorian economy and the impact of a pandemic which was felt right across the globe, let alone across Australia. The unemployment rate had fallen to a 10-year low of 4.6 per cent in 2018–19, and the Victorian economy was experiencing an extended period of strong jobs growth, with over 468,000 new jobs created between November 2014 and March 2020, more than any other state or territory. On that note I do think it is a little bit curious that some – not on the government side – have tried to allege that somehow COVID had no impact on the economy and we are not allowed to speak about that impact. We have to ignore it and just pretend that the debt came out of the air. So I just put some clarity on that issue.

Also I would like to say that it is important to look at COVID debt versus other investment in major infrastructure in this state and what it delivers for the state, because there is an important nuance there and I have heard a consistent blurring of the line. Much like a home loan, we borrowed to fund a range of infrastructure projects that create significant long-term economic and social benefits, such as major road and rail projects, which have already been spoken to rather eloquently in the house, and new and upgraded hospitals and schools. I do not know if those opposite care about such things, but certainly on this side of the house this is very much part of our core Labor values. This is productive capacity infrastructure that creates jobs, helps our state function and makes the economy bigger. This increases budget revenues, which in turn provides the capacity to make interest payments and repay the debt over time.

So those opposite can bemoan our major infrastructure projects, but actually we are happy to talk about them any day of the week, because we know the Victorian public love these infrastructure projects because they deliver so much for the local communities. We have all seen it ourselves, and I have to honestly say I have not had one member of the public come to me and complain about our level crossing removals to date – not one. In fact even in the seat of Albert Park when I was doorknocking through the election campaign I had constituents raise the fact that they were very happy with the level crossing removals because – it was actually a couple of tradies who mentioned it – it helped them with transiting across the city, because they were no longer getting held up at the rail crossings. Fancy that – they were observant of this. They could see the return on investment for them and that we are looking after them and helping with the flow of our suburbs but also making those spaces around the rail tracks much safer. So I think that the Victorian community actually get it; it is just those opposite that do not.

But we do have this opportunity here today to be able to transact these important matters, so I am glad to see some are choosing to take that opportunity. I mean, it is provided here today. It is being availed of by those opposite in order to transact these important matters, including legislation for the Victorian Future Fund, and I hope there will be no more opposition to using legislation for such important matters as the Victorian Future Fund, because as I was saying before, governance is certainly very important to our government.

Further to the issue of debt in Victoria versus other states, I think it is very important to explore the very distinct nuance on that issue, and I am going to explore that right now. We are not the only government in Australia that built up debt during the pandemic to support households or businesses. I do not think anyone should be shocked by that point. I think it makes absolute common sense, but it is important to transact it here because according to some of the speeches that I have heard from those not on the side of the government you would think that Victoria was the only state that had to manage the pandemic. But, lo and behold, it was the whole country and in fact across the globe. A really important point: we are the only government with a plan to manage it. So whereas we are not the only government in Australia that built up debt during the pandemic to support households and businesses – and I am going to reiterate this very important point – we are the only government with a plan to manage it. We could sit on our hands and just hope. That is a possibility. I mean, I have not heard any real solutions from those opposite. I heard a little bit of cherry-picking. I think there was one element that was supported: introducing a land tax exemption for land with a conservation covenant, and of course I fully endorse this. Forgive me – cherry-picking; anyway, that is a little joke for the day. They neglected to point out all the other fair tax concessions that are helpful for the Victorian community,

such as expanding tax concessions for families providing a home for a relative with a disability. Funny how they avoided that. I am just putting it out there that when we are talking about taxation et cetera it is important to have a balanced and holistic perspective within context and not to just pluck out little bits and pieces that suit a particular argument that may not hold, and I believe it certainly does not. On that note, I commend the bill to the house.

**Sam HIBBINS** (Pahran) (16:50): I rise to speak to the Victorian Future Fund Bill 2023 on behalf of the Greens. This is a bill that essentially formalises the Victorian Future Fund in legislation, meaning the funds that are put into it and the revenue raised from the future fund cannot be used for any other purpose. The fund itself is essentially an offset account for the state's debt, with the initial funds coming from the privatisation of the licensing and registration functions of VicRoads and then further funds from government land sales, funds from government surpluses and then anything really that the Treasurer determines. And this essentially is to give to the ratings agency to ring fence these funds used to offset the debt.

I had some significant concerns with the future fund when it was announced last year. The Greens had significant concerns. At the time I called it a neoliberal economic policy using the sale of public assets and public land to service debt. Even more concerning was that the government had not ruled out excluding fossil fuel investments within the future fund itself, and that stands true today. The government should not be privatising public assets. Make no mistake, the sale of VicRoads or whatever they are calling it, the modernisation, is privatisation. I mean, \$7.9 billion for a consortium to operate the licensing and registration function of VicRoads for 40 years means downward pressure on services and jobs and upward pressure on fees and costs. When you have got members on the government side saying, 'It's not privatisation because we haven't given up the asset,' I mean really, you have got to wonder: are you mixing the Kool Aid or are you drinking the Kool Aid when it comes to that? The consortium, who are a private consortium who are operating and receiving revenue from the licensing and registration from VicRoads, are not doing it out of the goodness of their heart. They are not doing it because they want to be really good public citizens. They are doing it to make a profit, and that profit will come at the expense of services. That means, when it comes to public services, jobs and wages for public services. We have seen it in the privatisation of the port and the land titles office and public housing land being handed over to private interests for decades.

The other significant concern that I have around this bill is the land sales, particularly land sales targets used in government. I raised this at the Public Accounts and Estimates Committee in the last term, and it has been raised by the Auditor-General – I would urge government members to actually look at that Auditor-General's report – that the government is prioritising profiteering off land sales rather than using surplus land for community benefit. I will just read from the Auditor-General's report itself where it refers to land sale targets:

Land sales targets for individual agencies encourage the sale of surplus land as a means of generating revenue, rather than as part of a strategic whole-of-government approach to achieving best value from surplus land.

There are further issues with the actual process in terms of land sales and other government agencies being able to access surplus public land. It states that the first right-of-refusal process:

... does not maximise the opportunity to retain surplus land within government. Few agencies or local councils purchase sites through the ...

first right-of-refusal process. So it is a system that does not work within government. Surplus land has been used to generate revenue and is now going to be used to offset debt, and this is concerning. I think it is going to put even more pressure on government agencies to sell off land that should be used for the community benefit, particularly for housing.

If you just look at the examples in the previous term of government, with the houses that were surplus following the cancellation of the east-west link you had the Premier on the record saying, 'Wouldn't it be great if this was used for public housing or social housing.' And when push came to shove they ended up not using them for that purpose but actually selling the vast majority of them. It was very

similar with the properties acquired as part of the Level Crossing Removal Project in the south-east, with sky rail down around the Murrumbeena–Carnegie area with these fantastic properties – and I am sure the government is probably making a nice little profit on them, to be honest, given the way land sales have gone up. Why couldn't they have been used for public housing? We have some really serious concerns around the pressure that is going to be placed on government departments now to be further profiteering from land sales.

We have concerns as well around just where these funds are going to be invested. Again, there is no blanket divestment of fossil fuels from investments by the government already within their investment funds. It is incredible that at this point in history public money could be invested in fossil fuels. That is another one of our significant concerns.

Of course by putting this in legislation we are now limiting it. The Treasurer now might decide that these funds are best used to offset debt. The Treasurer or the government might also decide that they want to privatise more public assets, they want to get more revenue from privatising essential public services, and that is a great concern. That would limit a future Treasurer or a future government from deciding that that money should actually be used for another purpose. There could be a better purpose. It could be going towards solving some of the massive social issues that we are facing here in Victoria, particularly around housing.

So we have some significant concerns with this bill. We are not supporting this bill. There are concerns around the government's privatisation agenda. There are concerns around land sales, lack of divestment from fossil fuels, potential to invest in fossil fuels and restricting the decisions of future governments in terms of where money within the fund may be best spent.

**Luba GRIGOROVITCH** (Kororoit) (16:57): I rise to speak to the Victorian Future Fund Bill 2023. However, before I do I would like to reflect on what the member for Eildon had to say a few moments ago, and I just want to put on record that if we are going to take a walk down history lane then we really should reflect on the Kennett era. This was the ultimate fire sale ever. He closed schools and sold the properties. He closed hospitals and sold the properties. It was the biggest –

*Members interjecting.*

**The SPEAKER:** Order! Member for Nepean!

**Luba GRIGOROVITCH:** Thank you, Speaker. As I was saying, it was the biggest privatisation program of any region in the world, selling public assets for more than \$30 billion and redirecting services valued at a further \$10 billion into private hands – and this was in the 1990s.

**James Newbury:** On a point of order, Speaker, with respect, the house is now debating the future fund bill. The member appears not to be debating the future fund bill. On relevance, I would ask you to bring the member back to the bill before the house.

**The SPEAKER:** Order! The member was making a comparison, and I think that is allowed.

**Luba GRIGOROVITCH:** Thank you, Speaker. As I was saying, he closed schools, hospitals, public transport, electricity – you name it. I could keep going – prisons, banks; the list is endless. But, as I have been asked, I will reflect back on the Victorian Future Fund, which was announced in the 2022–23 state budget as part of the Andrews government's debt stabilisation strategy, a strategy that our government is very proud of. I want to congratulate the Treasurer on his ninth budget – that is right, his ninth budget, and my first budget as an elected member of Parliament. This debt stabilisation strategy followed borrowing to save lives, to save jobs and to get Victoria through a pandemic – a once-in-a-lifetime pandemic, once in 100 years.

*Members interjecting.*

**The SPEAKER:** Order! Member for Nepean!

**Luba GRIGOROVITCH:** I do know what I am talking about, because I lived through the pandemic. It was once in 100 years, and it is the use of the government's strong balance sheet –

**The SPEAKER:** The time set down for consideration of items on the government business program has arrived, and I am required to interrupt business.

**Motion agreed to.**

**Read second time.**

*Third reading*

**Assembly divided on motion:**

*Ayes (73):* Juliana Addison, Jacinta Allan, Daniel Andrews, Brad Battin, Jade Benham, Roma Britnell, Colin Brooks, Josh Bull, Tim Bull, Martin Cameron, Anthony Carbines, Ben Carroll, Darren Cheeseman, Anthony Cianflone, Annabelle Cleeland, Sarah Connolly, Chris Couzens, Chris Crewther, Jordan Crugnale, Lily D'Ambrosio, Daniela De Martino, Steve Dimopoulos, Paul Edbrooke, Wayne Farnham, Will Fowles, Matt Fregon, Ella George, Luba Grigorovitch, Sam Groth, Matthew Guy, Bronwyn Halfpenny, Paul Hamer, Martha Haylett, Mathew Hilakari, David Hodgett, Melissa Horne, Natalie Hutchins, Lauren Kathage, Emma Kealy, Nathan Lambert, Alison Marchant, Kathleen Matthews-Ward, Tim McCurdy, Steve McGhie, Cindy McLeish, Paul Mercurio, John Mullahy, James Newbury, Danny O'Brien, Michael O'Brien, Tim Pallas, Danny Pearson, John Pesutto, Pauline Richards, Tim Richardson, Brad Rowswell, Michaela Settle, David Southwick, Ros Spence, Nick Staikos, Natalie Suleyman, Meng Heang Tak, Jackson Taylor, Nina Taylor, Mary-Anne Thomas, Emma Vulin, Peter Walsh, Iwan Walters, Vicki Ward, Kim Wells, Dylan Wight, Belinda Wilson, Jess Wilson

*Noes (4):* Gabrielle de Vietri, Sam Hibbins, Tim Read, Ellen Sandell

**Motion agreed to.**

**Read third time.**

**The SPEAKER:** The bill will now be sent to the Legislative Council and their agreement requested.

### **State Taxation Acts Amendment Bill 2023**

*Second reading*

**Debate resumed on motion of Tim Pallas:**

That this bill be now read a second time.

**And Brad Rowswell's amendment:**

That all the words after 'That' be omitted and replaced with the words:

'this house refuses to read this bill until the government:

- (1) provides a viable fiscal strategy for Victoria that will not:
  - (a) increase unemployment;
  - (b) increase the tax burden on families and businesses;
  - (c) put downward pressure on real wage growth; and
  - (d) put downward pressure on investment and jobs growth;
- (2) provides a fiscal strategy to repay \$140 billion in state debt;
- (3) appropriately accounts for \$76 billion in recurrent and capital contingency funding that should be drawn down in lieu of new taxes and tax increases; and
- (4) alleviates cost of living pressures for Victorian families'.

**The SPEAKER (17:06):** The minister has moved that this bill be now read a second time. The member for Sandringham has moved a reasoned amendment to this motion. He has proposed to omit all the words after ‘That’ and replace them with the words which have been circulated. The question is:

That the words proposed to be omitted stand part of the question.

Those supporting the reasoned amendment by the member for Sandringham should vote no.

**Assembly divided on question:**

*Ayes (50):* Juliana Addison, Jacinta Allan, Daniel Andrews, Colin Brooks, Josh Bull, Anthony Carbines, Ben Carroll, Darren Cheeseman, Anthony Cianflone, Sarah Connolly, Chris Couzens, Jordan Crugnale, Lily D’Ambrosio, Daniela De Martino, Steve Dimopoulos, Paul Edbrooke, Will Fowles, Matt Fregon, Ella George, Luba Grigorovitch, Bronwyn Halfpenny, Paul Hamer, Martha Haylett, Mathew Hilakari, Melissa Horne, Natalie Hutchins, Lauren Kathage, Nathan Lambert, Alison Marchant, Kathleen Matthews-Ward, Steve McGhie, Paul Mercurio, John Mullahy, Tim Pallas, Danny Pearson, Pauline Richards, Tim Richardson, Michaela Settle, Ros Spence, Nick Staikos, Natalie Suleyman, Meng Heang Tak, Jackson Taylor, Nina Taylor, Mary-Anne Thomas, Emma Vulin, Iwan Walters, Vicki Ward, Dylan Wight, Belinda Wilson

*Noes (23):* Brad Battin, Jade Benham, Roma Britnell, Tim Bull, Martin Cameron, Annabelle Cleeland, Chris Crewther, Wayne Farnham, Sam Groth, Matthew Guy, David Hodgett, Emma Kealy, Tim McCurdy, Cindy McLeish, James Newbury, Danny O’Brien, Michael O’Brien, John Pesutto, Brad Rowswell, David Southwick, Peter Walsh, Kim Wells, Jess Wilson

**Question agreed to.**

**The SPEAKER:** The question is:

That this bill be now read a second time and a third time.

**Assembly divided on question:**

*Ayes (50):* Juliana Addison, Jacinta Allan, Daniel Andrews, Colin Brooks, Josh Bull, Anthony Carbines, Ben Carroll, Darren Cheeseman, Anthony Cianflone, Sarah Connolly, Chris Couzens, Jordan Crugnale, Lily D’Ambrosio, Daniela De Martino, Steve Dimopoulos, Paul Edbrooke, Will Fowles, Matt Fregon, Ella George, Luba Grigorovitch, Bronwyn Halfpenny, Paul Hamer, Martha Haylett, Mathew Hilakari, Melissa Horne, Natalie Hutchins, Lauren Kathage, Nathan Lambert, Alison Marchant, Kathleen Matthews-Ward, Steve McGhie, Paul Mercurio, John Mullahy, Tim Pallas, Danny Pearson, Pauline Richards, Tim Richardson, Michaela Settle, Ros Spence, Nick Staikos, Natalie Suleyman, Meng Heang Tak, Jackson Taylor, Nina Taylor, Mary-Anne Thomas, Emma Vulin, Iwan Walters, Vicki Ward, Dylan Wight, Belinda Wilson

*Noes (23):* Brad Battin, Jade Benham, Roma Britnell, Tim Bull, Martin Cameron, Annabelle Cleeland, Chris Crewther, Wayne Farnham, Sam Groth, Matthew Guy, David Hodgett, Emma Kealy, Tim McCurdy, Cindy McLeish, James Newbury, Danny O’Brien, Michael O’Brien, John Pesutto, Brad Rowswell, David Southwick, Peter Walsh, Kim Wells, Jess Wilson

**Question agreed to.**

**Read second time.**

*Third reading*

**Motion agreed to.**

**Read third time.**

**The SPEAKER:** The bill will now be sent to the Legislative Council and their agreement requested.

**Business interrupted under resolution of house of 18 May.**

*Adjournment*

**The SPEAKER:** The question is:

That the house now adjourns.

**South-east region airport**

**Brad BATTIN** (Berwick) (17:12): (211) My adjournment tonight is for the Treasurer, and the action I request of the Treasurer is to release all economic data in relation to putting an airport in the south-east of Victoria down through the growth corridors. We all know that the south-east of Melbourne is the greatest part of this place to live. We have so much down there with our growth, our businesses, our factories, our access to ports. We have got so many business opportunities for the future, and it is important that we understand, not just for ourselves but also from the council's perspective, what economic data is available to ensure what we can look at building in the future. We have heard many times about an airport being an option, an idea, a dream for the future of the south-east. It has been in *Melbourne 2030*. When it was in *Melbourne 2030* there was allocation, or discussion, around some land where it was going to be put, and I think it is a great discussion to have for what we want to do for the future. If we are going to continue to grow the south-east, if we are going to continue to have –

*Members interjecting.*

**The DEPUTY SPEAKER:** Order! If members could have conversations outside – the member for Berwick should be able to continue in silence.

**Brad BATTIN:** It is one of the fastest growth corridors here in our state, an amazing place to live. But as I said, it is also an amazing place to do business. We want to ensure that if we are going to be doing business down in the south-east, every opportunity is given to all in that area for the development, and not just for houses. We cannot continue to have the housing sprawl that we have seen through Clyde North, through Cranbourne, going down through the electorates of Bass, Pakenham, obviously Berwick, Narre Warren North and Narre Warren South. We need to ensure that we have got a plan for the future that includes creating jobs and creating opportunities for everyone in that region.

We cannot continue to build a state of one city where everybody is driving in one direction; we need to start to work it out so we can go in various directions. Even One Direction had a lifespan, and they have now split up. Now we need to make sure that our areas also have that opportunity so we can be the Harry Styles of Victoria. I want to make sure that we have got down in our region an opportunity for growth in employment, growth in jobs and also an opportunity to build an airport in the future. So I ask the Treasurer if we can get the economic data to ensure that it is viable for our region. I know the member for Narracan will join me in that, because we would love to see our communities get the opportunities that the west and north have had in the past.

**Social housing**

**John MULLAHY** (Glen Waverley) (17:15): (212) My adjournment matter is for the Minister for Housing, and the action I seek is for the minister to join me in visiting the new social housing development in Vermont South. Currently there is construction happening on Burwood Highway to deliver 34 new homes in partnership with Women's Housing Limited. These apartments will provide housing options for women who are escaping family violence, women over 55 that are struggling to find affordable housing and First Nations women. This project is one of many across the state to deliver safe, secure and affordable housing for Victorian women, including those in my electorate of Glen Waverley.

It was great to be out last week with the Minister for Housing as well as with you, Deputy Speaker, the member for Ashwood, for the sod turn at the social housing construction site on High Street Road. Although not in my electorate, the site is on the border of my electorate and will provide safe and affordable social housing for those in our area, predominantly people over the age of 55. This project



will deliver 96 apartments, providing housing for up to 135 people. The project is also creating 450 jobs, which is great for Victorians and great for our local economy in Glen Waverley.

As I said earlier, this project is located on the border. Many of my constituents know the area I am talking about, with a good range of shops, cafes, restaurants, community organisations and other businesses and of course Syndal station. It will be great to see the completion of this project as well as the completion of the women's social housing project in Vermont South. It is great to see so many social housing projects underway across Melbourne delivering safe and affordable housing to those in our communities who need it most. I commend the minister and their team for all their hard work that has gone into strengthening social housing in this state. I look forward to the minister's response.

#### **Endeavour Hills police station**

**Belinda WILSON** (Narre Warren North) (17:17): (213) My adjournment matter is directed to the Minister for Police, and the action I seek is for the minister to come to my electorate of Narre Warren North to visit the team at the Endeavour Hills police station. Endeavour Hills is fortunate to have such an amazing police station and members who go above and beyond to create a safe environment for all. The members have an incredible commitment to serving and protecting the community, and their efforts are truly commendable. I have seen firsthand the dedication and responsiveness of the members from the station and have received positive feedback from across my electorate on their service. I am grateful for Senior Sergeant Alan Dew, his team and all their hard work and commitment to service. I kindly request the Minister for Police to visit the station to see the outstanding contribution of this dedicated team of police members and to acknowledge their efforts in person.

#### **Eildon electorate roads**

**Cindy McLEISH** (Eildon) (17:18): (214) My matter is for the Minister for Roads and Road Safety, and the action I seek is for the minister to fix the roads in my electorate. In particular the Melba Highway is in an appalling state. Despite some works being done in the vicinity of Devlins Bridge, a lot more needs to be done. There has been a lot of rain and the road condition, because it was not done properly, is just continuing to get worse and worse. It is not just the Melba Highway. I have the Eltham-Yarra Glen Road, which is in a bad condition, the Goulburn Valley Highway at Killingworth, the Warburton Highway and the Healesville-Yarra Glen Road. There are so many roads that need work done, and I am very disappointed that at the minute all we are seeing is a cut to the road maintenance budget.

I have written to the minister five times this year already – that is more than once a month – about dodgy roads. Last year I wrote 16 letters to the minister about the roads, about the condition of the roads, about pedestrian safety, about signage, wildlife and blocked drains, and things are just not getting any better. I constantly hear of matters where people have popped tyres. I hear and see cars that are pulled over to the side of the road because they have got a puncture. But it is not just one car; there will be several cars in a row because they have all hit the same pothole. The potholes are very deep and they are filled with water. It has been quite wet, and so the potholes have been filling up with water, so you cannot always see it, and you do not always know how deep they are. We have got crumbling shoulders and kicked-up bitumen. The camber is uneven, the bitumen is eroded and in so many places there is no traction and the surfaces are too smooth – very smooth – so they slip and spin very easily. The Labor government have been really quite appalling in their management of the roads, and as I have said, the budget has been cut rather than increased. They are punishing Victorians with a \$380 million reduction in the annual spending on road maintenance since 2020. That is a massive 45 per cent cut. In this year's budget the road maintenance is cut by a further 25 per cent to just \$441 million. This is less than the last budget of the former coalition government in 2014.

The Andrews Labor government has a lot to do in this area. They need to have a look at regional roads and support the regional electorates. What we see happening is that tourists from city areas are doing the damage to their cars; it is not just the locals. It is constant damage. You only have to talk to the tyre repair places to gauge the extent of the issue. I urge the minister to please let us know what the

plans are. When is the Melba Highway going to be fixed, and when are the other potholes in my electorate?

### **Clarendon Street, South Melbourne**

**Nina TAYLOR** (Albert Park) (17:21): (215) My adjournment matter tonight is directed to the Minister for Small Business, and the action I seek is for the minister to visit the shopping strip on Clarendon Street in South Melbourne to meet our wonderful local business owners. Yes, Clarendon Street is a bustling retail and hospitality precinct right in the heart of South Melbourne, and I am committed to ensuring the long-term success of this vibrant precinct so the hardworking cafes, retailers and vendors can continue to provide for our community.

The Andrews Labor government has a strong record of supporting small businesses. Under our government's leadership countless initiatives have been implemented to nurture and empower these vital engines of our economy. I have spoken to many local businesses who have told me how our government has fostered an environment conducive to growth and innovation. This work has enabled small businesses to focus on what they do best – providing quality products and services. The minister's visit to Clarendon Street would be immensely appreciated by local vendors as it would not only demonstrate our government's commitment to supporting small businesses but also provide an opportunity for direct engagement and feedback. I look forward to welcoming the minister to Clarendon Street.

### **Offshore wind industry**

**Danny O'BRIEN** (Gippsland South) (17:22): (216) My adjournment matter this evening is to the Minister for Energy and Resources, and the action I seek is for a plan to be put in place to ensure that Gippsland benefits from the proposed offshore wind industry in the Bass Strait. As the minister will be aware, there are a number of proposals – indeed the federal government has a process that has closed now for expressions of interest for acreage for offshore wind. In fact, all of it is offshore from my electorate of Gippsland South, running from Wilsons Prom to the Lakes Entrance area or the Seaspray–Loch Sport area. But I am very concerned at the government's policy to utilise Hastings as the main port for construction, which will require significant investment by the state in a very short amount of time, and I do not believe there is anything in the state budget for this development. Of course I am most interested to see Barry Beach marine terminal being used as a port, both for construction and for operation and maintenance where possible, and that would ensure that Gippsland actually benefits.

The concern that I have and that people are starting to realise in Gippsland is that while this massive offshore wind farm development may start to occur literally off our coast, we may not see any benefits from it. The government actually needs to ensure that Gippsland gets something out of this. If we are going to go through a transition – certainly the coal-fired plants in the Latrobe Valley are closing down; the offshore oil and gas industries are winding down – we need to be getting something from it. This is a port-based project, and we need to actually ensure that we are going to get some benefit from it, so some attention particularly to Barry Beach as our main port that could be useful for the offshore wind industry would be good.

Equally, I would request that the minister and her department lead on two other issues. One is consultation. We have already had a number of the proposed companies coming to the area holding consultation sessions, and that is great, but at the point where the federal government actually allocates acreage to four, five, six, seven companies – I do not know how many companies it may be – the government, councils and the federal government should try and coordinate consultation so that we are not being consulted by six different companies but there is a coordinated approach. They should work with the companies to do that.

The second part where I would like to see coordination is in terms of community benefits. We would expect that each company would likely have some sort of community benefits program. Rather than

the old '\$80,000 a year and we'll sponsor new jumpers for the footy team,' ideally we would have a coordinated approach with a local trust that could manage this money and make sure we get real benefits. Whether it is the construction of a new childcare centre, funding for a school or whatever it might be, these are the things we need the government to do to make sure that Gippsland actually benefits from the offshore wind industry.

### **Ringwood level crossing removals**

**Will FOWLES** (Ringwood) (17:25): (217) My adjournment matter this evening is directed to the Minister for Transport and Infrastructure, the Deputy Premier, and the action I seek is for the minister to join me for a level-crossing-free train trip between Ringwood and the CBD. It is an exciting time for train commuters in the Ringwood electorate. After a three-month closure of the rail line between Box Hill and Camberwell, trains have resumed along one of our city's busiest train corridors. To all in the Ringwood electorate I say thank you for your patience, because while rail commuters have been travelling on replacement buses something pretty incredible has been underway: we have undertaken the largest infrastructure project the east has seen since the construction of EastLink. A team of hundreds have worked 24/7 to remove the dangerous and congested level crossings at Mont Albert Road and Union Road. The scale of the project is impressive. To remove these crossings we have built a staggering 1.3-kilometre trench, reaching depths of 10 metres below the surface, requiring the excavation of a staggering 213,000 cubic metres of soil. Held in place by 1700 concrete pylons, the corridor is now home to the beautiful new Union station, a premium station for the entire community to enjoy. Most importantly, for residents in the Ringwood electorate the entire stretch of railway between Ringwood and the CBD is now level crossing free.

I am proud to be a member of the Andrews Labor government which has made this happen, with the removal of not just the Mont Albert and Surrey Hills level crossings but also those at Blackburn Road and Heatherdale Road. In recognising the achievements of this Labor government I also want to take a moment to reflect on the shameful campaigns of the eastern suburbs Liberals. They spent the best part of two years fighting these level crossings at every single turn, and they made it one of the centrepieces of their campaign. A small, noisy rump thought they had the east in the bag, but they got the results they absolutely deserved. In the east we back progress, we back investment in public transport and we back a level-crossing-free train line from Ringwood to the city. While the haters are hating and the spoilers are spoiling, we are doing what matters.

### **Housing affordability**

**Gabrielle DE VIETRI** (Richmond) (17:27): (218) My adjournment matter is for the Minister for Consumer Affairs, and the action that I seek is the introduction of a two-year rent freeze and a permanent cap on rents thereafter of 2 per cent every 24 months, starting now. We are in the midst of a rental crisis. Rents have gone up 11.7 per cent in the last year, and they are set to rise another 11.5 per cent in the next year. I do not know how to make it any clearer: renters cannot do this anymore. They cannot afford another rent rise. Take Nina, a renter in my electorate, who was hit with a \$200 a week rent rise. She has no options available to her other than to uproot her family, take her kid out of school and move in with her parents. She is one of the lucky ones – others are sleeping in cars and living in tents. While polling tells us that 60 per cent of Australians support a rent freeze, this government has its head in the sand. They think they are God's gift for allowing renters to live with their cat. That just does not cut it. We need rent control to protect renters from more out-of-control rent rises.

Last week the Treasurer said that rent freezes would distort the market. Well, that is exactly what we need, because for too long at the hand of this government unbridled neoliberalism has skewed the economy in favour of property developers and property investors. It is time this government intervened to stop more people being turfed out of their homes and onto the street. This government is just as out of touch as the RBA, who today told us we should cram more people into our homes. Try telling that to the family of five crammed into a two-bedder or the overcrowded share house renters that have just turned their living room and their laundry into a bedroom to be able to afford the rent. This government

has shown nothing but contempt for renters, and the minister in charge of renters, who has six properties himself, is trapped in a landlord's bubble and cannot hear renters crying out for reform. Enough is enough. We need a rent freeze.

#### **Pascoe Vale electorate waterways**

**Anthony CIANFLONE** (Pascoe Vale) (17:30): (219) My adjournment matter is for the Minister for Water, and the action I seek is for the minister to provide the latest update on the work of the Andrews Labor government and Melbourne Water to improve environmental sustainability and biodiversity outcomes across local waterways in Pascoe Vale, Coburg and Brunswick West.

As I said in my first speech, the environment is fundamental to all life on earth. It produces the air we breathe, the water we drink and the materials, resources and food that are essential for all life on the planet. As a local member, but also as a local dad, I am committed to helping leave behind the world in as good, if not better, condition as the one that our grandparents left for us. That is why I have always been a strong supporter of meaningful action to preserve our environment, combat climate change and transition towards a more sustainable way of living.

Whilst major statewide initiatives are critical in this regard, including through keynote measures such as bringing back the SEC to help decarbonise our economy through renewable energy projects, local grassroots initiatives are just as important. In this respect I am committed to helping ensure we work to enhance our local waterway and creek corridors across my community, including across the Merri Creek, Edgars Creek, Westbreen Creek, Five Mile Creek and Moonee Ponds Creek. These creeks very much are the lungs and arteries of our community, which we must work to preserve for future generations of residents as well as local wildlife.

That is why I am very pleased to have joined the member for Broadmeadows, the mayor of Merri-bek, the mayor of Moonee Valley and Melbourne Water representatives on 19 May recently to plant the first of what will be 43,000 plants as part of the sensational Reimagining Your Moonee Ponds Creek project. This \$10.2 million project includes a \$5 million contribution from the Andrews Labor government and will transform around a 500-metre section of the concrete-lined creek between Strathmore and Oak Park into a more natural and enjoyable public space. The project will be due for completion in 2024 and will remove the concrete walls along both sides of the creek, which were originally poured in 1977, to be replaced with more natural appearing rock work. It will cover the concrete base of the channel with rock work to create a meandering creek with low flows and give it a more natural look and feel. The creation of new shared paths and a new bridge, the construction of a pond and terracing near Oak Park Reserve and these renaturalisation works will result in a more appealing creekside environment where people can interact with nature in a cooler and healthier environment; provide improved water quality and waterway health by slowing water flows; improve biodiversity and habitat for native species; and activate open space and better active transport connections for improved community use and recreation in the area, including for pedestrians and cyclists.

I welcome the minister's update as my community is interested to learn more about these new opportunities for other creek corridors that we can potentially support, including through Labor's \$10 million commitment for a new protecting our waterways fund and our commitment to introducing new planning controls across 12 key rivers and creeks in Melbourne to create wildlife corridors, protect waterways and restore the natural environment. I look forward to receiving this information so I can share it with my community, and I welcome the minister to visit my electorate, visit my local creeks and talk to my local environmental groups, who are so passionate about each and every one of these beautiful waterways.

#### **City of Manningham Catholic schools**

**Matthew GUY** (Bulleen) (17:33): (220) My matter tonight is for the Minister for Education, and it concerns the government's plans to introduce payroll tax on a number of independent and Catholic schools in the City of Manningham. The City of Manningham is full of many people who are

aspirational people – Australians who have worked very, very hard to get their families ahead and to give their children the best education they can for themselves and in their lives. In the City of Manningham many new communities, particularly Australians who have migrated from overseas who work very, very hard at two or three jobs to scrimp and save to get their kids ahead, certainly value their children's education as much as they can, and they will pay what they can to send their kids to schools in Manningham that will, under the current draft strategies, fall under the government's new payroll tax regime.

I am particularly focusing on the schools of Marcellin College and Whitefriars College. These are not schools that the government has identified as top-end schools – the top end of town or whatever the government's class warfare language is. These are hardworking Catholic schools that provide education to kids predominantly in the City of Manningham, right across through Wonga Park, through Bulleen, to Doncaster, Templestowe, Doncaster East, Warrandyte and Donvale. These schools are fed by a lot of Catholic primary schools like St Charles Borromeo or indeed St Gregory the Great, who are also now worried that they may come under attack and have to pay payroll tax under this government's disgraceful regime to target our Catholic school system and independent school system.

So the action item I seek from the Minister for Education is very, very clear: exempt Marcellin College and exempt Whitefriars College from this ridiculous attack on Catholic and independent schools and allow those communities who live in the City of Manningham to get ahead and to give their kids the education they have worked so hard to give them.

### Responses

**Mary-Anne THOMAS** (Macedon – Leader of the House, Minister for Health, Minister for Health Infrastructure, Minister for Medical Research) (17:35): The member for Berwick raised a matter for the attention of the Treasurer, and the action that he seeks is that the Treasurer release to him data in relation to the economic development opportunities that exist in the south-east, including his electorate, and indeed the opportunity perhaps for an airport. The member for Glen Waverley raised a matter for the attention of the Minister for Housing. The action that the member seeks is that the minister join him to look at the Vermont South social housing development, and the member talked to the importance of the government's Big Housing Build project and the benefit that it will have for his constituents.

The member for Narre Warren North raised a matter for the attention of the Minister for Police, and the action that the member sought was that the minister come and join her, visit the Endeavour Hills police station and take the opportunity to meet with the hardworking local police there, who do so much for her community and to keep her community members safe. The member for Eildon raised a matter for the attention of the Minister for Roads and Road Safety, and the action that the member seeks is that the minister fix the roads in her electorate, with specific emphasis on the Melba Highway.

The member for Albert Park raised a matter for the attention of the Minister for Small Business, and the action that the member seeks is that the minister join her to visit the very many wonderful small businesses and the traders in Clarendon Street in South Melbourne. I am sure that that is an opportunity that the minister would relish – that is, the opportunity to spend time both with you, member for Albert Park, and of course with the traders down there in South Melbourne. The member for Gippsland South raised a matter for the Minister for Energy and Resources, and I think that the minister will, again, enjoy responding to this matter, because I am sure she will love the opportunity to outline the ways in which the offshore wind industry can deliver benefits and will deliver benefits to the member's constituents in Gippsland South.

The member for Ringwood raised a matter for the attention of the Minister for Transport and Infrastructure, and the action he seeks is that the minister joins him on a train ride – why not? – a level-crossing-free train ride from Ringwood into the CBD. I will make sure that the minister knows all

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about that. The member for Richmond, who I note has now left the chamber, wants to meet with the Minister for Consumer Affairs to discuss renters in her community.

The member for Pascoe Vale raised a matter for the attention of the Minister for Water, and the member took the opportunity to share with us his great passion for the natural environment in his electorate and the real enthusiasm that he has for caring for and protecting the waterways and creeks in the electorate of Pascoe Vale. He is seeking information from the Minister for Water to bring him up to speed on all that is happening, as well as looking to what more can be done to protect the waterways for his constituents now and into the future. The member for Bulleen raised a matter for the Minister for Education, and the action that he seeks is for the minister to take action in relation to the impact that the budget and the removal of the payroll tax exemption on non-government schools will have in his electorate, particularly in the City of Manningham.

I will refer all those matters to the relevant ministers for their attention.

**The DEPUTY SPEAKER:** The house now stands adjourned until our next sitting day.

**House adjourned 5:40 pm.**